

## Quarterly Report of Activities November, 2025

I am pleased to present the following report on recent activities. Mary, Yvonne and Eleanor helped pull this report together. Please let me know if you have questions or would like additional details.

### **Grantees and Grant Funding**

Since our last meeting, we've continued to support and strengthen our grantmaking processes and partnerships. We have completed the Legal Services Annual grant application review process. We are pleased that the board approved a budget, including a 25% increase in annual IOLTA grants again this year and that SCAO is anticipating an increase in filing fee revenues. In addition, we received three Administration of Justice (AOJ) grant applications totaling \$156,125. These proposals focused on Know Your Rights workshops, legal pathways for family preservation, and expungement clinics. The Project Grant Committee has reviewed these applications and will present recommendations to the Board.

Following a delay in the Michigan State budget, we received confirmation in October that our full request for continued Social Security Income (SSI) legal support funding was approved. As a result, we recommended and the Executive Committee approved, renewing grants for FY26 totaling \$937,500 to five regional grantees. This contract also includes a 4% administrative fee (\$37,500).

Beyond these grant cycles, we've made progress on several strategic initiatives. We developed standard operating procedures (SOPs) for our AOJ and Legal Services Annual grant programs and are now creating similar documentation for our Eviction Diversion, Unemployment, and SSI grants. Our ongoing AOJ grant review includes both internal analysis and benchmarking against other statewide funders. We will lead a conversation on this topic during a December webinar hosted by the National Association of IOLTA Programs.

To further support grantee capacity, we are hosting an Outcome Training on December 8th to improve case data tracking. LSNM continues to provide updated reports regarding implementation of the Peer Review Report recommendations.

### **Special Projects**

At the request of the JFA Commission, MSBF is leading an initiative to create an ongoing evaluation of Michigan's client intake, triage and referral system, including CALL (Counsel and Advocacy Law Line), MLH (Michigan Legal Help), and SBM's Lawyer Referral Service (LRS). This project includes two components: 1) the development of user surveys to solicit feedback from individuals who interacted with CALL, MLH, or LRS, or those who appeared pro se in court; and 2) a business process analysis of CALL, given CALL's role as a statewide legal aid hotline, and the interrelated goal of both projects to improve the accessibility to and value of Michigan's legal aid "triage" system (both projects were also prompted by recommendations from [Stout's 2023 evaluation](#) of Michigan's intake and referral systems).

Regarding the first project, we have developed the survey instrument for CALL/MLH/LRS and completed a pilot testing phase. We also finalized the pro se court user survey with SCAO and are working through the survey administration logistics with the courts. We are now working with Stout [Consulting] to develop the data analysis and evaluation phase of this project. MSBF will collect CALL, MLH, LRS, and court user survey reports and incorporate this data in a visualization platform to review and analyze survey responses over time. In partnership with the current working group and JFA Commission, we plan to develop processes for data sharing, ongoing analysis, and recommendations for system improvements.

Regarding the second project, Michigan's civil legal aid ecosystem has changed significantly since CALL's inception, especially with the development of MLH and expanded self-help centers. And while CALL is a valuable resource for both clients and local legal aid programs, CALL staff are currently playing an unsustainable role as they work to provide competing functions for multiple organizations while also navigating increased client needs and potentially reduced funding. We're working with two partnering consultants on this project — Kim Craig and Lisa Colpoys. Over the past year, Kim and Lisa have interviewed legal aid program directors and staff, shadowed CALL's intake, triage, and referral processes, and conducted mock client intakes. Through these observations, and in discussion with MSBF and our working group, they developed recommendations for changes to the structure of CALL and how clients are triaged through Michigan's legal aid system. This new system will not just be a change in CALL's processes, but a significantly re-designed model that better coordinates services between CALL, MLH, local legal aid programs, potentially LRS and other resources.

The board materials include two slides reflecting CALL's current model and the proposed future model. The future model removes the triage, intake, and referral responsibilities from CALL so their attorneys can focus on providing advice and brief services. Michigan individuals seeking assistance with a civil legal issue will be directed through a statewide triage system either online or via phone hotline that utilizes consistent referral protocols and new technology to best handle the significant volume of users. We believe this future model reflects a more client-centered system that will also benefit local legal aid organizations and CALL, as well as reduce overall system redundancies and costs. We are currently finalizing a contract with Kim and Lisa to facilitate conversations with legal aid programs over the next year and assist with implementing this new model.

### **Leadership/Partnerships/Training**

As of the date of this report, there is not a FY26 federal budget, so the grantees do not know yet if they will have cuts in LSC funding for 2026.

The Alternative Funding for Trial Courts Workgroup recommended that funding for indigent civil legal services be included in the definition of court operations. The Michigan Judicial Council agreed with the recommendation and released their report last week -- [Alternative Funding for Trial Courts Implementation Recommendations](#). You can also see a brief summary here - [Brief Summary Trial Court Funding](#)

Peter Cunningham and I co-chair the JFA Resource Committee. We are in the process of updating the ROI report for civil legal aid using 2023 and 2024 data. I am also chairing a working group of this committee to analyze the need and funding for more self-help centers in Michigan.

We continue to wait for the Michigan Supreme Court on the administrative matters regarding Michigan Rules of Professional Conduct 6.1 (Pro bono and financial donations) and MCR 2.606 regarding Qualified Settlement Funds. The Supreme Court conducted a public hearing on administrative matters on September 25<sup>th</sup>, including MRPC 6.1 Jennifer testified, along with Jennifer Greico, Heidi Naasko, Ashley Lowe and former Chief Justice Marilyn Kelly.

Mary Gladstone-Highland, our Director of Grants attended the Council on Michigan Foundations Annual Conference in October to connect with peers and explore emerging trends in philanthropy.

### **Access to Justice Campaign**

We hired an ATJ Campaign Major Gifts Officer, Katie Pike. Katie is currently the Assistant Director of Development at MSU College of Law. She begins employment on December 2<sup>nd</sup>. Erica Swierenga was promoted from Development Associate to Engagement Manager and will be leading engagement activities for the ATJ Campaign and the Fellow Program. We are currently interviewing to fill the Development Associate position role and will be reposting the Director of Development position in January.

Since the last Board meeting, we launched a major gift initiative, led by Bob Riley, Tom Behm and Judge Victoria Roberts. We created a new tier of recognition at the \$10,000 annual giving level. We developed talking points and committee members are reaching out to individuals. So far, 13 individuals have committed, including the three committee members and Lou Corey, George Googasian, Ven Johnson, Susan Kornfield, Thom Linn, Jon Marko, Brian McKeen, Jeff Meyers, Michael Pitt and Dick Soble. We plan to bring these individuals together in the spring to discuss the major gift initiative.

We continue to try to increase visibility by presenting at events. On October 23<sup>rd</sup>, Jennifer spoke at an event that was sponsored by the Michigan Supreme Court Historical Society at Cooley Law School about the Foundation, Access to Justice Campaign and the Foundation. After the event, two individuals attending contributed to the ATJ Campaign, including one that gave \$2,500. On November 7<sup>th</sup>, Jennifer presented to the Michigan Defense Trial Counsel.

In November, we received two cy pres awards designated to the ATJ Fund, totaling approximately \$65,000.

We are planning for year end appeals. We are doing individual follow up with all leadership firms and prospect firms. With the assistance of Ed Pappas, we drafted an email appeal from the SBM President and all past presidents, that the SBM will send out electronically on giving Tuesday. We plan to do social media posts and videos around the release. Craig also drafted

a year end appeal that will be in the December State Bar Journal. We will send electronic appeals to all prior donors in mid December.

## **Fellows**

In 2025, we welcomed 29 new Fellows. We have been highlighting new fellows on social media and issued a press release. We also conducted a virtual orientation and sent Fellows an electronic badge and certificates.

## **IOLTA and Banking on Justice Campaign**

As noted over the last year, IOLTA programs have faced an increase in challenges to state IOLTA rules. Specific litigation and state legislative actions vary across states, but primarily focus on mandatory participation in a program that funds advocacy efforts, and alternative uses for the interest generated on IOLTA. Of most significance, is a case pending in the first circuit (Case No. 25-1324). The case was brought by a law firm in Maine and a client, suing the administrator of the state court, the chief justice and administrator of IOLTA. The Plaintiff's claim that sending interest to the IOLTA program for distribution to legal aid violates their First Amendment rights, because it amounts to compelled speech. A district judge dismissed the case and plaintiffs appealed. MCDermott filed an amicus brief on behalf of the National Association of IOTLA Programs.

Eleanor Avsharian continues to manage the IOLTA compliance process, monitor interest rates, and field financial institution questions and concerns about the IOLTA program. After holding rates steady throughout much of 2025, the Federal Reserve moved its interest rate range to the current 3.75% - 4.00% through two consecutive rate reductions. As anticipated, several financial institutions mirrored these reductions; nevertheless, MSBF's September average IOLTA rate was 2.22%, an *increase* of about 3.7% from the June 2025 average of 2.14%. This is likely due to a combination of factors: new financial institutions joining the IOLTA Program at higher rates; higher IOLTA balances over the last quarter, resulting in higher rates for institutions using tiered rate systems; and ongoing relationship building and compliance oversight that encourages financial institutions to maintain rates, especially after mergers and acquisitions. In addition, MSBF continues to maintain its Banking on Justice Campaign with an increase to twelve (12) participating financial institutions after Sturgis Bank & Trust elected to join the program. The current rate for participation is 3.00%.

MSBF is continuing its plan to develop an Account Enrollment System (AES). This new system will allow attorneys to upload IOLTA Notice of Enrollment forms directly into our database, thereby improving data collection, IOLTA reporting, attorney/bank oversight, and coordination with SBM's Interim Administrator Program. We are finalizing project proposals with Delta Consulting and Information Logistics, and we anticipate beginning development of this new system in the first quarter of 2026, depending on Information Logistics' availability. As part of this project, we will also update the IOLTA Notice Form to streamline the process for attorneys and clarify confusing sections of the current document.

In October, Jennifer Bentley, Traci Kuiper, and Eleanor Avsharian attended the 2025 Joint ABA/IOLTA Conference in Atlanta. The conference was informative and included opportunities to learn from other IOLTA Programs across the country as we continue to develop strategies for sustaining IOLTA revenue, developing bank relationships, educating attorneys and financial institutions, implementing new systems, and engaging with grantees.

Finally, we continue to await a determination from the Michigan Supreme Court on adoption of the proposed revisions to MRPC 1.15 and the corresponding IOLTA Handbook for Financial Institutions.

## **Governance and Administration**

Since the last Board meeting, we finalized a new Conflict of Interest policy (the Executive Committee approved).

We are conducting the FY25 audit this week. Traci and Jennifer met with David Neilsen to discuss cost allocation and functional expenses, in light of the new revenue streams.

We continue to work on updating our technology policies. In addition, with increased staff and changed job duties, we are updating and documenting our internal standard operating procedures.

In addition, we are in the process of migrating to a different Professional Employer Organization. Our prior organization had gone through two mergers and we were not pleased with the service. We received a recommendation for CoStaff, signed a contract and are in the process of migrating. The effective date will be January 1, 2026.

## **Communications**

We are in the process of finalizing the 2024 Grantee Services Report and working on a newsletter that will go out before the end of the year.

MSBF has a Facebook and LinkedIn account. As of November 11, 2025, we have 641 followers on LinkedIn and 180 followers on Facebook. If you are active in social media, we encourage you to follow and reshare our posts.