

Guidance for the Certified Grievance Committees

Dated October 3, 2025

I. Introduction

a. Gov. Bar. R. V. Sec. 5 (D)(1)(f) provides:

To obtain and retain certification, each grievance committee shall satisfy all of the following standards:(f) *Funding*. Be sufficiently funded by the sponsoring bar association or associations to perform the duties imposed by these rules.

b. From the beginning it was never intended that the Board of Professional Conduct would reimburse 100% of the activities of Certified Grievance Committees (CGCs). While the proposed Gov. Bar. R. V amendment requires reimbursement (Gov. Bar. R. V, Sec. 7(C) “shall” reimburse), note that the language for both direct and indirect remains that the committees “may be reimbursed” (C)(1) and “may apply” (C)(2) for reimbursement. In each of those sections there are limitations on expenses such as “reasonable and necessary” and a cap on overhead expenses.

c. The reimbursement policy adopted by the Board in FY 2025 placed some additional restrictions and limits to attempt to make sure that the Board’s budget for reimbursement as authorized by the Supreme Court is not exceeded, taking into consideration that the number of grievances received, investigated and taken to hearing by the CGCs has been trending downward.

d. Note that the Board’s budget, as with all of the state budgets, operates on a fiscal year, not a calendar year.

e. The reimbursement policy became effective in FY 2025. The policy was intended to be applied in that fiscal year in which it became effective. In retrospect, it is apparent that the various CGCs had differing opinions about when the new policy was to be implemented and the caps applied.

f. Another source of confusion may also be that the submissions due by August 1 and paid after that date are paid in the next fiscal year. The August 1 submission, therefore, for the fourth quarter of the prior fiscal year are paid in the *first* quarter of the *new* fiscal year. This is because the Board operates on a cash basis, not an accrual basis. Therefore, the last reimbursement for the current fiscal year is for that which was incurred during the third quarter of the fiscal year, i.e. January through March. That last reimbursement is due by May 1 and paid therefore, in the fourth quarter of the fiscal year, i.e. April 1-June 30. Therefore, when you are

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calculating your budget expenditures, you should be doing so based upon the quarter of the fiscal year in which you are reimbursed. Provided herewith is a chart that explains the Fiscal Year sequence of reimbursements.

- g. Because of the confusion created in the rules by the use interchangeably of calendar and fiscal years, the reimbursement forms on the website to be used for quarterly submissions no longer contain reference to the quarter but only the dates for which the reimbursement is being sought.
- h. The proposed amendments to the rules do not vitiate the Board's reimbursement policy adopted in FY 2025. Thus, the personnel caps and other limits remain in effect for the current FY 2026.
- i. We require that each CGC submit a proposed budget to the Board by May 1 for the next fiscal year for approval by the Board. At that time, the CGC will know its expenditures for that current fiscal year and have an idea of how to plan for the coming fiscal year. This is a good exercise for both the Board and the CGCs. While we know that such proposed budgets are not perfect predictions, particularly when there are unexpected or extraordinary events, but they keep all parties mindful of expectations.

II. Some Comments and Guidance for Specific Sections

- a. **Necessarily and Reasonably Incurred:** In the proposed amendment adding the language for Sec. 7(A)(1)(2), it is our understanding that the Supreme Court has already set the criteria in (A)(2) and (3) for determining the specific expenses which are considered to be necessary and reasonable. The Board then has the authority to determine whether the amounts submitted for the types of expenses listed in (A)(2) and (3) are necessarily and reasonably incurred with each reimbursement request based upon the individual circumstances of each CGC.
- b. **Gov. Bar R. V Sec. 7(C)(1) - Direct Reimbursements:** This section is unchanged in the proposed amendments except for the addition of the word "specific." The section lists the items to be considered as direct expenses. By the wording of the rule, such expenses are presumed to be reasonable and necessary by virtue of them being set and definite expenses.

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- c. Gov. Bar R. V(Sec. 7 (C)(2) and (3) - Indirect Reimbursements:
 - i. Personnel reimbursement cap: While the current policy references personnel reimbursement caps based on FY 2024 and 2023 as applicable, that cap remains in effect for this year. Again, given the trend line we do not believe that this is an impossible standard for FY 2026.
 - ii. Going Forward Past FY 2026: We are considering the establishment of a formula that can be used each year, perhaps based upon the number of grievances received or investigated, as just one example. The submission of time sheets may assist in making sure we are correctly reimbursing.
 - iii. Time Records: While the policy states the Board is not requiring hourly or case-specific records at this time, note that the proposed rule amendments do require case-specific timesheets.
 - d. Bar Counsel: Changes have been proposed for the acceptable delegation by bar counsel to assistant bar counsel and volunteers. The policy regarding reimbursement of bar counsel and assistant bar counsel under Section B.5. of the policy may now be irrelevant, given the proposed submission of timesheets.
 - e. Overhead: We have heard the suggestion from some CGCs that the \$30,000 cap may need adjusted and a change may be considered at the same time we evaluate the impact of the policy in FY 2026.
 - i. Rent: The Board will not reimburse for rent where the Bar Association for the CGC owns its own building.
 - ii. Additions to Overhead: Note that the cost of IT and Accounting is now considered overhead to be reimbursed through the annual reimbursement.
- III. Some Clarification and Changes Being Considered for FY 2027
- a. While we observe how the current reimbursement policy is working, we will be looking at further clarification of the policy and additional changes.

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- b. We expect to request some changes to Gov.Bar R. V to make sure we are comparing to a fiscal year. We also expect to be able to review caseloads/grievances on a fiscal year basis so we are comparing costs and reimbursements accurately.
- c. We are working on electronic submission for reimbursements that will include fiscal codes for easier and more efficient review, as well as tracking. Given the amount of paper that is submitted with each reimbursement request, this initially may be a challenge for everyone but in the long run should be more efficient for everyone. However, with the submission of an affidavit and case specific timesheets, along with the reimbursement form, there may be a change in the required documentation. The Board must assure, however, that it has sufficient information to meet the State Auditor's requirements.
- d. We will continue to evaluate the changes ultimately made by amended Gov. Bar R. V and the application of the policy to determine what further clarification needs to be made.

Calendar for Quarterly Reimbursement of Certain Indirect Expenses¹ Gov. Bar R. V. Sec. 7(C)(3)

Calendar Year-Quarter Expense Incurred	Comparative Board Fiscal Year- Quarter Expense Incurred ²	Due Date for Reimbursement Submission	Fiscal Year Quarter When Reimbursement Is Paid—Cash Accounting ³
January 1- March 31	Third Quarter	May 1	Fourth Quarter of Current Fiscal Year ⁴
April 1-June 30	Fourth Quarter	August 1	<i>First Quarter of Next Fiscal Year</i>
July 1-September 30	First Quarter	November 1	Second Quarter of Current Fiscal Year
October 1-December 31	Second Quarter	February 1 ⁵	Third Quarter of Current Fiscal Year

¹ Reimbursement quarterly is limited to personnel costs and costs of bar counsel. Gov. Bar B. 7(C)(2)(a) and (b) per Sec. (C)(3).

² The State of Ohio, including the Ohio Supreme Court and the Board of Professional Conduct, operate on a fiscal year.

³ The Supreme Court and The Board operate on a cash accounting basis; *budgets and budget caps* are calculated based on the FY *that the reimbursement is paid, not incurred*.

⁴ The payment submitted on August One (for the 4th quarter of the fiscal year) is always paid in the fiscal year in which it is received—that is, the first quarter of the next fiscal year. Therefore, when calculating the budget, use the FY in which the reimbursements are made.

⁵ Before the first of February, and no later than March 1 a partial annual reimbursement of other indirect expenses may be made.