

HEALTH CARE LAW SECTION

GUIDANCE ON FUNDING FOR CHARITABLE ACTIVITIES

DATED 5/21/09

PURPOSE

To provide guidance to the Council on how to respond to requests made to the Section from charitable organizations seeking donations from Section funds for charitable activities.

BACKGROUND

The Section regularly receives requests from third party organizations for donations to support the activities of charitable organizations. On April 2, 2009, the Council considered the adoption of a policy concerning donations for charitable activities and concurred that as a general matter, the Section will not regularly make donations of Section funds to charitable organizations. In lieu of a policy, this guidance was developed so that the Section and the Council would have a consistent procedure for responding to such requests.

AUTHORITY

SBM Bylaws, Article VII, Section 4 Expenses sets forth guidelines for section dues. There are no limitations on uses of voluntary member dues for charitable activities.

SBM Bylaws, Article VIII, Section 7 Public Advocacy by Sections sets forth guidelines for section activities which take a position on policy issues.

State Supreme Court Administrative Order No. 2004-1, Section II (F) provides that sections of the State Bar of Michigan may engage in ideological activities on their own behalf. If the Section engages in ideological activities intended to influence legislation, the Section must follow the guidelines of this Administrative Order.

GUIDANCE

1. As a general matter, the Section will not regularly make donations of Section funds to charitable organizations.
2. On a case-by-case basis, the Section may consider donating Section funds to tax-exempt organizations under section 501(c)(3) of the Internal Revenue Code, only to support activities that are reasonably related to the purposes of the Section, as set forth in the Bylaws of the Section.

3. If the Section decides to use its funds within the scope of the Section's purposes and the activities are intended for purposes of public advocacy or to influence legislation, then the Section also must comply with the requirements of SBM Bylaws, Article VIII, Section 7 Public Advocacy by Sections and the State Supreme Court Administrative Order No. 2004-1.
4. All requests for donations of Section funds shall be directed to the Chair and the Treasurer of the Section. The Chair and Treasurer shall review the request, seek additional information, as necessary, and if compelling circumstances exist, forward the request to the Council. If not, the request shall be rejected. The Chair and Treasurer shall report annually to the Council on requests for charitable donations made to the Section.
5. The Council shall consider requests forwarded to it to determine whether it is a cause the general Section membership would support. The Council then votes to determine whether or not the donation shall be made and in what amount. The vote shall be recorded in the minutes and the minutes made available to the full Section membership in the usual course.