



Board of Commissioners

Agenda and Materials

September 17, 2021

**STATE BAR OF MICHIGAN
BOARD OF COMMISSIONERS
FRIDAY, SEPTEMBER 17, 2021
VIRTUAL MEETING
9:30 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..... Robert J. Buchanan President

CONSENT AGENDA

- II. **Minutes**
A. July 23, 2021 Board of Commissioners meeting*
B. July 13, 2021 Executive Committee meeting*
C. August 17, 2021 Executive Committee meeting*
- III. **President’s Activities**..... Robert J. Buchanan, President
A. Recent Activities*
- IV. **Executive Director’s Activities**..... Janet K. Welch, Executive Director
A. Recent Activities*
- V. **Finance**..... Joseph P. McGill, Chairperson
A. FY 2021 Financial Reports through July 2021*
- VI. **Professional Standards** Daniel D. Quick, Chairperson
A. Client Protection Fund Claims*
B. Unauthorized Practice of Law Claims**
- VII. **Public Policy**..... Dana M. Warnez, Chairperson
A. Model Criminal Jury Instructions*

LEADERSHIP REPORTS

- VIII. **President’s and Executive Director’s Report** Robert J. Buchanan, President
Janet K. Welch, Executive Director
- A. Work Group Reports
1) Executive Director’s Search
2) Operations, Structure, and Governance
3) Strategic Planning
Recommendations*
4) Sections
- B. Michigan State Bar Foundation Lease Renewal**

- IX. **Representative Assembly Report** Chelsea M. Rebeck, Chairperson
A. September 18, 2021, Meeting

- X. **Young Lawyers Section Report** Samantha J. Orvis, Chairperson

COMMISSIONER COMMITTEES

- XI. **Finance** Joseph P. McGill, Chairperson
A. Financial Report
B. FY 2021 Budget Amendment*
C. IT Contractor Exception Letter**

- XII. **Audit** Joseph P. McGill Chairperson

- XIII. **Professional Standards** Daniel D. Quick, Chairperson
A. Pro Hac Vice Amendments**

- XIV. **Communications and Member Services** James W. Heath, Chairperson

- XV. **Public Policy** Dana M. Warnez, Chairperson
A. Court Rules**
B. Legislation**

FOR THE GOOD OF THE PUBLIC AND THE PROFESSION

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

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

- XVIII. **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 Buchanan called the meeting to order at 9:35 a.m. on Friday, July 23, 2021.

Commissioners present:

Danielle Mason Anderson
David C. Anderson
Kristina A. Bilowus
Robert J. Buchanan, President
Erika L. Butler
Hon. Clinton Canady III
Hon. B. Chris Christenson
Thomas P. Clement
Josephine A. DeLorenzo
Robert A. Easterly
Lisa J. Hamameh
James W. Heath, Vice President
Thomas H. Howlett
Suzanne C. Larsen

James W. Low
Gerrow D. “Gerry” Mason
E. Thomas McCarthy Jr.
Joseph P. McGill, Treasurer
Takura N. Nyamfukudza
Nicholas M. Ohanesian
Samantha J. Orvis
Hon. David A. Perkins
Barry R. Powers
Daniel D. Quick, Secretary
Thomas G. Sinas
Dana M. Warnez, President-Elect
Hon. Erane C. Washington
Ryan Zemke

Commissioners absent:

Sarah E. Kuchon
Chelsea M. Rebeck

Valerie R. Newman
Mark A. Wisniewski

State Bar staff present:

Janet Welch, Executive Director
Margaret Bossenbery, Executive Coordinator
Nancy Brown, Assistant Executive Director
Gregory Conyers, Program Director, Diversity Development Program
Peter Cunningham, Assistant Executive Director and Director, Governmental Relations
Darin Day, Program Director, Outreach
Michelle Erskine, Research Assistant & Event Specialist
Katherine Gardner, UPL Counsel
Tatiana Goodkin, Chief Financial Officer
Kathryn Hennessey, General Counsel
Joseph Kelly, Database Administrator
Robert Mathis, Pro Bono Services & Justice Initiatives Counsel
Molly Ranns, Director, Lawyers & Judges Assistance Program
Marjory Raymer, Communications Director
Carrie Sharlow, Administrative Assistant
Janna Sheppard, Administrative Assistant
Jeanette Socia, Human Resources Director
Kari Thrush, Program Director, Lawyer Services
Anne Vrooman, Program Director, Research & Development
Meng Xiong, IT Director

Consent Agenda:

The Board received the minutes from the June 11 Board meeting.
The Board received the minutes from the June 1, 2021, Executive Committee meetings.
The Board received the recent activities of the president.
The Board received the recent activities of the executive director.
The Board received the FY 2021 financial reports through May 2021.
The Board received the Client Protection Fund claims.
The Board received the Model Criminal Jury instructions.
The Board received the Elder Law and Disability Rights Section bylaw amendments.

Mr. Buchanan 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.

OFFICER ELECTIONS FOR 2021-2022 BAR YEAR

- Mr. Buchanan informed the Board that Ms. Hamameh submitted her name for the position of treasurer of the State Bar for the 2021-22 Bar year. Mr. Buchanan asked if there were any nominations from the floor. Hearing none, Mr. Buchanan asked for a motion to close the nominations. A motion was offered, supported, and approved. Mr. Buchanan stated that the nominations were closed, and that Ms. Hamameh was elected as treasurer of the State Bar for the 2021/22 Bar year.
- Mr. Buchanan asked for a motion to elect Ms. Warnez as president of the State Bar for the 2021-22 Bar year. A motion was offered and supported to elect Ms. Warnez as president of the State Bar of Michigan for the 2021-22 Bar year. Mr. Buchanan asked for a motion to close the nominations. A motion was offered, supported, and approved. Mr. Buchanan stated that the nominations were closed. The motion to elect Ms. Warnez as president was approved.
- Mr. Buchanan asked for a motion to elect Mr. Heath as president-elect of the State Bar for the 2021-22 Bar year. A motion was offered and supported to elect Mr. Heath as president-elect of the State Bar of Michigan for the 2021-22 Bar year. Mr. Buchanan asked if there were any nominations from the floor. Hearing none, he stated that the nominations were closed. The motion to elect Mr. Heath as president-elect was approved.
- Mr. Buchanan asked for a motion to elect Mr. Quick as vice president of the State Bar for the 2021-22 Bar year. A motion was offered and supported to elect Mr. Quick as vice president of the State Bar of Michigan for the 2021-22 Bar year. Mr. Buchanan asked if there were any nominations from the floor. Hearing none, he stated that the nominations were closed. The motion to elect Mr. Quick as vice president was approved.
- Mr. Buchanan asked for a motion to elect Mr. McGill as secretary of the State Bar for the 2021-22 Bar year. A motion was offered and supported to elect Mr. McGill as secretary of the State Bar of Michigan for the 2021-22 Bar year. Mr. Buchanan asked if there were any nominations from the floor. Hearing none, he stated that the nominations were closed. The motion to elect Mr. McGill as secretary was approved.

LEADERSHIP REPORTS

President and Executive Director's Report: Robert J. Buchanan, President and Janet K. Welch, Executive Director

Committee Reports

Executive Director Search Work Group

Ms. Warnez provided the Board with an update of the work of the Executive Director Search work group

Operations, Structure, and Governance Special Committee

Mr. Quick provided the Board with an update on the work of the Operations, Structure, and Governance Special Committee.

Strategic Planning Committee

Mr. Howlett provided the Board with an update on the work of the Strategic Planning Committee.

Dissolution of Sections

Ms. Welch asked Mr. Day to review the memo distributed to the Board regarding the proposed process for the dissolution of sections.

A motion was offered to support the criteria and process for the dissolution of sections described in the memo. The motion was seconded and approved.

Presidential Support and Spousal/Guest Reimbursement

Ms. Welch reviewed the memo distributed to the Board about eliminating the current presidential support and spousal/guest reimbursement policy.

A motion was offered to eliminate the current presidential stipend and spousal/guest reimbursement. The motion was seconded and approved.

Ms. Welch stated that presidents can submit an itemized list of costs incurred by their firm that are associated with their role as president with a limit of \$5K.

Ms. Welch reported on these items:

- SOLACE and Attorney Wellness. Ms. Ranns and Mr. Mathis provided the Board with an update on the SOLACE program, which will be launched next week. Ms. Ranns reported that the MI Supreme Court is forming a Task Force on Attorney Wellness, which is anticipated to be up and running in the fall.
- New Commissioner Section workgroup. Ms. Welch stated that plans are underway to appoint a chair of this work group and identify the scope of work.
- Task Force on One-Person Grand Jury. Ms. Welch stated that we are identifying potential members for this group.
- Justice for All Commission. Ms. Welch reported that the SBM is one of the three entities deeply involved in the JFA Commission. Because of the activity of the Commission, Michigan has been invited to participate at a Summit of Western States convened through the Conference of Chief Justices and Council of State Court Administrators in September. Justice Zahra, State Court

Administrator Tom Boyd, and Ms. Welch will attend. The focus of the conference is *Regulatory Reform and New Ways to Deliver Legal Services*, and she looks forward to providing an update at the September meeting. Ms. Welch stated that Mr. Quick has been following this issue for a long time. Mr. Quick suggested that perhaps this topic should be discussed with the Board at the September meeting.

- ABA update. Ms. Welch reported that SBM Past President Reginald Turner is being inaugurated as resident of the ABA at its annual meeting in August, which will take place in a hybrid format. She also reported that after she leaves the employment of the SBM in January she will continue to be on the House of Delegates for two years as the National Association of Bar Executives representative.
- Introduction of SBM staff. Mr. Cunningham introduced IT Director Mr. Meng Xiong and Communications Director Ms. Marjory Raymer.
- September 2021 Inaugural & Awards Luncheon and Board meeting. Ms. Welch reported that a venue has been secured and arrangements are being made for a September Awards and Inaugural Luncheon and the Board meeting, which will be at the Inn at St. Johns in Plymouth.

Representative Assembly (RA) Report: Chelsea Rebeck, Chairperson

In Ms. Rebeck's absence, Mr. Ohanesian reported that nominations for RA clerk position have closed, and proposals have been submitted for the September RA meeting.

Young Lawyers Section (YLS) Report: Samantha Orvis, Chairperson

Ms. Orvis provided the Board with an update on past and upcoming programs, stated that two representatives of the YLS will attend the ABA annual meeting, and there is a vacancy in District 2.

COMMISSIONER COMMITTEES

Finance: Joseph P. McGill, Chairperson

Mr. McGill reviewed the FY 2020 financial results through April 2021.

FY 2022 Budget

Mr. McGill, Ms. Welch, and Ms. Goodkin provided the Board with a PowerPoint presentation describing what is included in the FY 2022 budget. A motion was offered to approve the FY 2022 budget. The motion was seconded and approved.

Audit: Joseph P. McGill, Chairperson

There was no report provided.

Professional Standards: Daniel D. Quick, Chairperson

Institute for Continuing Legal Education (ICLE) Executive Committee

A motion was offered to reappoint Hon. Michael Riordan to the ICLE Executive Committee. The motion was seconded and approved.

Michigan Indian Legal Services (MILS) Board of Trustees

A motion was offered to appoint Kristen M. Carlson and Tanya S. Wanageshik to the MILS Board of Trustees. The motion was seconded and approved.

Proposed Pro Hac Vice Amendments

No action was taken on this item.

Communications and Member Services (CAMS): James W. Heath, Chairperson

Mr. Heath reported on the activities of the Rule of Law Committee and stated that more information will be presented at a future meeting.

Public Policy: Dana M. Warnez, Chairperson

Court Rules

ADM File No. 2021-12: Proposed Amendments of MCR 2.117, 3.708, 3.951, 6.005, 6.104, 6.445, 6.610, 6.625, 6.905, 6.907, 6.937, and 6.938

The proposed amendments would generally shift the responsibility for appointment of counsel for an indigent defendant in a criminal proceeding to the local funding unit's appointing authority. These proposed amendments were submitted by the Michigan Indigent Defense Commission and are intended to implement recently approved Standard Five of the MIDC Standards.

A motion was offered to support this court rule with the recommendation that when the appointing authority assigns an individual attorney, that attorney should file their appearance indicating that they are now the attorney of record. The motion was seconded and approved.

ADM File No. 2020-36: Proposed Amendment of MCR 3.945 and Proposed Addition of MCR 3.947

The proposed amendment of MCR 3.945 and the proposed addition of MCR 3.947 would make procedural changes involving the placement of foster care children in a qualified residential treatment program as required by newly enacted 2021 PA 5.

A motion was offered to support the proposed court rule. The motion was seconded and approved.

ADM File No. 2019-06: Proposed Amendments of MCR 6.302 and 6.310

The proposed amendment of MCR 6.302 would eliminate the Court's previously adopted language requiring a trial court to advise defendant whether the law permits or requires the court to sentence defendant consecutively.

This language was added following the Court's opinion in *People v Warren*. However, in considering the practical application of that language, it may be more appropriate to allow a defendant to withdraw a plea under MCR 6.310 if such advisement is not given rather than require an advisement in all cases. Thus, the proposal would add language providing for such an outcome in MCR 6.310 instead of imposing an advisement in all cases under MCR 6.302.

A motion was offered to oppose the proposed court rule. The motion was seconded and approved.

ADM File No. 2021-14: Proposed Administrative Order No. 2021-X

This administrative order would make it mandatory for all courts to submit case information to the Judicial Data Warehouse in a uniform manner as required by SCAO.

A motion was offered to support the proposed administrative order. The motion was seconded and approved.

ADM File No. 2021-15: Addition of MCR 8.128

The addition of MCR 8.128 establishes the Michigan Judicial Council to strategically plan for Michigan's judiciary.

A motion was offered to support the addition of MCR 8.128. The motion was seconded and approved.

ADM File No. 2019-34: Proposed Amendments of Rule 2, 3, 4, 5, 6, and 7 and Proposed Addition of Rule 3a and Rule 4a of the Rules for the Board of Law Examiners

The proposed amendments would implement a Uniform Bar Examination in Michigan.

A motion was offered to support the proposed court rule. The motion was seconded and approved.

Other

Michigan Trial Courts: Lessons Learned from the Pandemic of 2020-2021 – Findings, Best Practices, and Recommendations

A motion was offered to authorize and encourage sections and committees to submit their comments directly to the SCAO, and for the State Bar to encourage SCAO to give careful consideration to the comments submitted on the presumptive use of videoconferencing for non-evidentiary matters. The motion was seconded and approved.

FOR THE GOOD OF THE PUBLIC AND THE PROFESSION

Comments or questions from Commissioners

There were none.

Comments or questions from the public

There were none.

A motion was offered to go into a closed session to discuss litigation. The motion was seconded and approved.

The Board went into closed session at 11:18 a.m. Ms. Welch, Mr. Cunningham, and Ms. Hennessey from the SBM staff were also asked to join the closed session.

The Board went into open session at 12:22 p.m.

Adjournment

The meeting was adjourned at 12:23 p.m.

State Bar of Michigan
Executive Committee Virtual Meeting
Tuesday, July 13, 2021
4:00 p.m.

Call to Order: President Buchanan called the meeting to order at 4:01 p.m.

Members Present: President Robert J. Buchanan; President-Elect Dana Warnez; Vice President James W. Heath; Secretary Daniel D. Quick; Treasurer Joseph P. McGill; Representative Assembly Chair Chelsea M. Rebeck; Representative Assembly Vice Chair Nicholas M. Ohanesian; and Commissioners Erika L. Butler, Lisa J. Hamameh, and Thomas H. Howlett

State Bar Staff Present: Janet Welch, Executive Director; Margaret Bossenbery, Executive Coordinator; Nancy Brown, Assistant Executive Director; Darin Day, Outreach Program Director; Tatiana Goodkin, Finance Director; and Kathryn Hennessey, General Counsel

Minutes from the June 1, 2021, Executive Committee Meeting

A motion was offered to approve the minutes from the June 1, 2021, Executive Committee meeting. The motion was seconded and approved.

President and Executive Director's Report

Ms. Welch reported that Ms. Marjorie Raymer has been hired as the new communications director and will be introduced at the July 23 Board meeting.

Ms. Welch and Ms. Hennessey provided the committee members with an update on recent opinions issued in federal litigation cases. Ms. Welch stated there will be a closed session at the July 23 Board meeting.

Ms. Welch reported she has been invited by the chief justice to attend the 2021 CCJ/COSCA Western Region Summit, Regulatory Reform and New Ways to Deliver Legal Services, in Santa Fe at the end of August, along with Justice Brian Zahra, and State Court Administrator Tom Boyd.

Ms. Welch stated that the Supreme Court issued two orders this week in response to recommendations made by the State Bar from the Representative Assembly (RA). The Court rejected without comment the recommended change in the rules of professional conduct about invidious discrimination. The Court declined to adopt the RA recommendation on a humanitarian exception to the MRPC rule on gifts to clients and asked for a more nuanced recommendation. We will convene a meeting of the chairs of the committees who were interested in the RA proposal to see if they can work out a consensus response to that request.

Ms. Welch reported that the Court has indicated that as they consider the RA request for a fee increase, they will be considering a fee increase for the discipline system.

Mr. Buchanan asked for status reports from the special committees and work groups working on projects for the Board.

Ms. Warnez reported that Ms. Derrico, the consultant working with the Executive Director Search Work Group, held an introductory meeting earlier this month. Work on finalizing the position description is continuing, and the work group will meet again soon to review the final document.

Mr. Quick reported that the status of the work of the Operations, Structure, and Governance Special Committee had not changed since the June 11 meeting. Ms. Welch noted that she has asked Ms. Bossenbery to schedule a meeting with the RA officers, Dan, Julie Fershtman, and herself.

Mr. Howlett reported that the Strategic Planning Committee met after the June 11 Board retreat to discuss some of what was learned from the afternoon session. He said that the committee is waiting for the results from similar discussions taking place with board members who were not present at the in-person meeting in June. The committee is considering how to make suggestions to the Board on SBM priorities for next year that fit within the current strategic plan, considering what it has been through the past year. He said the committee is also looking to suggest ways to measure SBM effectiveness. The committee will schedule at least one more meeting before the end of the bar year and plans to present a report at the September meeting.

Proposed Dissolution of Sections Summer 2021

Ms. Welch stated that while this item is not an action item today, it is on the draft July Board meeting agenda for Board consideration. Several sections meet the criteria for possible dissolution based on the policy adopted by the Board in 2020. Receiving a recommendation from the Executive Committee would be helpful; only the Board can dissolve a section. The online fee application will be published soon and if action is not taken the section names will once again appear as member options.

Mr. Day reviewed the memo the EC received on section dissolution. Three sections meet the Board criteria for dissolution consideration. Every effort was made to contact the leadership of these sections to determine if there was any interest in revitalizing the section and make it compliant with the rules.

A motion was offered to have staff develop a process on how to dissolve a section, to be brought before the entire Board for its consideration. Included in the process should be a provision that all section members be notified before any action is taken on dissolution. The process will become effective in time for next year's fee cycle. The motion was seconded and approved.

Work Group Regarding Sections

Ms. Welch reported that the work group will meet soon after the July Board meeting and discuss the scope of its work. Ms. Welch stated there were 15 volunteers for the work group and that Mr. Buchanan would appoint a chair of the committee before the meeting.

Ms. Welch informed the committee that a member has requested to purchase an ad in the *Michigan Bar Journal* to publish an extended message about articles in the June Bar Journal. A response to his request is being discussed.

President's Spouse/Guest Reimbursement and Payment Issues

Mr. Buchanan and Ms. Welch reported on the memo that the committee received on these two policies.

A motion was offered to recommend to the entire Board that both the presidential stipend and the spousal reimbursement policies be eliminated. The motion was seconded and approved.

A motion was offered to recommend that the Board also adopt a formal policy to allow presidents to submit up to \$5,000 for administrative business expenses that occur during their year. All accounting principles would be followed. The motion was seconded and approved.

Representative Assembly (RA)

Ms. Rebeck stated that she looks forward to the September meeting, there is one proposal on the agenda, and that nominations for the position of clerk are being accepted.

July 23, 2021, Board of Commissioners Meeting Agenda

A motion was offered to add items the Board adopted during today's meeting and approve the agenda for the July 23, 2021, Board of Commissioners meeting. The motion was seconded and approved.

Other

No other business.

Adjournment

The meeting was adjourned at 5:35 p.m.

**State Bar of Michigan
Executive Committee Virtual Meeting
Tuesday, August 17, 2021
4:00 p.m.**

Call to Order: President Buchanan called the meeting to order at 4:03 p.m.

Members Present: President Robert J. Buchanan; President-Elect Dana Warnez; Vice President James W. Heath; Secretary Daniel D. Quick; Treasurer Joseph P. McGill; Representative Assembly Vice Chair Nicholas M. Ohanesian; and Commissioners Erika L. Butler and Thomas H. Howlett

Members Absent: Representative Assembly Chair Chelsea M. Rebeck and Commissioner Lisa J. Hamameh

State Bar Staff Present: Janet Welch, Executive Director; Margaret Bossenbery, Executive Coordinator; Nancy Brown, Assistant Executive Director; and Kathryn Hennessey, General Counsel

Minutes from the July 13, 2021 Executive Committee Meeting

A motion was offered to approve the minutes from the July 13, 2021 Executive Committee meeting. The motion was seconded and approved.

President and Executive Director's Report

Ms. Welch reported that staff is preparing for the Committee Appointment Day with Ms. Warnez, that the in-person Awards and Inaugural Luncheon planned for September 17 has been postponed to later in the year when there is greater certainty about how to successfully carry out safe celebratory in-person events, that the 2021-22 officers and commissioners would be sworn in virtually by the Chief Justice during their first meeting, and there is no financial obligation on the part of the State Bar because of the cancellation of event.

Ms. Welch stated that we will proceed with a hybrid RA meeting at the Lansing Center on September 18 and that Ms. Rebeck has asked members not vaccinated to participate virtually. She reported that to date 40 members have indicated that they will attend in person and 70 will participate virtually.

- Mr. Buchanan asked for status reports from the special committees and work groups working on projects for the Board.
- Ms. Warnez reported that the position description for the Executive Director position has been posted and that she is waiting for an update from Ms. Derrico.
- Mr. Quick reported that a meeting is scheduled for Friday, August 20 with the RA Officers, Janet, Julie Fershtman, and himself.
- Mr. Howlett reported that the Strategic Planning Committee is meeting on Thursday, August 26.

- Ms. Butler, Chair of the new Commissioner Sections Committee, reported no meeting has been scheduled.

Representative Assembly (RA)

Mr. Ohanesian stated there is one proposal on the agenda for the September 18 RA meeting.

Other

Mr. Quick inquired about a possible officer's retreat. Ms. Warnez reported that she planned to meet with the officers at perhaps quarterly dinners rather than have an individual retreat. She stated that she is working with staff on planning a Board retreat the night before the November Board meeting. She plans to switch the virtual meeting planned for November with the in-person meeting in January to make this happen.

Adjournment

The meeting was adjourned at 4:25 p.m.

President Robert J. Buchanan
President's Activities
July 23 through September 17, 2021

Date	Event	Location
August 5	Executive Director Search Workgroup meeting	Virtual
August 7 to 10	ABA Annual Meeting and Board of Governors meetings	Chicago, IL
August 10	Meeting with Executive Director Janet Welch and President-Elect Danez Warnez	Virtual
August 17	Executive Committee meeting	Virtual
August 25	Justice for All Commission, Reimaging Courthouses Workgroup meeting	Virtual
August 26	Muskegon County Bar Association meeting	Muskegon
September 9	Michigan Association for Justice executive board meeting	Southfield
September 3	Meeting with Executive Director Janet Welch	Telephone
September 8	Executive Committee meeting	Virtual
September 13	Justice for All Commission meeting	Virtual
September 15	Justice for All Commission, Regulatory Practice Reform Workgroup meeting	Virtual
September 17	Board meeting	Virtual

**Executive Director Janet K. Welch
Executive Director Activities
July 24 through September 18, 2021**

Date	Event
July 26	Integrated Bar Executive Directors Meeting
July 26	Meeting with John Meyers, Exec. Dir. Kentucky Bar Association
July 26	Meeting with Mark Armitage (ADB) and Mike Goetz (AGC)
July 27	All Staff meeting
July 29	ADS/SBM Financial Projections meeting
July 29	Meeting with (retired) Judge Lowell Ulrich
August 2 – 3	National Conference of Bar Presidents Annual Meeting NCBP Regulatory Updates panel member
August 5	Executive Director Search Work Group meeting
August 9	Meeting with President Rob Buchanan and President-Elect Dana Warnez
August 9 - 10	American Bar Association Annual Meeting House of Delegates meeting
August 10	Meeting with RA officers
August 11	Cloudlaw meeting
August 11	ABA Standing Committee on Bar Activities and Services (SCOBAS) meeting
August 17	Meeting with Trey Apffel, Executive Director, State Bar of Texas
August 17	Meeting with Josh Doyle, Executive Director, The Florida Bar
August 17	Meeting with Secretary Dan Quick
August 17	Executive Committee meeting
August 18	Meeting with Commissioner Erika Butler
August 18	International Working Group - Transition after Pandemic Restrictions
August 19	Meeting with President-Elect Dana Warnez
August 20	Committee Appointment Day
August 20	Meeting with RA Officers, Dan Quick, and Julie Fershtman
August 20	JFA Technology and Data Sharing Committee meeting
August 23	ABA Day Planning committee meeting
August 24	All Staff meeting

Date	Event
August 24	Meeting with Chief Justice Bridget McCormack
August 26	Strategic Planning Committee meeting
August 26	JFA Executive Committee meeting
August 26	Meeting with Utah State Bar
August 25	Webinar – Overview of Legal Regulatory Reform in the United States
August 27	Utah State Bar Retreat Presentation
September 1 – 4	2021 CCJ/COSCA Western Region Summit Regulatory Reform and New Ways to Deliver Legal Services
September 7	Meeting with Ken Mogill
September 8	Meeting with Justice Brian Zahra
September 8	Executive Committee meeting
September 10	Judicial Section meeting
September 10	JFA Delivery Committee meeting
September 13	JFA Commission meeting
September 15	International Working Group - Transition after Pandemic Restrictions
September 15	Meetings with JFA Regulatory and Practice Reform Work Group meeting
September 15	Audit Committee meeting
September 15	Finance Committee meeting
September 15	Public Policy Committee meeting
September 16	JFA Executive Committee meeting
September 16	Judge Michelle Rick Investiture
September 17	Professional Standards Committee meeting
September 17	Board meetings
September 17	JFA Technology and Data meeting
September 18	Representative Assembly meeting

State Bar of Michigan Financial Results Summary

For the Ten Months Ended July 31, 2021

Fiscal Year 2021

Administrative Fund - Summary of Results as of July 31, 2021

Operating Revenue	\$7,745,452
Operating Expense	<u>\$8,216,218</u>
Operating Loss	(\$470,766)
Non-Operating Income	<u>\$952,888</u>
Change in Net Position	<u><u>\$482,122</u></u>
Net Position, October 1, 2020	\$11,571,907
Net Position, June 30, 2021	<u><u>\$12,054,029</u></u>

As of July 31, 2021, Net Position excluding Retiree Healthcare Trust was \$8,726,259, a decrease of \$456,392 since the beginning of the year. However, the decrease was **favorable** to budgeted amounts by \$1,049,791.

YTD Operating Revenue variance - \$38,851 favorable to budget (0.5%):

Operating revenue was favorable to budget primarily due to higher late fees, driving the overall positive variance. Revenues in C&F, Directory and Print Center were lower than budget due to lower bar exam applications and lower demand for printing services, moving the member directory on-line and loss of some advertising revenues. Cancellation of BLF/UML events also resulted in loss of revenue.

YTD Operating Expense variance - \$1,027,120 favorable to budget (11.1%):

Salaries and Employee Benefits/ Payroll Taxes – \$429,644, favorable (7.0%)

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

Non-Labor Operating Expenses - \$597,476, favorable (19.1%)

- Legal - \$23,978, favorable (19.1%) – Under budget primarily in UPL, Ethics and General Counsel.
- Public and Bar Services - \$169,987, favorable (21.3%) – Under budget primarily due to timing in Outreach, 50 Year Celebration, LJAP, and cancellation of UMLI and BLF.
- Operations and Policy - \$403,511, favorable (18.3%) – Under budget primarily in BJ 11, Website, Print Center, Media, RA, Executive Office, BOC, Financial Services, and Facilities, some due to timing of expenses.

YTD Non-Operating Revenue Budget Variance - \$874,555 favorable to budget:

- Operating investment income is unfavorable to budget by \$16,180 (20.7%) due to lower interest rates.
- Retiree Health Care Trust net investment income is favorable by \$890,735 due to investment gain (this amount is not budgeted).

Cash and Investment Balance

As of July 31, 2021, 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 \$7,179,986, a decrease of \$305,426 so far in FY 2021.

SBM Retiree Health Care Trust

As of July 30, 2021, the SBM Retiree Health Care Trust investments were \$4,787,677, an increase of \$938,513 since the beginning of the year and consisted of trust income of \$904,940, SBM contributions of \$47,778 and paid advisor fees of \$14,205.

Capital Budget

As of July 31, 2021, YTD capital expenditures totaled \$310,710 which is under the annual capital budget by \$94,290 due to timing of projects.

Client Protection Fund

The Net Position of the Client Protection Fund as of July 31, 2021, totaled \$2,213,918, an increase of \$182,208 so far in FY 2021. Claims expenses recorded this year totaled \$280,886, including \$58,730 in approved claims awaiting signed subrogation agreements.

SBM Membership

As of July 31, 2021, the active, inactive and emeritus membership in good standing totaled 46,505 attorneys, a net increase of 185 attorneys since the beginning of the year; the number

of paying attorneys increased by 95. A total of 816 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, 2021**

FY 2021

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

State Bar of Michigan
Statement of Net Position
Administrative Fund
For the Ten Months Ending July 31, 2021

	6/30/2021	7/31/2021	Increase (Decrease)	%	Beginning of FY 2021 10/1/20
ASSETS AND DEFERRED OUTFLOWS					
Cash	\$3,680,015	\$2,617,616	(\$1,062,398)	(28.9%)	\$2,555,783
Investments	7,629,540	7,879,540	250,000	3.3%	7,593,526
Accounts Receivable	43,644	30,208	(13,436)	(30.8%)	256,921
Due from ADS	-	-	-	0.0%	75,128
Due from (to) CPF	(240)	(338)	(97)	40.6%	(44,159)
Due to Sections	(3,377,033)	(3,316,833)	60,201	(1.8%)	(2,619,740)
Prepaid Expenses	426,931	364,184	(62,747)	(14.7%)	352,958
Capital Assets	3,409,242	3,381,331	(27,911)	(0.8%)	3,555,659
SBM Retiree Health Care Trust	4,773,338	4,787,677	14,339	0.3%	3,849,164
Total Assets	\$16,585,436	\$15,743,386	(\$842,050)	(5.1%)	\$15,575,240
Deferred outflows of resources related to pensions	36,627	36,627	-	0.0%	36,627
Deferred outflows of resources related to OPEB	448,630	448,630	-	0.0%	448,630
Total Deferred outflows of resources	485,257	485,257	-	0.0%	485,257
Total Assets and Deferred Outflows of Resources	17,070,693	16,228,643	(842,050)	(4.9%)	16,060,497
LIABILITIES, DERERRED INFLOWS AND NET POSITION					
Liabilities					
Accounts Payable	\$15	\$24	\$9	58.7%	\$280,767
Accrued Expenses	608,636	620,677	12,041	2.0%	559,657
Deferred Revenue	1,859,105	1,265,944	(593,160)	(31.9%)	1,360,196
Net Pension Liability	364,363	364,363	-	0.0%	364,363
Net OPEB Liability	1,581,433	1,581,433	-	0.0%	1,581,433
Total Liabilities	4,413,551	3,832,441	(581,110)	(13.2%)	4,146,416
Deferred Inflows of resources related to pensions	15,069	15,069	-	0.0%	15,069
Deferred Inflows of resources related to OPEB	327,105	327,105	-	0.0%	327,105
Total Deferred inflows of resources	342,174	342,174	-	0.0%	342,174
Total Liabilities and Deferred Inflows	4,755,725	4,174,615	(581,110)	(12.2%)	4,488,590
Net Assets					
Invested in Capital Assets, Net of Related Debt	3,409,242	3,381,331	(27,911)	(0.8%)	3,555,659
Restricted for Retiree Health Care Trust	3,313,430	3,327,769	14,339	0.4%	2,389,256
Unrestricted	5,592,297	5,344,929	(247,367)	(4.4%)	5,626,992
Total Net Position	12,314,968	12,054,028	(260,940)	(2.1%)	11,571,907
Total Liabilities, Deferred Inflows and Net Position	\$17,070,693	\$16,228,643	(\$842,050)	(4.9%)	\$16,060,497
Net Position excluding the impacts of retiree health care	9,001,538	8,726,259	(275,279)	(2.6%)	9,182,651
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 \$7,179,986 (see below)					
CASH AND INVESTMENT BALANCES					
Cash (including CD's and Money Market)	\$3,680,015	\$2,617,616	(\$1,062,398)	(28.9%)	\$2,555,783

	6/30/2021	7/31/2021	Increase (Decrease)	%	Beginning of FY 2021 10/1/20
Investments	7,629,540	7,879,540	250,000	3.3%	7,593,528
Total Available Cash and Investments	11,309,555	10,497,157	(812,398)	(7.2%)	10,149,310
Less:					
Due to Sections	3,377,033	3,316,833	(60,201)	(1.8%)	2,619,740
Due to CPF	240	338	97	40.6%	44,159
Due to Sections and CPF	3,377,273	3,317,170	(60,103)	(1.8%)	2,663,899
Net Administrative Fund Cash and Investment Balance	7,932,282	7,179,986	(752,295)	(9.5%)	7,485,412

State Bar of Michigan
Statement of Revenue, Expense, and Net Assets
Administrative Fund
For the Ten Months Ending July 31, 2021

	Actual YTD	Budget YTD	Variance	Percentage	Prior Year YTD	Variance	Percentage
Revenue							
Legal							
Ethics	\$7,050	\$6,700	\$350	5.22%	\$5,890	\$1,160	19.69%
Character & Fitness	304,910	349,083	(44,173)	(12.65%)	313,715	(8,805)	(2.81%)
Legal Total	311,960	355,783	(43,823)	(12.32%)	319,605	(7,645)	(2.39%)
Public and Bar Services							
Annual Meeting	-	7,000	(7,000)	(100.00%)	-	-	0.00%
Lawyer Services	179,944	172,910	7,034	4.07%	140,727	39,217	27.87%
Bar Leadership Forum	-	11,725	(11,725)	(100.00%)	946	(946)	(100.00%)
Upper Michigan Legal Institute	-	12,500	(12,500)	(100.00%)	597	(597)	(100.00%)
Practice Management Resource Center	1,375	833	542	65.07%	530	845	159.43%
Lawyer Referral Service	126,478	122,667	3,811	3.11%	116,816	9,662	8.27%
LJAP	45,091	43,500	1,591	3.66%	34,340	10,751	31.31%
Public and Bar Services Total	352,888	371,135	(18,247)	(4.92%)	293,956	58,932	20.05%
Operations and Policy							
License Fees	6,510,632	6,403,958	106,674	1.67%	6,498,245	12,387	0.19%
Other Revenue	313,179	303,850	9,329	3.07%	356,877	(43,698)	(12.24%)
Bar Journal Directory	13,889	32,750	(18,861)	(57.59%)	39,310	(25,421)	(64.67%)
Bar Journal 11 issues	133,531	130,425	3,106	2.38%	124,311	9,220	7.42%
Print Center	37,289	44,367	(7,078)	(15.95%)	42,958	(5,669)	(13.20%)
e-Journal	25,520	23,500	2,020	8.60%	22,306	3,214	14.41%
Website	46,564	40,833	5,731	14.04%	42,217	4,347	10.30%
Operations and Policy Total	7,080,604	6,979,683	100,921	1.45%	7,126,224	(45,620)	(0.64%)
Non-Operating Revenue							
Investment Income - SBM Operations	62,153	78,333	(16,180)	(20.66%)	175,921	(113,768)	(64.67%)
Investment Income - Ret HC Trust	890,735	-	890,735	0.00%	231,656	659,079	284.51%
Total Non-Operating Revenue	952,888	78,333	874,555	1,116.46%	407,577	545,311	133.79%
Total Revenue	8,698,340	7,784,934	913,406	11.73%	8,147,362	550,978	6.76%

State Bar of Michigan
Statement of Revenue, Expense and Net Assets
Administrative Fund
For the Ten Months Ending July 31, 2021

	Actual	Budget	Variance	Percentage	Prior Year	Variance	Percentage
	YTD	YTD			YTD		
Expense							
Legal							
Ethics	\$2,124	\$6,213	(\$4,089)	(65.81%)	\$6,734	(\$4,610)	(68.46%)
Client Protection Fund Dept	2,378	5,577	(3,199)	(57.36%)	2,350	28	1.19%
Character & Fitness	44,601	42,722	1,879	4.40%	23,573	21,028	89.20%
UPL	3,219	11,417	(8,198)	(71.81%)	12,728	(9,509)	(74.71%)
General Counsel	13,359	18,561	(5,202)	(28.03%)	31,552	(18,193)	(57.66%)
Human Resources	1,522,431	1,689,798	(167,367)	(9.90%)	1,586,608	(64,177)	(4.04%)
Salaries	946,602	1,026,102	(79,500)	(7.75%)	894,212	52,390	5.86%
Legal Total	2,534,714	2,800,390	(265,676)	(9.49%)	2,557,757	(23,043)	(0.90%)
Public and Bar Services							
Annual Meeting	4,894	7,500	(2,606)	(34.75%)	18,778	(13,884)	(73.94%)
Lawyer Services	28,851	25,728	3,123	12.14%	74,395	(45,544)	(61.22%)
Bar Leadership Forum	-	33,000	(33,000)	(100.00%)	847	(847)	(100.00%)
UMLI	-	28,900	(28,900)	(100.00%)	3,393	(3,393)	(100.00%)
50 Yr. Golden Celebration	1,468	21,725	(20,257)	(93.24%)	1,643	(175)	(10.65%)
Practice Management Resource Center	2,224	3,113	(889)	(28.56%)	4,751	(2,527)	(53.19%)
Lawyer Referral Service	6,407	6,628	(221)	(3.33%)	1,270	5,137	404.49%
Outreach	26,598	97,908	(71,310)	(72.83%)	104,953	(78,355)	(74.66%)
Diversity	21,396	23,845	(2,449)	(10.27%)	5,919	15,477	261.48%
LJAP	4,148	17,673	(13,525)	(76.53%)	13,116	(8,968)	(68.37%)
IT	530,862	530,815	47	0.01%	409,849	121,013	29.53%
Salaries	1,474,649	1,570,746	(96,097)	(6.12%)	1,784,402	(309,753)	(17.36%)
Total Public and Bar Services	2,101,497	2,367,581	(266,084)	(11.24%)	2,423,316	(321,819)	(13.28%)
Operations and Policy							
Administration	73,333	75,967	(2,634)	(3.47%)	25,390	47,943	188.83%
Financial Services	819,606	841,304	(21,698)	(2.58%)	744,021	75,585	10.16%
Bar Journal Directory	1,573	6,000	(4,427)	(73.78%)	51,864	(50,291)	(96.97%)
Bar Journal 11 Issues	290,633	399,202	(108,569)	(27.20%)	331,903	(41,270)	(12.43%)
Print Center	30,277	48,850	(18,573)	(38.02%)	36,144	(5,867)	(16.23%)
Website	75,809	114,917	(39,108)	(34.03%)	83,661	(7,852)	(9.39%)
e-Journal	28,424	30,208	(1,784)	(5.91%)	29,412	(988)	(3.36%)
Media Relations	10,544	24,514	(13,970)	(56.99%)	22,671	(12,127)	(53.49%)
Executive Office	23,185	50,489	(27,304)	(54.08%)	56,871	(33,686)	(59.23%)
Board of Commissioners	12,876	67,733	(54,857)	(80.99%)	26,184	(13,308)	(50.82%)
Representative Assembly	2,322	18,250	(15,928)	(87.28%)	(225)	2,547	(1,132.00%)
Governmental Relations	46,643	57,100	(10,457)	(18.31%)	48,132	(1,489)	(3.09%)
Research and Development	994	12,407	(11,413)	(91.99%)	8,744	(7,750)	(88.63%)
Facilities Services	256,966	326,360	(69,394)	(21.26%)	294,349	(37,383)	(12.70%)
Justice Initiatives	127,066	130,461	(3,395)	(2.60%)	129,770	(2,704)	(2.08%)
Salaries	1,779,756	1,871,605	(91,849)	(4.91%)	1,665,248	114,508	6.88%
Operations and Policy Total	3,580,007	4,075,367	(495,360)	(12.15%)	3,554,139	25,868	0.73%
Total Expense	8,216,218	9,243,338	(1,027,120)	(11.11%)	8,535,212	(318,994)	(3.74%)
Increase (Decrease) in Net Assets	\$482,121	(\$1,458,403)	\$1,940,524	(133.06%)	(\$387,849)	\$869,970	(224.31%)
Human Resources Detail							
Payroll Taxes	309,410	344,206	(34,796)	(10.11%)	320,041	(10,631)	(3.32%)

	Actual	Budget	Variance	Percentage	Prior Year	Variance	Percentage
	YTD	YTD			YTD		
Benefits	1,177,017	1,304,419	(127,402)	(9.77%)	1,228,043	(51,026)	(4.16%)
Other Expenses	36,004	41,172	(5,168)	(12.55%)	38,523	(2,519)	(6.54%)
Total Human Resources	1,522,431	1,689,797	(167,366)	(9.90%)	1,586,607	(64,176)	(4.04%)
Financial Services Detail							
Depreciation	441,014	473,971	(32,957)	(6.95%)	415,178	25,836	6.22%
Other Expenses	378,591	367,333	11,258	3.06%	328,844	49,747	15.13%
Total Financial Services	819,605	841,304	(21,699)	(2.58%)	744,022	75,583	10.16%
Salaries							
Legal	946,602	1,026,102	(79,500)	(7.75%)	894,212	52,390	5.86%
Public and Bar Services	1,474,649	1,570,746	(96,097)	(6.12%)	1,784,402	(309,753)	(17.36%)
Operations and Policy	1,779,756	1,871,605	(91,849)	(4.91%)	1,665,248	114,508	6.88%
Total Salaries Expense	4,201,007	4,468,453	(267,446)	(5.99%)	4,343,862	(142,855)	(3.29%)
Non-Labor Expense Summary							
Legal	101,685	125,663	(23,978)	(19.08%)	115,461	(13,776)	(11.93%)
Public and Bar Services	626,848	796,835	(169,987)	(21.33%)	638,914	(12,066)	(1.89%)
Operations and Policy	1,800,251	2,203,762	(403,511)	(18.31%)	1,888,891	(88,640)	(4.69%)
Total Non-Labor Expense	2,528,784	3,126,260	(597,476)	(19.11%)	2,643,266	(114,482)	(4.33%)

State Bar of Michigan
Statement of Revenue, Expense and Net Assets
For the Ten Months Ending July 31, 2021

YTD FY 2021 Increase (Decrease) in Net Position Summary

	Actual YTD	Budget YTD	Variance	Percentage	Prior Year Actual YTD	Variance
Operating Revenue						
- License Fees, Dues & Related	6,510,632	6,403,958	106,674	1.7%	6,498,245	12,387
- All Other Op Revenue	1,234,820	1,302,643	(67,823)	(5.2%)	1,241,540	(6,720)
Total Operating Revenue	<u>7,745,452</u>	<u>7,706,601</u>	<u>38,851</u>	<u>0.5%</u>	<u>7,739,785</u>	<u>5,667</u>
Operating Expenses						
- Labor-related Operating Expenses						
Salaries	4,201,007	4,468,453	(267,446)	(6.0%)	4,343,862	(142,855)
Benefits and PR Taxes	1,486,427	1,648,625	(162,198)	(9.8%)	1,548,084	(61,657)
Total Labor-related Operating Expenses	<u>5,687,434</u>	<u>6,117,078</u>	<u>(429,644)</u>	<u>(7.0%)</u>	<u>5,891,946</u>	<u>(204,512)</u>
- Non-labor Operating Expenses						
Legal	101,685	125,663	(23,978)	(19.1%)	115,461	(13,776)
Public and Bar Services	626,848	796,835	(169,987)	(21.3%)	638,914	(12,066)
Operations and Policy	1,800,251	2,203,762	(403,511)	(18.3%)	1,888,891	(88,640)
Total Non-labor Operating Expenses	<u>2,528,784</u>	<u>3,126,260</u>	<u>(597,476)</u>	<u>(19.1%)</u>	<u>2,643,266</u>	<u>(114,482)</u>
Total Operating Expenses	<u>8,216,218</u>	<u>9,243,338</u>	<u>(1,027,120)</u>	<u>(11.1%)</u>	<u>8,535,212</u>	<u>(318,994)</u>
Operating Income (Loss)	(470,766)	(1,536,737)	1,065,971	(69.4%)	(795,427)	324,661
Non-operating Revenue (Expenses)						
Investment Income	62,153	78,333	(16,180)	(20.7%)	175,921	(113,768)
Investment Income - Ret HC Trust	890,735	-	890,735	N/A	231,656	659,079
Loss on Disposal of Capital Asset	-	-	-	0.0%	-	-
Net Non-operating Revenue (Expenses)	<u>952,888</u>	<u>78,333</u>	<u>874,555</u>	<u>1,116%</u>	<u>407,577</u>	<u>545,311</u>
Increase (Decrease) in Net Position	<u>482,122</u>	<u>(1,458,404)</u>	<u>1,940,526</u>	<u>N/A</u>	<u>(387,850)</u>	<u>869,972</u>
Net Position - Beginning the Year	<u>11,571,907</u>	<u>11,571,907</u>	<u>-</u>	<u>0.0%</u>	<u>12,217,220</u>	<u>(645,313)</u>
Net Position - Year-to-Date	<u>12,054,029</u>	<u>10,113,503</u>	<u>1,940,526</u>	<u>19.2%</u>	<u>11,829,370</u>	<u>224,659</u>
Increase (Decrease) in Net Position Excluding Ret HC Trust Inv. Income	<u>(408,613)</u>	<u>(1,458,404)</u>	<u>1,049,791</u>	<u>(72.0%)</u>	<u>(619,506)</u>	<u>210,893</u>

State Bar of Michigan
Administrative Fund
FY 2021 Capital Expenditures vs Budget
For the Ten Months Ending July 31, 2021

	YTD Actual	YTD Budget	YTD Variance	Notes and Variance Explanations	Total Approved FY 2021 Budget	FY 2021 Year-End Forecast	Projected Year-end Variance
FACILITIES, FURNITURE & OFFICE EQUIPMENT							
Elevator Upgrade/Modernization	18,693	\$20,000	(\$1,307)	Installation of the control panel	\$20,000	\$18,693	(1,307)
Meeting room upgrades for virtual capabilities	-	20,000	(20,000)	In process, obtaining bids.	20,000	20,000	-
Replacement of Floor Copiers/Scanners	-	35,000	(35,000)	On hold	35,000	-	(35,000)
Total Facilities, Furniture & Office Equipment:	18,693	\$75,000	(\$56,307)		75,000	38,693	(36,307)
INFORMATION TECHNOLOGY							
<u>IT Infrastructure:</u>							
Network Firewalls (2)	-	\$25,000	(\$25,000)	In process, obtaining bids.	25,000	15,600	(9,400)
Data Center	133,267	125,000	8,267	Includes a three year service contract for \$35,231.24.	125,000	133,267	8,267
<u>Application Software Development:</u>							
Receivership /Interim Administrator Program data portal	-	30,000	(30,000)	Pending MI Supreme Court program approval	30,000	-	(30,000)
E-commerce store	-	15,000	(15,000)		15,000	2,500	(12,500)
E-commerce License Fee Portal	39,825	-	39,825	Not budgeted, to be offset by other projects	-	47,500	47,500
Firm Billing/Invoices for License Fees	-	10,000	(10,000)		10,000	2,500	(7,500)
Firm Administration Application	-	10,000	(10,000)		10,000	-	(10,000)
Unauthorized Practice of Law Portal	-	20,000	(20,000)		20,000	-	(20,000)
Client Protection Fund Portal	2,500	30,000	(27,500)		30,000	2,500	(27,500)
Website Functionality Enhancements	33,950	25,000	8,950		25,000	41,500	16,500
Lawyer Referral Module Enhancements	32,475	40,000	(7,525)		40,000	40,000	-

	YTD Actual	YTD Budget	YTD Variance	Notes and Variance Explanations	Total Approved FY 2021 Budget	FY 2021 Year-End Forecast	Projected Year-end Variance
Volunteer Application Portal	2,500	-	2,500	Not budgeted, to be offset by other projects	-	2,500	2,500
Character & Fitness Hearings Module	40,000	-	40,000	Not budgeted, to be offset by other projects	-	42,500	42,500
MIFILE Court Database	7,500	-	7,500	Not budgeted, to be offset by other projects	-	7,500	7,500
Total Information Technology:	\$292,017	\$330,000	(\$37,983)		330,000	337,867	7,867
Total Capital Budget:	\$310,710	\$405,000	(\$94,290)		405,000	376,560	(\$28,440)

**STATE BAR OF MICHIGAN
CLIENT PROTECTION FUND**

Unaudited and For Internal Use Only

**FINANCIAL REPORTS
July 31, 2021**

FY 2021

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, 2021

	6/30/2021	7/31/2021	Increase (Decrease)	%	Beginning of FY 2021 10/1/20
Assets					
Cash-Checking	\$20,609	\$23,889	\$3,281	15.9%	\$121,712
Savings	2,139,057	2,123,195	(15,862)	(0.7%)	826,370
Investment	-	-	-	0.0%	1,000,000
Account Receivable	230,424	241,794	11,370	4.9%	217,066
Due From SBM	240	803	562	234.3%	44,159
Accrued Interest Receivable	-	-	-	0.0%	2,682
Total Assets	\$2,390,329	\$2,389,680	(\$649)	(0.0%)	\$2,211,989
Liabilities					
Accounts Payable	\$12,070	\$58,730	\$46,660	386.6%	\$82,247
Deferred Revenue	169,218	117,033	(52,185)	(30.8%)	98,033
Total Liabilities	181,288	175,763	(5,525)	(3.0%)	180,280
Fund Balance					
Fund Balance at Beginning of Year	2,031,710	2,031,710	-	0.0%	1,996,790
Net Income (Expense) Year to Date	177,332	182,208	4,876	2.7%	34,920
Total Fund Balance	2,209,042	2,213,918	4,876	0.2%	2,031,710
Total Liabilities and Fund Balance	\$2,390,329	\$2,389,680	(\$649)	(0.0%)	\$2,211,989

Note 1:

	6/30/2021	7/31/2021
Change in Accounts Receivable		
+ New approved claims receivables		45,817
- Claims payments received	(270)	(1,417)
- Allowance for new approved claims	-	(33,030)
+ Decrease (increase) in claims allowance	-	-
	\$ (270)	\$ 11,370

Note 2:

Beginning October 1, 2020, CPF is recording claim expense when claims are approved. As of July 31, 2021, \$58,730 authorized claims were recorded as expense, but were not paid awaiting signed subrogation agreements.

Client Protection Fund
Statement of Revenue, Expenses, and Changes in Net Assets
For the Ten Months Ending July 31, 2021

	2021 YTD	2020 YTD
Income:		
3-7-00-000-0005 Contributions Received	6,025	3,061
3-7-00-000-0050 License Fees Assessment	528,005	541,820
3-7-00-000-0051 Pro Hac Vice Fees	10,995	11,055
3-7-00-000-0890 Claims Recovery ¹	50,517	89,090
3-7-00-000-0891 Claims Income ²	2,043	-
Total Income	<u>597,585</u>	<u>645,026</u>
Expenses:		
3-9-00-000-0200 Claims Payment	280,886	493,912
3-9-00-000-0910 Administrative Fee	137,639	181,667
3-9-00-000-0994 Bank Service Charges	357	690
Total Expenses	<u>418,882</u>	<u>676,268</u>
Investment Income	3,505	15,910
Increase/Decrease in Net Position	182,208	(15,332)
Net Position, Beginning of Year	2,031,710	1,996,791
Net Position - End of Period	<u><u>\$ 2,213,918</u></u>	<u><u>\$ 1,981,459</u></u>

¹ Represents expected claims recoveries

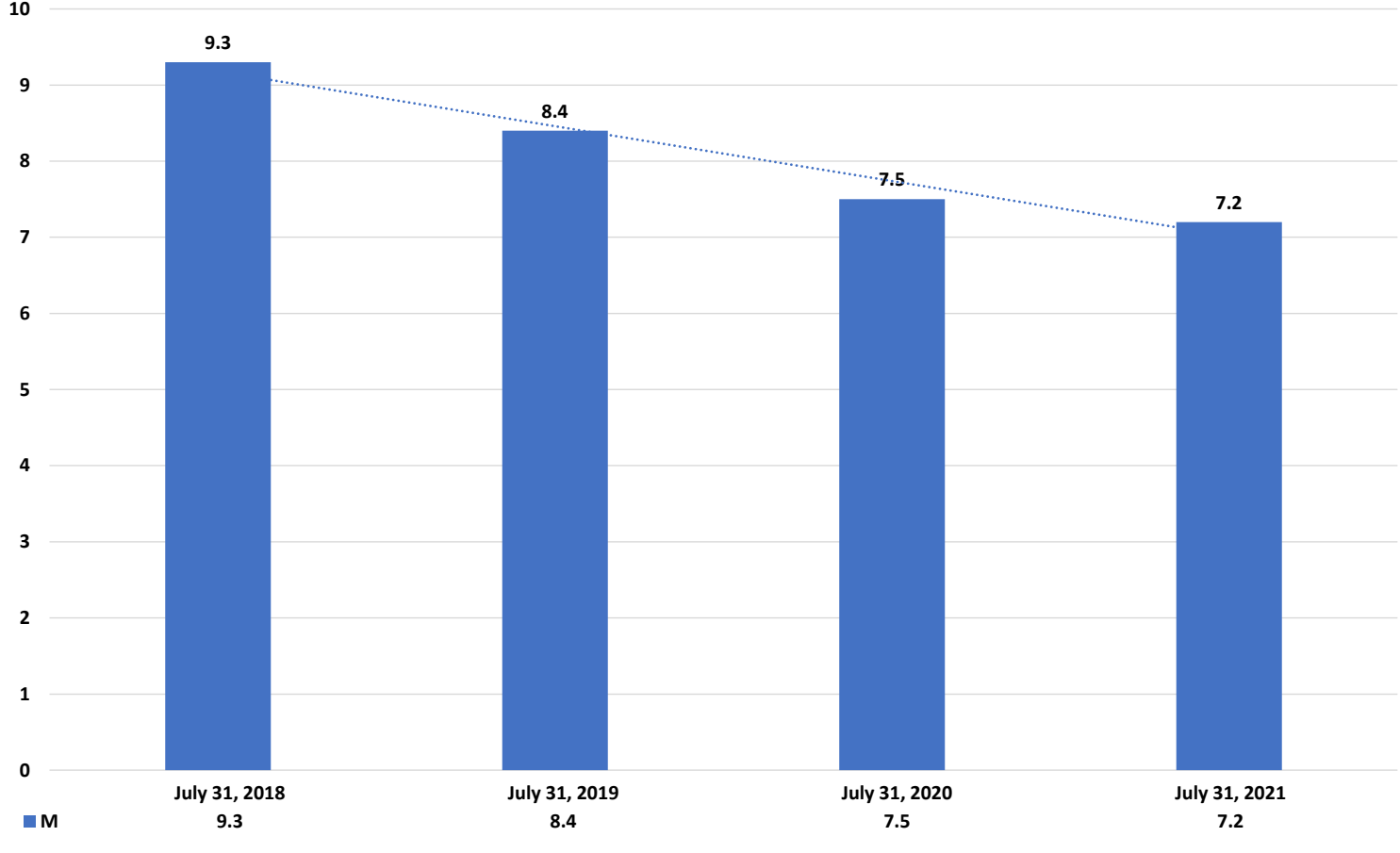
² Represents miscellaneous income collected

Summary of Cash and Investment Balances by Financial Institution
7/31/2021

Assets	Bank Rating	Financial Institution Summary	Interest Rates	Fund Summary
		SBM Chase Checking \$ 272,223.06		Client Protection Fund \$ 2,147,084
		SBM Chase Credit Card \$ 6,633.75		State Bar Admin Fund \$ 10,497,157
		SBM Chase E Checking \$ 2,890.70		(including Sections)
		SBM Chase Payroll \$ -		Attorney Discipline System \$ 3,475,282
		SBM Chase Savings \$ 994,342.69	0.05%	SBM Retiree Health Care Trust \$ 4,787,677
		ADS Chase Checking \$ 37,582.44		ADB Retiree Health Care Trust \$ 1,407,593
		CPF Chase Checking \$ 23,889.14		AGC Retiree Health Care Trust \$ 4,696,467
\$3.4 Trillion	5 stars	CPF Chase Savings \$ 166,539.02	0.05%	
		** Chase Totals \$ 1,504,100.80		Total \$ 27,011,258
		SBM Horizon Bank Money Market \$ 10,024.27	0.17%	
\$6.1 Billion	5 stars	Horizon Bank w/CD \$ 10,024.27		
		ADS Bank of America Petty Cash \$ 874.29	0.00%	
\$3 Trillion	5 stars	Bank of America Totals \$ 874.29		
		SBM Fifth Third Commercial Now \$ 2,239.69	0.10% *	
\$205 Billion	5 stars	Fifth Third Totals \$ 2,239.69		
		Grand River Bank Money Market \$ 10,022.74	0.20%	
\$450 Million	5 stars	Grand River Bank Totals \$ 10,022.74		
		Grand River Bank Total w/CD \$ 999,161.89		
		Sterling Bank \$ 355.79	0.10%	
\$3.4 Billion	3.5 stars	Sterling Bank Money Market \$ 10,042.34	0.10%	
		Sterling Bank Total \$ 10,398.13		
		Citizens Bank Checking \$ 10,000.00	0.00%	
\$185 Billion	5 stars	Citizens Bank Money Market \$ -		
		Citizens Bank Totals \$ 10,000.00		
		MSUFCU Savings \$ 56.09	0.00%	
\$5.6 Billion	5 stars	MSUFCU Checking \$ 5,136.29	0.00%	
		MSU Credit Union Total \$ 5,192.38		
		MSU Credit Union Total w/CD \$ 1,999,943.86		
		LAFCU Savings \$ 5.00		
		LAFCU Total \$ 5.00		
		SBM Flagstar ICS Checking \$ 1,273,215.16	0.10%	
\$31 Billion	4 stars	SBM Flagstar CDARS - 12 Month \$ -	0.00%	
		SBM Flagstar CDARS - 12 Month \$ -	0.00%	
		SBM Flagstar CDARS - 12 Month \$ -	0.00%	
		ADS Flagstar ICS Checking Account \$ 3,457,253.64	0.10%	
		ADS Flagstar CDARS - 12 Month \$ -	0.00%	
		CPF Flagstar ICS Checking \$ 1,956,655.91	0.10%	
		CPF Flagstar CDARS - 12 Month \$ -	0.00%	
		Flagstar Bank FDIC Insured \$ 6,687,124.71		
		Flagstar Bank Total with CDs \$ 8,587,124.71		
		SBM - Grand River Bank \$ 253,527.69	0.55%	
\$450 Million	5 stars	SBM - Grand River Bank \$ 245,611.46	0.50%	
		SBM - Grand River Bank \$ 245,000.00	0.85%	
		SBM - Grand River Bank \$ 245,000.00	0.85%	
\$2.6 Billion	3.5 stars	SBM-CD First National Bank of America \$ 245,659.68	0.80%	
		SBM-CD First National Bank of America \$ 250,000.00	0.80%	
		SBM-CD First National Bank of America \$ 250,000.00	0.80%	
		SBM-CD First National Bank of America \$ 250,000.00	0.80%	
\$6.2 Billion	5 stars	SBM-CD MSU Credit Union \$ 250,514.54	0.50%	
		SBM-CD MSU Credit Union \$ 250,514.54	0.50%	
		SBM-CD MSU Credit Union \$ 250,514.54	0.50%	
		SBM-CD MSU Credit Union \$ 250,514.54	0.50%	
		SBM-CD MSU Credit Union \$ 250,682.17	0.50%	
		SBM-CD MSU Credit Union \$ 250,682.17	0.50%	
		SBM-CD MSU Credit Union \$ 250,682.17	0.50%	
		SBM-CD MSU Credit Union \$ 250,682.17	0.50%	
\$31 Billion	4 stars	SBM - CD Flagstar \$ 1,900,000.00	0.20%	
\$750 Million	5 stars	SBM - CD LAFCU \$ 250,000.00	0.70%	
		SBM - CD LAFCU \$ 250,000.00	0.70%	
		SBM - CD LAFCU \$ 250,000.00	0.70%	
		SBM - CD LAFCU \$ 249,990.00	0.70%	
\$360 Million	5 stars	SBM - Case Credit Union \$ 250,000.00	0.40%	
		SBM - Case Credit Union \$ 250,000.00	0.40%	
		SBM - Case Credit Union \$ 250,000.00	0.40%	
		SBM - Case Credit Union \$ 250,000.00	0.40%	
		Bank CD Totals \$ 7,879,540.31		
		Total Cash & Investments (excluding Schwab) \$ 16,119,522.32		
		SBM - Charles Schwab (Ret HC Trust) \$ 4,787,676.98	Mutual Funds	
		ADB - Charles Schwab (Ret HC Trust) \$ 1,407,592.52	Mutual Funds	
		AGC - Charles Schwab (Ret HC Trust) \$ 4,696,466.58	Mutual Funds	
		Charles Schwab Totals \$ 10,891,736.08		
		Grand Total (including Schwab) \$ 27,011,253.40		
		Total amount of cash and investments (excluding Schwab) not FDIC insured \$ 7,648,856.23	47.45%	

Assets & Ratings updated 7/13/2021

State Bar of Michigan Cash & Investments
Excluding Sections, Client Protection Fund and Retiree Health Care Trust
For the Ten Months Ending July 31, 2021
\$7.2M



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

Monthly SBM Attorney and Affiliate Report - July 31, 2021

FY 2021

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	July 31 2021	FY Increase (Decrease)
Active	41,093	41,608	41,921	42,100	42,342	42,506	42,401	42,400	(1)
Less than 50 yrs serv	40,036	40,490	40,725	40,833	40,973	41,036	40,559	40,739	180
50 yrs or greater	1,057	1,118	1,196	1,267	1,369	1,470	1,842	1,661	(181)
Voluntary Inactive	1,211	1,218	1,250	1,243	1,169	1,139	1,192	1,100	(92)
Less than 50 yrs serv	1,184	1,195	1,230	1,217	1,142	1,105	1,149	1,064	(85)
50 yrs or greater	27	23	20	26	27	34	43	36	(7)
Emeritus	1,552	1,678	1,841	1,973	2,204	2,447	2,727	3,005	278
Total Attorneys in Good Standing	43,856	44,504	45,012	45,316	45,715	46,092	46,320	46,505	185
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	41,803	95
Affiliates									
Legal Administrators	14	13	13	13	10	10	8	8	0
Legal Assistants	413	425	405	400	401	393	317	340	23
Total Affiliates in Good Standing	427	438	418	413	411	403	325	348	23
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	July 31 2021	FY Increase (Decrease)
Attorneys in Good Standing:									
ATA (Active)	41,093	41,608	41,921	42,100	42,342	42,506	42,401	42,400	(1)
ATVI (Voluntary Inactive)	1,211	1,218	1,250	1,243	1,169	1,139	1,192	1,100	(92)
ATE (Emeritus)	1,552	1,678	1,841	1,973	2,204	2,447	2,727	3,005	278
Total Attorneys in Good Standing	43,856	44,504	45,012	45,316	45,715	46,092	46,320	46,505	185
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	6,583	167
ATDS (Discipline Suspension - Active)	407	415	418	430	439	440	445	444	(1)
ATDI (Discipline Suspension - Inactive)	12	11	18	19	19	24	25	25	0
ATDC (Discipline Suspension - Non-Payment of Court Costs)	1	3	3	16	15	16	16	16	0
ATNS (Discipline Suspension - Non-Payment of Other Costs)	83	92	99	94	95	98	100	102	2
ATS (Attorney Suspension - Other)*	1	1	1	0	1	1	2	1	(1)
ATR (Revoked)	521	517	534	562	583	596	613	622	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	0
Total Attorneys Not in Good Standing	8,540	8,693	8,890	9,079	9,294	9,491	9,687	9,863	176
Other:									
ATSC (Former special certificate)	136	140	145	152	155	157	158	161	3
ATW (Resigned)	1,429	1,483	1,539	1,612	1,689	1,798	1,907	2,015	108
ATX (Deceased)	8,127	8,445	8,720	9,042	9,287	9,524	9,793	10,134	341
Total Other	9,692	10,068	10,404	10,806	11,131	11,479	11,858	12,310	452
Total Attorneys in Database	62,088	63,265	64,306	65,201	66,140	67,062	67,865	68,678	813

* 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, 2021 a total of 816 new attorneys joined SBM.

TO: Board of Commissioners

FROM: Professional Standards Committee

DATE: September 17, 2021, 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:

- a. Consent Agenda

	<u>Claim No.</u>	<u>Amt. Recommended</u>
1.	CPF 3562	\$84,762.27
2.	CPF 3641	\$1,000.00
3.	CPF 3646	\$1,000.00
4.	CPF 3654	\$500.00
5.	CPF 3731	\$148,319.31
6.	CPF 3739	\$750.00
	TOTAL	\$236,331.58

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

1. CPF 3562 **\$84,762.27**

Respondent was appointed Conservator for an incapacitated individual in 1986. In 2018, Respondent finally submitted the annual accountings for 2007 through 2016, the 23rd to 32nd Annual Reports. The accountings reflected that Respondent charged the Estate an excessive fee for his services; did not submit his statements to the insurance company, which barred payment; and had not secured the court ordered surety bond. Respondent admitted in the Stipulation for Surcharge he had charged excessive fees, misappropriating funds from the Estate. Respondent's failure to return the excessive fee constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C)(1) and 9(C)(6). Approval of this claim requires the application of CPF Rule 9(F) to waive Rule 9(D)(8) coupled with the Attorney Discipline Board and criminal court not ordering restitution.

2. CPF 3641 **\$1,000.00**

Claimant retained Respondent for representation in a child custody matter and paid a fee of \$1,000. Respondent did not complete any legal services prior to disbarment. 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).

3. CPF 3646 **\$1,000.00**

Claimant retained Respondent for representation in a wrongful termination matter under a one-third contingency fee, less a prepaid non-refundable \$1,000 initial fee. Respondent states he sent a demand letter and prepared the lawsuit for filing; however, he did not provide any proof of the services alleged and the text messages do not indicate that any draft documents were provided to Claimant.

In this contingent fee matter, there is no written retainer agreement. MRPC 1.15(c) requires all contingent-fee agreements to be in writing, with a copy provided to the client, and that the agreement includes the method by which the fee is to be determined. And, unless an attorney has a written fee agreement that comports with *Cooper*,¹ 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.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 and is a reimbursable loss under CPF Rule 9(C)(1) and Rule 9(D)(6). 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).

¹ *Grievance Adm'r v Cooper*, 757 NW2d 867 (2008).

² RI-069

4. CPF 3654 \$500.00

Claimant retained Respondent regarding a landlord-tenant matter and paid the fee of \$500. Respondent did not complete any legal services or return the advance fee. 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).

5. CPF 3731 \$148,319.31

Claimant retained Respondent in five consolidated real estate tax assessment cases filed in Claimant's name between 2017 and 2018. Respondent paid \$10,900 in costs for the matters. A settlement was reached totaling \$233,378.97. Respondent received two settlement checks in the amounts of \$118,039.47 and \$115,339.50. After subtracting the \$10,900 in costs paid by Respondent, the settlement amount was reduced to \$222,478.97. Per the one-third contingency fee arrangement, Respondent was to receive \$74,159.66 in attorney fees with the remaining \$148,319.31 remitted to Claimant. Respondent's failure to distribute the settlement funds constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C). Also, CPF staff is granted permission to adjust the amount payable to reflect any additional payments received by Claimant before the Fund receiving an executed subrogation agreement and issuing issue a check, without further review.

6. CPF 3739 \$750.00

Claimant retained Respondent to represent Claimant's son in a divorce matter for a fee of \$750. Respondent did not complete any legal services and did not refund the unearned fee. 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).

Total payments recommended: \$236,331.58



**FROM THE COMMITTEE
ON MODEL CRIMINAL
JURY INSTRUCTIONS**

The Committee on Model Criminal Jury Instructions solicits comment on the following proposal by November 1, 2021. Comments may be sent in writing to Samuel R. Smith, Reporter, Committee on Model Criminal Jury Instructions, Michigan Hall of Justice, P.O. Box 30052, Lansing, MI 48909-7604, or electronically to MCrimJI@courts.mi.gov.

The Committee on Model Criminal Jury Instructions proposes a revision of Chapter 2 (Procedural Instructions) of the Model Criminal Jury Instructions. The current instructions have evolved over several decades with a number of additions, and have become quite repetitious. The Committee offers a slight re-write and re-organization of the procedural instructions that reduces linguistic duplication and flows more logically.

The instructions below are divided into two sets on the site in hopes of making them more convenient to compare and review. They are preceded by a summary of the changes being proposed (pages 2-3). The first set of instructions (pages 4-14) are the current instructions, M Crim JI 2.1 through 2.26. Those are followed (pages 16-27) by the proposed revised procedural instructions, M Crim JI 2.1 through 2.28, including two new instructions: M Crim JI 2.2 (Written Copy of Instructions per MCR 2.513(D)) and M Crim JI 2.13 (Notifying Court of Inability to Hear or See Witness).

Summary:

<u>Proposed MCrimJI#</u>	<u>Action</u>	<u>Relation to current MCrimJI#</u>
2.1	no change	
2.2	re-numbered/revise	¶ (7) of current 2.3
2.3	re-numbered	current 2.2
2.4	re-numbered/revise	¶ (3) of current 2.3
2.5	new	from 1.9
2.6	re-numbered/revise	current 2.3 minus ¶¶ (3) and (7)
2.7	re-numbered	current 2.4
2.8	re-numbered	current 2.6
2.9	re-numbered	current 2.5
2.10	re-numbered	current 2.7
2.11	re-numbered	current 2.8
2.12	re-numbered/revise	current 2.9 minus ¶ (4)
2.13	new	¶ (4) of current 2.9
2.14	re-numbered	current 2.10
2.15	re-numbered	current 2.11
2.16	re-numbered/revise	current 2.12 and 2.13
2.17	re-numbered	current 2.14
2.18	re-numbered	current 2.15
2.19	re-numbered/revise	current 2.16
2.20	re-numbered	current 2.17
2.21	re-numbered/revise	current 2.18
2.22	re-numbered	current 2.19
2.23	re-numbered	current 2.20
2.24	re-numbered/revise	current 2.21
2.25	re-numbered	current 2.22
2.26	re-numbered	current 2.23

2.27	re-numbered/revise	current 2.24 and 2.25
2.28	re-numbered	current 2.26

Current instructions:

M Crim JI 2.1 Juror Oath Following Selection

(1) Ladies and gentlemen of the jury, you have been chosen to decide a criminal charge made by the State of Michigan against one of your fellow citizens.

(2) I will now ask you to stand and swear to perform your duty to try the case justly and to reach a true verdict. If your religious beliefs do not permit you to take an oath, you may instead affirm to try the case justly and reach a true verdict.

(3) Here is your oath: “Each of you do solemnly swear (or affirm) that, in this action now before the court, you will justly decide the questions submitted to you, that, unless you are discharged by the court from further deliberation, you will render a true verdict, and that you will render your verdict only on the evidence introduced and in accordance with the instructions of the court, so help you God.”

M Crim JI 2.2 Legal Principles

Now I will explain some of the legal principles you will need to know and the procedure we will follow in this trial.

M Crim JI 2.3 Trial Procedure

(1) A trial follows this procedure:

(2) First, the prosecutor makes an opening statement, where [he / she] gives [his / her] theories about the case. The defendant’s lawyer does not have to make an opening statement, but [he / she] may make an opening statement after the prosecutor makes [his / hers], or [he / she] may wait until later. These statements are not evidence. They are only meant to help you understand how each side views the case.

(3) To prove the charge(s) the prosecutor must prove the following beyond a reasonable doubt:

[Read elements of the offense(s). Since the elements of the offense(s) may contain legal terms, definitions of those terms should also be given.]

(4) Next, the prosecutor presents [his / her] evidence. The prosecutor may call witnesses to testify and may show you exhibits like documents or objects. The defendant's lawyer has the right to cross-examine the prosecutor's witnesses.

(5) After the prosecutor has presented all [his / her] evidence, the defendant's attorney may also offer evidence, but does not have to. By law, the defendant does not have to prove [his / her] innocence or produce any evidence. If the defense does call any witnesses, the prosecutor has the right to cross-examine them. The prosecutor may also call witnesses to contradict the testimony of the defense witnesses.

(6) After all the evidence has been presented, the prosecutor and the defendant's lawyer will make their closing arguments. Like the opening statements, these are not evidence. They are only meant to help you understand the evidence and the way each side sees the case. You must base your verdict only on the evidence.

(7) You have been given a written copy of the instructions I have just read to you. You may refer to them during the trial. Since no one can predict the course of a trial, these instructions may change at the end of the trial. At the close of the trial, I will provide you with a copy of my final instructions for your use during deliberations.

M Crim JI 2.4

Function of Court and Jury

(1) My responsibilities as the judge in this trial are to make sure that the trial is run fairly and efficiently, to make decisions about evidence, and to instruct you about the law that applies to this case. You must take the law as I give it to you. Nothing I say is meant to reflect my own opinions about the facts of the case. As jurors, you are the ones who will decide this case.

(2) Your responsibility as jurors is to decide what the facts of the case are. This is your job, and no one else's. You must think about all the evidence and all the testimony and then decide what each piece of evidence means and how

important you think it is. This includes how much you believe what each of the witnesses said.

(3) What you decide about any fact in this case is final.

M Crim JI 2.5 Considering Only Evidence / What Evidence Is

When it is time for you to decide the case, you are only allowed to consider the evidence that was admitted in the case. Evidence includes only the sworn testimony of witnesses, the exhibits admitted into evidence, and anything else I tell you to consider as evidence.

M Crim JI 2.6 Judging Credibility and Weight of Evidence

(1) It is your job to decide what the facts of this case are. You must decide which witnesses you believe and how important you think their testimony is. You do not have to accept or reject everything a witness says. You are free to believe all, none, or part of any person's testimony.

(2) In deciding which testimony you believe, you should rely on your own common sense and everyday experience. However, in deciding whether you believe a witness's testimony, you must set aside any bias or prejudice you have based on the race, gender, or national origin of the witness.*

(3) There is no fixed set of rules for judging whether you believe a witness, but it may help you to think about these questions:

(a) Was the witness able to see or hear clearly? How long was the witness watching or listening? Was anything else going on that might have distracted the witness?

(b) Does the witness seem to have a good memory?

(c) How does the witness look and act while testifying? Does the witness seem to be making an honest effort to tell the truth, or does the witness seem to evade the questions or argue with the lawyers?

(d) Does the witness's age or maturity affect how you judge his or her testimony?

(e) Does the witness have any bias or prejudice or any personal interest in how this case is decided?

(f) Have there been any promises, threats, suggestions, or other influences that affect how the witness testifies?

(g) In general, does the witness have any special reason to tell the truth, or any special reason to lie?

(h) All in all, how reasonable does the witness's testimony seem when you think about all the other evidence in the case?

M Crim JI 2.7 Questions Not Evidence

The questions the lawyers ask the witnesses are not evidence. Only the answers are evidence. You should not think that something is true just because one of the lawyers asks questions that assume or suggest that it is.

M Crim JI 2.8 Court's Questioning Not a Reflection of Opinion

I may ask some of the witnesses questions myself. These questions are not meant to reflect my opinion about the evidence. If I ask questions, my only reason would be to ask about things that may not have been fully explored.

M Crim JI 2.9 Questions by Jurors Allowed

(1) During the trial you may think of an important question that would help you understand the facts in this case. You are allowed to ask such questions.

(2) You should wait to ask questions until after a witness has finished testifying and both sides have finished their questioning. If you still have an important question after this, do not ask it yourself. Raise your hand, write the

question down, and pass it to the bailiff, who will give it to me. Do not show your question to other jurors.

(3) If your question is not asked, it is because I determined under the law that the question should not be asked. Do not speculate about why the question was not asked. In other words, you should draw no conclusions or inferences about the facts of the case, nor should you speculate about what the answer might have been. Also, in considering the evidence you should not give greater weight to testimony merely because it was given in answer to questions submitted by members of the jury.

(4) On the other hand, if you cannot hear what a witness or lawyer says, please raise your hand immediately and ask to have the question or answer repeated.

M Crim JI 2.10 Objections

During the trial the lawyers may object to certain questions or statements made by the other lawyers or witnesses. I will rule on these objections according to the law. My rulings for or against one side or the other are not meant to reflect my opinions about the facts of the case.

M Crim JI 2.11 Disregard Out-of-Presence Hearings

Sometimes the lawyers and I will have discussions out of your hearing. Also, while you are in the jury room I may have to take care of other matters that have nothing to do with this case. Pay no attention to these interruptions.

M Crim JI 2.12 Jurors Not To Discuss Case

You must not discuss the case with anyone, including your family or friends. You must not even discuss it with the other jurors until the time comes for you to decide the case. When it is time for you to decide the case, I will send you to the jury room for that purpose. Then you should discuss the case among

yourselves, but only in the jury room and only when all the jurors are there. When the trial is over, you may, if you wish, discuss the case with anyone.

M Crim JI 2.13 Recesses

(1) If I call for a recess during the trial, I will either send you back to the jury room or allow you to leave the courtroom on your own and go about your business. But you must not discuss the case with anyone or let anyone discuss it with you or in your presence. If someone tries to do that, tell him or her to stop, and explain that as a juror you are not allowed to discuss the case. If he or she continues, leave and report the incident to me as soon as you return to court.

(2) You must not talk to the defendant, the lawyers, or the witnesses about anything at all, even if it has nothing to do with the case.

(3) It is very important that you only get information about the case in court, when you are acting as the jury and when the defendant, the lawyers, and I are all here.

M Crim JI 2.14 Caution about Publicity in Cases of Public Interest

(1) During the trial, do not read, listen to, or watch any news reports about the case. Under the law, the evidence you consider to decide the case must meet certain standards. For example, witnesses must swear to tell the truth, and the lawyers must be able to cross-examine them. Because news reports do not have to meet these standards, they could give you incorrect or misleading information that might unfairly favor one side. So, to be fair to both sides, you must follow this instruction.

[Give the instruction below when recessing:]

(2) Remember, for the reasons I explained to you earlier, you must not read, listen to, or watch any news reports about this case while you are serving on this jury.

M Crim JI 2.15**Sequestration of Jurors**

(1) Because this case has gotten so much public attention, I have reluctantly decided that you will not be allowed to go home at the end of the day. Instead, you will stay together. I know this will be difficult for all of you, and you should tell me if this causes you any special hardship.

(2) You may wonder why this is necessary. In fairness to both sides, it is necessary for you to stay together away from any outside information. Please do not communicate in any way with anyone except the other jurors without telling one of the bailiffs. Also, you must not read any newspapers or magazines except for the ones the bailiffs give you. I have told the bailiffs to remove all articles about the trial from the reading material.

(3) We will do everything we can to make you as comfortable as possible. The bailiff will help you with anything you need.

M Crim JI 2.16**Jurors Not to Consider Information from Outside the Courtroom**

The restrictions I'm about to describe are meant to ensure that the parties get a fair trial. In our judicial system, it is crucial that jurors are not influenced by anything or anyone outside the courtroom. Now that many jurors have easy access to information through handheld devices and other technology, jurors may be tempted to use these devices to learn more about some aspect of the case. But if a juror were to do this, it would harm the parties. The parties' attorneys would have no way of knowing that a juror has gotten outside information and would have no chance to object if that information was false, untrustworthy, or irrelevant. Remember, no matter how careful and conscientious news reporters, family members, friends, and other people outside the courtroom may be, information about the case from television, radio, the Internet, and social media will inevitably be incomplete—and could be incorrect. Please bear these things in mind as I read the following instructions. These restrictions apply from this moment until I discharge you from jury service:

- (1) You must decide this case based solely on the evidence you see and hear in this courtroom. You must not consider information that comes from anywhere else.
- (2) This means that during the trial, you must not read, watch, or listen to news reports about the case, whether in newspapers, on television, on the radio, or on the Internet.
- (3) You also must not research any aspect of the case during the trial. This means research using a cellular phone, computer, or other electronic device to search the Internet, as well as research with traditional sources like dictionaries, reference manuals, newspapers, or magazines.
- (4) You must not investigate the case on your own or conduct any experiments concerning the case, including investigation or experiments using the Internet, computers, cellular phones, or other electronic devices.
- (5) You must not visit the scene of any event at issue in this trial. If it is necessary for you to view or visit the scene, court staff will take you there as a group, under court supervision. You must not consider as evidence any personal knowledge you have of the scene.
- (6) Before your deliberations, you must not discuss this case with anyone, even your fellow jurors. After you begin deliberations, you should discuss the case with your fellow jurors, but you still must not discuss the case with anyone else until I discharge you from jury service. Until I have discharged you from your jury service, you must not share any information about the case by any means, including cellular phones or social media.
- (7) If you discover that a juror has violated my instructions, report it to my bailiff.

M Crim JI 2.17 Notetaking Allowed

You may take notes during the trial if you wish, but of course you don't have to. If you do take notes, you should be careful that it does not distract you from paying attention to all the evidence. When you go to the jury room to decide your verdict, you may use your notes to help you remember what

happened in the courtroom. If you take notes, do not let anyone except the other jurors see them during deliberations. [You must turn them over to the bailiff during recesses.] Your notes will not be examined by anyone, and when your jury service concludes, your notes will be collected and destroyed.

M Crim JI 2.18 Notetaking Not Allowed

I don't believe that it is desirable or helpful for you to take notes during this trial. If you take notes, you might not be able to give your full attention to the evidence. So please do not take any notes while you are in the courtroom.

M Crim JI 2.19 Multiple Defendants Consider Evidence and Law As It Applies to Each Defendant

- (1) There is more than one defendant in this case. The fact that they are on trial together is not evidence that they were associated with each other or that either one is guilty.
- (2) You should consider each defendant separately. Each is entitled to have [his / her] case decided on the evidence and the law that applies to [him / her].
- [(3) If any evidence was limited to (one defendant / some defendants) you should not consider it as to any other defendants.]

M Crim JI 2.20 Defendant Represents Himself or Herself

In this case, the defendant, _____, is representing [himself / herself]. This fact should not affect your decision in any way. The defendant has the right to represent [himself / herself], and [he / she] has chosen to exercise that right. [A lawyer, _____, is present if the defendant wishes to consult (him / her).]

M Crim JI 2.21 Second Trial

This case has been tried before, and during this trial you may hear some references to the first trial. Sometimes a case must be retried before a new jury, and you should not pay any attention to the fact that this is the second trial. Your verdict must be based only on the evidence in this trial. You must decide the facts only from what you yourself hear and see.

M Crim JI 2.22 Number of Jurors

You can see that we have chosen a jury of [thirteen / fourteen]. After you have heard all of the evidence and my instructions, we will draw lots to decide which [one / two] of you will be dismissed in order to form a jury of twelve.

M Crim JI 2.23 Penalty

Possible penalty should not influence your decision. It is the duty of the judge to fix the penalty within the limits provided by law.

M Crim JI 2.24 Instructions to Be Taken As a Whole

I may give you more instructions during the trial, and at the end of the trial I will give you detailed instructions about the law in this case. You should consider all of my instructions as a connected series. Taken all together, they are the law you must follow.

M Crim JI 2.25 Deliberations and Verdict

After all of the evidence has been presented and the lawyers have given their arguments, I will give you detailed instructions about the rules of law that apply to this case. Then you will go to the jury room to decide on your verdict. A verdict must be unanimous. That means that every juror must agree on it, and it must reflect the individual decision of each juror.

It is important for you to keep an open mind and not make a decision about anything in the case until you go to the jury room to decide the case.

You must not let bias, prejudice, or public opinion influence your decision. Each of us may have biases or perceptions about other people based on stereotypes. We may be aware of some of our biases, though we do not express them. We may not be fully aware of some of our other biases. Take the time you need to test what might be automatic or instinctive judgments and to reflect carefully about the evidence. I caution you again to avoid reaching conclusions that may have been unintentionally influenced by stereotypes. You must reach your own conclusions about this case individually, but you should do so only after listening to and considering the opinions of the other jurors, who may have different backgrounds and perspectives from yours.

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Proposed Chapter 2 procedural jury instructions on following pages

Proposed instructions:

M Crim JI 2.1 Juror Oath Following Selection

(1) Ladies and gentlemen of the jury, you have been chosen to decide a criminal charge made by the State of Michigan against one of your fellow citizens.

(2) I will now ask you to stand and swear to perform your duty to try the case justly and to reach a true verdict. If your religious beliefs do not permit you to take an oath, you may instead affirm to try the case justly and reach a true verdict.

(3) Here is your oath: “Each of you do solemnly swear (or affirm) that, in this action now before the court, you will justly decide the questions submitted to you, that, unless you are discharged by the court from further deliberation, you will render a true verdict, and that you will render your verdict only on the evidence introduced and in accordance with the instructions of the court, so help you God.”

[NEW] M Crim JI 2.2 Written Copy of Instructions

You will have a written copy of the instructions I am going to read to you. You may refer to them during the trial. Since no one can predict the course of a trial, these instructions may change at the end of the trial. At the close of the trial, I will provide you with a copy of my final instructions for your use during deliberations.

M Crim JI 2.3 Legal Principles

Now I will explain some of the legal principles you will need to know and the procedure we will follow in this trial.

M Crim JI 2.4

Elements of the Charge

Defendant is charged (in Count X)¹ with _____. To prove this charge, the prosecutor must prove each of the following elements beyond a reasonable doubt:

[Read elements of the offense(s). Since the elements of the offense(s) may contain legal terms, definitions of those terms should also be given.]

Use Note

1. For use where the defendant is charged with multiple counts.

M Crim JI 2.5

Presumption of Innocence, Burden of Proof, and Reasonable Doubt

(1) A person accused of a crime is presumed to be innocent. This means that you must start with the presumption that the defendant is innocent. This presumption continues throughout the trial and entitles the defendant to a verdict of not guilty unless you are satisfied beyond a reasonable doubt that [he / she] is guilty.

(2) Every crime is made up of parts called elements. The prosecutor must prove each element of the crime beyond a reasonable doubt. The defendant is not required to prove [his / her] innocence or to do anything. If you find that the prosecutor has not proven every element beyond a reasonable doubt, then you must find the defendant not guilty.

(3) A reasonable doubt is a fair, honest doubt growing out of the evidence or lack of evidence. It is not merely an imaginary or possible doubt, but a doubt based on reason and common sense. A reasonable doubt is just that – a doubt that is reasonable after a careful and considered examination of the facts and circumstances of this case.

M Crim JI 2.6

Trial Procedure

- (1) A trial follows this procedure:
- (2) First, the prosecutor makes an opening statement, where [he / she] gives [his / her] theories about the case. The defendant's lawyer does not have to make an opening statement, but [he / she] may make an opening statement after the prosecutor makes [his / hers], or [he / she] may wait until later. These statements are not evidence. They are only meant to help you understand how each side views the case.
- (3) Next, the prosecutor presents [his / her] evidence. The prosecutor may call witnesses to testify and may show you exhibits like documents or objects. The defendant's lawyer has the right to cross-examine the prosecutor's witnesses.
- (4) After the prosecutor has presented all [his / her] evidence, the defendant's attorney may also offer evidence, but does not have to. By law, the defendant does not have to prove [his / her] innocence or produce any evidence. If the defense does call any witnesses, the prosecutor has the right to cross-examine them. The prosecutor may also call witnesses to contradict the testimony of the defense witnesses.
- (5) After all the evidence has been presented, the prosecutor and the defendant's lawyer will make their closing arguments. Like the opening statements, these are not evidence. They are only meant to help you understand the evidence and the way each side sees the case. You must base your verdict only on the evidence.

M Crim JI 2.7

Function of Court and Jury

- (1) My responsibilities as the judge in this trial are to make sure that the trial is run fairly and efficiently, to make decisions about evidence, and to instruct you about the law that applies to this case. You must take the law as I give it to you. Nothing I say is meant to reflect my own opinions about the facts of the case. As jurors, you are the ones who will decide this case.

(2) Your responsibility as jurors is to decide what the facts of the case are. This is your job, and no one else's. You must think about all the evidence and all the testimony and then decide what each piece of evidence means and how important you think it is. This includes how much you believe what each of the witnesses said.

(3) What you decide about any fact in this case is final.

M Crim JI 2.8

Judging Credibility and Weight of Evidence

(1) Part of your job in deciding what the facts of this case are is to decide which witnesses you believe and how important you think their testimony is. You do not have to accept or reject everything a witness says. You are free to believe all, none, or part of any person's testimony.

(2) In deciding which testimony you believe, you should rely on your own common sense and everyday experience. However, in deciding whether you believe a witness's testimony, you must set aside any bias or prejudice you have based on the race, gender, or national origin of the witness.

(3) There is no fixed set of rules for judging whether you believe a witness, but it may help you to think about these questions:

(a) Was the witness able to see or hear clearly? How long was the witness watching or listening? Was anything else going on that might have distracted the witness?

(b) Does the witness seem to have a good memory?

(c) How does the witness look and act while testifying? Does the witness seem to be making an honest effort to tell the truth, or does the witness seem to evade the questions or argue with the lawyers?

(d) Does the witness's age or maturity affect how you judge his or her testimony?

(e) Does the witness have any bias or prejudice or any personal interest in how this case is decided?

(f) Have there been any promises, threats, suggestions, or other influences that affect how the witness testifies?

(g) In general, does the witness have any special reason to tell the truth or any special reason to lie?

(h) All in all, how reasonable does the witness's testimony seem when you think about all the other evidence in the case?

M Crim JI 2.9 Considering Only Evidence / What Evidence Is

When it is time for you to decide the case, you are only allowed to consider the evidence that was admitted in the case. Evidence includes only the sworn testimony of witnesses, the exhibits admitted into evidence, and anything else I tell you to consider as evidence.

M Crim JI 2.10 Questions Not Evidence

The questions the lawyers ask the witnesses are not evidence. Only the answers are evidence. You should not think that something is true just because one of the lawyers asks questions that assume or suggest that it is.

M Crim JI 2.11 Courts Questioning Not a Reflection of Opinion

I may ask some of the witnesses questions myself. These questions are not meant to reflect my opinion about the evidence. If I ask questions, my only reason would be to ask about things that may not have been fully explored.

M Crim JI 2.12**Questions by Jurors Allowed**

(1) During the trial you may think of an important question that would help you understand the facts in this case. You are allowed to ask such questions.

(2) You should wait to ask questions until after a witness has finished testifying and both sides have finished their questioning. If you still have an important question after this, do not ask it yourself. Raise your hand, write the question down, and pass it to court staff, who will give it to me. Do not show your question to other jurors.

(3) If your question is not asked, it is because I determined under the law that the question should not be asked. Do not speculate about why the question was not asked. In other words, you should draw no conclusions or inferences about the facts of the case, nor should you speculate about what the answer might have been. Also, in considering the evidence you should not give greater weight to testimony merely because it was given in answer to questions submitted by members of the jury.

[NEW] M Crim JI 2.13**Notifying Court of Inability to Hear or See Witness or Evidence**

If you cannot hear something that is said or presented, or if you cannot see a witness or evidence, please raise your hand immediately.

M Crim JI 2.14**Objections**

During the trial the lawyers may object to certain questions or statements made by the other lawyers or witnesses. I will rule on these objections according to the law. My rulings for or against one side or the other are not meant to reflect my opinions about the facts of the case.

M Crim JI 2.15**Disregard Out-of-Presence Hearings**

Sometimes the lawyers and I will have discussions out of your hearing. Also, while you are in the jury room I may have to take care of other matters that have nothing to do with this case. Pay no attention to these interruptions.

M Crim JI 2.16**Jurors Not To Discuss Case**

You must not discuss the case with anyone, including your family or friends. You must not even discuss it with the other jurors until the time comes for you to decide the case. When it is time for you to decide the case, I will send you to the jury room for that purpose. Then you should discuss the case among yourselves, but only in the jury room and only when all the jurors are there.

You must not talk to the defendant, the lawyers, the witnesses, or anyone who may be connected to this case. This means that you may not speak to these individuals, even if it has nothing to do with this case. You should be very cautious about speaking to people because you may inadvertently speak to someone connected to this case. This restriction is necessary to avoid even the appearance of any improper conduct on any person's part.

If anyone tries to discuss the case with you or in your presence, tell them to stop. Explain that you are a juror and you are not allowed to discuss the case. If they continue, leave. Report the incident to court staff as soon as you return to court.

When the trial is over, these restrictions no longer apply. When the trial is over, you may, if you wish, discuss the case with anyone.

M Crim JI 2.17**Caution About Publicity in Cases of Public Interest**

(1) During the trial, do not read, listen to, or watch any news reports about the case. Under the law, the evidence you consider to decide the case must meet certain standards. For example, witnesses must swear to tell the truth, and the lawyers must be able to cross-examine them. Because news reports do not have to meet these

standards, they could give you incorrect or misleading information that might unfairly favor one side. So, to be fair to both sides, you must follow this instruction.

[Give the instruction below when recessing:]

(2) Remember, for the reasons I explained to you earlier, you must not read, listen to, or watch any news reports about this case while you are serving on this jury.

M Crim JI 2.18 Sequestration of Jurors

(1) Because this case has gotten so much public attention, I have reluctantly decided that you will not be allowed to go home at the end of the day. Instead, you will stay together. I know this will be difficult for all of you, and you should tell me if this causes you any special hardship.

(2) You may wonder why this is necessary. In fairness to both sides, it is necessary for you to stay together and away from any outside information. Please do not communicate in any way with anyone except the other jurors without telling one of the court staff. Also, you must not read any newspapers or magazines except for the ones the bailiffs give you. I have told the bailiffs to remove all articles about the trial from the reading material.

(3) We will do everything we can to make you as comfortable as possible. The bailiff will help you with anything you need.

M Crim JI 2.19 Jurors Not to Consider Information from Outside the Courtroom

The restrictions I'm about to describe are meant to ensure that the parties get a fair trial. In our judicial system, it is crucial that jurors are not influenced by anything or anyone outside the courtroom. Under the law, the evidence you consider must meet certain standards. For example, witnesses must swear to tell the truth, and the lawyers must be able to cross-examine them. Because information obtained outside the courtroom does not have these safeguards, it could give you incorrect or misleading information that might unfairly favor

one side. These restrictions start now and continue until I discharge you from jury service:

(1) It is your duty as a juror to decide this case based solely on the evidence you see and hear in this courtroom. You must not consider information that comes from anywhere else.

(2) This means that during the trial, you must not read, watch, or listen to news reports about the case, whether in newspapers, on television, on the radio, or on the Internet.

(3) You also must not research any aspect of the case during the trial. This means research using a cellular phone, computer, or other electronic device to search the Internet, as well as research with traditional sources like dictionaries, reference manuals, newspapers, or magazines.

(4) You must not investigate the case on your own or conduct any experiments concerning the case, including investigation or experiments using the Internet, computers, cellular phones, or other electronic devices.

(5) You must not visit the scene of any event at issue in this trial. If it is necessary for you to view or visit the scene, court staff will take you there as a group, under court supervision. You must not consider as evidence any personal knowledge you have of the scene.

(6) You must not share any information about the case by any means, including cellular phones or social media. This means that even if you are not discussing the case with someone else, you may not post any information about the case on social media websites or in any other manner.

(7) If you discover that a juror has violated my instructions, report it to court staff.

M Crim JI 2.20

Notetaking Allowed

You may take notes during the trial if you wish, but of course you don't have to. If you do take notes, you should be careful that it does not distract you from paying attention to all the evidence. When you go to the jury room to decide your verdict, you may use your notes to help you remember what happened in the courtroom. If you take notes, do not let anyone except the other jurors see them

during deliberations. [*Describe the process the court will use to secure notes each day.*] Your notes will not be examined by anyone, and when your jury service concludes, your notes will be collected and destroyed.

M Crim JI 2.21 Notetaking Not Allowed

I don't believe that it is desirable or helpful for you to take notes during this trial. If you take notes, you might not be able to give your full attention to the evidence. So please do not take any notes while you are in the courtroom.

M Crim JI 2.22 Multiple Defendants Consider Evidence and Law As It Applies to Each Defendant

(1) There is more than one defendant in this case. The fact that they are on trial together is not evidence that they were associated with each other or that either one is guilty.

(2) You should consider each defendant separately. Each is entitled to have [his / her] case decided on the evidence and the law that applies to [him / her].

[(3) If any evidence was limited to (one defendant / some defendants) you should not consider it as to any other defendants.]

M Crim JI 2.23 Defendant Represents Himself or Herself

In this case, the defendant, _____, is representing [himself / herself]. This fact should not affect your decision in any way. The defendant has the right to represent [himself / herself], and [he / she] has chosen to exercise that right. [A lawyer, _____, is present if the defendant wishes to consult (him / her).]

M Crim JI 2.24 Second Trial

This case has been tried before, and during this trial you may hear some references to the first trial. Sometimes a case must be retried before a new jury, and you should not pay any attention to the fact that this is the second trial. Your verdict must be based only on the evidence in this trial. You must decide the facts only from the evidence that you yourself hear and see in this trial.

M Crim JI 2.25 Number of Jurors

You can see that we have chosen a jury of [thirteen / fourteen]. After you have heard all of the evidence and my instructions, we will draw lots to decide which [one / two] of you will be dismissed to form a jury of twelve.

M Crim JI 2.26 Penalty

Possible penalty should not influence your decision. It is the duty of the judge to fix the penalty within the limits provided by law.

M Crim JI 2.27 Instructions to Be Taken As a Whole

I may give you more instructions during the trial. After all the evidence has been presented, you will hear the lawyers' closing arguments. Following the closing arguments, I will give you additional instructions about the rules of law that apply to this case. You should consider all of my instructions as a connected series. Taken all together, they are the law you must follow.

It is important for you to keep an open mind and not make a decision about anything in the case until you go to the jury room to decide the case.

You must not let bias, prejudice, or public opinion influence your decision. Each of us may have biases or perceptions about other people based on stereotypes. We may be aware of some of our biases, though we do not express them. We may not be fully aware of some of our other biases. Take the time you need to test what might be automatic or instinctive judgments and to reflect carefully about the evidence. I caution you again to avoid reaching conclusions that may have been unintentionally influenced by stereotypes. You must reach your own conclusions about this case individually, but you should do so only after listening to and considering the opinions of the other jurors, who may have different backgrounds and perspectives from yours.

**Public Policy Position
M Crim JI Chapter 2**

Support as Drafted

Explanation:

The committee voted 16 in favor with 1 in opposition to support the Model Criminal Jury Instructions on Chapter 2 (Procedural Instructions) as drafted. The committee appreciated the extensive work that went into the proposed jury instructions.

Position Vote:

Voted For position: 16

Voted against position: 1

Abstained from vote: 0

Did not vote (absence): 6

Contact Persons:

Mark A. Holsomback mahols@kalcounty.com

Sofia V. Nelson snelson@sado.org

**Public Policy Position
M Crim JI Chapter 2 Revisions**

Support

Explanation

The Criminal Law Section of the State Bar of Michigan supports the proposed revisions to Chapter 2 of the Michigan Criminal Jury Instructions as written by the Committee on Model Criminal Jury Instructions.

Position Vote:

Voted for position: 16

Voted against position: 0

Abstained from vote: 0

Did not vote (absent): 10

Contact Person: Kahla Crino

Email: krino@ingham.org



**FROM THE COMMITTEE
ON MODEL CRIMINAL
JURY INSTRUCTIONS**

The Committee on Model Criminal Jury Instructions solicits comment on the following proposal by November 1, 2021. Comments may be sent in writing to Samuel R. Smith, Reporter, Committee on Model Criminal Jury Instructions, Michigan Hall of Justice, P.O. Box 30052, Lansing, MI 48909-7604, or electronically to MCrimJI@courts.mi.gov.

PROPOSED

The Committee proposes new instructions, M Crim JI 37.12 [Jury Tampering: MCL 750.120a(1)], M Crim JI 37.13 [Jury Tampering Through Intimidation: MCL 750.120a(2)], and M Crim JI 37.14 [Retaliating Against a Juror: MCL 750.120a(4)] for the crimes found in the Bribery and Corruption chapter of the Penal Code.

[NEW] M Crim JI 37.12 Jury Tampering

(1) The defendant is charged with willfully influencing or attempting to influence jurors outside of courtroom proceedings. To prove this charge, the prosecutor must prove each of the following elements beyond a reasonable doubt:

[Select the option that applies:]¹

(2) First, that *[identify juror or jurors]* [was a member / were members] of the group of potential jurors that could decide the case of *[state name of case]* in the *[identify court]*.

[Or]

(2) First, that *[identify juror or jurors]* [was a member / were members] of the jury that could decide the case of *[state name of case]* in the *[identify court]*.

(3) Second, that the defendant willfully and intentionally made an argument or used persuasion with *[that juror / those jurors]* other than as part of the proceedings being held in open court.

(4) Third, that when the defendant made an argument or used persuasion with [*identify juror or jurors*], [he / she] was attempting to influence [his / her / their] decision in the case where [he was / she was / they were] sitting as [a juror / jurors].

Use Note

1. The operative statute, MCL 740.120a(1), may include persons on either the jury venire or the petit jury that ultimately decides the case. *See People v Wood*, 506 Mich 116; 954 NW2d 494 (2020). Use the first option where the juror or jurors were on the jury venire but were not seated on the petit jury, and use the second option where the juror or jurors were on the petit jury.

[NEW] M Crim JI 37.13 Jury Tampering Through Intimidation

(1) The defendant is charged with willfully influencing or attempting to influence jurors outside of courtroom proceedings by using intimidation. To prove this charge, the prosecutor must prove each of the following elements beyond a reasonable doubt:

*[Select the option that applies:]*¹

(2) First, that *[identify juror or jurors]* [was a member / were members] of the group of potential jurors that could decide the case of *[state name of case]* in the *[identify court]*.

[Or]

(2) First, that *[identify juror or jurors]* [was a member / were members] of the jury that could decide the case of *[state name of case]* in the *[identify court]*.

(3) Second, that the defendant willfully and intentionally communicated with *[that juror / those jurors]* other than as part of the proceedings being held in open court. To “communicate” means to interact by spoken or written words or by any conduct or behavior that would lead a reasonable person to believe that a message was being conveyed or expressed.

(4) Third, that when the defendant communicated with *[identify juror or jurors]*, *[he / she]* was attempting to influence *[his / her / their]* decision in the case where *[he was / she was / they were]* sitting as *[a juror / jurors]*.

(5) Fourth, that the defendant attempted to influence the decision of the *[juror / jurors]* by using intimidation. Using intimidation means that the defendant’s conduct would lead a reasonable person to be placed in fear.

[Use the following paragraphs where the prosecutor has charged the applicable aggravating element]

(6) Fifth, that the defendant attempted to influence the decision of the *[juror / jurors]* by using intimidation in a case involving the crime of *[state alleged crime in case]*².

(6) Fifth, that when the defendant attempted to influence the decision of the *[juror / jurors]* by using intimidation, the defendant *[committed or attempted to commit the*

crime of (*state other offense*) as I have previously described to you / threatened to kill or injure someone or to cause damage to property]³.

Use Note

1. The operative statute, MCL 750.120a, may include persons on either the jury venire or the petit jury that ultimately decides the case. *See People v Wood*, 506 Mich 116; 954 NW2d 494 (2020). Use the first option where the juror or jurors were on the jury venire but were not seated on the petit jury, and use the second option where the juror or jurors were on the petit jury.

2. MCL 750.120a(2)(b) provides that a person who uses intimidation to influence jurors in the trial of a criminal case where the maximum penalty is 10 years or more or life faces an enhanced penalty. Whether the charged offense at the trial had a penalty of 10 years or more or life is a matter of law, and the court should identify the crime itself for the jury to determine whether the defendant's conduct occurred during the trial for that charge.

3. MCL 750.120a(2)(c).

[NEW] M Crim JI 37.14 Retaliating Against a Juror

(1) The defendant is charged with retaliating against a juror for performing his or her duty. To prove this charge, the prosecutor must prove each of the following elements beyond a reasonable doubt:

(2) First, that [*identify juror*] was a member of the jury that heard evidence to decide the case¹ of [*state name of case*] in the [*identify court*].

(3) Second that the defendant retaliated, attempted to retaliate, or threatened to retaliate against that juror for performing [his / her] duty as a juror.

Retaliate means that, because of the juror’s performance of [his / her] duty as a juror, the defendant:

[*Choose one or more according to the charges and evidence:*]

- (a) threatened to kill any person or threatened to cause property damage.
- (b) committed or attempted to commit the crime of [*identify other crime(s) alleged*], or a lesser offense, on which I have previously instructed you in Count [*identify appropriate count in the Information*].² It is not necessary, however, that the defendant be convicted of that crime.

Use Notes

1. If a juror who was a sworn member of the panel but did not sit on the petit jury that heard the evidence at trial is retaliated against for some act in performance of his or her duty as a juror, this language may be modified to provide “was a member of the of the group of potential jurors from which the jury in [*state name of case*] in the [*identify court*] was selected.” See *People v Wood*, 506 Mich 116; 954 NW2d 494 (2020).

2. If the crime committed or attempted as retaliation is not charged in a separate count, its elements and included offenses should be instructed on here.

**Public Policy Position
M Crim JI 37.12, 37.13, and 37.14**

Support as Drafted

Explanation:

The committee voted unanimously (17) to support the Model Criminal Jury Instructions 37.12, 37.13, and 37.14 (Jury Tampering) as drafted.

Position Vote:

Voted For position: 17

Voted against position: 0

Abstained from vote: 0

Did not vote (absence): 6

Contact Persons:

Mark A. Holsomback mahols@kalcounty.com

Sofia V. Nelson snelson@sado.org

Public Policy Position
M Crim JI 37.12, 37.13, 37.14
M Crim JI 38.2, 38.3, and 38.3a

Support

Explanation

The Criminal Law Section of the State Bar of Michigan supports the following jury instructions as written by the Committee on Model Criminal Jury Instructions: M Crim JI 37.12, 37.13, 37.14, 38.2, 38.3, and 38.3a.

Position Vote:

Voted for position: 16

Voted against position: 0

Abstained from vote: 0

Did not vote (absent): 10

Contact Person: Kahla Crino

Email: krino@ingham.org



**FROM THE COMMITTEE
ON MODEL CRIMINAL
JURY INSTRUCTIONS**

The Committee on Model Criminal Jury Instructions solicits comment on the following proposal by November 1, 2021. Comments may be sent in writing to Samuel R. Smith, Reporter, Committee on Model Criminal Jury Instructions, Michigan Hall of Justice, P.O. Box 30052, Lansing, MI 48909-7604, or electronically to MCrimJI@courts.mi.gov.

PROPOSED

The Committee proposes new instructions, M Crim JI 38.2 [Hindering Prosecution of Terrorism (MCL 750.543h)], M Crim JI 38.3 [Soliciting Material Support for an Act of Terrorism (MCL 750.543k)], and M Crim JI 38.3a [Providing Material Support for an Act of Terrorism (MCL 750.543k)] for crimes found in the Michigan Anti-Terrorism Act.

[NEW] M Crim JI 38.2 Hindering Prosecution of Terrorism

(1) The defendant is charged with the crime of hindering the prosecution of terrorism. To prove this charge, the prosecutor must prove each of the following elements beyond a reasonable doubt:

[Select the option that applies:]

(2) First, that [*identify other person*] committed the crime of [*state felony*]. For the crime of [*state felony*], the prosecutor must prove each of the following elements beyond a reasonable doubt: [*state elements of felony*]. It does not matter whether [*identify other person*] was convicted of the crime.

[Or]

(2) First, that [*identify other person alleged to have been a material witness*] was wanted as a material witness in connection with an act of terrorism.

An act of terrorism is a violent felony¹ that is dangerous to human life and that is intended to intimidate or coerce a civilian population or intended to influence or affect the conduct of government or a unit of government through intimidation or coercion. [*Identify violent felony crime*] is a violent felony. You must decide

whether committing the crime was dangerous to human life and whether the defendant intended to intimidate or coerce a civilian population or intended to influence or affect the conduct of government or a unit of government through intimidation or coercion by committing this felony.

(3) Second, that the defendant knew or had reason to know that [*identify other person*] [committed the crime of (*identify criminal conduct under Anti-Terrorism Act*) / was wanted as a material witness in connection with an act of terrorism].

(4) Third, that the defendant [harbored or concealed (*identify other person*) / warned (*identify other person*) that (he / she) was about to be discovered or apprehended / provided (*identify other person*) with money, transportation, a weapon, a disguise, false identification, or any other means of avoiding discovery or apprehension / by force, intimidation, or deception prevented or obstructed anyone from performing an act that might aid in the discovery, apprehension, or prosecution of (*identify other person*) / concealed, altered, or destroyed any physical evidence that might aid in the discovery, apprehension, or prosecution of (*identify other person*) / participated or aided in jury bribing, jury tampering, or witness intimidation in a trial of (*identify other person*) / participated or aided in an escape of (*identify other person*) from jail or prison].

(5) Fourth, that when the defendant [harbored or concealed (*identify other person*) / warned (*identify other person*) that (he / she) was about to be discovered or apprehended / provided (*identify other person*) with money, transportation, a weapon, a disguise, false identification, or any other means of avoiding discovery or apprehension / by force, intimidation, or deception prevented or obstructed anyone from performing an act that might aid in the discovery, apprehension, or prosecution of (*identify other person*) / concealed, altered, or destroyed any physical evidence that might aid in the discovery, apprehension, or prosecution of (*identify other person*) / participated or aided in jury bribing, jury tampering, or witness intimidation in a trial of (*identify other person*) / participated or aided in an escape of (*identify other person*) from jail or prison], [he / she] intended to avoid, prevent, hinder, or delay the discovery, apprehension, prosecution, trial, or sentencing of [*identify other person*].

Use Note

1. Under MCL 750.543b(a)(i), an act of terrorism requires that a person must have committed a “violent felony.” The definitional statute, MCL 750.543b(h), provides that a “violent felony” is one that has an element of the use, attempted use, or threatened use of physical force against an individual, or of the use, attempted use, or threatened use of a harmful biological substance, a harmful biological device,

a harmful chemical substance, a harmful chemical device, a harmful radioactive substance, a harmful radioactive device, an explosive device, or an incendiary device. Whether the crime is a “violent felony” appears to be a question of law for the court to decide.

[NEW] M Crim JI 38.3 Soliciting Material Support for an Act of Terrorism

(1) The defendant is charged with the crime of soliciting material support for an act of terrorism. To prove this charge, the prosecutor must prove each of the following elements beyond a reasonable doubt:

(2) First, that the defendant intentionally raised, solicited, or collected material support or resources in the form of currency or other financial securities, financial services, lodging, training, safe houses, false documentation or identification, communications equipment, facilities, weapons, lethal substances, explosives, personnel, transportation, including any related physical assets or intangible property, or expert services or expert assistance¹.

(3) Second, that when the defendant raised, solicited, or collected the material support or resources, [he / she] knew that the material support or resources would be used by a person or organization that engaged in or was about to engage in an act that would be a violent felony,² which was or would be dangerous to human life and was intended to intimidate or coerce a civilian population or influence or affect the conduct of government or a unit of government through intimidation or coercion. [*Identify violent felony crime*] is a violent felony. You must decide whether the crime [was / would have been] dangerous to human life and whether the defendant intended to intimidate or coerce a civilian population or intended to influence or affect the conduct of government or a unit of government through intimidation or coercion by committing this felony.

Use Note

1. The forms of material support listed here are found in MCL 750.543b(d). The court may select from those according the evidence or may add other forms of material support according to the charges and the evidence.

2. The definition of a *violent felony* is found in MCL 750.543b(h).

[NEW] M Crim JI 38.3a Providing Material Support for an Act of Terrorism

(1) The defendant is charged with the crime of providing material support for an act of terrorism. To prove this charge, the prosecutor must prove each of the following elements beyond a reasonable doubt:

(2) First, that the defendant provided material support in the form of currency or other financial securities, financial services, lodging, training, safe houses, false documentation or identification, communications equipment, facilities, weapons, lethal substances, explosives, personnel, transportation, including any related physical assets or intangible property, or expert services or expert assistance¹ to [(*identify person*) / another person].

(3) Second, that when the defendant provided material support to [(*identify person*) / another person], [he / she] knew that [(*identify person*) / the other person] would use that support or those resources at least in part to plan, prepare, carry out, facilitate, or avoid apprehension for committing an act of terrorism against the United States or its citizens, Michigan or its citizens, a political subdivision or agency of Michigan, or a local unit of government.

An act of terrorism is committing or attempting to commit the violent felony of [*identify crime*]² that was or would be dangerous to human life and was intended to intimidate or coerce a civilian population or influence or affect the conduct of government or a unit of government through intimidation or coercion.³ [*Identify violent felony crime*] is a violent felony. You must decide whether the crime [was / would have been] dangerous to human life and whether the defendant intended to intimidate or coerce a civilian population or intended to influence or affect the conduct of government or a unit of government through intimidation or coercion by committing this felony.

Use Note

1. The forms of material support listed here are found in MCL 750.543b(d). The court may select from those according the evidence or may add other forms of material support according to the charges and the evidence.

2. The definition of a *violent felony* is found in MCL 750.543b(h).

3. MCL 750.543b(a) defines *act of terrorism*.

**Public Policy Position
M Crim JI 38.2, 38.3, and 38.3a**

Support as Drafted

Explanation:

The committee voted unanimously (17) to support the Model Criminal Jury Instructions 38.2, 38.3, and 38.3a as drafted.

Position Vote:

Voted For position: 17

Voted against position: 0

Abstained from vote: 0

Did not vote (absence): 6

Contact Persons:

Mark A. Holsomback mahols@kalcounty.com

Sofia V. Nelson snelson@sado.org

Public Policy Position
M Crim JI 37.12, 37.13, 37.14
M Crim JI 38.2, 38.3, and 38.3a

Support

Explanation

The Criminal Law Section of the State Bar of Michigan supports the following jury instructions as written by the Committee on Model Criminal Jury Instructions: M Crim JI 37.12, 37.13, 37.14, 38.2, 38.3, and 38.3a.

Position Vote:

Voted for position: 16

Voted against position: 0

Abstained from vote: 0

Did not vote (absent): 10

Contact Person: Kahla Crino

Email: krino@ingham.org

TO: Board of Commissioners
FROM: Strategic Planning Committee
DATE: September 9, 2021
RE: **FY 2022 Strategic Planning Recommendations**

Throughout FY 2021, the Strategic Planning Committee has met and discussed strategic plan priorities and ways in which the committee can evaluate how effectively the State Bar of Michigan is working toward its strategic plan goals. Based on these discussions and feedback from the Board of Commissioners' in-person and virtual retreat sessions focused on strategic plan priorities (full results attached), the Committee makes the following recommendations to the Board.

Strategic Plan Priorities for FY 2022

The committee recommends that SBM emphasize practice readiness and diversity and inclusion in the profession and as an element of professionalism for FY2022 (Goal 1, Strategy 1; Goal 2, Strategy 4; Goal 3, Strategy 6). While the committee identified these strategies as priorities for the upcoming year, all the strategies set forth in the Strategic Plan remain important to SBM in achieving its goals.

The committee recommends that the Board communicate these strategic plan priorities to bar leadership, including the Representative Assembly, committee chairs and section leaders. In addition, the committee recommends that the Board develop pathways for member engagement on these topics beyond passive communications of the priorities and encourage sections, committees, and other relevant groups to report back on their work in these areas.

Program Review and Evaluation

To develop a methodology to evaluate SBM's effectiveness at achieving strategic plan goals, the committee plans to conduct a review in FY2022 of one or two programs and report back to the Board. In addition, SBM staff will include the current metrics it has available for programs when it updates the Strategic Plan Activity Report at the end of the fiscal year.

Attachments: 2017-2023 Strategic Plan
2021 Board Retreat Results



STATE BAR OF MICHIGAN
STRATEGIC PLAN
2017–2023

Adopted by the Board of Commissioners January 20, 2017

Adopted by the Representative Assembly April 17, 2017

Renewed by the Board of Commissioners July 24, 2020

Statement of Purpose

A statement of purpose, or mission, is designed to define an organization's fundamental reason for being, and for whom. It also establishes the scope of its major activity areas, providing the framework for selecting the goals and strategies required to move the organization forward. The Supreme Court Rules Concerning the State Bar of Michigan provide:

"...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."

This statement provides the foundation upon which the State Bar of Michigan Strategic Plan is built and positions the State Bar of Michigan to:

- Promote the professionalism of lawyers
- Advocate for an open, fair and accessible justice system
- Provide services to members that enable them to best serve their clients

Statement of Core Values

These core values direct fundamentally how the State Bar of Michigan will conduct itself as it works to achieve our goals and fulfill our mission.

Justice

In fulfilling our mission to promote improvements in the administration of justice and advancements in jurisprudence, the State Bar of Michigan finds it essential to our mission to advocate for an open, fair and accessible justice system for all.

Service

The State Bar of Michigan, as an organization, its staff, and volunteers, who carry out the work of the bar, shall undertake service to its members and the larger legal community, being especially attentive to the needs of the public, who is served by the justice system.

Professionalism

We respect the rule of law, and will promote ethical conduct, personal integrity, and civility in all our deliberations, decisions, and interactions within the organization and with all others participating within the justice system.

Diversity and Inclusion

The State Bar of Michigan recognizes that as an association we are more effective when we bring different perspectives, experiences, backgrounds, talents and interests to decision-making about how we carry out our mission. In addition to promoting greater diversity in the profession, the State Bar of Michigan embraces a culture within its leadership and governance processes that is open to and respects differing views and perspectives.

Innovation

We will continually strive to explore and advance new ways to provide excellent service to our members and to the public, and to promote ethical use of technology and high standards of performance in the practice of law.

<p>Goal 1: The State Bar of Michigan provides resources to help all of its members achieve professional excellence and success in the practice of law and in service to the public.</p>	<p style="text-align: center;">We will achieve this by:</p> <p>Strategy 1: Helping new lawyers to be practiceready</p> <p>Strategy 2: Supporting each active member’s professional competence and continuing professional development</p> <p>Strategy 3: Engaging members in learning about and implementing innovative delivery methods</p> <p>Strategy 4: Promoting greater member engagement to connect members with the bar, its resources and each other</p>
<p>Goal 2: The State Bar of Michigan champions access to justice and builds public trust and confidence in the justice system in Michigan.</p>	<p>Strategy 1: Creating and maintaining an accessible, coordinated online foundation of legal resources for the public</p> <p>Strategy 2: Creating and maintaining greater public awareness and competence around legal issues that affect them</p> <p>Strategy 3: Expanding opportunities for SBM members to participate in access to justice initiatives through traditional means including pro bono and by partnering with public service organizations, local and affinity bars</p> <p>Strategy 4: Encouraging improved diversity and inclusion of the profession as a fundamental component of the public’s respect for the rule of law and confidence and trust in the justicesystem</p> <p>Strategy 5: Expanding collaboration with professional organizations and communities outside of the legal community</p> <p>Strategy 6: Providing timely, targeted messages to promote understanding of the rule of law and role of judiciary and the legal profession</p>
<p>Goal 3: The State Bar of Michigan maintains the highest conduct among its members, and initiates and advocates for improvements that facilitate accessible, timely justice for the public.</p>	<p>Strategy 1: Working with our partners to effectively regulate the legal profession in Michigan</p> <p>Strategy 2: Educating members on ethical rules and regulations</p> <p>Strategy 3: Reviewing ethical rules and regulation, and adapting them to eliminate barriers to innovation</p> <p>Strategy 4: Conducting research and development that promotes innovation and forecasts change</p> <p>Strategy 5: Pursuing permissible and achievable public policy goals, while minimizing divisiveness and encouraging member input and diverse points of view on public policy issues</p> <p>Strategy 6: Promoting respect for diversity as an important element of professionalism</p>
<p>Goal 4: The State Bar of Michigan structures itself to achieve its strategic goals in a responsive and cost-efficient manner.</p>	<p>Strategy 1: Developing governance, member and administrative structures that provide for broad-based decision making and timelyaction</p> <p>Strategy 2: Employing practices that strengthen the State Bar of Michigan’s fiscal position and responsible use of resources</p> <p>Strategy 3: Ensuring the technology infrastructure follows best business practices and is poised to meet the future needs of members and the State Bar of Michigan</p> <p>Strategy 4: Targeting the State Bar of Michigan’s communications to build awareness of bar programs and initiatives among members and the recipientcommunity</p>

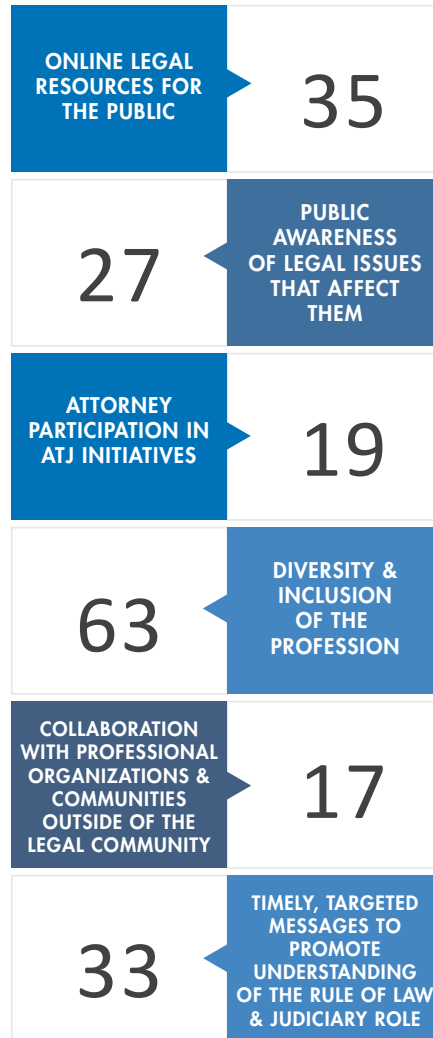
GOAL #1

SBM PROVIDES RESOURCES TO HELP MEMBERS ACHIEVE PROFESSIONAL EXCELLENCE AND SUCCESS IN THE PRACTICE OF LAW AND SERVICE OF PUBLIC.



GOAL #2

SBM CHAMPIONS ACCESS TO JUSTICE AND BUILDS PUBLIC TRUST AND CONFIDENCE IN THE JUSTICE SYSTEM IN MICHIGAN.



GOAL #3

SBM MAINTAINS THE HIGHEST CONDUCT AMONG ITS MEMBERS, AND INITIATES AND ADVOCATES FOR IMPROVEMENTS THAT FACILITATED ACCESSIBLE, TIMELY JUSTICE FOR THE PUBLIC



GOAL #4

SBM STRUCTURES ITSELF TO ACHIEVE ITS STRATEGIC GOALS IN A RESPONSIVE AND COST-EFFICIENT MANNER.



**State Bar of Michigan
FY 2022 Approved Budget Summary**

	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Budget	FY 2021 Forecast	FY 2021 Forecast vs. FY 2021 Budget	FY 2022 Approved Budget	FY 2022 Appr. Budget vs. FY 2021 Forecast	FY 2022 Appr. Budget vs. FY 2021 Budget
Operating Revenues									
- License Fees and Related	7,732,040	7,750,310	7,732,165	7,641,000	7,727,000	86,000	7,653,000	(74,000)	12,000
- All Other Operating Revenue	1,632,612	1,601,163	1,390,417	1,494,890	1,365,655	(129,235)	1,467,850	102,195	(27,040)
Total Operating Revenue	<u>9,364,652</u>	<u>9,351,473</u>	<u>9,122,582</u>	<u>9,135,890</u>	<u>9,092,655</u>	<u>(43,235)</u>	<u>9,120,850</u>	<u>28,195</u>	<u>(15,040)</u>
Operating Expenses									
- Labor-related Operating Expenses									
Salaries	4,819,766	5,051,419	5,281,014	5,330,899	5,068,308	(262,591)	5,437,140	368,832	106,241
Employee Benefits & Payroll Taxes	1,775,841	1,833,191	1,776,147	1,915,358	1,807,036	(108,322)	1,912,006	104,970	(3,352)
Retiree Health Care Liability Exp	-	-	-	-	-	-	-	-	-
Total Labor-related Operating Expenses	<u>6,595,607</u>	<u>6,884,610</u>	<u>7,057,161</u>	<u>7,246,257</u>	<u>6,875,344</u>	<u>(370,913)</u>	<u>7,349,146</u>	<u>473,802</u>	<u>102,889</u>
- Non-labor Operating Expenses									
Legal	152,260	215,715	183,249	191,920	176,488	(15,432)	224,875	48,387	32,955
Public and Bar Services	938,232	906,733	746,721	1,027,080	925,859	(101,221)	1,079,949	154,089	52,869
Operations and Policy	2,566,982	2,558,329	2,291,020	2,713,645	2,439,060	(274,585)	2,582,870	143,810	(130,775)
Total Non-labor Operating Expenses	<u>3,657,474</u>	<u>3,680,777</u>	<u>3,220,990</u>	<u>3,932,645</u>	<u>3,541,407</u>	<u>(391,238)</u>	<u>3,887,694</u>	<u>346,287</u>	<u>(44,951)</u>
Total Operating Expenses	<u>10,253,081</u>	<u>10,565,387</u>	<u>10,278,151</u>	<u>11,178,902</u>	<u>10,416,751</u>	<u>(762,151)</u>	<u>11,236,840</u>	<u>820,088</u>	<u>57,938</u>
Total Operating Income (Loss)	<u>(888,429)</u>	<u>(1,213,914)</u>	<u>(1,155,569)</u>	<u>(2,043,012)</u>	<u>(1,324,096)</u>	<u>718,916</u>	<u>(2,115,990)</u>	<u>(791,893)</u>	<u>(72,978)</u>
Non-Operating Rev / (Exp)									
- Investment Income	179,640	249,731	199,067	94,000	61,240	(32,760)	33,000	(28,240)	(61,000)
- Investment Income - Retiree Health Care Trust	202,417	384,630	328,761	-	-	-	-	-	-
- Capital Contributions	-	-	-	-	-	-	-	-	-
- Loss on Disposal of Capital Asset	(34,963)	(4,000)	(17,570)	-	-	-	-	-	-
Total Non-OperRev / (Exp)	<u>347,094</u>	<u>630,361</u>	<u>510,258</u>	<u>94,000</u>	<u>61,240</u>	<u>(32,760)</u>	<u>33,000</u>	<u>(28,240)</u>	<u>(61,000)</u>
Incr / (Decr) in Net Position	<u>(541,335)</u>	<u>(583,553)</u>	<u>(645,311)</u>	<u>(1,949,012)</u>	<u>(1,262,857)</u>	<u>686,155</u>	<u>(2,082,990)</u>	<u>(820,133)</u>	<u>(133,978)</u>

**FY 2022 Approved Budget Summary
Legal**

	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Budget	FY 2021 Forecast	FY 2021 Forecast vs. FY 2021 Budget	FY 2022 Approved Budget	FY 2022 Appr. Budget vs. FY 2021 Forecast	FY 2022 Appr. Budget vs. FY 2021 Budget
Legal									
Operating Revenues									
- Ethics	8,620	7,895	6,090	6,700	7,125	425	4,875	(2,250)	(1,825)
- Character & Fitness	218,495	294,335	325,940	358,625	317,650	(40,975)	358,125	40,475	(500)
Total Op Revenues	<u>227,115</u>	<u>302,230</u>	<u>332,030</u>	<u>365,325</u>	<u>324,775</u>	<u>(40,550)</u>	<u>363,000</u>	<u>38,225</u>	<u>(2,325)</u>
Legal Salaries	-	-	1,062,557	1,224,066	1,116,575	(107,491)	1,261,316	144,741	37,250
Other Operating Expenses									
- Ethics	10,531	16,490	7,201	7,005	3,795	(3,210)	10,795	7,000	3,790
- Client Protection Fund	16,735	11,096	2,461	6,865	3,990	(2,875)	12,930	8,940	6,065
- Interim Administrator Program	-	-	-	4,500	-	(4,500)	1,150	1,150	(3,350)
- Character & Fitness	45,350	52,843	40,663	52,000	55,000	3,000	61,750	6,750	9,750
- Unauthorized Practice of Law	16,718	16,582	15,704	12,750	6,350	(6,400)	13,050	6,700	300
- General Counsel	7,019	40,749	64,581	55,800	56,300	500	61,000	4,700	5,200
- Human Resources	55,907	77,955	52,639	53,000	51,053	(1,947)	64,200	13,147	11,200
- Employee Benefits & Payroll Taxes	1,775,841	1,833,191	1,776,147	1,915,358	1,807,036	(108,322)	1,912,006	104,970	(3,352)
- Retiree Health Care Liability Contribution	-	-	-	-	-	-	-	-	-
Total Other Operating Expense	<u>1,928,101</u>	<u>2,048,906</u>	<u>1,959,396</u>	<u>2,107,278</u>	<u>1,983,524</u>	<u>(123,754)</u>	<u>2,136,881</u>	<u>153,357</u>	<u>29,603</u>

**FY 2022 Approved Budget Summary
Public and Bar Services**

	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Budget	FY 2021 Forecast	FY 2021 Forecast vs. FY 2021 Budget	FY 2022 Approved Budget	FY 2022 Appr. Budget vs. FY 2021 Forecast	FY 2022 Appr. Budget vs. FY 2021 Budget
Public and Bar Services									
Operating Revenues									
- Annual Meeting	115,388	26,246	-	31,000	31,000	-	31,000	-	-
- Lawyer Services	288,154	235,016	195,734	204,650	201,870	(2,780)	205,025	3,155	375
- Bar Leadership Forum	11,377	12,097	946	11,725	-	(11,725)	11,725	11,725	-
- UMLI	12,193	14,030	597	12,500	-	(12,500)	12,500	12,500	-
- 50 Year Golden Celebration	-	-	-	2,350	-	(2,350)	3,350	3,350	1,000
- Practice Management Resource Center	125	20	530	1,000	1,000	-	3,500	2,500	2,500
- Lawyer Referral Service	148,667	190,605	127,560	140,000	120,000	(20,000)	150,000	30,000	10,000
- Lawyers & Judges Assistance Program	40,718	42,724	41,315	51,990	54,000	2,010	60,000	6,000	8,010
Total Op Revenues	616,622	520,738	366,683	455,215	407,870	(47,345)	477,100	69,230	21,885
Public and Bar Services Salaries	-	-	2,201,813	1,875,536	1,780,762	(94,774)	1,934,171	153,409	58,635
Other Operating Expenses									
- Annual Meeting	187,706	57,660	21,186	56,400	53,925	(2,475)	69,000	15,075	12,600
- Lawyer Services	96,441	93,380	77,518	31,500	31,070	(430)	34,150	3,080	2,650
- Bar Leadership Forum	28,736	24,801	847	33,000	-	(33,000)	34,500	34,500	1,500
- UMLI	23,644	25,409	3,393	28,900	-	(28,900)	31,400	31,400	2,500
- 50 Year Golden Celebration	-	-	1,643	27,225	5,800	(21,425)	38,200	32,400	10,975
- Practice Management Resource Center	6,105	3,697	5,118	5,455	3,430	(2,025)	10,505	7,075	5,050
- Lawyer Referral Service	17,640	5,052	1,270	7,750	8,630	880	10,350	1,720	2,600
- Outreach, Committees, Sections & Local / Affinity Bars	110,617	110,914	41,716	136,500	123,710	(12,790)	134,500	10,790	(2,000)
- Diversity	47,464	42,182	5,919	35,000	34,400	(600)	36,700	2,300	1,700
- Lawyers & Judges Assistance Program	38,461	25,991	14,800	24,450	15,223	(9,228)	23,600	8,378	(850)
- Information Technology Services	381,418	517,647	573,310	640,900	649,672	8,772	657,044	7,372	16,144
Total Other Operating Expense	938,232	906,733	746,721	1,027,080	925,859	(101,221)	1,079,949	154,089	52,869

**FY 2022 Approved Budget Summary
Operations and Policy**

	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Budget	FY 2021 Forecast	FY 2021 Forecast vs. FY 2021 Budget	FY 2022 Approved Budget	FY 2022 Appr. Budget vs. FY 2021 Forecast	FY 2022 Appr. Budget vs. FY 2021 Budget
Operations and Policy									
Operating Revenues									
- License Fees & Related	7,732,040	7,750,310	7,732,165	7,641,000	7,727,000	86,000	7,653,000	(74,000)	12,000
- Chargeback to CPF	217,479	211,833	171,626	169,000	162,000	(7,000)	172,500	10,500	3,500
- Other Revenues	191,330	214,173	208,434	195,900	196,850	950	198,700	1,850	2,800
- Bar Journal Directory	74,358	40,231	39,645	32,750	13,464	(19,286)	-	(13,464)	(32,750)
- Bar Journal	167,549	149,326	146,149	148,400	145,396	(3,004)	146,050	654	(2,350)
- Print & Design Center	64,559	67,921	50,219	54,300	39,500	(14,800)	37,000	(2,500)	(17,300)
- Digital (Website)	40,547	59,109	51,610	49,000	50,000	1,000	48,500	(1,500)	(500)
- e-Journal	33,053	25,602	24,022	25,000	25,800	800	25,000	(800)	-
- Misc Revenue	-	10,000	-	-	-	-	-	-	-
Total Operating Revenues	8,520,915	8,528,505	8,423,870	8,315,350	8,360,010	44,660	8,280,750	(79,260)	(34,600)
Non-Operating Revenue									
- Investment Income	179,640	249,731	94,000	94,000	61,240	(32,760)	33,000	(28,240)	(61,000)
- Investment Income - Retiree Health Care Trust	202,417	384,630	328,761	-	-	-	-	-	-
- Capital Contributions	-	-	-	-	-	-	-	-	-
- Loss on Disposal of Capital Asset	(34,963)	(4,000)	(17,570)	-	-	-	-	-	-
Total Non-Operating Revenues	347,094	630,361	405,191	94,000	61,240	(32,760)	33,000	(28,240)	(61,000)
Operations & Policy Salaries	-	-	2,016,644	2,231,297	2,170,971	(60,326)	2,241,653	70,682	10,356
Other Operating Expenses									
- Admin	32,522	36,865	31,454	82,800	85,230	2,430	97,200	11,970	14,400
- Depreciation	436,514	476,985	528,855	558,000	538,500	(19,500)	560,000	21,500	2,000
- Property Taxes (in lieu of)	69,178	74,405	77,839	78,000	78,000	-	78,000	-	-
- Financial Services	258,599	286,625	284,253	324,295	320,720	(3,575)	348,590	27,870	24,295
- Bar Journal Directory	83,164	53,908	53,165	6,000	1,500	(4,500)	-	(1,500)	(6,000)
- Bar Journal	509,212	504,917	440,712	510,550	425,425	(85,125)	381,040	(44,385)	(129,510)
- Print & Design Center	61,487	65,391	42,139	61,500	53,810	(7,690)	53,850	40	(7,650)
- Digital (Website)	127,015	87,783	105,383	147,500	120,155	(27,345)	129,100	8,945	(18,400)
- e-Journal	36,080	32,932	36,228	33,050	33,805	755	16,005	(17,800)	(17,045)
- General Communications (Media Relations)	67,742	56,936	31,658	30,700	19,170	(11,530)	33,350	14,180	2,650
- Executive Office	65,147	89,965	59,943	60,200	39,750	(20,450)	65,950	26,200	5,750
- Board of Commissioners	147,100	141,644	35,261	134,900	95,750	(39,150)	133,250	37,500	(1,650)
- Representative Assembly	54,723	48,078	788	41,000	28,750	(12,250)	54,200	25,450	13,200
- Governmental Relations	66,629	70,482	57,300	68,830	57,490	(11,340)	63,920	6,430	(4,910)
- Research & Development	26,855	21,751	29,773	21,310	21,210	(100)	21,640	430	330
- Facilities Services	382,921	375,834	343,909	419,760	390,402	(29,358)	409,500	19,098	(10,260)
- Justice Initiatives (Combines PBI, RDI, JPI & CII)	51,888	137,828	132,363	135,250	129,393	(5,857)	137,275	7,882	2,025
- Criminal Issues Initiative	228	-	-	-	-	-	-	-	-
- Pro Bono Initiative/ Pro Bono	13,490	-	-	-	-	-	-	-	-
- Resource Development Initiative	76,356	-	-	-	-	-	-	-	-
- Justice Policy Initiative	132	-	-	-	-	-	-	-	-
Total Other Operating Expense	2,566,982	2,562,329	2,291,022	2,713,645	2,439,060	(274,585)	2,582,870	143,810	(130,775)

Administrative Fund	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Budget	FY 2021 Forecast	FY 2022 Budget
Beginning Position	12,277,875	12,800,771	12,217,220	11,571,909	11,571,909	10,309,052
Ending Position	12,800,771	12,217,220	11,571,909	9,622,897 (1)	10,309,052 (1)	8,226,062 (1)
Retiree H/C Restricted Assets**	1,500,028	1,953,454	2,389,256		3,218,258 (4)	
Change	(541,335) (2)(3)	(583,551) (3)	(645,311) (3)	(1,949,012)	(1,262,857)	(2,082,990)

Notes:

(1) Budget and forecast do not include income of healthcare trust and GASB 68/75 year-end adjustments for pensions and retiree healthcare liability.

(2) Excludes effect of FY 2018 accounting adjustment.

(3) Actuals include Retiree Healthcare Trust income.

(4) Estimate only - Retiree Healthcare Trust assets as of May 2021 less state's allocation of GASB 75 liability as of September 2020. This amount includes YTD May 2021 H/C Trust income of \$790,780.

**State Bar of Michigan
FY 2022 Proposed Budget Summary**

	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Budget	FY 2021 Forecast	FY 2021 Forecast vs. FY 2021 Budget	FY 2022 Proposed Budget	FY 2022 Prop. Budget vs. FY 2021 Forecast	FY 2022 Prop. Budget vs. FY 2021 Budget
Operating Revenues									
- License Fees and Related	7,732,040	7,750,310	7,732,165	7,641,000	7,727,000	86,000	7,653,000	(74,000)	12,000
- All Other Operating Revenue	1,632,612	1,601,163	1,390,417	1,494,890	1,365,655	(129,235)	1,467,850	102,195	(27,040)
Total Operating Revenue	<u>9,364,652</u>	<u>9,351,473</u>	<u>9,122,582</u>	<u>9,135,890</u>	<u>9,092,655</u>	<u>(43,235)</u>	<u>9,120,850</u>	<u>28,195</u>	<u>(15,040)</u>
Operating Expenses									
- Labor-related Operating Expenses									
Salaries	4,819,766	5,051,419	5,281,014	5,330,899	5,068,308	(262,591)	5,437,140	368,832	106,241
Employee Benefits & Payroll Taxes	1,775,841	1,833,191	1,776,147	1,915,358	1,807,036	(108,322)	1,912,006	104,970	(3,352)
Retiree Health Care Liability Exp	-	-	-	-	-	-	-	-	-
Total Labor-related Operating Expenses	<u>6,595,607</u>	<u>6,884,610</u>	<u>7,057,161</u>	<u>7,246,257</u>	<u>6,875,344</u>	<u>(370,913)</u>	<u>7,349,146</u>	<u>473,802</u>	<u>102,889</u>
- Non-labor Operating Expenses									
Legal	152,260	215,715	183,249	191,920	176,488	(15,432)	224,875	48,387	32,955
Public and Bar Services	938,232	906,733	746,721	1,027,080	925,859	(101,221)	1,079,949	154,089	52,869
Operations and Policy	2,566,982	2,558,329	2,291,020	2,713,645	2,439,060	(274,585)	2,587,570	148,510	(126,075)
Total Non-labor Operating Expenses	<u>3,657,474</u>	<u>3,680,777</u>	<u>3,220,990</u>	<u>3,932,645</u>	<u>3,541,407</u>	<u>(391,238)</u>	<u>3,892,394</u>	<u>350,987</u>	<u>(40,251)</u>
Total Operating Expenses	<u>10,253,081</u>	<u>10,565,387</u>	<u>10,278,151</u>	<u>11,178,902</u>	<u>10,416,751</u>	<u>(762,151)</u>	<u>11,241,540</u>	<u>824,788</u>	<u>62,638</u>
Total Operating Income (Loss)	<u>(888,429)</u>	<u>(1,213,914)</u>	<u>(1,155,569)</u>	<u>(2,043,012)</u>	<u>(1,324,096)</u>	<u>718,916</u>	<u>(2,120,690)</u>	<u>(796,593)</u>	<u>(77,678)</u>
Non-Operating Rev / (Exp)									
- Investment Income	179,640	249,731	199,067	94,000	61,240	(32,760)	33,000	(28,240)	(61,000)
- Investment Income - Retiree Health Care Trust	202,417	384,630	328,761	-	-	-	-	-	-
- Capital Contributions	-	-	-	-	-	-	-	-	-
- Loss on Disposal of Capital Asset	(34,963)	(4,000)	(17,570)	-	-	-	-	-	-
Total Non-OperRev / (Exp)	<u>347,094</u>	<u>630,361</u>	<u>510,258</u>	<u>94,000</u>	<u>61,240</u>	<u>(32,760)</u>	<u>33,000</u>	<u>(28,240)</u>	<u>(61,000)</u>
Incr / (Decr) in Net Position	<u>(541,335)</u>	<u>(583,553)</u>	<u>(645,311)</u>	<u>(1,949,012)</u>	<u>(1,262,857)</u>	<u>686,155</u>	<u>(2,087,690)</u>	<u>(824,833)</u>	<u>(138,678)</u>

**FY 2022 Proposed Budget
Legal**

	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Budget	FY 2021 Forecast	FY 2021 Forecast vs. FY 2021 Budget	FY 2022 Proposed Budget	FY 2022 Prop. Budget vs. FY 2021 Forecast	FY 2022 Prop. Budget vs. FY 2021 Budget
Legal									
Operating Revenues									
- Ethics	8,620	7,895	6,090	6,700	7,125	425	4,875	(2,250)	(1,825)
- Character & Fitness	218,495	294,335	325,940	358,625	317,650	(40,975)	358,125	40,475	(500)
Total Op Revenues	<u>227,115</u>	<u>302,230</u>	<u>332,030</u>	<u>365,325</u>	<u>324,775</u>	<u>(40,550)</u>	<u>363,000</u>	<u>38,225</u>	<u>(2,325)</u>
Legal Salaries	-	-	1,062,557	1,224,066	1,116,575	(107,491)	1,261,316	144,741	37,250
Other Operating Expenses									
- Ethics	10,531	16,490	7,201	7,005	3,795	(3,210)	10,795	7,000	3,790
- Client Protection Fund	16,735	11,096	2,461	6,865	3,990	(2,875)	12,930	8,940	6,065
- Interim Administrator Program	-	-	-	4,500	-	(4,500)	1,150	1,150	(3,350)
- Character & Fitness	45,350	52,843	40,663	52,000	55,000	3,000	61,750	6,750	9,750
- Unauthorized Practice of Law	16,718	16,582	15,704	12,750	6,350	(6,400)	13,050	6,700	300
- General Counsel	7,019	40,749	64,581	55,800	56,300	500	61,000	4,700	5,200
- Human Resources	55,907	77,955	52,639	53,000	51,053	(1,947)	64,200	13,147	11,200
- Employee Benefits & Payroll Taxes	1,775,841	1,833,191	1,776,147	1,915,358	1,807,036	(108,322)	1,912,006	104,970	(3,352)
- Retiree Health Care Liability Contribution	-	-	-	-	-	-	-	-	-
Total Other Operating Expense	<u>1,928,101</u>	<u>2,048,906</u>	<u>1,959,396</u>	<u>2,107,278</u>	<u>1,983,524</u>	<u>(123,754)</u>	<u>2,136,881</u>	<u>153,357</u>	<u>29,603</u>

**FY 2022 Proposed Budget
Public and Bar Services**

	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Budget	FY 2021 Forecast	FY 2021 Forecast vs. FY 2021 Budget	FY 2022 Proposed Budget	FY 2022 Prop. Budget vs. FY 2021 Forecast	FY 2022 Prop. Budget vs. FY 2021 Budget
Public and Bar Services									
Operating Revenues									
- Annual Meeting	115,388	26,246	-	31,000	31,000	-	31,000	-	-
- Lawyer Services	288,154	235,016	195,734	204,650	201,870	(2,780)	205,025	3,155	375
- Bar Leadership Forum	11,377	12,097	946	11,725	-	(11,725)	11,725	11,725	-
- UMLI	12,193	14,030	597	12,500	-	(12,500)	12,500	12,500	-
- 50 Year Golden Celebration	-	-	-	2,350	-	(2,350)	3,350	3,350	1,000
- Practice Management Resource Center	125	20	530	1,000	1,000	-	3,500	2,500	2,500
- Lawyer Referral Service	148,667	190,605	127,560	140,000	120,000	(20,000)	150,000	30,000	10,000
- Lawyers & Judges Assistance Program	40,718	42,724	41,315	51,990	54,000	2,010	60,000	6,000	8,010
Total Op Revenues	616,622	520,738	366,683	455,215	407,870	(47,345)	477,100	69,230	21,885
Public and Bar Services Salaries	-	-	2,201,813	1,875,536	1,780,762	(94,774)	1,934,171	153,409	58,635
Other Operating Expenses									
- Annual Meeting	187,706	57,660	21,186	56,400	53,925	(2,475)	69,000	15,075	12,600
- Lawyer Services	96,441	93,380	77,518	31,500	31,070	(430)	34,150	3,080	2,650
- Bar Leadership Forum	28,736	24,801	847	33,000	-	(33,000)	34,500	34,500	1,500
- UMLI	23,644	25,409	3,393	28,900	-	(28,900)	31,400	31,400	2,500
- 50 Year Golden Celebration	-	-	1,643	27,225	5,800	(21,425)	38,200	32,400	10,975
- Practice Management Resource Center	6,105	3,697	5,118	5,455	3,430	(2,025)	10,505	7,075	5,050
- Lawyer Referral Service	17,640	5,052	1,270	7,750	8,630	880	10,350	1,720	2,600
- Outreach, Committees, Sections & Local / Affinity Bars	110,617	110,914	41,716	136,500	123,710	(12,790)	134,500	10,790	(2,000)
- Diversity	47,464	42,182	5,919	35,000	34,400	(600)	36,700	2,300	1,700
- Lawyers & Judges Assistance Program	38,461	25,991	14,800	24,450	15,223	(9,228)	23,600	8,378	(850)
- Information Technology Services	381,418	517,647	573,310	640,900	649,672	8,772	657,044	7,372	16,144
Total Other Operating Expense	938,232	906,733	746,721	1,027,080	925,859	(101,221)	1,079,949	154,089	52,869

**FY 2022 Proposed Budget
Operations and Policy**

	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Budget	FY 2021 Forecast	FY 2021 Forecast vs. FY 2021 Budget	FY 2022 Proposed Budget	FY 2022 Prop. Budget vs. FY 2021 Forecast	FY 2022 Prop. Budget vs. FY 2021 Budget
Operations and Policy									
Operating Revenues									
- License Fees & Related	7,732,040	7,750,310	7,732,165	7,641,000	7,727,000	86,000	7,653,000	(74,000)	12,000
- Chargeback to CPF	217,479	211,833	171,626	169,000	162,000	(7,000)	172,500	10,500	3,500
- Other Revenues	191,330	214,173	208,434	195,900	196,850	950	198,700	1,850	2,800
- Bar Journal Directory	74,358	40,231	39,645	32,750	13,464	(19,286)	-	(13,464)	(32,750)
- Bar Journal	167,549	149,326	146,149	148,400	145,396	(3,004)	146,050	654	(2,350)
- Print & Design Center	64,559	67,921	50,219	54,300	39,500	(14,800)	37,000	(2,500)	(17,300)
- Digital (Website)	40,547	59,109	51,610	49,000	50,000	1,000	48,500	(1,500)	(500)
- e-Journal	33,053	25,602	24,022	25,000	25,800	800	25,000	(800)	-
- Misc Revenue	-	10,000	-	-	-	-	-	-	-
Total Operating Revenues	8,520,915	8,528,505	8,423,870	8,315,350	8,360,010	44,660	8,280,750	(79,260)	(34,600)
Non-Operating Revenue									
- Investment Income	179,640	249,731	94,000	94,000	61,240	(32,760)	33,000	(28,240)	(61,000)
- Investment Income - Retiree Health Care Trust	202,417	384,630	328,761	-	-	-	-	-	-
- Capital Contributions	-	-	-	-	-	-	-	-	-
- Loss on Disposal of Capital Asset	(34,963)	(4,000)	(17,570)	-	-	-	-	-	-
Total Non-Operating Revenues	347,094	630,361	405,191	94,000	61,240	(32,760)	33,000	(28,240)	(61,000)
Operations & Policy Salaries	-	-	2,016,644	2,231,297	2,170,971	(60,326)	2,241,653	70,682	10,356
Other Operating Expenses									
- Admin	32,522	36,865	31,454	82,800	85,230	2,430	97,200	11,970	14,400
- Depreciation	436,514	476,985	528,855	558,000	538,500	(19,500)	560,000	21,500	2,000
- Property Taxes (in lieu of)	69,178	74,405	77,839	78,000	78,000	-	78,000	-	-
- Financial Services	258,599	286,625	284,253	324,295	320,720	(3,575)	348,590	27,870	24,295
- Bar Journal Directory	83,164	53,908	53,165	6,000	1,500	(4,500)	-	(1,500)	(6,000)
- Bar Journal	509,212	504,917	440,712	510,550	425,425	(85,125)	381,040	(44,385)	(129,510)
- Print & Design Center	61,487	65,391	42,139	61,500	53,810	(7,690)	53,850	40	(7,650)
- Digital (Website)	127,015	87,783	105,383	147,500	120,155	(27,345)	129,100	8,945	(18,400)
- e-Journal	36,080	32,932	36,228	33,050	33,805	755	16,005	(17,800)	(17,045)
- General Communications (Media Relations)	67,742	56,936	31,658	30,700	19,170	(11,530)	33,350	14,180	2,650
- Executive Office	65,147	89,965	59,943	60,200	39,750	(20,450)	65,950	26,200	5,750
- Board of Commissioners	147,100	141,644	35,261	134,900	95,750	(39,150)	133,250	37,500	(1,650)
- Representative Assembly	54,723	48,078	788	41,000	28,750	(12,250)	54,200	25,450	13,200
- Governmental Relations	66,629	70,482	57,300	68,830	57,490	(11,340)	68,620	11,130	(210)
- Research & Development	26,855	21,751	29,773	21,310	21,210	(100)	21,640	430	330
- Facilities Services	382,921	375,834	343,909	419,760	390,402	(29,358)	409,500	19,098	(10,260)
- Justice Initiatives (Combines PBI, RDI, JPI & CII)	51,888	137,828	132,363	135,250	129,393	(5,857)	137,275	7,882	2,025
- Criminal Issues Initiative	228	-	-	-	-	-	-	-	-
- Pro Bono Initiative/ Pro Bono	13,490	-	-	-	-	-	-	-	-
- Resource Development Initiative	76,356	-	-	-	-	-	-	-	-
- Justice Policy Initiative	132	-	-	-	-	-	-	-	-
Total Other Operating Expense	2,566,982	2,562,329	2,291,022	2,713,645	2,439,060	(274,585)	2,587,570	148,510	(126,075)

Administrative Fund	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Budget	FY 2021 Forecast	FY 2022 Budget
Beginning Position	12,277,875	12,800,771	12,217,220	11,571,909	11,571,909	10,309,052
Ending Position	12,800,771	12,217,220	11,571,909	9,622,897 (1)	10,309,052 (1)	8,221,362 (1)
Retiree H/C Restricted Assets**	1,500,028	1,953,454	2,389,256		3,218,258 (4)	
Change	(541,335) (2)(3)	(583,551) (3)	(645,311) (3)	(1,949,012)	(1,262,857)	(2,087,690)

Notes:

- (1) Budget and forecast do not include income of healthcare trust and GASB 68/75 year-end adjustments for pensions and retiree healthcare liability.
- (2) Excludes effect of FY 2018 accounting adjustment.
- (3) Actuals include Retiree Healthcare Trust income.
- (4) Estimate only - Retiree Healthcare Trust assets as of May 2021 less state's allocation of GASB 75 liability as of September 2020. This amount includes YTD May 2021 H/C Trust income of \$790,780.

*State Bar of Michigan
Operations and Policy
Governmental Relations
FY 2022 Budget*

	FY 2016 ACTUAL AUDITED	FY 2017 ACTUAL AUDITED	FY 2018 ACTUAL AUDITED	FY 2019 ACTUAL AUDITED	FY 2020 APPROVED BUDGET	FY 2020 ACTUAL AUDITED	FY 2021 APPROVED BUDGET	FY 2021 YEAR-END FORECAST	FY 2022 APPROVED BUDGET	Notes
Expenses:										
1-9-05-043-1127 Contract Service - Lobbyist	60,000	51,900	49,200	49,200	49,200	49,200	49,200	49,200	49,200	
1-9-05-043-1276 Meetings	632	1,516	611	1,563	1,000	225	400	-	300	
1-9-05-043-1493 Travel	3,049	1,961	3,137	5,917	6,000	1,389	2,000	500	1,140	
1-9-05-043-1528 Telephone	420	1,021	1,044	498	1,000	270	0	360	-	
1-9-05-043-1549 Books and Subscriptions	3,922	5,435	5,008	5,024	5,500	5,004	5,500	5,500	5,500	
1-9-05-043-1558 Advocacy in Washington for LSC	5,643	5,225	5,219	4,863	6,000	383	6,000	50	6,000	
1-9-05-043-1626 Office Supplies	172	319	423	146	400	48	200	200	200	
1-9-05-043-1868 Postage	938	387	1,237	1,211	350	295	350	-	300	
1-9-05-043-1967 Dues	215	660	750	780	685	385	780	780	780	
1-9-05-043-1369 Judicial Qualifications	-	-	-	-	-	-	3,000	500	500	(1)
1-9-05-043-1974 Technical/Professional Education	-	-	-	1,279	3,100	100	400	400	-	
1-9-05-043-1499 NABE Mid-year Meeting	-	-	-	-	-	-	500	-	2,000	(2)
1-9-05-043-1500 NABE Governmental Relations Section Workshop	-	-	-	-	-	-	-	-	1,200	(3)
1-9-05-043-1498 NABE Annual Meeting	-	-	-	-	-	-	500	500	1,500	(4)
Total Operational Expenses	74,993	68,427	66,635	70,482	73,235	57,300	68,830	57,490	63,920	

Notes:

- (1) Moved from General Counsel (#002).
- (2) Seattle, WA, February 2022.
- (3) Washington, DC, November 2021.
- (4) Chicago, IL, August 2022.

*State Bar of Michigan
Operations and Policy
Governmental Relations
FY 2022 Budget*

	FY 2016 ACTUAL AUDITED	FY 2017 ACTUAL AUDITED	FY 2018 ACTUAL AUDITED	FY 2019 ACTUAL AUDITED	FY 2020 APPROVED BUDGET	FY 2020 ACTUAL AUDITED	FY 2021 APPROVED BUDGET	FY 2021 YEAR-END FORECAST	FY 2022 PROPOSED BUDGET	Notes
Expenses:										
1-9-05-043-1127 Contract Service - Lobbyist	60,000	51,900	49,200	49,200	49,200	49,200	49,200	49,200	49,200	
1-9-05-043-1276 Meetings	632	1,516	611	1,563	1,000	225	400	-	300	
1-9-05-043-1493 Travel	3,049	1,961	3,137	5,917	6,000	1,389	2,000	500	1,140	
1-9-05-043-1528 Telephone	420	1,021	1,044	498	1,000	270	0	360	-	
1-9-05-043-1549 Books and Subscriptions	3,922	5,435	5,008	5,024	5,500	5,004	5,500	5,500	5,500	
1-9-05-043-1558 Advocacy in Washington for LSC	5,643	5,225	5,219	4,863	6,000	383	6,000	50	6,000	
1-9-05-043-1626 Office Supplies	172	319	423	146	400	48	200	200	200	
1-9-05-043-1868 Postage	938	387	1,237	1,211	350	295	350	-	300	
1-9-05-043-1967 Dues	215	660	750	780	685	385	780	780	780	
1-9-05-043-1369 Judicial Qualifications	-	-	-	-	-	-	3,000	500	500	(1)
1-9-05-043-1974 Technical/Professional Education	-	-	-	1,279	3,100	100	400	400	-	
1-9-05-043-1499 NABE Mid-year Meeting	-	-	-	-	-	-	500	-	2,000	(2)
1-9-05-043-1500 NABE Governmental Relations Section Workshop	-	-	-	-	-	-	-	-	1,200	(3)
1-9-05-043-1498 NABE Annual Meeting	-	-	-	-	-	-	500	-	1,500	(4)
Total Operational Expenses	74,993	68,427	66,635	70,482	73,235	57,300	68,830	57,490	68,620	

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Updated on August 31, 2021

SBM

STATE BAR OF MICHIGAN

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