

**NONPROFIT CORPORATION COMMITTEE
JANE FORBES AND JENNIFER MILLER OERTEL, CO-CHAIRS
ANNUAL REPORT PREPARED FOR THE
DECEMBER 5, 2015 ANNUAL MEETING**

Please describe your committee's activities during the 2014-2015 year toward achievement of the goals outlined in the Section's Strategic Plan. Each question below corresponds to a specific Section of the Plan, a copy of which is attached and to which reference may be made for further guidance in providing responses. If the question is not applicable to your particular committee or directorship, please note as such.

1. Sponsorship of programs for Continuing Legal Education via a means accessible to Section Members, including holding at least one program yearly (Article I, 3, of the Strategic Plan).

The Committee completed an ICLE seminar regarding the changes to the Nonprofit Corporation Act that were enacted in January of 2015.

The Committee provides educational presentations at each meeting of members, as well as the opportunity for the members to pose questions for group discussion.

2. Addressing substantive legal issues for committee members, including holding regular committee meetings (at least once a year) and reporting on the meetings to the Council (Article I, 4).

The Committee held 2 meetings in the previous fiscal year and provides educational presentations at each meeting of members, as well as the opportunity for the members to pose questions for group discussion.

Committee members also fielded questions from the members on the changes to the Nonprofit Act.

3. Promoting involvement in the committee and making the committee more responsive to members including the designation of a contact person (Article I, 5).

Please see the answers to #2 above. Further, the Committee surveyed its members about what they want from the Committee. Finally, the Committee co-chairs regularly send updates and opportunities to Committee members and encourage questions, expanded membership, and promote speaking and writing opportunities to the members.

4. (A) monitoring and raising awareness of laws or developments in laws that affect Michigan businesses and, when appropriate, making recommendations for updates and improvements;

(B) providing assistance to appropriate state government personnel with respect to business-related legislation and rule making;

(C) as appropriate, providing amicus curiae briefs related to business-related issues being addressed by the courts, and

(D) educating Michigan businesses, their owners and employees about changes to Michigan's laws in order to maintain Michigan's ability to attract and retain new business enterprises and enable existing businesses to remain competitive.

(Article II, 1).

The Committee worked for approximately 5 years to pass legislative amendments to the Nonprofit Corporation Act to both conform to changes in the Business Corporation Act and to improve upon the statute. Committee co-chairs monitor legislative activity that relates to nonprofit corporations.

In addition to the informative communications to Committee members described elsewhere in this report, Committee members submitted the following articles for the summer edition of the Business Law Journal:

- Amendments to the Nonprofit Corporation Act – What Nonprofits Need to Know, by Jane Forbes and Eric Klein
- A New Breed of Corporate Decision-making, by Francine Cullari, MA, MBA, JD
- Not All Nonprofits are Created Equal-- A Review of Federal and State Requirements Affecting Tax-Exempt Organizations, by Daryl L. Barton, J.D. and Howard Bunsis, J.D.
- Directors' and Officers' Responsibility for Cybersecurity, by Michael Khoury and Jennifer Miller Oertel
- Social Enterprise Structures in Tax-Exempt Public Charities, by Jennifer Miller Oertel and Daniel Soleimani

5. Please comment on your plan regarding succession (Article III, 5).

Committee co-chairs regularly promote involvement in the Committee and engagement by committee members. Interested and capable successors are clear from their involvement.

6. Please list your Committee's goals and objectives for the next 12 to 24 months and whether you will require additional support from the Section to achieve these goals (Article III, 5).

The Committee intends to increase membership levels and participation by existing members by complying with member survey results in holding quarterly meetings and continuing to provide educational opportunities at every meeting, as well as opportunities for convening of members.

The Committee will continue to educate about the changes to the Act and assist with questions that arise from such changes.

The Committee does not anticipate needing additional support from the Section.