

**WASHINGTON STATE**  
**B A R A S S O C I A T I O N**

**Board of Governors Meeting**

**Late Materials**

**September 17-18, 2020**  
**Webcast and Teleconference**

<b>BOARD OF GOVERNORS MEETING</b> <b>Late Materials</b> <b>September 17-18, 2020</b> <b>Webcast and Teleconference</b>	
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# WSBA Member\* Licensing Counts 9/1/20 8:12:15 AM GMT-07:00

Member Type	In WA State	All
Attorney - Active	26,460	33,248
Attorney - Emeritus	110	116
Attorney - Honorary	314	362
Attorney - Inactive	2,524	5,634
Judicial	610	641
LLLT - Active	45	45
LLLT - Inactive	3	3
LPO - Active	812	823
LPO - Inactive	139	158
	31,017	41,030

By District		
	All	Active
0	4,547	3,620
1	2,859	2,366
2	2,099	1,698
3	2,076	1,749
4	1,375	1,170
5	3,166	2,567
6	3,332	2,792
7N	5,039	4,302
7S	6,535	5,410
8	2,229	1,890
9	4,859	4,115
10	2,914	2,437
	41,030	34,116

By State and Province	
Alabama	28
Alaska	201
Alberta	10
Arizona	360
Arkansas	18
Armed Forces Americas	2
Armed Forces Europe, Middle East	27
Armed Forces Pacific	14
British Columbia	96
California	1,840
Colorado	258
Connecticut	49
Delaware	7
District of Columbia	336
Florida	262
Georgia	84
Guam	13
Hawaii	137
Idaho	452
Illinois	159
Indiana	38
Iowa	30
Kansas	29
Kentucky	26
Louisiana	51
Maine	17
Maryland	119
Massachusetts	88
Michigan	73
Minnesota	98
Mississippi	6
Missouri	64
Montana	163
Nebraska	19
Nevada	149
New Hampshire	14
New Jersey	66
New Mexico	73
New York	255
North Carolina	80
North Dakota	10
Northern Mariana Islands	5
Nova Scotia	1
Ohio	78
Oklahoma	27
Ontario	16
Oregon	2,731
Pennsylvania	79
Puerto Rico	6
Quebec	1
Rhode Island	12
South Carolina	25
South Dakota	8
Tennessee	60
Texas	378
Utah	177
Vermont	17
Virginia	253
Virgin Islands	2
Washington	31,017
Washington Limited License	1
West Virginia	6
Wisconsin	44
Wyoming	22

By WA County		By Admit Yr	
Adams	15	1946	1
Asotin	26	1947	2
Benton	418	1948	2
Chelan	256	1949	2
Clallam	160	1950	7
Clark	944	1951	15
Columbia	7	1952	19
Cowlitz	153	1953	16
Douglas	40	1954	22
Ferry	11	1955	11
Franklin	56	1956	34
Garfield	3	1957	23
Grant	133	1958	29
Grays Harbor	115	1959	28
Island	163	1960	28
Jefferson	117	1961	25
King	17,515	1962	32
Kitsap	834	1963	31
Kittitas	90	1964	33
Klickitat	26	1965	49
Lewis	125	1966	59
Lincoln	13	1967	58
Mason	101	1968	84
Okanogan	92	1969	91
Pacific	31	1970	99
Pend Oreille	16	1971	99
Pierce	2,433	1972	161
San Juan	86	1973	247
Skagit	287	1974	236
Skamania	19	1975	302
Snohomish	1,670	1976	369
Spokane	2,022	1977	369
Stevens	60	1978	414
Thurston	1,697	1979	440
Wahkiakum	12	1980	466
Walla Walla	115	1981	493
Whatcom	603	1982	483
Whitman	79	1983	514
Yakima	460	1984	1,118
		1985	572
		1986	779
		1987	745
		1988	650
		1989	703
		1990	886
		1991	851
		1992	829
		1993	930
		1994	882
		1995	836
		1996	814
		1997	915
		1998	903
		1999	909
		2000	907
		2001	918
		2002	1,014
		2003	1,067
		2004	1,095
		2005	1,124
		2006	1,195
		2007	1,277
		2008	1,108
		2009	984
		2010	1,082
		2011	1,071
		2012	1,094
		2013	1,241
		2014	1,369
		2015	1,615
		2016	1,331
		2017	1,411
		2018	1,330
		2019	1,386
		2020	1,018

Misc Counts	
All License Types **	41,366
All WSBA Members	41,030
Members in Washington	31,017
Members in western Washington	27,065
Members in King County	17,515
Members in eastern Washington	3,938
Active Attorneys in western Washington	23,152
Active Attorneys in King County	15,392
Active Attorneys in eastern Washington	3,302
New/Young Lawyers	7,072
MCLE Reporting Group 1	11,137
MCLE Reporting Group 2	11,432
MCLE Reporting Group 3	11,118
Foreign Law Consultant	19
House Counsel	307
Indigent Representative	10

By Section ***	All	Previous Year
Administrative Law Section	226	234
Alternative Dispute Resolution Section	316	314
Animal Law Section	90	94
Antitrust, Consumer Protection and Unfair Business Practice	198	208
Business Law Section	1,224	1,257
Cannabis Law Section	106	102
Civil Rights Law Section	157	174
Construction Law Section	511	499
Corporate Counsel Section	1,081	1,115
Creditor Debtor Rights Section	453	465
Criminal Law Section	363	406
Elder Law Section	632	622
Environmental and Land Use Law Section	765	789
Family Law Section	963	1,032
Health Law Section	388	378
Indian Law Section	317	324
Intellectual Property Section	869	875
International Practice Section	241	225
Juvenile Law Section	136	165
Labor and Employment Law Section	982	995
Legal Assistance to Military Personnel Section	65	74
Lesbian, Gay, Bisexual, Transgender (LGBT) Law Section	115	102
Litigation Section	1,004	1,018
Low Bono Section	72	70
Real Property Probate and Trust Section	2,262	2,289
Senior Lawyers Section	226	239
Solo and Small Practice Section	885	906
Taxation Section	604	625
World Peace Through Law Section	129	108

\* Per WSBA Bylaws 'Members' include active attorney, emeritus pro-bono, honorary, inactive attorney, judicial, limited license legal technician (LLLT), and limited practice officer (LPO) license types.

\*\* All license types include active attorney, emeritus pro-bono, foreign law consultant, honorary, house counsel, inactive attorney, indigent representative, judicial, LPO, and LLLT.

\*\*\* The values in the All column are reset to zero at the beginning of the year (Jan 1). The Previous Year column is the total from the last day of the prior year (Dec 31). WSBA staff with complimentary membership are not included in the counts.

WSBA Member\* Demographics Report 9/1/20 8:10:17 AM GMT-07:00

By Years Licensed	
Under 6	8,807
6 to 10	5,622
11 to 15	5,577
16 to 20	4,710
21 to 25	4,076
26 to 30	3,696
31 to 35	2,946
36 to 40	2,408
41 and Over	3,188
<b>Total:</b>	<b>41,030</b>

By Age	All	Active
21 to 30	1,815	1,751
31 to 40	9,302	8,357
41 to 50	9,958	8,283
51 to 60	8,839	7,003
61 to 70	7,689	5,812
71 to 80	2,885	1,899
Over 80	542	143
<b>Total:</b>	<b>41,030</b>	<b>33,248</b>

By Gender	
Female	12,283
Male	16,663
Non-Binary	14
Not Listed	20
Selected Mult Gender	17
Transgender	1
Two-spirit	3
<b>Respondents</b>	<b>29,001</b>
<b>No Response</b>	<b>12,029</b>
<b>All Member Types</b>	<b>41,030</b>

By Disability	
Yes	1,146
No	19,917
<b>Respondents</b>	<b>21,063</b>
<b>No Response</b>	<b>19,967</b>
<b>All Member Types</b>	<b>41,030</b>

By Sexual Orientation	
Asexual	20
Gay, Lesbian, Bisexual, Pansexual, or Queer	409
Heterosexual	4,021
Not Listed	79
Selected multiple orientations	17
Two-spirit	3
<b>Respondents</b>	<b>4,549</b>
<b>No Response</b>	<b>36,481</b>
<b>All Member Types</b>	<b>41,030</b>

By Ethnicity	
American Indian / Native American / Alaskan Native	238
Asian-Central Asian	23
Asian-East Asian	200
Asian-South Asian	48
Asian-Southeast Asian	58
Asian—unspecified	1,135
Black / African American / African Descent	640
Hispanic / Latinx	692
Middle Eastern Descent	14
Multi Racial / Bi Racial	966
Not Listed	201
Pacific Islander / Native Hawaiian	62
White / European Descent	23,447
<b>Respondents</b>	<b>27,724</b>
<b>No Response</b>	<b>13,306</b>
<b>All Member Types</b>	<b>41,030</b>

Members in Firm Type	
Bank	26
Escrow Company	56
Government/ Public Sector	5,063
House Counsel	3,036
Non-profit	321
Title Company	115
Solo	5,049
Solo In Shared Office Or	1,342
2-5 Members in Firm	4,191
6-10 Members in Firm	1,666
11-20 Members in Firm	1,274
21-35 Members in Firm	771
36-50 Members In Firm	546
51-100 Members in Firm	602
100+ Members in Firm	1,846
Not Actively Practicing	1,441
<b>Respondents</b>	<b>27,345</b>
<b>No Response</b>	<b>13,685</b>
<b>All Member Types</b>	<b>41,030</b>

By Practice Area	
Administrative-regulator	2,200
Agricultural	226
Animal Law	108
Antitrust	305
Appellate	1,607
Aviation	180
Banking	422
Bankruptcy	877
Business-commercial	5,144
Cannabis	98
Civil Litigation	700
Civil Rights	1,046
Collections	512
Communications	207
Constitutional	633
Construction	1,308
Consumer	740
Contracts	4,186
Corporate	3,515
Criminal	3,700
Debtor-creditor	904
Disability	600
Dispute Resolution	1,236
Education	479
Elder	851
Employment	2,781
Entertainment	301
Environmental	1,239
Estate Planning-probate	3,343
Family	2,601
Foreclosure	461
Forfeiture	100
General	2,561
Government	2,781
Guardianships	802
Health	925
Housing	302
Human Rights	300
Immigration-naturaliza	1,003
Indian	562
Insurance	1,634
Intellectual Property	2,244
International	884
Judicial Officer	408
Juvenile	787
Labor	1,113
Landlord-tenant	1,230
Land Use	840
Legal Ethics	272
Legal Research-writing	780
Legislation	425
Lgbtq	67
Litigation	4,587
Lobbying	165
Malpractice	721
Maritime	315
Military	383
Municipal	892
Non-profit-tax Exempt	606
Not Actively Practicing	2,007
Oil-gas-energy	226
Patent-trademark-copyr	1,288
Personal Injury	3,192
Privacy And Data Securit	260
Real Property	2,605
Real Property-land Use	2,100
Securities	764
Sports	164
Subrogation	119
Tax	1,272
Torts	2,019
Traffic Offenses	594
Workers Compensation	702

By Languages Spoken	
Afrikaans	5
Akan /twi	5
Albanian	2
American Sign Language	16
Amharic	20
Arabic	49
Armenian	7
Bengali	10
Bosnian	13
Bulgarian	11
Burmese	2
Cambodian	6
Cantonese	100
Cebuano	8
Chamorro	5
Chaozhou/chiu Chow	1
Chin	1
Croatian	20
Czech	6
Danish	18
Dari	3
Dutch	24
Egyptian	2
Farsi/persian	63
Finnish	7
French	684
French Creole	1
Fukienese	3
Ga/kwa	2
German	410
Greek	31
Gujarati	14
Haitian Creole	3
Hebrew	38
Hindi	95
Hmong	1
Hungarian	16
Ibo	4
Icelandic	2
Ilocano	8
Indonesian	11
Italian	162
Japanese	211
Javanese	1
Kannada/canases	4
Kapampangan	1
Khmer	2
Korean	232
Lao	5
Latvian	6
Lithuanian	3
Malay	4
Malayalam	8
Mandarin	369
Marathi	6
Mien	1
Mongolian	2
Navajo	1
Nepali	5
Norwegian	35
Not_listed	40
Oromo	4
Persian	18
Polish	32
Portuguese	119
Punjabi	60
Romanian	21
Russian	225
Samoan	7
Serbian	17
Serbo-croatian	13
Sign Language	20
Singhalese	2
Slovak	2
Spanish	1,811
Spanish Creole	3
Swahili	6
Swedish	52
Tagalog	67
Taishanese	4
Taiwanese	20
Tamil	11
Telugu	3
Thai	10
Tigrinya	4
Tongan	1
Turkish	14
Ukrainian	43
Urdu	40
Vietnamese	89
Yoruba	10
Yugoslavian	4

\* Includes active attorneys, emeritus pro-bono, honorary, inactive attorneys, judicial, limited license legal technician (LLLT), and limited practice officer (LPO).

**TO:** WSBA Board of Governors  
**FROM:** Sanjay Walvekar, Outreach and Legislative Affairs Manager  
**DATE:** September 14, 2020  
**RE:** Request from Senate Law & Justice Committee

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The Senate Law & Justice Committee will convene a virtual workgroup on September 23 to discuss [SB 6146](#) and [SB 6043](#), dealing with legal service contractors and subscription service legal defense programs. The Chair of the Committee, Senator Jamie Pedersen, would like the WSBA to provide information from the point of view of the regulation of the practice of law, specifically to discuss potential impacts of legal service contractors and subscription service legal defense programs on the practice of law. Senator Pedersen would also appreciate a view of legal service contractors and subscription service legal defense programs in light of RCW [2.48.180](#).

A WSBA workgroup consisting of President-Elect Sciuchetti, General Counsel Shankland, Chief Disciplinary Counsel Ende, and others will discuss this request with Senator Pedersen on September 18 to determine who is the most appropriate person or persons to present the WSBA's perspective at the September 23 meeting.

**TO:** WSBA Board of Governors  
**FROM:** Daniel D. Clark, WSBA Treasurer & 4<sup>th</sup> District Governor  
**DATE:** September 12, 2020  
**RE:** WSBA Treasurer Report: September BOG meeting Treasurer Update

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**ACTION/DISCUSSION:** Update of current activities of WSBA Treasurer Dan Clark & WSBA Budget and Audit Committee to WSBA Board of Governors including WSBA Financial Update through end of July 2020 (10/12 of year).

The following is an update from Treasurer Dan Clark.

**Thanks to Outgoing Budget and Audit Committee Members.**

I want to formally thank the hard work and dedication of outgoing 3L Governor Committee Members Alec Stephens, Paul Swegle, and Brian Tollefson. All three Governors offered great contributions and ideas during the 2019-20 year to the Budget and Audit Committee. I will greatly miss working with all three of them on the Budget and Audit Committee. Please thank each outgoing member for their hard work, dedication and outgoing.

Special recognition needs to be given to Governor Stephens who served three (3) years on the Budget and Audit Committee.

**Thanks to entire Budget and Audit Committee & Board of Governors.**

As we close the 2019-20 BOG Year which is also close to the FY 20 Fiscal year, I would be doing a huge disservice to everyone if I didn't formally thank each and every member of the Budget and Audit Committee for their hard work during this year. We've accomplished more I think this year than we have in several previous years combined as far as advancements in improving communication and transparency of WSBA financial matters, and making WSBA more efficient, and maximizing the member license fee expenditures.

I would like to especially thank 2019-20 Committee Members, Alec Stephens, Brian Tollefson, Tom McBride, Bryn Peterson, Carla Higginson, P.J. Grabicki and Paul Swegle, for their hard work, dedication and engagement in the Budget and Audit Committee.

I will be preparing a FY 20 final written Treasurer report that I will send you after the close of FY 2020. There are simply too many amazing financial and budget and audit accomplishments during this year to list here.

### Potential WSBA Physical Space Study:

The Budget and Audit Committee unanimously voted 8 to 0 to establish a subcommittee of Governor Paul Swegle, Governor Bryn Peterson, and myself to work with Jorge Perez, and Terra Nevitt to attempt to negotiate a potential lease modification with our landlord. We will also be meeting with various real estate brokers to look at the potential for subleasing a portion of WSBA and if we can reduce our physical footprint at the current WSBA Office.

I believe this committee may also interact or be rolled into the long range planning committee if incoming President Sciuchetti believes that is in the best interest of the organization to do.

### **FY 2021 Budget:**

The Budget and Audit Committee met and conducted its final review of the FY 2021 Budget on September 10, 2020. The Board of Governors will review of the FY 2021 Budget for potential adoption at the September 2020 BOG meeting.

The recommended budget is one that has been recommended by Interim Executive Director Terra Nevitt and Jorge Perez. The Committee voted 5 to 1 to 1 to recommend approval of the FY 2021 Budget in its current form.

### **2022 & 2023 License fees:**

The Budget and Audit Committee will set recommendations for the 2022 and 2023 WSBA license fees for various license types at its September 10, 2020 meeting. We will have a proposal for the Board of Governors for adoption of 2022 and 2023 WSBA member license fees at the September 2020 BOG meeting.

Of significant interest will be the Committee and I are proposing a ten (10) dollar license fee reduction for active attorneys paying the full rate for 2022 and 2023 and a five (5) dollar reduction for new attorneys for 2022 and 2023. This is something that we have a chance to set history and pass a license fee reduction for members for the first time in the history of WSBA without a member referendum!

### **Additional Financial Items of Interest:**

We have had significant turnover in the HR department and have three open positions. We are contracting with Praxis HR at an approximate monthly rate of \$32,000.00 to provide HR services, conduct an employee climate survey, and evaluate and make recommendations as to our HR function moving forward.

**Latest WSBA Financials (through July 2020):**

Through 10/12 Months of FY 2020 with the latest financial data completed at the time of preparation of this report, WSBA was as follows:

<b>Description</b>	<b>% Of Year</b>	<b>Current Year % YTD</b>	<b>Current Year \$ Difference</b>	<b>Prior Year YTD</b>	<b>Comments</b>
Salaries	83.33%	85.28%	(\$212,502) Over reforecast	84.93%	Over reforecast due to higher than anticipated use of temps
Benefits	83.33%		\$213,485 Under Reforecast	79.24%	Under budget due to eliminated & Open positions
Severance	83.33%		(\$14,768 Over Reforecast)		Severance payment will be reclassified from salary to severance account in August financials.
Other Indirect Expenses	83.33%	87.62%	(\$165,952) Over Reforecast	88.27%	Over reforecast due to 312.8% of unexpected legal fee
Total Indirect Expenses	83.33%	84.24%	(\$179,737) Over Reforecast	84.29%	Slightly over reforecast due for the reasons described above.



General Fund Revenues	83.33%	85.23%	\$399,884 Over Reforecast	87.96 %	Over Reforecast due to timing of license revenue, Admissions and MCLE payments.
General Fund Direct Expenses	83.33%	59.27%	\$647,006 Under Reforecast	69.50%	Under Reforecast due to timing of payments 20% cancelled travel and events 80%.
General Fund Net	83.33%	1,132.57%	\$908,220 Over Reforecast	989.67%	Over Reforecast due to all above reasons

CLE Revenue	83.33%	70.71%	(\$248,498) Under Reforecast	82.61%	Under budget due to low attendances and cancelled seminars
CLE Direct Expenses	83.33%	33.52%	(\$301,529) Under Reforecast	95.42%	Under the reforecast due to cancelled live seminars.
CLE Indirect Expenses	83.33%	86.21%	(\$37,747) Over Reforecast	83.51%	Over the reforecast due to reforecast FTE allocations
CLE Net	83.33%	112.09%	\$15,284 Over Reforecast	48.22%	Over the reforecast for the reasons described above.

**Summary of WSBA Financials General Fund:**

Actual Revenues	Budgeted Revenues	Actual Indirect expenses	Budgeted Indirect Expenses	Actual Direct Expenses	Budgeted Direct Expenses	Actual Total Expenses	Budgeted Total Exp	Actual Net Result	Budgeted Net Result
17,964,468	21,078,344	15,390,679	18,303,143	1,593,439	2,688,641	16,984,119	20,991,783	980,350	86,560

**Overall, ten (10) months out of 12 in the Fiscal Year, WSBA had turned a profit of \$980,350.00 from a close to \$600k anticipated budgeted loss at the start of FY 2020! This is nearly a 1.6 million dollar favorable outcome for the organization 10/12 months through the year.**

**Report Summary:**

In conclusion, it has been the highlight of my legal career to have had the honor to serve as District 4 Governor the last 39 months and to have had the honor to serve as WSBA Treasurer for 2019-20 during the FY 20 Fiscal Year. I am so humbled and honored to have the privilege to continue this important officer role for 2020-21 and to be the first Treasurer in the history of the organization to serve two terms in this important position.

Respectfully,

Dan Clark

WSBA Treasurer/4<sup>th</sup> District Governor

DanClarkBoG@yahoo.com

(509) 574-1207 (office)

(509) 969-4731 (cell)

**TO:** WSBA Board of Governors  
**FROM:** Daniel D. Clark, WSBA Treasurer & 4<sup>th</sup> District Governor  
**DATE:** September 12, 2020  
**RE:** 2021 Keller Deduction Calculation Recommendation

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**ACTION/DISCUSSION:** Recommendation by WSBA Treasurer Dan Clark & WSBA Budget and Audit Committee for adoption of 2021 Keller Fee Calculation Deduction Rate

The WSBA Budget and Audit Committee met in August and discussed and ultimately voted to approve recommendations to the Board of Governors for approval of the 2021 Keller License Fee Calculation and reduction.

The Board unanimously approved the recommendation of WSBA Staff to set the Keller deduction for 2021 to a rate of \$3.85.

It is my recommendation as WSBA Treasurer for the Board of Governors to vote to approve setting the 2021 Keller Deduction at \$3.85.

Included is the detailed analysis from General Counsel Julie Shankland.

Respectfully,

Dan Clark  
WSBA Treasurer/4<sup>th</sup> District Governor  
[DanClarkBoG@yahoo.com](mailto:DanClarkBoG@yahoo.com)  
(509) 574-1207 (office)  
(509) 969-4731 (cell)

# WASHINGTON STATE BAR ASSOCIATION

To: The President, President-elect, and The Board of Governors

From: Terra Nevitt, Interim Executive Director  
Jorge Perez, Chief Financial Officer  
Julie Shankland, General Counsel

Date: August 31, 2020

Re: FY 2021 License Fee Deduction

**ACTION:** Approve 2021 Keller deduction schedule.

Each year the annual license fee form provides for an “optional Keller deduction” as approved by the Board of Governors. This is in response to the U. S. Supreme Court 1990 decision in *Keller v. State Bar of California*<sup>1</sup> holding that state bar mandatory fees may not be used over a member’s objection for activities that are *political or ideological in nature and which are not reasonably related to (1) regulating the practice of law, or (2) improving the quality of legal services*. In *Eugster v. WSBA*<sup>2</sup>, the court stated that “the WSBA provides robust procedural safeguards to ensure compliance with *Keller*.” On August 30, 2019, the U.S. Court of Appeals for the 8<sup>th</sup> Circuit issued a decision in *Fleck v. Wetch*<sup>3</sup>, holding that *Janus* did not overrule *Keller* and affirming that a procedure similar to WSBA’s *Keller* refund procedure remains constitutional.

General Rules 12-12.3 set out the Washington Supreme Court’s plenary authority over WSBA, its regulatory objectives for regulating the practice of law, and WSBA’s authorized and prohibited activities. GR 12.2(c) prohibits WSBA from (1) taking positions on issues concerning the politics or social positions of foreign nations; (2) taking positions on political or social issues which do not relate to or affect the practice of law or the administration of justice; or (3) supporting or opposing, in an election, candidates for public office. The amount of the Keller deduction represents the amount of license fees used for activities permitted under GR 12, but subject to deduction under *Keller*.

## OVERVIEW OF OPTIONAL KELLER DEDUCTION CALCULATION

<sup>1</sup> *Keller v. State Bar of California*, 496 U.S. 1 (1990)

<sup>2</sup> *Eugster v. WSBA*, No. C15-0375JLR 2015 WL 5175722 (W.D. Wash Sept. 3, 2015), *aff’d*, 684 F.App’x 618 (9<sup>th</sup> Cir. 2017)

<sup>3</sup> *Fleck v. Wetch*, No. 16-1564 (8<sup>th</sup> Cir 2019)

The optional Keller deduction amount is the sum of the following three numbers:

- (1) The actual direct and indirect costs of non-chargeable Legislative activities in the current fiscal year;
- (2) The budgeted cost for ABA delegate activities in the next fiscal year; and
- (3) The actual direct and indirect costs of other non-chargeable activities in the current fiscal year, including staff salary, benefits and overhead, including meeting time, conference call costs and overhead.

## **LEGISLATIVE EXPENSE CALCULATION**

We start by determining each license fee paying member's share of the entire legislative function budget. For FY 2021, the budgeted amount is \$161,611<sup>4</sup>. We divide this amount by the estimated total number of license fee paying members for 2021 (41,301) to arrive at each member's pro rata share (\$3.91).

$$\$161,611 \div 41,301 = \$3.91$$

We then review a detailed list of the WSBA legislative staff's activity for the past year (FY 2020) to determine the proportion of the legislative budget spent on "non-chargeable" activities. We apply this percentage to the FY 2021 legislative budget. Attachment A is the detailed listing of the legislative staff's activities for FY 2020. We reviewed each bill that the legislative staff spent time on and determined that 1788 was chargeable because it directly relates to regulating the legal profession. We determined that all of the remaining bills were non-chargeable because they do not relate directly to regulating the legal profession or improving the quality of legal services.<sup>5</sup> We included all time the legislative staff spent directly or indirectly on all bills other than 1788 in the "non-chargeable" calculation. This calculation also includes expenses related to legislative staff time spent during and preparing for BOG, BOG Legislative Committee and BOG Legislative Review Committee meetings. Part three of the Keller calculation captures the time ATJ and CPD spent on non-chargeable activities that were not directly related to legislation.

For FY 2020<sup>6</sup>, the non-chargeable percentage was 90.24%. The per member legislative expense of \$3.91 is multiplied by the percentage of non-chargeable activities (90.24%) to arrive at a per member cost of \$3.53.

$$(\$161,611 \div 41,301) \times .9024 = \$3.53$$

## **ABA DELEGATION EXPENSE CALCULATION**

<sup>5</sup> These bills reasonably relate to or affect the practice of law or the administration of justice, so this activity complies with GR 12.2, but are appropriately subject to the *Keller* deduction.

<sup>6</sup> We use the actual expenses incurred in FY 2020 and apply those to the FY 21 budgeted amounts.

The ABA delegates take political positions, so we treat the entire ABA delegation budget (\$5,600) as non-chargeable. We divide the budgeted amount by the estimated total number of license fee paying members. The per member cost associated with the ABA delegation budget for FY 2021 is \$.14.

$$\$5,600 \div 41,301 = \$.14$$

#### **OTHER NON-CHARGEABLE EXPENSES/GENERAL STAFF TIME**

Finally, we review all other WSBA activities to identify other non-chargeable activities. This number is the total amount for staff time, including salaries, benefits, and overhead, BOG meeting time, including staff time, overhead, and conference call expenses not otherwise accounted for above, spent on meetings or activities involving legislative or political matters divided by the estimated total number of license fee paying members.

WSBA employees review FY 2020 meeting agendas and minutes and provide details of staff time and meeting expenses for activities that might be non-chargeable. The FY 2020 number includes staff time and meeting expenses for portions of Access to Justice Board and Committee meetings, Council on Public Defense Meetings, and Pro Bono and Public Service Committee meetings, including staff prep time. Attachment 2 is the detailed information used to prepare this calculation.

The total amount spent for staff time, overhead, and costs, including volunteer reimbursements for this category is \$5,736.64. We calculated the amount per member as \$.14.

$$\$5,736.64 \div 41,301 = \$.14$$

#### **KELLER DEDUCTION CALCULATION AND ROUNDING UP**

The *Keller* deduction is the sum of the amounts in #1, #2, and #3 above and results in a deduction of \$3.81 (\$3.53 + \$0.14 + \$0.14). We recommend rounding this number up for simplicity and ease in calculations. Therefore, we recommend that the Keller deduction for FY 2021 be set at **\$3.85**.

The comparison to previous years is shown in this table:

<b>YEAR</b>	<b>DEDUCTION</b>
2021	\$3.85
2020	\$1.55
2019	\$1.25
2018	\$2.50
2017	\$3.50
2016	\$6.40
2015	\$4.40
2014	\$4.70
2013	\$6.40
2012	\$6.00
2011	\$4.40
2010	\$3.95
2009	\$3.45
2008	\$3.15
2007	\$3.80
2006	\$2.14
2005	\$3.70
2004	\$1.94
2003	\$1.79
2002	\$1.70
2001	\$2.70
2000	\$2.22
1999	\$1.88
1998	\$1.50

Based on these calculations, we recommend the following Keller deduction schedule for 2020 pro-rated by the amount of license fee paid by various categories of WSBA membership:

	<b>License Fee</b>	<b>Keller Deduction</b>
• Active Lawyer Admitted to any Bar before 2018	\$458.00	\$1.55
• Active Lawyer Admitted to any Bar in 2018 or 2019	\$229.00	\$.78
• Inactive/Emeritus Lawyer	\$200.00	\$.68
• New Active Admittee (Jan 1-Jun 30)	\$229.00	\$.78
• New Active Admittee (July 1-Dec 31)	\$114.50	\$.39
• Limited Legal License Technician	\$200.00	\$.68
• Limited Practice Officer	\$200.00	\$.68
• Judicial	\$50.00	\$.17



# ATTACHMENT 1

## WSBA Legislative Staff's Activity for FY 2020

BILL # or TOPIC	DESCRIPTION	OLAM HRS	OLAC HRS	CCOO HRS	CONTRACT LOBBYIST HRS	CHARGE/NO CHARGE	IN/DIRECT LOBBYING
GENERAL LEGISLATION (LEG.) UPDATE							
Leg. Review - OLAM & CCOO							
Leg. Review - OLAM & OLAC	Bill referrals to Sections, watching TVW hearings	60	185				
Leg. Review - OLAM & CL		1			1		
Leg. Review - OLAC & CL							
Leg. Review - CCOO & OLAC							
Leg. Admin. Work	Updating website, generating LobbyGov reports, updating keywords and contacts from Sections and other entities	1	15				
HB 1788	Concerning the Washington state bar association	3	1			2	C
SB 6037	Concerning business corporations	5					N
SB 6442	Concerning private detention facilities	0.5					N
HB 2793	Vacating criminal records	0.5					N
SB 6053	Establishing wage liens	5					N
HB 2806	Concerning mediation in family law cases involving children	3					N
SB 6287	Concerning guardianships and conservatorships	5					N
10/15 meeting with stakeholders re: HB 2806	Stakeholder roundtable discussions	1.5					N
12/3 meeting with stakeholders re: HB 2806	Stakeholder roundtable discussions	1					N
1/9 meeting with stakeholders re: HB 2806	Stakeholder roundtable discussions	1					N
2/14 meeting with Rep. Goodman and stakeholders re: HB 2806	Stakeholder roundtable discussions	1					N
1/31 meeting with Andrea Schmitt (Columbia Legal Services) and Business Law Section's UCC Committee re: SB 6053	Discuss UCC Committee's concerns re: SB 6053	1					N

2/7 meeting with Andrea Schmitt (Columbia Legal Services) and Business Law Section's UCC Committee re: SB 6053	Discuss UCC Committee's concerns re: SB 6053	1		N
1/31 meeting with Rep. Goodman	Discuss FLEC/ADR concerns with HB 2806	1		N
3/2 meeting with Sen. Pedersen re: SB 6287	Discuss FLEC concerns with SB 6287	0.5		N
1/28 meeting with Sen. Conway re: SB 6053	Discuss Business Law Section's UCC Committee's concerns with SB 6053	0.5		N
1/30 meeting with Sen. Van de Wege re: SB 6438	Discuss SB 6438	0.5		N
3/4 meeting with Rep. Kilduff	Discuss WSBA legislative priorities	0.5		N
2/20 meeting with Rep. Kilduff	Discuss WSBA legislative priorities	0.5		N
1/30 meeting with Rep. Kilduff	Discuss HB 1788	0.5		C
1/23 meeting with Rep. Kilduff	Discuss WSBA legislative priorities	0.5		N
1/16 meeting with Rep. Kilduff	Discuss WSBA legislative priorities	0.5		N
2/6 meeting with Rep. Kilduff	Discuss WSBA legislative priorities	0.5		N
1/28 meeting with Sen. Pedersen	Discuss WSBA legislative priorities	0.5		N
1/28 meeting with Sen. Padden	Discuss WSBA legislative priorities	0.5		N
1/15 meeting with Sen. Wilson	Discuss WSBA legislative priorities	0.5		N
1/15 meeting with Rep. Stokesbary	Discuss WSBA legislative priorities	0.5		N
1/15 meeting with Rep. Irwin	Discuss WSBA legislative priorities	0.5		N
4/10 meeting with Elder Law and RPPT Section Executive Committee members	Discuss remote witnessing of wills legislation	1		N
4/21 meeting with RPPT Section Executive Committee members	Discuss draft section legislative comment policy	1		C
4/27 meeting with Civil Rights Law Section Chair	Discuss the process for sections to draft and introduce legislation	1		C

























Total ALL Non-Chargeable	0	0	0	0	0 N/A
GENERAL ADMINISTRATION* TOTALS					
Non-Chargeable Portion of Indirect Lobbying <sup>o</sup>	0	0	0	0	0 N/A
OTHER					
Average of three staff:					
Number of Staff Hours Allocated to Legislative Budget					N/A N/A
Non-Chargeable % for each Staff Person					

Notes:

- "N/C" indicates activities that are nonchargeable against mandatory member license fees.
- "C" indicates activities that are chargeable against mandatory member license fees.
- "D" indicates activities that are considered direct lobbying
- "I" indicates activities that are considered indirect lobbying
- "%" indicates that a percentage of monitoring and referral activities and of general administration is added to the non-chargeable activities for the purpose of
- \* General Administration = Legislative Administrative Work, and all meeting prep.

<sup>o</sup> Direct or Indirect lobbying comes from the definition as provided by the Public Disclosure Commission.

<https://www.pdc.wa.gov/learn/publications/public-agency-lobbying-instructions/reporting-agency-lobbying-activity/lobbying>

## ATTACHMENT 2

Detailed Information for FY 2020 Access to Justice Board and Committee, Council on Public Defense, and Pro Bono and Public Service Committee Meetings



NAME	7/9/2019	7/9/2019	7/16/2019	7/19/2019	8/9/2019	8/15/2019	8/20/2019	9/6/2019	9/20/2019	9/21/19	10/8/19
Diana Singleton (staff)	0.45			2.00	0.45	1.00	0.45	0.45	0.45		
Bonnie Sterken (staff)			0.45	2.00	0.45	1.15		0.45	0.45		
Dana Barnett (staff)											0.30
Tyler Washington (staff)										0.30	
Paige Hardy (staff)		0.20									0.20
Francis Adewale (volunteer)					0.35						
Fred Corbit (volunteer)					0.35						
Sal Mungia (volunteer)	0.30							0.35			
Justin Bingham (volunteer)				1.30		0.45			0.30		

OTHER COSTS

**July 9, 2019**

Conference Calls (33%) - 30 min  
Volunteer Travel for Sal Mungia

ATJ Delivery System Meeting

**July 9, 2019**

Conference Call (33%) - 10 min

PBSC Meeting

**July 16, 2019**

Conference Calls (46%) - 35 min

ATJ Rules Meeting

**July 19, 2019**

Conference Calls (86.0%) - 90 min  
Volunteer Travel for Justin Bingham

CPD Meeting

**August 9, 2019**

Conference Calls (0.29%) - 35 min  
Volunteer Travel for Francis Adewale and Fred Corbit

ATJ Board Meeting

**August 16, 2019**

Conference Calls (3.33%) - 45 min  
Volunteer Travels for Justin Bingham

CPD Meeting

**August 20, 2019**

Conference Calls (3.33%) - 30 min

ATJ Tech Meeting

**September 6, 2019**

Conference Calls (0.29%) - 35 min  
Volunteer Travel for Sal Mungia

ATJ Board Meeting

**September 20, 2019**

Conference Calls (5%) - 30mins  
Volunteer Travel for Justin Bingham

CPD Meeting

**September 21, 2019**

Conference Calls (16%) - 20 min

Diversity Meeting

**October 8, 2019**

Conference Calls (8%) - 10 min

PBSC Meeting

**October 11, 2019**

ATJ Board Meeting

Conference Calls (0.29%) - 35 min  
 Volunteer Travel for Sal Mungia, Francis Adewale and Fred Corbit

**October 18, 2019** CPD Meeting  
 Conference Calls (6%) - 10 min  
 Volunteer Travel for Justin Bingham

**November 1, 2019** CPD Meeting  
 Conference call (13%) - 20 min

**November 5, 2019** ATJ Delivery System Meeting  
 Conference Calls (33%) - 30 min  
 Volunteer Travel for Sal Mungia

**December 13, 2019** ATJ Board Meeting  
 Conference Calls (16%) - 20 min  
 Volunteer Travel for Sal Mungia, Francis Adewale and Fred Corbit

**January 7, 2020** Delivery System Meeting  
 Conference calls (22%) - 20 min  
 Volunteer Travel for Sal Mungia

**January 14, 2020** PBPSC Meeting  
 Conference Call (50%) - 30 min

**January 21, 2020** ATJ Rules Meeting  
 Conference Call (30%) - 10 min

**January 24, 2020** CPD Meeting  
 Conference Call (46%) - 70 min  
 Volunteer travel for Justin Bingham

**January 31, 2020** ATJ Board Meeting  
 Conference Call (50%) - 15 min

**February 4, 2020** PBPSC Meeting  
 Conference Call (50%) - 30 min

**February 7, 2020** CPD Meeting  
 Conference Call (80%) - 80 min  
 Volunteer travel for Justin Bingham

**February 14, 2020** ATJ Meeting  
 Volunteer travel for Sal Mungia, Francis Adewale and Fred Corbit  
 Conference Call (8%) - 10 min

**February 18, 2020** ATJ Technology Meeting  
 Conference calls (16%) - 10 min

**March 3, 2020** PBPSC Meeting  
 Conference Call (50%) - 30 min

**March 3, 2020** Delivery System Meeting  
 Conference calls (22%) - 20 min  
 Volunteer Travel for Sal Mungia

**March 13, 2020** ATJ Board Meeting  
Conference Calls (40%) - 25 min  
Volunteer travel for Sal Mungia

**April 7, 2020** CPD Meeting  
Conference call (30%) - 45 min

**April 10, 2020** ATJ Board Meeting  
~~Conference Call and~~ Zoom (8%) - 10 min

**May 1, 2020** ATJ Board Meeting  
~~Conference call and~~ zoom (11%) - 10 min

**May 5, 2020** PBPSC Meeting  
Conference call-and-zoom (33%) - 20 min

**May 5, 2020** Delivery System Meeting  
~~Conference calls~~ zoom (22%) - 20 min  
~~Volunteer Travel for Sal Mungia~~

**June 2, 2020** PBPSC Meeting  
~~Conference Call~~ zoom (33%) - 20 min

**June 5, 2020** Delivery System Meeting  
~~Conference calls-~~ zoom (22%) - 20 min  
~~Volunteer Travel for Sal Mungia~~

**July 7, 2020** Delivery System Meeting  
~~Conference calls~~ zoom (22%) - 20 min  
~~Volunteer Travel for Sal Mungia~~

**July 7, 2020** PBPSC Meeting  
~~Conference call-zoom~~(50%) - 30 min

**July 17, 2020** CPD Meeting  
~~Conference call-zoom~~ (16%) - 20 min

10/11/19	10/18/19	11/1/19	11/5/19	1/7/20	1/14/20	1/24/20	1/20/20	1/30/20	2/4/20	2/7/29	2/14/20	2/18/20	3/3/20	3/3/20	3/13/20
0.45	0.20	0.20	0.40	0.30		0.70		0.20		0.80	0.20	0.20		0.30	0.30
0.45	0.20	0.30				0.90	0.20	0.20	0.40	1.10	0.20				0.30
					0.40								0.40		
0.35											0.10				
0.35											0.10				
0.35			0.30	0.20							0.10			0.20	0.25
	0.10					0.70				0.80					

4/7/20	4/10/20	5/1/20	5/5/20	5/5/20	6/2/20	06/05/20	7-Jul	7-Jul	13-Jul
0.45	0.15	0.15		0.30		0.30	0.30		0.20
1.00	0.15	0.15							0.30
			0.40		0.30			0.40	
				0.20		0.20	0.20	a	

**TO:** WSBA Board of Governors

**FROM:** Daniel D. Clark, WSBA Treasurer & 4<sup>th</sup> District Governor

**DATE:** September 12, 2020

**RE:** WSBA Treasurer & Budget and Audit Committee recommendation for approval of 2021 WSBA Section Per Member Fee.

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<p><b>ACTION/DISCUSSION :</b> Recommendation of approval of 2021 Section Per Member Rate of \$18.18 with a maximum rate of \$18.75.</p>
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The Budget and Audit Committee met on September 10, 2020 and unanimously voted 6 to 0 to approve recommendation of approval by the Board of Governors of setting the WSBA Section per member charge at \$18.18, with a maximum rate of \$18.75. Such rate is consistent with the recommendations from the Interim Director of Advancement Kevin Plachy.

It is my and the Budget and Audit Committee's unanimous recommendation for the Board of Governors to approve the per member rate for 2011 of \$18.18 with a maximum rate of \$18.75.

Interim Director Plachy's report is included as an attachment herein.

Respectfully,

Dan Clark

WSBA Treasurer/4<sup>th</sup> District Governor

[DanClarkBoG@yahoo.com](mailto:DanClarkBoG@yahoo.com)

(509) 574-1207 (office)

(509) 969-4731 (cell)

# WASHINGTON STATE BAR ASSOCIATION

To: Section Chairs, Chair-Elects, and Treasurers

From: Kevin Plachy, Interim Advancement Department Director

cc: Sections Team

Re: FY 2021 Section Per-Member Charge

Date: September 8, 2020

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The Section Per-Member Charge is calculated as part of the WSBA annual budget process. It is based on the first draft of the budget for costs of the administrative support to WSBA Section leaders and executive committees for the upcoming fiscal year as reflected in the Sections Administration cost center. These costs include: (1) salaries and benefits, (2) overhead, and (3) direct expenses.

***The Budget and Audit Committee of the Board of Governors reviewed the third draft FY 2021 Budget on September 10, 2020. The Committee unanimously agreed to a reduced Per-Member Charge of \$18.18 In the case the final budget numbers reflect higher expenses than those used to arrive at this charge, the Per-Member Charge will be capped at the previous level of \$18.75***

## FY2021 PER-MEMBER CHARGE CALCULATION

### 1. SALARIES AND BENEFITS

The Per-Member charge includes the salaries and benefits of employees that directly support Sections. *It does not include any staffing costs for mini-CLEs, Section membership dues processing, or any other work performed by WSBA employees in support of Sections.* Benefits are calculated as a percentage of total salaries. The percentage is derived from the WSBA's total salaries and benefits budget for the fiscal year. Items included in employee benefits are employer federal taxes and insurance, medical coverage, retirement plan contributions, employee bus passes, and employee service awards and assistance plan.

<b>Direct Employee Support</b>	<b>Full Time Equivalent (FTE)</b>
• Sections Administration Employees	2.60
• Administrative Employee Time <sup>1</sup>	0.08
<b>Total FTE</b>	<b>2.68</b>
• Salaries for 2.68 FTEs	\$162,549
• Benefits (29% of estimated salaries)	\$46,430

<b>Total FY21 Salaries and Benefits Budgeted for Sections</b>	<b>\$208,979</b>
---	------------------

<sup>1</sup> Includes cost of employee time for processing accounts payable arising from section activities.

## 2. OVERHEAD

This charge includes expenses related to general operations attributable to all WSBA employees. Overhead cost is calculated based on a per-FTE dollar amount, which is derived by taking the total cost of overhead divided by the total number of WSBA FTEs. This generates a per-FTE cost, which is multiplied by the total number of FTEs allocated to Sections. Overhead costs in the first draft FY20 budget consist of:

<b>Overhead Category</b>	<b>Cost</b>
• Rent	1,951,000
• Furniture, Maintenance & Leasehold Improvements	30,000
• Office Supplies & Equipment	44,000
• Computer Software Depreciation	133,089
• Telephone & Internet	33,000
• Production Services	12,000
• Workplace Benefits	39,000
• HR Expenses	200,838
• Personal Property Taxes	11,500
• Furniture & Equipment Depreciation	51,533
• Computer Hardware Depreciation	51,782
• Insurance	195,300
• Professional Fees-Audit	46,000
• Bank Fees	50,500
• Information Technology Department Expenses	845,750
<b>Total Overhead Budgeted for FY21</b>	<b>\$3,695,292</b>

- Estimated total WSBA FTEs for FY 2021 = 137.50
- Overhead per FTE =  $\$3,695,292 / 137.50 = \$26,874.85$

**Total Estimated FY21 overhead<sup>2</sup> to be charged to Sections ( $\$26,874.85 \times 2.68$  FTEs) = \$72,024.60**

## 3. DIRECT EXPENSES

These are out-of-pocket costs of administering Sections, and include:

- Dues Statements (paper, postage, and printing of annual Section membership dues statements)
- Section Meetings Expenses (Fall & Spring Section Leaders meeting costs for food, supplies, and conference calls)
- Employee Travel (costs for Sections staff to attend Executive Committee meetings and other Section events)

**Direct expenses budgeted for all Sections = \$9,875**

<sup>2</sup> Historically, there are small overhead differences between the first and final draft WSBA budgets.



**FY 2021 PER-MEMBER CHARGE CALCULATION BASED ON FIRST DRAFT FY 2020 BUDGET**

1. Total Salaries and Benefits	+ \$208,979
2. Total Overhead	+72,024.60
3. Direct Expenses	+9,875
<b>Total expenses for Sections Administration cost center</b>	<b>= \$290,878.60</b>

**Estimated total # of section memberships for FY 2021 = 16,000 members**

**2021 Per-Member Charge: \$18.18/member**

**FY 2021 SECTION BUDGETS**

*As a reminder, Section Budget Requests and Request to Change Dues are due on July 12<sup>th</sup>. You may make additional changes after the budget has been submitted until August 16<sup>th</sup>. Please email all budget documents to your Sections Program Specialist or mail to them at 1325 4<sup>th</sup> Avenue, Suite 600, Seattle WA 98101.*

If you have any questions about any of the information contained in this memo or need additional information, please feel free to contact Finance or your Sections Team for assistance.

**Finance:**

Elizabeth Wick                      [elizabethw@wsba.org](mailto:elizabethw@wsba.org)    206-727-8247

**Sections Leaders Team:**

Julianne Unite                      [julianneu@wsba.org](mailto:julianneu@wsba.org)    206-727-8258

Eleen Trang                          [eleent@wsba.org](mailto:eleent@wsba.org)        206-733-5996



# FY 2021 BUDGET

BOARD OF GOVERNORS MEETING

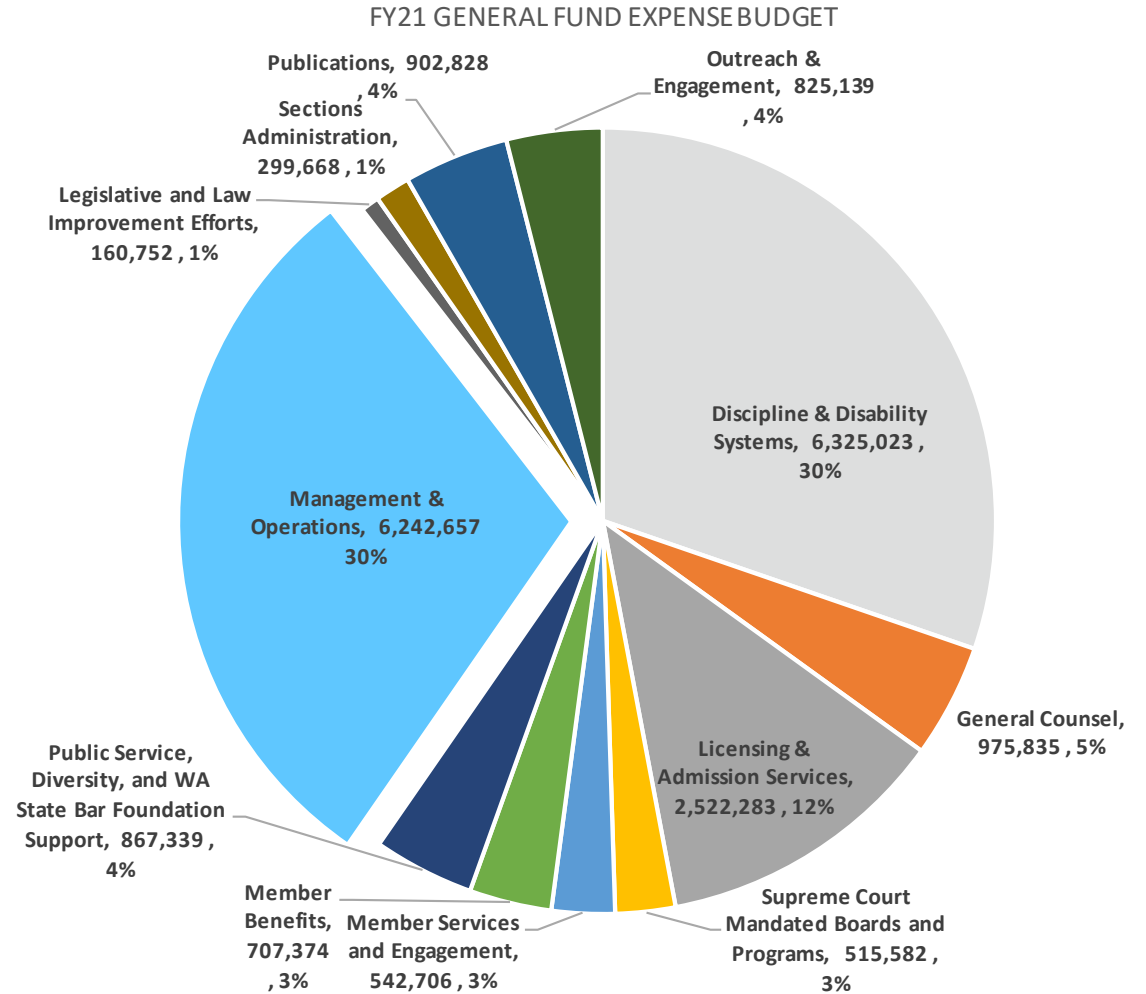
SEPTEMBER 17<sup>TH</sup> 2020

# PROJECTED FY 2021 FUND BALANCES

FY 2021 Balance Analysis	General Fund	CPF Fund	CLE	Sections
Fund Balances 9/30/2019	2,686,537	3,816,143	526,285	1,121,224
Revenue FY21	20,603,129	529,540	1,840,000	585,779
Licensing Revenue	16,531,113			
Other Revenue	3,930,016			
Expenses	20,805,908	658,099	1,902,159	873,963
Indirect Expenses	18,276,786	153,923	1,026,960	0
Direct Expenses	2,860,249	501,200	548,049	873,963
Net Income/Loss	-202,779	-128,559	-62,159	-288,184
Unrestricted Fund Balance 7/30/20	3,666,866	4,718,706	585,851	1,234,552
FY 21 Budgeted Balance	3,464,087	4,590,147	523,692	946,368
General Fund				
Operating Reserve Fund	1,500,000			
Facilities Reserve Fund	550,000			

# LICENSE FEE REVENUE SUPPORT OF WSBA PROGRAMS AND OPERATIONS IN FY21

CATEGORY	TOTAL EXPENSE	Percent
Discipline & Disability Systems	6,325,023	30%
General Counsel	975,835	5%
Licensing & Admission Services	2,522,283	12%
Supreme Court Mandated Boards and Programs	515,582	2%
Member Services and Engagement	542,706	3%
Member Benefits	707,374	3%
Public Service, Diversity, and WA State Bar Foundation Support	867,339	4%
Management & Operations	6,242,657	30%
Legislative and Law Improvement Efforts	160,752	1%
Sections Administration	299,668	1%
Publications	902,828	4%
Outreach & Engagement	825,139	4%



# GENERAL FUND

<b>PURPOSE</b>	Support regulatory functions and most services to members and the public
<b>REVENUE SOURCES</b>	License fees; interest income; Washington State Bar Foundation donation; fees from admissions, mandatory CLE, licensing, regulatory, and member services; advertising and sponsorships; recovery of discipline costs, and section reimbursements
<b>EXPENSES</b>	Costs of doing business (e.g. salaries, benefits, rent, technology, telephone, insurance, legal advice, audit); plus direct expenses (consulting, travel, committee expenses, etc.)
<b>BALANCES</b>	<p><u>\$5.5M As of 9/30/21 Minimum of \$2M Required:</u></p> <ol style="list-style-type: none"> <li>1. Operating Reserve Fund: \$1.5M (emergency reserve to fund operations)</li> <li>2. Facilities Reserve Fund: minimum \$.5M (to support facilities costs when lease expires (12/31/2026))</li> <li>3. Unrestricted Fund: - Any net assets not designated above \$4.1M</li> </ol>
<b>FY21 BUDGET</b>	<p>Revenue \$ 23,558,448</p> <p>Expense <u>\$ 24,240,129</u></p> <p>Net (\$ 681,681)</p> <p>Projected FY21 Unrestricted balance: \$3.4 million</p>

# CLE FUND

<b>PURPOSE</b>	Board designated operating reserve, consisting of net income from CLE activities, to cover net loss and extraordinary costs of CLE programs, products and/or capital acquisitions																		
	<b>REVENUE</b>	CLE seminar registrations and sales of deskbooks, coursebooks, recorded seminars, and online subscriptions																	
		<b>EXPENSES</b>	Indirect and direct costs to produce seminars and CLE products																
	<b>RESERVES</b>		Net income from CLE activities; carried over from year to year to cover net loss and extraordinary costs of CLE activities																
<b>FY20 BUDGET</b>		<div style="text-align: center;"> <p><b>CLE Fund Balance 2015 - 2021</b></p> <table border="1" style="margin: 10px auto; border-collapse: collapse;"> <thead> <tr> <th></th> <th>2015</th> <th>2016</th> <th>2017</th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021 B</th> </tr> </thead> <tbody> <tr> <td>■ CLE Balance</td> <td>53,090</td> <td>456,568</td> <td>485,582</td> <td>604,125</td> <td>526,285</td> <td>585,851</td> <td>523,692</td> </tr> </tbody> </table> </div>				2015	2016	2017	2018	2019	2020	2021 B	■ CLE Balance	53,090	456,568	485,582	604,125	526,285	585,851
		2015	2016	2017	2018	2019	2020	2021 B											
■ CLE Balance	53,090	456,568	485,582	604,125	526,285	585,851	523,692												
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: center;">FY20 Budget</th> <th style="text-align: center;">FY21 Budget</th> <th style="text-align: center;">Difference</th> </tr> </thead> <tbody> <tr> <td style="text-align: right;"><b>Revenue</b></td> <td style="text-align: right;">\$1,824,000</td> <td style="text-align: right;">\$1,840,000</td> <td style="text-align: right;">\$16,000</td> </tr> <tr> <td style="text-align: right;"><b>Expense</b></td> <td style="text-align: right;">\$1,544,573</td> <td style="text-align: right;">\$1,902,159</td> <td style="text-align: right;">\$157,948</td> </tr> <tr> <td style="text-align: right;"><b>Net</b></td> <td style="text-align: right;">\$279,427</td> <td style="text-align: right;">(\$62,159)</td> <td style="text-align: right;">(\$341,586)</td> </tr> </tbody> </table>		FY20 Budget	FY21 Budget	Difference	<b>Revenue</b>	\$1,824,000	\$1,840,000	\$16,000	<b>Expense</b>	\$1,544,573	\$1,902,159	\$157,948	<b>Net</b>	\$279,427	(\$62,159)	(\$341,586)		
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LM-46

# CLIENT PROTECTION FUND (CPF)

<b>PURPOSE</b>	Make gifts to compensate those financially victimized by lawyer dishonesty or failure to account for client funds/property																		
	<b>REVENUE</b>	Funded from annual assessment on all Active members, House Counsel, Foreign Law Consultants, and <i>pro hac vice</i> admissions, as required by Washington Supreme Court; and LLLTs, as recommended by the Committee. For FY 2021 the annual assessment was reduced permanently to \$25 from \$30. In addition a one time reduction of an additional \$15 was approved as a relief for COVID – 19 bringing the annual assessment to \$10 for FY 2021																	
		<b>EXPENSES</b>	All payments discretionary; in 2017, Board increased maximum gift from \$75,000 to \$150,000																
			<b>RESERVES</b>	Net assets from CPF assessments carried over from year to year restricted to fund future CPF gifts															
<b>FY20 BUDGET</b>	<table border="1"> <caption>CPF Fund Balance 2015 - 2021</caption> <thead> <tr> <th>Year</th> <th>Balance</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>2,144,289</td> </tr> <tr> <td>2016</td> <td>2,646,222</td> </tr> <tr> <td>2017</td> <td>3,242,299</td> </tr> <tr> <td>2018</td> <td>3,227,988</td> </tr> <tr> <td>2019</td> <td>3,816,143</td> </tr> <tr> <td>2020</td> <td>4,718,706</td> </tr> <tr> <td>2021 B</td> <td>4,590,147</td> </tr> </tbody> </table>			Year	Balance	2015	2,144,289	2016	2,646,222	2017	3,242,299	2018	3,227,988	2019	3,816,143	2020	4,718,706	2021 B	4,590,147
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Net	\$374,314	(\$128,559)	\$(502,873)																

LM-47

# SECTIONS FUND

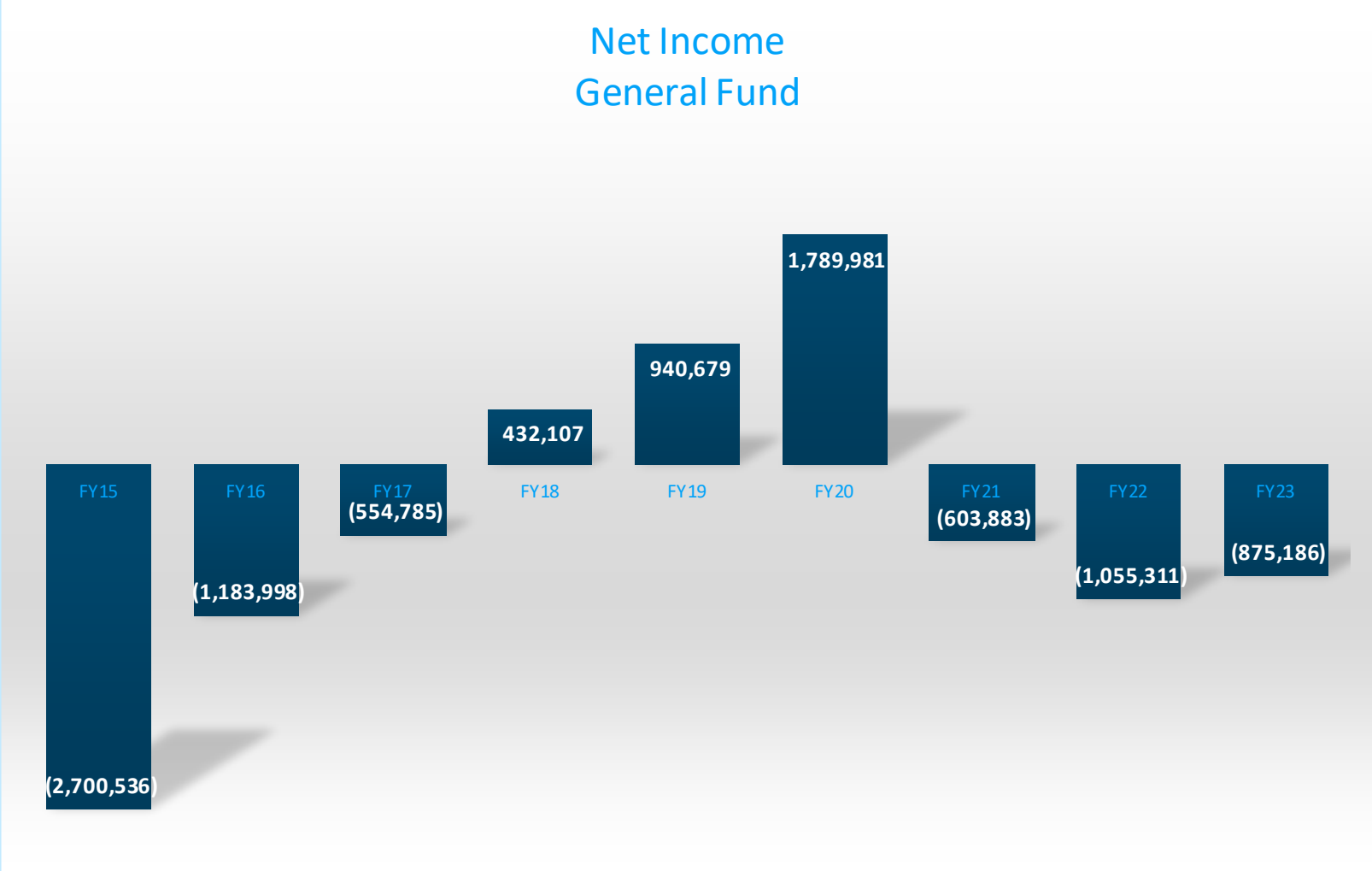
<b>PURPOSE</b>	Collective net income or loss of all 29 WSBA Sections; carried over from year to year																	
<b>REVENUE</b>	Section dues, the section portion of revenue from CLE seminars, interest income earned on section balances, other revenues																	
<b>EXPENSES</b>	Direct expenses for section activities and per member reimbursement (PMC): \$18.23 for FY 2021																	
<b>RESERVES</b>	<p>Sections carry forward the results of their fiscal operations, whether positive or negative. A total negative net balance reflects a draw-down by certain sections of their reserve balances.</p>	<div data-bbox="963 586 2283 1075"> <p style="text-align: center;"><b>Sections Fund Balance 2015 - 2021</b></p> <table border="1" data-bbox="1009 986 2257 1058"> <thead> <tr> <th></th> <th>2015</th> <th>2016</th> <th>2017</th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021 B</th> </tr> </thead> <tbody> <tr> <td>Sections Fund Balance</td> <td>1,229,705</td> <td>1,212,637</td> <td>1,197,727</td> <td>1,160,343</td> <td>1,121,224</td> <td>1,234,552</td> <td>946,368</td> </tr> </tbody> </table> </div>		2015	2016	2017	2018	2019	2020	2021 B	Sections Fund Balance	1,229,705	1,212,637	1,197,727	1,160,343	1,121,224	1,234,552	946,368
	2015	2016	2017	2018	2019	2020	2021 B											
Sections Fund Balance	1,229,705	1,212,637	1,197,727	1,160,343	1,121,224	1,234,552	946,368											
<b>FY21 BUDGET</b>	Revenue   \$ 585,779 Expense   \$ <u>873,963</u> Net       (\$ 288,184)																	



# CAPITAL BUDGET

<b>PURPOSE</b>	Strategic investments to improve member experience when interacting with WSBA, drive operational efficiency, and ensure business continuity and security
<b>FY21 BUDGET AND PROJECTS</b>	<p>Total FY21 Capital Budget = \$535,000 (FY20 was \$575,000)</p> <p>Major projects/purchases in the FY21 Capital Budget include:</p> <ul style="list-style-type: none"><li>• <i>Discipline system enhancements and upgrade*</i></li><li>• <i>Online Admissions Program system upgrade*</i></li><li>• <i>MCLE system enhancements*</i></li><li>• <i>Financial system upgrade*</i></li><li>• <i>Continued hardware upgrades to servers and networking equipment</i></li></ul> <p><i>*Items are carryforward from FY20 Capital Budget</i></p>

# HISTORICAL & FORECAST NET INCOME GENERAL FUND



LM-50

**TO:** WSBA Board of Governors  
**FROM:** Daniel D. Clark, WSBA Treasurer & 4<sup>th</sup> District Governor  
**DATE:** September 12, 2020  
**RE:** 2022 & 2023 WSBA member license fees

---

**ACTION/DISCUSSION:** Recommendation by WSBA Treasurer Dan Clark & WSBA Budget and Audit Committee for adoption of 2022 and 2023 license fee recommendations by Budget & Audit Committee.

The WSBA Budget and Audit Committee met on September 10, 2020 and discussed and ultimately voted to approve recommendations to the Board of Governors for approval of 2022 and 2023 WSBA member license fees. The Committee members voted 7 to 1 to recommend the following WSBA member license fees for 2022 and 2023.

**Active Attorney License Fees:**

Of significant note, if the Board of Governors adopts the recommendations of the Budget and Audit Committee regarding WSBA member license fees, specially, as to active attorneys who are paying the regular active attorney fee license fee, **this will be the first time in the history of the WSBA that without the use of an approved membership referendum process that the WSBA has unilaterally lowered attorney license fees.**

The proposed active attorney license fee for 2022 and 2023 will reduce the current rate of \$458 down to \$448. This is significant because not only would we be lowering member fees without a referendum for the first time in history of this organization, but we would also be lowering the fees to slightly less than a historical rate that they were before the 2012 member Referendum!

Looking at historical active attorney member license fee rates, They have went from a rate of \$315.00 in 2001, to a high of currently of \$458 for 2019-2021. The highest pre-member referendum reduction in 2012 that took effect for 2013 was \$450.00. **The proposed rate will actually be two dollars less than the rates were in 2010-2012!** The post member referendum active Attorney license fees were \$325 from 2013-15, which then escalated to \$385 and then to its current level of \$458.00.

The passage of the \$448 license fee recommendation and 10 dollar reduction represents a good faith compromise by the Budget and Audit Committee to provide a reasonable and modest 2.2 percent license fee reduction to active attorney members and can be absorbed through robust

existing General Fund balances which have been largely accumulated through active attorney license fee surplus revenue over the past few years. This would include this year where we have been incredibly successful as an organization in managing our financial affairs to the tune of slightly over \$900k net profit 10/12 months through the year. This robust net profit can be more than used to not only pay for the license fee reduction over the next two years, but also have other surplus money left over for other important WSBA programs and services.

**LLLT Proposed Fees:**

The 2022 and 2023 proposed license fee rates for LLLT members are directly taken from the LLLT Board’s 2020 Business plan recommendation to the Supreme Court for 2022 and 2023. They are for a proposed increase from 2021’s rate of \$229 to \$240 for 2022 and \$252 for 2023.

**LPO Proposed Fees:**

Given the current rate of robust revenue over expenditures that the LPO license type is generating within its cost center, the Committee recommends keeping the \$200 license fee the same for 2022 and 2023.

**Other License Type Proposed Fees:**

The Committee recommends that rates for inactive, retired, and judicial members remain the same.

**Conclusion:**

My strong recommendation as WSBA Treasurer would be for the Board of Governors to approve these recommended license fees for 2022 and 2023.

The attached license fee proposal and analysis is included herein

<b>Year</b>	<b>License Type</b>	<b>Proposed Amount</b>
<b>2022</b>	<b>Active Attorney Full rate</b>	<b>\$448</b>
<b>2023</b>	<b>Active Attorney</b>	<b>\$448</b>
<b>2022</b>	<b>New Active Attorney*</b>	<b>\$224</b>
<b>2023</b>	<b>New Active Attorney*</b>	<b>\$224</b>
<b>2022</b>	<b>Active LLLT</b>	<b>\$240</b>
<b>2022</b>	<b>Active LLLT New Admitted*</b>	<b>\$120</b>
<b>2023</b>	<b>Active LLLT</b>	<b>\$250</b>
<b>2023</b>	<b>Active LLLT New Admitted*</b>	<b>\$125</b>
<b>2022</b>	<b>Active LPO</b>	<b>\$200</b>
<b>2022</b>	<b>Active LPO New Admitted*</b>	<b>\$100</b>
<b>2023</b>	<b>Active LPO</b>	<b>\$200</b>

<b>2023</b>	<b>Active LPO (Newly* Admitted)</b>	<b>\$100</b>
<b>2022 &amp; 2023</b>	<b>Inactive LLLT or LPO</b>	<b>\$100</b>
<b>2022 &amp; 2023</b>	<b>Inactive/Emeritus Lawyer</b>	<b>\$200</b>
<b>2022 &amp; 2023</b>	<b>Judicial</b>	<b>\$50</b>

\*Note that “new” member rates are established based on the active license fee set by the Board.

All of the different Attorney Rates are listed here as follows for 2022 and 2023 if the 10 dollar license fee reduction is made:

Active	\$448.00
Active 50%	\$224.00
FLC	\$448.00
HC	\$448.00
Inactive	\$200.00
Emeritus	\$200.00
Judicial	\$ 50.00
Pro Hac Vice	\$448.00
New Admittee 25%	\$112.00
New Admittee 50%	\$224.00
New Admittee 100%	\$448.00
Effective/Average	\$394.15

Ultimately if this proposal is implemented it will run between an annual loss in revenue of \$160,560 based on current member counts annually in 2022 and again in 2023 over the next two years, or a collective \$321,120 aggregate. (based on no membership growth).

However, historically WSBA attorney membership has continued to grow and even at a reduced speculative rate in the forecast done by Jorge Perez which is attached, we would be looking at a \$139,134 annual loss each year or a \$278,268 total loss over the two years. Given that WSBA 10 months through the year has almost accumulated a million dollar surplus in FY 20, I believe that some of this surplus could and should be used to pay for this welcomed reduction to the WSBA Attorney membership license fee.

So in conclusion the 10 dollar reduction will likely result in a projected \$139,134 to \$160,560 annual loss to WSBA. This loss can be absorbed fully by our robust reserves over the next two years and potentially beyond.

Based on the above following, I recommend that we approve the 2022 and 2023 license fees as indicated above.

Respectfully,

Dan Clark

WSBA Treasurer/4<sup>th</sup> District Governor

[DanClarkBoG@yahoo.com](mailto:DanClarkBoG@yahoo.com)

(509) 574-1207 (office)

(509) 969-4731 (cell)

# LICENSE FEE ANALYSIS

## FY 2021 Budget V2

	\$458	\$428	\$438	\$448
License Fees	\$458	\$428	\$438	\$448
FY 2020 Fee Revenue	\$16,467,524			
FY 2022 Fee Revenue		\$15,889,839	\$15,909,299	\$16,260,891
FY2023 Fee Revenue		\$15,813,308	\$16,147,196	\$16,353,036
Total 2 Year Revenue	\$31,703,146	\$32,056,495	\$32,613,928	
Avg. Revenue Var to 2020		(\$615,951)	(\$439,277)	(\$160,560)

## FY 2021 Budget V3

	\$458	\$428	\$438	\$448
License Fees	\$458	\$428	\$438	\$448
FY 2021 Fee Revenue	\$16,531,113			
FY 2022 Fee Revenue		\$16,197,689	\$16,455,141	\$16,712,594
FY 2023 Fee Revenue		\$15,944,736	\$16,283,506	\$16,627,901
Total 2 Year Revenue	\$32,142,425	\$32,738,647	\$33,340,495	
Avg. Revenue Var to 2021		(\$459,901)	(\$161,790)	\$139,134

Improvement in average revenue variance driven by the increase in FY 21 Budget vs FY 20 Forecast and increased forecasted members

**FY 2022 – 2023  
LICENSE FEE  
RECOMMENDATION**

BOARD OF GOVERNORS MEETING

September 17<sup>th</sup> 2020





# WSBA LICENSE FEES

# OVERVIEW

- License Fees – Single major source of funding for WSBA programs and operations
  - Supports two thirds of this work
- The court has set 2021 Licensee flat to 2020 at \$458
- We are proposing a License Fee of \$448 for 2022 and 2023
- In 2022 and 2023 the CPF fund contributions will revert to \$25 locking in the permanent \$5 reduction from 2020
- Budget and License Fee modeling examines impact on reserves as well as finances

# LICENSEE FEE ANALYSIS V-2

License Fees	\$458	\$428	\$438	\$448
FY 2020 Fee Revenue	\$ 16,467,524			
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FY2023 Fee Revenue		\$ 15,813,308	\$ 16,147,196	\$ 16,353,036
<b>Total 2 Year Revenue</b>		\$ 31,703,146	\$ 32,056,495	\$ 32,613,928
<b>Avg. Revenue Var to 2020</b>		\$ (615,951)	\$ (439,277)	\$ (160,560)
<b>Revenue Loss over 2 years</b>		\$ (1,231,902)	\$ (878,553)	\$ (321,120)
<b>YOY Rate Impact</b>			\$ 353,349	\$ 557,433

# LICENSE FEE ANALYSIS

## FY 2021 Budget V3

License Fees	\$458	\$428	\$438	\$448
<b>FY 2020 Fee Revenue</b>	\$16,467,524			
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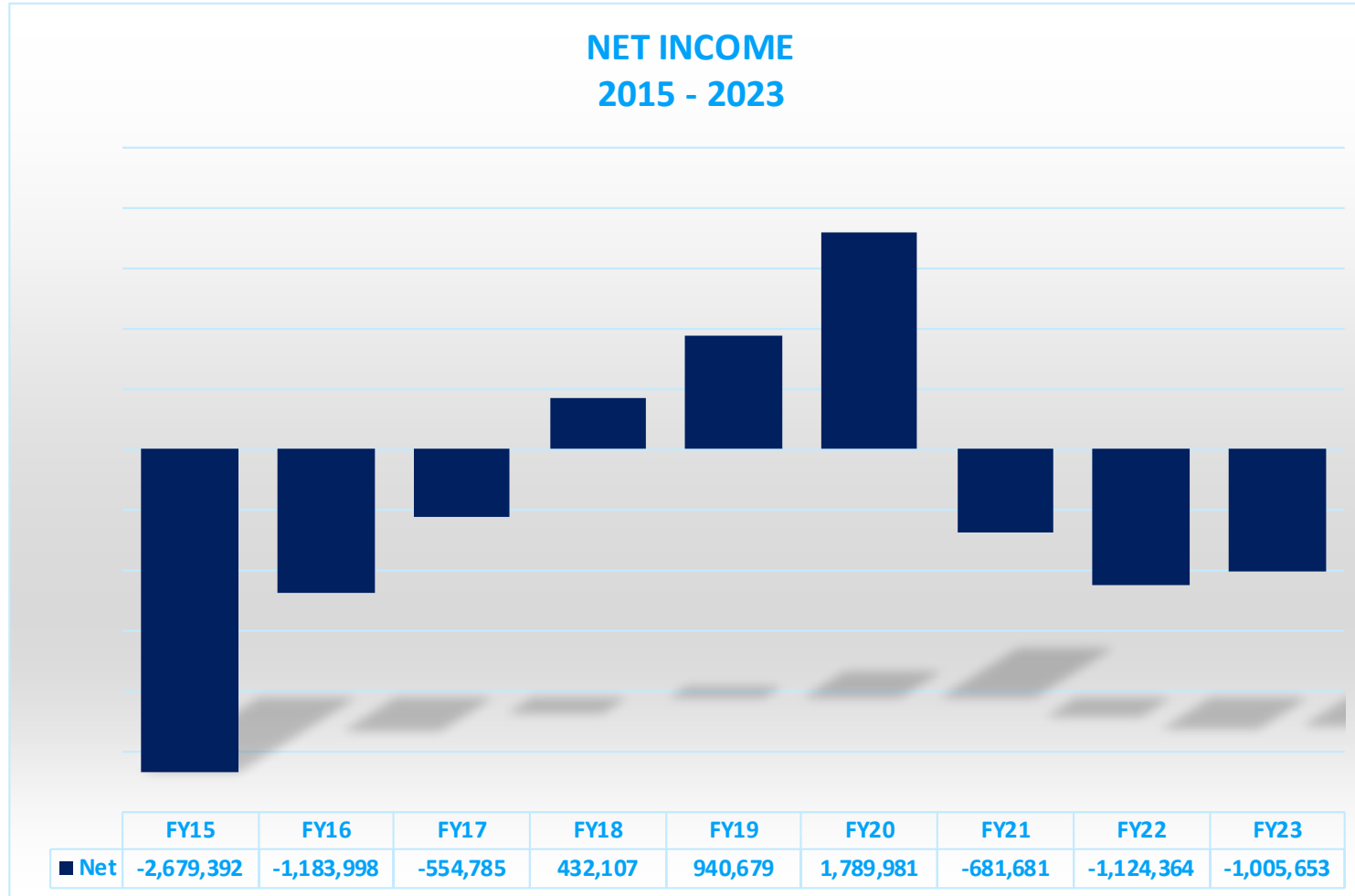
Improvement in average revenue variance driven by the increase in FY 21 Budget vs FY 20 Forecast and increased forecasted members

# PROJECTED GENERAL FUND BALANCES

Accounts	FY2021	FY2022	FY2023
Revenue	\$ 20,603,129	\$ 20,153,280	\$ 20,757,878
Expenses	\$ 20,805,908	\$ 21,277,644	\$ 21,763,532
Net Income	\$ (202,779)	\$ (1,124,364)	\$ (1,005,653)
Fund Balance	\$ 3,464,087	\$ 2,339,723	\$ 1,334,070

- Excludes \$1.5M Operating Reserve
- Reserve is Projected at \$2.8M Total

# HISTORICAL & FORECAST NET INCOME GENERAL FUND





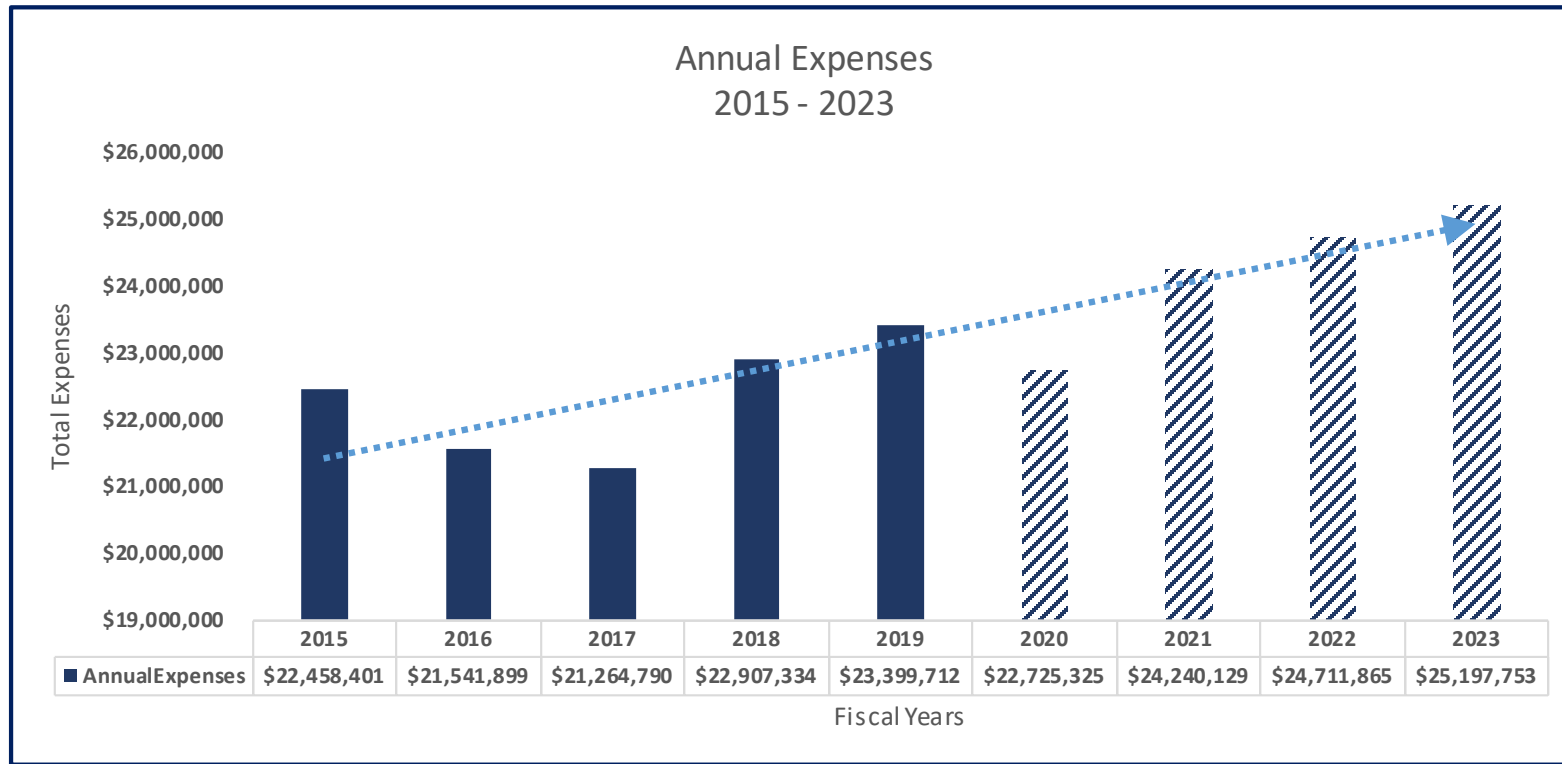
# PROPOSED LICENSE FEES

LICENSE FEE	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
LLLT	\$200.00	\$229.00	\$240.00	\$252.00
LPO	\$200.00	\$200.00	\$200.00	\$200.00

LLT Fees Per LLT Board Business Plan Presentation  
LPO Fees Assumed Flat to 2021



# HISTORICAL AND FORECAST EXPENSES



# WASHINGTON STATE BAR ASSOCIATION

To: Budget and Audit Committee

From: Jorge Perez, Chief Financial Officer

cc: Executive Management Team  
Dan Clark Treasurer

Re: Version 3 FY21 Budget

Date: September 10, 2020

**ACTION: Recommend that Board of Governors approve Version 3 FY21 Budget.**

Attached for your consideration is Version 3 of the FY21 WSBA Budget. Version 2 (Second Pass), which the Board of Governors heard on July 24, included the General Fund, CLE Fund, and the Client Protection Fund (CPF) budgets. This memorandum: (1) provides an overview comparison of Version 2 and Version 3 General Fund, CLE, Client Protection Fund, and Capital Budgets; (2) details changes between Version 2 and Version 3; and (3) presents the FY21 Section Budgets.

## I. CHANGES BETWEEN VERSION 1 AND VERSION 3 BUDGETS

General Fund Budget	Version 2	Version 3	Difference
<b>Beginning Balance</b>	\$2,666,537	\$3,666,866	\$1,000,329
· Revenue	\$20,878,369	\$20,603,129	(\$275,240)
· Expenses	\$21,163,590	\$20,805,908	\$357,682
· Net Income/(Loss)	(\$285,221)	(\$202,779)	\$82,442
· <b>Projected Reserves</b>	\$2,381,316	\$3,464,087	\$1,082,771
CLE Fund Budget	Version 2	Version 3	Difference
<b>Beginning Balance</b>	\$526,285	\$585,851	\$59,566
· Revenue	\$1,840,000	\$1,840,000	\$0
· Expenses	\$1,926,582	\$1,902,159	\$24,423
· Net Income/(Loss)	(\$86,582)	(\$62,159)	\$24,423
· <b>Projected Reserves</b>	\$439,703	\$523,692	\$83,989
Client Protection Fund Budget	Version 2	Version 3	Difference
<b>Beginning Balance</b>	\$3,816,143	\$4,718,706	\$902,563
· Revenue	\$529,540	\$529,540	\$0
· Expenses	\$661,424	\$658,099	\$3,325
· Net Income/(Loss)	(\$131,884)	(\$128,559)	\$3,325
· <b>Projected Reserves</b>	\$3,684,259	\$4,590,147	\$905,888

## **II. CHANGES BETWEEN FIRST AND VERSION 3 BUDGETS**

### **A. GENERAL FUND**

Version 3 assumes revenue of \$20,603,129 (\$275,240 decrease from Version 2), expenses of \$20,805,908 (\$357,682 decrease from Version 2), and a projected net loss of \$202,779 compared to a net loss of 285,221 reflected in Version 2.

Several years ago, the Board established a policy that General Fund reserves should be at least \$2.0 million. Assuming WSBA trends for 2020 continue as planned and meets the FY21 budget presented, we are anticipating that General Fund reserves will be at least \$3.5 million at the end of FY21.

### **B. CLE FUND**

There was one change to the CLE budget. Indirect Expenses went down by \$20,439 driven by reduced medical expenses as the final rates were provided by the WSHCA.

### **C. CLIENT PROTECTION FUND**

There were no changes to the Client Protection Fund outside of the reduction in medical benefits resulting from the final rates provided by WSHCA.

## **III. FY21 SECTION BUDGETS**

The FY21 Section budgets reflect revenue mainly for membership dues, CLE profit sharing, and interest income on fund balances. Expenses vary depending on the Section's work plan for the year. The Per-Member Charge (PMC) needed to cover costs in FY21 is \$18.23 (see *Attachment F*). In August the Committee agreed to keep set the PMC at a rate of \$18.23 for FY21.

## **ATTACHMENTS**

- A. FY21 Version 3 Cost Center Comparative Analysis**
- B. Per Member Charge Memo**



**WSBA BUDGET  
For the Fiscal Year Ended  
September 30, 2021**

**Approved by the Board of Governors  
September 18, 2021**



## **BUDGET NARRATIVE**

### **For the Fiscal Year Ended September 30, 2021**

*The Washington State Bar Association (WSBA) budget is a policy document and management tool that allocates funds to fulfill our regulatory responsibilities to protect the public, and to help members succeed in the practice of law. This narrative describes how WSBA has allocated funds for budgeting and planning purposes. The Executive Director, Treasurer, and Budget and Audit Committee have designated authority to make spending decisions within the approved allocations.*

#### **Fiscal Context**

Each year, the Board of Governors works to build a fiscally responsible budget designed to maintain a high level of regulatory effectiveness and deliver value to our members in a diverse, changing profession. The Board looks closely at current and multi-year projections of revenues, expenses, and reserves; as well as programs, operations, and resources to see what is working and what is not. We do this work understanding there will be variables that will shift during the year as it relates to our assumptions. Fiscal year 2021 has the added uncertainty of the ongoing COVID 19 Pandemic.

License fees are WSBA's main source of funding. From 2019 through 2021, WSBA kept license fees at \$458. Cost cutting measures, operational and program changes, and prudent use of reserves enabled WSBA to maintain the same license fee for the past 3 years. To address the Pandemic and inconsideration to our members we have reduced Client Protection Fund contributions by \$20 dollars, \$15 dollars will be a onetime reduction for Fiscal Year 2021 the remaining \$5 dollars will be kept as a permanent reduction barring an adequate level of the Client Protection Fund itself.

Through focused listening to our members, WSBA successfully increased services, maintained regulatory systems that protect the public, and held the line on administrative costs.

#### **FY21 Budget Highlights**

The FY21 budget assumes expenses of \$24,240,129 million, supported by \$23,558,448 million in revenues, and planned use of up to \$681,681 in reserves. The General Fund impact is (\$202,779), the Section Funds is reduced by design by (\$288,184). The CPF fund and CLE fund are impacted by (\$128,559) and (\$62,159) respectively. The CPF reduction is fully attributable to the \$5 dollar reduction and a onetime \$15.00 dollar reduction in the CPF fee for FY 2021.

Revenues include license fee and non-license fee revenue (such as interest income; Washington State Bar Foundation donations; fees from mandatory CLE, regulatory, and member services; advertising and sponsorships; recovery of discipline costs; and section administrative cost reimbursements).

The FY21 budget advances WSBA's mission to serve the public and the members of the Bar, to ensure the integrity of the legal profession, and to champion justice. It supports programs and services such as the

following, which help assure competent and qualified legal professionals, and promote the role of lawyers in society:

- Over 140 credit hours of free and low cost CLE programs, including the Legal Lunchbox series and New and Young Lawyer education programs
- Free help from our confidential Ethics Line
- Free career consultation, including Job Seekers Group
- Free legal research on Casemaker and Fastcase, including expanded cite-checking ability
- Free mentorship resources
- Member Wellness consultation, programming; and WSBA Connects, a 24/7 confidential, statewide wellness benefit to help address issues related to mental health and addiction, career management, family, caregiving, daily living, health and well-being and more
- Free and discounted practice management resources to help achieve and maintain a successful law practice, including: ABA publications and retirement plans; professional liability insurance; and billing, document management, file sharing, conflict check, cloud practice management, merchant accounting and other business systems
- Public Service training and programs (Moderate Means and Powerful Communities)
- 29 practice sections and numerous WSBA committees, task forces and panels
- Financial accommodations through the WSBA Hardship Option and Payment Plan

In short, the FY21 budget enables WSBA to support members, and to advance and promote: (1) access to the justice system, (2) diversity, equality, and cultural understanding throughout the legal community, (3) the public's understanding of the rule of law and its confidence in the legal system, (4) a fair and impartial judiciary, and (5) the ethics, civility, professionalism, and competence of the Bar.

## WSBA GENERAL FUND

The General Fund consists of 29 cost centers. A net negative means that the cost center is supported by license fee revenues. A net positive means the Cost Center generates enough revenue to support itself.

### ACCESS TO JUSTICE

Revenue	\$ 0
Expense	<u>\$ 262,789</u>
Net	\$ (262,789)

FTE Staff: 1.60

#### *Advancement Department*

WSBA administers the Supreme Court-established Access to Justice Board and most of its initiatives and working committees. This cost center also includes staffing and other support for WSBA's Council on Public Defense. Costs proposed in this budget include support for monthly ATJ Board meetings, two regional visits with members of the public, Alliance and legal community, the biennial Access to Justice Conference, outreach on the updated ATJ Technology Principles, continued membership in the WA Nonprofit Association in furtherance of the ATJ Board's goal to more meaningfully engage with community-based organizations, and statewide organizations centering on the intersection of criminal and civil justice, and developing a community-wide racial justice action plan.

### ADMINISTRATION

Revenue	\$ 100,000
Expense	<u>\$1,085,404</u>
Net	\$ (985,404)

FTE Staff: 6.92

#### *Finance and Administration Department*

Finance and Administration provides organizational support services, including accounting, financial reporting, investments, payroll, facilities maintenance, and general office administration. Revenues consist of interest income on WSBA's cash and investments.

### ADMISSIONS/BAR EXAM

Revenue	\$ 1,134,375
Expense	<u>\$ 1,166,506</u>
Net	\$ (32,131)

FTE Staff: 6.55

#### *Regulatory Services Department*

The Supreme Court has delegated to WSBA administrative responsibility over lawyer admissions. Each year, approximately 1,000 people take the Uniform Bar Exam offered in February and July in the Puget Sound area. In addition, approximately 700 people are admitted through admission by motion or a UBE score transfer. This work unit also investigates character and fitness issues (up to several hundred each year), supports the Character and Fitness Board, and conducts character and fitness hearings (up to 24 each year).

Revenues consist of application fees and royalties received from Exam - Soft (the software program used by applicants during the exam). Expenses relate to staffing and other admission costs, including bar exam expenses, background investigations, Character and Fitness Board and hearings, facilities rental, proctors, and Board of Bar Examiners fees and expenses. Expenses also relate to the staffing and direct costs for administration of all limited licenses, except for LPOs, LLLTs and *pro hac vice*.

### BOARD OF GOVERNORS

Revenue	\$ 0
Expense	<u>\$ 617,037</u>
Net	\$ (617,037)

FTE Staff: 1.75

#### *Office of Executive Director*

This cost center supports the president, the president-elect, the Board of Governors' work and meetings, and Board committees. The budget includes funding for Board meetings, Board committees, and governor travel and outreach (to local, specialty, and minority bar associations, committees, sections, etc.). In FY20, it also continues to earmark support for the Washington Leadership Institute.

**COMMUNICATION STRATEGIES**

Revenue	\$	0
Expense	\$	<u>529,932</u>
Net	\$	(529,932)

FTE Staff: 3.80

*Communications Department*

Communication Strategies is responsible for member, public, and internal communications; branding and reputation management; media and public relations; marketing; special events; and strategic communication tools aimed at improving member and public engagement and outreach (including content strategy for the WSBA website, WSBA’s blog (NW Sidebar), social media channels, and broadcast emails). The Communication Strategies Team works with all WSBA departments to support the communications and marketing of WSBA programs, services, and matters of interest to members and the public.

**DISCIPLINE**

Revenue	\$	97,500
Expense	\$	<u>6,020,854</u>
Net	\$	(5,923,354)

FTE Staff: 37.00

*Office of Disciplinary Counsel*

The Washington Supreme Court’s exclusive responsibility to administer the lawyer, LPO, and LLLT discipline and disability systems is delegated by court rule to WSBA. This function is discharged in part by the lawyers and staff of the Office of Disciplinary Counsel (ODC), which is responsible for investigating allegations of licensee misconduct and disability, prosecuting violations of the Rules of Professional Conduct, and seeking transfers to disability-inactive status for licensees lacking the capacity to practice law. The ODC receives on average more than 1,800 written grievances against lawyers per year. The Intake team identifies and dismisses grievances that do not allege unethical conduct, and forwards well-grounded matters to disciplinary counsel for further investigation and possible disciplinary action, disability proceedings, and in some cases interim suspension proceedings. ODC also has responsibility for investigation and prosecution of ethical misconduct by LPOs and LLLTs upon referral from the corresponding regulatory board. Matters not resolved by stipulation are heard before WSBA hearing officers and in some cases the applicable regulatory board and the Supreme Court. Many matters involving less serious misconduct are diverted from discipline into the Diversion Program. ODC’s intake unit fields a substantial number of calls, letters, and e-mails, primarily from individuals with concerns about their relationship with a lawyer. The intake staff tries to resolve client-lawyer communication issues, file disputes, and some fee disputes informally without the need for recourse to written grievances. In addition to supporting investigative work, ODC auditors review trust account overdraft notices and conduct random examinations of trust account books and records.

Revenues consist largely of recovery of discipline costs and expenses and service fees for providing discipline history summaries. ODC expenses are primarily staff-related. Other expenses include litigation expenses, court reporters, costs and fees for conflicts/outside counsel, disability evaluation costs, online legal research, law library materials, and other administrative expenses.



**DIVERSITY**

Revenue	\$ 135,374
Expense	<u>\$ 352,230</u>
Net	\$ (216,856)

FTE Staff: 2.46

*Advancement Department*

This cost center captures the cost of WSBA's staffing and programming to implement the statewide WSBA Diversity and Inclusion Plan. Activities supported by this cost center include diversity centered research, community networking events held across the state, events to promote inclusion and provide opportunities for mentorship such as the Seattle University Law School ARC Reception, and outreach to and collaboration with Washington's minority bar associations (MBAs). This cost center also supports the WSBA Diversity Committee, development of three diversity-related CLE programs for the Legal Lunchbox and other educational events. The diversity programs are supported by a \$125,000 grant from the Washington State Bar Foundation in FY21.

**FOUNDATION**

Revenue	\$ 0
Expense	<u>\$ 134,526</u>
Net	\$ (134,526)

FTE Staff: 1.00

*Office of Executive Director*

The Washington State Bar Foundation is the fundraising arm of the WSBA. This cost center reflects the staffing, operations, and administrative support WSBA provides to the Foundation in exchange for its fundraising services. The Foundation will contribute \$255,000 in revenue to WSBA's FY 2021 budget to support public service and diversity efforts within the Advancement Department cost centers.

**HUMAN RESOURCES**

Revenue	\$ 0
Expense	<u>\$ 458,623</u>
Net	\$ (458,623)

FTE Staff: 3.00

*Human Resources Department*

The Human Resources Department handles all human resources functions, including recruitment and retention, compensation and benefits administration, employee relations, legal compliance, equal employment opportunity, employee on-boarding, ongoing employee training and development, performance management, and human resources policies and procedures. Expenses reflected here are solely for staffing (salaries, benefits, and overhead). Direct costs located in this cost center are allocated out to all cost centers through "Overhead" in the indirect expense allocation. Direct expenses include payroll processing, staff training, and recruiting costs.

**LAW CLERK PROGRAM**

Revenue	\$ 193,000
Expense	<u>\$ 105,778</u>
Net	\$ 87,222

FTE Staff: 0.90

*Regulatory Services Department*

This cost center captures the revenue and expenses for the Rule 6 Law Clerk Program. Revenues are generated from application and annual fees. Law Clerks pay an annual fee of \$2,000 to participate in the program. Expenses are the costs of administering the Law Clerk program and the expenses incurred by the Law Clerk Board. For FY 2021 we have assumed 2 additional members on the Board with an incremental cost of \$1K over FY 2020.

**LEGISLATIVE**

Revenue	\$ 0
Expense	<u>\$ 159,159</u>
Net	\$(159,159)

FTE Staff: 1.00

*Communications Department*

A full-time legislative lobbyist and legislative assistant work closely with WSBA leadership and sections to formulate positions on legislation, track relevant legislation during session and provide technical advice to the Legislature. Expenses also include the cost of office space in Olympia during session as well as legislative outreach.

**LICENSING/MEMBERSHIP  
RECORDS**

Revenue	\$ 336,450
Expense	<u>\$ 605,700</u>
Net	\$ (269,250)

FTE Staff: 3.80

*Regulatory Services Department*

This category includes all activities associated with the collection of annual license fees; processing changes to a member’s information on record with the WSBA; providing mailing and emailing lists for internal and external requesters consistent with WSBA policy, bylaws, and the Admission and Practice Rules; and maintaining the membership records database.

Revenues are generated from application fees for *pro hac vice*, as well as sales of member contact information, member status certificates, investigation fees for status changes, and revenue for photo bar cards. Expenses are primarily printing and postage costs for the annual license packets, and the costs of administering the *pro hac vice* programs, the license renewal process and all status changes.

**LIMITED LICENSE LEGAL  
TECHNICIAN**

Revenue	\$ 23,267
Expense	<u>\$ 124,048</u>
Net	\$ (100,781)

FTE Staff: 1.00

*Regulatory Services Department*

This program administers and regulates the Limited License Legal Technician (LLLT) program (APR 28). This rule was adopted in 2012, and administration of this function was delegated by the Supreme Court to WSBA. In a letter dated June 4, 2020 the Supreme Court decided to sunset the LLLT program in July 2021. The Court then issued a subsequent order allowing candidates who have met all other requirements by July 31, 2021 until July 31, 2022 to obtain the required substantive law-related experience. Revenues consist of fees for exams, licensing, and waivers. Expenses include the costs of administering the exam, Board expenses and staffing the program.

**LIMITED PRACTICE  
OFFICERS**

Revenue	\$ 195,300
Expense	<u>\$ 78,015</u>
Net	\$ 117,285

FTE Staff: 0.50

*Regulatory Services Department*

This program administers and regulates the Limited Practice Officer (LPO) licensing program (APR 12), which the Supreme Court delegated to the WSBA in 2002.

Revenues are received from annual license fees, twice-yearly examination fees, and MCLE late fees. Expenses are the costs of administering the program, which is generally self-supporting, as well as expenses to support the Limited Practice (LP) Board, which oversees the program.

**MANDATORY CONTINUED  
LEGAL EDUCATION**

Revenue	\$ 767,950
Expense	<u>\$ 621,839</u>
Net	\$ 146,111

FTE Staff: 3.80

*Regulatory Services Department*

MCLE administration is a core regulatory function of the WSBA. The MCLE team processes requests for accreditation of CLE programs, and tracks WSBA member earned credits and the CLE certifications and requirements of individual members to ascertain whether they have completed the minimum continuing education requirements of APR 11. Every year, approximately one-third of the active WSBA members are required to report their MCLE credits.

Revenues are received from sponsors to accredit courses and to track attendance. Revenues are also received from members and sponsors who pay late fees assessed because they missed reporting or other deadlines. The Court’s extension of the 2018-2020 reporting period by one year means that members will not report this year and therefore will not be late and will not pay late fees which reduces revenue this year by approximately \$180,000. Expenses are the costs of

administering MCLE accreditation and compliance tracking, as well as expenses to support the MCLE Board, which oversees the program.

**MEMBERS WELLNESS PROGRAM**

Revenue	\$ 8,000
Expense	<u>\$ 92,913</u>
Net	\$ (84,913)

FTE Staff: 0.50

*Human Resources Department*

The Member Wellness Program is a confidential (APR 19) program whose goal is to help lawyers prevent and/or address psychological, emotional, addiction, family, health, stress, and other personal problems and provide education and services to foster member well-being. Services include assessment, short-term consultation, group services (e.g. For Job Seekers) and referral, follow-up, and training. MWP administers all Diversion Program respondent evaluations, and handles evaluation interviews, written reports, monitoring, and consultations with other treating professionals and ODC staff. MWP also provides judicial officer referrals for clinical service through the Judicial Assistance Services Program (JASP).

Additionally, LAP makes assistance available to all WSBA members through a community partner, KEPRO, whose licensed professionals are available 24/7 to assess, treat, and refer impaired lawyers. This program, known as WSBA Connects, provides members access to a suite of work/life integration services including financial counseling, family caregiver referral, and online resources and information to address a wide range of personal and work issues. Extended resources include a free, statewide MWP-trained peer advisor network, self-care website resources, and free or low cost work and wellness educational programming. Revenues come from Diversion Program fees; expenses are principally staff-related costs.

**MEMBER SERVICES AND ENGAGEMENT**

Revenue	\$ 154,250
Expense	<u>\$ 539,733</u>
Net	\$ (385,483)

FTE Staff: 4.13

*Advancement Department*

Member Services and Engagement coordinates and executes a range of projects, initiatives and programs that focus on mentorship, new members, and practice management. These activities are designed to support member competence, professionalism and strengthen community. In FY19 this cost center will support the direct and indirect costs of: (1) developing a 24-credit Practice Primer Track, the annual Trial Advocacy Program, and a free financial/debt management seminar; (2) supporting 1 Open Sections Night, Mentor Link Mixers, the Young Lawyer Liaison Program (to Sections), 4 Public Service Incentive Awards (free CLEs), the Law School WSBA Representatives Program, the WSBA mentorship curriculum, ALPS Attorney Match, and mentorship programs offered by our community partners across the state; (3) supporting those in solo and small-firm practice and those going through practice transitions by continuing to offer free telephone consultations, maintaining a Lending Library, referrals to external consultant, offering discounts to practice management vendors, and promoting WSBA online guides; (4) supporting the Washington Young Lawyers Committee and the ABA YLD District Representative; (5) promoting the WSBA Health Insurance Exchange.

FY20 revenue includes rebates received for WSBA's Practice Management Discount Network, (products made available to WSBA members at a discount), CLE registration for live seminars, and sales of

on-demand recorded products; (6) this cost center also supports the development of approximately 70 credit hours of Section 'Mini CLEs' provided at low or no cost to members in FY21.

**MEMBERSHIP BENEFITS**

Revenue	\$ 28,000
Expense	<u>\$ 323,286</u>
Net	\$ (295,286)

FTE Staff: 1.16

*Advancement Department*

This cost center includes costs associated with programs benefiting WSBA’s membership as a part of their annual license fee: (1) Casemaker and Fastcase, two free legal research tools; (2) Legal Lunch Box Series, a free monthly CLEs with attendance in excess of 20,000 in FY18; and (3) WSBA Connects, a confidential 24/7 member assistance program operated by Kepro, our community partner. The cost center also includes the revenue for sponsorship and online sales associated with the Legal Lunchbox Series.

**BAR NEWS**

Revenue	\$ 468,350
Expense	<u>\$ 795,164</u>
Net	\$ (326,814)

FTE Staff: 2.83

*Communications Department*

*Washington State Bar News* is the official publication of the WSBA and serves as the primary method of print communications that is received by all WSBA members and is available to inactive and emeritus members on request. A digital online version is also available. The Editorial Advisory Committee provides oversight and guidance as needed. Authors are volunteers and are not paid for their contributions. Editing and production of *Bar News* is administered by the staff in the Communications Department.

*Bar News* revenues are received from sales of advertisements (display ads, classified ads, professional ads, and announcements) and subscriptions. Expenses include outside sales management, printing, mailing services, postage, and some artwork. All design and layout, as well as much of the photography and artwork, are performed in-house.

**OFFICE OF THE EXECUTIVE DIRECTOR**

Revenue	\$ 0
Expense	<u>\$ 715,909</u>
Net	\$ (715,909)

FTE Staff: 3.00

*Office of the Executive Director*

The budget includes funding for ED travel for outreach to local, specialty, and minority bar associations, committees, sections, etc., and for ABA delegates. Also included are staff-related expenses. In FY21, it also continues to earmark support for the Washington Leadership Institute.

**OFFICE OF GENERAL COUNSEL**

Revenue	\$ 0
Expense	<u>\$ 971,131</u>
Net	\$ (971,131)

FTE Staff: 6.38

*Office of General Counsel*

The Office of General Counsel serves as counsel to WSBA, including the Executive Director and the Board of Governors. This office handles or oversees litigation against WSBA, interprets WSBA Bylaws, and provides information and advice other legal issues. It also handles public records requests, custodianship matters, the Professional Responsibility Program, the Lawyers Fund for Client Protection applications, investigation, and processing, and training, procedural advice, and logistical support for the Disciplinary Board, Chief Hearing Officer, Hearing Officers and Conflicts Review Officers. This office also coordinates contracting with and appointment of outside counsel representing allegedly incapacitated respondents in the lawyer discipline and incapacity system. Staff in this office also supports various boards, committees, task forces, and workgroups, including the

Court Rules Committee, Discipline Advisory Round Table, Discipline Selection Panel, Practice of Law Board, and Committee on Professional Ethics. Expenses are primarily staff-related.

**OFFICE OF GENERAL COUNSEL  
- DISCIPLINARY BOARD**

Revenue	\$	0
Expense	\$	<u>256,294</u>
Net	\$	(256,294)

FTE Staff: 1.30

*Office of General Counsel*

One assistant general counsel devotes approximately half of their time to this function, assisted by the Clerk to the Disciplinary Board, who handles the filing for disciplinary matters. Expenses include support of the Disciplinary Board as well as staffing.

**OUTREACH AND  
ENGAGEMENT**

Revenue	\$	0
Expense	\$	<u>289,235</u>
Net	\$	(289,235)

FTE Staff: 2.00

*Communications Department*

The Outreach and Engagement Division advances strategic bar initiatives by developing, supporting, and overseeing activities that build relationships with the general public; legal professionals; local, county, and specialty bars; policymakers/influencers, and other stakeholders. Outreach work aims to enhance volunteer recruitment, raise awareness and understanding of WSBA programs and priorities, create a sustainable stakeholder network, and leverage Board and staff as brand ambassadors and champions to influence their networks outside of WSBA.

**PRACTICE OF LAW BOARD**

Revenue	\$	0
Expense	\$	<u>45,875</u>
Net	\$	(45,875)

FTE Staff: 0.15

*Office of General Counsel*

The Practice of Law Board is established by Supreme Court rule and administered by the WSBA to assist in educating the public about authorized practice; make recommendations to the Supreme Court regarding the definition of the practice of law and ways that others besides lawyers can assist members of the public who are in need of legal services; and review and refer allegations of the unauthorized practice of law (UPL).

**PROFESSIONAL  
RESPONSIBILITY PROGRAM**

Revenue	\$	0
Expense	\$	<u>283,834</u>
Net	\$	(283,834)

FTE Staff: 1.69

*Office of General Counsel*

This program includes the Ethics Line, a resource for members to get assistance with ethics questions before they have taken action (approximately 40-50 calls each week); support for the Committee on Professional Ethics; statewide educational ethics presentations, and assistance and advice on ethics issues in publications and other Bar programming.

**PUBLIC SERVICE PROGRAMS**

Revenue	\$	130,200
Expense	\$	<u>396,414</u>
Net	\$	(266,214)

FTE Staff: 1.00

*Advancement Department*

Public Service Programs includes staffing and support for the WSBA Moderate Means Program, the Powerful Communities Project, the Pro Bono and Public Service Committee, and other activities to promote pro bono and public service like an improved pro bono portal for members to more easily find opportunities and to inspire more members through improved pro bono recognition. Much of this support is provided in the form of grant funding to the partners through the Powerful Communities Project and the Moderate Means Program. Public Service Programs will continue to be supported by a grant of \$130,000 from the Washington State Bar Foundation.

**PUBLICATION AND DESIGN SERVICES**

Revenue	\$	0
Expense	\$	<u>104,573</u>
Net	\$	(104,573)

FTE Staff: 0.87

*Communications Department*

Publication and Design Services is responsible for: (1) editing and oversight of WSBA publications (including but not limited to Deskbooks, Sections publications, and Bar News); (2) graphic design for WSBA projects, programs, events, and CLE marketing; and (3) shared oversight of, and set up of products on, the WSBA online store.

**SECTIONS ADMINISTRATION**

Revenue	\$	300,000
Expense	\$	<u>298,790</u>
Net	\$	1,210

FTE Staff: 2.68

*Advancement Department*

The WSBA has 29 practice sections and provides the administrative functions necessary to support them. All expenses within this cost center comprise the Section Per Member Charge (PMC). Sections reimburse WSBA for the cost of supporting sections through a charge of \$18.75 per member (shown as revenue in this cost center and as an expense on each section's financial statement). Expenses are the costs associated with the preparation and mailing of the annual section dues invoices, the collection of section dues, and staff-related expenses.

**TECHNOLOGY**

Revenue	\$	0
Expense	\$	<u>1,659,474</u>
Net	\$	(1,659,474)

FTE Staff: 12.00

*Information Technology Department*

This category includes the resources devoted to developing and maintaining WSBA's technology infrastructure and business applications.

Expenses reflected here are solely for staffing (salaries, benefits, and overhead). Direct costs located in this cost center are allocated out to all cost centers through "Overhead" in the indirect expense allocation. The direct expenses are for hardware, software, and the ongoing maintenance necessary to support the WSBA's technology needs, data security and management, and disaster recovery work. Falling into these categories are application and database servers, network devices, switches and cabling equipment, workstations (desktops and laptops), printers, fax machines, telecommunications (phone switch and phone sets), and software. Software includes Microsoft Office products as well as other business applications (e.g., membership database, MCLE tracking system, Online Admissions software, Limited Practice Officer software, case management software, website management software, desktop publishing and graphics software, and accounting software). Not included in this cost center are any COVID-19 related technology expenses.

**SERVICE CENTER**

Revenue	\$	0
Expense	\$	<u>745,843</u>
Net	\$	(745,843)

FTE Staff: 6.71

*Communications Department*

The Service Center is responsible for meeting facilities, mail and print services, and reception duties on WSBA's public floor. The Service Center also responds to general calls and emails to WSBA. In a typical year, the Service Center might support more than 1,500 on-site meetings and events and handle more than 45,000 communications with members and the public. The Service Center also manages internal operations for WSBA such as ordering supplies, overseeing vending for common staff areas, and implementing security protocols.

**RSD FTE**

Revenue	\$	0
Expense	\$	<u>506,486</u>
Net	\$	(506,486)

FTE Staff: 2.70

*Regulatory Services Department*

This category includes the management FTE expense related to Regulatory Services that cannot be categorized into any other cost center.

**Comm FTE**

Revenue	\$	0
Expense	\$	<u>222,622</u>
Net	\$	(222,622)

FTE Staff: 1.00

*Communications Department*

This category includes the management FTE expense related to Communications that cannot be categorized into any other cost center.

**ADV FTE**

Revenue	\$	0
Expense	\$	<u>235,893</u>
Net	\$	(235,893)

FTE Staff: 1.15

*Advancement Department*

This category includes the management FTE expense related to Advancement that cannot be categorized into any other cost center.

## CLE FUND

**The CLE Fund is a board-designated operating reserve, consisting of net income from CLE activities, to cover net loss and extraordinary costs of CLE programs, products and/or capital acquisitions as needed.**

### **CLE Seminars -Products**

Revenue	\$ 1,682,000
Expense	<u>\$ 1,575,010</u>
Net	\$ 106,990

FTE Staff: 8.42

### *Advancement Department*

The CLE cost center includes revenues and costs associated with CLE live seminars and on-demand seminars. Revenues include live seminar registrations, sponsorships, online sales of course books, and sales of on-demand CLE seminars (both video and audio).

Consistent with revenues, expenses reflect the cost of production of seminars and products. Beginning in FY19 the fiscal policy for sharing CLE revenue with Sections changed. Under the new policy, Sections and WSBA CLE will split live and on-demand seminar revenue after actual direct and indirect costs have been recouped. This policy shift will increase the overall splits to Sections as compared to the former policy which was based on live revenue only.

In FY17, Deskbooks were included in this cost center; they are now accounted for separately in the Deskbooks cost center.

Vulnerabilities associated with assumptions built into the CLE budget for FY21 include:

1. Unknown impacts of COVID-19 on in-person programming. We are assuming no impacts to midyear programming and offsite events in the calendar year of FY21. If this changes we will perform a reforecast of the CLE cost center in FY21.
2. Impacts of the MCLE extension provided to attorneys reporting CLE credits in FY20. This could reduce CLE registration and on-demand revenues.
3. Impact of COVID-19 on volunteer engagement. CLE relies on volunteer faculty to teach programs. The extent that COVID-19 could reduce volunteer engagement in FY21 is unknown

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### **Deskbooks**

Revenue	\$ 158,000
Expense	<u>\$ 327,149</u>
Net	\$ (169,149)

FTE Staff: 1.52

### *Communications Department*

WSBA publishes a library of 18 Deskbook titles in substantive areas of Washington law such as family law and real property, as well as civil procedure and ethics; these Deskbooks are intensively researched and edited authoritative treatises that have been cited in over 250 Washington state and federal appellate court opinions. Included in the CLE cost center in FY21, this cost center includes revenues and expenses related to the development, publication, and sale of WSBA Deskbooks. Deskbook authors and editors are volunteers who are not paid for their contributions. Revenues are received from sales of Deskbooks (in print and online). Expenses include contract services for cite-checking, copyediting, creation of tables of authorities, indexing, and desktop publishing, as well as the costs of printing and binding.



## SECTIONS FUND

The Sections Fund is a board-designated fund created in 1994, which consists of the collective net income/loss of all 28 WSBA Sections that is carried over from year to year.

### SECTIONS OPERATIONS

Revenue	\$ 585,779
Expense	<u>\$ 873,963</u>
Net	\$ (288,184)

FTE Staff: 0.00

Sections carry forward the results of their fiscal operations, whether positive or negative. The negative net balance this fiscal year reflects a planned draw-down by certain sections of their reserve balances.

Revenues include section dues, the section portion of revenue from CLE seminars, interest income earned on their section balances, and other revenues. Expenses represent the direct expenses for section activities and reimbursement to the general fund.

## CLIENT PROTECTION FUND

This legally restricted fund was created in 1995 by the Washington Supreme Court and WSBA.

### CLIENT PROTECTION FUND

Revenue	\$ 529,540
Expense	<u>\$ 658,099</u>
Net	\$ (128,559)

FTE Staff: 1.23

#### *Office of General Counsel*

The Client Protection Fund (CPF) compensates persons who are the victims of the dishonest taking of, or failure to account for, client funds or property by a lawyer. It does not cover malpractice claims or fee disputes. All payments are discretionary and must be approved by the Client Protection Board or, in the case of payments over \$25,000, by the Board of Governors, who serves as the trustee of the Fund. The CPF is funded by a mandatory annual assessment of \$25 per active member and *pro hac vice admissions*. However a onetime reduction of \$15.00 for COVID- 19 relief was recommended to the Court in FY 2021 resulting in a net mandatory assessment of \$10.00 for this fiscal year.

## INDIRECT EXPENSES

Revenue	\$ 0
Expense	<u>\$ 19,457,169</u>
Net	\$(19,457,169)

The Indirect Expenses cost center includes amounts budgeted for staff salaries, benefits, and overhead. Salary expenses are allocated to cost centers based on the actual salaries of employees working in those cost centers. Benefits are allocated to cost centers based on a percentage of salaries (for example, if one cost center has 10% of the WSBA's salary expense, it will be allocated 10% of benefits expense).

This cost center also details overhead expenses such as rent, telephone, insurance, professional fees, office supplies, postage, maintenance, human resources, technology direct expenses, and other expenses that benefit WSBA as a whole. These expenses are allocated to each cost center based on the number of FTEs (full-time equivalents) in that cost center and are reflected on the line "Overhead" in each cost center budget.

Salaries: The budget for staff salaries has decreased \$4560 from FY 2020 Approved Reforecast, compared to the 2020 Budget the

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improvement is \$421,786 or 3.54%. Planned salaries include a general salary increase of 3%.

Allowance for Open Positions for FY 2021: The budget includes a \$200,000 reduction of the overall salary budget to account for salary expense savings due to staffing vacancies throughout the year.

Benefits: WSBA employees participate in the State medical and retirement programs, thus rates for these benefits are set by the state of Washington.

Rent: Rent expense for FY 2021 is \$1,951,000 for the WSBA offices at Puget Sound Plaza with expected increases in operating expenses of approximately \$65,000.

Depreciation: This expense consists of: capital items (items that cost +\$2,500 with an estimated useful life of more than one year) including tenant improvements at WSBA's office space at Puget Sound Plaza; new copiers; and computer hardware. The budget reflects a reduction of \$161,312 (28.3%) in these costs due to the completion of depreciation for furniture and office equipment and computer hardware that has completed its useful life.

Insurance: The WSBA's cost of insurance has increased by 8% to \$195,300. An additional \$12,000 in additional premiums for earthquake insurance are in addition to the \$195,300 for FY 2021. There are no coverage changes from FY 2020.

Other Expenses: There is a 3.2% change in the cost of remaining items in the indirect cost center, which include telephone, office supplies, postage, production maintenance, professional fees-audit, etc. However the entirety of the increase is attributable to Legal Fees, an increase of \$150K vs FY 2020.

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>WSBA</b>					
<b>REVENUE:</b>					
Copy Fees				4	(4)
Diversion	8,000	6,750	1,250	6,750	1,250
Donations & Grants	255,000	250,000	5,000	265,000	(10,000)
Interest - Investments	101,470	102,320	(850)	102,320	(850)
License Fees	15,422,744	16,200,000	(777,256)	16,317,618	(894,874)
License Fees - New Admittees	478,899		478,899		478,899
License Fees - Late Fees	629,470		629,470		629,470
Exam Soft Revenue	31,500	35,000	(3,500)	33,000	(1,500)
Publications Revenue	6,000	10,000	(4,000)	10,000	(4,000)
Royalties	50,750	42,500	8,250	50,466	284
PSP Product Sales	200	1,000	(800)	200	-
NMP Product Sales	80,000	70,000	10,000	80,000	-
Shipping & Handling	4,000	3,500	500	4,000	-
Status Certificate Fees	26,300	22,000	4,300	25,000	1,300
Sponsorships	9,000	9,800	(800)	9,000	-
Annual or Other Meeting Rev	4,200	4,200	-	4,200	-
Receptions Revenue	250	500	(250)	500	(250)
Conferences & Institutes	5,000	5,000	-	5,000	-
Seminar Registrations	841,750	889,655	(47,905)	894,673	(52,923)
Mini-CLE Revenue	31,050	36,400	(5,350)	36,400	(5,350)
Seminar Revenue-Other	28,000	29,000	(1,000)	29,000	(1,000)
Seminar Splits w/CLE	81,064	73,119	7,945	73,119	7,945
Seminar Splits w/Others	17,300	21,000	(3,700)	21,000	(3,700)
Work Study Grants	10,374	14,574	(4,200)	5,187	5,187
Bar Exam Fees	1,019,035	1,300,000	(280,965)	1,300,000	(280,965)
Bar Exam Late Fees	34,200		34,200		34,200
House Counsel Application Fees	30,000	60,000	(30,000)	37,200	(7,200)
Rule 9/Legal intern Fees	12,000	12,000	-	13,350	(1,350)
Law Clerk Fees	190,000	172,000	18,000	191,362	(1,362)
LLLT Exam Late Fee	600		600		600
LLLT License Fees	10,905	7,250	3,655	5,736	5,169
LLLT Exam Fees	9,000	4,500	4,500	6,280	2,720
Foreign Law Consultant Fees	620		620		620
Law Clerk Application Fees	3,000	2,700	300	3,200	(200)
Special Admissions	7,020		7,020		7,020
Investigation Fees	25,300	24,000	1,300	25,300	-
Pro Hac Vice	274,800	270,000	4,800	290,000	(15,200)
LLLT Late License Fees	412	300	112	300	112
Audit Revenue	2,500	2,500	-	2,500	-
BNews Display Advertising	300,000	297,500	2,500	423,500	(123,500)
BNews Subscript/Single Issues	350	350	-	350	-
BNews Classified Advertising	11,500	12,500	(1,000)	12,500	(1,000)
BNews Gen Announcements	15,000	17,500	(2,500)	20,000	(5,000)
BNews Prof Announcements	20,000	21,000	(1,000)	25,000	(5,000)
Job Target Advertising	120,000	112,500	7,500	120,000	-
Deskbook Sales	100,000	100,000	-	110,000	(10,000)
Coursebook Sales	8,000	9,000	(1,000)	9,000	(1,000)
MP3 Sales	195,000		195,000		195,000
Digital Video Sales	625,000		625,000		625,000
Section Publication Sales	5,000	3,000	2,000	3,000	2,000
Casemaker Royalties	50,000	60,000	(10,000)	60,000	(10,000)

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
Internet Sales	19,000	937,000	(918,000)	897,750	(878,750)
WSBA Logo Merchandise Sales	-	-	-	343	(343)
Recovery of Discipline Costs	80,000	90,000	(10,000)	90,000	(10,000)
Discipline History Summary	15,000	14,000	1,000	14,000	1,000
Practice Monitor Fees	-	4,000	(4,000)	-	-
LLLT Waiver Fees	300	300	-	150	150
CPF Restitution	4,000	3,000	1,000	4,000	-
CPF Member Assessments	515,540	1,000,000	(484,460)	1,000,000	(484,460)
Interest Revenue	10,000	20,000	(10,000)	20,000	(10,000)
Member Contact Information	11,000	10,000	1,000	11,000	-
Photo Bar Card Sales	350	300	50	350	-
LPO Examination Fees	16,000	26,000	(10,000)	26,800	(10,800)
LPO Exam Late Fee	2,400	-	2,400	-	2,400
LPO License Fees	171,400	173,900	(2,500)	172,517	(1,117)
LPO Late License Fees	4,500	4,590	(90)	3,088	1,412
Accredited Program Fees	480,000	540,000	(60,000)	516,700	(36,700)
Form 1 Late Fee	150,000	150,000	-	170,000	(20,000)
Member Late Fees	2,700	203,000	(200,300)	192,950	(190,250)
Annual Accredited Sponsor Fees	42,250	43,000	(750)	41,750	500
Attendance Late Fees	80,000	85,000	(5,000)	90,000	(10,000)
COMITY Certificates - Request	13,000	13,000	-	13,000	-
COMITY Certificates - Submit	-	16,000	(16,000)	16,000	(16,000)
Trial Advocacy Program	10,000	10,000	-	10,000	-
APEX Dinner	-	40,000	(40,000)	2,250	(2,250)
50 Year Member Tribute Lunch	-	-	-	300	(300)
Reimbursements From Sections	300,000	300,000	-	300,000	-
Section Dues Revenue	439,445	454,005	(14,560)	454,005	(14,560)
<b>TOTAL REVENUE</b>	<b>23,558,448</b>	<b>24,452,013</b>	<b>(893,565)</b>	<b>24,677,966</b>	<b>(1,119,518)</b>
<b>DIRECT EXPENSES:</b>					
Bad Debt Expense	1,500	2,700	(1,200)	2,700	(1,200)
Depreciation	2,819	302,206	(299,387)	275,306	(272,487)
Bank Fees	1,000	1,000	-	1,000	0
Consulting Services	161,500	168,000	(6,500)	193,000	(31,500)
Donations/Sponsorships/Grants	233,193	221,777	11,416	205,688	27,505
Equipment, Hardware & Software	300	330	(30)	330	(30)
Postage	115,600	113,500	2,100	118,590	(2,990)
Printing & Copying	251,200	251,300	(100)	251,100	100
Publications Production	250	450	(200)	450	(200)
YLL Section Program	1,500	1,100	400	1,100	400
Records Storage - Off Site	8,100	8,100	-	8,100	-
CLE Comps	1,000	1,000	-	1,000	-
Staff Travel/Parking	103,481	98,600	4,881	96,200	7,281
Covid19	-	-	-	25,000	(25,000)
Staff Membership Dues	15,826	17,956	(2,130)	18,917	(3,091)
Subscriptions	10,102	15,684	(5,582)	8,846	1,256
Transcription Services	1,500	1,500	-	1,500	-
Supplies	2,400	5,050	(2,650)	4,550	(2,150)
Digital/Online Development	11,800	13,450	(1,650)	14,650	(2,850)
Telephone	25,200	27,625	(2,425)	27,174	(1,974)
Conference Calls	10,447	7,425	3,022	7,484	2,963
Miscellaneous	5,500	300	5,200	300	5,200
Pro Bono& Legal Aid Committee	2,500	2,000	500	2,000	500
ATJ Board Retreat	2,000	2,000	-	2,000	-
Leadership Training	52,000	2,000	50,000	2,000	50,000
ATJ Board Expense	18,000	24,000	(6,000)	24,000	(6,000)
Day of Service	27,000	25,000	2,000	30,500	(3,500)
Facility, Parking, Food	64,800	91,550	(26,750)	85,024	(20,224)

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
Examiner Fees	20,000	35,000	(15,000)	26,000	(6,000)
UBE Examinations	115,900	135,000	(19,100)	120,000	(4,100)
Board of Bar Examiners	6,000	30,000	(24,000)	28,500	(22,500)
Bar Exam Proctors	27,000	31,000	(4,000)	30,000	(3,000)
Character & Fitness Board Exp	12,000	20,000	(8,000)	15,000	(3,000)
Disability AccommodationS	10,000	20,000	(10,000)	17,250	(7,250)
Character & Fitness Investi	400	1,000	(600)	600	(200)
Law School Visits	920	1,600	(680)	1,600	(680)
Law Clerk Board	7,000	10,000	(3,000)	6,000	1,000
Law Clerk Outreach	3,000	6,500	(3,500)	6,000	(3,000)
Depreciation-Software	22,778		22,778		22,778
ABA Delegates	10,600	5,600	5,000	5,000	5,600
Section/Committee Chair Mtgs	2,100	1,600	500	1,600	500
APEX Dinner Expenses	25,000	70,000	(45,000)	23,000	2,000
50 Year Member Tribute Lunch	10,708	8,000	2,708	10,708	0
Washington Leadership Institute	80,000	100,000	(20,000)	100,000	(20,000)
Volunteer Support	11,000				
Jud Recommend Committee	4,500	4,500	-	2,000	2,500
Committee for Diversity	4,900	6,000	(1,100)	6,000	(1,100)
Diversity Events & Projects	17,250	15,750	1,500	15,250	2,000
LLLT Board	7,000	18,000	(11,000)	14,000	(7,000)
LLLT Outreach	1,000	3,000	(2,000)	4,000	(3,000)
Internal Diversity Outreach	-	200	(200)	200	(200)
Exam Writing	9,750	28,356	(18,606)	20,500	(10,750)
LLLT Education	-	5,650	(5,650)	2,500	(2,500)
Graphics/Artwork	1,500	3,500	(2,000)	2,000	(500)
Outside Sales Expense	90,000		90,000	118,500	(28,500)
Editorial Advis Committee Exp	800	800	-	800	-
BOG Meetings	210,500	210,500	-	210,500	-
BOG Committees' Expenses	30,000	30,000	-	30,000	-
BOG Retreat	15,000	15,000	-	15,000	-
BOG Conference Attendance	44,000	44,000	-	44,000	-
BOG Travel & Outreach	35,000	35,000	-	30,000	5,000
ED Travel & Outreach	5,000	5,000	-	5,000	-
Public Defense	4,400	7,000	(2,600)	7,000	(2,600)
Communications Outreach	25,000	15,000	10,000	34,000	(9,000)
BOG Elections	12,001	6,500	5,501	6,500	5,501
Special Events	5,000	5,000	-	5,000	-
Board of Trustees	2,000	3,000	(1,000)	2,000	-
President's Dinner	10,000		10,000		10,000
Cost of Sales - Deskbooks	56,880	60,000	(3,120)	75,000	(18,120)
Cost of Sales - Coursebooks	1,500	200	1,300	250	1,250
Cost of Sales - Section Public	2,000	750	1,250	750	1,250
A/V Develop Costs (Recording)	2,000	1,500	500	1,500	500
CLE-Equip-Depreciation	3,188		3,188		3,188
Obsolete Inventory	21,000		21,000	850	20,150
Splits to Sections	15,000	1,000	14,000	1,000	14,000
Deskbook Royalties	500	1,000	(500)	1,000	(500)
Online Product Hosting Expenses	48,000	42,000	6,000	48,000	-
Postage & Delivery-Deskbooks	3,000	2,500	500	3,000	-
Postage & Delivry-Coursebooks	500	500	-	500	-
Fliers/Catalogs	1,500	3,000	(1,500)	3,000	(1,500)
Postage - Fliers/Catalogs	750	5,000	(4,250)	1,500	(750)
Complimentary Book Program	1,000	2,500	(1,500)	2,500	(1,500)
Coursebook Production	1,500	3,000	(1,500)	3,000	(1,500)
Postage - Fliers/Catalogs	8,000	12,000	(4,000)	15,500	(7,500)
Postage - Misc/Delivery	800	1,000	(200)	1,000	(200)
Accreditation Fees	3,000	3,000	-	3,000	-
Seminar Brochures	20,000	21,000	(1,000)	21,000	(1,000)
Facilities	279,000	234,000	45,000	232,357	46,643
Speakers & Program Develop	52,000	65,500	(13,500)	64,000	(12,000)

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
Splits to Sections	100,000	100,100	(100)	100,100	(100)
CLE Seminar Committee	250	500	(250)	250	-
Image Library	5,080	4,680	400	4,680	400
Bar Outreach	15,000	11,600	3,400	16,600	(1,600)
Professionalism		2,000	(2,000)		-
Pro Bono CertificateS	3,800		3,800		3,800
Court Reporters	50,000	53,000	(3,000)	45,000	5,000
Outside Counsel Expenses	5,000	1,000	4,000	1,000	4,000
Litigation Expenses	35,250	25,500	9,750	35,500	(250)
Disability Expenses	10,000	7,500	2,500	7,500	2,500
Online Legal Research	71,684	73,500	(1,816)	63,581	8,103
Law Library	16,114	12,000	4,114	12,348	3,766
Translation Services	9,500	6,500	3,000	10,000	(500)
Practice Monitor Expenses		4,000	(4,000)		-
Staff Training- General	100,000	30,000	70,000	25,000	75,000
WSBA Connects	46,560	46,560	-	46,560	-
Recruiting and Advertising	7,000	7,000	-	7,000	-
Payroll Processing	49,000	49,000	-	49,000	-
Salary Surveys	2,900	2,900	-	2,900	-
Transfer to Indirect Expense	(158,900)	(834,730)	675,830	(161,774)	2,874
Library Materials/Resources	6,200	5,500	700	6,200	-
Prof Liab Insurance	850	850	-	850	-
Gifts to injured Clients	500,000	500,000	-	500,000	-
CPF Board	1,200	3,000	(1,800)	1,200	-
Rent - Olympia Office	2,500	2,500	-	1,500	1,000
Contract Lobbyist	20,000	5,000	15,000	20,000	(0)
Legislative Committee	2,500	2,500	-	3,000	(500)
BOG Legislative Committee	250	250	-	250	-
Licensing Forms	2,503	2,500	3	2,256	247
LPO Board Expenses	3,000	3,000	-	3,000	-
LPO Outreach	4,000	3,000	1,000	5,000	(1,000)
MCLE Board Expenses	2,600	2,000	600	2,500	100
Depreciation-Software	143,045		143,045		143,045
Casemaker/FastCase	136,436	136,436	-	136,436	-
Speakers & Program Development	1,500		1,500	1,500	-
New Lawyer Outreach Events	2,500	2,500	-	2,500	-
New Lawyers Committee	12,500	15,000	(2,500)	1,500	11,000
Open Sections Night		3,000	(3,000)		-
Disciplinary Board Expenses	1,500	10,000	(8,500)	4,000	(2,500)
Chief Hearing Officer	33,000	33,000	-	33,000	-
Hearing Officer Expenses	1,500	3,000	(1,500)	2,000	(500)
Hearing Officer Training	550	2,000	(1,450)	2,000	(1,450)
Outside Counsel	55,000	55,000	-	55,000	-
Court Rules Committee	2,250	3,000	(750)	3,000	(750)
Discipline Advisory Roundtable	375	500	(125)	500	(125)
Practice of Law Board	9,000	16,000	(7,000)	12,000	(3,000)
CPE Committee	3,750	5,000	(1,250)	5,000	(1,250)
Custodianship	2,500	2,500	-	1,500	1,000
Computer Hardware	60,000	29,000	31,000	38,000	22,000
Computer Software	112,200	29,000	83,200	29,000	83,200
Hardware Service & Warranties	55,000	60,000	(5,000)	55,000	-
Software Maint & Licensing	336,600	270,000	66,600	320,000	16,600
Telephone Hardware & Maint	7,000	10,000	(3,000)	7,000	-
Computer Supplies	10,000	15,000	(5,000)	10,000	-
Third Party Services	130,000	143,000	(13,000)	177,000	(47,000)
Transfer to Indirect Expenses	(710,800)		(710,800)	(772,680)	61,880
Trial Advocacy Expenses	5,000	2,500	2,500	2,500	2,500
Dues Statements	6,000	6,000	-	6,000	-
Annual or Other Meeting Expens	19,300	19,200	100	19,200	100
Attendance at BOG Meetings	5,075	4,175	900	4,175	900
Awards	6,630	9,650	(3,020)	9,650	(3,020)

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
Breakfast/Lunch/Dinner Mtg Exp	5,500	6,000	(500)	6,000	(500)
Conference/Institute Expense	17,804		17,804		17,804
Executive Committee Expenses	88,195	91,470	(3,275)	91,470	(3,275)
Executive Comm Exp - Other	34,500	34,800	(300)	34,800	(300)
Honorarium	7,600	2,100	5,500	2,100	5,500
Ldship/Prof Develop/Retreats	69,200	71,550	(2,350)	71,550	(2,350)
Legislative/Lobbying	2,000	2,000	-	2,000	-
Membership & Recruiting Exp	19,800	20,100	(300)	20,100	(300)
Newsletter/Publication Expense	14,225	10,900	3,325	10,900	3,325
Per Member Charge	289,369	298,444	(9,075)	298,444	(9,075)
Reception/Forum Expense	39,270	37,970	1,300	29,470	9,800
New Lawyer Outreach	2,300	1,200	1,100	2,700	(400)
Scholarships/Donations/Grant	127,000	98,500	28,500	98,500	28,500
Section Committee Expense	6,200	6,700	(500)	6,700	(500)
Section Special Projects	11,450	12,050	(600)	12,050	(600)
Law School Outreach	13,000	7,300	5,700	9,300	3,700
MinI-CLE Expense	59,814	67,000	(7,186)	67,000	(7,186)
Seminar Expense - Sections	53,875	55,225	(1,350)	55,225	(1,350)
Website Expenses	7,340	7,300	40	7,300	40
Seminar Scholarships	2,625	2,625	-	2,625	-
<b>TOTAL DIRECT EXPENSES:</b>	<b>4,782,961</b>	<b>4,652,514</b>	<b>130,447</b>	<b>4,657,240</b>	<b>125,721</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	11,889,463	12,311,249	(421,786)	11,894,023	(4,560)
Benefits	3,835,067	4,268,380	(433,313)	4,246,778	(411,712)
OTHER INDIRECT EXPENSE	3,732,639	3,715,030	17,609	3,612,782	119,857
<b>TOTAL INDIRECT EXPENSES:</b>	<b>19,457,169</b>	<b>20,294,659</b>	<b>(837,490)</b>	<b>19,753,583</b>	<b>(296,415)</b>
<b>TOTAL ALL EXPENSES:</b>	<b>24,240,129</b>	<b>24,947,173</b>	<b>(707,043)</b>	<b>24,410,823</b>	<b>(170,694)</b>
<b>NET INCOME (LOSS):</b>	<b>(681,681)</b>	<b>(495,160)</b>	<b>(186,521)</b>	<b>267,143</b>	<b>(948,824)</b>

FTEs 137.50

General Fund	(202,779)	(812,216)	(167,686)
CPF Fund	(128,559)	374,314	381,689
Sections	(288,184)	(33,944)	-
CLE	(62,159)	(23,314)	53,140

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>LIC-Licensing Revenue</b>					
<b>REVENUE:</b>					
License Fees	16,531,113	16,200,000	331,113	16,317,618	213,495
<b>TOTAL REVENUE</b>	<b>16,531,113</b>	<b>16,200,000</b>	<b>331,113</b>	<b>16,317,618</b>	<b>213,495</b>
<b>DIRECT EXPENSES:</b>					
<b>INDIRECT EXPENSES:</b>					
<b>NET INCOME (LOSS):</b>	<b>16,531,113</b>	<b>16,200,000</b>	<b>331,113</b>	<b>16,317,618</b>	<b>213,495</b>



**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	<b>Budget FY2021 v3 FY2021</b>	<b>Original Budget FY2020</b>	<b>FY2021 v3 vs Original FY2020</b>	<b>Reforecast - BOG Approved</b>	<b>FY2021 v3 vs Reforecast</b>
<b>ATJ-Access to Justice</b>					
<b>REVENUE:</b>					
Work Study Grants		2,100	(2,100)		-
<b>TOTAL REVENUE</b>		<b>2,100</b>	<b>(2,100)</b>		<b>-</b>
<b>DIRECT EXPENSES:</b>					
Staff Travel/Parking	3,500	2,700	800	2,700	800
Staff Membership Dues	120	120	-	120	-
ATJ Board Retreat	2,000	2,000	-	2,000	-
Leadership Training	2,000	2,000	-	2,000	-
ATJ Board Expense	18,000	24,000	(6,000)	24,000	(6,000)
Public Defense	4,400	7,000	(2,600)	7,000	(2,600)
Conference/Institute Expense	17,804		17,804		17,804
Reception/Forum Expense	9,000	9,500	(500)	2,000	7,000
<b>TOTAL DIRECT EXPENSES:</b>	<b>56,824</b>	<b>47,320</b>	<b>9,504</b>	<b>39,820</b>	<b>17,004</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	113,835	151,471	(37,636)	185,736	(71,901)
Benefits	44,524	54,307	(9,784)	80,467	(35,943)
OTHER INDIRECT EXPENSE	47,607	55,323	(7,716)	52,781	(5,174)
<b>TOTAL INDIRECT EXPENSES:</b>	<b>205,965</b>	<b>261,101</b>	<b>(55,136)</b>	<b>318,984</b>	<b>(113,019)</b>
<b>TOTAL ALL EXPENSES:</b>	<b>262,789</b>	<b>308,421</b>	<b>(45,632)</b>	<b>358,804</b>	<b>(96,015)</b>
<b>NET INCOME (LOSS):</b>	<b>(262,789)</b>	<b>(306,321)</b>	<b>43,532</b>	<b>(358,804)</b>	<b>96,015</b>

FTEs 1.60

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>ADMIN - Administration</b>					
<b>REVENUE:</b>					
Interest - Investments	100,000	100,000	-	100,000	-
<b>TOTAL REVENUE</b>	<b>100,000</b>	<b>100,000</b>	<b>-</b>	<b>100,000</b>	<b>-</b>
<b>DIRECT EXPENSES:</b>					
Consulting Services	11,000		11,000		11,000
Staff Travel/Parking	4,200	4,200	-	4,200	-
Staff Membership Dues	-	950	(950)	950	(950)
Law Library	-	279	(279)	279	(279)
<b>TOTAL DIRECT EXPENSES:</b>	<b>15,200</b>	<b>5,429</b>	<b>9,771</b>	<b>5,429</b>	<b>9,771</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	661,603	723,667	(62,064)	702,386	(40,783)
Benefits	202,703	246,682	(43,979)	230,920	(28,217)
OTHER INDIRECT EXPENSE	205,898	229,970	(24,072)	219,369	(13,471)
<b>TOTAL INDIRECT EXPENSES:</b>	<b>1,070,204</b>	<b>1,200,318</b>	<b>(130,114)</b>	<b>1,152,675</b>	<b>(82,471)</b>
<b>TOTAL ALL EXPENSES:</b>	<b>1,085,404</b>	<b>1,205,747</b>	<b>(120,343)</b>	<b>1,158,104</b>	<b>(72,700)</b>
<b>NET INCOME (LOSS):</b>	<b>(985,404)</b>	<b>(1,105,747)</b>	<b>120,343</b>	<b>(1,058,104)</b>	<b>72,700</b>
FTEs	6.92				

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>ADMISS-Admissions</b>					
<b>REVENUE:</b>					
Exam Soft Revenue	31,500	35,000	(3,500)	33,000	(1,500)
Bar Exam Fees	1,019,035	1,300,000	(280,965)	1,300,000	(280,965)
Bar Exam Late Fees	34,200		34,200		34,200
House Counsel Application Fees	30,000	60,000	(30,000)	37,200	(7,200)
Rule 9/Legal intern Fees	12,000	12,000	-	13,350	(1,350)
Foreign Law Consultant Fees	620		620		620
Special Admissions	7,020		7,020		7,020
<b>TOTAL REVENUE</b>	<b>1,134,375</b>	<b>1,407,000</b>	<b>(272,625)</b>	<b>1,383,550</b>	<b>(249,175)</b>
<b>DIRECT EXPENSES:</b>					
Depreciation		26,900	(26,900)		-
Postage	1,800	4,000	(2,200)	3,570	(1,770)
Staff Travel/Parking	17,000	14,900	2,100	14,900	2,100
Staff Membership Dues	800	650	150	650	150
Supplies	1,000	2,500	(1,500)	2,000	(1,000)
Conference Calls			-	4	(4)
Facility, Parking, Food	64,700	84,060	(19,360)	85,000	(20,300)
Examiner Fees	20,000	35,000	(15,000)	26,000	(6,000)
UBE Examinations	115,900	135,000	(19,100)	120,000	(4,100)
Board of Bar Examiners	6,000	30,000	(24,000)	28,500	(22,500)
Bar Exam Proctors	27,000	31,000	(4,000)	30,000	(3,000)
Character & Fitness Board Exp	12,000	20,000	(8,000)	15,000	(3,000)
Disability Accommodations	10,000	20,000	(10,000)	17,250	(7,250)
Character & Fitness Investi	300	900	(600)	500	(200)
Law School Visits	920	1,600	(680)	1,600	(680)
Depreciation-Software	22,778		22,778		22,778
Court Reporters	15,000	18,000	(3,000)	15,000	-
Online Legal Research	3,345	3,675	(330)	3,675	(330)
Law Library	150	1,116	(966)	1,116	(966)
<b>TOTAL DIRECT EXPENSES:</b>	<b>318,693</b>	<b>429,301</b>	<b>(110,608)</b>	<b>364,765</b>	<b>(46,072)</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	479,196	547,525	(68,329)	534,949	(55,753)
Benefits	173,728	205,448	(31,720)	204,543	(30,815)
OTHER INDIRECT EXPENSE	194,889	195,956	(1,067)	186,931	7,958
<b>TOTAL INDIRECT EXPENSES:</b>	<b>847,813</b>	<b>948,929</b>	<b>(101,117)</b>	<b>926,423</b>	<b>(78,610)</b>
<b>TOTAL ALL EXPENSES:</b>	<b>1,166,506</b>	<b>1,378,230</b>	<b>(211,725)</b>	<b>1,291,188</b>	<b>(124,682)</b>
<b>NET INCOME (LOSS):</b>	<b>(32,131)</b>	<b>28,770</b>	<b>(60,900)</b>	<b>92,362</b>	<b>(124,493)</b>

FTEs

6.55

LM-91

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>BOG - Board of Governors</b>					
<b>REVENUE:</b>					
				-	
<b>DIRECT EXPENSES:</b>					
Consulting Services		5,000	(5,000)	5,000	(5,000)
Staff Travel/Parking		400	(400)		-
Leadership Training	50,000		50,000		50,000
Washington Leadership Institute		100,000	(100,000)	100,000	(100,000)
BOG Meetings	210,500	210,500	-	210,500	-
BOG Committees' Expenses	30,000	30,000	-	30,000	-
BOG Retreat	15,000	15,000	-	15,000	-
BOG Conference Attendance	44,000	44,000	-	44,000	-
BOG Travel & Outreach	35,000	35,000	-	30,000	5,000
BOG Elections	12,000		12,000		12,000
President's Dinner	10,000		10,000		10,000
<b>TOTAL DIRECT EXPENSES:</b>	<b>406,500</b>	<b>439,900</b>	<b>(33,400)</b>	<b>434,500</b>	<b>(28,000)</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	116,541	69,756	46,785	66,113	50,428
Benefits	41,926	26,595	15,331	20,407	21,519
OTHER INDIRECT EXPENSE	52,070	28,811	23,259	27,490	24,580
<b>TOTAL INDIRECT EXPENSES:</b>	<b>210,537</b>	<b>125,162</b>	<b>85,375</b>	<b>114,010</b>	<b>96,527</b>
<b>TOTAL ALL EXPENSES:</b>	<b>617,037</b>	<b>565,062</b>	<b>51,975</b>	<b>548,510</b>	<b>68,527</b>
<b>NET INCOME (LOSS):</b>	<b>(617,037)</b>	<b>(565,062)</b>	<b>(51,975)</b>	<b>(548,510)</b>	<b>(68,527)</b>

FTEs 1.75

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>COMM-Communication Strategies</b>					
<b>REVENUE:</b>					
WSBA Logo Merchandise Sales	-		-	343	(343)
APEX Dinner	-	40,000		2,250	(2,250)
50 Year Member Tribute Lunch	-			300	(300)
<b>TOTAL REVENUE</b>	<b>-</b>	<b>40,000</b>	<b>(40,000)</b>	<b>2,893</b>	<b>(2,893)</b>
<b>DIRECT EXPENSES:</b>					
Staff Travel/Parking	4,700	4,700	-	4,700	-
Staff Membership Dues	1,183	1,515	(332)	1,515	(332)
Subscriptions	3,052	10,050	(6,998)	3,000	52
Digital/Online Development	800	1,450	(650)	1,450	(650)
Telephone	300	325	(25)	325	(25)
Conference Calls	302		302	30	272
Miscellaneous	5,000		5,000		5,000
APEX Dinner Expenses	25,000	70,000	(45,000)	23,000	2,000
50 Year Member Tribute Lunch	10,708	8,000	2,708	10,708	0
Communications Outreach	25,000	15,000	10,000	34,000	(9,000)
<b>TOTAL DIRECT EXPENSES:</b>	<b>76,045</b>	<b>111,040</b>	<b>(34,995)</b>	<b>78,728</b>	<b>(2,683)</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	257,297	310,102	(52,805)	297,765	(40,468)
Benefits	83,426	118,091	(34,665)	117,948	(34,522)
OTHER INDIRECT EXPENSE	113,165	127,922	(14,757)	122,055	(8,890)
<b>TOTAL INDIRECT EXPENSES:</b>	<b>453,887</b>	<b>556,115</b>	<b>(102,228)</b>	<b>537,768</b>	<b>(83,881)</b>
<b>TOTAL ALL EXPENSES:</b>	<b>529,932</b>	<b>667,155</b>	<b>(137,223)</b>	<b>616,496</b>	<b>(86,563)</b>
<b>NET INCOME (LOSS):</b>	<b>(529,932)</b>	<b>(627,155)</b>	<b>97,223</b>	<b>(613,603)</b>	<b>83,671</b>
FTEs	3.80				

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>CBS-Conference and Broadcast Services</b>					
<b>REVENUE:</b>					
				-	
<b>DIRECT EXPENSES:</b>					
Translation Services		5,500	(5,500)	9,000	(9,000)
<b>TOTAL DIRECT EXPENSES:</b>		<b>5,500</b>	<b>(5,500)</b>	<b>9,000</b>	<b>(9,000)</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	-	439,469	(439,469)	407,873	(407,873)
Benefits	-	175,469	(175,469)	159,798	(159,798)
OTHER INDIRECT EXPENSE	-	204,826	(204,826)	195,453	(195,453)
<b>TOTAL INDIRECT EXPENSES:</b>	<b>-</b>	<b>819,763</b>	<b>(819,763)</b>	<b>763,124</b>	<b>(763,124)</b>
<b>TOTAL ALL EXPENSES:</b>	<b>-</b>	<b>825,263</b>	<b>(825,263)</b>	<b>772,124</b>	<b>(772,124)</b>
<b>NET INCOME (LOSS):</b>	<b>-</b>	<b>(825,263)</b>	<b>825,263</b>	<b>(772,124)</b>	<b>772,124</b>

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Rereforecast - BOG Approved	FY2021 v3 vs Rereforecast
<b>Office of Disciplinary Counsel</b>					
<b>REVENUE:</b>					
Audit Revenue	2,500	2,500	-	2,500	-
Recovery of Discipline Costs	80,000	90,000	(10,000)	90,000	(10,000)
Discipline History Summary	15,000	14,000	1,000	14,000	1,000
Practice Monitor Fees		4,000	(4,000)		-
<b>TOTAL REVENUE</b>	<b>97,500</b>	<b>110,500</b>	<b>(13,000)</b>	<b>106,500</b>	<b>(9,000)</b>
<b>DIRECT EXPENSES:</b>					
Depreciation		2,300	(2,300)	2,300	(2,300)
Publications Production	250	250	-	250	-
Staff Travel/Parking	35,000	35,000	-	35,000	-
Staff Membership Dues	5,035	4,111	924	4,877	158
Telephone	2,900	2,300	600	2,849	51
Court Reporters	35,000	35,000	-	30,000	5,000
Outside Counsel Expenses	5,000	1,000	4,000	1,000	4,000
Litigation Expenses	35,000	25,000	10,000	35,000	-
Disability Expenses	10,000	7,500	2,500	7,500	2,500
Online Legal Research	53,288	53,288	-	43,188	10,099
Law Library	12,000	6,700	5,300	5,800	6,200
Translation Services	1,000	1,000	-	1,000	-
Practice Monitor Expenses		4,000	(4,000)		-
<b>TOTAL DIRECT EXPENSES:</b>	<b>194,473</b>	<b>177,449</b>	<b>17,024</b>	<b>168,765</b>	<b>25,708</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	3,627,767	3,676,010	(48,243)	3,599,769	27,998
Benefits	1,097,713	1,209,863	(112,150)	1,196,980	(99,267)
OTHER INDIRECT EXPENSE	1,100,901	1,064,367	36,534	1,015,202	85,699
<b>TOTAL INDIRECT EXPENSES:</b>	<b>5,826,381</b>	<b>5,950,240</b>	<b>(123,858)</b>	<b>5,811,951</b>	<b>14,430</b>
<b>TOTAL ALL EXPENSES:</b>	<b>6,020,854</b>	<b>6,127,688</b>	<b>(106,834)</b>	<b>5,980,716</b>	<b>40,138</b>
<b>NET INCOME (LOSS):</b>	<b>(5,923,354)</b>	<b>(6,017,188)</b>	<b>93,834</b>	<b>(5,874,216)</b>	<b>(49,138)</b>
FTEs	37.00				

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>DIV-Diversity</b>					
<b>REVENUE:</b>					
Donations & Grants	125,000	125,000	-	130,000	(5,000)
Work Study Grants	10,374	10,374	-	5,187	5,187
<b>TOTAL REVENUE</b>	<b>135,374</b>	<b>135,374</b>	<b>-</b>	<b>135,187</b>	<b>187</b>
<b>DIRECT EXPENSES:</b>					
Staff Travel/Parking	4,000	6,000	(2,000)	4,000	-
Staff Membership Dues	640	980	(340)	640	-
Committee for Diversity	4,900	6,000	(1,100)	6,000	(1,100)
Diversity Events & Projects	17,250	15,750	1,500	15,250	2,000
Internal Diversity Outreach	-	200	(200)	200	(200)
<b>TOTAL DIRECT EXPENSES:</b>	<b>26,790</b>	<b>28,930</b>	<b>(2,140)</b>	<b>26,090</b>	<b>700</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	193,096	341,233	(148,137)	187,061	6,035
Benefits	59,149	114,807	(55,657)	81,042	(21,893)
OTHER INDIRECT EXPENSE	73,195	111,519	(38,324)	106,386	(33,191)
<b>TOTAL INDIRECT EXPENSES:</b>	<b>325,440</b>	<b>567,558</b>	<b>(242,118)</b>	<b>374,489</b>	<b>(49,049)</b>
<b>TOTAL ALL EXPENSES:</b>	<b>352,230</b>	<b>596,488</b>	<b>(244,258)</b>	<b>400,579</b>	<b>(48,349)</b>
<b>NET INCOME (LOSS):</b>	<b>(216,856)</b>	<b>(461,114)</b>	<b>244,258</b>	<b>(265,392)</b>	<b>48,536</b>
FTEs	2.46				



**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>FOUND-Foundation</b>					
<b>REVENUE:</b>					
				-	
<b>DIRECT EXPENSES:</b>					
Consulting Services	3,000	3,000	-	3,000	-
Postage	500	500	-	500	-
Printing & Copying	900	900	-	900	-
Staff Travel/Parking	500	750	(250)	500	-
Supplies	250	250	-	250	-
Special Events	5,000	5,000	-	5,000	-
Board of Trustees	2,000	3,000	(1,000)	2,000	-
<b>TOTAL DIRECT EXPENSES:</b>	<b>12,150</b>	<b>13,400</b>	<b>(1,250)</b>	<b>12,150</b>	<b>-</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	76,759	90,008	(13,249)	70,951	5,808
Benefits	15,863	31,638	(15,775)	30,738	(14,875)
OTHER INDIRECT EXPENSE	29,754	30,186	(432)	28,864	890
<b>TOTAL INDIRECT EXPENSES:</b>	<b>122,376</b>	<b>151,832</b>	<b>(29,456)</b>	<b>130,553</b>	<b>(8,177)</b>
<b>TOTAL ALL EXPENSES:</b>	<b>134,526</b>	<b>165,232</b>	<b>(30,706)</b>	<b>142,703</b>	<b>(8,177)</b>
<b>NET INCOME (LOSS):</b>	<b>(134,526)</b>	<b>(165,232)</b>	<b>30,706</b>	<b>(142,703)</b>	<b>8,177</b>
FTEs	1.00				

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	<b>Budget FY2021 v3 FY2021</b>	<b>Original Budget FY2020</b>	<b>FY2021 v3 vs Original FY2020</b>	<b>Reforecast - BOG Approved</b>	<b>FY2021 v3 vs Reforecast</b>
<b>HR-Human Resources</b>					
<b>REVENUE:</b>					
				-	
<b>DIRECT EXPENSES:</b>					
Consulting Services	37,500	75,000	(37,500)	75,000	(37,500)
Staff Travel/Parking	741	250	491	250	491
Staff Membership Dues	193	870	(677)	385	(192)
Subscriptions	3,505	2,100	1,405	2,239	1,266
Staff Training- General	100,000	30,000	70,000	25,000	75,000
Recruiting and Advertising	7,000	7,000	-	7,000	-
Payroll Processing	49,000	49,000	-	49,000	-
Salary Surveys	2,900	2,900	-	2,900	-
Transfer to Indirect Expense	(200,839)	(167,120)	(33,719)	(161,774)	(39,065)
<b>INDIRECT EXPENSES:</b>					
Salaries	288,452	271,913	16,539	267,155	21,297
Benefits	85,241	86,580	(1,339)	37,600	47,641
OTHER INDIRECT EXPENSE	84,930	(129,378)	214,308	34,362	50,568
				-	
<b>TOTAL INDIRECT EXPENSES:</b>	<b>458,623</b>	<b>229,115</b>	<b>229,508</b>	<b>339,117</b>	<b>119,506</b>
<b>TOTAL ALL EXPENSES:</b>	<b>458,623</b>	<b>229,115</b>	<b>229,508</b>	<b>339,117</b>	<b>119,506</b>
<b>NET INCOME (LOSS):</b>	<b>(458,623)</b>	<b>(229,115)</b>	<b>(229,508)</b>	<b>(339,117)</b>	<b>(119,506)</b>

FTEs 3.00

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>CLERK-Law Clerk Program</b>					
<b>REVENUE:</b>					
Law Clerk Fees	190,000	172,000	18,000	191,362	(1,362)
Law Clerk Application Fees	3,000	2,700	300	3,200	(200)
<b>TOTAL REVENUE</b>	<b>193,000</b>	<b>174,700</b>	<b>18,300</b>	<b>194,562</b>	<b>(1,562)</b>
<b>DIRECT EXPENSES:</b>					
Staff Travel/Parking	300	600	(300)	400	(100)
Subscriptions	250	250	-	250	-
Character & Fitness Investi	100	100	-	100	-
Law Clerk Board	7,000	10,000	(3,000)	6,000	1,000
Law Clerk Outreach	3,000	3,000	-	6,000	(3,000)
<b>TOTAL DIRECT EXPENSES:</b>	<b>10,650</b>	<b>13,950</b>	<b>(3,300)</b>	<b>12,750</b>	<b>(2,100)</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	49,392	92,121	(42,729)	98,336	(48,944)
Benefits	18,957	34,343	(15,386)	37,600	(18,643)
OTHER INDIRECT EXPENSE	26,779	36,016	(9,237)	34,362	(7,583)
<b>TOTAL INDIRECT EXPENSES:</b>	<b>95,128</b>	<b>162,479</b>	<b>(67,351)</b>	<b>170,298</b>	<b>(75,170)</b>
<b>TOTAL ALL EXPENSES:</b>	<b>105,778</b>	<b>176,429</b>	<b>(70,651)</b>	<b>183,048</b>	<b>(77,270)</b>
<b>NET INCOME (LOSS):</b>	<b>87,222</b>	<b>(1,729)</b>	<b>88,951</b>	<b>11,514</b>	<b>75,708</b>
FTEs	0.90				

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>LEG-Legislative</b>					
<b>REVENUE:</b>					
				-	
<b>DIRECT EXPENSES:</b>					
Staff Travel/Parking	4,550	2,500	2,050	2,500	2,050
Staff Membership Dues	450	450	-	450	-
Subscriptions	2,000	2,000	-	2,000	-
Rent - Olympia Office	2,500	2,500	-	1,500	1,000
Contract Lobbyist	20,000	5,000	15,000	20,000	(0)
Legislative Committee	2,500	2,500	-	3,000	(500)
BOG Legislative Committee	250	250	-	250	-
<b>TOTAL DIRECT EXPENSES:</b>	<b>32,250</b>	<b>15,200</b>	<b>17,050</b>	<b>29,700</b>	<b>2,550</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	70,311	82,883	(12,572)	87,076	(16,765)
Benefits	26,844	30,627	(3,782)	34,491	(7,647)
OTHER INDIRECT EXPENSE	29,754	31,695	(1,940)	30,239	(485)
				-	
<b>TOTAL INDIRECT EXPENSES:</b>	<b>126,910</b>	<b>145,204</b>	<b>(18,294)</b>	<b>151,806</b>	<b>(24,896)</b>
				-	
<b>TOTAL ALL EXPENSES:</b>	<b>159,159</b>	<b>160,404</b>	<b>(1,245)</b>	<b>181,506</b>	<b>(22,347)</b>
<b>NET INCOME (LOSS):</b>	<b>(159,159)</b>	<b>(160,404)</b>	<b>1,245</b>	<b>(181,506)</b>	<b>22,347</b>
FTEs	1.00				

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>LICMR-Licensing &amp; Membership Records</b>					
<b>REVENUE:</b>					
Status Certificate Fees	26,300	22,000	4,300	25,000	1,300
Investigation Fees	24,000	22,700	1,300	24,000	-
Pro Hac Vice	274,800	270,000	4,800	290,000	(15,200)
Member Contact Information	11,000	10,000	1,000	11,000	-
Photo Bar Card Sales	350	300	50	350	-
<b>TOTAL REVENUE</b>	<b>336,450</b>	<b>325,000</b>	<b>11,450</b>	<b>350,350</b>	<b>(13,900)</b>
<b>DIRECT EXPENSES:</b>					
Depreciation	1,151	13,850	(12,699)	13,850	(12,699)
Postage	18,300	19,500	(1,200)	19,500	(1,200)
Licensing Forms	2,500	2,438	63	2,253	247
<b>TOTAL DIRECT EXPENSES:</b>	<b>21,951</b>	<b>35,788</b>	<b>(13,837)</b>	<b>35,603</b>	<b>(13,652)</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	343,552	386,870	(43,318)	341,930	1,622
Benefits	127,131	129,932	(2,801)	126,335	796
OTHER INDIRECT EXPENSE	113,066	121,037	(7,972)	115,458	(2,392)
<b>TOTAL INDIRECT EXPENSES:</b>	<b>583,749</b>	<b>637,839</b>	<b>(54,091)</b>	<b>583,723</b>	<b>26</b>
<b>TOTAL ALL EXPENSES:</b>	<b>605,700</b>	<b>673,627</b>	<b>(67,927)</b>	<b>619,326</b>	<b>(13,626)</b>
<b>NET INCOME (LOSS):</b>	<b>(269,250)</b>	<b>(348,627)</b>	<b>79,377</b>	<b>(268,976)</b>	<b>(274)</b>
FTEs	3.80				

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>LLLT-Limited License Legal Technician</b>					
<b>REVENUE:</b>					
Seminar Registrations	1,750	14,655	(12,905)	4,344	(2,594)
LLLT Exam Late Fee	600		600		600
LLLT License Fees	10,905	7,250	3,655	5,736	5,169
LLLT Exam Fees	9,000	4,500	4,500	6,280	2,720
Investigation Fees	300	300	-	300	-
LLLT Late License Fees	412	300	112	300	112
LLLT Waiver Fees	300	300	-	150	150
Member Late Fees	-	300	(300)	150	(150)
<b>TOTAL REVENUE</b>	<b>23,267</b>	<b>27,605</b>	<b>(4,338)</b>	<b>17,260</b>	<b>6,007</b>
<b>DIRECT EXPENSES:</b>					
Postage	-	20	(20)	20	(20)
Staff Travel/Parking	200	600	(400)	600	(400)
Facility, Parking, Food		600	(600)		-
LLLT Board	7,000	18,000	(11,000)	14,000	(7,000)
LLLT Outreach	1,000	3,000	(2,000)	4,000	(3,000)
Exam Writing	-	14,178	(14,178)	10,750	(10,750)
LLLT Education	-	5,650	(5,650)	2,500	(2,500)
Editorial Advis Committee Exp		800	(800)		-
Licensing Forms	3	3	1	3	1
<b>TOTAL DIRECT EXPENSES:</b>	<b>8,203</b>	<b>42,851</b>	<b>(34,648)</b>	<b>31,873</b>	<b>(23,670)</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	62,533	103,330	(40,797)	103,650	(41,117)
Benefits	23,558	37,782	(14,224)	39,631	(16,073)
OTHER INDIRECT EXPENSE	29,754	38,467	(8,713)	36,836	(7,082)
<b>TOTAL INDIRECT EXPENSES:</b>	<b>115,845</b>	<b>179,579</b>	<b>(63,734)</b>	<b>180,117</b>	<b>(64,272)</b>
<b>TOTAL ALL EXPENSES:</b>	<b>124,048</b>	<b>222,430</b>	<b>(98,382)</b>	<b>211,990</b>	<b>(87,941)</b>
<b>NET INCOME (LOSS):</b>	<b>(100,781)</b>	<b>(194,825)</b>	<b>94,044</b>	<b>(194,730)</b>	<b>93,949</b>

FTEs 1.00

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>LPO-Limited Practice Officers</b>					
<b>REVENUE:</b>					
Investigation Fees	1,000	1,000	-	1,000	-
LPO Examination Fees	16,000	26,000	(10,000)	26,800	(10,800)
LPO Exam Late Fee	2,400		2,400		2,400
LPO License Fees	171,400	173,900	(2,500)	172,517	(1,117)
LPO Late License Fees	4,500	4,590	(90)	3,088	1,412
Accredited Program Fees		6,000	(6,000)		-
Member Late Fees		900	(900)	1,800	(1,800)
<b>TOTAL REVENUE</b>	<b>195,300</b>	<b>212,390</b>	<b>(17,090)</b>	<b>205,205</b>	<b>(9,905)</b>
<b>DIRECT EXPENSES:</b>					
Postage		480	(480)		-
Printing & Copying	100	200	(100)		100
Staff Travel/Parking	500	100	400	500	-
Facility, Parking, Food	100	6,890	(6,790)	24	76
Exam Writing	9,750	14,178	(4,428)	9,750	-
Online Legal Research	1,672	1,838	(165)	1,838	(165)
Law Library	3,663	279	3,384	279	3,384
Licensing Forms		60	(60)		-
LPO Board Expenses	3,000	3,000	-	3,000	-
LPO Outreach	4,000	3,000	1,000	5,000	(1,000)
<b>TOTAL DIRECT EXPENSES:</b>	<b>22,785</b>	<b>30,025</b>	<b>(7,239)</b>	<b>20,391</b>	<b>2,395</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	29,238	86,688	(57,450)	83,983	(54,745)
Benefits	11,115	31,309	(20,194)	32,112	(20,997)
OTHER INDIRECT EXPENSE	14,877	31,265	(16,388)	29,964	(15,087)
<b>TOTAL INDIRECT EXPENSES:</b>	<b>55,230</b>	<b>149,262</b>	<b>(94,032)</b>	<b>146,059</b>	<b>(90,829)</b>
<b>TOTAL ALL EXPENSES:</b>	<b>78,015</b>	<b>179,287</b>	<b>(101,272)</b>	<b>166,450</b>	<b>(88,435)</b>
<b>NET INCOME (LOSS):</b>	<b>117,285</b>	<b>33,103</b>	<b>84,182</b>	<b>38,755</b>	<b>78,530</b>

FTEs

0.50

LM-103

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>MCLE-Mandatory Continuing Legal Education</b>					
<b>REVENUE:</b>					
Accredited Program Fees	480,000	534,000	(54,000)	516,700	(36,700)
Form 1 Late Fee	150,000	150,000	-	170,000	(20,000)
Member Late Fees	2,700	201,800	(199,100)	191,000	(188,300)
Annual Accredited Sponsor Fees	42,250	43,000	(750)	41,750	500
Attendance Late Fees	80,000	85,000	(5,000)	90,000	(10,000)
COMITY Certificates - Request	13,000	13,000	-	13,000	-
COMITY Certificates - Submit	-	16,000	(16,000)	16,000	(16,000)
<b>TOTAL REVENUE</b>	<b>767,950</b>	<b>1,042,800</b>	<b>(274,850)</b>	<b>1,038,450</b>	<b>(270,500)</b>
<b>DIRECT EXPENSES:</b>					
Depreciation		250,000	(250,000)	250,000	(250,000)
Staff Travel/Parking	50		50	50	-
Staff Membership Dues	500	500	-	500	-
Online Legal Research	1,672	1,838	(165)	1,838	(165)
Law Library	150	279	(129)	279	(129)
MCLE Board Expenses	2,600	2,000	600	2,500	100
Depreciation-Software	143,045		143,045		143,045
<b>TOTAL DIRECT EXPENSES:</b>	<b>148,018</b>	<b>254,617</b>	<b>(106,599)</b>	<b>255,167</b>	<b>(107,149)</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	266,722	424,678	(157,956)	509,354	(242,632)
Benefits	94,034	123,201	(29,167)	139,871	(45,837)
OTHER INDIRECT EXPENSE	113,066	133,971	(20,906)	127,828	(14,762)
<b>TOTAL INDIRECT EXPENSES:</b>	<b>473,822</b>	<b>681,850</b>	<b>(208,028)</b>	<b>777,053</b>	<b>(303,231)</b>
<b>TOTAL ALL EXPENSES:</b>	<b>621,839</b>	<b>936,467</b>	<b>(314,627)</b>	<b>1,032,220</b>	<b>(410,380)</b>
<b>NET INCOME (LOSS):</b>	<b>146,111</b>	<b>106,333</b>	<b>39,777</b>	<b>6,230</b>	<b>139,880</b>
FTEs	3.80				



**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Rerecast - BOG Approved	FY2021 v3 vs Rerecast
<b>MAP-Member Wellness Program</b>					
<b>REVENUE:</b>					
Diversion	8,000	6,750	1,250	6,750	1,250
<b>TOTAL REVENUE</b>	<b>8,000</b>	<b>6,750</b>	<b>1,250</b>	<b>6,750</b>	<b>1,250</b>
<b>DIRECT EXPENSES:</b>					
Publications Production		200	(200)	200	(200)
Staff Membership Dues	225	225	-	225	-
Prof Liab Insurance	850	850	-	850	-
<b>TOTAL DIRECT EXPENSES:</b>	<b>1,075</b>	<b>1,275</b>	<b>(200)</b>	<b>1,275</b>	<b>(200)</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	52,342	87,698	(35,356)	82,545	(30,203)
Benefits	24,619	35,010	(10,392)	26,410	(1,791)
OTHER INDIRECT EXPENSE	14,877	25,948	(11,071)	24,741	(9,864)
<b>TOTAL INDIRECT EXPENSES:</b>	<b>91,838</b>	<b>148,656</b>	<b>(56,818)</b>	<b>133,696</b>	<b>(41,858)</b>
<b>TOTAL ALL EXPENSES:</b>	<b>92,913</b>	<b>149,931</b>	<b>(57,018)</b>	<b>134,971</b>	<b>(42,058)</b>
<b>NET INCOME (LOSS):</b>	<b>(84,913)</b>	<b>(143,181)</b>	<b>58,268</b>	<b>(128,221)</b>	<b>43,308</b>
FTEs	0.50				

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>MSE-Member Services and Engagement</b>					
<b>REVENUE:</b>					
Royalties	49,250	42,500	6,750	49,250	-
NMP Product Sales	80,000	70,000	10,000	80,000	-
Sponsorships		800	(800)		-
Seminar Registrations	15,000	15,000	-	15,000	-
Trial Advocacy Program	10,000	10,000	-	10,000	-
<b>TOTAL REVENUE</b>	<b>154,250</b>	<b>138,300</b>	<b>15,950</b>	<b>154,250</b>	<b>-</b>
<b>DIRECT EXPENSES:</b>					
YLL Section Program	1,500	1,100	400	1,100	400
CLE Comps	1,000	1,000	-	1,000	-
Staff Travel/Parking	2,500	2,500	-	2,500	-
Staff Membership Dues	490	445	45	445	45
Subscriptions	500	500	-	500	-
Conference Calls	300	300	-	300	-
Speakers & Program Develop		1,500	(1,500)		-
Library Materials/Resources	6,200	5,500	700	6,200	-
Speakers & Program Development	1,500		1,500	1,500	-
New Lawyer Outreach Events	2,500	2,500	-	2,500	-
New Lawyers Committee	12,500	15,000	(2,500)	1,500	11,000
Open Sections Night		3,000	(3,000)		-
Trial Advocacy Expenses	5,000	2,500	2,500	2,500	2,500
Reception/Forum Expense	4,000	4,000	-	3,000	1,000
Scholarships/Donations/Grant	5,000	2,500	2,500	2,500	2,500
<b>TOTAL DIRECT EXPENSES:</b>	<b>42,990</b>	<b>42,345</b>	<b>645</b>	<b>25,545</b>	<b>17,445</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	286,011	326,272	(40,261)	330,563	(44,552)
Benefits	87,848	119,569	(31,721)	143,212	(55,364)
OTHER INDIRECT EXPENSE	122,884	122,170	714	116,557	6,327
<b>TOTAL INDIRECT EXPENSES:</b>	<b>496,743</b>	<b>568,011</b>	<b>(71,268)</b>	<b>590,332</b>	<b>(93,589)</b>
<b>TOTAL ALL EXPENSES:</b>	<b>539,733</b>	<b>610,356</b>	<b>(70,623)</b>	<b>615,877</b>	<b>(76,144)</b>
<b>NET INCOME (LOSS):</b>	<b>(385,483)</b>	<b>(472,056)</b>	<b>86,573</b>	<b>(461,627)</b>	<b>76,144</b>

FTEs

4.13

LM-106

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>MBEN-Membership Benefits</b>					
<b>REVENUE:</b>					
Sponsorships	9,000	9,000	-	9,000	-
Internet Sales	19,000	12,000	7,000	19,000	-
<b>TOTAL REVENUE</b>	<b>28,000</b>	<b>21,000</b>	<b>7,000</b>	<b>28,000</b>	<b>-</b>
<b>DIRECT EXPENSES:</b>					
Transcription Services	1,500	1,500	-	1,500	-
Conference Calls	2,000		2,000		2,000
Speakers & Program Develop	2,000	2,000	-	2,000	-
WSBA Connects	46,560	46,560	-	46,560	-
Casemaker/FastCase	136,436	136,436	-	136,436	-
<b>TOTAL DIRECT EXPENSES:</b>	<b>188,496</b>	<b>186,496</b>	<b>2,000</b>	<b>186,496</b>	<b>2,000</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	77,694	53,322	24,372	74,151	3,543
Benefits	22,582	19,453	3,129	32,124	(9,542)
OTHER INDIRECT EXPENSE	34,515	19,737	14,777	18,968	15,547
<b>TOTAL INDIRECT EXPENSES:</b>	<b>134,790</b>	<b>92,512</b>	<b>42,278</b>	<b>125,243</b>	<b>9,547</b>
<b>TOTAL ALL EXPENSES:</b>	<b>323,286</b>	<b>279,008</b>	<b>44,278</b>	<b>311,739</b>	<b>11,547</b>
<b>NET INCOME (LOSS):</b>	<b>(295,286)</b>	<b>(258,008)</b>	<b>(37,278)</b>	<b>(283,739)</b>	<b>(11,547)</b>
FTEs	1.16				

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>BN-Bar News</b>					
<b>REVENUE:</b>					
Royalties	1,500		1,500	1,216	284
BNews Display Advertising	300,000	297,500	2,500	423,500	(123,500)
BNews Subscript/Single Issues	350	350	-	350	-
BNews Classified Advertising	11,500	12,500	(1,000)	12,500	(1,000)
BNews Gen Announcements	15,000	17,500	(2,500)	20,000	(5,000)
BNews Prof Announcements	20,000	21,000	(1,000)	25,000	(5,000)
Job Target Advertising	120,000	112,500	7,500	120,000	-
<b>TOTAL REVENUE</b>	<b>468,350</b>	<b>461,350</b>	<b>7,000</b>	<b>602,566</b>	<b>(134,216)</b>
<b>DIRECT EXPENSES:</b>					
Bad Debt Expense	750	2,000	(1,250)	2,000	(1,250)
Postage	95,000	89,000	6,000	95,000	-
Printing & Copying	250,000	250,000	-	250,000	-
Staff Membership Dues	615	615	-	615	-
Digital/Online Development	11,000	12,000	(1,000)	13,200	(2,200)
Graphics/Artwork	1,500	3,500	(2,000)	2,000	(500)
Outside Sales Expense	90,000		90,000	118,500	(28,500)
Editorial Advis Committee Exp	800		800	800	-
<b>TOTAL DIRECT EXPENSES:</b>	<b>449,665</b>	<b>357,115</b>	<b>92,550</b>	<b>482,115</b>	<b>(32,450)</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	199,458	206,395	(6,937)	216,483	(17,025)
Benefits	61,936	79,696	(17,760)	85,752	(23,816)
OTHER INDIRECT EXPENSE	84,105	73,488	10,617	70,099	14,006
<b>TOTAL INDIRECT EXPENSES:</b>	<b>345,499</b>	<b>359,579</b>	<b>(14,081)</b>	<b>372,334</b>	<b>(26,835)</b>
<b>TOTAL ALL EXPENSES:</b>	<b>795,164</b>	<b>716,694</b>	<b>78,469</b>	<b>854,449</b>	<b>(59,285)</b>
<b>NET INCOME (LOSS):</b>	<b>(326,814)</b>	<b>(255,344)</b>	<b>(71,469)</b>	<b>(251,883)</b>	<b>(74,930)</b>

FTEs 2.83

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>Office of Executive Director</b>					
<b>REVENUE:</b>					
				-	
<b>DIRECT EXPENSES:</b>					
Staff Travel/Parking		5,400	(5,400)	5,400	(5,400)
Staff Membership Dues		1,700	(1,700)	1,700	(1,700)
Telephone		1,000	(1,000)		-
ABA Delegates	5,000		5,000		5,000
Section/Committee Chair Mtgs	500		500		500
Washington Leadership Institute	80,000		80,000		80,000
ED Travel & Outreach	5,000	5,000	-	5,000	-
BOG Elections	1		1		1
Law Library	150	279	(129)	279	(129)
<b>TOTAL DIRECT EXPENSES:</b>	<b>101,651</b>	<b>13,379</b>	<b>88,272</b>	<b>12,379</b>	<b>89,272</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	399,638	247,104	152,534	382,572	17,066
Benefits	125,357	71,129	54,228	118,089	7,268
OTHER INDIRECT EXPENSE	89,262	41,829	47,433	39,860	49,402
					-
<b>TOTAL INDIRECT EXPENSES:</b>	<b>614,257</b>	<b>360,062</b>	<b>254,195</b>	<b>540,521</b>	<b>73,736</b>
				-	
<b>TOTAL ALL EXPENSES:</b>	<b>715,909</b>	<b>373,441</b>	<b>342,468</b>	<b>552,900</b>	<b>163,009</b>
<b>NET INCOME (LOSS):</b>	<b>(715,909)</b>	<b>(373,441)</b>	<b>(342,468)</b>	<b>(552,900)</b>	<b>(163,009)</b>
FTEs	3.00				

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>OGC-Office of General Counsel</b>					
<b>REVENUE:</b>					
Copy Fees				4	(4)
<b>TOTAL REVENUE</b>			-	<b>4</b>	<b>(4)</b>
<b>DIRECT EXPENSES:</b>					
Depreciation	1,668	3,336	(1,668)	3,336	(1,668)
Staff Travel/Parking	100	300	(200)	300	(200)
Staff Membership Dues	1,500	1,500	-	2,725	(1,225)
Litigation Expenses	250	500	(250)	500	(250)
Online Legal Research	10,034	11,025	(991)	11,205	(1,171)
Law Library		1,673	(1,673)	2,921	(2,921)
Court Rules Committee	2,250	3,000	(750)	3,000	(750)
Discipline Advisory Roundtable	375	500	(125)	500	(125)
Custodianship	2,500	2,500	-	1,500	1,000
<b>TOTAL DIRECT EXPENSES:</b>	<b>18,677</b>	<b>24,334</b>	<b>(5,657)</b>	<b>25,987</b>	<b>(7,310)</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	597,771	600,907	(3,136)	460,618	137,153
Benefits	164,926	198,081	(33,156)	159,114	5,812
OTHER INDIRECT EXPENSE	189,757	167,751	22,005	159,991	29,766
<b>TOTAL INDIRECT EXPENSES:</b>	<b>952,454</b>	<b>966,739</b>	<b>(14,286)</b>	<b>779,723</b>	<b>172,731</b>
<b>TOTAL ALL EXPENSES:</b>	<b>971,131</b>	<b>991,073</b>	<b>(19,942)</b>	<b>805,710</b>	<b>165,420</b>
<b>NET INCOME (LOSS):</b>	<b>(971,131)</b>	<b>(991,073)</b>	<b>19,942</b>	<b>(805,706)</b>	<b>(165,424)</b>
FTEs	6.38				

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>OGCDB-Office of General Counsel Disciplinary Board</b>					
<b>REVENUE:</b>					
				-	
<b>DIRECT EXPENSES:</b>					
Staff Membership Dues	100	200	(100)	100	-
Law Library		1,116	(1,116)	1,116	(1,116)
Disciplinary Board Expenses	1,500	10,000	(8,500)	4,000	(2,500)
Chief Hearing Officer	33,000	33,000	-	33,000	-
Hearing Officer Expenses	1,500	3,000	(1,500)	2,000	(500)
Hearing Officer Training	550	2,000	(1,450)	2,000	(1,450)
Outside Counsel	55,000	55,000	-	55,000	-
<b>TOTAL DIRECT EXPENSES:</b>	<b>91,650</b>	<b>104,316</b>	<b>(12,666)</b>	<b>97,216</b>	<b>(5,566)</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	93,398	104,449	(11,051)	231,661	(138,263)
Benefits	32,566	40,403	(7,837)	80,024	(47,458)
OTHER INDIRECT EXPENSE	38,680	44,656	(5,976)	42,609	(3,929)
				-	
<b>TOTAL INDIRECT EXPENSES:</b>	<b>164,644</b>	<b>189,508</b>	<b>(24,864)</b>	<b>354,294</b>	<b>(189,650)</b>
				-	
<b>TOTAL ALL EXPENSES:</b>	<b>256,294</b>	<b>293,824</b>	<b>(37,530)</b>	<b>451,510</b>	<b>(195,216)</b>
<b>NET INCOME (LOSS):</b>	<b>(256,294)</b>	<b>(293,824)</b>	<b>37,530</b>	<b>(451,510)</b>	<b>195,216</b>
FTEs	1.30				

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>OUTENG-Outreach and Engagement</b>					
<b>REVENUE:</b>					
				-	
<b>DIRECT EXPENSES:</b>					
Staff Travel/Parking	1,400		1,400		1,400
Staff Membership Dues	1,152	825	327	825	327
ABA Delegates	5,600	5,600	-	5,000	600
Section/Committee Chair Mtgs	600	600	-	600	-
Jud Recommend Committee	4,500	4,500	-	2,000	2,500
BOG Elections	-	6,500	(6,500)	6,500	(6,500)
Bar Outreach	15,000	11,600	3,400	16,600	(1,600)
Professionalism		2,000	(2,000)		-
<b>TOTAL DIRECT EXPENSES:</b>	<b>28,252</b>	<b>31,625</b>	<b>(3,373)</b>	<b>31,525</b>	<b>(3,273)</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	149,495	231,494	(81,999)	198,420	(48,925)
Benefits	51,981	81,766	(29,785)	78,596	(26,615)
OTHER INDIRECT EXPENSE	59,508	78,669	(19,161)	75,047	(15,539)
					-
<b>TOTAL INDIRECT EXPENSES:</b>	<b>260,983</b>	<b>391,929</b>	<b>(130,946)</b>	<b>352,063</b>	<b>(91,080)</b>
				-	
<b>TOTAL ALL EXPENSES:</b>	<b>289,235</b>	<b>423,554</b>	<b>(134,319)</b>	<b>383,588</b>	<b>(94,353)</b>
<b>NET INCOME (LOSS):</b>	<b>(289,235)</b>	<b>(423,554)</b>	<b>134,319</b>	<b>(383,588)</b>	<b>94,353</b>
FTEs	2.00				



**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Rerecast - BOG Approved	FY2021 v3 vs Rerecast
<b>PLB-Practice Law Board</b>					
<b>REVENUE:</b>					
				-	
<b>DIRECT EXPENSES:</b>					
Practice of Law Board	9,000	16,000	(7,000)	12,000	(3,000)
<b>TOTAL DIRECT EXPENSES:</b>	<b>9,000</b>	<b>16,000</b>	<b>(7,000)</b>	<b>12,000</b>	<b>(3,000)</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	26,203	38,689	(12,486)	39,116	(12,913)
Benefits	6,209	13,044	(6,835)	13,512	(7,303)
OTHER INDIRECT EXPENSE	4,463	11,528	(7,065)	10,996	(6,533)
				-	
<b>TOTAL INDIRECT EXPENSES:</b>	<b>36,875</b>	<b>63,261</b>	<b>(26,386)</b>	<b>63,624</b>	<b>(26,749)</b>
				-	
<b>TOTAL ALL EXPENSES:</b>	<b>45,875</b>	<b>79,261</b>	<b>(33,386)</b>	<b>75,624</b>	<b>(29,749)</b>
<b>NET INCOME (LOSS):</b>	<b>(45,875)</b>	<b>(79,261)</b>	<b>33,386</b>	<b>(75,624)</b>	<b>29,749</b>
FTEs	0.15				

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>PRP-Professional Responsibility Program</b>					
<b>REVENUE:</b>					
				-	
<b>DIRECT EXPENSES:</b>					
Staff Travel/Parking	3,000	4,000	(1,000)	4,000	(1,000)
Staff Membership Dues	375	375	-		375
Law Library		279	(279)	279	(279)
CPE Committee	3,750	5,000	(1,250)	5,000	(1,250)
<b>TOTAL DIRECT EXPENSES:</b>	<b>7,125</b>	<b>9,654</b>	<b>(2,529)</b>	<b>9,279</b>	<b>(2,154)</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	161,077	159,873	1,204	160,115	962
Benefits	65,273	56,961	8,312	55,310	9,963
OTHER INDIRECT EXPENSE	50,359	44,683	5,676	42,609	7,750
					-
<b>TOTAL INDIRECT EXPENSES:</b>	<b>276,709</b>	<b>261,517</b>	<b>15,192</b>	<b>258,034</b>	<b>18,675</b>
<b>TOTAL ALL EXPENSES:</b>	<b>283,834</b>	<b>271,171</b>	<b>12,663</b>	<b>267,313</b>	<b>16,521</b>
<b>NET INCOME (LOSS):</b>	<b>(283,834)</b>	<b>(271,171)</b>	<b>(12,663)</b>	<b>(267,313)</b>	<b>(16,521)</b>
FTEs	1.69				

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Rereforecast - BOG Approved	FY2021 v3 vs Rereforecast
<b>PSP-Public Service Programs</b>					
<b>REVENUE:</b>					
Donations & Grants	130,000	125,000	5,000	135,000	(5,000)
PSP Product Sales	200	1,000	(800)	200	-
Work Study Grants		2,100	(2,100)		-
<b>TOTAL REVENUE</b>	<b>130,200</b>	<b>128,100</b>	<b>2,100</b>	<b>135,200</b>	<b>(5,000)</b>
<b>DIRECT EXPENSES:</b>					
Donations/Sponsorships/Grants	233,193	221,777	11,416	205,688	27,505
Staff Travel/Parking	2,000	2,000	-	2,000	-
Pro Bono& Legal Aid Committee	2,500	2,000	500	2,000	500
Day of Service	27,000	25,000	2,000	30,500	(3,500)
Pro Bono CertificateS	3,800		3,800		3,800
<b>TOTAL DIRECT EXPENSES:</b>	<b>268,493</b>	<b>250,777</b>	<b>17,716</b>	<b>240,188</b>	<b>28,305</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	72,710	117,048	(44,338)	95,912	(23,202)
Benefits	25,457	42,433	(16,977)	41,552	(16,095)
OTHER INDIRECT EXPENSE	29,754	44,372	(14,618)	42,334	(12,580)
<b>TOTAL INDIRECT EXPENSES:</b>	<b>127,921</b>	<b>203,853</b>	<b>(75,932)</b>	<b>179,798</b>	<b>(51,877)</b>
<b>TOTAL ALL EXPENSES:</b>	<b>396,414</b>	<b>454,630</b>	<b>(58,216)</b>	<b>419,986</b>	<b>(23,572)</b>
<b>NET INCOME (LOSS):</b>	<b>(266,214)</b>	<b>(326,530)</b>	<b>60,316</b>	<b>(284,786)</b>	<b>18,572</b>
FTEs	1.00				

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>PUB-Publication and Design Services</b>					
<b>REVENUE:</b>					
				-	
<b>DIRECT EXPENSES:</b>					
Equipment, Hardware & Software	300	330	(30)	330	(30)
Subscriptions	200	262	(62)	262	(62)
Supplies	150	300	(150)	300	(150)
Image Library	5,080	4,680	400	4,680	400
<b>TOTAL DIRECT EXPENSES:</b>	<b>5,730</b>	<b>5,572</b>	<b>158</b>	<b>5,572</b>	<b>158</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	53,952	75,007	(21,055)	74,534	(20,582)
Benefits	19,005	28,759	(9,754)	29,523	(10,518)
OTHER INDIRECT EXPENSE	25,886	31,403	(5,517)	29,964	(4,078)
				-	
<b>TOTAL INDIRECT EXPENSES:</b>	<b>98,843</b>	<b>135,169</b>	<b>(36,326)</b>	<b>134,021</b>	<b>(35,178)</b>
				-	
<b>TOTAL ALL EXPENSES:</b>	<b>104,573</b>	<b>140,741</b>	<b>(36,168)</b>	<b>139,593</b>	<b>(35,020)</b>
<b>NET INCOME (LOSS):</b>	<b>(104,573)</b>	<b>(140,741)</b>	<b>36,168</b>	<b>(139,593)</b>	<b>35,020</b>
FTEs	0.87				

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>SECT-Sections Administration</b>					
<b>REVENUE:</b>					
Reimbursements From Sections	300,000	300,000	-	300,000	-
<b>TOTAL REVENUE</b>	<b>300,000</b>	<b>300,000</b>	<b>-</b>	<b>300,000</b>	<b>-</b>
<b>DIRECT EXPENSES:</b>					
Staff Travel/Parking	1,740	1,200	540	1,200	540
Staff Membership Dues	125	125	-	125	-
Subscriptions	410	372	38	410	-
Conference Calls	300	300	-	300	-
Miscellaneous	300	300	-	300	-
Section/Committee Chair Mtgs	1,000	1,000	-	1,000	-
Dues Statements	6,000	6,000	-	6,000	-
<b>TOTAL DIRECT EXPENSES:</b>	<b>9,875</b>	<b>9,297</b>	<b>578</b>	<b>9,335</b>	<b>540</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	162,744	303,468	(140,724)	161,026	1,718
Benefits	46,430	114,454	(68,025)	69,763	(23,333)
OTHER INDIRECT EXPENSE	79,741	122,090	(42,349)	-	79,741
<b>TOTAL INDIRECT EXPENSES:</b>	<b>288,915</b>	<b>540,012</b>	<b>(251,097)</b>	<b>230,789</b>	<b>58,126</b>
<b>TOTAL ALL EXPENSES:</b>	<b>298,790</b>	<b>549,309</b>	<b>(250,519)</b>	<b>240,124</b>	<b>58,666</b>
<b>NET INCOME (LOSS):</b>	<b>1,210</b>	<b>(249,309)</b>	<b>250,519</b>	<b>59,876</b>	<b>(58,666)</b>
FTEs	2.68				

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>TECH-Technology</b>					
<b>REVENUE:</b>					
				-	
<b>DIRECT EXPENSES:</b>					
Consulting Services	110,000	85,000	25,000	110,000	-
Staff Travel/Parking	2,500	2,500	-	2,500	-
Staff Membership Dues	450	110	340	180	270
Telephone	22,000	24,000	(2,000)	24,000	(2,000)
Transfer to Indirect Expense		(667,610)	667,610		-
Computer Hardware	60,000	29,000	31,000	38,000	22,000
Computer Software	112,200	29,000	83,200	29,000	83,200
Hardware Service & Warranties	55,000	60,000	(5,000)	55,000	-
Software Maint & Licensing	336,600	270,000	66,600	320,000	16,600
Telephone Hardware & Maint	7,000	10,000	(3,000)	7,000	-
Computer Supplies	10,000	15,000	(5,000)	10,000	-
Third Party Services	130,000	143,000	(13,000)	177,000	(47,000)
Transfer to Indirect Expenses	(845,750)		(845,750)	(772,680)	(73,070)
<b>INDIRECT EXPENSES:</b>					
Salaries	1,120,558	1,090,382	30,176	1,063,911	56,647
Benefits	359,195	376,762	(17,568)	380,432	(21,237)
Capital Labor & Overhead	(160,000)	(141,000)	(19,000)	(51,000)	(109,000)
OTHER INDIRECT EXPENSE	339,721	348,705	(8,984)	332,628	7,093
<b>TOTAL INDIRECT EXPENSES:</b>	<b>1,659,474</b>	<b>1,674,850</b>	<b>(15,375)</b>	<b>1,709,878</b>	<b>(66,497)</b>
<b>TOTAL ALL EXPENSES:</b>	<b>1,659,474</b>	<b>1,674,850</b>	<b>(15,375)</b>	<b>1,709,878</b>	<b>(50,403)</b>
<b>NET INCOME (LOSS):</b>	<b>(1,659,474)</b>	<b>(1,674,850)</b>	<b>15,375</b>	<b>(1,709,878)</b>	<b>50,403</b>
FTEs	12.00				

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>COVID19</b>					
<b>REVENUE:</b>				-	
<b>DIRECT EXPENSES:</b>					
Covid19	-		-	25,000	(25,000)
<b>TOTAL DIRECT EXPENSES:</b>	-		-	<b>25,000</b>	<b>(25,000)</b>
<b>INDIRECT EXPENSES:</b>					
OTHER INDIRECT EXPENSE	-		-	-	-
<b>TOTAL INDIRECT EXPENSES:</b>	-		-	-	-
<b>TOTAL ALL EXPENSES:</b>	-		-	<b>25,000</b>	<b>(25,000)</b>
<b>NET INCOME (LOSS):</b>	-		-	<b>(25,000)</b>	<b>25,000</b>

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Rereforecast - BOG Approved	FY2021 v3 vs Rereforecast
<b>SC-Service Center</b>					
<b>REVENUE:</b>					
				-	
<b>DIRECT EXPENSES:</b>					
Translation Services	8,500		8,500		8,500
<b>TOTAL DIRECT EXPENSES:</b>	<b>8,500</b>		<b>8,500</b>		<b>8,500</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	381,740		381,740		381,740
Benefits	155,954		155,954		155,954
OTHER INDIRECT EXPENSE	199,650		199,650		199,650
				-	
<b>TOTAL INDIRECT EXPENSES:</b>	<b>737,343</b>		<b>737,343</b>		<b>737,343</b>
<b>TOTAL ALL EXPENSES:</b>	<b>745,843</b>		<b>745,843</b>		<b>745,843</b>
<b>NET INCOME (LOSS):</b>	<b>(745,843)</b>		<b>(745,843)</b>		<b>(745,843)</b>
FTEs	6.71				



**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>RSD FTE-Dept headcount allocation</b>					
<b>REVENUE:</b>				-	
<b>DIRECT EXPENSES:</b>					
<b>INDIRECT EXPENSES:</b>					
Salaries	331,552		331,552		331,552
Benefits	94,598		94,598		94,598
OTHER INDIRECT EXPENSE	80,336		80,336		80,336
					-
<b>TOTAL INDIRECT EXPENSES:</b>	<b>506,486</b>		<b>506,486</b>		<b>506,486</b>
				-	
<b>TOTAL ALL EXPENSES:</b>	<b>506,486</b>		<b>506,486</b>		<b>506,486</b>
<b>NET INCOME (LOSS):</b>	<b>(506,486)</b>		<b>(506,486)</b>		<b>(506,486)</b>
<b>FTEs</b>	2.70				

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>COMM FTE-Dept headcount allocation</b>					
<b>REVENUE:</b>				-	
<b>DIRECT EXPENSES:</b>					
<b>INDIRECT EXPENSES:</b>					
Salaries	149,565		149,565		149,565
Benefits	43,303		43,303		43,303
OTHER INDIRECT EXPENSE	29,754		29,754		29,754
					-
<b>TOTAL INDIRECT EXPENSES:</b>	<b>222,622</b>		<b>222,622</b>		<b>222,622</b>
				-	
<b>TOTAL ALL EXPENSES:</b>	<b>222,622</b>		<b>222,622</b>		<b>222,622</b>
<b>NET INCOME (LOSS):</b>	<b>(222,622)</b>		<b>(222,622)</b>		<b>(222,622)</b>
FTEs	1.00				

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>ADV FTE-Dept headcount allocation</b>					
<b>REVENUE:</b>					
				-	
<b>DIRECT EXPENSES:</b>					
<b>INDIRECT EXPENSES:</b>					
Salaries	159,666		159,666		159,666
Benefits	42,009		42,009		42,009
OTHER INDIRECT EXPENSE	34,217		34,217		34,217
					-
<b>TOTAL INDIRECT EXPENSES:</b>	<b>235,893</b>		<b>235,893</b>		<b>235,893</b>
				-	
<b>TOTAL ALL EXPENSES:</b>	<b>235,893</b>		<b>235,893</b>		<b>235,893</b>
<b>NET INCOME (LOSS):</b>	<b>(235,893)</b>		<b>(235,893)</b>		<b>(235,893)</b>
FTEs	1.15				

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Rereforecast - BOG Approved	FY2021 v3 vs Rereforecast
<b>CLEP-CLE-Products</b>					
<b>REVENUE:</b>					
Shipping & Handling	1,000	1,000	-	1,000	-
Coursebook Sales	8,000	9,000	(1,000)	9,000	(1,000)
MP3 Sales	195,000		195,000		195,000
Digital Video Sales	625,000		625,000		625,000
Internet Sales		925,000	(925,000)	878,750	(878,750)
<b>TOTAL REVENUE</b>	<b>829,000</b>	<b>935,000</b>	<b>(106,000)</b>	<b>888,750</b>	<b>(59,750)</b>
<b>DIRECT EXPENSES:</b>					
Bad Debt Expense		100	(100)	100	(100)
Depreciation		5,820	(5,820)	5,820	(5,820)
Staff Travel/Parking		2,000	(2,000)	2,000	(2,000)
Staff Membership Dues	600	620	(20)	620	(20)
Cost of Sales - Coursebooks	1,500	200	1,300	250	1,250
A/V Develop Costs (Recording)	2,000	1,500	500	1,500	500
CLE-Equip-Depreciation	3,188		3,188		3,188
Online Product Hosting Expenses	48,000	42,000	6,000	48,000	-
Postage & Delivery-Coursebooks	500	500	-	500	-
Postage - Fliers/Catalogs		3,500	(3,500)		-
Postage - Fliers/Catalogs			-	3,500	(3,500)
Seminar Brochures		3,000	(3,000)	3,000	(3,000)
<b>TOTAL DIRECT EXPENSES:</b>	<b>55,788</b>	<b>59,240</b>	<b>(3,452)</b>	<b>65,290</b>	<b>(9,502)</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	93,571	103,267	(9,696)	102,074	(8,503)
Benefits	37,712	39,468	(1,756)	40,063	(2,351)
OTHER INDIRECT EXPENSE	43,143	44,942	(1,798)	42,884	259
<b>TOTAL INDIRECT EXPENSES:</b>	<b>174,427</b>	<b>187,677</b>	<b>(13,250)</b>	<b>185,021</b>	<b>(10,594)</b>
<b>TOTAL ALL EXPENSES:</b>	<b>230,215</b>	<b>246,917</b>	<b>(16,702)</b>	<b>250,311</b>	<b>(20,096)</b>
<b>NET INCOME (LOSS):</b>	<b>598,785</b>	<b>688,083</b>	<b>(89,298)</b>	<b>638,439</b>	<b>(39,654)</b>

FTEs

1.45

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>CLES-CLE-Seminars</b>					
<b>REVENUE:</b>					
Seminar Registrations	825,000	860,000	(35,000)	875,329	(50,329)
Seminar Revenue-Other	28,000	29,000	(1,000)	29,000	(1,000)
<b>TOTAL REVENUE</b>	<b>853,000</b>	<b>889,000</b>	<b>(36,000)</b>	<b>904,329</b>	<b>(51,329)</b>
<b>DIRECT EXPENSES:</b>					
Bad Debt Expense	650	500	150	500	150
Staff Travel/Parking	15,000	6,000	9,000	6,000	9,000
Staff Membership Dues	853	850	3	850	3
Supplies	1,000	2,000	(1,000)	2,000	(1,000)
Conference Calls	50		50	25	25
Coursebook Production	1,500	3,000	(1,500)	3,000	(1,500)
Postage - Fliers/Catalogs	8,000	12,000	(4,000)	12,000	(4,000)
Postage - Misc/Delivery	800	1,000	(200)	1,000	(200)
Accreditation Fees	3,000	3,000	-	3,000	-
Seminar Brochures	20,000	18,000	2,000	18,000	2,000
Facilities	279,000	234,000	45,000	232,357	46,643
Speakers & Program Develop	50,000	62,000	(12,000)	62,000	(12,000)
Splits to Sections	100,000	100,100	(100)	100,100	(100)
CLE Seminar Committee	250	500	(250)	250	-
<b>TOTAL DIRECT EXPENSES:</b>	<b>480,103</b>	<b>442,950</b>	<b>37,153</b>	<b>441,082</b>	<b>39,021</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	474,795	539,988	(65,193)	485,567	(10,772)
Benefits	182,511	205,974	(23,463)	210,364	(27,853)
OTHER INDIRECT EXPENSE	207,386	223,287	(15,901)	213,047	(5,661)
<b>TOTAL INDIRECT EXPENSES:</b>	<b>864,692</b>	<b>969,249</b>	<b>(104,557)</b>	<b>908,978</b>	<b>(44,286)</b>
<b>TOTAL ALL EXPENSES:</b>	<b>1,344,795</b>	<b>1,412,199</b>	<b>(67,404)</b>	<b>1,350,060</b>	<b>(5,265)</b>
<b>NET INCOME (LOSS):</b>	<b>(491,795)</b>	<b>(523,199)</b>	<b>31,404</b>	<b>(445,732)</b>	<b>(46,063)</b>
FTEs	6.97				

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>CLES-CLE-Seminars, CLEP-CLE-Products</b>					
<b>REVENUE:</b>					
Shipping & Handling	1,000	1,000	-	1,000	-
Seminar Registrations	825,000	860,000	(35,000)	875,329	(50,329)
Seminar Revenue-Other	28,000	29,000	(1,000)	29,000	(1,000)
Coursebook Sales	8,000	9,000	(1,000)	9,000	(1,000)
MP3 Sales	195,000		195,000		195,000
Digital Video Sales	625,000		625,000		625,000
Internet Sales		925,000	(925,000)	878,750	(878,750)
<b>TOTAL REVENUE</b>	<b>1,682,000</b>	<b>1,824,000</b>	<b>(142,000)</b>	<b>1,793,079</b>	<b>(111,079)</b>
<b>DIRECT EXPENSES:</b>					
Bad Debt Expense	650	600	50	600	50
Depreciation		5,820	(5,820)	5,820	(5,820)
Staff Travel/Parking	15,000	8,000	7,000	8,000	7,000
Staff Membership Dues	1,453	1,470	(17)	1,470	(17)
Supplies	1,000	2,000	(1,000)	2,000	(1,000)
Conference Calls	50		50	25	25
Cost of Sales - Coursebooks	1,500	200	1,300	250	1,250
A/V Develop Costs (Recording)	2,000	1,500	500	1,500	500
CLE-Equip-Depreciation	3,188		3,188		3,188
Online Product Hosting Exper	48,000	42,000	6,000	48,000	-
Postage & Delivery-Courseboo	500	500	-	500	-
Postage - Fliers/Catalogs		3,500	(3,500)		-
Coursebook Production	1,500	3,000	(1,500)	3,000	(1,500)
Postage - Fliers/Catalogs	8,000	12,000	(4,000)	15,500	(7,500)
Postage - Misc/Delivery	800	1,000	(200)	1,000	(200)
Accreditation Fees	3,000	3,000	-	3,000	-
Seminar Brochures	20,000	21,000	(1,000)	21,000	(1,000)
Facilities	279,000	234,000	45,000	232,357	46,643
Speakers & Program Develop	50,000	62,000	(12,000)	62,000	(12,000)
Splits to Sections	100,000	100,100	(100)	100,100	(100)
CLE Seminar Committee	250	500	(250)	250	-
<b>TOTAL DIRECT EXPENSES:</b>	<b>535,891</b>	<b>502,190</b>	<b>33,701</b>	<b>506,372</b>	<b>29,519</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	568,366	643,255	(74,889)	587,641	(19,275)
Benefits	220,223	245,443	(25,219)	250,427	(30,204)
OTHER INDIRECT EXPENSE	250,529	268,229	(17,699)	255,931	(5,402)
<b>TOTAL INDIRECT EXPENSES:</b>	<b>1,039,119</b>	<b>1,156,926</b>	<b>(117,807)</b>	<b>1,093,999</b>	<b>(54,880)</b>
<b>TOTAL ALL EXPENSES:</b>	<b>1,575,010</b>	<b>1,659,116</b>	<b>(84,106)</b>	<b>1,600,371</b>	<b>(25,361)</b>
<b>NET INCOME (LOSS):</b>	<b>106,990</b>	<b>164,884</b>	<b>(57,894)</b>	<b>192,707</b>	<b>(85,717)</b>

FTEs 8.42

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>DESK-Deskbooks</b>					
<b>REVENUE:</b>					
Shipping & Handling	3,000	2,500	500	3,000	-
Deskbook Sales	100,000	100,000	-	110,000	(10,000)
Section Publication Sales	5,000	3,000	2,000	3,000	2,000
Casemaker Royalties	50,000	60,000	(10,000)	60,000	(10,000)
<b>TOTAL REVENUE</b>	<b>158,000</b>	<b>165,500</b>	<b>(7,500)</b>	<b>176,000</b>	<b>(18,000)</b>
<b>DIRECT EXPENSES:</b>					
Bad Debt Expense	100	100	-	100	-
Records Storage - Off Site	8,100	8,100	-	8,100	-
Staff Membership Dues	220	220	-	220	-
Subscriptions	185	150	35	185	-
Miscellaneous	200		200		200
Cost of Sales - Deskbooks	56,880	60,000	(3,120)	75,000	(18,120)
Cost of Sales - Section Public	2,000	750	1,250	750	1,250
Obsolete Inventory	21,000		21,000	850	20,150
Splits to Sections	15,000	1,000	14,000	1,000	14,000
Deskbook Royalties	500	1,000	(500)	1,000	(500)
Postage & Delivery-Deskbooks	3,000	2,500	500	3,000	-
Fliers/Catalogs	1,500	3,000	(1,500)	3,000	(1,500)
Postage - Fliers/Catalogs	750	1,500	(750)	1,500	(750)
Complimentary Book Program	1,000	2,500	(1,500)	2,500	(1,500)
Online Legal Research	1,672	1,838	(165)	1,838	(165)
<b>TOTAL DIRECT EXPENSES:</b>	<b>112,107</b>	<b>82,658</b>	<b>29,450</b>	<b>99,043</b>	<b>13,065</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	124,754	148,307	(23,553)	110,788	13,966
Benefits	45,062	57,910	(12,849)	43,885	1,177
OTHER INDIRECT EXPENSE	45,226	64,823	(19,596)	61,852	(16,626)
<b>TOTAL INDIRECT EXPENSES:</b>	<b>215,042</b>	<b>271,040</b>	<b>(55,998)</b>	<b>216,525</b>	<b>(1,483)</b>
<b>TOTAL ALL EXPENSES:</b>	<b>327,149</b>	<b>353,698</b>	<b>(26,548)</b>	<b>315,568</b>	<b>11,582</b>
<b>NET INCOME (LOSS):</b>	<b>(169,149)</b>	<b>(188,198)</b>	<b>19,048</b>	<b>(139,568)</b>	<b>(29,582)</b>

FTEs

1.52

LM-127

**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	<b>Budget FY2021 v3 FY2021</b>	<b>Original Budget FY2020</b>	<b>FY2021 v3 vs Original FY2020</b>	<b>Reforecast - BOG Approved</b>	<b>FY2021 v3 vs Reforecast</b>
<b>Section Operation</b>					
<b>REVENUE:</b>					
Interest - Investments	1,470	2,320	(850)	2,320	(850)
Publications Revenue	6,000	10,000	(4,000)	10,000	(4,000)
Annual or Other Meeting Rev	4,200	4,200	-	4,200	-
Receptions Revenue	250	500	(250)	500	(250)
Conferences & Institutes	5,000	5,000	-	5,000	-
Mini-CLE Revenue	31,050	36,400	(5,350)	36,400	(5,350)
Seminar Splits w/CLE	81,064	73,119	7,945	73,119	7,945
Seminar Splits w/Others	17,300	21,000	(3,700)	21,000	(3,700)
Section Dues Revenue	439,445	454,005	(14,560)	454,005	(14,560)
<b>TOTAL REVENUE</b>	<b>585,779</b>	<b>606,544</b>	<b>(20,765)</b>	<b>606,544</b>	<b>(20,765)</b>
<b>DIRECT EXPENSES:</b>					
Law Clerk Outreach		3,500	(3,500)		-
Direct Expenses of Section Activities	584,594		584,594	562,340	22,254
Reimbursement to WSBA for Indirect Expenses	289,369	298,444	(9,075)	298,444	(9,075)
<b>TOTAL DIRECT EXPENSES:</b>	<b>873,963</b>	<b>860,784</b>	<b>13,179</b>	<b>860,784</b>	<b>13,179</b>
<b>NET INCOME (LOSS):</b>	<b>(288,184)</b>	<b>(254,240)</b>	<b>(33,944)</b>	<b>(254,240)</b>	<b>(33,944)</b>



**Washington State Bar Association  
Budget FY21 and FY20 Comparison**

	Budget FY2021 v3 FY2021	Original Budget FY2020	FY2021 v3 vs Original FY2020	Reforecast - BOG Approved	FY2021 v3 vs Reforecast
<b>Client Protection Fund</b>					
<b>REVENUE:</b>					
CPF Restitution	4,000	3,000	1,000	4,000	-
CPF Member Assessments	515,540	1,000,000	(484,460)	1,000,000	(484,460)
Interest Revenue	10,000	20,000	(10,000)	20,000	(10,000)
<b>TOTAL REVENUE</b>	<b>529,540</b>	<b>1,023,000</b>	<b>(493,460)</b>	<b>1,024,000</b>	<b>(494,460)</b>
<b>DIRECT EXPENSES:</b>					
Bank Fees	1,000	1,000	-	1,000	0
Staff Membership Dues	200		200	200	-
Gifts to injured Clients	500,000	500,000	-	500,000	-
CPF Board	1,200	3,000	(1,800)	1,200	-
<b>TOTAL DIRECT EXPENSES:</b>	<b>502,400</b>	<b>504,000</b>	<b>(1,600)</b>	<b>502,400</b>	<b>-</b>
<b>INDIRECT EXPENSES:</b>					
Salaries	84,478	79,855	4,623	79,880	4,598
Benefits	34,624	30,834	3,790	27,593	7,031
OTHER INDIRECT EXPENSE	36,598	33,997	2,601	32,438	4,160
<b>TOTAL INDIRECT EXPENSES:</b>	<b>155,699</b>	<b>144,686</b>	<b>11,013</b>	<b>139,911</b>	<b>15,788</b>
<b>TOTAL ALL EXPENSES:</b>	<b>658,099</b>	<b>648,686</b>	<b>9,413</b>	<b>642,311</b>	<b>15,788</b>
<b>NET INCOME (LOSS):</b>	<b>(128,559)</b>	<b>374,314</b>	<b>(502,873)</b>	<b>381,689</b>	<b>(510,248)</b>
FTEs	1.23				

## Washington State Bar Association

Statement of Activities

For the Period from July 1, 2020 to July 31, 2020

**83.33% OF YEAR COMPLETE**

	FISCAL 2020 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>CLIENT PROTECTION FUND</b>					
<b>REVENUE:</b>					
CPF RESTITUTION	4,000.00	1,132.61	12,768.06	(8,768.06)	319.20%
CPF MEMBER ASSESSMENTS	1,000,000.00	11,160.00	1,036,890.00	(36,890.00)	103.69%
INTEREST INCOME	20,000.00	1,116.48	46,085.06	(26,085.06)	230.43%
<b>TOTAL REVENUE:</b>	<b><u>1,024,000.00</u></b>	<b><u>13,409.09</u></b>	<b><u>1,095,743.12</u></b>	<b><u>(71,743.12)</u></b>	<b><u>107.01%</u></b>
<b>DIRECT EXPENSES:</b>					
BANK FEES - WELLS FARGO	1,000.00	193.42	1,962.94	(962.94)	196.29%
GIFTS TO INJURED CLIENTS	500,000.00	11,750.00	70,092.53	429,907.47	14.02%
CPF BOARD EXPENSES	1,200.00	-	1,213.10	(13.10)	101.09%
STAFF MEMBERSHIP DUES	200.00	-	-	200.00	0.00%
<b>TOTAL DIRECT EXPENSES:</b>	<b><u>502,400.00</u></b>	<b><u>11,943.42</u></b>	<b><u>73,268.57</u></b>	<b><u>429,131.43</u></b>	<b><u>14.58%</u></b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (1.18 FTE)	79,880.00	6,656.66	67,673.25	12,206.75	84.72%
BENEFITS EXPENSE	27,593.00	2,084.91	23,746.63	3,846.37	86.06%
OTHER INDIRECT EXPENSE	32,438.00	3,950.45	28,492.04	3,945.96	87.84%
<b>TOTAL INDIRECT EXPENSES:</b>	<b><u>139,911.00</u></b>	<b><u>12,692.02</u></b>	<b><u>119,911.92</u></b>	<b><u>19,999.08</u></b>	<b><u>85.71%</u></b>
<b>TOTAL ALL EXPENSES:</b>	<b><u>642,311.00</u></b>	<b><u>24,635.44</u></b>	<b><u>193,180.49</u></b>	<b><u>449,130.51</u></b>	<b><u>30.08%</u></b>
<b>NET INCOME (LOSS):</b>	<b><u>381,689.00</u></b>	<b><u>(11,226.35)</u></b>	<b><u>902,562.63</u></b>		

# Washington State Bar Association

Statement of Activities

For the Period from July 1, 2020 to July 31, 2020

**83.33% OF YEAR COMPLETE**

	<b>FISCAL 2020 REFORECAST</b>	<b>CURRENT MONTH</b>	<b>YEAR TO DATE</b>	<b>REMAINING BALANCE</b>	<b>% USED OF BUDGET</b>
<b>COVID 19</b>					
<b>REVENUE:</b>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>TOTAL REVENUE:</b>	<u>                    -</u>	<u>                    -</u>	<u>                    -</u>	<u>                    -</u>	<u>                    </u>
<b>DIRECT EXPENSES:</b>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
COVID 19	25,000.00	4,053.11	13,266.60	11,733.40	53.07%
<b>TOTAL DIRECT EXPENSES:</b>	<u>25,000.00</u>	<u>4,053.11</u>	<u>13,266.60</u>	<u>11,733.40</u>	<u>53.07%</u>
<b>INDIRECT EXPENSES:</b>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>TOTAL INDIRECT EXPENSES:</b>	<u>                    -</u>	<u>                    -</u>	<u>                    -</u>	<u>                    -</u>	<u>                    </u>
<b>TOTAL ALL EXPENSES:</b>	<u>25,000.00</u>	<u>4,053.11</u>	<u>13,266.60</u>	<u>11,733.40</u>	<u>53.07%</u>
<b>NET INCOME (LOSS):</b>	<u>(25,000.00)</u>	<u>(4,053.11)</u>	<u>(13,266.60)</u>		

# Washington State Bar Association

## Statement of Activities

For the Period from July 1, 2020 to July 31, 2020

**83.33% OF YEAR COMPLETE**

	<b>FISCAL 2020 REFORECAST</b>	<b>CURRENT MONTH</b>	<b>YEAR TO DATE</b>	<b>REMAINING BALANCE</b>	<b>% USED OF BUDGET</b>
<b>SECTIONS OPERATIONS</b>					
<b>REVENUE:</b>					
SECTION DUES	454,005.00	1,315.00	435,757.59	18,247.41	95.98%
SEMINAR PROFIT SHARE	94,118.73	-	78,319.92	15,798.81	83.21%
INTEREST INCOME	2,320.00	-	-	2,320.00	0.00%
PUBLICATIONS REVENUE	10,000.00	-	2,603.82	7,396.18	26.04%
OTHER	46,100.00	2,855.00	24,348.31	21,751.69	52.82%
<b>TOTAL REVENUE:</b>	<b>606,543.73</b>	<b>4,170.00</b>	<b>541,029.64</b>	<b>65,514.09</b>	<b>89.20%</b>
<b>DIRECT EXPENSES:</b>					
DIRECT EXPENSES OF SECTION ACTIVITIES	562,340.00	5,597.16	140,807.89	421,532.11	25.04%
REIMBURSEMENT TO WSBA FOR INDIRECT EXPENSES	298,443.75	825.00	286,893.75	11,550.00	96.13%
<b>TOTAL DIRECT EXPENSES:</b>	<b>860,783.75</b>	<b>6,422.16</b>	<b>427,701.64</b>	<b>433,082.11</b>	<b>49.69%</b>
<b>NET INCOME (LOSS):</b>	<b>(254,240.02)</b>	<b>(2,252.16)</b>	<b>113,328.00</b>		

## Washington State Bar Association

Statement of Activities

For the Period from July 1, 2020 to July 31, 2020

**83.33% OF YEAR COMPLETE**

	FISCAL 2020 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>INDIRECT EXPENSES:</b>					
SALARIES	11,648,994.00	941,529.99	9,689,857.43	1,959,136.57	83.18%
ALLOWANCE FOR OPEN POSITIONS	(212,871.50)	-	-	(212,871.50)	0.00%
TEMPORARY SALARIES	245,029.00	6,932.00	228,817.81	16,211.19	93.38%
CAPITAL LABOR & OVERHEAD	(51,000.00)	31,780.00	-	(51,000.00)	0.00%
EMPLOYEE ASSISTANCE PLAN	5,289.60	-	3,600.00	1,689.60	68.06%
EMPLOYEE SERVICE AWARDS	2,800.00	-	1,834.95	965.05	65.53%
FICA (EMPLOYER PORTION)	892,585.09	71,236.53	701,556.19	191,028.90	78.60%
L&I INSURANCE	49,500.00	-	31,124.41	18,375.59	62.88%
WA STATE FAMILY MEDICAL LEAVE (EMPLOYER)	17,500.00	1,392.00	13,623.71	3,876.29	77.85%
MEDICAL (EMPLOYER PORTION)	1,580,000.00	121,668.57	1,215,476.72	364,523.28	76.93%
RETIREMENT (EMPLOYER PORTION)	1,499,603.60	116,605.12	1,195,554.14	304,049.46	79.72%
TRANSPORTATION ALLOWANCE	115,000.00	(430.00)	105,205.00	9,795.00	91.48%
UNEMPLOYMENT INSURANCE	84,500.00	5,423.14	61,754.85	22,745.15	73.08%
STAFF DEVELOPMENT-GENERAL	6,900.00	-	1,375.19	5,524.81	19.93%
<b>TOTAL SALARY &amp; BENEFITS EXPENSE:</b>	<b>15,883,829.79</b>	<b>1,296,137.35</b>	<b>13,249,780.40</b>	<b>2,634,049.39</b>	<b>83.42%</b>
WORKPLACE BENEFITS	39,000.00	357.41	14,849.02	24,150.98	38.07%
HUMAN RESOURCES POOLED EXP	161,774.10	17,516.80	58,763.12	103,010.98	36.32%
MEETING SUPPORT EXPENSES	15,000.00	54.94	7,169.14	7,830.86	47.79%
RENT	1,925,000.00	153,841.69	1,633,570.38	291,429.62	84.86%
PERSONAL PROP TAXES-WSBA	7,983.96	586.83	6,810.33	1,173.63	85.30%
FURNITURE, MAINT, LH IMP	29,798.47	373.24	14,518.30	15,280.17	48.72%
OFFICE SUPPLIES & EQUIPMENT	45,000.00	4,535.57	28,836.13	16,163.87	64.08%
FURN & OFFICE EQUIP DEPRECIATION	53,000.00	4,284.00	42,830.00	10,170.00	80.81%
COMPUTER HARDWARE DEPRECIATION	46,436.20	3,180.00	36,095.54	10,340.66	77.73%
COMPUTER SOFTWARE DEPRECIATION	153,866.67	15,957.00	111,518.00	42,348.67	72.48%
INSURANCE	194,743.42	17,406.94	175,462.90	19,280.52	90.10%
PROFESSIONAL FEES-AUDIT	81,000.00	-	82,116.30	(1,116.30)	101.38%
PROFESSIONAL FEES-LEGAL	100,000.00	218,572.54	396,125.47	(296,125.47)	396.13%
TELEPHONE & INTERNET	47,000.00	3,695.01	36,703.82	10,296.18	78.09%
POSTAGE - GENERAL	28,070.69	537.90	15,738.14	12,332.55	56.07%
RECORDS STORAGE	42,000.00	15.50	26,977.41	15,022.59	64.23%
STAFF TRAINING	81,400.16	932.80	24,243.88	57,156.28	29.78%
BANK FEES	34,000.00	2,374.05	32,067.78	1,932.22	94.32%
PRODUCTION MAINTENANCE & SUPPLIES	12,000.00	(744.93)	7,708.11	4,291.89	64.23%
COMPUTER POOLED EXPENSES	772,680.00	26,907.14	638,514.33	134,165.67	82.64%
<b>TOTAL OTHER INDIRECT EXPENSES:</b>	<b>3,869,753.67</b>	<b>470,384.43</b>	<b>3,390,618.10</b>	<b>479,135.57</b>	<b>87.62%</b>
<b>TOTAL INDIRECT EXPENSES:</b>	<b>19,753,583.46</b>	<b>1,766,521.78</b>	<b>16,640,398.50</b>		

## Washington State Bar Association

Statement of Activities

For the Period from July 1, 2020 to July 31, 2020

**83.33% OF YEAR COMPLETE**

	FISCAL 2020 REFORECAST	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE
<b>SUMMARY PAGE</b>				
LICENSE FEES	16,317,618.00	1,376,431.48	13,797,216.49	2,520,401.51
ACCESS TO JUSTICE	(358,804.00)	(22,138.64)	(225,736.35)	(133,067.65)
ADMINISTRATION	(1,058,104.00)	(88,090.96)	(811,151.18)	(246,952.82)
ADMISSIONS/BAR EXAM	92,362.21	(84,001.71)	226,639.86	(134,277.65)
BOARD OF GOVERNORS	(548,510.00)	(11,179.41)	(251,998.20)	(296,511.80)
COMMUNICATIONS	(613,602.98)	(47,366.65)	(474,993.39)	(138,609.59)
CONFERENCE & BROADCAST SERVICES	(772,124.00)	(67,208.50)	(653,245.50)	(118,878.50)
DISCIPLINE	(5,874,215.60)	(493,761.62)	(4,890,518.72)	(983,696.88)
DIVERSITY	(265,392.00)	(39,537.72)	(231,827.12)	(33,564.88)
FOUNDATION	(142,703.00)	(12,366.60)	(118,025.59)	(24,677.41)
HUMAN RESOURCES	(207,109.50)	(50,334.79)	(352,295.29)	145,185.79
LAP	(128,221.00)	(15,128.51)	(111,141.79)	(17,079.21)
LEGISLATIVE	(181,506.00)	(12,781.84)	(137,092.31)	(44,413.69)
LICENSING AND MEMBERSHIP	(268,976.10)	(30,976.52)	(266,395.89)	(2,580.21)
LIMITED LICENSE LEGAL TECHNICIAN	(194,729.84)	(15,296.44)	(140,623.45)	(54,106.39)
LIMITED PRACTICE OFFICERS	38,755.10	1,243.98	40,981.09	(2,225.99)
MANDATORY CLE ADMINISTRATION	6,230.50	9,594.44	148,933.51	(142,703.01)
MEMBER BENEFITS	(283,739.00)	(14,111.61)	(252,199.12)	(31,539.88)
MEMBER SERVICES & ENGAGEMENT	(461,627.00)	(38,292.26)	(371,468.58)	(90,158.42)
NW LAWYER	(251,883.14)	(22,090.37)	(195,000.93)	(56,882.21)
OFFICE OF THE EXECUTIVE DIRECTOR	(552,900.00)	(51,740.85)	(415,489.90)	(137,410.10)
OFFICE OF GENERAL COUNSEL	(805,706.46)	(78,968.39)	(704,590.21)	(101,116.25)
OGC-DISCIPLINARY BOARD	(451,510.00)	(16,728.78)	(222,283.04)	(229,226.96)
OUTREACH & ENGAGEMENT	(383,588.00)	(30,989.11)	(304,325.16)	(79,262.84)
PRACTICE OF LAW BOARD	(75,624.00)	(5,735.65)	(55,810.19)	(19,813.81)
PROFESSIONAL RESPONSIBILITY PROGRAM	(267,313.00)	(22,727.99)	(221,823.70)	(45,489.30)
PUBLICATION & DESIGN SERVICES	(139,593.00)	(11,514.92)	(112,654.07)	(26,938.93)
PUBLIC SERVICE PROGRAMS	(284,785.98)	(65,144.61)	(160,613.15)	(124,172.83)
LAW CLERK PROGRAM	11,514.00	(13,567.40)	37,884.90	(26,370.90)
SECTIONS ADMINISTRATION	(56,681.00)	(35,032.92)	(73,625.05)	16,944.05
TECHNOLOGY	(1,725,971.00)	(179,178.52)	(1,503,111.66)	(222,859.34)
CLE - PRODUCTS	638,439.00	106,573.24	541,217.87	97,221.13
CLE - SEMINARS	(445,731.85)	(47,722.19)	(363,955.63)	(81,776.22)
COVID 19	(25,000.00)	(4,053.11)	(13,266.60)	(11,733.40)
SECTIONS OPERATIONS	(254,240.02)	(2,252.16)	113,328.00	(367,568.02)
DESKBOOKS	(139,567.50)	(6,063.76)	(117,696.24)	(21,871.26)
CLIENT PROTECTION FUND	381,689.00	(11,226.35)	902,562.63	(520,873.63)
INDIRECT EXPENSES	(19,753,583.46)	(1,766,521.78)	(16,640,398.50)	(3,113,184.96)
<b>TOTAL OF ALL</b>	<b><u>19,486,434.62</u></b>	<b><u>1,919,989.50</u></b>	<b><u>14,584,592.16</u></b>	<b><u>4,901,842.46</u></b>
<b>NET INCOME (LOSS)</b>	<b><u>267,148.84</u></b>	<b><u>(153,467.72)</u></b>	<b><u>2,055,806.34</u></b>	

**Washington State Bar Association Financial Summary**  
**Compared to Fiscal Year 2020 Budget**  
**For the Period from July 1, 2020 to July 31, 2020**

Category	Actual Revenues	Budgeted Revenues	Actual Indirect Expenses	Budgeted Indirect Expenses	Actual Direct Expenses	Budgeted Direct Expenses	Actual Total Expenses	Budgeted Total Expenses	Actual Net Result	Budgeted Net Result
Access to Justice	-	0	216,633	318,984	9,104	39,820	225,736	358,804	(225,736)	(358,804)
Administration	131,006	100,000	938,536	1,152,675	3,621	5,429	942,157	1,158,104	(811,151)	(1,058,104)
Admissions/Bar Exam	1,152,345	1,383,550	753,303	926,423	172,402	364,765	925,705	1,291,188	226,640	92,362
Board of Governors	-	0	103,563	114,010	148,435	434,500	251,998	548,510	(251,998)	(548,510)
Communications Strategies	2,643	2,893	436,510	537,768	41,126	78,728	477,636	616,496	(474,993)	(613,603)
Conference & Broadcast Services	-	0	648,814	763,124	4,432	9,000	653,246	772,124	(653,246)	(772,124)
COVID 19	-	0	0	0	13,267	25,000	13,267	25,000	(13,267)	(25,000)
Discipline	108,341	106,500	4,876,903	5,811,951	121,956	168,765	4,998,859	5,980,716	(4,890,519)	(5,874,216)
Diversity	125,000	135,187	349,039	374,489	7,788	26,090	356,827	400,579	(231,827)	(265,392)
Foundation	-	0	115,487	130,553	2,539	12,150	118,026	142,703	(118,026)	(142,703)
Human Resources	-	0	352,295	207,110	-	0	352,295	207,110	(352,295)	(207,110)
Law Clerk Program	183,515	194,562	136,299	170,298	9,330	12,750	145,630	183,048	37,885	11,514
Legislative	-	0	120,928	151,806	16,164	29,700	137,092	181,506	(137,092)	(181,506)
Licensing and Membership Records	301,872	350,350	535,937	583,723	32,331	35,603	568,268	619,326	(266,396)	(268,976)
Licensing Fees	13,797,216	16,317,618	-	0	-	0	-	-	13,797,216	16,317,618
Limited License Legal Technician	20,740	17,260	148,975	180,117	12,388	31,873	161,363	211,990	(140,623)	(194,730)
Limited Practice Officers	171,993	205,205	123,941	146,059	7,071	20,391	131,012	166,450	40,981	38,755
Mandatory CLE	940,100	1,038,450	579,792	777,053	211,374	255,167	791,167	1,032,220	148,934	6,231
Member Assistance Program	8,610	6,750	118,750	133,696	1,002	1,275	119,752	134,971	(111,142)	(128,221)
Member Benefits	22,070	28,000	100,364	125,243	173,905	186,496	274,269	311,739	(252,199)	(283,739)
Member Services & Engagement	119,926	154,250	483,661	590,332	7,733	25,545	491,394	615,877	(371,469)	(461,627)
NW Lawyer	457,096	602,566	298,688	372,334	353,409	482,115	652,097	854,449	(195,001)	(251,883)
Office of the Executive Director	-	0	413,530	540,521	1,960	12,379	0	0	(415,490)	(552,900)
Office of General Counsel	4	4	688,259.44	779,723	16,334.73	25,987.42	704,594.17	805,710	(704,590)	(805,706)
OGC-Disciplinary Board	-	0	157,234	354,294	65,049	97,216	222,283	451,510	(222,283)	(451,510)
Outreach and Engagement	-	0	296,669	352,063	7,657	31,525	304,325	383,588	(304,325)	(383,588)
Practice of Law Board	-	0	53,064	63,624	2,746	12,000	55,810	75,624	(55,810)	(75,624)
Professional Responsibility Program	-	0	218,018	258,034	3,805	9,279	221,824	267,313	(221,824)	(267,313)
Public Service Programs	135,099	135,200	160,353	179,798	135,359	240,188	295,712	419,986	(160,613)	(284,786)
Publication and Design Services	-	0	108,374	134,021	4,280	5,572	112,654	139,593	(112,654)	(139,593)
Sections Administration	286,894	300,000	353,648	347,346	6,871	9,335	360,519	356,681	(73,625)	(56,681)
Technology	-	0	1,503,112	1,725,971	-	0	1,503,112	1,753,552	(1,503,112)	(1,725,971)
<b>Subtotal General Fund</b>	<b>17,964,468</b>	<b>21,078,344</b>	<b>15,390,679</b>	<b>18,303,143</b>	<b>1,593,439</b>	<b>2,688,641</b>	<b>16,984,119</b>	<b>20,991,783</b>	<b>980,350</b>	<b>86,560</b>
Expenses using reserve funds							<b>16,984,119</b>			
<b>Total General Fund - Net Result from Operations</b>									<b>980,350</b>	<b>86,560</b>
<b>Percentage of Budget</b>	<b>85.23%</b>		<b>84.09%</b>		<b>59.27%</b>		<b>80.91%</b>			
CLE-Seminars and Products	1,247,035	1,793,079	944,390	1,093,999	125,383	506,372	1,069,772	1,600,371	177,262	192,707
CLE - Deskbooks	145,301	176,000	185,417	216,525	77,580	99,043	262,997	315,568	(117,696)	(139,568)
Total CLE	1,392,336	1,969,079	1,129,807	1,310,524	202,963	605,415	1,332,770	1,915,939	59,566	53,140
<b>Percentage of Budget</b>	<b>70.71%</b>		<b>86.21%</b>		<b>33.52%</b>		<b>69.56%</b>			
Total All Sections	541,030	606,544	-	-	427,702	860,784	427,702	860,784	113,328	(254,240)
Client Protection Fund-Restricted	1,095,743	1,024,000	119,912	139,911	73,269	502,400	193,180	642,311	902,563	381,689
<b>Totals</b>	<b>20,993,577</b>	<b>24,677,966</b>	<b>16,640,398.50</b>	<b>19,753,578</b>	<b>2,297,372.16</b>	<b>4,657,239.56</b>	<b>18,937,771</b>	<b>24,410,817</b>	<b>2,055,806</b>	<b>267,149</b>
<b>Percentage of Budget</b>	<b>85.07%</b>		<b>84.24%</b>		<b>49.33%</b>		<b>77.58%</b>			

Summary of Fund Balances:	Fund Balances Sept. 30, 2019	2020 Budgeted Fund Balances	Fund Balances Year to date
<b>Restricted Funds:</b>			
Client Protection Fund	3,816,143	4,197,832	4,718,706
<b>Board-Designated Funds (Non-General Fund):</b>			
CLE Fund Balance	526,285	579,425	585,851
Section Funds	1,121,224	866,984	1,234,552
<b>Board-Designated Funds (General Fund):</b>			
Operating Reserve Fund	1,500,000	1,500,000	1,500,000
Facilities Reserve Fund	550,000	550,000	550,000
<b>Unrestricted Funds (General Fund):</b>			
Unrestricted General Fund	2,686,537	2,773,097	3,666,886
<b>Total General Fund Balance</b>	<b>4,736,537</b>	<b>4,823,097</b>	<b>5,716,886.45</b>
<b>Net Change in general Fund Balance</b>		<b>86,560</b>	<b>980,350</b>
<b>Total Fund Balance</b>	<b>10,200,189</b>	<b>10,467,338</b>	<b>12,255,995</b>
<b>Net Change In Fund Balance</b>		<b>267,149</b>	<b>2,055,806</b>

**RESOLUTION ADOPTING AMENDED SCHEDULE OF REGULAR MEETINGS OF THE  
WASHINGTON STATE BAR ASSOCIATION BOARD OF GOVERNORS**

Whereas, RCW 2.48.050 authorizes the Board of Governors to adopt rules concerning annual and special meetings; and

Whereas, WSBA Bylaws Article VII.B.8 provides that each bar entity will set regular and special meetings as needed;

NOW, BE IT RESOLVED THAT on September 18, 2020, the Washington State Bar Association Board of Governors adopts this Amended 2020 Meeting Schedule and directs the Executive Director to file this Resolution with the Code Reviser.

DAY(S)	DATE(S)	START TIME	LOCATION	DESCRIPTION
Tuesday	January 7	1:00 PM	WSBA Offices Seattle, WA	Pro Bono and Public Service Committee
Saturday	January 11	10:00 AM	WSBA Offices Seattle, WA	Washington Young Lawyers Committee
Monday	January 13	9:30 AM	WSBA Offices Seattle, WA	Court Rules and Procedures Committee
Monday	January 13	10:00 AM	WSBA Offices Seattle, WA	BOG Personnel Committee
Wednesday	January 15	12:00 PM	WSBA Offices Seattle, WA	Diversity Committee
Wednesday	January 15	1:00 PM	WSBA Offices Seattle, WA	Budget and Audit Committee
Thursday - Friday	January 16- 17	9:00 AM	WSBA Offices Seattle, WA	Board of Governors Meeting
Tuesday	January 21	12:00 PM	WSBA Offices Seattle, WA	Editorial Advisory Committee



Friday	January 24	12:00 PM	WSBA Offices Seattle, WA	Council on Public Defense
Monday	January 27	12:00 PM	WSBA Offices Seattle, WA	Member Engagement Workgroup
Monday	January 27	1:00 PM	WSBA Offices Seattle, WA	Budget and Audit Committee
Tuesday	February 4	1:00 PM	WSBA Offices Seattle, WA	Pro Bono and Public Service Committee
Friday	February 7	10:00 AM	WSBA Offices Seattle, WA	Committee on Professional Ethics
Friday	February 7	12:00 PM	WSBA Offices Seattle, WA	Council on Public Defense
Saturday	February 8	10:00 AM	WSBA Offices Seattle, WA	Diversity Committee
Monday	February 10	9:30 AM	WSBA Offices Seattle, WA	Court Rules and Procedures Committee
Monday	February 10	11:00 AM	WSBA Offices Seattle, WA	BOG Personnel Committee
Monday	February 24	9:00 AM	WSBA Offices Seattle, WA	BOG Executive Committee
Monday	February 24	12:00 PM	WSBA Offices Seattle, WA	Member Engagement Workgroup
Monday	February 24	1:00 PM	WSBA Offices Seattle, WA	Budget and Audit Committee
Tuesday	March 3	1:00 PM	WSBA Offices Seattle, WA	Pro Bono and Public Service Committee
Monday	March 9	9:30 AM	WSBA Offices Seattle, WA	Court Rules and Procedures Committee

Saturday	March 14	10:00 AM	WSBA Offices Seattle, WA or Pierce County	Washington Young Lawyers Committee
Monday	March 16	11:00 AM	WSBA Offices Seattle, WA	BOG Personnel Committee
Wednesday	March 18	12:00 PM	WSBA Offices Seattle, WA	Diversity Committee
Thursday - Friday	March 19 – 20	9:00 AM	Hotel RL Olympia, WA	Board of Governors Meeting
Friday	March 20	9:00 AM	Temple of Justice Olympia, WA	Board of Governors Meeting with Supreme Court
Friday	March 27	12:00 PM	WSBA Offices Seattle, WA	Council on Public Defense
Monday	March 30	9:00 AM	WSBA Offices Seattle, WA	BOG Executive Committee
Monday	March 30	12:00 PM	WSBA Offices Seattle, WA	Member Engagement Workgroup
Monday	March 30	1:00 PM	WSBA Offices Seattle, WA	Budget and Audit Committee
Tuesday	April 7	1:00 PM	WSBA Offices Seattle, WA	Pro Bono and Public Service Committee
Monday	April 13	9:30 AM	WSBA Offices Seattle, WA	Court Rules and Procedures Committee
Monday	April 13	11:00 AM	WSBA Offices Seattle, WA	BOG Personnel Committee
Wednesday	April 15	12:00 PM	WSBA Offices Seattle, WA	Diversity Committee
Friday	April 17	10:00 AM	WSBA Offices Seattle, WA	Committee on Professional Ethics

Friday - Saturday	April 17-18	9:00 AM	WSBA Offices Seattle, WA	Board of Governors Meeting
Monday	April 20	9:00 AM	WSBA Offices Seattle, WA	Budget and Audit Committee
Monday	April 20	9:00 AM	WSBA Offices Seattle, WA	BOG Executive Committee
Monday	April 20	12:00 PM	WSBA Offices Seattle, WA	Member Engagement Workgroup
Tuesday	May 5	1:00 PM	WSBA Offices Seattle, WA	Pro Bono and Public Service Committee
Saturday	May 9	10:00 AM	Northwest Region	Washington Young Lawyers Committee
Monday	May 11	9:30 AM	WSBA Offices Seattle, WA	Court Rules and Procedures Committee
Monday	May 11	11:00 AM	WSBA Offices Seattle, WA	BOG Personnel Committee
Saturday	May 16	1:00 PM	WSBA Offices Seattle, WA	Budget and Audit Committee
Thursday	May 21	12:00 PM	WSBA Offices Seattle, WA	Member Engagement Workgroup
Friday	May 22	12:00 PM	WSBA Offices Seattle, WA	Council on Public Defense
Saturday	May 23	10:00 AM	WSBA Offices Seattle, WA	Diversity Committee
Tuesday	June 2	1:00 PM	WSBA Offices Seattle, WA	Pro Bono and Public Service Committee
Monday	June 8	9:30 AM	WSBA Offices Seattle, WA	Court Rules and Procedures Committee

Monday	June 15	11:00 AM	WSBA Offices Seattle, WA	BOG Personnel Committee
Wednesday	June 17	12:00 PM	WSBA Offices Seattle, WA	Diversity Committee
Friday	June 19	10:00 AM	WSBA Offices Seattle, WA	Committee on Professional Ethics
Monday	June 22	9:00 AM	WSBA Offices Seattle, WA	BOG Executive Committee
Monday	June 22	12:00 PM	WSBA Offices Seattle, WA	Member Engagement Workgroup
Monday	June 22	1:00 PM	WSBA Offices Seattle, WA	Budget and Audit Committee
Friday - Saturday	June 26 – 27	9:00 AM	Hotel Bellwether Bellingham, WA	Board of Governors Meeting
Tuesday	July 7	1:00 PM	WSBA Offices Seattle, WA	Pro Bono and Public Service Committee
Friday	July 10	12:00 PM	WSBA Offices Seattle, WA	Member Engagement Workgroup
Friday	July 10	1:00 PM	WSBA Offices Seattle, WA	Budget and Audit Committee
Monday	July 13	9:30 AM	WSBA Offices Seattle, WA	Court Rules and Procedures Committee
Wednesday	July 15	12:00 PM	WSBA Offices Seattle, WA	Diversity Committee
Friday	July 17	10:00 AM	WSBA Offices Seattle, WA	Council on Public Defense
Monday	July 20	11:00 AM	WSBA Offices Seattle, WA	BOG Personnel Committee Meeting

Thursday	July 23	9:00 AM	Skamania Lodge Stevenson, WA	Board of Governors Retreat
Friday – Saturday	July 24-25	9:00 AM	Skamania Lodge Stevenson, WA	Board of Governors Meeting
Saturday	July 25	10:00 AM	Skamania Lodge Stevenson, WA	Washington Young Lawyers Committee
Monday	August 3	9:00 AM	WSBA Offices Seattle, WA	BOG Executive Committee
Monday	August 3	12:00 PM	WSBA Offices Seattle, WA	Member Engagement Workgroup
Monday	August 3	1:00 PM	WSBA Offices Seattle, WA	Budget and Audit Committee
Tuesday	August 4	1:00 PM	WSBA Offices Seattle, WA	Pro Bono and Public Service Committee
Friday	August 7	10:00 AM	WSBA Offices Seattle, WA	Council on Public Defense
Monday	August 10	9:30 AM	WSBA Offices Seattle, WA	Court Rules and Procedures Committee
Friday	August 21	10:00 AM	WSBA Offices Seattle, WA	Committee on Professional Ethics
Monday	August 24	11:00 AM	WSBA Offices Seattle, WA	BOG Personnel Committee
Friday – Saturday	August 28-29	9:00 AM	Davenport Hotel Spokane, WA	Board of Governors Meeting
Monday	August 31	9:00 AM	WSBA Offices Seattle, WA	BOG Executive Committee
Monday	August 31	12:00 PM	WSBA Offices Seattle, WA	Member Engagement Workgroup

Monday	August 31	1:00 PM	WSBA Offices Seattle, WA	Budget and Audit Committee
Tuesday	September 1	1:00 PM	WSBA Offices Seattle, WA	Pro Bono and Public Service Committee
Friday	September 11	10:00 AM	WSBA Offices Seattle, WA	Council on Public Defense
Saturday	September 12	10:00 AM	Large Financial Center Room Seattle, WA	Diversity Committee
Saturday	September 12	10:00 AM	WSBA Offices Seattle, WA	Washington Young Lawyers Committee
Monday	September 14	9:30 AM	WSBA Offices Seattle, WA	Court Rules and Procedures Committee
Monday	September 14	11:00 AM	WSBA Offices Seattle, WA	BOG Personnel Committee
Thursday - Friday	September 17-18	9:00 AM	WSBA Offices Seattle, WA	Board of Governors Meeting
Friday	October 2	10:00 AM	WSBA Offices Seattle, WA	Committee on Professional Ethics
Monday	October 19	10:00 AM	WSBA Offices Seattle, WA	BOG Personnel Committee
Monday	October 26	9:00 AM	WSBA Offices Seattle, WA	BOG Executive Committee
<del>Thursday – Friday</del> Friday – Saturday	November <del>12-13</del> 13-14	9:00 AM	<del>WSBA Offices Seattle, WA</del> Hotel Bellwether Bellingham, WA	Board of Governors Meeting
Monday	November 16	10:00 AM	WSBA Offices Seattle, WA	BOG Personnel Committee

Friday	December 4	10:00 AM	WSBA Offices Seattle, WA	Committee on Professional Ethics
Monday	December 14	10:00 AM	WSBA Offices Seattle, WA	BOG Personnel Committee

Adopted by the Board of Governors on September 18, 2020.

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Rajeev Majumdar, President  
Washington State Bar Association

# Barnaby W. Zall

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## Comment to the WSBA Board of Governors On Proposed Amendment to RPC 1.4 Expanding Disclosure Requirements of Malpractice Insurance Coverage September 11, 2020

Sometimes, it's a kindness to be direct: I would not send this hastily-drafted, unsupported, burdensome and counterproductive proposed amendment to the Supreme Court of Washington. Especially not so soon after recent decisions on compelled commercial speech from the Ninth Circuit and Supreme Court of the United States on very similar issues. *See, e.g., Am. Beverage Ass'n v. City & Cnty. of S.F.*, 916 F.3d 749, 756 (9th Cir. 2019, *en banc*) (a compelled notice about a commercial service must be "noncontroversial", "purely factual," and cannot be "unjustified," or "unduly burdensome,") *quoting National Institute of Family & Life Advocates v. Becerra*, — U.S. —, 138 S.Ct. 2361 (2018) ("NIFLA") and *Zauderer v. Office of Disciplinary Counsel*, 471 U.S. 626, 651 (1985) (regulation of lawyers' advertising). This proposal would likely never survive the Washington Supreme Court's review.

I have previously addressed mandatory malpractice insurance coverage before the Mandatory Malpractice Insurance Task Force, the WSBA Board of Governors, and the Washington Supreme Court. Most recently, I submitted to the Supreme Court a 21-page detailed and substantiated analysis of the proposed mandatory insurance amendment to APR 26. Barnaby Zall, "Comments on Proposed Amendment to APR 26," ("Zall APR 26 Comments"), [https://www.courts.wa.gov/court\\_Rules/proposed/2019Dec/APR26/Barnaby%20Zall%20-%20APR%2026.pdf](https://www.courts.wa.gov/court_Rules/proposed/2019Dec/APR26/Barnaby%20Zall%20-%20APR%2026.pdf). My comments noted that the mandatory malpractice insurance proposals were unsupported, would be a financial windfall for insurance companies while providing a pittance in compensation for claimants, and would cause serious problems with access to justice and "legal deserts" in Washington. These are the same concerns that troubled the BoG last year, and that recently caused several states, including California, New Jersey, and Nevada, to reject similar mandatory malpractice proposals. *Id.*, at 3, 5-6. The New Jersey Bar, for example, told its Supreme Court that:

Frankly, there is no evidence that either requirement [insurance or disclosure] is necessary or will resolve any demonstrated problem in connection with the ability of consumers to obtain quality legal services and to have recourse in the event of negligent representation. There is evidence, however, that, if mandated, both requirements will engender more confusion than clarity for the public, and will pose a myriad of problems for attorneys, and those offering legal services in high-risk, consumer-oriented practice areas.

Letter from Robert B. Hille, President N.J. State Bar Ass'n, to Hon. Glenn A. Grant, Acting Admin. Dir. N.J. Court, (Jan. 15, 2018), at 1, <http://perma.cc/YDQ9-HWY8>.

This new proposal, intended to punish lawyers who do not have malpractice insurance in



order to “encourage” them to obtain insurance, [https://www.wsba.org/docs/default-source/about-wsba/governance/bog-meeting-materials-2019-2020/board-of-governors-special-meeting-materials-aug.-29-2020.pdf?sfvrsn=fa1008f1\\_8](https://www.wsba.org/docs/default-source/about-wsba/governance/bog-meeting-materials-2019-2020/board-of-governors-special-meeting-materials-aug.-29-2020.pdf?sfvrsn=fa1008f1_8), at 4, adds a new and problematic element of compelled speech, and does so in a way that makes it difficult to defend under the current First Amendment standards. “By compelling individuals to speak a particular message, such notices ‘alte[r] the content of [their] speech.’” *NIFLA*, 138 S.Ct. at 2371, quoting *Riley v. National Federation of Blind of N.C., Inc.*, 487 U.S. 781, 795 (1988). The fact that this would be compelling highly-regulated professionals to speak does not diminish their protection, except in limited circumstances. *NIFLA*, 138 S.Ct. at 2371, 2372 (reversing Ninth Circuit decision distinguishing “professional speech”), citing, *inter alia*, *Zauderer* 471 U.S. at 651 (“the disclosure of ‘purely factual and uncontroversial information about the terms under which ... services will be available,’ ... should be upheld unless they are ‘unjustified or unduly burdensome.’”).

The burden of defending the proposed compulsion is on the proponent, which in this case, would be the Ad Hoc Committee. *Am. Beverage Ass’n*, 916 F.3d at 756. For example, the August 19, 2020, Memorandum from Ad Hoc Committee Chair Kyle Sciuchetti to the WSBA BoG explained the purpose of the proposed amendment was “to encourage a lawyer to voluntarily insure or disclose the lawyer’s insurance status to clients when the lawyer is uninsured or underinsured.” [https://www.wsba.org/docs/default-source/about-wsba/governance/bog-meeting-materials-2019-2020/board-of-governors-special-meeting-materials-aug.-29-2020.pdf?sfvrsn=fa1008f1\\_8](https://www.wsba.org/docs/default-source/about-wsba/governance/bog-meeting-materials-2019-2020/board-of-governors-special-meeting-materials-aug.-29-2020.pdf?sfvrsn=fa1008f1_8), (“August Board meeting materials”) at 4.

The only way to defend such “encouragement” is to lay out a compelling case that the requirement is “noncontroversial” and “purely factual,” and not “unjustified or unduly burdensome.” The proposed regulation can’t meet any of those four standards, and all four must be satisfied. *Am. Beverage Ass’n*, 916 F.3d at 756. In *Am. Beverage Ass’n*, the Ninth Circuit stopped after analyzing only the burdensomeness of the compelled speech. *Id.*, at 757.

**Unduly Burdensome:** The proposed amendment is confusing and internally-contradictory. This language is far different from, and conflicts with, that used in other Rules. For example, RPC 1.18 recites duties to “prospective clients” including notice to clients and a lawyer’s ability to “condition” consultation on client disclosures that might conflict the lawyer in the future. What is the significance of the clear difference between the proposed RPC 1.4(c)’s use of the term “possible client” and RPC 1.18(a)’s definition of a “prospective client?” Does the lawyer have to include this long disclosure language and keep records for six years for every possible client, or only those who have actually consulted about possible representation?

Similarly, in the proposed RPC 1.4(c), there is a clear temporal and responsibility disconnect between Subsection 1.4(c)(1)’s “before or at the time of commencing representation of a client” and Subsections 1.4(c)(3)’s “(i) on each written communication with a client or possible client” and 1.4(c)(4)’s “after the representation is terminated.” Reading proposed Subsection 1.4(c)(1), it may have been the Committee’s intention to limit these disclosures to the

communications with a logical nexus to solicitation of new clients, but the language is far more expansive than that. For example, proposed Subsection 1.4(c)(3) (Sept. 9 revised version) says: “A lawyer not covered by lawyer professional liability insurance shall provide clear and conspicuous notice of that fact: (i) on each written communication with a client or possible client.” Thus, BOTH clients and “possible clients” – whoever those may be – are to be notified, with no temporal limit as in proposed Subsection 1.4(c)(1). Similarly, although proposed Subsection 1.4(c)(3)(ii) refers solely to solicitations to “possible clients,” Subsection 1.4(c)(3)(iii) does not limit the notice on a firm’s “home page,” viewable by all.

In *Am. Beverage Ass’n*, the Ninth Circuit struck down a compelled speech requirement for a notice that was perhaps 10% larger than needed. 916 F.3d at 757, quoting *NIFLA*, 138 S.Ct. at 2378. Here is an example of a hypothetical e-mail required by the proposed Amendment to RPC 1.4 to include a disclosure notice many times the size of the underlying message:

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TO: S\*\*\* (S\*\*\*@gmail.com)  
FROM: Barnaby Zall (b\*\*\*1@gmail.com)  
September 17, 2023  
Subject: HAPPY BIRTHDAY!!!!

Happy birthday, S\*\*\*! It’s been a pleasure to work with you the last several years. I hope we can continue this effective partnership in the future.  
Barnaby

**PLEASE NOTE:** Under Rule 1.4(c) of the Washington Rules of Professional Conduct, I must obtain your informed consent to provide legal representation, and ensure that you understand and acknowledge that I do not maintain any lawyer professional liability insurance (sometimes called malpractice insurance), of at least two hundred fifty thousand dollars (\$250,000) per occurrence, and five hundred thousand dollars (\$500,000) for all claims submitted during the policy period (typically 12 months). Because I do not carry this insurance coverage, it could be more difficult for you to recover an amount sufficient to compensate you for your loss or damages if I am negligent.  
/s/

**You are required to respond to this notice within ten days by signing the following statement, or I will not be able to be your lawyer or further communicate with you:**  
I acknowledge and supply this written consent, required by Rule 1.4(c) of the Washington Rules of Professional Conduct, that Barnaby Zall does not maintain any lawyer professional liability insurance (sometimes called malpractice insurance) lawyer professional liability insurance with at least minimum coverage of \$250,000 for each claim, and at least \$500,000 for all claims submitted during the policy period (typically 12 months), and I consent to representation by the lawyer.

Equally troubling is the Ad Hoc Committee’s cavalier approach toward the burden on

lawyers and their clients. The August 19 Ad Hoc Committee Report mentioned only three of the BoG's concerns over earlier mandatory malpractice insurance proposals: "expense, the perceived difficulty of obtaining reasonably priced insurance in specialized practice areas, or the very limited amount of work being performed by some lawyers each year." None of these three, or the other concerns expressed in the BoG's report to the Washington Supreme Court, were addressed in the Ad Hoc Committee's Reports to the BoG.

Many of the consequences which concerned the BoG (and several other states contemplating mandatory malpractice insurance, *see*, Zall APR 26 Comments, *supra*, at 4-6) will be triggered by this proposal's "encouragement." Most important, the economic consequences of requiring lawyers to include the proposed extensive statements will likely drive away many of the same lawyers who would have suffered under the mandatory coverage requirement. *See, id.*, at 15-21. Similarly, the grandiose and confusing language required in the disclosure will likely dissuade those most likely to need legal assistance from hiring not just those who give these notices, but other lawyers as well.

In addition, it is both elitist and inappropriate for the Ad Hoc Committee's Memos to suggest that "The premium cost difference between a \$100K/\$300K and \$250K/\$500K policy would not be substantial, typically no more than several hundred dollars annually", Committee Report, August Board materials, *supra*, at 5 (emphasis added). For lawyers who are not earning massive income, "several hundred dollars" is a significant burden. This indication that the Committee believed that cost increases of "several hundred dollars annually" would not have an economic effect on access to justice in Washington is troubling.

This is the same indifference to the realities of law practice that distorted the MMI Task Force Report. *See, e.g.*, Zall APR 26 Comments, *supra*, at 16-21. For example, the MMI Task Force chose, in the face of specific evidence from several members of inability to even get insurance companies to quote premiums, to falsely allege: "The Task Force has not been provided with documentary evidence supporting the assertion that any Washington State lawyer has been unable to obtain malpractice insurance due to a unique specialty." Mandatory Malpractice Insurance Task Force, *Report To WSBA Board Of Governors* ("MMI Task Force Report"), Feb. 2019, [https://www.wsba.org/docs/default-source/legal-community/committees/mandatory-malpractice-insurance-task-force/mandatory-malpractice-insurance-task-force-report815766f2f6d9654cb471ff1f00003f4f.pdf?sfvrsn=728e03f1\\_0](https://www.wsba.org/docs/default-source/legal-community/committees/mandatory-malpractice-insurance-task-force/mandatory-malpractice-insurance-task-force-report815766f2f6d9654cb471ff1f00003f4f.pdf?sfvrsn=728e03f1_0), at 36. This was not true, and the voluminous records of the earlier proposals show several specific presentations of such evidence. For specific examples and links to discussions between lawyers and the MMI Task Force, *see* Zall APR 26 Comments, *supra*, at 16-18. No matter how "encouraging" the Ad Hoc Committee intends to be, if insurance is not offered, its encouragement will be doubly frustrating, with no commensurate benefit to the public.

**Unjustified:** Before it can legislate on RPC 1.4(c) to compel speech, the Court must have actual evidence of – not "mere speculation" about – an identified problem to justify an infringement on protected First Amendment rights. *McCutcheon v. Fed. Election Comm'n*, 134

S.Ct. 1434, 1452 (2014) (“And – importantly – we ‘have never accepted mere conjecture as adequate to carry a First Amendment burden’”); *Nixon v. Shrink Missouri Government PAC*, 528 U.S. 377, 392 (2000). If there are any actual issues with the current Washington disclosure notice of malpractice insurance coverage required by APR 26(a)(2) and (3), the first step for the Ad Hoc Committee should have been to identify the specifics of those issues with particularity, and not just offer speculation and general concerns. That was not done here, nor by the Mandatory Malpractice Task Force or the proponent of the currently pending proposed amendment to APR 26 now pending before the Washington Supreme Court.

How many persons would be affected by the proposed amendment? We don’t know, because the Ad Hoc Committee didn’t say. What problems have been identified with the current insurance coverage disclosure? We don’t know, because the Ad Hoc Committee didn’t say. What other problems would the proposed language cause? We don’t know, because the Ad Hoc Committee didn’t say.

The lack of information by the Ad Hoc Committee is consistent with earlier efforts’ failure to provide even basic research and information. The MMI Task Force Report, for example, said it could not determine how many persons are injured in Washington each year due solely to a lack of malpractice insurance, even though, as I and others have demonstrated, the Task Force had gathered sufficient information upon which to base a reasonable estimate. Zall APR 26 Comments, *supra*, at 7-10. Instead, the Task Force Report conflated injuries with “claims,” a number which is far higher than the actual expected injuries, primarily due to the “claims made” nature of malpractice insurance policies. *Id.*, at 10-12. Similarly, the Task Force’s estimate of “hundreds of millions of dollars” in damages from a lack of insurance is refuted by the actual figures available on payouts by ALPS and the Oregon Professional Liability Fund. *Id.*, at 11-12. The Oregon Professional Liability Fund, for example, says its “average claim payment (including claims for which no payment was made) is approximately \$9,600. Roughly 40% of claim files are closed without payment of any claims expense, while 60% involve some claims expense. The average claims expense paid on a claim (including claims with no claims expense) is approximately \$11,400.” Oregon Prof’l Liability Fund, “About the PLF; Protecting Oregon Lawyers,” <https://www.osbplf.org/about-plf/overview.html> (“About the PLF”) (last visited September 11, 2020).

***Not Noncontroversial:*** As shown by the August 19 memo, the proposed regulation is controversial: it is being proposed in the wake of rejection of mandatory malpractice insurance. *Zauderer* upheld a noncontroversial requirement that lawyers inform clients if they would be liable for fees and expenses. 471 U.S. at 650-653. Abortion – the underlying service in *NIFLA* – was “anything but an uncontroversial topic.” *NIFLA*, 138 S.Ct. at 2372. The earlier rejection by the BoG and other states of proposed mandatory malpractice insurance coverage likely would make this draft “encouragement” controversial. The superfluous inclusion in the proposed notice here of both insurance coverage amounts and the inflammatory sentence “Because [I][we] do not carry this insurance coverage, it could be more difficult for you to recover an amount sufficient to compensate you for your loss or damages if [I am][we are] negligent” (emphasis added) also

would likely be considered controversial.

I could continue with many other concerns over the proposed amendment, but in the interests of brevity, I will make only mention a simple and less-troubling alternative:

*There's a simpler and easier solution to any legitimate concerns about the current APR 26 disclosure requirement.* Without some actual research, it would be difficult to uncover any legitimate concerns about current insurance disclosure requirements under APR 26(a)(2) and (3). But one possible concern would be whether putting disclosures on the WSBA's clunky website is the most effective means of informing prospective clients about this issue. It would be a much less burdensome, clearer, simpler and likely more effective solution to any legitimate concerns to simply **require that lawyers include in any proposed representation letters** a simple sentence that they do not have malpractice insurance coverage. This type of less controversial, factual description of the terms of representation would be more defensible under *Zauderer's* "purely factual" and "uncontroversial" tests, but only if justified by a factual record and shown to be non-burdensome. Like other elements of a representation relationship, including those governed by RPC 1.18, one can expect prospective clients to inquire about specifics that trouble them. It is not much different from requiring lawyers to certify to the WSBA for public display their insurance coverage each year. And a simple sentence would not trigger size-and-space concerns like the present rule.

The Supreme Court of Washington is in the early stages of considering a proposed amendment to APR 26. Providing additional related proposals to the Court now for amendments to RPC 1.4(c) may unnecessarily delay the Court's consideration. In addition, there has been no time for WSBA members to review and comment on the proposed new Rule 1.4(c). Given the lack of substance in the Ad Hoc Committee's memorandum report to the BoG (*see point 3 ante*), member input would be very helpful in illuminating aspects that the Ad Hoc Committee did not consider. The hasty September 9 changes in the draft, for example, are an indication that this is not a finished product, and immediate consideration could waste both the BoG's and the Court's time.

The BoG should not recommend this proposed amendment to the Washington Supreme Court.

Respectfully submitted,

Barnaby Zall  
WSBA #50976