

STATE BAR OF NEVADA

October 1, 2021

Chief Justice James W. Hardesty
Nevada Supreme Court
201 South Carson Street
Carson City, NV 89701-4702

RE: ADKT 0577: MCLE Board Reserve Funds

Dear Chief Justice Hardesty:

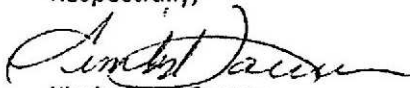
We thank the Court for the opportunity to bring forward proposed amendments to the rules relating to the Nevada Board of Continuing Legal Education. At the September 23, 2021 public hearing, we informed the Court that the Board of Governors was considering a grant program that would put MCLE reserve funds to use.

Enclosed are MCLE Reserve Funds Grant Program Guidelines that provide an overview the grant program using dollars set aside in Court-ordered MCLE reserves and with ongoing funding provided by MCLE late fees collected from attorneys and CLE providers. The grant program would be administered by the Nevada Bar Foundation and would support educational, pipeline and pro bono initiatives. This proposal is supported by the state bar's Board of Governors, the Board of Continuing Legal Education, and the Nevada Bar Foundation.

Existing MCLE reserves were set aside by Court Order, dated November 15, 2016; therefore, we request the Court's permission to release those funds for grant purposes. Reserve funds currently stand at \$531,000.

We thank the Court again for its attention to this matter. We remain available to respond to any questions or concerns.

Respectfully,




Kimberly K. Farmer
Executive Director

cc: Ann Morgan, President, State Bar of Nevada
Frank Flaherty, Chair, Nevada Board of Continuing Legal Education
Margaret Wightman Lambrose, President, Nevada Bar Foundation

FILED

OCT 04 2021

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MCLE RESERVE FUNDS GRANT PROGRAM GUIDELINES

Overview

The Nevada Board of Continuing Legal Education maintains a reserve fund that includes dollars received from attorney and CLE provider non-compliance fees. This reserve is restricted by Court Order, dated November 15, 2016, and may not be drawn down without prior Court approval.

This proposal seeks to take existing funds and make them available through annual grants to fund programs that educate Nevada lawyers and support Nevada communities through programs that build a pipeline for entry into the profession and delivery of pro bono legal services to underserved populations. The grant program would be funded annually from attorneys who are delinquent in timely submitting annual attorney compliance requirements and from and continuing legal education providers who fail to timely file course programs and attendance.

Program Administration

With the approval from the Nevada Supreme Court, the MCLE Reserve Grant Program will be administered by the Nevada Bar Foundation, the State Bar of Nevada's 501(c)(3) charitable organization. The Foundation would have sole decision-making authority regarding grant administration, following these guidelines. Administration would include but is not limited to (1) evaluating grant application criteria, (2) determining the total dollars to be awarded annually, (3) reviewing and selecting grant recipients, and (4) ensuring appropriate reporting protocols are in place and compliance is met.

Anticipated grant funding is \$200,000 annually. The Foundation shall maintain a MCLE Grant Program reserve, not to exceed \$200,000, which may be drawn down to provide for incentive grant giving (see below).

Program Funding

The MCLE Reserve Grant Program will be funded from annual attorney and CLE provider late fees. We would request funds collected by the State Bar of Nevada be set aside in a restricted fund, transferred by December 31 annually to the Nevada Bar Foundation. The Nevada Bar Foundation would use these funds to support the MCLE Reserve Funds Grant Program; funds may not be used to supplement other grant programs administered by the Foundation.

Grant Criteria

1. **Programs Funded.** The MCLE Reserve Grants will fund programs that:
 - a. Provide education to Nevada attorneys on topics such as civility; well-being; and diversity, equity, and inclusion.
 - b. Support law related education programs that promote interest in and understanding of the law.
 - c. Support the activities and initiatives of affinity bar associations that serve minority lawyers.
 - d. Directly support delivery of legal services to underserved populations.
 - e. Provide for the delivery of pro bono legal services.

2. **Grant Dollars Awarded.** MCLE Reserve Grants may be awarded to fund a requested program or activity in part or in whole.
 - a. Applicants will be asked to provide other sources of funding, pledged or in-hand, for the program or activity requested.
 - b. Awards may be made on a one-time basis or on a multi-year basis.

3. **Incentive Grants.** The Nevada Bar Foundation may offer matching grant dollars in addition to the amount requested, or to supplement the amount awarded, as an incentive. These grant dollars will be offered at the discretion of the Nevada Bar Foundation.

Example: along with an approved grant, a \$5,000 incentive grant may be given for the organization successfully raising another \$5,000 through a fundraising initiative or private donation.

Example: along with an approved grant, an incentive grant of up to \$10,000 will be awarded as a matching grant for any future dollars received through fundraising or private donation.

4. **Terms of Use.**
 - a. MCLE Reserve Grants must be used for the purpose set forth in the grant application and/or the incentive grant offer.
 - b. Any organization receiving grant dollars shall agree to provide an annual report as deemed required by the Foundation, providing, at a minimum, an itemized description of how funds were used.
 - c. Any organization receiving grant dollars shall agree to return any unused funds to the Nevada Bar Foundation.
5. **Prohibited Use.** Grant dollars will not be awarded for:
 - a. Sponsorship of events or activities.
 - b. Activities which influence legislation, influence the outcome of any election, or which are used to carry on any voter registration drive.