



Board of Commissioners

Agenda and Materials

November 18, 2022

STATE BAR OF MICHIGAN
BOARD OF COMMISSIONERS
Friday, November 18, 2022
Michael Franck Building
Lansing, MI
Agenda
9:30 a.m.

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

GROUP PHOTO OF THE 2022-2023 BOARD OF COMMISSIONERS

I. Call to Order James W. Heath, President

CONSENT AGENDA

- II. **Minutes**
 - A. September 16, 2022 Board of Commissioners meeting* (both)
- III. **President’s Activities**..... James W. Heath, President
 - A. Recent Activities*
- IV. **Executive Director’s Activities**..... Peter Cunningham, Executive Director
 - A. Recent Activities*
- V. **Finance**..... Erika L. Bryant, Chairperson
 - A. FY 2022 Draft Financial Reports through September 30, 2022*
- VI. **Professional Standards** Lisa J. Hamameh, Chairperson
 - A. Client Protection Fund Claims*
 - B. Character and Fitness Committee Appointments*
- VII. **Public Policy** Daniel D. Quick, Chairperson
 - A. Model Criminal Jury Instructions*
- VIII. **Proposed Section Bylaw Amendments**..... Darin Day, Outreach Program Director
 - A. Cannabis Law Section*
 - B. Young Lawyers Section*

LEADERSHIP REPORTS

- XI. **President’s and Executive Director’s Report** James W. Heath, President
Peter Cunningham, Executive Director
- X. **Representative Assembly Report** Gerrow D. Mason, Chairperson
- XI. **Young Lawyers Section Report** Colemon L. Potts, Chairperson

COMMISSIONER COMMITTEES

- XII. **Public Policy**..... Daniel D. Quick, Chairperson
 - A. Court Rules**
 - B. Legislation**
- XIII. **Finance**.....Erika L. Bryant, Chairperson
 - A. Financial Report
 - B. SBM Financial Safety Margin Policy**
- XIV. **Audit**Erika L. Bryant, Chairperson
- XV. **Professional Standards** Lisa J. Hamameh, Chairperson
- XVI. **Communications and Member Services** Joseph P. McGill, Chairperson

FOR THE GOOD OF THE PUBLIC AND THE PROFESSION

- XVII. **Comments or questions from Commissioners**
- XVIII. **Comments or questions from the public**
- XIX. **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 Warnez called the meeting to order at 8:40 a.m. on Friday, September 16, 2022, in the Crystal Room of the Book Cadillac Hotel in Detroit, MI.

Commissioners present:

Yolanda Bennett	Gerrow D. “Gerry” Mason
Kristina A. Bilowus	Joseph P. McGill, Secretary
Erika L. Bryant	Valerie R. Newman
Aaron V. Burrell	Takura N. Nyamfukudza
Hon. B. Chris Christenson	Nicholas M. Ohanesian
Thomas P. Clement	Colemon L. Potts
Sherrie Detzler	Hon. Kristen D. Simmons
Robert A. Easterly	Delphia T. Simpson
Hon. Kameshia D. Gant	Thomas G. Sinas
Lisa J. Hamameh, Treasurer	Danielle Walton
James W. Heath, President-Elect	Dana M. Warnez, President
Thomas H. Howlett	Hon. Erane C. Washington
Suzanne C. Larsen	Mark Wisniewski
James W. Low	

Commissioners absent:

Danielle Mason Anderson	E. Thomas McCarthy Jr.
David C. Anderson	Samantha J. Orvis
Sarah E. Kuchon	Hon. David A. Perkins
Daniel D. Quick, Vice President	

State Bar staff present:

Peter Cunningham, Executive Director
Drew Baker, General Counsel
Margaret Bossenbery, Executive Coordinator
Tatiana Goodkin, Chief Financial Officer
Robert Mathis, Pro Bono Services & Justice Initiatives Counsel
Molly Ranns, Director, Lawyers & Judges Assistance Program
Marjory Raymer, Director of Communications
Jeanette Socia, Director of Human Resources
Nathan Triplett, Director of Governmental Relations

Guests present:

Gerard Mantese, 2022-2023 Board member
Thomas P. Murray Jr., 2022-2023 Board member
Matthew B. Van Dyk, 2022-2023 Board member

Consent Agenda:

The Board received the minutes from the July 22, 2022, Board meeting.

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 draft financial reports through July 2022.

The Board received Client Protection Fund Claims.

The Board received a report from the Communications and Members Services Committee

Ms. Warnez 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.

LEADERSHIP REPORTS

President and Executive Director's Report: Dana Warnez, President, and Peter Cunningham, Executive Director.

Mr. Cunningham provided updates on recent events in and around the State Bar.

Mr. Cunningham reported that the license renewal for 2022-2023 is underway. As of today, 2,000 people have already paid their renewal fees. So far, there has been only one complaint regarding the fee increase and one complaint about the credit card fee. Overall, numbers are on track with last year's pace. One big difference is that 20% more people are paying with e-check and debit cards.

Mr. Cunningham shared numerous staff updates. Ms. Drew Baker was introduced as SBM's new general counsel. Mr. Flood has been working closely with Ms. Baker to bring her up to speed on the many components of the position. Longtime Character & Fitness investigator Ms. Mary Sue Lester retired this summer. Ms. Melissa Thouvenin was promoted internally to fill the role as an investigator. SBM staff is working to fill the role of applicant licensing services specialist following Ms. Thouvenin's promotion. Ms. Kylie Thompson left the role of communications specialist over the summer. Ms. Ebony Stith has been hired to fill this role and will start later this month.

The SBM building is currently open for SBM staff to work although most staff are working either a hybrid or fully remote schedule at this time. The building has been closed to outside meetings since the beginning of the pandemic. There have recently been a few character & fitness hearings held in the building, as well as two Board meetings. The meeting rooms are being updated with improved sound and video features to allow for higher quality hybrid meetings. We will be charging a fee for use of the rooms once the building is fully open again.

The first Face of Justice program for law students took place earlier this week via Zoom. Historically, the Face of Justice program (FOJ) has been geared to high school students. This program is presented by the Diversity and Inclusion Advisory Committee. There were 56 mentors and 20 law students, which allowed for a great deal of interaction. SBM staff is hopeful that these mentorships will continue through programs available on a private LinkedIn page. This is a pipeline project for people who come from backgrounds who don't typically have a support network to help them succeed once they graduate from law school. The next step in this pipeline project is to reach-out to students in their undergraduate studies to establish a network of support earlier.

The 50-Year Honoree Celebration will occur for the first time in three years. This event will occur on September 29, 2022, at Suburban Collection Showplace in Novi. There are over 300 registrants. Commissioners are encouraged to attend.

The first Michigan Legal Milestone event in several years is scheduled for September 21, 2022, in Allegan County. This milestone event recognizes the passage of Public Act 109 of 1857, which was the first legislation in Michigan that provides for compensation for representation of indigent criminal defendants. The bill sponsor was former prosecuting attorney Senator Gilbert Moyers, who was from Allegan County. The event will also highlight how the State Bar has continued the work of improving the indigent defense system. Mr. Cunningham, Judge James Fisher and others will be speaking at this event.

Ms. Ranns reported that the Lawyers and Judges Assistance Program is hosting the first ever virtual wellness event on Friday, October 14. Ms. Laura Mahr with Conscious Legal Minds will be speaking on lawyer burnout, how to identify it and how to prevent it. This is a free event for all SBM members.

Ms. Warnez asked Mr. Howlett to provide the commissioners with a report from the Strategic Planning Committee.

Strategic Planning Committee

Mr. Howlett provided a summary of the committee's work over the past year. A Strategic Plan Activity Report is prepared annually by SBM staff. This report is available online and identifies all programs and events that occur over the course of the fiscal year.

During FY 2022, the committee conducted an extensive review of two specific programs to gauge their effectiveness in achieving goals set forth in the Strategic Plan. The two services of the "pilot" review were the Practice Management Resource Center and the e-Journal.

The pilot review identified areas of successes and areas which need improvements in the Practice Management Resource Center. Areas of strength include the accessibility of resources available to members, as well as the inclusion of tech competency. Areas which need improvements include communication efforts from PMRC to SBM membership, analyzing data, development of an advisory board for website material and programming, as well as additional ways to improve PMRC's visibility and content.

While the review of e-Journal operations has not yet concluded, the committee was able to identify areas in need of improvements which will be implemented in FY 2023. Improvements will include analyzing data and reviewing metrics to identify areas of the e-Journal which need to be improved.

Lastly, a review of SBM's efforts on practice readiness and diversity and inclusion in the profession and as an element of professionalism was conducted. It was determined that these areas will advance planning as both will require staff and leadership involvement spanning multiple years.

Task Force on Lawyer Wellness

In August, Ms. Warnez, Mr. Cunningham, Ms. Ranns, and Justice Cavanagh participated in the kickoff of the task force. Ms. Ranns provided a brief update on the work of the task force thus far. While the task force was launched in May 2022, the kickoff was on August 9 at the Hall of Justice in Lansing. This brought together a diverse group of stakeholders to talk about the well-being movement, the well-being

of the lawyers in Michigan, and what can be done going forward to enhance the well-being of the legal profession. Subgroups were created and will meet twice more by the end of the year with the goal of creating formal recommendations to be included in a report. They are hopeful that a commission or committee on lawyer well-being will be established to carry out the recommendations of the report. This is a nationwide effort, but Michigan is a leader in this initiative.

Justice for All (JFA) Commission

Ms. Warnez has been participating on the Regulatory Reform Subcommittee, which has been very engaging work. The JFA received a presentation from Debt Collection Committee last week. The other JFA committees are continuing to meet and will be making recommendations to the full commission in the coming months. There will also be stakeholder meetings, where the legal community will be able to comment on recommendations before they are adopted by the full commission.

Commission on Diversity Equity and Inclusion

Mr. Cunningham reported that the kickoff meeting is scheduled for October 24, 2022. The commission is in the process of hiring a consultant to help with strategic planning and to help get the commission up and running.

Interim Administrator Program (IAP)

Mr. Cunningham reported that the position of interim administrator program director has been posted. This program was approved by the Supreme Court earlier this year. Although the program won't take effect until September 1, 2023, there is much work to be done in advance. Mr. Cunningham is hopeful that this position will be filled by the November 18, 2022, Board of Commissioners meeting.

Representative Assembly (RA) Report: Nicholas M. Ohanesian, Chairperson

Mr. Ohanesian reported that the next meeting is tomorrow, Saturday, September 17, 2022 in Lansing. There is a full agenda, which includes a few bills up for consideration. Mr. Mason will take over as chair of the Representative Assembly chair at the end of tomorrow's meeting.

Young Lawyers Section (YLS) Report: Kristina Bilowus, Chairperson

Ms. Bilowus reported that Mr. Potts will take over as the section chair next week. The section had to reschedule the Detroit Workshop due to a student having COVID at the last minute. A few webinars have occurred since the last Board meeting. The section sent a few lawyers to the ABA annual meeting and has done some district outreach in the community. The YLS annual meeting will be Saturday, September 24, 2022, in Detroit. Thanks were extended to Samantha Orvis for her many years with the Young Lawyers Section.

COMMISSIONER COMMITTEES

Public Policy: James W. Heath, Chairperson

Mr. Heath offered his thanks to the members of the committee and to the SBM staff that assisted them.

Court Rules

1. ADM File No. 2022-09: Proposed Amendment of MCR 3.703

The proposed amendment of MCR 3.703 is necessary for design and implementation of the statewide electronic-filing system, which will provide the Court with necessary PPII in an appropriate format, and will reduce the workload preparing personal protection orders. This particular amendment aligns with the Court's recent amendment of MCR 1.109(D)(9)(b)(iii), allowing proposed orders submitted to the Court to contain protected personal identifying information (PPII), which the courts will continue to protect as if prepared or issued by the court under MCR 8.119(H)(5).

A motion was offered and supported to oppose ADM File No. 2022-09 as drafted. The motion was approved.

2. ADM File No. 2020-08: Proposed Amendment of Administrative Order No. 2020-17 and MCR 4.201

The proposed amendments would permanently incorporate certain provisions from Administrative Order No. 2020-17 into court rule format under MCR 4.201 and would make a number of minor changes due to a relettering of the rule. The proposed amendments would also incorporate public comment received at the public hearing on March 16, 2022 and via email, as well as additional recommendations and input received from other stakeholders including the JFAC and the MDJA.

A motion was offered and supported to take no position on ADM File No. 2020-08. However, the Board directed SBM staff to send a letter to the Court explaining the Board's rationale for declining to take a position. The motion was approved.

3. ADM File No. 2021-20: Proposed Amendment of MCR 6.001 and Proposed Addition of MCR 6.009

The proposed addition of MCR 6.009 would establish a procedure regarding the use of restraints on a criminal defendant in court proceedings that are or could be before a jury, and the proposed amendment of MCR 6.001 would make the new rule applicable to felony, misdemeanor, and automatic waiver cases.

A motion was offered and supported to support ADM File No. 2021-20 as drafted. The motion was approved.

4. ADM File No. 2021-29: Proposed Amendment of MCR 6.201

The proposed amendment of MCR 6.201 would require redaction of certain information contained in a police report or interrogation record before providing it to the defendant.

A motion was offered and supported to support ADM File No. 2021-29 with an amendment striking "the address, telephone or cell phone number, or" from the proposed language. Additionally, the proposed amendment should also be corrected to read "MCR 1.109(D)(9)(a)." The motion was approved.

5. ADM File No. 2021-48: Proposed Amendment of MCR 6.502

The proposed amendment of MCR 6.502 would allow a third exception to the “one and only one motion” rule based on a final court order vacating one or more of a defendant’s convictions either described in the judgment or upon which the judgment was based.

A motion was offered and supported to support ADM File No. 2021-48 as drafted. The motion was approved.

6. ADM File No. 2021-35: Proposed Amendment of MCR 7.202

The proposed amendment of MCR 7.202 would provide a definition of governmental immunity to include the state’s, a tribal government’s, or a political subdivision’s immunity from suit or liability.

A motion was offered and supported to oppose ADM File No. 2021-35 as drafted. The motion was approved.

7. ADM File No. 2021-39: Proposed Amendment of MCR 7.215

The proposed amendment of MCR 7.215 would codify the Court of Appeals’ practice for reissuing opinions and orders.

A motion was offered and supported to support ADM File No. 2021-39 as drafted, with a recommendation that the Court give consideration to the issue of reissuing opinions and orders in trial courts as expressed by Mr. Bassett in his September 8, 2022 letter to the Court on this matter. The motion was approved.

Legislation

HB 6344 (Lightner) Courts: other; duties of the appellate defender; include definition of youth. Amends title & secs. 2, 4, 6 & 7 of 1978 PA 620 (MCL 780.712 et seq.) & adds sec. 1a.

HB 6345 (Lightner) Criminal procedure: defenses; Michigan indigent defense commission act; expand definitions. Amends title & secs. 3, 5, 7, 9, 11, 13, 15, 17, 21 & 23 of 2013 PA 93 (MCL 780.983 et seq.).

A motion was offered that this is *Keller* permissible. The motion to support was seconded and approved. A motion was offered to support HB 6344 and HB 6345 with adoption of the amendments recommended by the Access to Justice Policy Committee to: (1) provide a broader definition of the youth defense mandate; and (2) establish appellate attorney fee incentives consistent with the MIDC Act and a requirement for the state to reimburse local systems for these fees.

HB 6356 (Johnson) Criminal procedure: other; certain requirements for the use of informants in criminal proceedings; provide for. Amends 1927 PA 175 (MCL 760.1-777.69) by adding secs. 36a, 36b, 36c, 36d, 36e, 36f, 36g & 36h to ch. VIII.

The Public Policy Committee recommends deferring consideration of HB 6356 at this time. No motion was made.

Communications and Member Services (CAMS): Daniel D. Quick, Chairperson

The report was included in the consent agenda.

Professional Standards: Joseph P. McGill, Chairperson

Mr. McGill reported that subrogation matters were discussed at the most recent meeting, as well as client protection fund matters. He also indicated that all matters which were included on the consent agenda were approved. The Client Protection Fund is in a strong financial position due to low claims and the pandemic. The fund is expecting a spike in claims for FY 2023.

Finance: Lisa J. Hamameh, Chairperson

FY 2022 Financial Update

Ms. Hamameh reviewed the FY 2022 financial results through July 2022.

Audit: Lisa J. Hamameh, Chairperson

Ms. Hamameh reported that incentive compensation was approved at the most recent meeting.

COMMISSIONER RECOGNITION

Ms. Warnez informed members that Takura Nyamfukudza was reappointed to the Board by the Michigan Supreme Court.

Retiring member, Ms. Orvis, was not present but Ms. Warnez congratulated her on the imminent arrival of her child.

Ms. Larsen read a resolution to honor retiring Commissioner Sinas. Mr. Sinas thanked the Board members for their support and friendship over the past three years.

Ms. Warnez also thanked other retiring members of the Board who were not in attendance: Ms. Danielle Anderson, Ms. Kuchon, and Mr. McCarthy.

Mr. Heath thanked Ms. Warnez for her tremendous service to the Bar. Ms. Warnez led the State Bar of Michigan through a significant period of change, with her determination and hard work leading a nationwide search for a new executive director, which led to Peter Cunningham's appointment earlier this year. Ms. Warnez was also instrumental in the search for the new general counsel, Drew Baker.

Ms. Warnez acknowledged the Board and the officers throughout the past year through the many challenges the Bar faced. She also acknowledged Ms. Ranns, Mr. Mathis, and the LJAP staff at SBM for their incredible work on the SOLACE program. It is an incredible program that is available to support all in need. Ms. Warnez is extremely proud of the work with the Michigan Supreme Court and the work of the Justice for All Task Force. Ms. Warnez also thanked and acknowledged the SBM staff for their hard work, kindness, and support. Mr. Heath presented Ms. Warnez with a scrapbook of her year as SBM president.

FOR THE GOOD OF THE PUBLIC AND THE PROFESSION

Comments or questions from Commissioners

The Young Lawyers Section will be hosting the National Trial and Advocacy Competition in October. They are still looking for volunteers to judge various activities.

Comments or questions from the public

There were none.

Adjournment

The meeting was adjourned at. 10:42 a.m.

STATE BAR OF MICHIGAN
BOARD OF COMMISSIONERS MEETING MINUTES

President Heath called the meeting to order at approximately 10:52 a.m. on Friday, September 16, 2022, in the Crystal Room of the Book Cadillac Hotel in Detroit, MI.

Commissioners present:

Yolanda Bennett	Gerard Mantese
Kristina A. Bilowus	Gerrow D. “Gerry” Mason
Erika L. Bryant, Treasurer	Joseph P. McGill, Vice President
Aaron V. Burrell	Thomas P. Murray Jr.
Hon. B. Chris Christenson	Valerie R. Newman
Thomas P. Clement	Takura N. Nyamfukudza
Sherrice Detzler	Nicholas M. Ohanesian
Robert A. Easterly	Colemon L. Potts
Hon. Kameshia D. Gant	Hon. Kristen D. Simmons
Lisa J. Hamameh, Secretary	Delphia T. Simpson
James W. Heath, President	Matthew B. Van Dyk
Thomas H. Howlett	Danielle Walton
Suzanne C. Larsen	Hon. Erane C. Washington
James W. Low	Mark Wisniewski

Commissioners absent:

David C. Anderson
Tanya Cripps-Serra
Hon. David A. Perkins
Daniel D. Quick, President-Elect

State Bar staff present:

Peter Cunningham, Executive Director
Drew Baker, General Counsel
Margaret Bossenbery, Executive Coordinator
Tatiana Goodkin, Chief Financial Officer
Robert Mathis, Pro Bono Services & Justice Initiatives Counsel
Molly Ranns, Director, Lawyers & Judges Assistance Program
Marjory Raymer, Director of Communications
Jeanette Socia, Director of Human Resources
Nathan Triplett, Director of Governmental Relations

Guests present:

Thomas G. Sinas
Dana M. Warnez, Immediate Past President

President's Report:

Mr. Heath welcome the new Board members.

Mr. Heath asked the new commissioners to introduce themselves.

Mr. Heath administered the oath of office to the Board members.

Authorize President to Appoint an Executive Committee

A motion was offered to approve the appointment of the Executive Committee. The motion was seconded and approved.

2022-2023 Commissioner Committee Appointments

A list of Mr. Heath's appointments to the commissioner committees was distributed. Mr. Heath stated that the Board's liaison appointments to the sections would be sent to the Board members early next week.

Fiscal Matters

Ms. Bossenbery reviewed the information the Board received about Nexonia, the SBM expense reimbursement system.

Board Member Information Forms

The Board was asked to complete the pictorial directory information form and return it to Ms. Bossenbery.

2022-2023 Board of Commissioners and Representative Assembly Meeting Dates

The Board received the dates for the 2022-2023 Board of Commissioners and Representative Assembly meetings.

Adjournment

The meeting was adjourned at 11:20 a.m.

President James W. Heath
President's Activities
September 18 through November 18, 2022

Date	Event	Location
September 21	Michigan Legal Milestone	Allegan
September 29	Meeting with Marjory Raymer	Novi
September 29	50 Year Golden Celebration	Novi
October 4	Dinner Meeting with the Officers of Board of Commissioners	Farmington Hills
October 13	Executive Committee meeting	Zoom
October 13	Retirement Celebration for Hon. Clinton Canady III	Lansing
October 17	Interview – Tom Kirvan, Detroit Legal News	Call
October 18	Legal Diversity Summit – MSU	Troy
October 19	BLOC Kick-Off Party (Bar Leaders of Oakland County)	Zoom
October 21	Meeting with ABA President Deborah Enix-Ross – Lakeshore Legal Aid	Detroit
October 21-22	National Trial Advocacy Competition	Detroit
October 24	New Attorney Swearing in Ceremony 3 rd Circuit Court	Detroit
October 24	Face of Justice Dinner with Law Students	Bloomfield Hills
October 25 – 27	Great Rivers Bar Leaders Conference	Savannah, GA

Date	Event	Location
November 3	Floyd Skinner Bar Association Scholarship Dinner	Grand Rapids
November 4	Michigan Judicial Council meeting	Zoom
November 9	Retirement Celebration for Hon. Judge Tim Kenny 3 rd Circuit Court	Detroit
November 10	Meeting with Executive Director Peter Cunningham	Zoom
November 12	50 th Anniversary Reception – Lewis & Munday, PC	Detroit
November 14	MJC – Alternative Court Funding Meeting	Zoom
November 16	18 th Annual Archer Award Gala	Detroit
November 17	Board of Commissioners Orientation	Lansing
November 18	Board of Commissioners Meeting	Lansing

Executive Director Peter Cunningham
Executive Director Activities
September 18 through November 18 2022

Date	Event
September 21	Michigan Legal Milestone
September 22	Justice for All (JFA) Communications Committee Meeting
September 23	Meeting with Jennifer Bentley, Director of Michigan Bar Foundation and Gerry Mason, RA Chair
September 29	50 Year Golden Celebration
October 4	Meeting with the Officers of the Board
October 5	Meeting with David Watson, Executive Director of ICLE
October 5	All Staff Meeting
October 6	JFA Regulatory Committee meeting
October 6	ILACE Redesigning Legal - Webinar
October 10	JFA Resource Committee meeting
October 10	DEI Executive Committee meeting
October 12	JFA Executive Committee meeting
October 13	Executive Committee meeting
October 20	Practitioners Group Meeting - Wellness Taskforce
October 20	JFA - Communications Committee Meeting
October 20	JFA - Co-Chairs Monthly Meeting
October 23 – 27	Great Rivers Conference, Savannah, GA
October 24	Diversity, Equity, and Inclusion (DEI) Executive Committee DEI Full Committee Meeting
October 27	JFA Executive Committee Meeting
October 28	Meeting with Michigan Association Treatment Court Professionals
November 3	Meeting with Thomas M. Cooley Law School Assistant Deans
November 8	Interviews with Candidates for IAP position
November 9	Public Policy Committee Meeting
November 10	NABE Mandatory Bar Roundtable Discussion
November 10	State Planning Body meeting

Date	Event
November 10	Justice for All (JFA) Executive Committee Meeting
November 10	Meeting with President Heath
November 15	Finance Committee Meeting Audit Committee Meeting
November 16	Michigan Supreme Court Public Administrative Hearing
November 16	Communications and Membership Services (CAMS) Committee meeting
November 16	Professional Standards Committee Meeting
November 16	18 th Annual Dennis W. Archer Public Service Award Gala
November 17	JFA Communications Committee Meeting
November 17	Board of Commissioners Member Retreat
November 17	JFA Co-Chairs Meeting
November 18	Board of Commissioners Meeting

State Bar of Michigan Financial Results Summary

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Cash and Investment Balance

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

SBM Retiree Health Care Trust

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

Capital Budget

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

Client Protection Fund

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

SBM Membership

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

**STATE BAR OF MICHIGAN
ADMINISTRATIVE FUND**

Unaudited and For Internal Use Only

**FINANCIAL REPORTS
July 31, 2022**

FY 2022

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

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

YTD FY 2022 Increase (Decrease) in Net Position Summary

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**STATE BAR OF MICHIGAN
CLIENT PROTECTION FUND**

Unaudited and For Internal Use Only

**FINANCIAL REPORTS
July 31, 2022**

FY 2022

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

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

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

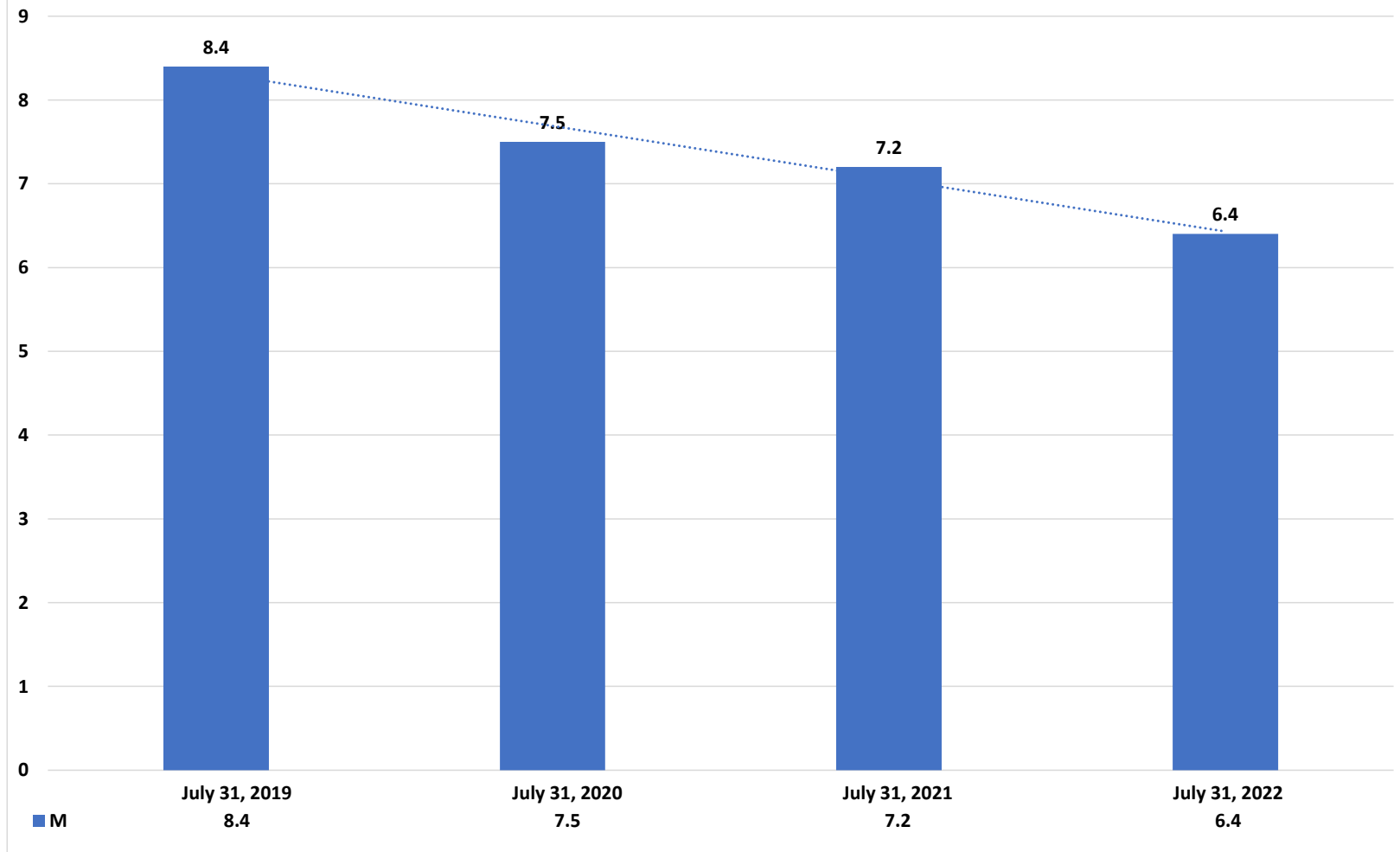
*There are \$500 authorized but unpaid claims awaiting signatures of subrogation.

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

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

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

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



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

Summary of Cash and Investment Balances by Financial Institution

7/31/2022

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

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

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

Notes:

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

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

Assets & Ratings updated 7/12/2022

Monthly SBM Attorney and Affiliate Report - July 31, 2022

FY 2022

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

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

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

N/R - not reported

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

**STATE BAR OF MICHIGAN
ADMINISTRATIVE FUND**

Unaudited and For Internal Use Only

**FINANCIAL REPORTS
July 31, 2022**

FY 2022

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

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

YTD FY 2022 Increase (Decrease) in Net Position Summary

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**STATE BAR OF MICHIGAN
CLIENT PROTECTION FUND**

Unaudited and For Internal Use Only

**FINANCIAL REPORTS
July 31, 2022**

FY 2022

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

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

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

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

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

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

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

State Bar of Michigan Financial Results Summary

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Cash and Investment Balance

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

SBM Retiree Health Care Trust

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

Capital Budget

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

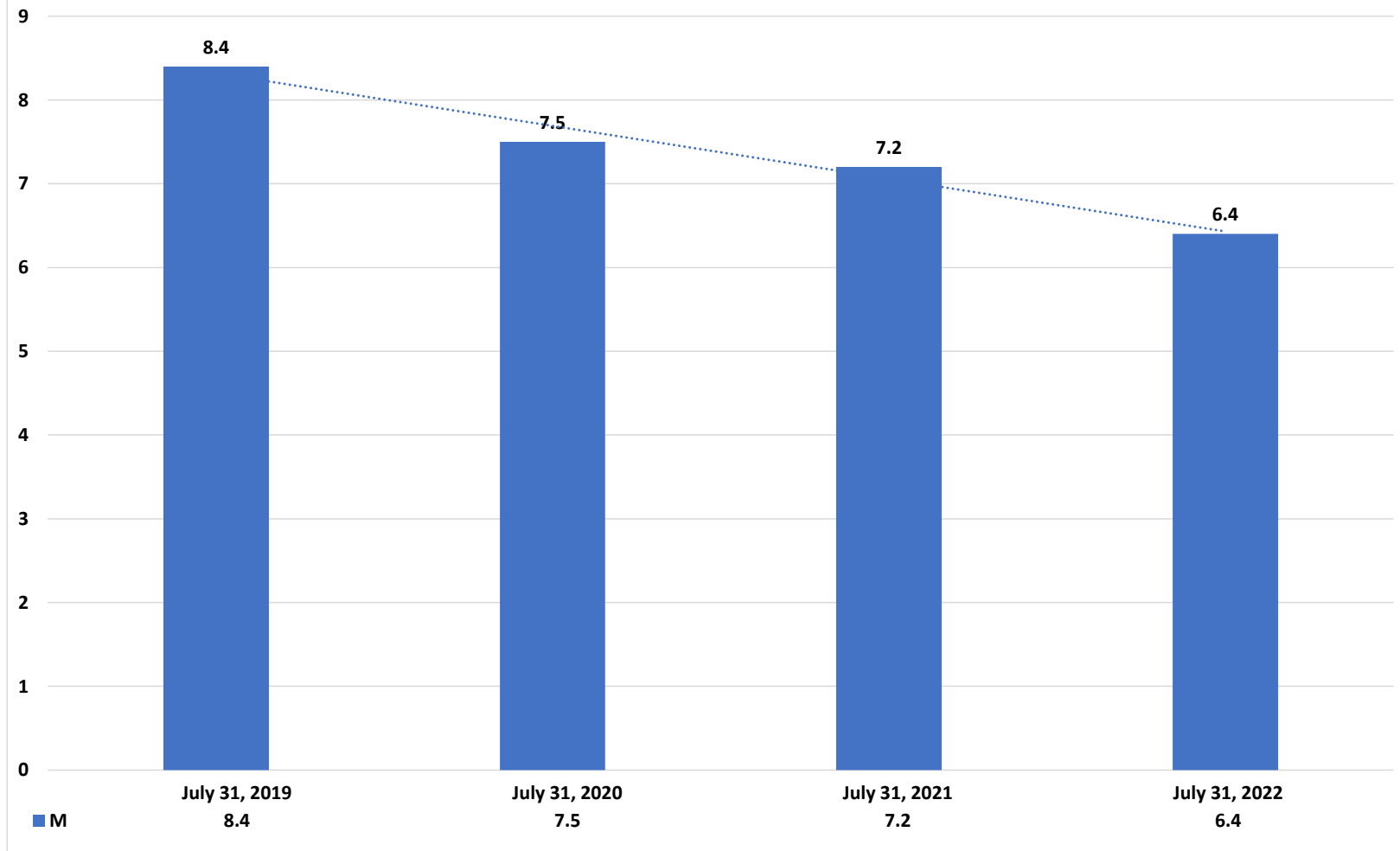
Client Protection Fund

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

SBM Membership

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

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



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

Summary of Cash and Investment Balances by Financial Institution

7/31/2022

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

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

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

Notes:

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

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

Assets & Ratings updated 7/12/2022

Monthly SBM Attorney and Affiliate Report - July 31, 2022

FY 2022

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

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

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

N/R - not reported

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

TO: Board of Commissioners

FROM: Professional Standards Committee

DATE: November 18, 2022, BOC Meeting

RE: Client Protection Fund Claims for Consent Agenda

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

**CONSENT AGENDA
 CLIENT PROTECTION FUND**

Claims recommended for payment:

Consent Agenda:

	<u>Claim No.</u>	<u>Amt. Recommended</u>
1.	CPF 3651	\$20,000.00
2.	CPF 3670	\$13,333.33
3.	CPF 3711	\$1,000.00
4.	CPF 3831	\$520.00
5.	CPF 3836	\$7,000.00
6.	CPF 3842	\$13,135.00
7.	CPF 3846	\$3,500.00
8.	CPF 3850	\$5,500.00
9.	CPF 3854	\$1,500.00
10.	CPF 3868	<u>\$3,750.00</u>
	TOTAL	\$69,238.33

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

1. CPF 3651 \$20,000.00

Respondent was retained to represent Claimant in a personal injury matter under a one-third contingency fee arrangement. Respondent filed a lawsuit, negotiated a settlement, received a settlement check for \$30,000 payable to the Law Firm and Claimant, and deposited the check into his business account and has not disbursed any of the proceeds.

The Attorney Discipline Board found that Respondent's conduct was intentional or knowing, injured his clients, and included converting client funds regularly. Respondent was ordered to pay \$30,000 in restitution to Claimant, representing the full value of the settlement funds received. CPF Policy only allows for the waiver of attorney fees if it is determined that respondent settled the matter without the claimant's permission, respondent did not inform claimant of the settlement, and respondent absconded with the settlement proceeds. The facts of this claim do not support the waiving of attorney fees under this policy.

Under the one-third contingency fee agreement, Claimant should have received \$20,000 from the settlement proceeds. Respondent's failure to distribute the settlement funds constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C)(1).

2. CPF 3670 \$13,333.33

Respondent was retained to represent Claimant in a personal injury matter under a one-third contingency fee arrangement. Respondent filed a claim, negotiated a settlement, received a settlement check for \$20,000 payable to the Law Firm and Claimant, and deposited the check into his business account with only his signature. Respondent did not disburse the settlement funds.

The Attorney Discipline Board found that Respondent's conduct was intentional or knowing, injured his clients, and included converting client funds regularly. Respondent was ordered to pay \$20,000 in restitution to Claimant, representing the full value of the settlement funds received. CPF Policy allows for the waiver of attorney fees if it is determined that respondent settled the matter without the claimant's permission, respondent did not inform claimant of the settlement, and respondent absconded with the settlement proceeds. The facts of this claim do not support the waiving of attorney fees under this policy.

Under the one-third contingency fee agreement, Claimant should have received \$13,333.33 from the settlement proceeds. Respondent's failure to distribute the settlement funds constitutes dishonest conduct and is a reimbursable loss as provided by CPF Rules 9(C)(1).

3. CPF 3711 \$1,000.00

Respondent was retained to representation Claimant in an estate matter. Respondent received \$1,000 for the representation, \$750 from Claimant and \$250 from Claimant's mother. Respondent informed Claimant that the probate court was "full" and that they would have to wait to file the case, which was false. Respondent stopped communicate with Claimant and abandoned the matter, never opening the estate. Respondent knowingly made false representations to Claimant and then abandoned the representation, completing no legal services. 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).

4. CPF 3831 \$520.00

Respondent was retained to represent Claimant in a guardianship matter and paid \$500 plus \$20 for costs. Respondent was to file a motion for reconsideration with the court based on a change in Claimant's circumstances. However, Respondent did not provide any legal services or return 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).

5. CPF 3836 \$7,000.00

Civil Suit

Respondent was retained to file a lawsuit on Claimant's behalf against county officials. Claimant paid Respondent a \$5,000 flat fee. Respondent filed suit and the county defendants moved for summary disposition. Respondent did not file a response and did not appear for the hearing, abandoning the matter. The court granted defendants' motion for summary disposition and dismissed the matter with prejudice.

TRO

Respondent filed a complaint petitioning the court for temporary and permanent injunctive relief on Claimant's behalf for a flat fee of \$2,000. Respondent did not complete any further services, abandoning the matter.

Since, in both matters, Respondent entered into a separate flat fee arrangement without specifying when any portion of the fee was to be earned, the flat fees were not deemed earned until the representation was concluded.¹ During the discipline process, Respondent stipulated to the return of the full retainer fee paid for the Civil Suit and the fee paid for TRO matter. Respondent's failure to refund the unearned attorney's fees advanced to him, constitutes dishonest conduct as defined by CPF Rule 9(C)(1) and Rule 9(D)(6).

6. CPF 3842 \$13,135.00

Respondent was retained to represent Claimant's son in a criminal matter for a fee of \$15,000. Respondent advocated for Claimant's son in the months leading up to the sentencing hearing. Two days before the hearing, Respondent confirmed that he would appear at the hearing, but failed to do so or inform the court or Claimant of the intended absence. Claimant's son proceeded with a court-appointed attorney. The ADB found Respondent failed to refund the advance payment of an unearned fee after termination of the representation and ordered Respondent to return \$13,135 to Claimant. 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).

7. CPF 3846 \$3,500.00

Respondent was retained to represent Claimant in a child support matter for a flat fee of \$3,500 at an hourly rate of \$250. Respondent filed an Appearance but died before completing any other legal services.

¹ RI-069

The Law Firm provided the Fund with a spreadsheet reflecting the retainer amount received from each client and the amount earned. Claimant's entry confirms the receipt of \$3,500 with no portion of the fee being earned.

In claims involving a deceased respondent, the death of the respondent is not considered dishonest conduct. However, the death of the respondent leads to the discovery of dishonest conduct. Unless an attorney has a written fee agreement that comports with *Cooper*,² 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.³ 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. The failure of a respondent's law firm or estate to reimburse claimant after Respondent's death is a failure to return an unearned fee in violation of MRPC 1.15 and is a reimbursable loss under CPF Rule 9(C)(1) and Rule 9(D)(6).

8. CPF 3850 \$5,500.00

Respondent was retained to represent Claimant in a criminal matter for a fee of \$10,000. Respondent met with Claimant three times; spoke on the phone with Claimant three times; appeared in court three times, met with the prosecutor; and spoke with the lead detective working the case. Respondent died before completing the representation. The Law Firm provided a spreadsheet including the portion of the fees that were earned by Respondent which reflects that Respondent earned \$4,500 in this matter; leaving an unearned balance of \$5,500.

In claims involving a deceased respondent, the death of the respondent is not considered dishonest conduct. However, the death of the respondent leads to the discovery of dishonest conduct. Unless an attorney has a written fee agreement that comports with *Cooper*,⁴ 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.⁵ 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. The failure of a respondent's law firm or estate to reimburse claimant after Respondent's death is a failure to return an unearned fee in violation of MRPC 1.15 and is a reimbursable loss under CPF Rule 9(C)(1) and Rule 9(D)(6).

9. CPF 3854 \$1,500.00

Respondent was retained to represent Claimant in an early discharge from probation matter for a non-refundable flat fee of \$1,500. Respondent died before completing any legal services.

In claims involving a deceased respondent, the death of the respondent is not considered dishonest conduct. However, the death of the respondent leads to the discovery of dishonest conduct. Nonrefundable retainers are ethically permissible if the fee agreement is unambiguous. Respondent's retainer letter fails to address the premature termination of the representation either by Claimant or Respondent before completion. Since Respondent did not provide the agreed upon services, the nonrefundable flat fee may be deemed unreasonable or excessive contrary to MPRC 1.5(a).

² *Grievance Adm'r v Cooper*, 757 NW2d 867 (2008)

³ RI-069

⁴ *Grievance Adm'r v Cooper*, 757 NW2d 867 (2008)

⁵ RI-069

Unless an attorney has a written fee agreement that comports with *Cooper*,⁶ 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.⁷ 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. The failure of a respondent's law firm or estate to reimburse claimant after Respondent's death is a failure to return an unearned fee in violation of MRPC 1.15 and is a reimbursable loss under CPF Rule 9(C)(1) and Rule 9(D)(6).

10. CPF 3868 \$3,750.00

Claimant retained Respondent to represent Claimant's brother in a post-conviction matter. Respondent requested a nonrefundable \$3,750 flat fee to begin the representation. Respondent filed an Appearance but died before completing any legal services on Claimant's brother's behalf.

In claims involving a deceased respondent, the death of the respondent is not considered dishonest conduct. However, the death of the respondent leads to the discovery of dishonest conduct. Nonrefundable retainers are ethically permissible if the fee agreement is unambiguous. Respondent's retainer letter fails to address the premature termination of the representation either by Claimant or Respondent before completion. Since Respondent did not provide the agreed upon services, the nonrefundable flat fee may be deemed unreasonable or excessive contrary to MPRC 1.5(a).

Unless an attorney has a written fee agreement that comports with *Cooper*,⁸ 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.⁹ 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. The failure of a respondent's law firm or estate to reimburse claimant after Respondent's death is a failure to return an unearned fee in violation of MRPC 1.15 and is a reimbursable loss under CPF Rule 9(C)(1) and Rule 9(D)(6).

Total payments recommended: \$69,238.33

⁶ *Grievance Adm'r v Cooper*, 757 NW2d 867 (2008)

⁷ RI-069

⁸ *Grievance Adm'r v Cooper*, 757 NW2d 867 (2008)

⁹ RI-069

CONFIDENTIAL

November 2, 2022

TO: Board of Commissioners

RE: District Character & Fitness Committee Appointments

I have received nominations for District Committee appointments from the following Commissioner Districts: A, B, C, D, E, F, G, H and I.

Attached are lists that show the nominations of new or reappointed members in the district, the term expiration for all members, and the information we were able to collect regarding the make-up of each committee. Ethnic designations are taken from membership records and reflect the category chosen by the member on their fees statement for the year 2022-2023. Discipline checks were done on all nominees on the date indicated and will be done again prior to the beginning of the year.

Sincerely,



Diane K. Van Aken
Character & Fitness Program Director

PROPOSED 2023 District Character Fitness Committee

District A

Commissioner: Suzanne C. Larsen

Chairperson: Alred E. Feleppa, III

Appointment(s) Terminating December 31, 2022

Due to term limits, resignation, relocation outside of district, or other.

P79099	Courtney Eugene Cadotte	P34150	Ann Victoria Hopcroft
P31358	Nan Elizabeth Casey		

Member(s) Requesting Re-Appointment

January 2023 - December 2024

*Date of Discipline
Status Report*

P30043	Marc T. Dedenbach	Grayling	11/1/2022
P32267	Christina L. DeMoore	Petoskey	11/1/2022
P69576	Brandon J. Evans	Marquette	11/1/2022
P60725	Jennifer J. France	Sault Sainte Marie	11/1/2022
P31571	Robert W. Parker	Traverse City	11/1/2022
P30685	Kenneth C. Penokie	Escanaba	11/1/2022
P31194	Kenneth L. Tacoma	Cadillac	11/1/2022

Member(s) Nominated

District Committee Appointment January 2022 - December 2023

*Date of Discipline
Status Report*

P61575	Beth R. Wickwire	<i>*Transfer</i>	Escanaba	11/1/2022
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Mid-Term Member(s)

January 2022 - December 2023 - No Action Required

*Date of Discipline
Status Report*

P54906	Alfred E. Feleppa, III	Saint Ignace	11/1/2022
P81511	Amy L. Stikovich	Petoskey	11/1/2022

PROPOSED 2023 District Character Fitness Committee

District B

Commissioner: Hon. B. Chris Christenson

Chairperson: Gregory T. Gibbs

Appointment(s) Terminating December 31, 2022

Due to term limits, resignation, relocation outside of district, or other.

P72061	Jonathan C. Poulos	P81294	Christopher Stritmatter
P61575	Beth R. Wickwire		

Member(s) Requesting Re-Appointment

January 2023 - December 2024

*Date of Discipline
Status Report*

P72303	Heather V. Burnash	Flint	11/1/2022
P71350	Nancy K. Chinonis	Flint	11/1/2022
P76097	Elias J. Fanous	Flint	11/1/2022
P26440	Gregory T. Gibbs	Flint	11/1/2022

Member(s) Nominated

District Committee Appointment January 2023 - December 2024

*Date of Discipline
Status Report*

P72615	Alexander Pahany	Bad Axe	11/1/2022
P45599	Michael A. Tesner	Flint	11/1/2022

Chairperson Nominated

*Date of Discipline
Status Report*

P32998	L. David Lawson		11/1/2022
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Mid-Term Member(s)

January 2022 - December 2023 - No Action Required

*Date of Discipline
Status Report*

P57729	Sandra K. Carlson	Flint	11/1/2022
P56161	Danielle N. Cusson	Lapeer	11/1/2022
P77000	Richard Hetherington	Flint	11/1/2022
P23008	Michael W. Krellwitz	Grand Blanc	11/1/2022
P32998	L. David Lawson	Grand Blanc	11/1/2022
P71308	Alexandra Nassar	Flint	11/1/2022
P75369	Samantha Jolene Orvis	Grand Blanc	11/1/2022
P44779	Timothy R. Winship	Grand Blanc	11/1/2022

PROPOSED 2023 District Character Fitness Committee

District C

Commissioners: Thomas Murray, Nicholas Ohanesian

Chairperson: Anne Bachle Fifer

Appointment(s) Terminating (December 31, 2022)

Due to term limits, resignation, relocation outside of district, or other.

P80766 Clay M. West

Member(s) Requesting Re-Appointment

January 2023 - December 2024

*Date of Discipline
Status Report*

P78256	Meredith Beidler	Grand Rapids	11/1/2022
P40861	Christopher G. Hastings	Ada	11/1/2022
P79258	Daniel J. Hatch	Grand Rapids	11/1/2022
P75501	Charissa C. Huang	Grand Rapids	11/1/2022
P58831	Karen L. Moore	Harrison	11/1/2022
P53270	Jill S. Mulder	Ada	11/1/2022
P73332	Victoria A. Mullen	Grand Rapids	11/1/2022

Member(s) Nominated

District Committee Appointment January 2023 - December 2024

*Date of Discipline
Status Report*

P40578	Kurt R. Killman	Grand Rapids	11/1/2022
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Mid-Term Member(s)

January 2022 - December 2023 - No Action Required

*Date of Discipline
Status Report*

P74894	Regina Berlin	Grand Rapids	11/1/2022
P49853	Jennifer Herrick Coles	Grand Rapids	11/1/2022
P68216	Christina Elmore	Grand Rapids	11/1/2022
P35699	Anne Bachle Fifer	Grand Rapids	11/1/2022
P71458	Sarah Jean Hartman	Grand Rapids	11/1/2022
P76649	Laura Monahan Joyce	Grand Rapids	11/1/2022
P64597	Blair T. Lachman	Grand Rapids	11/1/2022
P44651	Aileen Leipprandt	Grand Rapids	11/1/2022
P43773	Thomas P. Murray, Jr.	Grand Rapids	11/1/2022
P62665	Matthew T. Tompkins	Grand Rapids	11/1/2022
P60302	Timothy J. Waalkes	Grand Rapids	11/1/2022
P34473	Lawrence W. Wilson	Ada	11/1/2022
P78668	Thomas J. Worsfold	Grand Rapids	11/1/2022

PROPOSED 20223District Character Fitness Committee

District D

Commissioner: Sherrie L. Detzler

Chairperson: Goran Antovski

Appointment(s) Terminating December 31, 2022

Due to term limits, resignation, relocation outside of district, or other.

P75898	Goran Antovski, Chairperson	P59065	Gerrow D. Mason
P68736	Jonathan C. Biernat	P68892	John R. Nizol
P69749	Hon. Alyia M. Hakim	P73402	Farrah C. Ramdayal
P60300	Dawn A. Hoffmann	P63092	Rebekah T. Sellers

Member(s) Requesting Re-Appointment

January 2023 - December 2024

*Date of Discipline
Status Report*

P73812	Emily Ann Calabrese	Warren	11/1/2022
P76740	Adrian D. Cranford	Mount Clemens	11/1/2022
P23517	R. Timothy Kohler	Clinton Township	11/1/2022
P73254	Alan Loncar	Washington Twp	11/1/2022
P61759	Hon. James M. Maceroni	Mount Clemens	11/1/2022

Member(s) Nominated

District Committee Appointment January 2023 - December 2024

*Date of Discipline
Status Report*

P64777	Kerry A. Ange	Port Huron	11/1/2022
P48961	Joseph N. Ejbeh	Mount Clemens	11/1/2022
P79681	Aaron J. Hall	Mount Clemens	11/1/2022
P64081	John Paul Hunt	Mount Clemens	11/1/2022
P75741	Caitlin Creed Murphy	Warren	11/1/2022
P64735	Doris L. Neal	Eastpointe	11/1/2022
P82265	Joshua A. Sparling	Port Huron	11/1/2022
P85382	Taylor Wells	Port Huron	11/1/2022
P72107	Ryan Zemke	Clinton Township	11/1/2022

Chairperson Nominated

*Date of Discipline
Status Report*

P72107	Ryan Zemke	11/1/2022
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PROPOSED 20223 District Character Fitness Committee

District D

Mid-Term Member(s)

January 2022 - December 2023 - No Action Required

Date of Discipline
Status Report

	Mid-Term Member(s)		Date of Discipline Status Report
P76542	Robert T. Carollo, Jr	Clinton Township	11/1/2022
P65756	Dana C. Freers	Fraser	11/1/2022
P57177	Tonya C. Goetz	Mount Clemens	11/1/2022
P79647	Laura Polizzi	Mount Clemens	11/1/2022
P69641	Heidi T. Sharp	Clinton Township	11/1/2022
P55825	John R. Tatone	Utica	11/1/2022
P41121	Lorrie J. Zahodnic	Clinton Township	11/1/2022

PROPOSED 2023 District Character Fitness Committee

District E

Commissioners: Robert A. Easterly, Hon. Kristen D. Simmons

Chairperson: Ryan J. Buck

Appointment(s) Terminating December 31, 2022

Due to term limits, resignation, relocation outside of district, or other.

P75913	Katherine Jean Bennett	P77807	Ryan James Buck, Chairperson
P72601	Joshua Adam Blanchard		

Member(s) Requesting Re-Appointment

January 2023 - December 2024

*Date of Discipline
Status Report*

P72080	Mary Alexis Bowen	Lansing	11/1/2022
P74174	Emily Conway	Lansing	11/1/2022
P25532	Michael Brennan Farrell	East Lansing	11/1/2022
P71394	Erin E. Harrington	Lansing	11/1/2022
P59253	Coffiann U. Hawthorne	Lansing	11/1/2022
P39731	Daniel E. Manville	East Lansing	11/1/2022
P72136	Nicole Renee Matusko	Lansing	11/1/2022
P75354	Joshua Mark Pease	Lansing	11/1/2022
P55577	Mireille G. L. Phillips	Lansing	11/1/2022
P72190	Linda Jeanetta Rawls	Lansing	11/1/2022
P58226	Jennifer A. Rosa	Lansing	11/1/2022
P76293	Hon. Kristen D. Simmons	Lansing	11/1/2022
P60247	Jennifer D. Warner	Lansing	11/1/2022
P80350	Jason W. Werkema	Lansing	11/1/2022

Member(s) Nominated

District Committee Appointment January 2023 - December 2024

*Date of Discipline
Status Report*

P68892	John R. Nizol	Lansing	11/1/2022
P73864	Adam Paul Sadowski	Lansing	11/1/2022
P67583	Erika R. Breitfeld	Lansing	11/1/2022
P46974	Marjorie B. Gell	Lansing	11/1/2022
P39369	Francis X. Liesman, II	Mason	11/1/2022
P65363	Larry Maitland	Pickney	11/1/2022
P55484	Erin H. Walz	East Lansing	11/1/2022

Chairperson Nominated

*Date of Discipline
Status Report*

P72136	Nicole Renee Matusko		11/1/2022
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PROPOSED 2023 District Character Fitness Committee

District E

Mid-Term Member(s)			<i>Date of Discipline</i>
<i>January 2022 - December 2023 - No Action Required</i>			<i>Status Report</i>
P49724	Laura M. Canfield	Fowlerville	11/1/2022
P84198	Ralph W. Carmichael	Lansing	11/1/2022
P78391	Lucinia Alisyn Crawford	Lansing	11/1/2022
P81043	Robert A. Easterly	Okemos	11/1/2022
P81040	Emily Ann Jefferson	Lansing	11/1/2022
P41709	Richard J. Joppich	Okemos	11/1/2022
P69632	David J. Kunath	Okemos	11/1/2022
P76846	Gabrielle C. Lawrence	Lansing	11/1/2022

PROPOSED 2023 District Character Fitness Committee

District F

Commissioner: Matthew B. Van Dyk

Chairperson: Michael C. Bingen

Appointment(s) Terminating December 31, 2022

Due to term limits, resignation, relocation outside of district, or other.

P30408	Michael C. Bingen, Chairperson	P66004	Sara A. Senica
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Member(s) Requesting Re-Appointment

January 2023 - December 2024

*Date of Discipline
Status Report*

P63149	Katherine K. Ambrose	Battle Creek	11/1/2022
P71194	Matthew R. Conklin	Saint Joseph	11/1/2022
P34466	David P. Lucas	Battle Creek	11/1/2022
P82578	Benjamin M. Norg	Kalamazoo	11/1/2022
P63915	Sondra G. Nowak	Portage	11/1/2022
P69385	Timothy James Reed	Sturgis	11/1/2022
P47287	Mary M.-L.Spiegel	Saint Joseph	11/1/2022
P77299	Alicia Katherine Storm	Kalamazoo	11/1/2022

Member(s) Nominated

District Committee Appointment January 2023 - December 2024

*Date of Discipline
Status Report*

P77272	Richard O. Cherry	Kalamazoo	11/1/2022
P41663	Stephen J. Hessen	Kalamazoo	11/1/2022

Chairperson Nominated

*Date of Discipline
Status Report*

P36700	Gregory W. Russell	11/1/2022
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Mid-Term Member(s)

January 2022 - December 2023 - No Action Required

*Date of Discipline
Status Report*

P52978	Kent A. Bieberich	Battle Creek	11/1/2022
P39274	Carrick Craig	Kalamazoo	11/1/2022
P36700	Gregory W. Russell	Kalamazoo	11/1/2022
P82315	Kimberly L. Swinehart	Kalamazoo	11/1/2022

PROPOSED 2023 District Character Fitness Committee

District G

Commissioner: Hon. Erane C. Washington

Chairperson: Elizabeth V. Janovic

Appointment(s) Terminating December 31, 2022

Due to term limits, resignation, relocation outside of district, or other.

None

Member(s) Requesting Re-Appointment

January 2023 - December 2024

*Date of Discipline
Status Report*

P71988	Kareem LaMount Johnson	Jackson	11/1/2022
P72723	Jennifer L. Lawrence	Ann Arbor	11/1/2022
P62695	Hon. Miriam A. Perry	Ann Arbor	11/1/2022
P54839	Atallah T. Taweel	Ann Arbor	11/1/2022

Member(s) Nominated

District Committee Appointment January 2023 - December 2024

*Date of Discipline
Status Report*

P70385	Sharifa Kerene Moore	Ann Arbor	11/1/2022
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Mid-Term Member(s)

January 2022 - December 2023 - No Action Required

*Date of Discipline
Status Report*

P40386	James A. Fink	Ann Arbor	11/1/2022
P54111	S. Joy Gaines	Ann Arbor	11/1/2022
P28493	Mark A. Hopper	Ann Arbor	11/1/2022
P71456	Elizabeth V. Janovic	Ann Arbor	11/1/2022
P67570	Elizabeth A. Kitchen-Troop	Ann Arbor	11/1/2022
P73731	Ryan Lane Phillips	Jackson	11/1/2022
P40021	Thomas S. Piotrowski	Ypsilanti	11/1/2022
P74646	Katherine M. Sharkey	Ann Arbor	11/1/2022

PROPOSED 2023 District Character Fitness Committee

District H

Commissioners: Aaron V. Burrell, Erika L. Bryant, Joseph P. McGill,
 Hon. David A. Perkins, Mark Wisniewski

Chairperson: Nikkiya Tenell Branch

Appointment(s) Terminating December 31, 2022

Due to term limits, resignation, relocation outside of district, or other.

P68844	Nikkiya Tenell Branch, Chairperson	P17557	John E. McSorley
P78839	Lynn Bartkowiak Sholander	P49527	Gabriela N. Nolen-Menas
P76838	Michael R. Jarnagin	P80515	Sean Michael Riopelle
		P73864	Adam Paul Sadowski

Member(s) Requesting Re-Appointment

January 2023 - December 2024

*Date of Discipline
Status Report*

P75818	Zeina Baydoun	Dearborn	11/1/2022
P32428	John A. Cothorn	Van Buren Twp	11/1/2022
P74222	Elisa M. Gomez	Detroit	11/1/2022
P44184	Meghan Kennedy Riordan	Detroit	11/1/2022
P50144	Linda M. Rooney	Livonia	11/1/2022
P53883	Hon. Regina Thomas	Detroit	11/1/2022
P41295	Sharon Clark Woodside	Detroit	11/1/2022

Member(s) Nominated

District Committee Appointment January 2023 - December 2024

*Date of Discipline
Status Report*

P64254	Renee Sophia Coulter	Livonia	11/1/2022
P76028	Roshundra Graham-Simmons	Detroit	11/1/2022
P35047	Phillip A. Schaedler	Adrian	11/1/2022
P26903	Daniel M. Share	Detroit	11/1/2022
P63936	Suzanne Ulicny	Detroit	11/1/2022

Chairperson Nominated

*Date of Discipline
Status Report*

P74222	Elisa M. Gomez		11/1/2022
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PROPOSED 2023 District Character Fitness Committee

District H

Mid-Term Member(s)			<i>Date of Discipline Status Report</i>
<i>January 2022 - December 2023 - No Action Required</i>			
P51641	Jean-Vierre T. Adams	Detroit	11/1/2022
P75744	Brooke Lauren Archie	Detroit	11/1/2022
P80567	Jennifer Lynn Bentley	Detroit	11/1/2022
P71481	Tiffany A. Boyd	Plymouth	11/1/2022
P56278	Delicia A. Coleman Taylor	Detroit	11/1/2022
P79887	David M. Cords	Detroit	11/1/2022
P75433	Mark T. Evely	Livonia	11/1/2022
P58969	Blake S. Hatlem	Detroit	11/1/2022
P39624	John A. Hubbard	Plymouth	11/1/2022
P61343	Jeffrey F. Klein	Plymouth	11/1/2022
P63506	Claire R. Mason Lee	Detroit	11/1/2022
P70678	Shenique A. Moss	Detroit	11/1/2022
P61087	Majed A. Moughni	Dearborn	11/1/2022
P81032	Jeffrey M. Mussin	Livonia	11/1/2022
P77752	Lisa W. Timmons	Detroit	11/1/2022
P65472	Zana Tomich	Detroit	11/1/2022
P75309	Adam M. Wenner	Detroit	11/1/2022
P63046	Rita O. White	Canton	11/1/2022
P64900	Latoya M. Willis	Detroit	11/1/2022
P43737	Mark A. Wisniewski	Detroit	11/1/2022

PROPOSED 2023 District Character Fitness Committee

District I

Commissioners: David C. Anderson, Hon. Kameshia D. Gant, Lisa J. Hamameh,
Thomas H. Howlett, James W. Low, Gerard V. Mantese, Daniel D. Quick

Chairperson: Stephen T. McKenny

Appointment(s) Terminating (December 31, 2022)

Due to term limits, resignation, relocation outside of district, or other.

P53481	Jeffrey Z. Dworin	P72821	Nazneen S. Hasan
P63857	Colleen H. Burke	P69460	Serene K. Katranji
P29652	Alan M. Gershel	P65673	Stephen T. McKenny, Chairperson
		P76382	Eric Turnbull

Member(s) Requesting Re-Appointment

January 2023 - December 2024

*Date of Discipline
Status Report*

P71924	Jienelle Raye Alvarado	Beverly Hills	11/1/2022
P69623	Alexander A. Ayar	Bloomfield Hills	11/1/2022
P43947	Patricia S. Bordman	Birmingham	11/1/2022
P79129	David James Eagles	Farmington Hills	11/1/2022
P73271	Michael Vincent Gallo	Troy	11/1/2022
P73789	Nadine R. Hatten	Pontiac	11/1/2022
P57576	Charesa D. Johnson	Southfield	11/1/2022
P41805	Thomas Kalas	Bingham Farms	11/1/2022
P56172	Hon. Maureen H. Kinsella	Pontiac	11/1/2022
P46342	David J. Kramer	Novi	11/1/2022
P48742	Jason J. Liss	Farmington Hills	11/1/2022
P35634	John K. Maloney	Rochester	11/1/2022
P28082	Steven J. Matz	Southfield	11/1/2022
P29141	Edward D. Plato	Farmington Hills	11/1/2022
P72969	Matthew David Smith	Birmingham	11/1/2022
P73001	Mark Christopher Vanneste	Royal Oak	11/1/2022
P31240	David F. Zuppke	Royal Oak	11/1/2022

Member(s) Nominated

District Committee Appointment January 2023 - December 2024

*Date of Discipline
Status Report*

P76838	Michael Ryan Jarnagin	*Transfer From DC H	11/1/2022
P74225	Daphne Short Cunningham	Auburn Hills	11/1/2022
P57751	Jason P. Kief	Southfield	11/1/2022
P16383	Stephen Landau	Novi	11/1/2022
P63284	Priya Marwah	Northville	11/1/2022
P68374	Cecilia M. Quirindongo Baunsoe	Bloomfield Hills	11/1/2022
P47341	Andrey T. Tomkiw	Troy	11/1/2022

PROPOSED 2023 District Character Fitness Committee

District I

Chairperson Nominated

*Date of Discipline
Status Report*

P71924	Jienelle Raye Alvarado		11/1/2022
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Mid-Term Member(s)

January 2022 - December 2023 - No Action Required

*Date of Discipline
Status Report*

P74377	Scott M. Aaronson	Southfield	11/1/2022
P68592	Julie H. Pfitzenmaier Cotant	Southfield	11/1/2022
P54384	Salwa Jenna Dabaja	Franklin	11/1/2022
P66118	Corene C. Ford	Northville	11/1/2022
P30215	Stephen J. Harris	Troy	11/1/2022
P43871	Nancy A. Hensley	Troy	11/1/2022
P76396	Jeffrey Albert Hoard	Oak Park	11/1/2022
P69798	Altinia L. Kandreas	Southfield	11/1/2022
P57670	Armene Kaye	Highland	11/1/2022
P49298	Gary A. Kravitz	Southfield	11/1/2022
P61831	Sarah E. Kuchon	Troy	11/1/2022
P69730	Matthew S. LaBeau	Southfield	11/1/2022
P36111	Frank T. Mamat	Troy	11/1/2022
P45664	Christopher E. McNeely	Rochester Hills	11/1/2022
P38939	G. Michael Meihn	Bloomfield Hills	11/1/2022
P74394	Victoria J. H. Orlewicz	Oak Park	11/1/2022
P73350	Jordan Daniel Paterra	Berkley	11/1/2022
P27388	Donald L. Payton	West Bloomfield	11/1/2022
P76913	Alexander Simpson, II	Southfield	11/1/2022
P77179	Brandee Nicole Smith	Farmington Hills	11/1/2022
P84260	Joshua Stapp	Southfield	11/1/2022
P68990	Joseph Wesley Uhl	Madison Heights	11/1/2022
P47001	James C. Warr	Southfield	11/1/2022
P68870	Danien C. Woodson	Southfield	11/1/2022

**Demographics for all Character & Fitness District Committees
as of January 1, 2023**

Years of SBM M'ship	All Districts	District A	District B	District C	District D	District E	District F	District G	District H	District I
≤5 yrs	3.5%	10.0%	0.0%	0.0%	9.5%	3.4%	14.3%	0.0%	0.0%	2.1%
≤10 yrs	14.4%	0.0%	14.3%	19.0%	19.0%	20.7%	14.3%	0.0%	21.9%	8.3%
≤15 yrs	20.8%	0.0%	35.7%	19.0%	19.0%	24.1%	7.1%	46.2%	15.6%	20.8%
≤20 yrs	15.8%	30.0%	0.0%	9.5%	23.8%	13.8%	14.3%	7.7%	18.8%	18.8%
≥21 yrs	45.5%	60.0%	50.0%	52.4%	28.6%	37.9%	50.0%	46.2%	43.8%	50.0%
Self Reported Gender	All Districts	District A	District B	District C	District D	District E	District F	District G	District H	District I
Male	51.0%	60.0%	57.1%	42.9%	52.4%	41.4%	64.3%	46.2%	37.5%	62.5%
Female	49.0%	40.0%	42.9%	57.1%	47.6%	58.6%	35.7%	53.8%	62.5%	37.5%
Self Reported Ethnicity	All Districts	District A	District B	District C	District D	District E	District F	District G	District H	District I
No Answer	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Am Indian	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Asian/ Pacific Islander	1.0%	0.0%	0.0%	4.8%	0.0%	0.0%	0.0%	0.0%	0.0%	2.1%
African	10.9%	0.0%	0.0%	0.0%	9.5%	6.9%	0.0%	30.8%	34.4%	6.3%
European	49.5%	70.0%	57.1%	57.1%	57.1%	65.5%	57.1%	23.1%	40.6%	37.5%
Hispanic / Latino	1.5%	0.0%	0.0%	4.8%	0.0%	0.0%	0.0%	0.0%	3.1%	2.1%
Multi Racial	0.5%	0.0%	0.0%	0.0%	0.0%	3.4%	0.0%	0.0%	0.0%	0.0%
Arab Origin	3.0%	0.0%	14.3%	0.0%	0.0%	0.0%	0.0%	7.7%	6.3%	2.1%
Other Ethnicity	4.0%	10.0%	0.0%	9.5%	0.0%	6.9%	0.0%	0.0%	0.0%	6.3%
Prefer Not to Answer	29.7%	20.0%	28.6%	23.8%	33.3%	17.2%	42.9%	38.5%	15.6%	43.8%
TOTAL MEMBERS	202	10	14	21	21	29	14	13	32	48



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

The Committee on Model Criminal Jury Instructions solicits comment on the following proposal by December 1, 2022. Comments may be sent in writing to Andrea Crumback, 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 to renumber, retitle, and amend M Crim JI 20.29 [Limiting Instruction on Expert Testimony (in Child Sexual Conduct Cases)] in order to broaden its scope to include other experts who may testify about victims' behaviors (such as victims of domestic abuse) and to add information that the jurors need not accept expert testimony, consistent with M Crim JI 5.10. The proposed instruction would renumber the instruction to M Crim JI 5.10a, and title it as Limiting Instruction on Behavioral Expert Testimony. The proposal would also add a Use Note for M Crim JI 5.10 [Expert Witness] directing the court to use M Crim JI 5.10a where an expert testifies regarding the behavioral characteristics of sexually abused children or victims of domestic violence. Deletions are in strike-through, and new language is underlined.

[AMENDED and RE-NUMBERED]

M Crim JI ~~20.29~~ 5.10a

**Limiting Instruction on ~~Expert Testimony (in
Child Criminal Sexual Conduct Cases)~~
Behavioral Expert Testimony**

(1) ~~You have heard [name expert]'s opinion about the behavior of sexually abused children.~~ [Name expert] testified as an expert in the field of _____ and gave an opinion in [his / her] area of expertise. Experts are allowed to give opinions in court.

(2) However, you do not have to believe an expert's opinion. Instead, you should decide whether you believe it and how important you think it is. When deciding whether you believe an expert's opinion, think carefully about the reasons and facts [he / she] gave for [his / her] opinion and whether those facts are true. You should also think about the expert's qualifications and whether [his / her] opinion makes sense when you think about the other evidence in the case.

(3) ~~You should consider that evidence~~ If you do believe [name expert]'s opinion, you should consider it only for the limited purpose of deciding whether [name complainant]'s acts behavior and words after the alleged crime were consistent with those of sexually abused children described by the expert. That evidence cannot be used to show You cannot use [name expert]'s opinion as proof that the crime charged here was committed or that the defendant committed it.¹ Nor can it be considered an opinion by [name expert] that [name complainant] is telling the truth.

Use Note

~~This instruction is intended for use where expert testimony is offered to rebut an inference that a child complainant's behavior is inconsistent with that of actual victims of child sexual abuse. *People v Beckley*, 434 Mich 691, 725, 456 NW2d 391 (1990).~~ This instruction is used where expert testimony is offered to explain the behavior of a sexually abused child or of a physically or psychologically abused person that may appear inconsistent with having been abused. See, e.g., *People v Beckley*, 434 Mich 691, 725, 456 NW2d 391 (1990).

1. The language in this sentence may have to be eliminated or amended where the expert is not testifying for the prosecution describing conduct applicable to a criminal case.

[AMENDED] Use Note for M Crim JI 5.10 Expert Witness:

Use Note

~~Do not use this instruction where the expert testifies regarding the characteristics of sexually abused children and about whether the complainant's behavior is consistent with those characteristics. Instead, see M Crim JI 20.29, Limiting Instruction on Expert Testimony (Child Criminal Sexual Conduct Cases).~~

See M Crim JI 5.10a Limiting Instruction on Behavioral Expert Testimony where the expert testifies regarding the behavioral characteristics of sexually abused children or victims of domestic violence.

Public Policy Position
Model Criminal Jury Instructions 5.10a

Support as Drafted

Explanation:

The Committee voted unanimously to support Model Criminal Jury Instructions 5.10a, regarding Limiting Instruction on Behavioral Expert Testimony.

Position Vote:

Voted For position: 14

Voted against position: 0

Abstained from vote: 0

Did not vote (absent): 10

Contact Persons:

Mark A. Holsomback mahols@kalcounty.com

Sofia V. Nelson snelson@sado.org



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

The Committee on Model Criminal Jury Instructions solicits comment on the following proposal by December 1, 2022. Comments may be sent in writing to Andrea Crumback, 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 to amend M Crim JI 7.16 [Duty to Retreat to Avoid Using Force or Deadly Force] to correct an error in requiring fear of imminent death or serious harm for use of non-deadly force per a published Court of Appeals decision, *People v Ogilvie* (MCOA #354355), citing MCL 780.972(2). Deletions are in strike-through, and new language is underlined.

**[AMENDED] M Crim JI 7.16 Duty to Retreat to Avoid Using Force or
Deadly Force**

(1) A person can use [force / deadly force] in self-defense only where it is necessary to do so. If the defendant could have safely retreated but did not do so, you may consider that fact in deciding whether the defendant honestly and reasonably believed [he / she] needed to use [force / deadly force] in self-defense.*

(2) However,* a person is never required to retreat if attacked in [his / her] own home, nor if the person reasonably believes that an attacker is about to use a deadly weapon, nor if the person is subject to a sudden, fierce, and violent attack.

(3) Further, a person is not required to retreat if he or she

(a) has not or is not engaged in the commission of a crime at the time the [force / deadly force] is used,

(b) has a legal right to be where he or she is at that time, and

[Select from the following according to whether the defendant used deadly force or nondeadly force:]

(c) has an honest and reasonable belief that the use of [~~force~~/deadly force] is necessary to prevent imminent [death / great bodily harm / sexual assault] of [himself / herself] or another person.

or

(c) has an honest and reasonable belief that the use of force is necessary to prevent the imminent unlawful use of force against [himself / herself] or another person.

Use Note

*Paragraph (1) and “However” should be given only if there is a dispute whether the defendant had a duty to retreat. *See People v Richardson*, 490 Mich 115, 803 NW2d 302 (2011).

Use this instruction when requested where some evidence of self-defense has been introduced or elicited. Where there is evidence that, at the time that the defendant used force or deadly force, he or she was engaged in the commission of some other crime, the Committee on Model Criminal Jury Instructions believes that circumstances of the case may provide the court with a basis to instruct the jury that the defendant does not lose the right to self-defense if the commission of that other offense was not likely to lead to the other person’s assaultive behavior. *See People v Townes*, 391 Mich 578, 593; 218 NW2d 136 (1974). The committee expresses no opinion regarding the availability of self-defense where the other offense may lead to assaultive behavior by another.

Public Policy Position
Model Criminal Jury Instructions 7.16

Support as Drafted

Explanation:

The Committee voted unanimously to support Model Criminal Jury Instructions 7.16, regarding Duty to Retreat to Avoid Using Force or Deadly Force.

Position Vote:

Voted For position: 14

Voted against position: 0

Abstained from vote: 0

Did not vote (absent): 10

Contact Persons:

Mark A. Holsomback mahols@kalcounty.com

Sofia V. Nelson snelson@sado.org



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

=====

The Committee on Model Criminal Jury Instructions solicits comment on the following proposal by December 1, 2022. Comments may be sent in writing to Andrea Crumback, 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 an amendment to M Crim JI 17.25 [Stalking] to correct it in accord with statutory language, to provide definitional language in the instruction for “unconsented contact, and to clarify the element for aggravated stalking. Deletions are in strike-through, and new language is underlined.

[AMENDED] M Crim JI 17.25 Stalking

(1) [The defendant is charged with / You may consider the lesser offense of] stalking. To establish this charge, the prosecutor must prove each of the following elements beyond a reasonable doubt:

(2) First, that the defendant committed two or more willful, separate, and noncontinuous acts of unconsented contact⁺ with *(name complainant)*. Unconsented contact means that the defendant initiated or continued contact with *(name complainant)* without [his / her] consent and includes [following or appearing within sight of *(name complainant)* / approaching *(name complainant)* in public or on private property / appearing at *(name complainant)*'s workplace or home / entering or remaining on property owned, leased, or occupied by *(name complainant)* / contacting *(name complainant)* by telephone / sending an electronic communication or mail to *(name complainant)* / placing an object on or delivering an object to property owned, leased or occupied by *(name complainant)*].¹

(3) Second, that the contact would cause a reasonable individual to suffer emotional distress.

(4) Third, that the contact caused [*name complainant*] to suffer emotional distress.²

(5) Fourth, that the contact would cause a reasonable individual to feel terrorized, frightened, intimidated, threatened, harassed, or molested.³

(6) Fifth, that the contact caused [*name complainant*] to feel terrorized, frightened, intimidated, threatened, harassed, or molested.

[*For aggravated stalking, add the following:*]

(7) Sixth, ~~the stalking~~ at least one act of unconsented contact⁴

[was committed in violation of (a court order / a condition of [parole / probation])]

[was committed in violation of a restraining order of which the defendant had actual notice]

[included the defendant making one or more credible threats⁴ against [*name complainant*], a member of (his / her) family, or someone living in (his / her) household]. A credible threat is a threat to kill or physically injure a person made in a manner or context that causes the person hearing or receiving it to reasonably fear for his or her safety or the safety of another person.⁵

~~[was a second or subsequent stalking offense].~~

[*Where appropriate under the evidence, add the following:*]

(8) You have heard evidence that the defendant continued to make repeated unconsented contact with [*name complainant*] after [he / she] requested the defendant to discontinue that conduct or some different form of unconsented contact and requested the defendant to refrain from any further unconsented contact. If you believe that evidence, you may, but are not required to, infer that the continued course of conduct caused [*name complainant*] to feel terrorized, frightened, intimidated, threatened, harassed, or molested. Even if you make that inference, remember that the prosecutor still bears the burden of proving all of the elements of the offense beyond a reasonable doubt.

Use Note

1. Unconsented contact is defined at MCL 750.411h(1)(e) and is not limited to the forms of conduct described in this jury instruction. The court may read all of the types of contact mentioned in the statute or may select those that apply according to the charge and the evidence, or the court may describe similar conduct it finds is included under the purview of the statute.
2. The second and third elements constitute *harassment* as defined at MCL 750.411h(1)(c).
3. The fourth and fifth elements are part of *stalking* as defined at MCL 750.411h(1)(d).
4. If the basis for aggravated stalking is a prior conviction, do not read this element.
5. Credible threat is defined at MCL 750.411i(1)(b). By this definition, a “credible threat” appears to meet the “true threat” standard of *Virginia v Black*, 538 US 343, 358 (2003).

Public Policy Position
Model Criminal Jury Instructions 17.25

Support as Drafted

Explanation:

The Committee voted unanimously to support Model Criminal Jury Instructions 17.25, regarding Stalking.

Position Vote:

Voted For position: 14

Voted against position: 0

Abstained from vote: 0

Did not vote (absent): 10

Contact Persons:

Mark A. Holsomback mahols@kalcounty.com

Sofia V. Nelson snelson@sado.org



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

The Committee on Model Criminal Jury Instructions solicits comment on the following proposal by December 1, 2022. Comments may be sent in writing to Andrea Crumback, 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 adding an alternative to M Crim JI 20.1 [Criminal Sexual Conduct in the First Degree] where the defendant is a woman who caused sexual penetration with a male under unlawful circumstances. The new language is underlined.

[AMENDED] M Crim JI 20.1 Criminal Sexual Conduct in the First Degree

(1) The defendant is charged with the crime of first-degree criminal sexual conduct. To prove this charge, the prosecutor must prove each of the following elements beyond a reasonable doubt:

(2) First, that the defendant engaged in a sexual act that involved

[Choose (a), (b), (c), or (d):]

(a) entry into [*(name complainant)* / the defendant]'s [genital opening¹ / anal opening] by [*(name complainant)* / the defendant]'s [penis / finger / tongue / *(name object)*]. Any entry, no matter how slight, is enough. It does not matter whether the sexual act was completed or whether semen was ejaculated.

(b) entry into [*(name complainant)* / the defendant]'s mouth by [*(name complainant)* / the defendant]'s penis. Any entry, no matter how slight, is enough. It does not matter whether the sexual act was completed or whether semen was ejaculated.

(c) touching of [(*name complainant*) / the defendant]’s [genital openings¹ / genital organs] with [(*name complainant*) / the defendant]’s mouth or tongue.

(d) entry by [any part of one person’s body / some object] into the genital or anal opening¹ of another person’s body. Any entry, no matter how slight, is enough. It is alleged in this case that a sexual act was committed by [*state alleged act*]. It does not matter whether the sexual act was completed or whether semen was ejaculated.

(3) [*Follow this instruction with one or more of the nine alternatives, M Crim JI 20.3 to M Crim JI 20.11, as warranted by the evidence.*]

(4) [*Where the defendant is charged under MCL 750.520b(2)(b) with the 25-year mandatory minimum for being 17 years of age or older and penetrating a child under 13 years old, instruct according to M Crim JI 20.30b.*]

Public Policy Position
Model Criminal Jury Instructions 20.1

Support as Drafted

Explanation:

The Committee voted unanimously to support Model Criminal Jury Instructions 20.1, regarding Criminal Sexual Conduct in the First Degree.

Position Vote:

Voted For position: 14

Voted against position: 0

Abstained from vote: 0

Did not vote (absent): 10

Contact Persons:

Mark A. Holsomback mahols@kalcounty.com

Sofia V. Nelson snelson@sado.org



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

The Committee on Model Criminal Jury Instructions solicits comment on the following proposal by December 1, 2022. Comments may be sent in writing to Andrea Crumback, 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 to add “allowed or caused” language to M Crim JI 20.2 [Criminal Sexual Conduct in the Second Degree] and M Crim JI 20.13 [Criminal Sexual Conduct in the Fourth Degree] to reflect an unpublished Court of Appeals decision, *People v Zernec* (MCOA #353490), interpreting MCL 750.520e. Deletions are in strike-through, and new language is underlined.

[AMENDED] M Crim JI 20.2 Criminal Sexual Conduct in the Second Degree

(1) The defendant is charged with the crime of second-degree criminal sexual conduct. To prove this charge, the prosecutor must prove each of the following elements beyond a reasonable doubt:

(2) First, that the defendant intentionally [touched (*name complainant*)’s / made (*name complainant*) touch (his / her) / allowed (*name complainant*) to touch¹ (his / her) / caused (*name complainant*) to touch¹ (his / her)] [genital area / groin / inner thigh / buttock / (or) breast] or the clothing covering that area.

(3) Second, that this was done for sexual purposes or could reasonably be construed as having been done for sexual purposes.

(4) [*Follow this instruction with one or more of the 13 alternatives, M Crim JI 20.3 to M Crim JI 20.11d, as warranted by the evidence. See the table of contents on p. 20-1 for a list of the alternatives.*]

Use Note

1. These alternatives may only be used where “consent” is not a possible defense, e.g., where the victim is under-age or mentally incapable.

[AMENDED] M Crim JI 20.13 Criminal Sexual Conduct in the Fourth Degree

(1) The defendant is charged with the crime of fourth-degree criminal sexual conduct. To prove this charge, the prosecutor must prove each of the following elements beyond a reasonable doubt:

(2) First, that the defendant intentionally [touched (*name complainant*)’s / made (*name complainant*) touch (his / her) / allowed (*name complainant*) to touch¹ (his / her) / caused (*name complainant*) to touch¹ (his / her)] [genital area / groin / inner thigh / buttock / (or) breast] or the clothing covering that area.

(3) Second, that this was done for sexual purposes or could reasonably be construed as having been done for sexual purposes.

Use Note

~~Use this instruction where the facts describe an offensive touching.~~

~~Where an offensive touching involving an employee of the Department of Corrections is alleged, an appropriate instruction conforming to MCL 750.520e(1)(c) should be drafted.~~

1. These alternatives may only be used where “consent” is not a possible defense, e.g., where the victim is under-age or mentally incapable.

Public Policy Position
Model Criminal Jury Instructions 20.2 and 20.13

Support as Drafted

Explanation:

The Committee voted unanimously to support Model Criminal Jury Instructions 20.2 and 20.13, regarding Criminal Sexual Conduct in the Second Degree.

Position Vote:

Voted For position: 14

Voted against position: 0

Abstained from vote: 0

Did not vote (absent): 10

Contact Persons:

Mark A. Holsomback mahols@kalcounty.com

Sofia V. Nelson snelson@sado.org



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

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The Committee on Model Criminal Jury Instructions solicits comment on the following proposal by December 1, 2022. Comments may be sent in writing to Andrea Crumback, 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 .

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PROPOSED

The Committee proposes to amend M Crim JI 36.1, 36.3 36.4, 36.4a, and 36.6 [Human Trafficking] to add “coercion” language per a statutory amendment to MCL 750.462a. The new language is underlined. The Use Notes have not changed so they have not been included.

[AMENDED] M Crim JI 36.1 Obtaining a Person for Forced Labor or Services

- (1) The defendant is charged with the crime of obtaining a person for forced labor or services. To prove this charge, the prosecutor must prove each of the following elements beyond a reasonable doubt:
- (2) First, that the defendant recruited, enticed, harbored, transported, provided, or obtained [*name complainant*] to perform forced labor or services.
- (3) Second, that when the defendant recruited, enticed, harbored, transported, provided, or obtained [*name complainant*], the defendant knew that it was for the purpose of having [*name complainant*] perform forced labor or services, whether or not such labor or service was actually provided.
- (4) “Forced labor or services” are labor or services obtained or maintained by force, fraud, or coercion.

[Provide any or all of the following definitions, according to the evidence:]

- (a) Force includes physical violence, restraint, or confinement, or threats of physical violence, restraint, or confinement.

- (b) Fraud includes false or deceptive offers of employment or marriage.
- (c) Coercion includes [*select any that apply*]:
 - (i) threats of harm or restraint to any person.
 - (ii) using a [scheme / plan / pattern] intended to cause someone to think that [psychological harm / physical harm / harm to the person's reputation] would result from failing to perform an act.
 - (iii) abusing or threatening to abuse the legal system by threatening to have the person [arrested / deported], regardless of whether the person could be [arrested / deported].
 - (iv) [destroying / concealing / removing / confiscating] a [passport / immigration document / government identification document] from any person, even if the document was fraudulently obtained.
 - (v) facilitating or controlling access to [*identify controlled substance(s) per MCL 333.7104*] without a legitimate medical purpose.

These are examples of [force / fraud / coercion] and not an exhaustive list.

[This crime is a 10-year offense that may be increased by aggravating factors. If the prosecution has charged one of those factors, the jury must be instructed under M Crim JI 36.5.]

[AMENDED] M Crim JI 36.3 Knowingly Subjecting a Person to Forced Labor or Debt Bondage

- (1) The defendant is charged with the crime of knowingly subjecting a person to [forced labor or services / debt bondage]. To prove this charge, the prosecutor must prove each of the following elements beyond a reasonable doubt:
 - (2) First, that the defendant purposefully recruited, enticed, harbored, transported, provided, or obtained [*name complainant*] by any means.
 - (3) Second, that when the defendant recruited, enticed, harbored, transported, provided, or obtained [*name complainant*], the defendant knew

that [*name complainant*] would be subjected to [perform forced labor or services / debt bondage].

[*Provide appropriate definitions:*]

(4) “Forced labor or services” are labor or services obtained or maintained by force, fraud, or coercion.

[*Provide any or all of the following definitions, according to the evidence:*]

(a) Force includes physical violence, restraint, or confinement, or threats of physical violence, restraint, or confinement.

(b) Fraud includes false or deceptive offers of employment or marriage.

(c) Coercion includes [*select any that apply*]:

(i) threats of harm or restraint to any person.

(ii) using a [scheme / plan / pattern] intended to cause someone to think that [psychological harm / physical harm / harm to the person’s reputation] would result from failing to perform an act.

(iii) abusing or threatening to abuse the legal system by threatening to have the person [arrested / deported], regardless of whether the person could be [arrested / deported].

(iv) [destroying / concealing / removing / confiscating] a [passport / immigration document / government identification document] from any person, even if the document was fraudulently obtained.

(v) facilitating or controlling access to [*identify controlled substance(s) per MCL 333.7104*] without a legitimate medical purpose.

These are examples of [force / fraud / coercion] and not an exhaustive list.

(5) “Debt bondage” includes, but is not limited to, a promise by [*name complainant or person who had control over complainant*] that [*name complainant*] would perform services to pay back a debt where the value of the services, or the nature of the services and the time that they are to be performed, is not spelled out or defined, or the value of the services is not applied to reduction of the debt. This is not an exhaustive list of the types of debt bondage.

[This crime is a 10-year offense that may be increased by aggravating factors. If the prosecution has charged one of those factors, the jury must be instructed under M Crim JI 36.5.]

[AMENDED] M Crim JI 36.4 Participating in a Forced Labor, Debt Bondage, or Commercial Sex Enterprise for Financial Gain

(1) The defendant is charged with the crime of participating in an enterprise involving forced labor, debt bondage, or commercial sex for financial gain. To prove this charge, the prosecutor must prove each of the following elements beyond a reasonable doubt:

(2) First, that the defendant participated in an enterprise that engaged in forced labor or services, debt bondage, or commercial sexual activity.

(3) Second, that the defendant knew that the enterprise was engaged in forced labor or services, debt bondage, or commercial sexual activity.

(4) Third, that the defendant benefited financially or received anything of value from [his / her] participation in the enterprise.

(5) I will now define some of the legal terminology that was used in this instruction.

[Provide appropriate definitions:]

(a) An enterprise is an organization for conducting business and can be an individual person, a sole proprietorship, a partnership, a corporation, a limited liability company, a trust, a union, an association, a governmental unit, any other legal entity, or any legal or illegal association of persons.

(b) “Forced labor or services” are labor or services obtained or maintained by force, fraud, or coercion.

[Provide any or all of the following definitions, according to the evidence:]

(i) Force includes physical violence, restraint, or confinement, or threats of physical violence, restraint, or confinement.

(ii) Fraud includes false or deceptive offers of employment or marriage.

(iii) Coercion includes [*select any that apply*]:

(A) threats of harm or restraint to any person.

(B) using a [scheme / plan / pattern] intended to cause someone to think that [psychological harm / physical harm / harm to the person's reputation] would result from failing to perform an act.

(C) abusing or threatening to abuse the legal system by threatening to have the person [arrested / deported], regardless of whether the person could be [arrested / deported].

(D) [destroying / concealing / removing / confiscating] a [passport / immigration document / government identification document] from any person, even if the document was fraudulently obtained.

(E) facilitating or controlling access to [*identify controlled substance(s) per MCL 333.7104*] without a legitimate medical purpose.

These are examples of [force / fraud / coercion] and not an exhaustive list.

(c) “Debt bondage” includes, but is not limited to, a promise by [*name complainant or person who had control over complainant*] that [*name complainant*] would perform services to pay back a debt where the value of the services, or the nature of the services and the time that they are to be performed, is not spelled out or defined, or the value of the services is not applied to reduction of the debt. This is not an exhaustive list of the types of debt bondage.

(d) “Commercial sexual activity” means performing acts of sexual penetration or contact, child sexually abusive activity, or a sexually explicit performance.

[This crime is a 10-year offense that may be increased by aggravating factors. If the prosecution has charged one of those factors, the jury must be instructed under M Crim JI 36.5.]

[AMENDED] M Crim JI 36.4a Participating in a Forced Labor or Commercial Sex Enterprise for Financial Gain or for Anything of Value with a Minor

(1) The defendant is charged with the crime of participating in an enterprise involving forced labor or services or commercial sexual activity with a minor for financial gain or for anything of value. To prove this charge, the prosecutor must prove each of the following elements beyond a reasonable doubt:

(2) First, that the defendant participated in an enterprise that engaged in forced labor or services or commercial sexual activity involving a person or persons less than 18 years old. It does not matter whether defendant knew the age of the person or persons.

(3) Second, that the defendant knew that the enterprise was engaged in forced labor or services or commercial sexual activity with this person or persons.

(4) Third, that the defendant benefited financially or received anything of value from [his / her] participation in the enterprise.

(5) I will now define some of the legal terminology that was used in this instruction.

[Provide appropriate definitions:]

(a) An enterprise is an organization for conducting business and can be an individual person, a sole proprietorship, a partnership, a corporation, a limited liability company, a trust, a union, an association, a governmental unit, any other legal entity, or any legal or illegal association of persons.

(b) “Forced labor or services” are labor or services obtained or maintained by force, fraud, or coercion.

[Provide any or all of the following definitions, according to the evidence:]

(i) Force includes physical violence, restraint, or confinement, or threats of physical violence, restraint, or confinement.

(ii) Fraud includes false or deceptive offers of employment or marriage.

(iii) Coercion includes [*select any that apply*]:

(A) threats of harm or restraint to any person.

(B) using a [scheme / plan / pattern] intended to cause someone to think that [psychological harm / physical harm / harm to the person's reputation] would result from failing to perform an act.

(C) abusing or threatening to abuse the legal system by threatening to have the person [arrested / deported], regardless of whether the person could be [arrested / deported].

(D) [destroying / concealing / removing / confiscating] a [passport / immigration document / government identification document] from any person, even if the document was fraudulently obtained.

(E) facilitating or controlling access to [*identify controlled substance(s) per MCL 333.7104*] without a legitimate medical purpose.

These are examples of [force / fraud / coercion] and not an exhaustive list.

(c) "Commercial sexual activity" means performing acts of sexual penetration or contact, child sexually abusive activity, or a sexually explicit performance.

[AMENDED] M Crim JI 36.6 Using Minors for Commercial Sexual Activity or for Forced Labor or Services

(1) The defendant is charged with the crime of engaging a minor for [commercial sexual activity / forced labor or services]. To prove this charge, the prosecutor must prove each of the following elements beyond a reasonable doubt:

[*Select (2) according to the charged conduct.*]

(2) First, that the defendant recruited, enticed, harbored, transported, provided, or obtained [*name complainant*] for commercial sexual activity. Commercial sexual activity means performing acts of sexual penetration or contact, child sexually abusive activity, or a sexually explicit performance.

(2) First, that the defendant recruited, enticed, harbored, transported, provided, or obtained [*name complainant*] to perform forced labor or services. “Forced labor or services” are labor or services obtained or maintained by force, fraud, or coercion.

[*Provide any or all of the following definitions, as applicable:*]

(a) Force includes physical violence, restraint, or confinement, or threats of physical violence, restraint, or confinement.

(b) Fraud includes false or deceptive offers of employment or marriage.

(c) Coercion includes [*select any that apply*]:

(i) threats of harm or restraint to any person.

(ii) using a [scheme / plan / pattern] intended to cause someone to think that [psychological harm / physical harm / harm to the person’s reputation] would result from failing to perform an act.

(iii) abusing or threatening to abuse the legal system by threatening to have the person [arrested / deported], regardless of whether the person could be [arrested / deported].

(iv) [destroying / concealing / removing / confiscating] a [passport / immigration document / government identification document] from any person, even if the document was fraudulently obtained.

(v) facilitating or controlling access to [*identify controlled substance(s) per MCL 333.7104*] without a legitimate medical purpose.

These are examples of [force / fraud / coercion], and not an exclusive list.

(3) Second, that when the defendant recruited, enticed, harbored, transported, provided, or obtained [*name complainant*] [for commercial sexual purposes / to perform forced labor or services], [*name complainant*] was less than 18 years old, regardless of whether the defendant knew [he / she] was less than 18 years old.

(4) Third, that when the defendant recruited, enticed, harbored, transported, provided, or obtained [*name complainant*], the defendant intended that [*name complainant*] would perform [commercial sexual activity / forced labor or

services], whether or not [commercial sexual activity / forced labor or service] was actually provided.

Public Policy Position
Model Criminal Jury Instructions 36.1, 36.3, 36.4, 36.4a, and 36.6

Support as Drafted

Explanation:

The Committee voted unanimously to support Model Criminal Jury Instructions 36.1, 36.3, 36.4, 36.4a, and 36.6, regarding Human Trafficking.

Position Vote:

Voted For position: 14

Voted against position: 0

Abstained from vote: 0

Did not vote (absent): 10

Contact Persons:

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Sofia V. Nelson snelson@sado.org



MEMORANDUM

To: SBM Board of Commissioners

From: Darin Day, Director of Outreach

Date: November 3, 2022

Re: Proposed Section Bylaws Amendments: **Cannabis Law Section, Young Lawyers Section**

Rule 12, Section 2 of the Supreme Court Rules Concerning the State Bar of Michigan requires each SBM section to maintain bylaws “not inconsistent with these Rules or the bylaws of the State Bar of Michigan” and further that “[s]ection bylaws or amendments thereof shall become effective when approved by the Board of Commissioners.”

Upon review of documents submitted by the two above-named sections, staff confirms that the sections have followed all steps necessary to propose bylaws changes in accordance with their current bylaws. The only remaining step is for this body to approve the sections’ proposed amendments. For the Cannabis Law Section, please see excerpts from the section’s current bylaws, attached and redlined to show proposed changes. For YLS, please see the attached letter from YLS Chair Colemon Potts.

No proposed amendment is inconsistent with Supreme Court Rules or the State Bar of Michigan bylaws. Thus, staff recommends both proposals be APPROVED.

**BYLAWS OF THE CANNABIS LAW SECTION
OF THE STATE BAR OF MICHIGAN**
SEPTEMBER 2022

ARTICLE II - PURPOSES

Purposes. The purposes of this Section shall be to foster and advance the profession of Michigan ~~c~~CannabisMarijuana law; study the principles, regulations, statutes and legal developments that affect Michigan ~~c~~CannabisMarijuana law; to encourage and promote reforms in the law; to cultivate the science of jurisprudence; to secure the more efficient administration of justice; to serve as a forum and vehicle for the dissemination of specialized knowledge to practitioners engaged in the practice of ~~c~~CannabisMarijuana law in this area by fostering networking and communication among members; to coordinate its activities with those of other sections of the State Bar of Michigan whose activities and practice areas are complimentary to those of this Section; to encourage and advocate effective and thorough legal education; to encourage the continued education of the practicing lawyer; and to afford a means of social intercourse among the lawyers of the State Bar of Michigan. To accomplish its goals, the ~~c~~CannabisMarijuana Law Section of the State Bar of Michigan may sponsor meetings and conferences of educational value and support the publication of articles that relate to the purposes of this Section.

ARTICLE III - MEMBERSHIP AND DUES

- 1. Dues.** *Any active member of the State Bar of Michigan, upon request to the State Bar of Michigan and upon payment of dues for the current year, shall be enrolled as a member of the Section. Dues shall be payable in advance, in the amount of \$~~[tbd]~~65.0065.00 on or before October 1 of each year. The amount of dues may be changed upon a 2/3's vote of the membership of the Council. Any Section member whose ~~a~~Annual dues is more than three (3) months past due shall automatically cease to be a member of the Section.*

ARTICLE VI - COUNCIL

- 2. Number and Term.** *The ~~C~~council shall have ~~fifteen~~twelve (152) elected members. ~~Following the initial terms of less than three years held by members of the Council in the first five years of the Section, m~~Members of the Council shall serve for three (3) years with terms commencing at the close of the Annual Meeting at which they were elected and ending at the close of the third succeeding Annual Meeting of the Section. The Council reserves the right to add ~~three (3)~~ additional Council members. A majority of the Council members must agree to add each additional council seat. To fill a seat at a time other than at the ~~Annual organizational m~~Meeting, the process in Article VI, Section 6, must be followed.*

6. **Attending Meetings/Vacancy.** *If any member of the Council fails to attend three (3) successive meetings of the Council, the Council may declare the position vacant. If a position of the Council becomes vacant for any reason during the term of a member, including upon resignation or the inability to perform the duties of the position, the remaining members of the Council shall select a replacement, who shall fill the seat until the next ~~Annual Meeting~~~~election~~, at which point the seat shall be filled for the remaining portion of the term. Any person who is added to Council through the creation of an additional Council seat shall also fill the seat until the next Annual Meeting, at which point the seat shall be filled for a regular three (3) year term.*

7. **Nominating Committee/Nominations from Floor.** *Prior to the Annual ~~M~~meeting, the Nominating Committee, consisting of all ~~four~~three Council officers and ~~one~~two additional Council members the Chairperson has appointed, shall propose the nominations for the positions of members of the Council for election at the Annual ~~M~~meeting. At least 72 hours in advance of the Annual ~~M~~meeting, ~~such~~its nominations shall be provided to Section members by e-mail, US Mail, fax or other means reasonably likely to provide personal written notice to members of its recommendations. Other nominations may be made from the floor by Section members present at the Annual ~~M~~meeting.*

8. **Voting/Quorum.** *Election of the Council shall be by voice vote of the members of the Section present at the Annual ~~M~~meeting, unless voting by written ballot is requested and approved by a majority vote of the members present at the Annual ~~M~~meeting or the outcome of the election by voice vote is indeterminable, in which case voting by written ballot shall be required. The members of the Section present at the Annual ~~M~~meeting of the Section constitutes a quorum for the transaction of business, and the action of the majority of the quorum constitutes action of the Section.*

ARTICLE VII - ELECTION OF OFFICERS

1. **Officers.** *The Council shall elect the following Officers ~~at its Organizational Meeting~~:*
 - a) Chairperson,
 - b) Chair-Elect,
 - c) Secretary, and
 - d) Treasurer

2. **Term.** *The Officers of the Section shall be elected to one (1) year terms by the Council at its ~~Organizational~~ Meeting held immediately following the Annual Meeting. The term of each office shall commence at the close of the ~~Organizational~~ Meeting at which the officer was elected and close at the succeeding Annual Meeting of the Section.*

3. **Voting.** *Election of Officers shall be by voice vote of the members of the Council present at the ~~A~~annual ~~Organizational~~ Meeting, unless voting by written ballot is requested and approved by a majority vote of the members present at the ~~annual Organizational~~ Meeting or the outcome of the election by voice vote is indeterminable in which case voting by written ballot is required.*

4. **Vacancy.** *If any office becomes vacant during the period between Annual Mmeetings, the Council may select a replacement, who shall succeed to the full duties and responsibilities of the office. If the office of Chairperson becomes vacant and is filled by the Chair-Elect, the Chair-Elect will then also complete his or her own term of office.*

ARTICLE VIII - DUTIES OF OFFICERS

1. **Chairperson.** *The Chairperson shall:*

- a) *Preside at all meetings of the Council;*
- b) *Prepare and present at each Annual Mmeeting of the Section a report of the activities of the Section for the preceding year;*
- c) *Appoint the chairpersons and members of any committees of the Section; and*
- d) *Perform such other duties as are customarily associated with the office of Chairperson, or as assigned by the Council.*

2. **Chairperson-Elect.** *The Chair-Elect shall:*

- a) *Preside at all meetings of the Council in the absence of the Chairperson;*
- b) *Assume and perform the duties of the Chairperson during the disability of or after the death or resignation of the Chairperson;*
- c) *Be responsible for the development and presentation of an educational program at the Annual Mmeeting; and*
- d) *Perform such other duties as are customarily associated with the office of Chairperson- Elect, or as assigned by the Council.*

3. **Secretary.** *The Secretary shall:*

- a) *Be the custodian of the books and records of the Section;*
- b) *Keep a record of the Annual Mmeeting of the Section, and the meetings of the Council;*
- c) *Preside at the ~~Annual~~ meetings of the Council and the Annual Meeting in the absence of the Chairperson and Chairperson-Elect; and*
- d) ~~and~~
- g) *Perform such other duties as are customarily associated with the office of Secretary, or as assigned by the Council.*

4. **Treasurer.** *The Treasurer shall:*

- a) *Be the custodian of the financial documents of the Section;*
- b) *Keep a record of the money received and dispersed, and present a report at each meeting of the Council;*
- c) *Present a financial report to the members at the Annual Meeting;*
- d) *Prepare and present a proposed budget for the consideration of the Council; and*
- e) *Perform such other duties as are customarily associated with the office of Treasurer, or as assigned by the Council.*

ARTICLE IX - DUTIES AND POWERS OF THE COUNCIL

2. **Committees.** *The Council may establish such standing committees (and subcommittees) and ad hoc committees (and subcommittees) as the Council may determine from time to time to further the interests and goals of the Section, and no committee, subcommittee or directorship shall be authorized to take any action on behalf of the Council or the Section without the express approval of the Council. ~~Does the Council wish to add details as to the scope of the work and approval procedures for committees and subcommittees?~~*

3. **Executive Committee.** *There shall be an Executive Committee that will consist of the Chairperson, Chairperson-Elect, Secretary, Treasurer and one Council member appointed by the Chairperson. The Chairperson shall serve as chairperson of the Executive Committee. The Executive Committee shall have the authority to conduct any business as delegated from time to time by resolution of the Council. Additionally, the Executive Committee shall have the authority to conduct any business that would normally come before the Council, provided that such action is of a nature that requires resolution prior to the next Council meeting. The Section Chairperson, on behalf of the Executive Committee, shall report any and all action taken by the Executive Committee between meetings of the Council at the next succeeding meeting of the Council.*

5. **Vacancies.** *The Council, during the interim between annual meetings of the Section, may fill vacancies in the offices of the Secretary, Treasurer or ~~Vice-Chair-Elect~~person, or, in the event of a vacancy in both the office of Chairperson and ~~Vice-Chair-Elect~~person, then in the office of Chairperson. The Executive Committee may appoint acting officers to fill such vacancies during the interim between the occurrence of the vacancy and the next regularly scheduled or special Council meeting.*
7. **Voting.** *Members of the Council when personally present at a meeting of the Council (in person or by remote telephonic or remote access or similar methods) shall vote in person, but when absent may communicate their vote, in writing, upon any proposition, to the Secretary and have it counted, with the same effect as if cast personally at such meetings. Each Council member shall be entitled to one vote on all matters brought to the Council for vote.*
8. **Telephonic ~~or Remote~~ Participation.** *A Council member may participate in a Council meeting by telephone conference or other remote means of communication by which all persons participating in the meeting may communicate with each other if all participants are advised of the communications equipment and the names of the participants in the conference are divulged to all participants. Participation in a meeting pursuant to this section constitutes presence in person at the meeting.*

YOUNG LAWYERS SECTION

OFFICERS

CHAIR

Colemon L. Potts
407 E. Fort St, Ste 103
Detroit, MI 48226

CHAIR-ELECT

Tanya Cripps-Serra
Detroit

SECRETARY

Silvia Mansoor
Detroit

TREASURER

Jacob Eccleston
Portage

EX OFFICIO

Kristina Bilowus
East Lansing

COUNCIL

Aysha Allos
Livonia

Chad Antuma
Grand Rapids

Darnell Barton
Detroit

Jerome Crawford
Harrison Twp

Fawzeih Daher
Detroit

Jacob Eccleston
Portage

Emma Green
Ann Arbor

Aaron Hall
Mount Clemens

Antwuan Hawkins
Southfield

Jordan Held
Portage

Amber Rouse-Holloway
Troy

Amy S. Krieg
Ann Arbor

Shantelle Richie
Southfield

Miriam Saffo
Ann Arbor

Alex Thibodeau
Grand Rapids

Toi Thomas
Southfield

Jessica Warfield
Detroit

September 26, 2022

To: State Bar Board of Commissioners:

Re: SBM-YLS Executive Council Proposed Reapportionment of District Plan

On behalf of the State Bar of Michigan-Young Lawyer Section, I wanted to seek the approval from the State Bar Board of Commissioners for Reapportionment of Districts under Article 5 Section 4 of the Young Lawyer Section Bylaws. This reapportionment plan will change the voting number of Council members for District 1, District 2, and District 3. The proposed changes would be to take one seats away from both District 2 and District 3 and add those seats to District 1. This would result in the following: District 1 (8 seats) District 2 (7 seats) and District 3 (9 seats). The primary reason for the change is the current state of interest for the State Bar of Michigan Executive Council and the population aspect of District 1. After Oakland County, Wayne County has the highest population of young lawyers. Recently, most of the interest we have garnered for the Executive Council has come from the area of Wayne county which are heavily populated areas. Contrary to the population density, District 1 currently has the least number of seats. While District 1, as it currently sits, is completely full. There are four open seats in District 2, and 3 open seats in District 3. As such, the Executive Council for the Young Lawyer Section has come to the conclusion that this reapportionment plan is necessary. After a spirited discussion, the council voted in favor of the proposed reapportionment plan. We respectfully request the State Bar Board of Commissioners accept the proposed changes to the Bylaws.

/s/Colemon L. Potts

Chair-SBM-YLS

SBM

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