

Minnesota State Bar Association
Probate & Trust Law Section
Policy on Funding Requests
Last Reviewed April, 2017

Background

The Probate & Trust Law Section (the “Section”) periodically receives requests for contributions or funding from organizations or groups, both inside and outside the Section. These requests typically fall into one of four categories:

1. Requests for financial contributions from a *non-profit organization or group* that believes its mission aligns with the interests of our Section and its members (e.g. Wills for Heroes).
2. Requests for sponsorship or a financial contribution toward the cost of an *educational event or program* from an organization or group that believes the event or program will be of interest to our Section and its members (e.g. high school trial advocacy program).
3. Requests for sponsorship or a financial contribution toward the cost of a *social event or activity* from an organization or group (including a group within the Section) that believes the event will be of interest to our Section and its members (e.g. happy hour for members of the proposed mentorship program).
4. Requests for financial contributions from organizations or groups that are *not directly related to our Section or its members* (e.g. contributions to support victims of New Orleans flooding).

In addition to these funding requests, the Section also provides financial support for *programs or events sponsored by our Section* (e.g. reduced-cost lunches for Section members who attend Section-sponsored educational events) or *other activities deemed to be a benefit to our Section and its members* (e.g. an amicus brief supporting or opposing an issue of concern to our Section, or compensation of a lobbyist to advocate for a legislative proposal that has MSBA support but for which the MSBA has not separately allocated lobbying funds, or reimbursement for expenses incurred by a law firm in connection with the development of the Minnesota Trust Code).

The purpose of this Policy is to provide guidance to the Section Council and its officers when considering these and similar funding requests.

Policy Guidelines

The Officers of the Section and the members of Section Council shall consider the following factors, to the extent they are relevant, when evaluating requests for financial support or contributions from the Section:

1. How does the amount of the requested contribution compare to the size of the current and projected fund balance for the year? Less than 10%? More than 25%? More than 50%?

2. If the expenditure is likely to be more than 50% of the current and projected fund balance for the year, do we anticipate other Section-specific initiatives or outside funding requests that we would want to support that we would be unable to support if we make a significant withdrawal from our accounts to fund this expenditure? Are we prepared to raise our dues, defer other Section-specific initiatives, or say no to other requests in the future in order to fund this particular expenditure?
3. Is it something we have funded or contributed to in the past, or is it a new request?
4. In funding the request, is there a risk of establishing a precedent that could make it difficult to say no to a similar request or that could attract additional similar requests from other organizations or groups in the future?
5. Is the request for a one-time contribution with a specific and fixed dollar cost (e.g. a \$750 sponsorship of an MSBA event), or is it a request for an open-ended commitment of financial support for a long-term project or program (e.g. a commitment to underwrite the activities of a legislative subcommittee considering a revision of significant statute relevant to our practice area)?
6. Do we have a significant fund balance, suggesting that we have not been funding enough projects or programs? Does the Section's accumulation of a significant fund balance risk appropriation of a portion of our Section's funds by the MSBA?
7. If the expenditure is for an event sponsored by the Section and primarily for the benefit of members of the Section, does it create or contribute to a reasonable balance between the interests of members from out-state Minnesota and those from the metro area? Similarly, does it create or contribute to a reasonable balance between the interests of members from large firms and those from small firms or in solo practice?
8. Will the expenditure provide more than an incidental benefit to the Section and its members? Specifically:
 - (a) For *contributions to non-profit organizations*, does the organization provide services or support activities that are beneficial to the members of our Section or that are consistent with the interests of lawyers practicing in the probate & trust area? Does the Section's support for the organization create positive public exposure and goodwill for our Section with the MSBA and the broader community? Or is the organization primarily of interest to a small sub-set of the members of the Section Council or its officers, which could represent a conflict of interest (perceived or real)? Or would our Section's support of the organization create negative public exposure and erode goodwill for our Section with the MSBA and the broader community?
 - (b) For *contributions in support of an educational event or program*, is the subject matter of the event or program something that would be both interesting and useful to a broad cross-section of our Section and its members? Is the event held at a time and place when a broad cross-

section of our Section members could potentially attend the event? Is the cost of attending the event affordable for our members, even with our financial support? Are there other available sources of funding for the event or program, or would it not be possible without the financial support of the Section? Are there other ways the Section could provide support for the program or event short of a financial contribution, such as soliciting speakers or written materials from among our members, promoting the event through our newsletter and our community pages, or providing or facilitating low- or no-cost space for the event?

- (c) For *contributions in support of a social event or activity*, is the event or activity being planned solely or primarily for the benefit of members of our Section, or will others be invited to attend? If the event is solely open to members of our Section, will it be held at a time and place when a broad cross-section of our Section members could potentially attend the event? Can the event be fairly characterized as a way to facilitate the development of personal and professional relationships among our members and not as a special perk for a narrow group of members? If the event is open to attendees beyond the members of our Section, what is our purpose in funding the event? Are we seeking to attract new members to our Section? Are we seeking to attract members from different demographic groups to our Section? Are we seeking to deepen relationships with other Sections of the MSBA (e.g. Real Property or Non-Profit Organizations)? If there is not a specifically articulated goal, can the Section Council identify a goal that would be of benefit to a broad cross-section of our Section and its members? As in (b) above, are there other ways the Section could provide support for the event or activity short of making a financial contribution, such as promoting the event through our newsletter and our community pages, or providing or facilitating low- or no-cost space for the event, or planning it in concert with another Section event (such as the Section Conference) to foster attendance at the event or activity?
- (d) For *contributions to organizations or groups that are not directly connected to the Section or its members*, is the amount requested modest compared to the size of our fund balance? Is it truly a “good cause” that we believe most of our members, if asked, would be comfortable giving to? Does the gift create any reputational risk for the Section? Are we being asked because a member of our Section suggested it? If so, is there a risk that funding a request for an organization whose mission is not directly connected with our Section or its members creates an incentive for other organizations to ask for contributions as well? Because we are not a grant-making organization and do not hold ourselves out as such, the Section should generally refrain from funding these requests.