Policy No. 2-5: Income, Risk and Overhead for CLE Programs

Approved By: Secretary
Date Approved: August 8, 1992
Date Effective: October 1, 1992

Policy:

For purposes of this policy, Section or Division will be deemed a “Sponsor” of any qualifying program in which the FBA entity is identified within the program of the event as a sponsor or co-sponsor.

If a FBA entity (Section or Division) sponsors a Continuing Legal Education approved program lasting four hours or more, the net deficit (that amount of total expenses that exceed revenues) or net income (that amount of revenue that exceeds the total expenses) from such program shall be divided between the Association and the Sponsor as set forth below. Due to lag time in receipt of invoices and processing of receipts, a final accounting will not be made until at least 90 days after the program is completed.

If a program to which this policy applies is sponsored by more than one Section or Division, that portion of the net income or deficit that is allocated to Sponsor under this policy shall be divided equally among the sponsoring Sections and Divisions unless they previously have agreed among themselves on some other distribution formula. For such a program, the net income to which this policy applies shall be that portion of the net income from the program other than the income that is designated for a non-FBA co-sponsor. These policies do not apply when a non-FBA co-sponsor is paying all expenses, unless otherwise agreed.

Income

1. Net income of $15,000 or less: Sponsor receives 50% and the Association receives 50%.
2. Net income of more than $15,000: Sponsor receives $7,500 and Association receives the remainder.

Deficit

Any net deficit of such program shall be paid jointly, on a 50%-50% basis, between the Association and Sponsor. If such a program is co-sponsored by more than one Section or Division, the Sponsor’s 50% share shall be paid equally among the co-sponsoring Sections and Divisions unless they previously have agreed among themselves on some other distribution formula.

Overhead

Conference speakers may be reimbursed for out-of-pocket expenses provided such expenses have been included in the approved conference budget. All direct expenses incurred in planning and presenting conferences are charged to the appropriate conference. This includes such items as telephone expenses,
in-house paper and copying costs, delivery or messenger service, total facility costs including rental of special equipment and gratuities, and the cost of labels and postage used in promotional mailing.

Under no circumstances does the FBA pay honorariums.

**Purpose:**

To recognize the effort put forth by sponsoring Sections and Divisions and the important role of Sections and Divisions in activating successful programs, while at the same time acknowledging the importance of income from these major programs to help sustain other worthwhile endeavors of the Association through the Association’s general budget.

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**Change Notice:** Amended 8/1/1998; 6/24/2011.