

**Michigan State Bar Foundation  
Finance Audit Committee  
Summary of Virtual Meeting: March 3, 2026**

Present: Richard K. Rappleye, Chair, Joseph Cunningham, Lee Reimann, Michael L. Pitt, Craig H. Lubben, Ex-Officio, Jennifer Bentley, Traci Kuiper and David Nielsen (auditor)

**SUMMARY**

The Finance Audit Committee met on March 3, 2026. The committee reviewed the audited financial statements, the quarterly financial statements and recommendations to award funding from the Grant Stabilization Fund.

**Grant Stabilization Reserve**

In March 2024, the MSBF Board adopted an IOLTA Grant Stabilization/Emergency Issues Fund Reserve Policy. There is currently \$7.6M in this reserve, including \$4.6M, which is the target minimum.

MSBF grantees that are funded through the Legal Services Corporation (LSC) have experienced cuts in their annual funding for 2026. The federal government was delayed in appropriations, and they were not notified of these cuts until recently. These cuts affect the majority of MSBF's annual grantees. MSBF issued an IOLTA Emergency Issues Funding Opportunity to provide temporary emergency funding to support the continued delivery of civil legal services by programs facing 2026 Legal Services Corporation (LSC) funding reductions. The purpose of this one-time funding is to ensure continuity of essential legal services while programs develop strategies to address ongoing or future funding challenges.

The FAC is recommending the following action:

**MOVED, SUPPORTED AND CARRIED TO RECOMMEND APPROVAL TO AWARD AND EXECUTE GRANT FUNDS FROM THE MICHIGAN STATE BAR FOUNDATION RESERVE FUND TO THE FOLLOWING LEGAL AID PROGRAMS TO SUPPORT THE CONTINUED DELIVERY OF CIVIL LEGAL SERVICES BY PROGRAMS FACING 2026 LEGAL SERVICES CORPORATION (LSC) FUNDING REDUCTIONS.**

| Organization                         | Recommended Award (Shortfall Request) |
|--------------------------------------|---------------------------------------|
| Michigan Indian Legal Services       | \$9,522                               |
| Farmworker Legal Services            | \$27,573                              |
| Michigan Advocacy Program            | \$93,823                              |
| Legal Services of Northern Michigan  | \$46,004                              |
| Legal Services of Eastern Michigan   | \$87,116                              |
| Lakeshore Legal Aid                  | \$238,373                             |
| Legal Aid of Western Michigan        | \$110,710                             |
| <b>TOTAL Grants to Subrecipients</b> | <b>\$613,121</b>                      |