



## **Policies and Procedures**

Updated 08/01/2023

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## 2023 Board of Directors

Name/Address	Appointed By	Term Expires
<p><b>Hon. Chanpone Sinlapasai</b> (President)                      Multnomah County Circuit Court                      1200 SW 1<sup>st</sup> Ave                      Portland, OR 97204                      Tel: (971) 274-0662  <a href="mailto:Chanpone.p.sinlapasai@ojd.state.or.us">Chanpone.p.sinlapasai@ojd.state.or.us</a></p>	<p>OSB Board of Governors                      Position 2</p>	<p>12-31-2023</p>
<p><b>Valerie Colas</b> (Immediate Past President)                      Office of the State Court Administrator                      Oregon Judicial Department                      Salem, OR 97301                      Tel: (503) 798-2721  <a href="mailto:valerie.colas@ojd.state.or.us">valerie.colas@ojd.state.or.us</a></p>	<p>OSB Board of Governors                      Position 9</p>	<p>12-31-2025</p>
<p><b>Hon. Rima Ghandour</b> (President-Elect)                      Multnomah County Circuit Court                      1200 SW 1st Ave                      Portland, OR 97204                      Tel: (971) 274-0674  <a href="mailto:Rima.i.ghandour@ojd.state.or.us">Rima.i.ghandour@ojd.state.or.us</a></p>	<p>Oregon Supreme Court                      Position 4</p>	<p>12-31-2024</p>
<p><b>Elise Bouneff</b> (Secretary)                      Heritage Bank                      1000 SW Broadway, Suite 2170                      Portland, OR 97205                      Tel: (503) 306-5417  <a href="mailto:Elise.Bouneff@HeritageBankNW.com">Elise.Bouneff@HeritageBankNW.com</a></p>	<p>OLF Board of Directors                      Position 11 (Public 2)</p>	<p>12-31-2023</p>
<p><b>Kristen Connor</b> (Treasurer)                      Heritage Bank                      1001 SW 5<sup>th</sup> Ave, Suite 250                      Portland, OR 97204                      Tel: (503) 306-5360  <a href="mailto:Kristen.Connor@HeritageBankNW.com">Kristen.Connor@HeritageBankNW.com</a></p>	<p>OLF Board of Directors                      Position 13 (Public 4)</p>	<p>12-31-2023</p>

<p><b>Randy Compton</b>  Pioneer Trust Bank  109 Commercial Street, NE  Salem, OR 97308  Tel: (503) 363-3136 x212  <a href="mailto:rcompton@pioneertrustbank.com">rcompton@pioneertrustbank.com</a></p>	<p>OLF Board of Directors  Position 10 (Public 1)</p>	<p>12-31-2023</p>
<p><b>Brent Hall</b>  Hall Law PLLC  PO Box 945  Walla Walla, WA 99362  Tel: (541) 215-0404  <a href="mailto:brent@bhhall.com">brent@bhhall.com</a></p>	<p>OLF Board of Directors  Position 7</p>	<p>12-31-2026</p>
<p><b>David Rosen</b>  High Desert Law, LLC  PO Box 877  Bend, OR 97709  Tel: (541) 306-6553  <a href="mailto:drosen@high-desert-law.com">drosen@high-desert-law.com</a></p>	<p>OLF Board of Directors  Position 1</p>	<p>12-31-2023</p>
<p><b>Laura Shipley</b>  Bank of America  1211 SW 5th Avenue, 25th Floor  Portland, OR 97204  Tel: (503) 544-9441  <a href="mailto:laura.shipley@bofa.com">laura.shipley@bofa.com</a></p>	<p>OLF Board of Directors  Position 12 (Public 3)</p>	<p>12-31-2024</p>
<p><b>Open Position</b></p>	<p>OLF Board of Directors  Position 8</p>	<p>12-31-2025</p>
<p><b>Diane Sykes</b>  Diane S Sykes Attorney at Law PC  5911 SE 43<sup>rd</sup> Ave  Portland, OR 97206  Tel: (503) 504-7176  <a href="mailto:diane@dianesykeslaw.com">diane@dianesykeslaw.com</a></p>	<p>OLF Board of Directors  Position 5  (Nominated by Assn. of Legal Services)</p>	<p>12-31-2026</p>

**Justin Thorp**  
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OLF Board of Directors  
Position 6

12-31-2026

**Hon. Debra Velure**  
Lane County Circuit Court  
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OSB Board of Governors  
Position 3

12-31-2025

## **OLF Staff**

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## **Committees**

### **I. Revenue Enhancement Committee**

#### **Charge**

The Revenue Enhancement Committee's ongoing charge is to continue implementing revenue enhancement strategies that encourage banks to maintain current interest rates or raise rates paid on IOLTA accounts; maintain a positive relationship with current IOLTA Leadership Banks and the Oregon Bankers Association. Committee members also work on strategies to encourage and educate attorneys about the importance of maintaining their IOLTA accounts at Leadership Banks. The committee meets every quarter. However, the committee may need to meet more frequently as needed to schedule meetings with bankers and others administering IOLTA accounts, and bar leaders, and to coordinate marketing strategies.

### **II. Budget and Finance Committee**

#### **Charge**

The Budget and Finance Committee works with staff to prepare an organizational budget that is presented to the board for approval in September. The organizational budget informs the Grants Committee about the amount of funds available for grants. The Budget and Finance Committee may also review and revise the budget mid-year or between adoption by the committee and submission to the full board for approval if revenues fall significantly short of projections. In addition, the committee reviews the investments with the investment manager and makes investment recommendations to the board and oversees the OLF audit. The committee is also responsible for assuring that the foundation's financial considerations and decisions are consistent with the foundation's Fiscal and Investment policies. This committee meets quarterly prior to each board meeting.

### **III. Grants Committee**

#### **Charge**

The Grants Committee reviews all grant applications and makes funding recommendations to the full board. Grant applications are sent out in August to all current grantees and other organizations that have submitted requests for applications. The applications are to be completed and returned no later than October 1. The committee meets in October to review the applications and determine whether additional information is needed. If necessary, the committee will meet again to make its final recommendations for the board's consideration at the December meeting.

## **IV. Nominating Committee**

### **Charge**

The Nominating Committee is responsible for recommending candidates for vacant board positions to the appropriate appointing body and to recommend board officer positions to the OLF board. The committee will meet during the first half of the year to consider how best to recruit potential candidates for vacant board positions. The Nominating Committee will meet again sometime in the fall discuss candidates to replace board members whose terms expire on December 31, as well as nominate current board members to fill board officer positions. The Nominating Committee, by special meeting, also makes recommendations to the full board when a board member resigns before completing his or her term.

## Mission Statement

The Oregon Law Foundation builds a more equitable legal system to support and fund justice for all in Oregon by:

- ❖ Ensuring access to civil legal help for people with low incomes, or who experience other systemic barriers;
- ❖ Promoting equity, diversity, and inclusion in the legal community; and
- ❖ Educating the public about the law and the legal system.

*Adopted by the OLF Board July 1994*

*Revised July 1995*

*Revised April 1999*

*Revised May 2023*



## Historical Overview of the Foundation

In the early 1980's, the Oregon State Bar created the Oregon Law Foundation as the charitable arm of the Bar. The Foundation was established with the following mission statement:

- A. to provide legal aid to the poor;
- B. to improve the administration of justice;
- C. to promote the study of law, research in the law, legal education, and the dissemination of legal knowledge.

The Foundation is a 501 (c) (3) organization and is governed by a thirteen-person board. Nine positions are filled by lawyers, and the remaining four positions are filled by public members. Three positions are appointed by the Oregon State Bar; one position is appointed by the Oregon Supreme Court; five positions are voted on by the Foundation board with one of the positions nominated by the Association of Oregon Legal Services; and the four public members are appointed by the OLF board. Each board member is appointed to serve a four-year term.

Between 1982 and 1984, the Foundation created an Endowment Fund and raised \$150,000 from contributions received from lawyers across the State. The interest earned from the endowment fund was given out as grants to law-related organizations that provided direct delivery of legal services; scholarships to minority law students; and law-related education.

In addition to the Endowment Fund, the Foundation began the IOLTA Program (Interest on Lawyers Trust Accounts) on a voluntary basis in 1983. In 1988, the Oregon State Bar members voted to make the IOLTA program mandatory, and the Oregon Supreme Court approved the necessary rule changes, effective May 1, 1989. The amount of funds available for grants increased to \$1.285 million in 1992. However, because of the declining interest rates, grant funds then decreased considerably. In 1994, the Foundation awarded \$338,000 in grants. In 1995, the board began a major effort to get financial institutions to increase their interest rates. As a result of the effort, a number of banks increased their IOLTA interest. In 1997, as a result of board effort and a robust Oregon economy, the interest rates doubled from an average of 1.25% to 2.5%. Subsequent years reflecting annual grant dollars awarded are as follows:

<b>Year</b>	<b>Grant Dollars Awarded</b>
1997	\$ 950,000
1998	\$ 1,168,150
1999	\$ 1,150,000
2000	\$ 1,117,500
2001	\$ 1,075,000

<b>Year</b>	<b>Grant Dollars Awarded</b>
2002	\$ 900,000
2003	\$ 1,040,000
2004	\$ 1,030,000
2005	\$ 1,300,000
2006	\$ 1,793,000
2007	\$ 2,132,000
2008	\$ 2,400,000
2009	\$ 2,000,000
2010	\$ 1,800,000
2011	\$ 1,400,000
2012	\$ 957,500
2013	\$ 900,000
2014	\$ 850,000
2015	\$ 950,000
2016	\$ 1,000,000
2017	\$ 1,050,000
2018	\$ 1,200,000
2019	\$ 1,500,000
2020	\$ 1,900,000
2021	\$ 1,600,000
2022	\$ 1,600,000
2023	\$ 2,000,000

The board makes the grant award in November or December preceding the new grant year. The amount of the grants is determined by anticipated income based on current monthly income.

The Foundation is managed within the guidelines of a contractual agreement with the Oregon State Bar. The staff consists of an executive director, assistant director, and an administrative bookkeeper.

## **Third Restated Articles of Incorporation Oregon Law Foundation**

### **ARTICLE I Name and Duration**

The name of this corporation shall be the Oregon Law Foundation, and its duration shall be perpetual.

### **ARTICLE II Purposes and Powers**

This corporation is a public benefit corporation.

The corporation is organized and shall be operated exclusively for charitable, scientific, and educational purposes as described in Section 501(c)(3) of the Internal Revenue Code of 1986, or corresponding provisions of any future federal tax laws, including but not limited to the following particular purposes:

- A. to provide legal aid to the poor;
- B. to improve the administration of justice;
- C. to promote the study of law, research in the law, legal education, and the dissemination of legal knowledge.

In furtherance of the foregoing purposes the corporation shall have and may exercise all of the rights and powers given to nonprofit corporations under the Oregon Nonprofit Corporation Act.

### **ARTICLE III Restrictions**

The affairs of the corporation shall be conducted exclusively in such a manner as to qualify it for tax exemption under Section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provisions of any future federal tax laws. No part of the net earnings of the corporation shall inure to the benefit of any private shareholder or individual. No substantial part of the activities of the corporation shall be carrying on propaganda, or otherwise attempting to influence legislation, except as may be permitted under Section 501(h) of the Internal Revenue Code of, 1986 or the corresponding provisions of any future federal tax laws, and the corporation shall not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office.

## **ARTICLE IV Registered Office**

The street address of the registered office of the corporation is 16037 SW Upper Boones Ferry Road, Tigard, Oregon 97224, and the mailing address is P.O. Box 231600, Tigard, Oregon 97281.

## **ARTICLE V Dissolution**

Upon dissolution or final liquidation, after payment or provision for payment of all of the liabilities of the corporation, the remaining assets of the corporation shall be distributed to such tax-exempt organization or organizations described in Section 501(c)(3) of the Internal Revenue Code, or corresponding provision of any future federal tax laws, as the board of directors may determine.

## **ARTICLE VI Liability of Directors and Officers; Indemnification**

### **Section 1. Officer and Director Liability.**

No director or uncompensated officer shall be personally liable to the corporation for monetary damages for conduct as a director or officer, except for:

- A. Any breach of the director's or officer's duty of loyalty to the corporation;
- B. Acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law;
- C. Any unlawful distribution;
- D. Any transaction from which the director or officer derived an improper personal benefit; and
- E. Any act or omission in violation of ORS Section 65.361, 65.364, or 65.367.

### **Section 2. Indemnification of Directors, Officers, Employees or Agents.**

The corporation shall indemnify any individual made a party to a proceeding because the individual is or was a director, officer, employee or agent of the corporation against liability incurred in the proceeding if:

- A. The conduct of the individual was in good faith;
- B. The individual reasonably believed that the individual's conduct was in the best interest of the corporation, or at least not opposed to its best interest; and
- C. In the case of any criminal proceedings, the individual had no reasonable cause to believe the conduct of the individual was unlawful.

*Restated Articles adopted by the OLF Board on September 25, 2015, and adopted by the membership on October 14, 2015.*

# Amended and Restated Bylaws of Oregon Law Foundation

## ARTICLE I. Directors

### Section 1. Powers

The business affairs of the corporation shall be managed by a board of directors who shall exercise or direct the exercise of all corporate powers.

### Section 2. Qualifications; Number of Directors

The business affairs of the corporation shall be managed by a board of directors consisting of not more than 13 persons. No member of the board of directors shall serve as an employee, officer or director of any organization funded by the corporation. No reduction in the number of directors shall have the effect of removing any director prior to the expiration of his/her term of office.

### Section 3. Terms

The members of the board shall serve staggered four-year terms beginning on January 1 and continuing until December 31. Public member position 10 and 11 of the board may serve consecutive four-year terms without limitation. Other members of the board may serve no more than two consecutive four year terms. A member of the board who is appointed to fill a vacancy on the board and whose initial term is two years or less from the date of appointment may thereafter be reappointed or re-elected to a term of four years. The secretary shall maintain records of the expiration date of each board member's term.

### Section 4. Nominations

A nominating committee consisting of not less than three board members appointed by the chair shall, nominate candidates and recommend nominees for election to the board to commence service the following January 1. The slate of nominees shall be submitted for approval by the board, and the nominees so approved shall be recommended to those entities responsible for nominating, appointing or electing board members, as set forth in Section 5 below.

### Section 5. Appointment and Election of Positions

Board members shall be appointed or elected as follows:

- (a) Position Nos. 1, 2, and 3 shall be appointed by the Board of Governors of the Oregon State Bar.
- (b) Position No. 4 shall be appointed by the Chief Justice of the Oregon Supreme Court.

- (c) Position Nos. 5, shall be nominated by the Oregon Association of Legal Aid Program Directors.
- (d) Position Nos. 6, 7, 8, 9, 10, 11, 12 and 13, shall be nominated by the nominating committee and appointed by the board of directors. Position Nos. 10, 11, 12 and 13 shall be public member positions. The public member positions may not be filled by members of the Oregon State Bar.

#### **Section 6. Vacancies**

Board vacancies for an unexpired term shall be filled in the same manner as for an expired term, provided, however, that if a vacancy occurs in Position 5, 6, 7, 8, or 9 more than ninety days prior to the annual meeting, such position shall be filled by appointment by the board of directors. The appointee shall serve until December 31. An election to fill the expired term shall be held at the next annual meeting of the Foundation.

#### **Section 7. Removal or Resignation**

A director may resign at any time by submitting his or her resignation to the Executive Director in writing. The resignation shall be effective upon receipt, or upon such earlier or later date as may be specified in the notice of resignation. The body or individual responsible for appointing or electing a director may remove the director from the board for nonfeasance or malfeasance.

#### **Section 8. Meetings**

- (a) Meetings of the board of directors shall be held at such place as may be designated from time to time by the board of directors or other person calling the meeting.
- (b) Annual meetings of the board of directors will be the last board meeting of each calendar year – typically December – and shall be held without notice at the Oregon State Bar Center. The annual meeting may be held at any other time and place as the Board of Directors shall designate by written notice.
- (c) Regular meetings of the board of directors for any purpose or purposes may be called at any time by the President or by any four directors.

#### **Section 9. Notice of Meetings**

- (a) Notice of the time and place of meetings shall be given orally or delivered in writing personally or by regular or electronic mail at least four days prior to regular meetings and at least 24 hours before special meetings. Notice shall be sufficient if actually received at the required time or if mailed not less than 48 hours before the time for notice from the place where the corporation's principal place of business is located. Notice by regular mail or electronic mail shall be directed to the mailing or electronic mail address shown on the corporate records or to the director's actual address ascertained by the person giving the notice.

- (b) Notice of the time and place of holding an adjourned meeting need not be given if such time and place be fixed at the meeting adjourned.
- (c) Attendance of a director at a meeting shall constitute a waiver of notice of such meeting except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

**Section 10. Quorum and Vote**

- (a) A majority of the directors shall constitute a quorum for the transaction of business. A minority of the directors, in the absence of a quorum, may adjourn from time to time but may not transact any business.
- (b) The action of a majority of the directors present at any meeting at which there is a quorum shall be the act of the board of directors.

**ARTICLE III.  
Officers**

**Section 1. Designation; Election; Qualification**

- (a) The officers shall be a President, a Secretary, a Treasurer and such Vice Presidents and subordinate officers as the board of directors shall from time to time appoint, all of whom shall be members of the board of directors and an Executive Director, who shall not be a member of the board of directors. Officers shall be elected at the annual meeting of the board of directors. Their term shall commence on January 1 and shall end December 31.
- (b) A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in the bylaws for regular appointments in such office.

**Section 2. Compensation and Term of Office**

- (a) The compensation, if any, and term of office of all officers of the corporation shall be fixed by the board of directors.
- (b) Any officer may be removed, either with or without cause, by action of the board of directors.
- (c) Any officer may resign at any time by giving written notice to the board of directors, the President, or the Secretary of the corporation. Any such resignation shall take effect upon receipt of such notice or at any later time specified therein. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective, provided that the board of directors may reject any post-dated resignation by notice in writing to the resigning officer.

### **Section 3. Executive Director**

The Executive Director shall, subject to the control of the board of directors, have general supervision, direction and control of the business affairs of the corporation, shall have the general powers and duties of management usually vested in the office of executive director of a not-for-profit corporation, and shall have such other powers and duties as may be prescribed by the board of directors or the bylaws.

### **Section 4. President**

The President shall be the chair of the board of directors and shall preside at all meetings of the board of directors. The President shall be ex-officio a member of all the standing committees, including the executive committee, if any.

### **Section 5. Vice Presidents**

The Vice Presidents, if any, shall perform such duties as the board of directors shall prescribe. In the absence or disability of the President his or her duties and powers shall be performed and exercised by the senior Vice President as designated by the board of directors.

### **Section 6. Secretary**

- (a) The Secretary shall keep or cause to be kept at the principal office or such other place as the board of directors may order, a book of minutes of all meetings of directors showing the time and place of the meeting, whether it was regular or special, and, if special, how authorized, the notice given, the names of those present at the directors' meetings, and the proceedings thereof.
- (b) The Secretary shall give or cause to be given such notice of the meetings of the board of directors as is required by these bylaws. The Secretary shall keep the seal of the corporation and affix it to all documents requiring a seal, and shall have such other powers and perform such other duties as may be prescribed by the board of directors or bylaws.

### **Section 7. Treasurer**

The Treasurer shall be responsible for the funds of the corporation, and pay them out only on the check of the corporation signed in the manner authorized by the board of directors.

### **Section 8. Assistants**

The board of directors may appoint or authorize the appointment of assistants to the Secretary or Treasurer or both. Such assistants may exercise the powers of the Secretary or Treasurer, as the case may be, and shall perform such duties as are prescribed by the board of directors.



## **ARTICLE IV. Executive and Other Committees**

Subject to law, the provisions of the articles of incorporation and the bylaws, the board of directors may appoint an executive committee and such other committees as may be necessary from time to time, consisting of such number of its members and having such powers as it may designate. Such committees shall hold office at the pleasure of the board.

## **ARTICLE V. General Provisions**

### **Section 1. Amendment of Bylaws**

- (a) Except as otherwise provided by law, the board of directors may amend or repeal these bylaws by majority vote at any meeting of the directors.
- (b) Whenever an amendment or new bylaw is adopted, it shall be copied in the minute book with the original bylaw in the appropriate place. If any bylaw is repealed, fact of repeal and the date on which the repeal occurred shall be stated in such book and place.

### **Section 2. Waiver of Notice**

Whenever any notice to any director is required by law, the articles of incorporation, or the bylaws, a waiver of notice in writing signed at any time by the person entitled to notice shall be equivalent to the giving of the notice.

### **Section 3. Action without Meeting**

Any action which the law, the articles of incorporation, or the bylaws require or permit the directors to take at a meeting may be taken without a meeting if a consent in writing setting forth the action so taken is signed by all of the directors entitled to vote on the matter. The consent, which shall have the same effect as a unanimous vote of the directors, shall be filed in the records of minutes of the corporation.

### **Section 4. Conflicts of Interest**

It is essential that the work of the Oregon Law Foundation (Foundation) not be compromised by any conflict of interest, or the appearance of conflict of interest, on the part of the board of directors or staff. This policy is designed to help members of the board of directors and staff avoid situations that may involve a conflict of interest between their personal or professional activities or interests and their activities as board members and staff of the Foundation. In making decisions on grant applications and other matters involving the Foundation, directors and staff must strive to avoid even the appearance of impropriety.

Upon the consideration of any proposed transaction in which the director or staff member has a conflict of interest, it is the responsibility of the director or staff member to disclose such conflict. Such transactions include, but are not limited to, grants, loans, contracts, purchases, and rental agreements. The director or staff member shall abstain from discussing or voting on, or otherwise attempting to influence the decision on the proposed transaction with respect to which the director or staff member has a conflict of interest, but may provide information if requested to do so.

A director or staff member has a conflict of interest in connection with a transaction if:

- (a) The director or staff member is (or expects following the transaction with the Foundation to become) a director, employee or consultant for a nonprofit or for-profit organization that is a party to the transaction;
- (b) The director or staff member has a material financial interest in a party to the transaction; or
- (c) The director or staff member has an immediate family connection by blood, marriage or significant long term relationship with a person affiliated with an organization that may benefit from approval of a financial transaction with the Foundation.

## **Section 5. Confidentiality**

Each director and staff member of the Foundation shall use his or her best efforts to refrain from disclosing or using confidential information of the Foundation.

## **ARTICLE VI. Liability of Directors and Officers; Indemnification**

### **Section 1. Officer and Director Liability**

No director or uncompensated officer shall be personally liable to the corporation for monetary damages for conduct as a director or officer, except for:

- (a) Any breach of the director's or officer's duty or loyalty to the corporation;
- (b) Acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law;
- (c) Any unlawful distribution;
- (d) Any transaction from which the director or officer derived an improper personal benefit; and
- (e) Any act or omission in violation of ORS Section 65.361, 65.364, or 65.367.

### **Section 2. Indemnification of Directors, Officers, Employees or Agents**

The corporation shall indemnify any individual made a party to a proceeding because the individual is or was a director, officer, employee or agent of the corporation against liability incurred in the proceeding if:

- (a) The conduct of the individual was in good faith;
- (b) The individual reasonably believed that the individual's conduct was in the best interest of the corporation, or at least not opposed to its best interest; and
- (c) In the case of any criminal proceedings, the individual had no reasonable cause to believe the conduct of the individual was unlawful.

**ARTICLE VII.**  
**Signing Authority and Bonding**

Corporate documents shall be executed by two officers consisting of the Executive Director, President or a Vice President in conjunction with the secretary or treasurer, or such other agent(s) as authorized by the Board. The corporate financial documents which include, with limitation, checking, savings, and evidences of indebtedness, may be executed by one authorized officer or such other agent(s) as authorized by the Board if the amount is \$1,000 or less. Any checks or other negotiable instruments in excess of \$1,000 must be signed by two authorized officers or such other agent(s) as authorized by the board. All officers or agents authorized to execute financial documents, checks, evidences of indebtedness, otherwise dealing with the financial affairs of the corporation, shall be bonded in the amount of not less than \$5,000 with a company authorized to issue such bonding within the State of Oregon. The corporation shall pay all expenses, premiums, or charges in connection therewith.

*Amended and Restated Bylaws adopted by the OLF Board on May 19, 2023.*

# Fiscal & Investment Policy

## Fiscal Policy

### Committee Responsibility and General Fund Budget

The Budget and Finance Committee's (Committee) responsibility is twofold. Its first responsibility is to engage in an annual strategic planning process to assure prudent asset and liability management to maximize returns to the Foundation and the grantees. The strategic planning process will include an annual review and update of a five-year budget projection. The Committee will also continue to develop the interest rate risk model to better predict interest rate fluctuations. The Committee's second responsibility is to present a General Fund budget to the board prior to the start of the new budget year. The sequence of events leading up to the final General Fund budget recommendation is as follows:

- The executive director prepares a draft budget for the following calendar year which is presented for review and approval by the Committee. The draft budget is based on estimated income, using the most current months of IOLTA income. The draft expense categories are based on current expense budget levels with estimated increases related to inflation and salary/ benefits increases. Also, as part of the budget recommendation process, the Committee annually reviews and tests for reasonableness, the administrative expense that the Oregon State Bar charges the Foundation. The Committee has the responsibility to recommend to the board what portion of the estimated revenue in the budget is to be used for grants, reserve, and expenses using the Spending Policy outlined below as a driving principle.
- The Budget and Finance Committee will meet prior to the third quarter board meeting to finalize and approve the draft budget and then forward it to the board at their third quarter meeting for final approval. The purpose is to give the board and Grants Committee an indication of the funds available for the annual grant awards and the general fund reserve for the new budget year. The Grants Committee will meet in October to award the annual grants.

### Spending Policy

The Committee will target an annual grant award in an amount adequate to sustain the grantees funded by the foundation. In order to maintain enough funds to assure that grantees will be adequately covered if revenues fall due to a decrease in interest rates, the Committee will endeavor to maintain in cash equivalent reserves in the General Fund an amount equaling no less than thirty percent of the annual grant award. There will be a strong presumption that revenues over one hundred percent of the annual grant award will be put into a fund set aside for long-term investment. This fund will be part of the General Fund and be called the Growth Fund. It will be used to provide

growth of investment for revenues generated in excess of funds needed to finance the General Fund's operating and reserve funds. The Growth Fund will meet the Committee's objective of creating a rainy-day reserve that will produce enough income to stabilize the Foundation's primary source of revenue which is IOLTA interest. This, in turn, will stabilize funding for grantees. Depending on the level of revenue received, the Committee, in conjunction with the Grants Committee, may recommend to the board that a portion of funds be restricted to support special projects.

## **Investment Policy**

The following types of investments shall be appropriate for the General Fund and Endowment Fund:

### **General Fund**

#### **1. Operating Fund**

**Purpose** – Fund daily operations and grants pursuant to the annual budget

**Objective** – Safety of Principal

**Investment**

- a. Insured Deposit in Bank or Thrift
- b. Money Market Funds rated at least AAA (S&P) or Aaa (Moody).
- c. United States Treasury or Federal Agency Security with a maturity of 14 months or less

#### **2. General Fund Reserve**

**Purpose** – Serve as a reserve to adequately fund daily operations and grantees in the event of decreased annual revenues

**Objective** – Safety of Principal

**Investment**

- a. Insured Deposit in Bank or Thrift
- b. Money Market Funds rated at least AAA (S&P) or Aaa (Moody).
- c. United States Treasury or Federal Agency Security with a maturity of five years or less. Maturities should be staggered to anticipate need.

#### **3. Reporting for Operating and General Fund Reserve**

- a. Income Statement and Balance Sheet for each calendar quarter. Each investment shall be detailed by cost and market.
- b. All reporting shall be sent to each director by the end of the month following the end of the calendar quarter.

#### **4. Growth Fund**

**Purpose** – To provide growth of investment for revenue generated in excess of funds needed to finance the General Fund (initial allocation of \$500,000).

**Objective** - Growth and some income (targeting a range of 50 to 70 percent growth and 50 to 30 percent income)

## **Investment**

- a. Savings accounts protected by U.S. Government guarantees, time certificates of deposit in banks savings and loan institutions up to FDIC insurance limits.
- b. Certificates, notes or bonds of the United States, or other obligations of the United States or its agencies, or of any corporation wholly owned by the government of the United States. These securities may not have a legal final maturity greater than ten years.
- c. Money Markets Funds rated at least AAA (S&P) or AAA (Moody).
- d. Corporate notes and bonds subject to the following standards: U.S. domiciled companies rated at least A (S&P) or A1 (Moody); maturity of five years or less. Any security owned that falls into a BBB rating shall be considered for sale. Any security that falls below a BBB rating shall be sold as soon as is prudently possible unless it is part of a mutual bond fund that has been approved by the board.
- e. Bond mutual funds that invest in fixed income investments conforming to the types of instruments described in paragraphs 1-4 above and subject to the same overall allocation limits.
- f. Equity mutual funds, index funds, exchange-traded funds, or individual equities may be utilized subject to the following standards: The Committee may approve the use of such investments, in consultation with financial advisors, on the basis of investment style, objective, risk, fund management experience and expense with no more than 25% of the equity portion of the portfolio invested in funds concentrating on foreign securities.

## **5. Reporting for Growth Fund**

- a. An Income Statement and Balance Sheet shall be prepared for each calendar quarter. Each investment shall be detailed by cost and market value.
- b. The investment portfolio will be designed to obtain a market average rate of return taking into account the investment risk constraints and cash flow needs. The basis used by the Committee to determine whether market yields are being achieved shall be an index that reflects the asset allocation of the portfolio. This index represents the benchmark portfolio rate of return. The investment program shall seek to augment returns above this threshold consistent with the prudent investment principles and the risk limitations identified above.
- c. All reporting shall be sent to each member of the Committee by the end of the month following the end of the calendar quarter.

## **Endowment Fund**

The investment objective, guiding principles and reporting requirements are the same as The Growth Fund outlined above. The purpose of the Endowment Fund is described in the Endowment Fund Policy.

*Revised by the OLF Board May 19, 2017*

## Endowment Fund Policy

### Endowment Fund History

The Endowment Fund was established in 1982 with the implementation of the Fellows Program. Individual lawyers were solicited to join the Fellows Program with a cash contribution of \$1,000 or more. The program raised \$150,000, with the interest from the Endowment Fund going to the general fund.

In 1991, the Fellows Program was changed to the Benefactors Program, open to any person or entity that contributed to the Program. In 1991, the board decided not to pursue the Benefactors Program, because in that year the Oregon Legal Aid Association began the Campaign for Equal Justice effort to raise funds from the legal community on an on-going basis. The OLF Board of Directors believed that any effort on the Foundations' part to raise funds under the Benefactors Program would interfere with the Campaign for Equal Justice.

The Foundation's auditor determined that the corpus of the Endowment Fund was \$571,511 as of December 31, 2005. This amount was used as a baseline figure for purposes of the Endowment Fund Policy.

### Endowment Fund Policy

The corpus of the Endowment Fund, in the sum of \$571,511 as of December 31, 2005, shall not be spent or distributed to grantees. Once the Endowment Fund reaches a market value of \$1,000,000, the board may annually choose to withdraw **up to 5%** of the total market value of the Endowment Fund for use in the following year. To determine the maximum withdrawal amount, the three-year average of the Endowment Fund market value on the last business day of July will be used. The timing of these withdrawals will be left up to the Executive Director and the Treasurer.

*Revised by the OLF Board September 13, 2019*

## **IOLTA Refund Policy**

A return of interest paid to the IOLTA program may be made if a lawyer or law firm determines that a particular client's funds in an IOLTA account either did or can earn net interest back to the client under the Oregon Rules of Professional Conduct that apply to deposits and ongoing maintenance of client funds. The following guidelines apply to requests for return of IOLTA funds:

1. The attorney must make the request in writing to the Oregon Law Foundation within one year after the interest was remitted to the Foundation.
2. The request must be accompanied by verification from the financial institution of the interest amount.
3. The refund will be remitted to the financial institution for transmittal to the lawyer or law firm, after appropriate accounting and reporting.
4. The amount of interest refunded will be the lesser of either the interest earned by the client's funds and remitted to the Oregon Law Foundation or the interest the client's funds would have earned had those funds been placed in an interest-bearing account for the benefit of the client at the same bank.

*Revised by the OLF Board December 13, 2013*



## **Revenue Enhancement Committee Policy**

The Revenue Enhancement Committee has the ongoing responsibility to implement the strategy adopted by the Board at the December 19, 2003 meeting. This requires continuing to improve relations and communications with the Oregon Bankers Association (OBA); to maintain and enhance relations with all banks who currently support the Oregon Law Foundation (OLF); to educate all other banks and especially community banks to increase their support of the OLF; to eliminate the practice of negative netting; and to educate and inform the Oregon State Bar and its associated entities and its lawyer members about the OLF. The Revenue Enhancement Committee shall apply the relevant sections of the Oregon Law Foundation Policies and Procedures handbook when fulfilling its charge.

### **Relationships with Banks and the OBA**

The Revenue Enhancement Committee is committed to an ongoing effort of educating and maintaining quality relationships with all banks in Oregon and the OBA. By establishing these relationships, the OBA and its member banks and non-member banks will support the purpose and mission of the OLF through the best interest paid on their IOLTA accounts, by decreasing or waiving all service charges and adding to the number of accounts established.

OLF will endeavor to maintain good working relationships with all banks. In support of its revenue enhancement goals, OLF will encourage lawyers and law firms to place IOLTA accounts with banks that pay interest rates at target levels established periodically by the OLF, and will promote, endorse and express appreciation for those banks that support the OLF's mission through its Leadership Bank list or other promotional methods adopted by the OLF.

*Revised by the OLF Board February 27, 2009*

## **Sharing Banking Information**

Oregon Law Foundation (OLF) board and staff are not prohibited from sharing with the Oregon State Bar the information in the periodic remittance reports it receives from banks that contain account information from individual IOLTA accounts held by the bank. Information sharing is encouraged on an “as-requested” basis because of the value it provides in investigating and resolving some regulatory matters faced by the Oregon State Bar. Most often it is the Client Security Fund trying to determine whether a client’s funds were properly deposited to trust and whether any funds remain at the time a claim for reimbursement is made. There may also be situations where the Client Assistance Office or Disciplinary Counsel’s Office would find that information helpful. The Bar can subpoena bank records, but obtaining at least the basic information from the OLF is quicker and cheaper.

*Adopted by the OLF Board September 25, 2015*

## **Grant Operations and Procedures**

### **Overview**

The grant cycle operates on a calendar year. Grants are awarded in December preceding the new grant year. Because the grant award is based on anticipated Foundation revenue the grantee signs a contract that includes a clause informing the grantee that if Foundation revenue does not meet projected grant expectations, then the Foundation will decrease the grant on a pro-rata basis. The grants are paid in quarterly installments from monies received during the current calendar year.

### **Grant Procedures**

On the first business day in August, grant applications are available for download from the Foundation's website [www.oregonlawfoundation.org](http://www.oregonlawfoundation.org). The application is to be completed and submitted to the Foundation by the first business day in October. If an applicant needs extra time to submit the application they must contact the executive director to request the possibility of an extension beyond the deadline.

In October the Grants Committee meets to review the applications and make a selection of the organizations that the committee is recommending for funding. Prior to their October meeting, the OLF provides the Grants Committee with the following information:

- The amount of funds available for grants and the general reserve fund for the new year as recommended by the Budget and Finance Committee; and
- Copies of the applications; and
- A grant chart that contains a separation of grant applications by Funding Level, lists the amount requested, grant amounts for the previous 3 years and a short summary of why the applicant is seeking the funds.

In December the Grants Committee presents their recommendation to the board for review and final approval of the next year's grants. After board approval, the applicants are notified of the status of their grant application. Grant contracts are sent to the organizations that are being funded.

The OLF may consider accepting a late application submitted after the Grants Committee meeting in October. Acceptance of late applications will be made on a case-by-case basis, dependent upon the explanation provided in a cover letter submitted with the application and must be considered before the board approves the Grants Committee recommendation. Only current grantees are eligible under this consideration.

## **Emergency Grants**

Emergency grants are intended to provide interim financial assistance to qualified programs whose needs are the result of an immediate unforeseen incident and who lack the resources to meet that situation. Each grant is given as one-time assistance for a specific emergency.

1. Emergency grant requests must be submitted to the Executive Director in writing stating the specific need and why there is an emergency. Except when an emergency grant is needed to respond to conditions that have resulted in an ongoing Presidential, state, or local Disaster Declaration or State of Emergency, only current grantees are eligible to be considered for an emergency grant.
2. Grantees in the current grant year asking for emergency grant funds must describe why the request could not have been planned for and submitted during the normal grant cycle.
3. The Grants Committee will review the requests and make a recommendation to the Board for final approval.

## **Supplemental Grant**

In the event that additional dollars become available for grants during the year, the following procedure will be utilized:

1. The Board, acting on the recommendation of the Budget and Finance Committee, approves the amount of funds to be awarded through the supplemental grant process. The Grants Committee is then authorized to request and review supplemental grant applications and make a recommendation to the Board.
2. The Grants Committee requests proposals from eligible organizations. The request will inform the applicant that funds are available for a supplemental grant award and asks that any request be submitted to the Grants Committee within the time period specified by the board.  
Applications for the supplemental grants will be sent to the following organizations:
  - (a) Current Grantees.
  - (b) Organizations that submitted applications for the current grant year and were rejected for lack of funding.
  - (c) Applications that were received after the current year deadline and were not considered for funding.
  - (d) Additional organizations based on the discretion of the Grants Committee.
3. The application will contain the following request for information:
  - (a) Discuss How the Funds Are To Be Used.
  - (b) support on-going programs
  - (c) support new or expanded programs
  - (d) If You Received A Grant For the Current Year, Explain Any Changes To Your Financial Condition That Support Your Request For Additional Funds.

*Revised by the OLF Board May 22, 2020*

## **Grantee Standards, Guidelines, and Funding Categories**

All applicants must meet the following standards to be eligible to receive funding from the Foundation:

### **I. Standards**

- A. The applicant's legal status, operation, and proposed use of Oregon Law Foundation (OLF) funds must not jeopardize the OLF's funding or 501 (c) (3) tax-exempt status.
- B. The applicant's proposed use of OLF funds must be consistent with the OLF's mission as revised from time to time.
- C. The applicant must identify and quantify the needs to be met by its proposed use of OLF funds.
- D. The applicant must keep accurate and reliable records of the services it provides.
- E. The applicant must maintain financial records according to generally accepted accounting standards, prepare annual operating budgets and financial statements available for OLF review, and otherwise demonstrate fiscal responsibility and integrity.
- F. The applicant must demonstrate a clear ability to deliver quality services.
- G. The applicant must assure the OLF that, to the best of applicant's knowledge and except as disclosed on its application, no other grantor will withdraw or reduce funding as a consequence of applicant's receipt of OLF funding.
- H. The applicant must not discriminate on the basis of race, color, national origin, religion, sex, sexual orientation, age or handicap with regard to employees, applicants for employment or recipients of services.
- I. An applicant who received funds in the prior year must comply with the reporting requirements in Section III.

### **II. Guidelines**

In considering applications the Foundation will use the following guidelines:

- A. The OLF may fund an applicant's general operating expenses as well as specific projects or programs.
- B. Whether the applicant has an organizational structure which results in effective and efficient management and governance.
- C. Whether the applicant has administrative costs, as distinguished from program delivery costs, that are controlled and minimized.
- D. Whether the applicant has a history of stable operations - but the OLF will consider funding startup applicants as well as innovative programs.
- E. Whether the applicant supports and promotes such diversity as is feasible in its governing body, staff, programs, and clientele.

- F. Whether the applicant offers the opportunity, if appropriate, for volunteer assistance.
- G. Whether the applicant has effective mechanisms for client input and feedback.
- H. The OLF prefers not to fund a new program which duplicates an existing program but will consider funding a new program which demonstrates a likelihood of substantial improvement over the existing program.
- I. Whether the applicant has established or is in the process of establishing, practical methods for identifying needs and evaluating results.
- J. Whether the applicant can achieve desired and intended results in a cost-effective manner.
- K. Whether the applicant, where practicable, can identify and develop additional and alternative funding sources in light of OLF's history of substantial income fluctuation.
- L. Whether the applicant is cooperative with other service providers.

### **III. Grantee Requirements**

- A. The grantee must provide a narrative report describing how the OLF funds were spent and the results achieved. This report will be made in the annual grants application and will cover the first eight months of the program year preceding the submission of the application.
- B. If a grantee is not submitting an application for the upcoming year, a narrative report describing how the OLF funds were spent and the results achieved must be submitted by September 30.
- C. For Category A and Category B grantees, an additional Statistical Case Service Report must be submitted by May 1 following the grant year.
- D. The OLF expects to be acknowledged for its funding assistance in public relations activities by grantees.

### **IV. Funding Categories**

Each applicant will be assigned to a specific Funding Level. As used in these criteria, the term "critical need" means an urgent need for legal advocacy to protect the most basic necessities of existence for eligible clients, such as physical safety, health, shelter, subsistence income, custodial rights, and civil rights. The percentages set forth below for each Funding Level are subject to temporary adjustment in response to an emergency which could not have been anticipated.

#### **Funding Category A**

Funding Level A is reserved for the Association of Oregon Legal Services Programs as funded on January 1, 2000. The OLF ordinarily will award 65% of its grant funds to Level A applicants. However, in any given year the OLF may award as little as 55% or as much as 80% of its grant funds to Level A applicants in recognition of other funding available to them, particularly available governmental funding.

### **Funding Category B**

Funding Level B is reserved for those other applicants which are direct providers of civil legal services to their clients. The OLF ordinarily will award 30% of its grant funds to Level B applicants. However, in any given year the OLF may award as little as 15% or as much as 35% of its grants to Level B applicants in recognition of other funding available to them.

### **Funding Category C**

Funding Level C is reserved for applicants which educate the public about the law or promote diversity in the legal profession in Oregon. The OLF ordinarily will award 5% of its grant funds to Level C applicants. However, the funds awarded by the OLF to Level C applicants in any given year may vary from 0% to 10% of OLF grant funds in recognition of the percentage of its funds which are awarded to applicants in Levels A and B.

The income available to the OLF for making grants can vary substantially from year to year. Generally, the OLF will award grants out of its current income. Also, in order to minimize fluctuation in its grant awards, the OLF maintains a reserve.

*Adopted by the OLF Board May 2018*

## **Gifts, Grants and Devises Policy**

The following shall be the policy of the Foundation in accepting a gift, grants or devises (all herein referred to as the "Gift"):

1. The Gift must conform to the Mission Statement of the Foundation.
2. Prior to or following receipt of the Gift, the OLF Board shall determine:
  - (a) The Fund or account to which the Gift shall be deposited, how, to whom, and when the gift and the income there from are to be disbursed, and the person or persons authorized to make disbursement.
  - (b) Whether and when accounting reports covering the income and disbursements of the gift shall be prepared, and to whom they shall be distributed.
  - (c) Whether, and to what extent, any interest or other income earned on the gift shall accrue to the Foundation general account as an administrative expense reimbursement.
  - (d) Such additional matters in a manner consistent with this policy, as to the Board shall seem necessary or advisable.
3. If prior to acceptance of the Gift the OLF Board determines it necessary or advisable, there shall be a written agreement with the party making the Gift or an authorized representative of such party. The agreement shall cover such of the items of this policy and such additional matters consistent with the policy as the OLF Board shall determine necessary or advisable.
4. If any of the conditions of the Gift are not consistent with the Gift policy of the Foundation, as applied by the OLF Board, the Gift shall not be accepted unless and until the issues have been satisfactorily resolved.
5. In accepting and administering any Gift, the Foundation shall have no responsibility for the actions or failures of any other party, including, but not limited to the party making the Gift, and shall only be responsible to account for the Gift received by the Foundation and the income earned by it. The Foundation shall have no responsibility for the payment of any obligations for any purposes for which the Gift was made when the funds of the Gift have been exhausted.
6. If the purposes or object of the Gift have either been fulfilled or no longer exist, any undistributed portion of the Gift then remaining shall be applied or distributed for such other purposes within the Mission Statement of the Foundation as shall be determined by the OLF Board.

*Adopted by the OLF Board on May 17, 1996*



## **Grantee Audit Policy**

As a condition for accepting a grant, each grantee, at the end of the grant period, is required to provide the Foundation with an audit report that covers the grant period, prepared by a CPA. The audit is to be completed within six months following the end of the grant period unless a written request for an extension is approved by the Foundation.

Exception to this policy may be provided to the grantee under the following condition:

A grantee's written request to the Budget and Finance Committee, detailing the cost versus benefit burden that a certified audit will impose on the organization. An exception or rejection will be given to the grantee in writing by the board, based on the size of the organization; the size of the grant award, and other relevant information.

## **Nominating Committee Policy: Selection of Board Members and Officers**

The Nominating Committee has the ongoing responsibility to identify members of the Board of Directors, to annually recommend a slate of directors to the board and to those responsible for appointing board members, and to nominate officers of the Foundation for election by the board.

### **The Nominating Committee shall use the following standards in selecting board members:**

1. Board members shall be persons who have demonstrated an interest in the work of the Oregon Law Foundation, who are supportive of its mission statement and of the work of its grantee programs.
2. The OLF seeks to maintain a Board of talented and dedicated directors with a diverse mix of experiences, skills, and backgrounds that collectively reflect not only Oregon's legal and banking communities but also the OLF's grantees and their client communities. When assessing or identifying board candidates, for appointment or re-appointment to the Board, the Nominating Committee is strongly encouraged to put forth a list of diverse candidates.
3. With the exception of Position No. 10 and 11 board members can serve no more than two consecutive four-year terms. If a replacement appointment to an expired term is for two years or less, the successor may thereafter be re-appointed or re-elected to one additional four-year term.

### **The Nominating Committee shall use the following standards in selecting officers:**

1. OLF's bylaws provide "(t)he officers shall be a President and a Secretary and such Vice Presidents and subordinate officers as the board of directors shall from time to time appoint, none of whom need be members of the board of directors." In practice, however, OLF has traditionally elected four officers: President, Vice President, Secretary, and Treasurer. All prior OLF officers have been members of the board, usually those who are in the third or final year of their terms as board members.
2. Officers serve one-year terms. There is no prohibition on the reelection of officers to additional terms; there have been several examples of officers (particularly the Secretary/Treasurer) being reelected for multiple terms.

### **The Nominating Committee works on the following annual timeline:**

The Nominating Committee meets throughout the year to identify members of the Board of Directors. The following is a timeline for soliciting information on who is

interested in being a Board member. The Nominating Committee's efforts to identify board members is not limited to the methods listed in this timeline.

**February** The Oregon State Bar Volunteer Opportunities form is provided to all active members of the OSB. The form asks members to indicate their interest in serving on various bar committees and related groups, including the OLF Board of Directors. The OSB provides OLF with a list of all members who have indicated an interest in the OLF Board.

**June/July** The OLF staff may publicize a notice of the board positions which will be open the following January and invite interested OSB members to submit a resume by a designated date. Publicity options may include but are not limited to the Oregon State Bar Bulletin, other bar media, local and affinity bar newsletters and listservs, the bar's website, the OLF website, and other electronic media.

In years when board member position number 5 is open, staff solicits a nomination from the Oregon Association of Legal Aid Program Directors for the position.

Bankers will be prioritized for the public member positions. Staff and Board members will reach out to bankers who have been supportive of the OLF's mission and the Leadership Bank Program. Interested persons are invited to submit a resume by the designated date.

**Sept/Oct** The Nominating Committee meets to review all of the applications and lists of candidates prepared earlier in the year. This list includes the current board members requesting to serve an additional term as allowed by Article I of the OLF's Amended and Restated Bylaws. The Committee drafts a slate of board members to commence service the following January 1.

The Committee also nominates a slate of officers to serve one-year terms beginning the following January 1.

The board meets to review and act on the Nominating Committee's report. The board elects its new officers, attorney and public members at this time. The board's action on the attorney director positions No. 1, 2, 3, and 4 serves as a recommendation and is conveyed to those entities responsible for electing or appointing board members (i.e. the Board of Governors of the Oregon State Bar, the Chief Justice of the Oregon Supreme Court).

The OSB Board of Governors acts on OLF's recommendations to fill any vacancies in board position number 1, 2, and 3. The Chief Justice of the

Oregon Supreme Court acts on OLF's recommendation in years when board position 4 is vacant.

**January** Terms of new board members begin and officers take office.

*Revised by OLF Board June 16, 2021*

## **Board and Staff Expense Reimbursement Policy**

### **1. General Policy**

- a. This policy applies to participation at conferences and meetings or other official Foundation business as member of a specified board, or as an employee of the Oregon State Bar.
- b. Members of the Board of Directors shall be reimbursed for their expenses in accordance with this policy when acting in their official capacities. Expenses of board or committee members or employees shall not be reimbursed when attending meetings or conferences in a non-official capacity of the foundation.
- c. Expenses of spouses or guests shall not be reimbursed except for: (1) specifically budgeted conferences and meetings; (2) foundation sponsored functions where their attendance is specifically expected; and (3) as otherwise approved by the Board of Directors.
- d. Requests for expense reimbursement must be received by the Foundation not later than 30 days after the expense is incurred. If an expense reimbursement form is not submitted within 30 days after the meeting, it must include justification as to why it was not timely submitted. If this requirement is not met, reimbursement will not be paid.
- e. Supporting documentation, e.g. receipt or ticket, is required for air, bus, taxi, train, rental car transportation, parking, and lodging. Credit card bills cannot be accepted in lieu of receipts. Documentation must show details of purchase.

### **2. Out-of-State Travel**

- a. Out-of-state travel for Board members shall be reimbursed for those persons and meetings set forth in the Foundation's annual budget or as otherwise approved by the Board of Directors.
- b. Employees must obtain approval of the Executive Director prior to traveling out of state.

### **3. Reimbursable Expenses While on Official Business**

- a. Transportation
  - 1) Use of personal automobile shall be reimbursed at the allowable IRS rate.
  - 2) Actual cost of air coach fare.
  - 3) Actual cost for taxi, bus, or other public transportation.
  - 4) Actual cost of car rental at economy car rate when other transportation is not readily available.
  - 5) Actual cost of parking (receipt must be attached or note parking was paid through a meter).

b. Lodging - Actual cost for a moderately priced double occupancy room, except when the location of the meeting or conference requires other arrangements. Lodging of members or employees at personally-owned residences, vacation homes or timeshare condos are not reimbursable. Fees for pet, fitness center, resort usage, and special cleaning are not reimbursable.

c. Meals

1) reimbursement for meals without receipts shall be made at actual cost within the limits of the following schedule:

	<b>In Oregon</b>	<b>Out-of-State</b>
Total per day	\$64.00	\$74.00
Breakfast	\$15.00	\$17.00
Lunch	\$16.00	\$18.00
Dinner	\$28.00	\$34.00
Incidentals	\$ 5.00	\$ 5.00

2) In the event that the meals exceed the maximum limits, DETAILED RECEIPTS must be submitted with explanation in order to receive reimbursement and must be approved by the Executive Director.

3) Meals purchased for members of the bar or other persons in the course of official bar business shall be reimbursed at actual cost with submission of detailed receipts, the names of attendees and a description of the business purpose of the event.

4) Official dinners, meetings or banquets of the Oregon State Bar at which eligible persons and their spouses/guests are specifically expected to attend shall usually be paid for by the Bar and, if not, shall be eligible for reimbursement.

d. Miscellaneous

1) Telephone, postage, office expense, registration fees, and other legitimate business expense items shall be reimbursed at actual cost with submission of DETAILED RECEIPTS and explanation of purpose of expense.

2) Gift and gift card purchases must be accompanied by detailed receipts indicating the business purpose of the gift, and the name of gift recipient(s).

3) Personal expense items shall not be reimbursed by the Oregon State Bar.

e. Non-Reimbursable Expenses

1) Alcoholic beverages: bar funds (including funds of sections) shall not be used to pay the cost of alcoholic beverages.

2) Lodging: movie rentals will not be reimbursed.

3) Lodging of members at their own residences, vacation homes or timeshare condos are not reimbursable.

4) Fees for pet, fitness center, resort usage and special cleaning are not reimbursable.

*Revised January 2019*

## Agreement with Oregon State Bar

This Agreement is intended to set forth the relationship between the Oregon State Bar ("OSB"), its Board of Governors ("BOG"), the Oregon Law Foundation ("OLF"), and its Board of Directors ("OLF Board"), and to provide a means to achieve the mutually desired objective of efficient administration of OLF operations. This Agreement supersedes and replaces the November 1995 Agreement between the parties.

### Recitals

- A. **OLF.** The OLF is a corporation organized under the Oregon Nonprofit Corporation Act. OLF is operated exclusively for charitable and educational purposes as described in Section 501(c)(3) of the Internal Revenue Code of 1954, including but not limited to the following particular purposes:
  - A. To provide legal aid to the poor;
  - B. To improve the administration of justice;
  - C. To promote the study of law, research in the law, legal education, and the dissemination of legal knowledge.
- B. **OSB/BOG.** The OSB is governed, pursuant to ORS 9.025, by the BOG, which is charged, pursuant to ORS 9.080, with the executive functions of the OSB. The BOG appoints an Executive Director ("ED") who serves as chief administrative officer of the OSB and who has management authority over all OSB staff and operations.
- C. **OLF Autonomy.** Nothing in this Agreement shall give the OSB or the BOG any management control or authority with respect to the OLF except as expressly set forth or provided for herein.

In furtherance of the purposes of this Agreement as set forth above, the BOG and OLF agree as follows:

- 1. **Facilities, Equipment and Administrative Assistance.** The OSB shall provide facilities, equipment support and administrative assistance to the OLF under the terms of this Agreement. Administrative assistance shall be provided by the OSB staff person assigned to assist the OLF as its Executive Director, who shall be referred to in this Agreement and where otherwise appropriate as "OLF Executive Director."
- 2. **OLF Executive Director.**
  - 2.1. **Employment by OSB.** The OLF Executive Director is an employee of the OSB, and the OLF Executive Director shall be subject to and shall abide by all of the OSB's policies and procedures, in addition to the policies and procedures of the OLF. OSB shall be responsible for paying all salary, withholding, bonus payments and benefits for the OLF Executive Director.
  - 2.2. **Reimbursement by OLF.** OLF shall reimburse OSB on a monthly basis for the OLF Executive Director's salary, withholding, bonus payments and benefits.

- 2.3. **Duties of OLF Executive Director.** Subject to the policy directives of the OLF Board, the OLF Executive Director shall have authority for the administrative management of OLF operations. Administrative management authority shall include, but is not be limited to, providing direction regarding records management; establishing operational policies, procedures and manuals; analyzing and implementing the appropriate degree of office automation procedures, including utilization of computers and other support services provided to OLF by OSB; establishing administrative priorities and implementing those priorities by directing the patterns and methods of workflow and delegation of responsibility; analyzing the need for service improvements by means of periodic efficiency and accuracy reviews; and providing general administrative direction to OLF staff assigned to carry out the day-to-day functions of OLF operations in the most administratively efficient manner possible.
3. **Administrative Oversight.**
  - 3.1. **Salary.** The OSB Executive Director shall set the job classification and salary range of the OLF Executive Director using the OSB's job classification and salary structure, after consultation with the OLF Board.
  - 3.2. **Performance Reviews and Compensation.** OLF, through the OLF Board, shall supervise the activities and performance of the OLF Executive Director. The OLF Board will provide to OSB its annual performance review of the OLF Executive Director, along with the OLF Board's recommendations regarding salary adjustments, bonus payments and other benefits OSB shall annually review the OLF Executive Director's performance in a manner consistent with its review of other OSB staff. Separate and apart from any salary adjustment or bonuses the OLF Executive Director receives from the OSB on a yearly basis, the OLF Board may separately award the Executive Director any performance bonus or bonuses it deems appropriate. OSB agrees that the current OLF Executive Director's salary adjustment for 2004 shall be retroactive to January 1, 2004.
  - 3.3. **Employment Matters.** OSB shall have decision-making authority regarding the termination or suspension of the OLF Executive Director as an employee of OSB; provided however that OSB shall first consult with the OLF Board. In the event there is a vacancy or anticipated vacancy in the OLF Executive Director position, then the OSB and OLF Board shall cooperate to conduct the search for a candidate to fill that position.
4. **Insurance Bonding.** OLF will be named as an insured party on OSB's Public Liability and Casualty Insurance Policies. The OSB shall provide a fidelity bond covering OLF staff.
5. **Confidentiality.** The OLF Executive Director and his/her designee shall exercise reasonable care to prevent unauthorized disclosure of OLF records and information that are deemed or known to be confidential.



6. **Support Services Charge.** In consideration of the facilities, administrative resources and services to be provided to the OLF pursuant to this Agreement, the OLF shall pay to the OSB an annual administrative service charge. The administrative service charge shall be mutually agreed to by OLF and OSB.
7. **Dispute Resolution.** Any dispute between the parties over the terms of this Agreement, including without limitation the extent of authority of the OSB or the OLF Executive Director pursuant to this Agreement, shall be resolved by mutual agreement between the OLF Board and BOG or their respective designees, who shall meet promptly upon the written request of either the OLF or the BOG.
8. **Terms of Agreement.** This Agreement shall commence as of the date it is executed by both parties and shall continue until terminated. This Agreement may be terminated by either party, after providing to the other party 90 days written notice of the intent to terminate.

This Agreement has been reviewed and approved by the OLF Board and the BOG, who have authorized their respective representatives to execute it as set forth below.

OREGON LAW FOUNDATION

OREGON STATE BAR

By: John Paul Graff

By: Karen L. Garst

Title: President

Title: Executive Director

Date: December 2, 2004

Date: November 16, 2004