

WASHINGTON STATE BAR ASSOCIATION

To: Board of Governors

From: Budget and Audit Committee

Re: Agenda Item 3.a.1: Draft FY 2019 Budget

Date: July 19, 2018

FIRST READING: Consideration of Draft FY2019 Budget.

The Budget and Audit Committee unanimously recommends that the Board of Governors consider the Draft FY2019 Budget on first reading, as presented to the Committee on June 18, 2018.

FISCAL CONTEXT

The WSBA budget is a policy document and management tool that allocates funds to fulfill our regulatory responsibilities, serve and protect the public, and support our members in maintaining success in the practice of law. Each year, we work to build a fiscally responsible budget designed to meet the needs of our members in a diverse, rapidly changing profession. We set budget parameters based on current and multi-year projections of revenues, expenses, and reserves; looking closely at programs, operations, and resources to see what is working and what is not.

The FY19 draft 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 enables WSBA to support members, and to advance and promote: (1) access to the justice system, (2) diversity, equity, 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.

The FY19 draft budget also supports programs and services such as the following, which help assure competent and qualified legal professionals, and promote the role of legal professionals 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
- Help from our confidential Ethics Line
- Career consultation, including Job Seekers Group
- Free legal research tool
- Mentorship programming
- Member Assistance consultation programming; and WSBAConnects, 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
- Practice management consultation and 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 Call to Duty)
- 29 practice sections and numerous WSBA committees, task forces, and panels
- Financial accommodations through the WSBA Hardship Option and Payment Plan

After providing a high level comparison of the FY19 draft and FY18 budgets, this memorandum takes a deeper look at the FY19 draft budget by fund (and fund reserves as applicable): (1) the General Fund; (2) the Capital Budget; (3) the Continuing Legal Education (CLE) Fund; and (4) the Client Protection Fund (CPF). In keeping with past practice, the memorandum also provides background information on (5) the Sections Fund budgets and the Per-Member Charge (Sections budgets are not due until July 13, and will be presented at the Committee's next meeting). Budget details are included in Attachments A through D, including narratives on each cost center page in the budget to better facilitate the Committee's review. Additional background information is included in Attachments E through I about several areas, as requested by the Committee: (1) NWLawyer, (2) Deskbooks, (3) the APEX Dinner, (4) the Washington State Bar Foundation, and (5) Section Autonomy.

We look forward to presenting the Draft FY2019 Budget to the Board on July 27.

HOW THE FY19 DRAFT BUDGETS COMPARE TO THE FY18 BUDGET

General Fund Budget	FY18	FY19	Difference
• Revenue	\$18,913,199	\$20,222,324	\$1,309,125
• Expenses	\$19,645,474	\$20,232,435	\$586,961
• Net Income/(Loss)	(\$732,275)	(\$10,111)	(\$722,164)
• Projected Reserves	\$2,631,476	\$2,621,365	(\$10,111)
CLE Fund Budget	FY18	FY19	Difference
• Revenue	\$2,032,235	\$2,039,500	\$7,265
• Expenses	\$2,046,744	\$1,827,538	(\$219,206)
• Net Income/(Loss)	(\$14,509)	\$211,962	\$226,471
• Projected Reserves	\$471,073	\$683,035	\$211,962
Client Protection Fund Budget	FY18	FY19	Difference
• Revenue	\$992,500	\$992,500	\$0
• Expenses	\$566,813	\$667,919	\$101,106
• Net Income/(Loss)	\$425,687	\$324,581	(\$101,106)
• Projected Reserves	\$3,667,986	\$3,992,567	\$324,581

DRAFT FY19 BUDGETS

1. GENERAL FUND BUDGET AND RESERVES

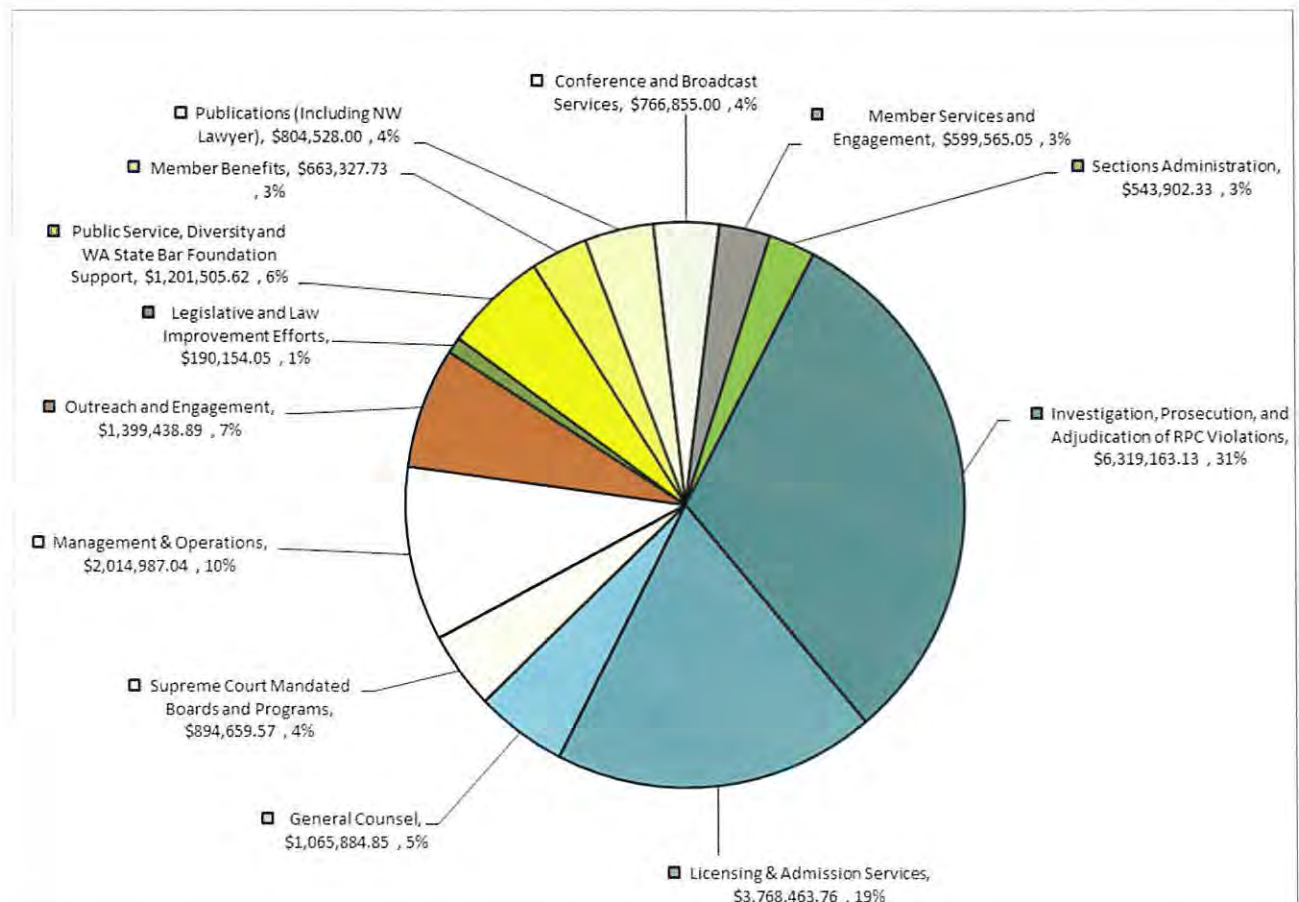
A. Overview

The General Fund is supported by license fees, consists of 30 cost centers, and supports the majority of the WSBA's work, including regulatory functions and most services to members and the public. The draft FY19 General Fund budget is built on lawyer license fees of \$453, as previously set by the Board and deemed reasonable by the Supreme Court, and LPO/LLLT license fees of \$200, as the Budget and Audit Committee has recommended to the Board.

The General Fund Draft Budget assumes revenue of \$20,222,324 and expenses of \$20,232,435, with a budgeted net result of (\$10,111). WSBA-wide, FTE are reduced from 141.15 to 140.75 FTE. Based on efficiencies and savings seen at the end of FY17, and assuming WSBA meets rather than exceeds expectations of both the FY18 budget and the FY19 Draft Budget presented, General Fund reserves are anticipated to be at least \$2.6 million at the end of FY19.

As you review General Fund cost center narratives and data, note that a net negative means that the cost center is supported by license fee revenues; a net positive means that it generates sufficient non-license fee revenues to support itself (*Attachment A*).

B. Draft FY19 General Fund Expenses by WSBA Programs and Services



C. How the FY19 Draft General Fund Budget Compares to the FY18 Budget

General Fund Budget Summary	FY18	FY19	Difference
• Revenue	\$18,913,199	\$20,222,324	\$1,309,125
• Expenses	\$19,645,474	\$20,232,435	\$586,961
• Net Income/(Loss)	(\$732,275)	(\$10,111)	(\$722,164)
• Projected reserves	\$2,631,476	\$2,621,365	(\$10,111)
Revenue Changes from FY18 Budget (\$20,000 or greater)			Budget Impact
• License fees: revenue at \$449 for .25 fiscal year; \$453 for .75 fiscal year			825,000
• MCLE Fees: increase based on approved fee structure change			289,000
• LPO License Fees: increase from fee structure change (<i>pending BOG approval</i>)			65,400
• New Member Programs Product Sales: increase consistent with actual revenues			55,000
• Law Clerk Fees: increase in annual fees from \$1,500 to \$2,000 (<i>pending BOG approval</i>)			52,000
• Interest on Investments: increase consistent with actual revenues			45,000
• Donations: increase in Diversity and Public Service Programs from WSB Foundation			35,000
• NW Lawyer Classified Advertising & Job Target: increase consistent with actual revenues			25,000
• Pro Hac Vice: increase consistent with actual revenues			20,000
• NW Lawyer Display Advertising, General and Professional Announcements: reduction based on anticipated revenue and commission expense for contracted advertiser			(27,500)
• Recovery of Discipline Costs: reduction based on projected recoverable costs			(35,000)
• Variety of other revenue changes			(39,775)
Total Increase in Revenue from FY18			\$1,309,125
Expense Changes from FY18 Budget (\$20,000 or greater)			Budget Impact
• Salaries for all funds: net of (1) 3% market salary pool; and (2) net decrease of 0.4 FTE			404,367
• Medical: increase assumes a rate increase of 4.0% in FY19			145,000
• Rent: operating costs, expected increases to leasehold excise taxes and metropolitan improvement district assessments, and lower recovery of CLE facilities charges			52,000
• Capital Labor: IT staff development of software projects in the capital budget, which can be capitalized as an asset when the project is complete. This changes depending on workload for the year. Reduction in this amount results in an increase in indirect expenses			46,900
• Retirement: costs based on percentage of increased gross salary; no change in employer contribution rate			37,265
• Temporary Employees: increase due to additional temps for anticipated staff family leave and interns and increased rates for recurring temporary positions			28,880
• BOG Conference Attendance: increased to include all governors to attend Western States Bar Conference in FY19 as requested by President Pickett			22,500
• Technology: increase to third party services and various line item changes based on actual costs and submitted project list			21,950
• Unemployment Insurance: consistent with actual expenses, contribution rate was lower than expected in FY18			(20,500)
• Computer Software Depreciation: reduction due to completion of depreciation for a variety of software items and lower than budgeted expenses for new items			(21,900)
• Allowance for Open Positions: salary savings from staffing vacancies throughout the year. Increase in amount is based on actual results			(80,000)
• Variety of other direct and indirect cost changes			(49,501)
Total Increase in Expense from FY18			\$586,961

D. FY19 Cost Center Change

The Draft FY19 General Fund Budget reflects our recommendation to merge the cost centers for New Member Programs, Mentorship, and Practice Management Assistance. These three programs are administered and delivered by the same team with significant overlap in administration and programming.

2. CAPITAL BUDGET

The FY19 Capital Budget of \$242,100 includes the cost of purchasing, refreshing and/or replacing outdated hardware and software as needed to protect data security and will increase our efficiency. Capital labor costs involve in-house development, customization, and/or upgrading to systems and projects. Anticipated FY19 projects include the development of a coordinated Online Admissions Program system, work in preparation for a replacement of the Discipline records system (GILDA) in anticipation of rule changes, and continued development of the Opt-In Legal Directory and further website enhancements to the Legal Directory and the WSBA's membership database system.

The Capital Budget also includes the cost of purchasing, refreshing and/or replacing hardware and equipment and leasehold improvements. One proposed project is to improve sound systems in the WSBA Conference Center and meeting rooms in order to better facilitate virtual meeting participation. This project could be accomplished by reallocating capital funds in FY18 (as more fully explained in *Attachment B-1*) or by including capital funds in the FY19 budget as set forth on *Attachment B*. Following extended discussion about the current sound system, the Committee determined that the full Board should consider these issues.

3. CLE FUND BUDGET AND RESERVES

The CLE Fund is a board-designated operating reserve, consisting of net income from the CLE activities, to cover net loss and extraordinary costs of CLE programs, products, and/or capital acquisitions as needed. The FY19 CLE Fund Budget consists of two cost centers: (1) CLE Seminars and Products; and (2) Deskbooks. The FY19 budget reflects: (1) slight increases in live seminar revenue and sponsorships and steady MP3 and video product sales; and (2) as discussed with the Board in May, revised profit sharing of seminar and on-demand product revenues with WSBA sections that will be in effect beginning FY19 but not paid out to Sections until FY20. Cost centers are included in *Attachment C*.

CLE COST CENTER SUMMARY	FY18	FY19	Difference
CLE Seminars and Products			
• Revenue	\$1,862,235	\$1,879,500	\$17,265
• Expenses	\$1,705,736	\$1,541,269	(\$164,467)
• Net Income/(Loss)	\$156,499	\$338,231	\$181,732
Deskbooks			
• Revenue	\$170,000	\$160,000	(\$10,000)
• Expenses	\$341,008	\$286,269	(\$54,739)
• Net Income/(Loss)	(\$171,008)	(\$126,269)	(\$44,739)
CLE COST CENTER TOTAL			
• Revenue	\$2,032,235	\$2,039,500	\$7,265
• Expenses	\$2,046,744	\$1,827,538	(\$219,206)
• Net Income/(Loss)	(\$14,509)	\$211,962	\$226,471
Projected Reserves	\$471,073	\$683,035	\$211,962

4. CLIENT PROTECTION FUND BUDGET AND RESERVES

The Client Protection Fund (CPF) is a legally-restricted fund created in 1995 by the Washington Supreme Court and WSBA to make gifts to compensate those financially victimized by lawyer dishonesty or failure to account for client funds or property. It is principally funded by an annual assessment on all active members and *pro hac vice* admissions as required by the Washington Supreme Court. The assessment has been \$30 since 2010. Expenses consist mainly of payouts to injured clients and CPF Board staff support. The FY19 budget for the CPF reflects the Committee's recommendations that LLLTs pay the same assessment as lawyers, and that LPOs do not. The maximum gift payout is \$150,000; CPF fund reserves are budgeted at \$3,992,567 through the end of FY19 (*Attachment D*).

Client Protection Fund Budget	FY18	FY19	Difference
• Revenue	\$992,500	\$992,500	\$0
• Expenses	\$566,813	\$667,919	\$101,106
• Net Income/(Loss)	\$425,687	\$324,581	(\$101,106)
• Projected reserves	\$3,667,986	\$3,992,567	\$324,581

5. FY19 SECTION BUDGETS AND PER-MEMBER CHARGE

WSBA Sections are currently working on preparing their FY19 budgets and will be submitting them for review on July 13. Consistent with previous years, all Section budgets will be presented at the next Budget and Audit Committee meeting for review.

The Section Per-Member Charge (PMC), calculated each year as part of the annual budget process, is based on the WSBA's first draft of the budget for administrative costs associated with supporting WSBA Sections for the upcoming fiscal year. These costs include salaries and benefits, overhead, and general section administration expenses. The PMC has been \$18.75 since FY16; the PMC required to cover costs in FY19 is \$ 22.44. The Committee unanimously recommended that the PMC remains \$18.75 in FY19; Sections are preparing their budgets with that understanding.

ATTACHMENTS

- A. Draft FY19 General Fund Budget
- B. Draft FY19 Capital Budget
- B-1 Reallocation Request to Improve Sound Systems in FY18
- C. Draft FY19 CLE Budget
- D. Draft FY19 CPF Budget
- E. NWLawyer
- F. Deskbooks
- G. Apex Dinner
- H. Washington State Bar Foundation
- I. Section Autonomy

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Washington State Bar Association

Budget Comparison Report

For the Period October 1, 2018 to September 30, 2019

	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
SALARIES & BENEFITS:				
SALARIES	11,450,929.00	11,855,296.00	404,367.00	3.5%
ALLOWANCE FOR OPEN POSITIONS	(120,000.00)	(200,000.00)	(80,000.00)	66.7%
TEMPORARY EMPLOYEES	95,810.00	124,690.00	28,880.00	30.1%
EMPLOYEE ASSISTANCE PLAN	4,800.00	4,800.00	-	0.0%
EMPLOYEE SERVICE AWARDS	2,010.00	2,230.00	220.00	10.9%
FICA	862,300.00	878,000.00	15,700.00	1.8%
L&I INSURANCE	47,000.00	47,250.00	250.00	0.5%
MEDICAL	1,445,000.00	1,590,000.00	145,000.00	10.0%
RETIREMENT	1,439,735.00	1,477,000.00	37,265.00	2.6%
TRANSPORTATION ALLOWANCE	118,500.00	119,250.00	750.00	0.6%
UNEMPLOYMENT INSURANCE	108,000.00	87,500.00	(20,500.00)	-19.0%
STAFF DEVELOPMENT-GENERAL	6,910.00	6,900.00	(10.00)	-0.1%
CAPITAL LABOR	(194,000.00)	(147,100.00)	46,900.00	-24.2%
TOTAL SALARIES & BENEFITS:	15,266,994.00	15,845,816.00	578,822.00	3.8%
OVERHEAD:				
WORKPLACE BENEFITS	39,000.00	39,000.00	-	0.0%
HUMAN RESOURCES DIRECT EXPENSES	120,076.00	102,400.00	(17,676.00)	-14.7%
MEETING SUPPORT EXPENSES	10,000.00	10,000.00	-	0.0%
RENT	1,750,000.00	1,802,000.00	52,000.00	3.0%
PROPERTY TAXES	11,000.00	14,000.00	3,000.00	27.3%
FURNITURE, MAINTENANCE, LEASHOLD IMPROVEMENTS	35,200.00	35,200.00	-	0.0%
OFFICE SUPPLIES & EQUIPMENT	46,000.00	46,000.00	-	0.0%
FURNITURE & OFFICE EQUIPMENT DEPRECIATION	51,000.00	57,500.00	6,500.00	12.7%
COMPUTER HARDWARE DEPRECIATION	57,000.00	52,800.00	(4,200.00)	-7.4%
COMPUTER SOFTWARE DEPRECIATION	154,000.00	132,100.00	(21,900.00)	-14.2%
INSURANCE	140,000.00	150,000.00	10,000.00	7.1%
PROFESSIONAL FEES-AUDIT	35,000.00	35,000.00	-	0.0%
PROFESSIONAL FEES-LEGAL	50,000.00	50,000.00	-	0.0%
TELEPHONE & INTERNET	49,000.00	47,000.00	(2,000.00)	-4.1%
BANK FEES	35,400.00	35,400.00	-	0.0%
POSTAGE	42,000.00	36,000.00	(6,000.00)	-14.3%
CONFERENCES & TRAINING	92,200.00	95,245.00	3,045.00	3.3%
RECORDS STORAGE	40,000.00	40,000.00	-	0.0%
PRODUCTION MAINTENANCE & SUPPLIES	25,000.00	12,000.00	(13,000.00)	-52.0%
TECHNOLOGY DIRECT EXPENSES	645,660.00	667,610.00	21,950.00	3.4%
TOTAL OVERHEAD:	3,427,536.00	3,459,255.00	31,719.00	0.9%
TOTAL INDIRECT EXPENSES:	18,694,530.00	19,305,071.00	610,541.00	3.3%

The Indirect Expenses cost center includes amounts budgeted for employee 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 WSBA's salary expense, it will be allocated 10% of the 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.

Washington State Bar Association Budget Comparison Report

For the Period from October 1, 2018 to September 30, 2019

ACCESS TO JUSTICE	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
CONFERENCES & INSTITUTES	-	7,500.00	7,500.00	
TOTAL REVENUE:	<u>-</u>	<u>7,500.00</u>	<u>7,500.00</u>	
DIRECT EXPENSES:				
ATJ BOARD RETREAT	2,000.00	2,000.00	-	0%
LEADERSHIP TRAINING	2,000.00	2,000.00	-	0%
ATJ BOARD EXPENSE	24,000.00	24,000.00	-	0%
ATJ BOARD COMMITTEES EXPENSE	3,000.00	-	(3,000.00)	-100%
PUBLIC DEFENSE	8,400.00	7,000.00	(1,400.00)	-17%
CONFERENCE/INSTITUTE EXPENSE	-	14,837.00	14,837.00	
RECEPTION/FORUM EXPENSE	9,500.00	9,500.00	-	0%
STAFF TRAVEL/PARKING	2,700.00	3,500.00	800.00	30%
STAFF MEMBERSHIP DUES	-	120.00	120.00	
TOTAL DIRECT EXPENSES:	<u>51,600.00</u>	<u>62,957.00</u>	<u>11,357.00</u>	<u>22%</u>
INDIRECT EXPENSES:				
FTE	2.10	2.10	-	0%
SALARY EXPENSE	152,813.00	160,817.00	8,004.00	5%
BENEFIT EXPENSE	55,627.00	58,953.00	3,326.00	6%
OVERHEAD	50,994.00	51,612.00	618.00	1%
TOTAL INDIRECT EXPENSES:	<u>259,434.00</u>	<u>271,382.00</u>	<u>11,948.00</u>	<u>5%</u>
TOTAL ALL EXPENSES:	<u>311,034.00</u>	<u>334,339.00</u>	<u>23,305.00</u>	<u>7%</u>
NET INCOME (LOSS):	<u>(311,034.00)</u>	<u>(326,839.00)</u>	<u>(15,805.00)</u>	

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. Overall, revenue and direct costs have increased because the biennial Access to Justice Conference will take place in FY19. Funds for staff travel have slightly increased to allow for travel to the ATJ Conference. Costs proposed in this budget include support for two ATJ Board meetings outside of Seattle, implementation of the State Plan for the Coordinated Delivery of Civil Legal Aid to Low Income People, outreach on the anticipated updated Technology Principles, and membership in the WA Nonprofit Association in furtherance of the ATJ Board's goal to more meaningfully engage with community-based organizations.

Washington State Bar Association

Budget Comparison Report

For the Period from October 1, 2018 to September 30, 2019

ADMINISTRATION	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
INTEREST - INVESTMENTS	25,000.00	70,000.00	45,000.00	180%
GAIN/LOSS ON INVESTMENTS	30,000.00	30,000.00	-	0%
TOTAL REVENUE:	<u>55,000.00</u>	<u>100,000.00</u>	<u>45,000.00</u>	<u>82%</u>
DIRECT EXPENSES:				
STAFF TRAVEL/PARKING	2,500.00	4,200.00	1,700.00	68%
STAFF MEMBERSHIP DUES	545.00	685.00	140.00	26%
TOTAL DIRECT EXPENSES:	<u>3,045.00</u>	<u>4,885.00</u>	<u>1,840.00</u>	<u>60%</u>
INDIRECT EXPENSES:				
FTE	7.88	7.97	0.09	1%
SALARY EXPENSE	663,826.00	700,100.00	36,274.00	5%
BENEFIT EXPENSE	226,598.00	240,850.00	14,252.00	6%
OVERHEAD	191,350.00	195,881.00	4,531.00	2%
TOTAL INDIRECT EXPENSES:	<u>1,081,774.00</u>	<u>1,136,831.00</u>	<u>55,057.00</u>	<u>5%</u>
TOTAL ALL EXPENSES:	<u>1,084,819.00</u>	<u>1,141,716.00</u>	<u>56,897.00</u>	<u>5%</u>
NET INCOME (LOSS):	<u>(1,029,819.00)</u>	<u>(1,041,716.00)</u>	<u>(11,897.00)</u>	

Finance and Administration provides organizational support services, including accounting, financial reporting, investments, payroll, facilities maintenance, and general office administration. Revenue coded to this cost center is interest income on WSBA's cash and investments. In FY19, interest on investments has increased consistent with actual revenues.

Washington State Bar Association

Budget Comparison Report

For the Period from October 1, 2018 to September 30, 2019

ADMISSIONS	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
EXAMSOFT REVENUE	35,000.00	35,000.00	-	0%
BAR EXAM FEES	1,200,000.00	1,200,000.00	-	0%
SPECIAL ADMISSIONS	60,000.00	60,000.00	-	0%
LLLT EXAM FEES	7,500.00	7,500.00	-	0%
LLLT WAIVER FEES	900.00	900.00	-	-
LPO EXAMINATION FEES	24,000.00	24,000.00	-	0%
TOTAL REVENUE:	1,327,400.00	1,327,400.00	-	0%
DIRECT EXPENSES:				
FACILITY, PARKING, FOOD	66,000.00	70,000.00	4,000.00	6%
EXAMINER FEES	35,000.00	35,000.00	-	0%
BOARD OF BAR EXAMINERS	25,000.00	25,000.00	-	0%
BAR EXAM PROCTORS	30,000.00	31,000.00	1,000.00	3%
CHARACTER & FITNESS BOARD EXP	20,000.00	20,000.00	-	0%
DISABILITY ACCOMMODATIONS	20,000.00	20,000.00	-	0%
CHARACTER & FITNESS INVESTIGATIONS	900.00	900.00	-	0%
LAW SCHOOL VISITS	1,000.00	1,000.00	-	0%
UBE EXAMINATIONS	130,000.00	130,000.00	-	0%
EXAM WRITING	28,355.00	28,355.00	-	-
COURT REPORTERS	18,000.00	18,000.00	-	0%
DEPRECIATION	2,222.00	17,776.00	15,554.00	700%
POSTAGE	4,000.00	4,000.00	-	0%
STAFF TRAVEL/PARKING	10,240.00	13,000.00	2,760.00	27%
STAFF MEMBERSHIP DUES	400.00	400.00	-	0%
SUPPLIES	1,000.00	2,500.00	1,500.00	150%
TOTAL DIRECT EXPENSES:	392,117.00	416,931.00	24,814.00	6%
INDIRECT EXPENSES:				
FTE	6.20	6.30	0.10	2%
SALARY EXPENSE	463,690.00	496,503.00	32,813.00	7%
BENEFIT EXPENSE	174,590.00	188,236.00	13,646.00	8%
OVERHEAD	150,554.00	154,837.00	4,283.00	3%
TOTAL INDIRECT EXPENSES:	788,834.00	839,576.00	50,742.00	6%
TOTAL ALL EXPENSES:	1,180,951.00	1,256,507.00	75,556.00	6%
NET INCOME (LOSS):	146,449.00	70,893.00	(75,556.00)	

The Supreme Court has delegated to WSBA administrative responsibility over admissions for lawyers, Limited License Legal Technicians (LLLTs), and Limited Practice Officers (LPOs). Each year, approximately 1,100 people take one of the Uniform Bar Exams offered in February and July in the Puget Sound area, and much smaller numbers take the licensing exams for LPOs and LLLTs, also offered twice a year. In addition, approximately 600 people are admitted through admission by motion and more than 100 through a UBE score transfer, and another several hundred are licensed to practice as house counsel.

This work unit reviews all admission applications for all license types, performs some aspects of the background checks on applicants, further investigates identified character and fitness issues for some applicants (up to several hundred each year), and supports the Character and Fitness Board in conducting hearings and making recommendations to the Supreme Court regarding whether to admit and license applicants for all license types (recently up to 24 hearings each year). This work unit also works with the National Conference of Bar Examiners in administering and grading exams for lawyers, the Board of Bar Examiners for grading exams for lawyers, Ergometrics in preparing LPO and LLLT exams, and the LPO and LLLT Boards in grading the LPO and LLLT exams. Work has begun to develop and implement a new online application program that can accommodate all of the different types of admissions and licensing applications that are now all consolidated within this one cost center.

Revenue increases are consistent with historic trends and now include revenue from LPO and LLLT admission applications. Direct expense budget includes costs for the Boards and for developing LLLT and LPO exams.

Washington State Bar Association

Budget Comparison Report

For the Period from October 1, 2018 to September 30, 2019

BOARD OF GOVERNORS	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
TOTAL REVENUE:	<u>-</u>	<u>-</u>	<u>-</u>	
DIRECT EXPENSES:				
WASHINGTON LEADERSHIP INSTITUTE	60,000.00	60,000.00	-	0%
BOG MEETINGS	115,000.00	117,000.00	2,000.00	2%
BOG COMMITTEES' EXPENSES	30,000.00	30,000.00	-	0%
BOG CONFERENCE ATTENDANCE	17,500.00	44,000.00	26,500.00	151%
BOG TRAVEL & OUTREACH	45,000.00	35,000.00	(10,000.00)	-22%
ED TRAVEL & OUTREACH	5,000.00	5,000.00	-	0%
STAFF TRAVEL/PARKING	4,700.00	5,400.00	700.00	15%
STAFF MEMBERSHIP DUES	1,880.00	2,131.00	251.00	13%
TELEPHONE	1,000.00	1,000.00	-	0%
TOTAL DIRECT EXPENSES:	<u>280,080.00</u>	<u>299,531.00</u>	<u>19,451.00</u>	<u>7%</u>
INDIRECT EXPENSES:				
FTE	2.45	2.45	-	0%
SALARY EXPENSE	357,754.00	361,878.00	4,124.00	1%
BENEFIT EXPENSE	105,480.00	107,301.00	1,821.00	2%
OVERHEAD	59,493.00	60,214.00	721.00	1%
TOTAL INDIRECT EXPENSES:	<u>522,727.00</u>	<u>529,393.00</u>	<u>6,666.00</u>	<u>1%</u>
TOTAL ALL EXPENSES:	<u>802,807.00</u>	<u>828,924.00</u>	<u>26,117.00</u>	<u>3%</u>
NET INCOME (LOSS):	<u>(802,807.00)</u>	<u>(828,924.00)</u>	<u>(26,117.00)</u>	

This cost center supports the president, the president-elect, the Board of Governors' work and meetings, Board committees, and the Office of the Executive Director. The budget includes funding for Board meetings, Board committees, governor travel and outreach (to local, specialty, and minority bar associations, committees, sections, etc.), and staff-related expenses. In FY19, it also continues to earmark support for the Washington Leadership Institute.

Washington State Bar Association

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COMMUNICATION STRATEGIES	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
AWARDS DINNER	44,000.00	50,000.00	6,000.00	14%
50 YEAR MEMBER TRIBUTE LUNCH	750.00	750.00	-	0%
TOTAL REVENUE:	44,750.00	50,750.00	6,000.00	13%
DIRECT EXPENSES:				
AWARDS DINNER	63,000.00	63,000.00	-	0%
50 YEAR MEMBER TRIBUTE LUNCH	8,000.00	8,000.00	-	0%
COMMUNICATIONS OUTREACH	15,000.00	15,000.00	-	0%
SPEAKERS & PROGRAM DEVELOP	1,600.00	1,600.00	-	0%
STAFF TRAVEL/PARKING	2,640.00	4,700.00	2,060.00	78%
STAFF MEMBERSHIP DUES	1,700.00	1,000.00	(700.00)	-41%
SUBSCRIPTIONS	10,050.00	10,050.00	-	0%
DIGITAL/ONLINE DEVELOPMENT	1,450.00	1,450.00	-	0%
TOTAL DIRECT EXPENSES:	103,440.00	104,800.00	1,360.00	1%
INDIRECT EXPENSES:				
FTE	4.68	4.62	(0.06)	-1%
SALARY EXPENSE	305,254.00	312,393.00	7,139.00	2%
BENEFIT EXPENSE	115,063.00	123,827.00	8,764.00	8%
OVERHEAD	113,644.00	113,547.00	(97.00)	0%
TOTAL INDIRECT EXPENSES:	533,961.00	549,767.00	15,806.00	3%
TOTAL ALL EXPENSES:	637,401.00	654,567.00	17,166.00	3%
NET INCOME (LOSS):	(592,651.00)	(603,817.00)	(11,166.00)	

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 the WSBA website, website content, and WSBA's blog (NWSidebar), social media channels, and broadcast emails). It works with all WSBA departments to support the communications and marketing of WSBA programs, services, and matters of interest to members and the public.

Washington State Bar Association

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For the Period from October 1, 2018 to September 30, 2019

CONFERENCE & BROADCAST SERVICES

	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
TOTAL REVENUE:	-	-	-	
DIRECT EXPENSES:				
TRANSLATION SERVICES	3,500.00	3,500.00	-	0%
STAFF TRAVEL/PARKING	1,200.00	-	(1,200.00)	-100%
TOTAL DIRECT EXPENSES:	4,700.00	3,500.00	(1,200.00)	-26%
INDIRECT EXPENSES:				
FTE	7.15	7.15	-	0%
SALARY EXPENSE	400,338.00	416,899.00	16,561.00	4%
BENEFIT EXPENSE	162,272.00	170,728.00	8,456.00	5%
OVERHEAD	173,623.00	175,728.00	2,105.00	1%
TOTAL INDIRECT EXPENSES:	736,233.00	763,355.00	27,122.00	4%
TOTAL ALL EXPENSES:	740,933.00	766,855.00	25,922.00	3%
NET INCOME (LOSS):	(740,933.00)	(766,855.00)	(25,922.00)	

Conference and Broadcast Services is responsible for the Service Center, meeting facilities, mail and print services, and all other services on WSBA's public floor. Last year, WSBA supported over 1,500 on-site meetings and events, and the Service Center handled over 50,000 communications with members and the public. This cost center also supports all non-CLE activities related to webcasting, webinars, and recorded products.

Washington State Bar Association

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For the Period from October 1, 2018 to September 30, 2019

DISCIPLINE	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
AUDIT REVENUE	2,300.00	3,200.00	900.00	39%
RECOVERY OF DISCIPLINE COSTS	115,000.00	80,000.00	(35,000.00)	-30%
DISCIPLINE HISTORY SUMMARY	13,000.00	13,000.00	-	0%
TOTAL REVENUE:	130,300.00	96,200.00	(34,100.00)	-26%
DIRECT EXPENSES:				
COURT REPORTERS	65,000.00	55,000.00	(10,000.00)	-15%
OUTSIDE COUNSEL/AIC	2,000.00	2,000.00	-	0%
LITIGATION EXPENSES	30,000.00	25,000.00	(5,000.00)	-17%
DISABILITY EVALUATIONS	15,000.00	7,500.00	(7,500.00)	-50%
ONLINE LEGAL RESEARCH	66,900.00	68,000.00	1,100.00	2%
LAW LIBRARY	12,000.00	12,500.00	500.00	4%
TRANSLATION SERVICES	3,000.00	1,500.00	(1,500.00)	-50%
DEPRECIATION	17,028.00	7,123.00	(9,905.00)	-58%
PUBLICATIONS PRODUCTION	330.00	444.00	114.00	35%
STAFF TRAVEL/PARKING	39,460.00	35,000.00	(4,460.00)	-11%
STAFF MEMBERSHIP DUES	3,308.00	3,900.00	592.00	18%
TELEPHONE	2,800.00	2,300.00	(500.00)	-18%
TOTAL DIRECT EXPENSES:	256,826.00	220,267.00	(36,559.00)	-14%
INDIRECT EXPENSES:				
FTE	36.89	36.88	(0.01)	0%
SALARY EXPENSE	3,436,749.00	3,556,329.00	119,580.00	3%
BENEFIT EXPENSE	1,142,156.00	1,191,858.00	49,702.00	4%
OVERHEAD	895,798.00	906,411.00	10,613.00	1%
TOTAL INDIRECT EXPENSES:	5,474,703.00	5,654,598.00	179,895.00	3%
TOTAL ALL EXPENSES:	5,731,529.00	5,874,865.00	143,336.00	3%
NET INCOME (LOSS):	(5,601,229.00)	(5,778,665.00)	(177,436.00)	

The Washington Supreme Court has exclusive responsibility for the lawyer, LPO, and LLLT discipline and disability systems in Washington. By court rule, the Supreme Court delegates regulatory authority to the WSBA through, in part, the Office of Disciplinary Counsel (ODC).

ODC is responsible for fielding communications from individuals with concerns about a lawyer, for reviewing, investigating, and prosecuting grievances about the ethical conduct of Washington lawyers, and for addressing issues involving a lawyer's alleged incapacity to practice law. ODC is also responsible for investigating and prosecuting ethical misconduct by LPOs and LLLTs upon referral from the corresponding regulatory board. More specifically, ODC identifies and dismisses grievances that do not allege unethical conduct, prosecutes violations of the Washington Supreme Court's Rules of Professional Conduct in matters that have been ordered to hearing by a review committee of the Disciplinary Board, and seeks transfers to disability-inactive status for licensees lacking the capacity to practice law. Some disciplinary matters are resolved by stipulation, some involving less serious misconduct may be diverted from discipline into the Diversion Program, while others are contested at a disciplinary hearing. If a hearing-level decision is appealed, disciplinary counsel briefs and argues the appeal to the applicable regulatory board and, in some cases, the Supreme Court. ODC also reviews trust account overdraft notices and conducts random examinations of trust account books and records, tracks and collects costs and expenses assessed against respondents in disciplinary proceedings, and monitors compliance with conditions of probation imposed in disciplinary matters.

To perform these functions, ODC employs disciplinary counsel, investigators, auditors, and a support staff of paralegals and administrative assistants; its expenses are primarily staff-related. Revenues consist primarily of recovery of discipline costs and expenses and service fees for providing discipline history summaries.

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Budget Comparison Report

For the Period from October 1, 2018 to September 30, 2019

DIVERSITY	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
DONATIONS	90,000.00	110,000.00	20,000.00	22%
WORK STUDY GRANTS	10,374.00	10,374.00	-	0%
TOTAL REVENUE:	100,374.00	120,374.00	20,000.00	20%
DIRECT EXPENSES:				
COMMITTEE FOR DIVERSITY	6,200.00	5,000.00	(1,200.00)	-19%
DIVERSITY EVENTS & PROJECTS	10,000.00	10,000.00	-	0%
INTERNAL DIVERSITY OUTREACH	200.00	200.00	-	
SPEAKERS & PROGRAM DEVELOP	500.00	-	(500.00)	-100%
STAFF TRAVEL/PARKING	8,000.00	6,000.00	(2,000.00)	-25%
STAFF MEMBERSHIP DUES	350.00	350.00	-	0%
TOTAL DIRECT EXPENSES:	25,250.00	21,550.00	(3,700.00)	-15%
INDIRECT EXPENSES:				
FTE	3.21	4.05	0.84	26%
SALARY EXPENSE	255,821.00	328,835.00	73,014.00	29%
BENEFIT EXPENSE	86,756.00	115,323.00	28,567.00	33%
OVERHEAD	77,948.00	99,538.00	21,590.00	28%
TOTAL INDIRECT EXPENSES:	420,525.00	543,696.00	123,171.00	29%
TOTAL ALL EXPENSES:	445,775.00	565,246.00	119,471.00	27%
NET INCOME (LOSS):	(345,401.00)	(444,872.00)	(99,471.00)	

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 equity and inclusion consultation for legal professionals and organizations, 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, like the Beyond the Dialogue Series. Direct costs have been reduced slightly in this cost center, while indirects have increased to reflect the investment of staff resources in delivering these programs. The diversity programs are supported by a \$110,000 grant from the Washington State Bar Foundation in FY19 (a \$20,000 increase over the FY18 budget).

Washington State Bar Association Budget Comparison Report

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FOUNDATION	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
TOTAL REVENUE:	<u>-</u>	<u>-</u>	<u>-</u>	
DIRECT EXPENSES:				
SPECIAL EVENTS	5,000.00	5,000.00	-	0%
BOARD OF TRUSTEES	5,000.00	3,000.00	(2,000.00)	-40%
GRAPHIC DESIGN	500.00	-	(500.00)	-100%
CONSULTING SERVICES	3,000.00	3,000.00	-	0%
POSTAGE	-	500.00	500.00	
PRINTING & COPYING	1,500.00	800.00	(700.00)	-47%
STAFF TRAVEL/PARKING	1,500.00	1,400.00	(100.00)	-7%
STAFF MEMBERSHIP DUES	600.00	-	(600.00)	-100%
SUPPLIES	500.00	500.00	-	0%
TOTAL DIRECT EXPENSES:	<u>17,600.00</u>	<u>14,200.00</u>	<u>(3,400.00)</u>	<u>-19%</u>
INDIRECT EXPENSES:				
FTE	1.20	1.15	(0.05)	-4%
SALARY EXPENSE	89,200.00	89,538.00	338.00	0%
BENEFIT EXPENSE	32,713.00	32,594.00	(119.00)	0%
OVERHEAD	29,140.00	28,264.00	(876.00)	-3%
TOTAL INDIRECT EXPENSES:	<u>151,053.00</u>	<u>150,396.00</u>	<u>(657.00)</u>	<u>0%</u>
TOTAL ALL EXPENSES:	<u>168,653.00</u>	<u>164,596.00</u>	<u>(4,057.00)</u>	<u>-2%</u>
NET INCOME (LOSS):	<u>(168,653.00)</u>	<u>(164,596.00)</u>	<u>4,057.00</u>	

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 \$220,000 in revenue to WSBA's FY19 budget to support public service and diversity efforts within the Advancement Department cost centers. We continue to look for opportunities to reduce indirect and direct costs in this cost center to better reflect the actual cost of delivering this service.

Washington State Bar Association

Budget Comparison Report

For the Period from October 1, 2018 to September 30, 2019

HUMAN RESOURCES	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
TOTAL REVENUE:	<u>-</u>	<u>-</u>	<u>-</u>	
DIRECT EXPENSES:				
STAFF TRAINING- GENERAL	29,400.00	30,000.00	600.00	2%
RECRUITING AND ADVERTISING	7,000.00	7,000.00	-	0%
PAYROLL PROCESSING	55,000.00	49,000.00	(6,000.00)	-11%
SALARY SURVEYS	2,900.00	2,900.00	-	0%
THIRD PARTY SERVICES	22,500.00	-	(22,500.00)	-100%
CONSULTING SERVICES	-	10,000.00	10,000.00	
STAFF TRAVEL/PARKING	150.00	150.00	-	0%
STAFF MEMBERSHIP DUES	1,188.00	1,250.00	62.00	5%
SUBSCRIPTIONS	1,938.00	2,100.00	162.00	8%
TRANSFER TO INDIRECT EXPENSE	(120,076.00)	(102,400.00)	17,676.00	-15%
TOTAL DIRECT EXPENSES:	<u>-</u>	<u>-</u>	<u>-</u>	
INDIRECT EXPENSES:				
FTE	2.48	2.45	(0.03)	-1%
SALARY EXPENSE	251,079.00	260,398.00	9,319.00	4%
ALLOWANCE FOR OPEN POSITIONS	(120,000.00)	(200,000.00)	(80,000.00)	67%
BENEFIT EXPENSE	80,529.00	83,695.00	3,166.00	4%
OVERHEAD	60,222.00	60,214.00	(8.00)	0%
TOTAL INDIRECT EXPENSES:	<u>271,830.00</u>	<u>204,307.00</u>	<u>(67,523.00)</u>	<u>-25%</u>
TOTAL ALL EXPENSES:	<u>271,830.00</u>	<u>204,307.00</u>	<u>(67,523.00)</u>	<u>-25%</u>
NET INCOME (LOSS):	<u>(271,830.00)</u>	<u>(204,307.00)</u>	<u>67,523.00</u>	

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.

Washington State Bar Association

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For the Period from October 1, 2018 to September 30, 2019

LAW CLERK PROGRAM	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
LAW CLERK FEES	110,000.00	162,000.00	52,000.00	47%
LAW CLERK APPLICATION FEES	2,000.00	4,000.00	2,000.00	100%
TOTAL REVENUE:	112,000.00	166,000.00	54,000.00	48%
DIRECT EXPENSES:				
CHARACTER & FITNESS INVESTIGATIONS	100.00	100.00	-	0%
LAW CLERK BOARD EXPENSE	4,000.00	6,000.00	2,000.00	50%
SUBSCRIPTIONS	250.00	250.00	-	0%
TOTAL DIRECT EXPENSES:	4,350.00	6,350.00	2,000.00	46%
INDIRECT EXPENSES:				
FTE	0.85	1.10	0.25	29%
SALARY EXPENSE	67,292.00	84,449.00	17,157.00	25%
BENEFIT EXPENSE	23,746.00	30,927.00	7,181.00	30%
OVERHEAD	20,640.00	27,035.00	6,395.00	31%
TOTAL INDIRECT EXPENSES:	111,678.00	142,411.00	30,733.00	28%
TOTAL ALL EXPENSES:	116,028.00	148,761.00	32,733.00	28%
NET INCOME (LOSS):	(4,028.00)	17,239.00	21,267.00	

The Law Clerk Program is now joined with LLLT and LPO licensing in a newly formed "Innovative Licensing Programs" work unit within RSD. This cost center captures the revenue and expenses for the APR Rule 6 Law Clerk Program, which is a program of education that offers an alternative to law school by allowing Law Clerks to study law with a tutor/employer while working full time with the employer; the standard program is four years, the curriculum is essentially the same as a three year JD program curriculum, and Law Clerks must pass character and fitness review and pass the Bar exam to be eligible for admission and licensing as a lawyer. Revenues are generated from modest fees charged to the Law Clerks to participate in the program; increased revenue reflected in this budget for this program is from a modest (\$500/year) increase in the annual fee charged to Law Clerks for participation in the program. Expenses are the costs to administer the Law Clerk program and the expenses incurred by the Law Clerk Board. This program has been slowly increasing in size and currently stands at about 83 clerk/tutor pairs around the state. The Board hopes to expand the program through increased outreach and education about the program, and with improving employment situations, expansion of the number of participants may continue to be a possibility. RSD staff has been working to improve the data base at the heart of the program in order to provide improved services to the Law Clerks and tutors. RSD and Communications staff have been working to increase the outreach about and visibility of the program.

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LEGISLATIVE	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
TOTAL REVENUE:	<u>-</u>	<u>-</u>	<u>-</u>	
DIRECT EXPENSES:				
RENT - OLYMPIA OFFICE	2,500.00	2,500.00	-	0%
CONTRACT LOBBYIST	5,000.00	5,000.00	-	0%
LOBBYIST CONTACT COSTS	1,000.00	1,000.00	-	0%
LEGISLATIVE COMMITTEE	2,500.00	2,500.00	-	0%
BOG LEGISLATIVE COMMITTEE	250.00	250.00	-	0%
STAFF TRAVEL/PARKING	8,000.00	4,550.00	(3,450.00)	-43%
STAFF MEMBERSHIP DUES	450.00	450.00	-	0%
SUBSCRIPTIONS	2,000.00	2,000.00	-	0%
TELEPHONE	3,000.00	400.00	(2,600.00)	-87%
TOTAL DIRECT EXPENSES:	<u>24,700.00</u>	<u>18,650.00</u>	<u>(6,050.00)</u>	<u>-24%</u>
INDIRECT EXPENSES:				
FTE	1.00	0.90	(0.10)	-10%
SALARY EXPENSE	75,380.00	80,340.00	4,960.00	7%
BENEFIT EXPENSE	27,080.00	27,792.00	712.00	3%
OVERHEAD	24,283.00	24,577.00	294.00	1%
TOTAL INDIRECT EXPENSES:	<u>126,743.00</u>	<u>132,709.00</u>	<u>5,966.00</u>	<u>5%</u>
TOTAL ALL EXPENSES:	<u>151,443.00</u>	<u>151,359.00</u>	<u>(84.00)</u>	<u>0%</u>
NET INCOME (LOSS):	<u>(151,443.00)</u>	<u>(151,359.00)</u>	<u>84.00</u>	

The Outreach and Legislative Affairs Manager and the Outreach and Legislative Affairs Coordinator work closely with WSBA leadership and sections to formulate positions on legislation, track relevant legislation during session and provide technical advice on bills and existing statutes to the Legislature.

The Outreach and Legislative Affairs Manager and the Outreach and Legislative Affairs Coordinator work closely with WSBA leadership and sections to formulate positions on legislation, track relevant legislation during session and provide technical advice on bills and existing statutes to the Legislature. Reduced contract lobbyist, Olympia space rental, and staffing costs reflect reevaluation of legislative support needs.

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LICENSING AND MEMBERSHIP RECORDS

	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
STATUS CERTIFICATE FEES	22,000.00	22,000.00	-	0%
RULE 9/LEGAL INTERN FEES	11,000.00	11,000.00	-	0%
INVESTIGATION FEES	20,000.00	22,000.00	2,000.00	10%
PRO HAC VICE	210,000.00	230,000.00	20,000.00	10%
MEMBER CONTACT INFORMATION	21,000.00	19,000.00	(2,000.00)	-10%
PHOTO BAR CARD SALES	700.00	350.00	(350.00)	-50%
TOTAL REVENUE:	284,700.00	304,350.00	19,650.00	7%
DIRECT EXPENSES:				
LICENSING FORMS	3,000.00	3,000.00	-	0%
DEPRECIATION	11,496.00	13,812.00	2,316.00	20%
POSTAGE	31,500.00	29,000.00	(2,500.00)	-8%
TOTAL DIRECT EXPENSES:	45,996.00	45,812.00	(184.00)	0%
INDIRECT EXPENSES:				
FTE	4.65	4.35	(0.30)	-6%
SALARY EXPENSE	410,886.00	395,080.00	(15,806.00)	-4%
BENEFIT EXPENSE	136,992.00	133,268.00	(3,724.00)	-3%
OVERHEAD	112,916.00	106,911.00	(6,005.00)	-5%
TOTAL INDIRECT EXPENSES:	660,794.00	635,259.00	(25,535.00)	-4%
TOTAL ALL EXPENSES:	706,790.00	681,071.00	(25,719.00)	-4%
NET INCOME (LOSS):	(422,090.00)	(376,721.00)	45,369.00	

All member and license types are tracked in one database and their annual license renewal processes are administered by this work group, rather than being handled separately according to license type. This work group 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 Rule 9 Legal Interns and pro hac vice admissions, as well as limited sales of member contact information, member status certificates, investigation fees for status changes, and revenue from sales of photo bar cards. Expenses are primarily printing and postage costs for the annual license packets, the costs of administering the Rule 9 Legal Intern and pro hac vice programs, and all status changes.

Revenue changes are consistent with historic trends; direct costs change with changes in printing and mailing costs.

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LICENSING	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
LLLT LICENSE FEES	6,125.00	5,800.00	(325.00)	-5%
LICENSE FEES	14,953,000.00	15,778,000.00	825,000.00	6%
LPO LICENSE FEES	109,000.00	174,400.00	65,400.00	60%
TOTAL REVENUE:	<u>15,068,125.00</u>	<u>15,958,200.00</u>	<u>890,075.00</u>	<u>6%</u>
DIRECT EXPENSES:				
TOTAL DIRECT EXPENSES:	<u>-</u>	<u>-</u>	<u>-</u>	
INDIRECT EXPENSES:				
TOTAL INDIRECT EXPENSES:	<u>-</u>	<u>-</u>	<u>-</u>	
TOTAL ALL EXPENSES:	<u>-</u>	<u>-</u>	<u>-</u>	
NET INCOME (LOSS):	<u>15,068,125.00</u>	<u>15,958,200.00</u>	<u>890,075.00</u>	

Most cost centers across WSBA are supported by license fee funds. Because LPOs and LLLTs are now WSBA members, revenues from LPO and LLLT license fees also are included in this cost center. The Licensing cost center tracks this revenue without any associated expenses. A relatively small increase in revenue is attributable to increased license fees for LPOs and LLLTs.

Washington State Bar Association

Budget Comparison Report

For the Period from October 1, 2018 to September 30, 2019

LIMITED LICENSE LEGAL TECHNICIAN

	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
TOTAL REVENUE:	-	-	-	
DIRECT EXPENSES:				
LLLT BOARD	17,000.00	17,000.00	-	0%
LLLT OUTREACH	8,000.00	8,000.00	-	
STAFF TRAVEL/PARKING	600.00	600.00	-	0%
TOTAL DIRECT EXPENSES:	25,600.00	25,600.00	-	0%
INDIRECT EXPENSES:				
FTE	1.70	1.55	(0.15)	-9%
SALARY EXPENSE	142,602.00	135,526.00	(7,076.00)	-5%
BENEFIT EXPENSE	49,304.00	41,592.00	(7,712.00)	-16%
OVERHEAD	42,495.00	38,095.00	(4,400.00)	-10%
TOTAL INDIRECT EXPENSES:	234,401.00	215,213.00	(19,188.00)	-8%
TOTAL ALL EXPENSES:	260,001.00	240,813.00	(19,188.00)	-7%
NET INCOME (LOSS):	(260,001.00)	(240,813.00)	19,188.00	

The Limited License Legal Technician (LLLT) license type (APR 28), was created by the Supreme Court and delegated to WSBA in 2012. In the past, this cost center was used to track all revenues and expenses associated with the "LLLT Program". LLLTs are now WSBA members, and consistent with the WSBA Bylaws and the Washington Supreme Court Admission and Practice Rules, the administration and regulation of these member license types has been consolidated within existing work groups and cost centers that already perform these functions for lawyers, including Admissions, License and Membership Records, and MCLE (although it continues to be possible to determine these costs separately by member type if needed). For FY19, this cost center is used primarily to track staffing and expenses related to the LLLT Board, which by court rule oversees the license.

Washington State Bar Association
Budget Comparison Report
For the Period from October 1, 2018 to September 30, 2019

LIMITED PRACTICE OFFICERS	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
TOTAL REVENUE:	<u>-</u>	<u>-</u>	<u>-</u>	
DIRECT EXPENSES:				
LPO BOARD	3,000.00	3,000.00	-	0%
TOTAL DIRECT EXPENSES:	<u>3,000.00</u>	<u>3,000.00</u>	<u>-</u>	<u>0%</u>
INDIRECT EXPENSES:				
FTE	1.16	1.17	0.01	1%
SALARY EXPENSE	97,589.00	99,089.00	1,500.00	2%
BENEFIT EXPENSE	33,707.00	40,526.00	6,819.00	20%
OVERHEAD	28,168.00	28,755.00	587.00	2%
TOTAL INDIRECT EXPENSES:	<u>159,464.00</u>	<u>168,370.00</u>	<u>8,906.00</u>	<u>6%</u>
TOTAL ALL EXPENSES:	<u>162,464.00</u>	<u>171,370.00</u>	<u>8,906.00</u>	<u>5%</u>
NET INCOME (LOSS):	<u>(162,464.00)</u>	<u>(171,370.00)</u>	<u>(8,906.00)</u>	

The Limited Practice Officer (LPO) license type (APR 12), was created by the Supreme Court, and later delegated to the WSBA in 2002. There are about 925 licensed LPOs in Washington. In the past, this cost center was used to track all revenues and expenses associated with the "Limited Practice Officer (LPO) licensing program". LPOs are now WSBA members, and consistent with the WSBA Bylaws and the Washington Supreme Court Admission and Practice Rules, the administration and regulation of these members has been consolidated within existing work groups and cost centers that already perform these functions for lawyers, including Admissions, License and Membership Records, and MCLE (although it will continue to be possible to determine these costs separately by member type if needed). For FY19, this cost center will be used primarily to track staffing and expenses related to the Limited Practice Board, which by court rule oversees the program.

Washington State Bar Association

Budget Comparison Report

For the Period from October 1, 2018 to September 30, 2019

MANDATORY CONTINUING LEGAL EDUCATION

	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
ACCREDITED PROGRAM FEES	282,000.00	540,000.00	258,000.00	91%
FORM1 LATE FEE	100,000.00	150,000.00	50,000.00	50%
MEMBER LATE FEES	203,000.00	203,000.00	-	0%
ANNUAL ACCREDITED SPONSOR FEES	27,000.00	43,000.00	16,000.00	59%
ATTENDANCE FEES	60,000.00	-	(60,000.00)	-100%
ATTENDANCE LATE FEES	60,000.00	85,000.00	25,000.00	42%
COMITY CERTIFICATES	29,000.00	29,000.00	-	0%
TOTAL REVENUE:	761,000.00	1,050,000.00	289,000.00	38%
DIRECT EXPENSES:				
MCLE BOARD EXPENSES	2,000.00	2,000.00	-	0%
DEPRECIATION	235,944.00	249,948.00	14,004.00	6%
STAFF MEMBERSHIP DUES	500.00	500.00	-	0%
TOTAL DIRECT EXPENSES:	238,444.00	252,448.00	14,004.00	6%
INDIRECT EXPENSES:				
FTE	4.80	4.90	0.10	2%
SALARY EXPENSE	311,815.00	358,258.00	46,443.00	15%
BENEFIT EXPENSE	113,165.00	124,596.00	11,431.00	10%
OVERHEAD	115,344.00	120,429.00	5,085.00	4%
TOTAL INDIRECT EXPENSES:	540,324.00	603,283.00	62,959.00	12%
TOTAL ALL EXPENSES:	778,768.00	855,731.00	76,963.00	10%
NET INCOME (LOSS):	(17,768.00)	194,269.00	212,037.00	

MCLE administration is a core regulatory function of the WSBA. This area processes requests for accreditation of all CLE programs for all license types, a total of about 20,000 accreditation requests per year, and tracks the earned credits and the CLE certifications and requirements of all individual members to ascertain whether they have completed their minimum continuing education requirements. Every year, approximately one-third of the active WSBA members are required to report their MCLE credits. The cost center is also used to track staffing and expenses related to the MCLE Board, which by court rule oversees the program for all license types.

Revenue increases reflect increases in sponsor and accredited sponsor fees, and increased late certification fees for LLLTs and LPOs but otherwise are consistent with historical trends.

Washington State Bar Association

Budget Comparison Report

For the Period from October 1, 2018 to September 30, 2019

MEMBER ASSISTANCE PROGRAM	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
DIVERSIONS	10,000.00	10,000.00	-	0%
TOTAL REVENUE:	<u>10,000.00</u>	<u>10,000.00</u>	<u>-</u>	<u>0%</u>
DIRECT EXPENSES:				
PROF LIAB INSURANCE	850.00	850.00	-	0%
PUBLICATIONS PRODUCTION	200.00	200.00	-	0%
STAFF MEMBERSHIP DUES	350.00	225.00	(125.00)	-36%
CONFERENCE CALLS	100.00	-	(100.00)	-100%
TOTAL DIRECT EXPENSES:	<u>1,500.00</u>	<u>1,275.00</u>	<u>(225.00)</u>	<u>-15%</u>
INDIRECT EXPENSES:				
FTE	0.87	0.90	0.03	3%
SALARY EXPENSE	79,821.00	84,582.00	4,761.00	6%
BENEFIT EXPENSE	31,796.00	34,295.00	2,499.00	8%
OVERHEAD	21,126.00	22,120.00	994.00	5%
TOTAL INDIRECT EXPENSES:	<u>132,743.00</u>	<u>140,997.00</u>	<u>8,254.00</u>	<u>6%</u>
TOTAL ALL EXPENSES:	<u>134,243.00</u>	<u>142,272.00</u>	<u>8,029.00</u>	<u>6%</u>
NET INCOME (LOSS):	<u>(124,243.00)</u>	<u>(132,272.00)</u>	<u>(8,029.00)</u>	

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). Last year, MWP conducted approximately 200 consultations and gave presentations reaching 1,200 members.

Additionally, LAP makes assistance available to all WSBA members through a community partner, KEPRO, whose licensed professionals are available 24/7 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.

Washington State Bar Association Budget Comparison Report

For the Period from October 1, 2018 to September 30, 2019

MEMBER SERVICES AND ENGAGEMENT	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
ROYALTIES	15,000.00	30,000.00	15,000.00	100%
NMP PRODUCT SALES	15,000.00	70,000.00	55,000.00	367%
SPONSORSHIPS	1,200.00	1,200.00	-	0%
SEMINAR REGISTRATIONS	20,000.00	30,000.00	10,000.00	50%
TRIAL ADVOCACY PROGRAM	17,000.00	10,000.00	(7,000.00)	-41%
TOTAL REVENUE:	68,200.00	141,200.00	73,000.00	107%
DIRECT EXPENSES:				
WYLC OUTREACH EVENTS	3,000.00	2,500.00	(500.00)	-17%
MEMBER BENEFITS OPEN HOUSE	2,250.00	-	(2,250.00)	-100%
MENTORSHIP PROGRAM EXPENSES	2,500.00	-	(2,500.00)	-100%
LENDING LIBRARY	1,000.00	5,500.00	4,500.00	450%
NMP SEMINAR BROCHURES	1,500.00	-	(1,500.00)	-100%
NMP SPEAKERS & PROGRAM DEVELOPMENT	1,500.00	1,500.00	-	0%
WYL COMMITTEE	15,000.00	15,000.00	-	0%
OPEN SECTIONS NIGHT	3,000.00	4,400.00	1,400.00	47%
RURAL PLACEMENT PROGRAM	-	10,500.00	10,500.00	-
TRIAL ADVOCACY PROGRAM	2,500.00	2,500.00	-	0%
RECEPTION/FORUM EXPENSE	6,500.00	4,000.00	(2,500.00)	-38%
WYLC SCHOLARSHIPS/DONATIONS/GRANT	2,000.00	2,500.00	500.00	25%
YLL SECTION PROGRAM	1,500.00	1,100.00	(400.00)	-27%
WYLC CLE COMPS	1,500.00	1,000.00	(500.00)	-33%
STAFF TRAVEL/PARKING	6,000.00	4,500.00	(1,500.00)	-25%
STAFF MEMBERSHIP DUES	530.00	385.00	(145.00)	-27%
SUBSCRIPTIONS	125.00	480.00	355.00	284%
CONFERENCE CALLS	200.00	200.00	-	0%
TOTAL DIRECT EXPENSES:	50,605.00	56,065.00	5,460.00	11%
INDIRECT EXPENSES:				
FTE	4.60	3.98	(0.62)	-13%
SALARY EXPENSE	342,525.00	296,941.00	(45,584.00)	-13%
BENEFIT EXPENSE	123,008.00	109,946.00	(13,062.00)	-11%
OVERHEAD	111,701.00	97,818.00	(13,883.00)	-12%
TOTAL INDIRECT EXPENSES:	577,234.00	504,705.00	(72,529.00)	-13%
TOTAL ALL EXPENSES:	627,839.00	560,770.00	(67,069.00)	-11%
NET INCOME (LOSS):	(559,639.00)	(419,570.00)	140,069.00	

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, 4 MentorLink 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 and vendors, revamping and developing WSBA online guides; (4) supporting the Washington Young Lawyers Committee and the ABA YLD District Representative; (5) exploring and possibly implementing a rural placement pilot project.

FY19 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. All of which are increased due to more accurate prediction of the product sales and rebates. Indirect costs have decreased to better reflect the actual staff resources needed to deliver these programs.

Washington State Bar Association Budget Comparison Report

For the Period from October 1, 2018 to September 30, 2019

MEMBERSHIP BENEFITS	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
SPONSORSHIPS	-	8,000.00	8,000.00	
INTERNET SALES	-	9,000.00	9,000.00	
TOTAL REVENUE:	-	17,000.00	17,000.00	
DIRECT EXPENSES:				
LEGAL LUNCHBOX COURSEBOOK PRODUCTION	500.00	500.00	-	0%
LEGAL LUNCHBOX SPEAKERS & PROGRAM DEVELOP	1,700.00	1,700.00	-	0%
WSBA CONNECTS	46,560.00	46,560.00	-	
CASEMAKER	75,000.00	76,336.00	1,336.00	2%
TOTAL DIRECT EXPENSES:	123,760.00	125,096.00	1,336.00	1%
INDIRECT EXPENSES:				
FTE	0.40	0.73	0.33	83%
SALARY EXPENSE	23,718.00	54,366.00	30,648.00	129%
BENEFIT EXPENSE	9,377.00	20,137.00	10,760.00	115%
OVERHEAD	9,713.00	17,941.00	8,228.00	85%
TOTAL INDIRECT EXPENSES:	42,808.00	92,444.00	49,636.00	116%
TOTAL ALL EXPENSES:	166,568.00	217,540.00	50,972.00	31%
NET INCOME (LOSS):	(166,568.00)	(200,540.00)	(33,972.00)	

This cost center includes costs associated with programs benefiting WSBA's membership as a part of their annual license fee: (1) Casemaker, a free legal research tool; (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 (see Lawyer Assistance Program cost center narrative for a fuller description of this program). The cost center also includes the revenue for sponsorship and online sales associated with the Legal Lunchbox Series. In FY19 this cost center includes the implementation of a member health insurance program.

Washington State Bar Association
Budget Comparison Report
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NORTHWEST LAWYER	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
DISPLAY ADVERTISING	400,000.00	297,500.00	(102,500.00)	-26%
SUBSCRIPT/SINGLE ISSUES	350.00	350.00	-	0%
CLASSIFIED ADVERTISING	100,000.00	12,500.00	(87,500.00)	-88%
GEN ANNOUNCEMENTS	15,000.00	17,500.00	2,500.00	17%
PROF ANNOUNCEMENTS	23,000.00	21,000.00	(2,000.00)	-9%
JOB TARGET	-	112,500.00	112,500.00	
TOTAL REVENUE:	538,350.00	461,350.00	(77,000.00)	-14%
DIRECT EXPENSES:				
GRAPHICS/ARTWORK	3,500.00	3,500.00	-	0%
OUTSIDE SALES EXPENSE	75,000.00	-	(75,000.00)	-100%
EDITORIAL ADVIS COMMITTEE EXP	800.00	800.00	-	0%
BAD DEBT EXPENSE	6,000.00	2,000.00	(4,000.00)	-67%
POSTAGE	89,000.00	89,000.00	-	0%
PRINTING & COPYING	250,000.00	250,000.00	-	0%
STAFF MEMBERSHIP DUES	-	135.00	135.00	
DIGITAL/ONLINE DEVELOPMENT	10,200.00	10,200.00	-	0%
TOTAL DIRECT EXPENSES:	434,500.00	355,635.00	(78,865.00)	-18%
INDIRECT EXPENSES:				
FTE	1.80	2.25	0.45	25%
SALARY EXPENSE	129,203.00	177,211.00	48,008.00	37%
BENEFIT EXPENSE	52,295.00	69,783.00	17,488.00	33%
OVERHEAD	43,709.00	55,299.00	11,590.00	27%
TOTAL INDIRECT EXPENSES:	225,207.00	302,293.00	77,086.00	34%
TOTAL ALL EXPENSES:	659,707.00	657,928.00	(1,779.00)	0%
NET INCOME (LOSS):	(121,357.00)	(196,578.00)	(75,221.00)	

NWLawyer is the official publication of WSBA and serves as the primary method of print communication 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 NWLawyer is administered by the staff in the Communications and Outreach Department. NWLawyer revenues come from sales of advertisements (display ads, classified ads, professional ads, and announcements) and subscriptions (to nonmembers). Expenses include outside advertising 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. The overall increase in indirect costs reflects staff time devoted to bringing on a new editor. After vetting several options, WSBA entered into a contract with a professional advertising management company (SagaCity Media) in January 2018 for the express purpose of increasing ad sales revenue. The production team is working with SagaCity to set ad targets and diversify the types of ads included in the magazine to begin to make the magazine more cost-neutral. We are also exploring upgraded platforms for the digital version of the magazine that will allow for additional online ads, producing an additional revenue stream.

Washington State Bar Association
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For the Period from October 1, 2018 to September 30, 2019

OFFICE OF GENERAL COUNSEL	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
TOTAL REVENUE:	<u>-</u>	<u>-</u>	<u>-</u>	
DIRECT EXPENSES:				
COURT RULES COMMITTEE	4,000.00	2,000.00	(2,000.00)	-50%
DISCIPLINE ADVISORY ROUNDTABLE	1,500.00	500.00	(1,000.00)	-67%
CUSTODIANSHIP	2,500.00	2,500.00	-	0%
DEPRECIATION	556.00	3,336.00	2,780.00	500%
STAFF TRAVEL/PARKING	3,240.00	3,240.00	-	0%
STAFF MEMBERSHIP DUES	1,500.00	1,500.00	-	0%
TOTAL DIRECT EXPENSES:	<u>13,296.00</u>	<u>13,076.00</u>	<u>(220.00)</u>	<u>-2%</u>
INDIRECT EXPENSES:				
FTE	5.41	5.75	0.34	6%
SALARY EXPENSE	507,852.00	588,978.00	81,126.00	16%
BENEFIT EXPENSE	172,072.00	196,874.00	24,802.00	14%
OVERHEAD	131,371.00	141,319.00	9,948.00	8%
TOTAL INDIRECT EXPENSES:	<u>811,295.00</u>	<u>927,171.00</u>	<u>115,876.00</u>	<u>14%</u>
TOTAL ALL EXPENSES:	<u>824,591.00</u>	<u>940,247.00</u>	<u>115,656.00</u>	<u>14%</u>
NET INCOME (LOSS):	<u>(824,591.00)</u>	<u>(940,247.00)</u>	<u>(115,656.00)</u>	

The Office of General Counsel serves as counsel to WSBA and the Board of Governors. This office handles or oversees all litigation against WSBA, interpretations and changes to the WSBA bylaws, and other legal issues. It also handles public records requests, custodianship matters, the Lawyers Fund for Client Protection applications, investigation, and processing, and logistical support for Hearing Officers, Conflicts Review Counsel, and for the outside counsel appointed to represent incapacitated respondents in the lawyer discipline system. Staff in this office also supports various boards, committees, task forces, and workgroups, including the Lawyers' Fund for Client Protection Board, the Court Rules Committee, and the Discipline Advisory Round Table. This past fiscal year this office shifted responsibilities and workload. An Associate Director General Counsel will have primary responsibility for the support of boards and Committees, while a second Associate Director will have primary responsibility for the internal functions of the office, such as public records, litigation and contracting. Both Associate Directors will report to the General Counsel.

Washington State Bar Association

Budget Comparison Report

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OFFICE OF GENERAL COUNSEL DISCIPLINARY BOARD

	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
TOTAL REVENUE:	-	-	-	
DIRECT EXPENSES:				
DISCIPLINARY BOARD EXPENSES	10,000.00	10,000.00	-	0%
CHIEF HEARING OFFICER	33,000.00	33,000.00	-	0%
HEARING OFFICER EXPENSES	3,000.00	3,000.00	-	0%
HEARING OFFICER TRAINING	2,000.00	2,000.00	-	0%
OUTSIDE COUNSEL	55,000.00	55,000.00	-	0%
STAFF MEMBERSHIP DUES	500.00	500.00	-	0%
TOTAL DIRECT EXPENSES:	<u>103,500.00</u>	<u>103,500.00</u>	<u>-</u>	<u>0%</u>
INDIRECT EXPENSES:				
FTE	1.60	1.45	(0.15)	-9%
SALARY EXPENSE	119,426.00	110,578.00	(8,848.00)	-7%
BENEFIT EXPENSE	45,067.00	40,524.00	(4,543.00)	-10%
OVERHEAD	38,853.00	35,637.00	(3,216.00)	-8%
TOTAL INDIRECT EXPENSES:	<u>203,346.00</u>	<u>186,739.00</u>	<u>(16,607.00)</u>	<u>-8%</u>
TOTAL ALL EXPENSES:	<u>306,846.00</u>	<u>290,239.00</u>	<u>(16,607.00)</u>	<u>-5%</u>
NET INCOME (LOSS):	<u>(306,846.00)</u>	<u>(290,239.00)</u>	<u>16,607.00</u>	

The Disciplinary Board reviews stipulations to and hearing officer recommendations for suspension and disbarment, holds public oral arguments, and issues written recommendations to the Supreme Court in disciplinary matters. Four separate Review Committees made up of Disciplinary Board members review disciplinary counsel requests for public hearing, admonition, and interim suspension, and dismissals upon request. One assistant general counsel devotes approximately half of his time to this function, assisted by the Clerk to the Disciplinary Board, who handles a significant number of requests for public discipline information.

Washington State Bar Association

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OUTREACH AND ENGAGEMENT	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
TOTAL REVENUE:	<u>-</u>	<u>-</u>	<u>-</u>	
DIRECT EXPENSES:				
ABA DELEGATES	4,500.00	4,500.00	-	0%
ANNUAL CHAIR MEETINGS	600.00	600.00	-	0%
JUDICIAL RECOMMENDATIONS COMMITTEE	4,500.00	4,500.00	-	0%
BOG ELECTIONS	6,500.00	6,500.00	-	0%
BAR OUTREACH	5,000.00	10,000.00	5,000.00	100%
PROFESSIONALISM	750.00	2,000.00	1,250.00	167%
STAFF TRAVEL/PARKING	400.00	1,400.00	1,000.00	250%
STAFF MEMBERSHIP DUES	300.00	1,152.00	852.00	284%
CONFERENCE CALLS	200.00	200.00	-	0%
TOTAL DIRECT EXPENSES:	<u>22,750.00</u>	<u>30,852.00</u>	<u>8,102.00</u>	<u>36%</u>
INDIRECT EXPENSES:				
FTE	2.83	2.83	-	0%
SALARY EXPENSE	218,297.00	224,397.00	6,100.00	3%
BENEFIT EXPENSE	77,759.00	78,903.00	1,144.00	1%
OVERHEAD	68,721.00	69,554.00	833.00	1%
TOTAL INDIRECT EXPENSES:	<u>364,777.00</u>	<u>372,854.00</u>	<u>8,077.00</u>	<u>2%</u>
TOTAL ALL EXPENSES:	<u>387,527.00</u>	<u>403,706.00</u>	<u>16,179.00</u>	<u>4%</u>
NET INCOME (LOSS):	<u>(387,527.00)</u>	<u>(403,706.00)</u>	<u>(16,179.00)</u>	

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.

Washington State Bar Association

Budget Comparison Report

For the Period from October 1, 2018 to September 30, 2019

PRACTICE LAW BOARD	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
TOTAL REVENUE:	<u>-</u>	<u>-</u>	<u>-</u>	
DIRECT EXPENSES:				
TRANSLATION SERVICES	200.00	-	(200.00)	-100%
PRACTICE OF LAW BOARD	15,000.00	16,000.00	1,000.00	7%
TOTAL DIRECT EXPENSES:	<u>15,200.00</u>	<u>16,000.00</u>	<u>800.00</u>	<u>5%</u>
INDIRECT EXPENSES:				
FTE	0.65	0.40	(0.25)	-38%
SALARY EXPENSE	66,165.00	50,676.00	(15,489.00)	-23%
BENEFIT EXPENSE	21,484.00	13,438.00	(8,046.00)	-37%
OVERHEAD	15,784.00	9,831.00	(5,953.00)	-38%
TOTAL INDIRECT EXPENSES:	<u>103,433.00</u>	<u>73,945.00</u>	<u>(29,488.00)</u>	<u>-29%</u>
TOTAL ALL EXPENSES:	<u>118,633.00</u>	<u>89,945.00</u>	<u>(28,688.00)</u>	<u>-24%</u>
NET INCOME (LOSS):	<u>(118,633.00)</u>	<u>(89,945.00)</u>	<u>28,688.00</u>	

The Practice of Law Board (POLB) is established by Supreme Court rule and administered by the WSBA to make recommendations to the Supreme Court regarding the practice of law, particularly with regard to the delivery of legal and law related services to the public. The POLB is also charged with educating the public about how to receive competent legal assistance. The POLB reviews allegations of the unauthorized practice of law (UPL) and refers matters for prosecution when appropriate.

Washington State Bar Association

Budget Comparison Report

For the Period from October 1, 2018 to September 30, 2019

PROFESSIONAL RESPONSIBILITY PROGRAM

	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
TOTAL REVENUE:	-	-	-	
DIRECT EXPENSES:				
RPC COMMITTEE	4,000.00	4,200.00	200.00	5%
STAFF TRAVEL/PARKING	1,800.00	2,000.00	200.00	11%
STAFF MEMBERSHIP DUES	500.00	500.00	-	0%
TOTAL DIRECT EXPENSES:	6,300.00	6,700.00	400.00	6%
INDIRECT EXPENSES:				
FTE	1.89	1.65	(0.24)	-13%
SALARY EXPENSE	169,758.00	160,192.00	(9,566.00)	-6%
BENEFIT EXPENSE	62,970.00	57,702.00	(5,268.00)	-8%
OVERHEAD	45,895.00	40,553.00	(5,342.00)	-12%
TOTAL INDIRECT EXPENSES:	278,623.00	258,447.00	(20,176.00)	-7%
TOTAL ALL EXPENSES:	284,923.00	265,147.00	(19,776.00)	-7%
NET INCOME (LOSS):	(284,923.00)	(265,147.00)	19,776.00	

This program includes the ethics phone line, a resource for members to get answers to ethics questions before they take action; support for the Committee on Professional Ethics; and statewide educational ethics presentations. The Ethics Line provides ethics assistance in around 3,000 member calls a year, and Professional Responsibility Counsel is a frequent local (and occasionally national) speaker, making between 40 and 60 presentations a year on ethical issues of concern to our members.

Washington State Bar Association

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For the Period from October 1, 2018 to September 30, 2019

PUBLIC SERVICE PROGRAMS	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
DONATIONS	95,000.00	110,000.00	15,000.00	16%
PSP PRODUCT SALES	10,000.00	2,000.00	(8,000.00)	-80%
TOTAL REVENUE:	105,000.00	112,000.00	7,000.00	7%
DIRECT EXPENSES:				
PRO BONO & PUBLIC SERVICE COMMITTEE	2,000.00	2,000.00	-	0%
PUBLIC SERVICE EVENTS AND PROJECTS	11,500.00	20,500.00	9,000.00	78%
DONATIONS/SPONSORSHIPS	207,915.00	207,915.00	-	0%
POSTAGE	500.00	-	(500.00)	-100%
PRINTING & COPYING	500.00	-	(500.00)	-100%
STAFF TRAVEL/PARKING	2,000.00	2,000.00	-	0%
CONFERENCE CALLS	200.00	-	(200.00)	-100%
TOTAL DIRECT EXPENSES:	224,615.00	232,415.00	7,800.00	3%
INDIRECT EXPENSES:				
FTE	1.77	1.03	(0.74)	-42%
SALARY EXPENSE	136,436.00	87,057.00	(49,379.00)	-36%
BENEFIT EXPENSE	48,060.00	29,889.00	(18,171.00)	-38%
OVERHEAD	42,981.00	25,315.00	(17,666.00)	-41%
TOTAL INDIRECT EXPENSES:	227,477.00	142,261.00	(85,216.00)	-37%
TOTAL ALL EXPENSES:	452,092.00	374,676.00	(77,416.00)	-17%
NET INCOME (LOSS):	(347,092.00)	(262,676.00)	84,416.00	

Public Service Programs includes staffing and support for the WSBA Moderate Means Program, Call to Duty, the Pro Bono and Public Service Committee, and other activities to promote pro bono and public service through WSBA and with our community partners. Much of this support is provided in the form of grant funding to the partners that help us to deliver our programs, including Washington's three law schools, which partner with WSBA to deliver low-cost legal assistance through the Moderate Means Program. Since 2011, the Moderate Means Program has made over 3,000 referrals and engaged more than 700 attorneys and 300 law students. Since 2015, WSBA has held 7 Day of Service Clinics serving 120 veterans and providing training to over 250 volunteers. In FY19, revenue in the cost center includes revenue from the sale of recorded public service CLEs to those not accessing them for free. Direct costs for this cost center have increased in FY19 to provide grants for up to eight MBA remote legal clinics and to increase outreach and recruitment for the Moderate Means Program. Indirect costs have decreased to better reflect the actual staff resources needed to deliver these programs. Public Service Programs are supported by a grant of \$110,000 from the Washington State Bar Foundation in FY19 (a \$15,000 increase over the FY18 budget).

Washington State Bar Association
Budget Comparison Report
For the Period from October 1, 2018 to September 30, 2019

PUBLICATION AND DESIGN SERVICES

	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
TOTAL REVENUE:	<u>-</u>	<u>-</u>	<u>-</u>	
DIRECT EXPENSES:				
IMAGE LIBRARY	4,100.00	4,680.00	580.00	14%
STAFF MEMBERSHIP DUES	-	500.00	500.00	
SUBSCRIPTIONS	-	83.00	83.00	
TOTAL DIRECT EXPENSES:	<u>4,100.00</u>	<u>5,263.00</u>	<u>1,163.00</u>	<u>28%</u>
INDIRECT EXPENSES:				
FTE	1.39	1.22	(0.17)	-12%
SALARY EXPENSE	90,187.00	80,074.00	(10,113.00)	-11%
BENEFIT EXPENSE	34,341.00	31,279.00	(3,062.00)	-9%
OVERHEAD	33,753.00	29,984.00	(3,769.00)	-11%
TOTAL INDIRECT EXPENSES:	<u>158,281.00</u>	<u>141,337.00</u>	<u>(16,944.00)</u>	<u>-11%</u>
TOTAL ALL EXPENSES:	<u>162,381.00</u>	<u>146,600.00</u>	<u>(15,781.00)</u>	<u>-10%</u>
NET INCOME (LOSS):	<u>(162,381.00)</u>	<u>(146,600.00)</u>	<u>15,781.00</u>	

Publication and Design Services is responsible for: (1) editing and oversight of WSBA publications (including but not limited to Deskbooks, Sections publications, and NWLawyer); (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.

Washington State Bar Association
Budget Comparison Report
For the Period from October 1, 2018 to September 30, 2019

SECTIONS ADMINISTRATION	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
REIMBURSEMENTS FROM SECTIONS	308,000.00	300,000.00	(8,000.00)	-3%
TOTAL REVENUE:	<u>308,000.00</u>	<u>300,000.00</u>	<u>(8,000.00)</u>	<u>-3%</u>
DIRECT EXPENSES:				
SECTION/COMMITTEE CHAIR MTGS	2,000.00	1,000.00	(1,000.00)	-50%
DUES STATEMENTS	6,000.00	6,000.00	-	0%
STAFF TRAVEL/PARKING	1,200.00	1,200.00	-	0%
STAFF MEMBERSHIP DUES	-	125.00	125.00	
SUBSCRIPTIONS	300.00	372.00	72.00	24%
CONFERENCE CALLS	300.00	300.00	-	0%
MISCELLANEOUS	300.00	300.00	-	0%
TOTAL DIRECT EXPENSES:	<u>10,100.00</u>	<u>9,297.00</u>	<u>(803.00)</u>	<u>-8%</u>
INDIRECT EXPENSES:				
FTE	4.00	4.25	0.25	6%
SALARY EXPENSE	266,847.00	297,955.00	31,108.00	12%
BENEFIT EXPENSE	100,979.00	111,672.00	10,693.00	11%
OVERHEAD	97,132.00	104,454.00	7,322.00	8%
TOTAL INDIRECT EXPENSES:	<u>464,958.00</u>	<u>514,081.00</u>	<u>49,123.00</u>	<u>11%</u>
TOTAL ALL EXPENSES:	<u>475,058.00</u>	<u>523,378.00</u>	<u>48,320.00</u>	<u>10%</u>
NET INCOME (LOSS):	<u>(167,058.00)</u>	<u>(223,378.00)</u>	<u>(56,320.00)</u>	

The WSBA has 29 sections and provides the administrative functions necessary to support them. Direct staff time and expenses related to administering the sections are included in this cost center. This cost center also supports the indirect costs of developing 70 credit hours of 'Mini CLEs' for Sections in FY19. Sections partially 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 for supporting the sections. Overall direct expenses for the cost center in FY19 are reduced from FY18.

Washington State Bar Association

Budget Comparison Report

For the Period from October 1, 2018 to September 30, 2019

TECHNOLOGY	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
TOTAL REVENUE:	<u>-</u>	<u>-</u>	<u>-</u>	
DIRECT EXPENSES:				
COMPUTER HARDWARE	29,000.00	29,000.00	-	0%
COMPUTER SOFTWARE	29,000.00	29,000.00	-	0%
HARDWARE SERVICE & WARRANTIES	47,000.00	60,000.00	13,000.00	28%
SOFTWARE MAINTENANCE & LICENSING	270,000.00	270,000.00	-	0%
TELEPHONE HARDWARE & MAINTENANCE	26,000.00	10,000.00	(16,000.00)	-62%
COMPUTER SUPPLIES	34,000.00	15,000.00	(19,000.00)	-56%
THIRD PARTY SERVICES	74,050.00	143,000.00	68,950.00	93%
CONSULTING SERVICES	110,000.00	85,000.00	(25,000.00)	-23%
STAFF TRAVEL/PARKING	2,500.00	2,500.00	-	0%
STAFF MEMBERSHIP DUES	110.00	110.00	-	0%
TELEPHONE	24,000.00	24,000.00	-	0%
TRANSFER TO INDIRECT EXPENSES	(645,660.00)	(667,610.00)	(21,950.00)	3%
TOTAL DIRECT EXPENSES:	<u>-</u>	<u>-</u>	<u>-</u>	
INDIRECT EXPENSES:				
FTE	12.10	12.10	-	0%
SALARY EXPENSE	1,036,073.00	1,059,680.00	23,607.00	2%
CAPITAL LABOR	(194,000.00)	(147,100.00)	46,900.00	-24%
BENEFIT EXPENSE	355,694.00	368,995.00	13,301.00	4%
OVERHEAD	293,823.00	297,385.00	3,562.00	1%
TOTAL INDIRECT EXPENSES:	<u>1,491,590.00</u>	<u>1,578,960.00</u>	<u>87,370.00</u>	<u>6%</u>
TOTAL ALL EXPENSES:	<u>1,491,590.00</u>	<u>1,578,960.00</u>	<u>87,370.00</u>	<u>6%</u>
NET INCOME (LOSS):	<u>(1,491,590.00)</u>	<u>(1,578,960.00)</u>	<u>(87,370.00)</u>	

This cost center 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 are allocated out to all cost centers through "Overhead" in the indirect expense allocation. 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).

In FY19, consulting fees are reduced because more software application development work will occur in-house. The increase in third party services reflects the consolidation of subscription costs from other cost centers into the Technology cost center (telecast service costs from CLE and performance management system costs from HR).

B

**2019 WSBA BUDGET WORKSHEET
CAPITAL BUDGET**

	COST CENTER	UNIT COST	QTY	AMOUNT	USEFUL LIFE (YRS)	ESTIMATED IN SERVICE DATE	ANNUAL DEPRECIATION EXPENSE	BUDGET FY 2019
Capital Software (General Indirects)								
GILDA System Replacement (Phase I- project to finish in FY20)	DISC	100,000	1	100,000	5	Jan-20	20,000	0
		100,000		100,000			20,000	0
Capital Labor								
<i>Lawyer Opt-In Membership Directory (project continuation from FY18)</i>		25,000	1	25,000	5	Oct-18	5,000	5,000
Personify Enhancements		27,100	1	27,100	3	Jul-19	9,033	2,258
		52,100		52,100			14,033	7,258
Total				152,100			34,033	7,258
Capital Hardware (General Indirects):								
Network Infrastructure Upgrades		20,000	1	20,000	5	Dec-18	4,000	3,333
Total				20,000			4,000	3,333
Equipment (General Indirects)								
Copier Replacement (RSD)		10,000	1	10,000	5	Oct-18	2,000	2,000
Leasehold Improvements (General Indirects)								
Leasehold Improvements for Miscellaneous Office Moves		10,000	1	10,000	8	Oct-18	1,250	1,250
Leasehold Improvements for Conference Center Rooms		50,000	1	50,000	8	Oct-18	6,250	6,250
Total				70,000			9,500	9,500
GRAND TOTAL				242,100			47,533	20,092

B-1

WASHINGTON STATE BAR ASSOCIATION

TO: Budget and Audit Committee
FROM: Ann Holmes, Chief Operations Officer
DATE: June 7, 2018
RE: FY18 Capital Budget Reallocation Request to Improve Sound Systems in Conference Center, Hearing Room, and Public Meeting Rooms

ACTION REQUESTED: Reallocate \$50,000 in the FY18 Capital Budget to improve sound systems in the WSBA Conference Center, Hearing Room, and Public Meeting Rooms this year.

Budget and Audit Committee Authority

The WSBA Fiscal Responsibility Matrix authorizes the Budget & Audit Committee to reallocate “budgeted expenditures where there is a change of intent, which do not affect the annual budget’s bottom line...between \$10,001 and \$20,000 per item, or between \$50,001 and \$100,000 collectively during the fiscal year.”

Budgeted Use: Improve Air Circulation in Conference Center Control Booth

The Conference Center was built in 2016 as part of the WSBA office space renovation and lease renewal at Puget Sound Plaza. Following completion, it was found that the building’s HVAC system had insufficient dedicated cooling capacity to fully handle the heat load generated by the equipment in the A/V control booth. The temperature in the control booth was too hot when the ambient temperature in the Conference Center was set at a normal range. The situation was exacerbated on very hot summer days, when the Conference Center room temperature was higher than recommended operational limits for the equipment.

In consultation with Puget Sound Plaza building management and our renovation contractor, we were advised that we would need to enhance the HVAC capacity for the control booth in order to address the situation. At a cost of nearly \$50,000, the project would require permitting and involve extensive engineering to install dedicated ducting and additional cooling capacity for the space. We requested and the Board approved \$50,000 in the FY18 Capital Budget to address the issue.

We also looked for and found a practical, more cost-effective way to manage the cooling capacity that does not require use of the budgeted FY18 capital funds: (1) keep the temperature in the Conference Center cool and the control booth window open into the Conference Center at all times; (2) install locks on the Conference Center doors that meet ADA requirements and keep the equipment secure when the Conference Center is not in use; and (3) use a portable air conditioning unit in the control booth for the 10 or so very hot days each summer when additional cooling is necessary.

Requested Use: Improve Conference Center and Meeting Room Sound Systems

Virtual participation in WSBA meetings is often frustrating, in part because of technology disruptions. WSBA regularly receives feedback that remote participants are unable to hear what is being said in the room. This is caused by the air space between the speaker and the telephone, resulting in a reduction in sound quality on the telephone. The situation can be improved by installing technology that facilitates a direct connection between the microphones to the telephone. This will eliminate sound degradation and prevent inclusion of surrounding noises.

After conducting due diligence, we solicited and received bids from four vendors, who proposed solutions ranging from \$42,000 to \$155,000. The lowest bid was submitted by Advanced Broadcast Solutions (ABS), the audio/visual vendor with whom we have worked since 2010 (ABS designed and engineered the audio/visual systems at the former WSBA Conference Center in Century Square that operated from 2010 to 2015; as well as those in the current Conference Center and Hearing Room). Based on experience, we believe that ABS would provide the best, most cost effective solution for WSBA. We have been very pleased with their work, responsiveness, and ability to come in on budget.

The proposed ABS solution is to install and integrate ceiling tile microphones with the existing speakers and telephone lines in each of the rooms (Conference Center, Hearing Room, and Mountain Rooms). It leverages as much of our existing audio hardware as possible, in order to minimize costs. Key features include:

- Ceiling tile microphones specifically designed to capture voices while filtering/eliminating “white noise” in the room. The quality of the new microphones combined with the integration of telephone lines will significantly improve the sound experience for remote participants. The ceiling microphones would be less intrusive than multiple bat phones and table microphones.
- Each room would have a control panel to adjust the microphones, speakers, and to use the telephone for remote participation.
- Speakers around the new microphones would be automatically disabled when the ceiling microphone is active in order to eliminate sound distortion from feedback.
- The system would tie into the Conference Center and Hearing Room hearing loops, making participation easier for the hearing impaired.
- The system would work for meetings in combined as well as individual Mountain Rooms.

Impact on FY18 Capital Budget and FY19 Draft Capital Budget

There will be no impact to the FY18 Capital Budget, because the cost of the sound system upgrade is within the amount originally budgeted to address air circulation issues.

The FY19 First Draft Capital Budget includes \$50,000 to improve these sound systems. If the Committee authorizes the requested reallocation, this amount will be removed from the FY19 Capital Budget request.

C

Washington State Bar Association

Budget Comparison Report

For the Period from October 1, 2018 to September 30, 2019

CONTINUING LEGAL EDUCATION (CLE)

	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
SHIPPING & HANDLING	1,000.00	1,000.00	-	0%
SEMINAR REGISTRATIONS	864,735.00	876,000.00	11,265.00	1%
SEMINAR-EXHIB/SPNSR/ETC	29,500.00	41,500.00	12,000.00	41%
COURSEBOOK SALES	17,000.00	11,000.00	(6,000.00)	-35%
MP3 AND VIDEO SALES	950,000.00	950,000.00	-	0%
TOTAL REVENUE:	1,862,235.00	1,879,500.00	17,265.00	1%
DIRECT EXPENSES:				
COST OF SALES - COURSEBOOKS	1,190.00	1,200.00	10.00	1%
A/V DEVELOP COSTS (RECORDING)	1,500.00	1,500.00	-	0%
ONLINE PRODUCT HOSTING EXPENSES	40,000.00	40,000.00	-	0%
SEMINAR ONLINE DELIVERY EXPENSES	42,000.00	-	(42,000.00)	-100%
SHIPPING SUPPLIES	100.00	100.00	-	0%
POSTAGE & DELIVERY-COURSEBOOKS	2,000.00	500.00	(1,500.00)	-75%
COURSEBOOK PRODUCTION	4,000.00	3,000.00	(1,000.00)	-25%
POSTAGE - FLIERS/CATALOGS	30,000.00	10,685.00	(19,315.00)	-64%
POSTAGE - MISCELLANEOUS	2,500.00	2,500.00	-	0%
ACCREDITATION FEES	3,550.00	4,696.00	1,146.00	32%
SEMINAR BROCHURES	55,000.00	20,770.00	(34,230.00)	-62%
FACILITIES	250,000.00	223,500.00	(26,500.00)	-11%
SPEAKERS & PROGRAM DEVELOP	58,000.00	68,100.00	10,100.00	17%
SPLITS TO SECTIONS- SEMINARS	51,777.00	-	(51,777.00)	-100%
SPLITS TO CO-SPONSORS	7,500.00	-	(7,500.00)	-100%
HONORARIA	10,000.00	-	(10,000.00)	-100%
CLE SEMINAR COMMITTEE	500.00	500.00	-	0%
BAD DEBT EXPENSE	600.00	600.00	-	0%
DEPRECIATION	10,615.00	5,540.00	(5,075.00)	-48%
STAFF TRAVEL/PARKING	3,000.00	5,675.00	2,675.00	89%
STAFF MEMBERSHIP DUES	1,550.00	1,260.00	(290.00)	-19%
SUPPLIES	2,000.00	3,650.00	1,650.00	83%
MISCELLANEOUS	200.00	-	(200.00)	-100%
TOTAL DIRECT EXPENSES:	577,582.00	393,776.00	(183,806.00)	-32%
INDIRECT EXPENSES:				
FTE	9.94	9.72	(0.22)	-2%
SALARY EXPENSE	641,812.00	655,464.00	13,652.00	2%
BENEFIT EXPENSE	244,970.00	253,138.00	8,168.00	3%
OVERHEAD	241,372.00	238,891.00	(2,481.00)	-1%
TOTAL INDIRECT EXPENSES:	1,128,154.00	1,147,493.00	19,339.00	2%
TOTAL ALL EXPENSES:	1,705,736.00	1,541,269.00	(164,467.00)	-10%
NET INCOME (LOSS):	156,499.00	338,231.00	181,732.00	

The CLE cost center includes revenues and costs associated with CLE seminars and products. Revenues include seminar registrations, sponsorships, online sales of coursebooks, and sales of recorded CLE seminars (both video and audio). Consistent with revenues, expenses reflect the cost of production of seminars and products. Revenue for live CLE participation continues to decline as revenue for recorded products continues to rise. Beginning in FY19 fiscal policy for sharing CLE revenue with Sections has 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. As in FY18, WSBA CLE continues to look for opportunities to decrease direct and indirect costs. In FY17, Deskbooks were included in this cost center; they are now accounted for separately in the Deskbooks cost center.

Washington State Bar Association

Budget Comparison Report

For the Period from October 1, 2018 to September 30, 2019

CONTINUING LEGAL EDUCATION (CLE)- SEMINARS

FISCAL 2018
BUDGET

FISCAL 2019
BUDGET

\$ CHANGE IN
BUDGET

% CHANGE
IN BUDGET

REVENUE:

SEMINAR REGISTRATIONS	864,735.00	876,000.00	11,265.00	1%
SEMINAR-EXHIB/SPNSR/ETC	29,500.00	41,500.00	12,000.00	41%
TOTAL REVENUE:	894,235.00	917,500.00	23,265.00	3%

DIRECT EXPENSES:

SEMINAR ONLINE DELIVERY EXPENSES	42,000.00	-	(42,000.00)	-100%
COURSEBOOK PRODUCTION	4,000.00	3,000.00	(1,000.00)	-25%
POSTAGE - FLIERS/CATALOGS	30,000.00	10,685.00	(19,315.00)	-64%
POSTAGE - MISCELLANEOUS	2,500.00	2,500.00	-	0%
ACCREDITATION FEES	3,550.00	4,696.00	1,146.00	32%
SEMINAR BROCHURES	55,000.00	20,770.00	(34,230.00)	-62%
FACILITIES	250,000.00	223,500.00	(26,500.00)	-11%
SPEAKERS & PROGRAM DEVELOP	58,000.00	68,100.00	10,100.00	17%
SPLITS TO SECTIONS- SEMINARS	51,777.00	-	(51,777.00)	-100%
SPLITS TO CO-SPONSORS	7,500.00	-	(7,500.00)	-100%
HONORARIA	10,000.00	-	(10,000.00)	-100%
CLE SEMINAR COMMITTEE	500.00	500.00	-	0%
BAD DEBT EXPENSE	500.00	500.00	-	0%
DEPRECIATION	2,035.00	-	(2,035.00)	-100%
STAFF TRAVEL/PARKING	3,000.00	5,675.00	2,675.00	89%
STAFF MEMBERSHIP DUES	975.00	850.00	(125.00)	-13%
SUPPLIES	2,000.00	3,650.00	1,650.00	83%
TOTAL DIRECT EXPENSES:	523,337.00	344,426.00	(178,911.00)	-34%

INDIRECT EXPENSES:

FTE	8.41	8.09	(0.32)	-4%
SALARY EXPENSE	540,263.00	557,039.00	16,776.00	3%
BENEFIT EXPENSE	206,655.00	213,236.00	6,581.00	3%
OVERHEAD	204,219.00	198,830.00	(5,389.00)	-3%
TOTAL INDIRECT EXPENSES:	951,137.00	969,105.00	17,968.00	2%

TOTAL ALL EXPENSES:	1,474,474.00	1,313,531.00	(160,943.00)	-11%
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NET INCOME (LOSS):	(580,239.00)	(396,031.00)	184,208.00	
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Washington State Bar Association

Budget Comparison Report

For the Period from October 1, 2018 to September 30, 2019

CLE - PRODUCTS	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
SHIPPING & HANDLING	1,000.00	1,000.00	-	0%
COURSEBOOK SALES	17,000.00	11,000.00	(6,000.00)	-35%
MP3 AND VIDEO SALES	950,000.00	950,000.00	-	0%
TOTAL REVENUE:	968,000.00	962,000.00	(6,000.00)	-1%
DIRECT EXPENSES:				
COST OF SALES - COURSEBOOKS	1,190.00	1,200.00	10.00	1%
A/V DEVELOP COSTS (RECORDING)	1,500.00	1,500.00	-	0%
ONLINE PRODUCT HOSTING EXPENSES	40,000.00	40,000.00	-	0%
SHIPPING SUPPLIES	100.00	100.00	-	0%
POSTAGE & DELIVERY-COURSEBOOKS	2,000.00	500.00	(1,500.00)	-75%
BAD DEBT EXPENSE	100.00	100.00	-	0%
DEPRECIATION	8,580.00	5,540.00	(3,040.00)	-35%
STAFF MEMBERSHIP DUES	575.00	410.00	(165.00)	-29%
MISCELLANEOUS	200.00	-	(200.00)	-100%
TOTAL DIRECT EXPENSES:	54,245.00	49,350.00	(4,895.00)	-9%
INDIRECT EXPENSES:				
FTE	1.53	1.63	0.10	7%
SALARY EXPENSE	101,549.00	98,425.00	(3,124.00)	-3%
BENEFIT EXPENSE	38,315.00	39,902.00	1,587.00	4%
OVERHEAD	37,153.00	40,061.00	2,908.00	8%
TOTAL INDIRECT EXPENSES:	177,017.00	178,388.00	1,371.00	1%
TOTAL ALL EXPENSES:	231,262.00	227,738.00	(3,524.00)	-2%
NET INCOME (LOSS):	736,738.00	734,262.00	(2,476.00)	

Washington State Bar Association

Budget Comparison Report

For the Period from October 1, 2018 to September 30, 2019

DESKBOOKS	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
SHIPPING & HANDLING	4,000.00	2,000.00	(2,000.00)	-50%
DESKBOOK SALES	100,000.00	80,000.00	(20,000.00)	-20%
SECTION PUBLICATION SALES	6,000.00	3,000.00	(3,000.00)	-50%
CASEMAKER ROYALTIES	60,000.00	75,000.00	15,000.00	25%
TOTAL REVENUE:	170,000.00	160,000.00	(10,000.00)	-6%
DIRECT EXPENSES:				
COST OF SALES - DESKBOOKS	70,000.00	50,000.00	(20,000.00)	-29%
COST OF SALES - SECTION PUBLICATION	1,000.00	750.00	(250.00)	-25%
SPLITS TO SECTIONS	2,000.00	1,000.00	(1,000.00)	-50%
DESKBOOK ROYALTIES	1,000.00	1,000.00	-	0%
SHIPPING SUPPLIES	250.00	150.00	(100.00)	-40%
POSTAGE & DELIVERY-DESKBOOKS	3,000.00	2,000.00	(1,000.00)	-33%
FLIERS/CATALOGS	5,000.00	3,000.00	(2,000.00)	-40%
POSTAGE - FLIERS/CATALOGS	2,500.00	1,500.00	(1,000.00)	-40%
COMPLIMENTARY BOOK PROGRAM	2,000.00	2,000.00	-	0%
BAD DEBT EXPENSE	100.00	100.00	-	0%
RECORDS STORAGE - OFF SITE	7,440.00	7,440.00	-	0%
STAFF MEMBERSHIP DUES	205.00	250.00	45.00	22%
MISCELLANEOUS	200.00	200.00	-	0%
TOTAL DIRECT EXPENSES:	94,695.00	69,390.00	(25,305.00)	-27%
INDIRECT EXPENSES:				
FTE	2.15	2.05	(0.10)	-5%
SALARY EXPENSE	140,713.00	117,663.00	(23,050.00)	-16%
BENEFIT EXPENSE	53,392.00	48,833.00	(4,559.00)	-9%
OVERHEAD	52,208.00	50,383.00	(1,825.00)	-3%
TOTAL INDIRECT EXPENSES:	246,313.00	216,879.00	(29,434.00)	-12%
TOTAL ALL EXPENSES:	341,008.00	286,269.00	(54,739.00)	-16%
NET INCOME (LOSS):	(171,008.00)	(126,269.00)	44,739.00	

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 250 Washington state and federal appellate court opinions. Included in the CLE cost center in FY17, 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.

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Washington State Bar Association

Budget Comparison Report

For the Period from October 1, 2018 to September 30, 2019

CLIENT PROTECTION FUND	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
CPF RESTITUTION	3,000.00	3,000.00	-	0%
CPF MEMBER ASSESSMENTS	982,000.00	982,000.00	-	0%
INTEREST REVENUE	7,500.00	7,500.00	-	0%
TOTAL REVENUE:	992,500.00	992,500.00	-	0%
DIRECT EXPENSES:				
GIFTS TO INJURED CLIENTS	400,000.00	500,000.00	100,000.00	25%
CPF BOARD EXPENSES	2,000.00	3,000.00	1,000.00	50%
BANK FEES - WELLS FARGO	1,000.00	1,000.00	-	0%
TOTAL DIRECT EXPENSES:	403,000.00	504,000.00	101,000.00	25%
INDIRECT EXPENSES:				
FTE	1.35	1.25	(0.10)	-7%
SALARY EXPENSE	95,818.00	97,740.00	1,922.00	2%
BENEFIT EXPENSE	35,213.00	35,457.00	244.00	1%
OVERHEAD	32,782.00	30,722.00	(2,060.00)	-6%
TOTAL INDIRECT EXPENSES:	163,813.00	163,919.00	106.00	0%
TOTAL ALL EXPENSES:	566,813.00	667,919.00	101,106.00	18%
NET INCOME (LOSS):	425,687.00	324,581.00	(101,106.00)	

The Lawyers' Fund for Client Protection (LFCP) 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 LFCP Board or, in the case of payments over \$25,000, by the Board of Governors, who serves as the trustees of the Fund. The LFCP is funded by a mandatory annual assessment of \$30 per active member, house counsel, and pro hac vice admissions. During FY17, the BOG approved the LFCP Board recommendation to increase the maximum amount that can be awarded on any claim to \$150,000. Also, the Supreme Court approved amendments to the Admission and Practice Rules to: (1) change the name to the Client Protection Fund, and (2) provide that the actions of LPOs and LLLTs will be included within the coverage provided by the LFCP, effective September 1, 2017.

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NWLAWYER

DESCRIPTION

NWLawyer is the official publication of WSBA, authorized by GR 12. Published nine times annually, *NWLawyer* 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 design of *NWLawyer* is administered by the staff in the Communications and Outreach Department. *NWLawyer* revenues are received from sales of advertisements (display ads, classified ads, professional ads, and announcements) and subscriptions (by nonmembers). Expenses include outside advertising 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.

OBJECTIVES

- A primary communication method about WSBA's and BOG's work
- Inform, educate, engage, and inspire by offering a forum for members of the legal community to connect and enrich their careers
- Members get a voice
- Fiscal goal: Produce a high-quality print magazine for each member as efficiently as possible

PROGRAM/MEMBER IMPACT/REACH

- Approximately 34,000 issues printed and mailed each issue
- Approximately 1,180 unique online readers each month
- Initial surveying of members indicates *NWLawyer* is consistently the top communication channel and most widely recognized/anticipated WSBA service
- An author in the April/May issue received more than 100 positive letters in response to his article and wrote: "I feel connected to the legal community because of how they have responded."

FINANCES (DETAILED HISTORY ATTACHED)

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 BUDGET	FY19 BUDGET
Revenue	\$548,424	\$519,051	\$544,535	\$538,350	\$461,350
Direct Expense	\$422,691	\$383,100	\$409,454	\$434,500	\$355,635
Indirect Expense	\$164,276	\$224,761	\$204,294	\$225,207	\$302,963
Net	(\$38,543)	(\$88,810)	(\$69,212)	(\$121,357)	(\$197,248)

POTENTIAL OPTIONS/CONSIDERATIONS

1. Draft FY19 Budget

- We are just starting to see returns from switching to a professional advertising company, SagaCity. We are working with SagaCity representatives to explore a broader market for print and online ads and how to hit a higher ad-revenue target. We expect to adjust the revenues and expenses accordingly by the end of June.

2. Discontinue print publication/become exclusively digital/online

- Print-production savings of \$257,000 annually. (FY17—\$257,197 total cost for printing and mailing; average cost per issue was \$25,472; average postage per issue was \$9,500.)
- SagaCity predicts a substantial decline in advertising revenue and reader engagement. An advertiser who currently spends \$2,500 for a print ad would expect to pay \$200-\$300 for the same ad online. For

NWLAWYER

"SeattleMet," the average reader spends more than an hour with the print version, less than 2 minutes with the online content (at the high end). SagaCity's assessment of the recent history of the magazine industry is that four to five years ago a lot of publishing houses spent a lot of money taking their magazines digital and most of them have backed off from that today. None of the magazines it publishes or its clients publish are currently online only. SagaCity's current strength of sales is based on a print publication mailed to every legal professional in the state. The value of online content is as an "add-on" to print, for updating breaking news and as a venue for selling additional ads.

- "Online overload"—WSBA loses its print outreach channel, and *NWLawyer* becomes relegated to members' already overloaded inboxes. Anecdotal feedback suggests the magazine is often read because it is in print format, widely available on office desks and coffee tables.

3. Other Options to pursue

- Reduce costs:
 - Fewer issues per year. (Average cost for printing an issue is \$25,472 with \$9,500 in postage; Ad revenues from SagaCity in March were \$33,151.)
 - Opportunities for print savings (paper stock, vendor); we are exploring options with other printers and paper suppliers.
- Increase revenues:
 - Set an ad target with SagaCity for each issue that maximizes the editorial/ad ratio and expands non-member ad sales
 - Look at revenue potential from online ads

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2015 to September 30, 2015
100% OF YEAR COMPLETE

	FISCAL 2015 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
NORTHWEST LAWYER					
REVENUE:					
ROYALTIES	-	-	1,080.90	(1,080.90)	
DISPLAY ADVERTISING	540,000.00	54,453.00	423,011.50	116,988.50	78.34%
SUBSCRIPT/SINGLE ISSUES	500.00	-	421.00	79.00	84.20%
CLASSIFIED ADVERTISING	70,000.00	1,709.00	81,222.94	(11,222.94)	116.03%
GEN ANNOUNCEMENTS	17,000.00	2,000.00	18,400.00	(1,400.00)	108.24%
PROF ANNOUNCEMENTS	20,000.00	3,162.50	24,287.50	(4,287.50)	121.44%
TOTAL REVENUE:	647,500.00	61,324.50	548,423.84	99,076.16	84.70%
DIRECT EXPENSES:					
GRAPHICS/ARTWORK	4,500.00	-	725.00	3,775.00	16.11%
OUTSIDE SALES EXPENSE	100,000.00	9,346.17	76,410.46	23,589.54	76.41%
EDITOR'S COMPENSATION & EXP	50,000.00	3,006.45	27,935.38	22,064.62	55.87%
EDITORIAL ADVISORY COMMITTEE	750.00	84.74	633.61	116.39	84.48%
DIGITAL/ONLINE DEVELOPMENT	8,400.00	700.00	6,500.00	1,900.00	77.38%
BAD DEBT EXPENSE	2,000.00	3,175.00	6,574.00	(4,574.00)	328.70%
CREDIT CARD MERCHANT FEES	4,000.00	258.76	1,978.10	2,021.90	49.45%
POSTAGE	67,000.00	10,105.62	86,679.46	(19,679.46)	129.37%
PRINTING, COPYING & MAILING	220,000.00	27,033.62	215,255.19	4,744.81	97.84%
TOTAL DIRECT EXPENSES:	456,650.00	53,710.36	422,691.20	33,958.80	92.56%
INDIRECT EXPENSES:					
SALARY EXPENSE (1.30 FTE)	99,146.00	7,613.69	99,707.90	(561.90)	100.57%
BENEFITS EXPENSE	31,836.00	3,637.10	33,756.15	(1,920.15)	106.03%
OTHER INDIRECT EXPENSE	27,373.00	3,155.49	30,812.05	(3,439.05)	112.56%
TOTAL INDIRECT EXPENSES:	158,355.00	14,406.28	164,276.10	(5,921.10)	103.74%
TOTAL ALL EXPENSES:	615,005.00	68,116.64	586,967.30	28,037.70	95.44%
NET INCOME (LOSS):	32,495.00	(6,792.14)	(38,543.46)		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2016 to September 30, 2016
100% OF YEAR COMPLETE

	FISCAL 2016 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
NORTHWEST LAWYER					
REVENUE:					
ROYALTIES	-	-	1,231.13	(1,231.13)	
DISPLAY ADVERTISING	440,000.00	51,409.25	394,624.00	45,376.00	89.69%
SUBSCRIPT/SINGLE ISSUES	450.00	-	288.00	162.00	64.00%
CLASSIFIED ADVERTISING	84,000.00	880.00	82,418.12	1,581.88	98.12%
GEN ANNOUNCEMENTS	19,000.00	2,150.00	12,750.00	6,250.00	67.11%
PROF ANNOUNCEMENTS	24,000.00	3,242.50	27,740.00	(3,740.00)	115.58%
TOTAL REVENUE:	567,450.00	57,681.75	519,051.25	48,398.75	91.47%
DIRECT EXPENSES:					
GRAPHICS/ARTWORK	2,500.00	862.02	2,380.22	119.78	95.21%
OUTSIDE SALES EXPENSE	80,000.00	7,116.08	71,461.66	8,538.34	89.33%
EDITORIAL ADVISORY COMMITTEE	800.00	61.22	848.59	(48.59)	106.07%
DIGITAL/ONLINE DEVELOPMENT	8,400.00	100.00	6,750.00	1,650.00	80.36%
BAD DEBT EXPENSE	1,000.00	125.00	(1,100.00)	2,100.00	-110.00%
POSTAGE	70,000.00	-	79,820.33	(9,820.33)	114.03%
PRINTING, COPYING & MAILING	220,000.00	26,424.45	222,939.27	(2,939.27)	101.34%
SURVEY	9,000.00	-	-	9,000.00	0.00%
TOTAL DIRECT EXPENSES:	391,700.00	34,688.77	383,100.07	8,599.93	97.80%
INDIRECT EXPENSES:					
SALARY EXPENSE (1.80 FTE)	137,091.00	17,219.69	136,225.61	865.39	99.37%
BENEFITS EXPENSE	47,052.00	3,343.72	45,934.25	1,117.75	97.62%
OTHER INDIRECT EXPENSE	43,088.00	4,358.05	42,601.17	486.83	98.87%
TOTAL INDIRECT EXPENSES:	227,231.00	24,921.46	224,761.03	2,469.97	98.91%
TOTAL ALL EXPENSES:	618,931.00	59,610.23	607,861.10	11,069.90	98.21%
NET INCOME (LOSS):	(51,481.00)	(1,928.48)	(88,809.85)		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2017 to September 30, 2017
100.00% OF YEAR COMPLETE

	FISCAL 2017 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
NORTHWEST LAWYER					
REVENUE:					
ROYALTIES	-	-	1,133.91	(1,133.91)	
DISPLAY ADVERTISING	440,000.00	39,631.25	388,376.50	51,623.50	88.27%
SUBSCRIPT/SINGLE ISSUES	450.00	-	251.82	198.18	55.96%
CLASSIFIED ADVERTISING	89,000.00	11,377.56	124,927.63	(35,927.63)	140.37%
GEN ANNOUNCEMENTS	17,000.00	2,000.00	10,800.00	6,200.00	63.53%
PROF ANNOUNCEMENTS	27,000.00	1,850.00	19,045.00	7,955.00	70.54%
TOTAL REVENUE:	573,450.00	54,858.81	544,534.86	28,915.14	94.96%
DIRECT EXPENSES:					
GRAPHICS/ARTWORK	3,500.00	-	1,583.80	1,916.20	45.25%
OUTSIDE SALES EXPENSE	80,000.00	-	45,989.86	34,010.14	57.49%
EDITORIAL ADVISORY COMMITTEE	800.00	17.43	210.74	589.26	26.34%
DIGITAL/ONLINE DEVELOPMENT	8,400.00	800.00	6,700.00	1,700.00	79.76%
BAD DEBT EXPENSE	1,000.00	2,237.00	6,057.00	(5,057.00)	605.70%
POSTAGE	89,100.00	-	91,714.92	(2,614.92)	102.93%
PRINTING, COPYING & MAILING	220,000.00	50,026.09	257,197.34	(37,197.34)	116.91%
TOTAL DIRECT EXPENSES:	402,800.00	53,080.52	409,453.66	(6,653.66)	101.65%
INDIRECT EXPENSES:					
SALARY EXPENSE (1.72 FTE)	131,759.00	9,755.69	126,951.31	4,807.69	96.35%
BENEFITS EXPENSE	48,872.00	2,658.13	39,511.39	9,360.61	80.85%
OTHER INDIRECT EXPENSE	40,777.00	3,492.88	37,830.83	2,946.17	92.77%
TOTAL INDIRECT EXPENSES:	221,408.00	15,906.70	204,293.53	17,114.47	92.27%
TOTAL ALL EXPENSES:	624,208.00	68,987.22	613,747.19	10,460.81	98.32%
NET INCOME (LOSS):	(50,758.00)	(14,128.41)	(69,212.33)		

Washington State Bar Association

Budget Comparison Report

For the Period from October 1, 2018 to September 30, 2019

NORTHWEST LAWYER	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
DISPLAY ADVERTISING	400,000.00	297,500.00	(102,500.00)	-26%
SUBSCRIPT/SINGLE ISSUES	350.00	350.00	-	0%
CLASSIFIED ADVERTISING	100,000.00	12,500.00	(87,500.00)	-88%
GEN ANNOUNCEMENTS	15,000.00	17,500.00	2,500.00	17%
PROF ANNOUNCEMENTS	23,000.00	21,000.00	(2,000.00)	-9%
JOB TARGET	-	112,500.00	112,500.00	
TOTAL REVENUE:	538,350.00	461,350.00	(77,000.00)	-14%
DIRECT EXPENSES:				
GRAPHICS/ARTWORK	3,500.00	3,500.00	-	0%
OUTSIDE SALES EXPENSE	75,000.00	-	(75,000.00)	-100%
EDITORIAL ADVIS COMMITTEE EXP	800.00	800.00	-	0%
BAD DEBT EXPENSE	6,000.00	2,000.00	(4,000.00)	-67%
POSTAGE	89,000.00	89,000.00	-	0%
PRINTING & COPYING	250,000.00	250,000.00	-	0%
STAFF MEMBERSHIP DUES	-	135.00	135.00	
DIGITAL/ONLINE DEVELOPMENT	10,200.00	10,200.00	-	0%
TOTAL DIRECT EXPENSES:	434,500.00	355,635.00	(78,865.00)	-18%
INDIRECT EXPENSES:				
FTE	1.80	2.25	0.45	25%
SALARY EXPENSE	129,203.00	177,211.00	48,008.00	37%
BENEFIT EXPENSE	52,295.00	69,783.00	17,488.00	33%
OVERHEAD	43,709.00	55,299.00	11,590.00	27%
TOTAL INDIRECT EXPENSES:	225,207.00	302,293.00	77,086.00	34%
TOTAL ALL EXPENSES:	659,707.00	657,928.00	(1,779.00)	0%
NET INCOME (LOSS):	(121,357.00)	(196,578.00)	(75,221.00)	

NWLawyer is the official publication of WSBA and serves as the primary method of print communication 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 NWLawyer is administered by the staff in the Communications and Outreach Department. NWLawyer revenues come from sales of advertisements (display ads, classified ads, professional ads, and announcements) and subscriptions (to nonmembers). Expenses include outside advertising 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. The overall increase in indirect costs reflects staff time devoted to bringing on a new editor. After vetting several options, WSBA entered into a contract with a professional advertising management company (SagaCity Media) in January 2018 for the express purpose of increasing ad sales revenue. The production team is working with SagaCity to set ad targets and diversify the types of ads included in the magazine to begin to make the magazine more cost-neutral. We are also exploring upgraded platforms for the digital version of the magazine that will allow for additional online ads, producing an additional revenue stream.

F

CLE – DESKBOOKS

DESCRIPTION

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. 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.

OBJECTIVES

- Strong mission focus: We serve the public through competent, well-qualified members; Deskbooks advance member competency in substantive areas of law as well as ethics. One Deskbook is specifically on ethics (edited by members of the Office of Disciplinary Counsel); another on the Law of Lawyering in Washington is edited by two emeritus professors at UW School of Law.
- Member benefit: Deskbooks are written for members by members, focused on practice tips and full of practice-ready documents (forms, checklists, sample pleadings) from leading practitioners; we build a community of experts and mentees who collaboratively write and edit the books throughout the years, with senior authors bringing along junior lawyers in their firm to first assist with the research and writing and ultimately to take over as senior author.
- Availability of information (works against cost neutrality): We make this information widely available via public law libraries (who receive an across-the-board 10% discount on deskbooks PLUS free access to all deskbooks online via Casemaker) and Volunteer Legal Service Providers (free access to all deskbooks online via Casemaker) to support the practice of law in Washington; we provide discounts on online subscriptions to deskbooks to solo and small practice members and new members.
- Maintain an authoritative and relied-upon library of Washington law stretching back to 1979.

PROGRAM/MEMBER IMPACT/REACH

- Online subscriptions:
- Typical number of yearly sales: 400 products; lifetime sales: 5,670 products
- Public Law Library orders in FY17: 59 products; free online subscriptions through Casemaker:
- Free online access for LLLT training through UW curriculum (requested by Ellen Dial and Prof. Tom Andrews)
- Cited 250 times by Washington appellate courts, including most recently in Supreme Court's April 2018 opinion, *In re Simmons*.

FINANCES (DETAILED HISTORY ATTACHED)

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 BUDGET	FY19 BUDGET
Revenue	\$235,710	\$178,767	\$127,156	\$170,000	\$160,000
Direct Expense	\$168,403	\$101,473	\$66,642	\$94,695	\$69,390
Indirect Expense	\$224,803	\$231,756	\$238,924	\$246,313	\$216,879
Net	(\$157,496)	(\$154,461)	(\$178,409)	(\$171,008)	(\$126,269)

CLE – DESKBOOKS

POTENTIAL OPTIONS/CONSIDERATIONS

1. Draft FY19 Budget

- What's ahead next year to increase revenues: Two-volume estate-planning and administration Casebook that will replace the separate estate and probate Deskbooks (both of which are good sellers); Construction Law Section has delivered a final manuscript for publication of a new Deskbook.
- Considerations: Deskbook sales are contingent upon staff time and marketing, which are often devoted to other priority, deadline-driven efforts such as *NWLawyer* and store products.

2. Discontinue Deskbooks

- The entire library of knowledge would soon become obsolete.
- Lose "for member by member"-focused resource that enhances Washington practice of law
- Many impacted—law librarians, sections, firms, new and young lawyers, contributors ...

3. Online only – current price structure

- Casemaker built our interface, we do a 70/30 revenue split
- Unknown how users would react to the shift from physical book to online
- Much of the cost of the books is in the editing and citation-checking (Deskbooks have to be 100-percent accurate)
- Currently, the first run of the books pay back the direct costs of creating and publishing the books; second runs and beyond only incur printing and distribution costs.

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2015 to September 30, 2015
100% OF YEAR COMPLETE

	FISCAL 2015 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
CLE - PRODUCTS					
REVENUE:					
SHIPPING & HANDLING	9,000.00	639.00	8,291.09	708.91	92.12%
DESKBOOK SALES	150,000.00	3,956.00	120,611.33	29,388.67	80.41%
COURSEBOOK SALES	30,000.00	580.00	17,160.57	12,839.43	57.20%
SECTION PUBLICATION SALES	40,000.00	5,410.00	73,272.74	(33,272.74)	183.18%
LOIS ROYALTIES	-	-	1,272.39	(1,272.39)	
CASEMAKER ROYALTIES	40,000.00	1,409.07	34,998.95	5,001.05	87.50%
MP3 AND VIDEO SALES	450,000.00	36,757.00	640,045.88	(190,045.88)	142.23%
TOTAL REVENUE:	719,000.00	48,751.07	895,652.95	(176,652.95)	124.57%
DIRECT EXPENSES:					
COST OF SALES - DESKBOOKS	100,000.00	2,789.01	89,901.97	10,098.03	89.90%
COST OF SALES - COURSEBOOKS	2,000.00	65.87	1,367.86	632.14	68.39%
COST OF SALES SECTION PUBLICATION	2,000.00	1,614.72	30,826.62	(28,826.62)	1541.33%
A/V DEVELOP COSTS (RECORDING)	1,000.00	-	-	1,000.00	0.00%
DEPRECIATION	3,175.00	265.00	3,180.00	(5.00)	100.16%
OBSOLETE INVENTORY	-	8,839.25	8,839.25	(8,839.25)	
DESKBOOK ROYALTIES	2,000.00	567.91	1,449.91	550.09	72.50%
RECORDED SEMINAR ROYALTIES	-	350.00	350.00	(350.00)	
ONLINE EXPENSES	48,000.00	-	34,037.61	13,962.39	70.91%
SHIPPING SUPPLIES	1,000.00	-	-	1,000.00	0.00%
POSTAGE & DELIVERY-DESKBOOKS	7,000.00	731.36	7,264.51	(264.51)	103.78%
POSTAGE & DELIVERY-COURSEBOOKS	1,500.00	83.36	1,503.33	(3.33)	100.22%
SPLITS WITH SECTIONS	7,000.00	2,071.56	14,900.56	(7,900.56)	212.87%
FLIERS/CATALOGS	6,000.00	2,528.23	5,470.09	529.91	91.17%
POSTAGE - FLIERS/CATALOGS	4,000.00	2,918.81	5,773.18	(1,773.18)	144.33%
EQUIPMENT, HARD. & SOFTWARE	1,000.00	-	-	1,000.00	0.00%
COMPLIMENTARY BOOK PROGRAM	5,000.00	489.09	2,568.05	2,431.95	51.36%
BAD DEBT EXPENSE	200.00	-	-	200.00	0.00%
CREDIT CARD MERCHANT FEES	12,000.00	1,042.80	18,553.33	(6,553.33)	154.61%
RECORDS STORAGE - OFF SITE	-	1,240.00	8,680.00	(8,680.00)	
STAFF MEMBERSHIP DUES	500.00	-	410.00	90.00	82.00%
MISCELLANEOUS	100.00	-	30.00	70.00	30.00%
TOTAL DIRECT EXPENSES:	203,475.00	25,596.97	235,106.27	(31,631.27)	115.55%
INDIRECT EXPENSES:					
SALARY EXPENSE (4.93 FTE)	320,816.00	26,232.16	333,174.02	(12,358.02)	103.85%
BENEFITS EXPENSE	107,302.00	9,291.63	105,318.28	1,983.72	98.15%
OTHER INDIRECT EXPENSE	103,806.00	11,983.56	116,988.21	(13,182.21)	112.70%
TOTAL INDIRECT EXPENSES:	531,924.00	47,507.35	555,480.51	(23,556.51)	104.43%
TOTAL ALL EXPENSES:	735,399.00	73,104.32	790,586.78	(55,187.78)	107.50%
NET INCOME (LOSS):	(16,399.00)	(24,353.25)	105,066.17		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2016 to September 30, 2016
100% OF YEAR COMPLETE

	FISCAL 2016 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
CLE - PRODUCTS					
REVENUE:					
SHIPPING & HANDLING	5,750.00	314.22	6,884.22	(1,134.22)	119.73%
DESKBOOK SALES	100,000.00	3,274.00	110,540.82	(10,540.82)	110.54%
COURSEBOOK SALES	25,000.00	2,342.00	19,688.12	5,311.88	78.75%
SECTION PUBLICATION SALES	19,000.00	877.50	21,678.24	(2,678.24)	114.10%
CASEMAKER ROYALTIES	75,000.00	11,070.87	41,894.69	33,105.31	55.86%
MP3 AND VIDEO SALES	600,000.00	46,248.07	848,132.13	(248,132.13)	141.36%
TOTAL REVENUE:	824,750.00	64,126.66	1,048,818.22	(224,068.22)	127.17%
DIRECT EXPENSES:					
COST OF SALES - DESKBOOKS	70,000.00	2,669.72	73,724.15	(3,724.15)	105.32%
COST OF SALES - COURSEBOOKS	1,750.00	254.98	1,740.96	9.04	99.48%
COST OF SALES SECTION PUBLICATION	3,500.00	156.08	3,680.38	(180.38)	105.15%
A/V DEVELOP COSTS (RECORDING)	1,700.00	-	1,500.00	200.00	88.24%
DEPRECIATION	6,513.33	520.00	5,222.00	1,291.33	80.17%
DESKBOOK ROYALTIES	1,000.00	-	781.39	218.61	78.14%
RECORDED SEMINAR ROYALTIES	-	27.50	662.50	(662.50)	
ONLINE EXPENSES	40,000.00	3,090.67	40,513.48	(513.48)	101.28%
SHIPPING SUPPLIES	500.00	-	-	500.00	0.00%
POSTAGE & DELIVERY-DESKBOOKS	5,000.00	174.45	4,883.63	116.37	97.67%
POSTAGE & DELIVERY-COURSEBOOKS	5,000.00	131.93	1,367.45	3,632.55	27.35%
SPLITS WITH SECTIONS	6,000.00	1,132.94	6,352.16	(352.16)	105.87%
FLIERS/CATALOGS	6,000.00	-	4,011.87	1,988.13	66.86%
POSTAGE - FLIERS/CATALOGS	4,000.00	-	3,729.44	270.56	93.24%
EQUIPMENT, HARD., & SOFTWARE	1,320.00	-	-	1,320.00	0.00%
COMPLIMENTARY BOOK PROGRAM	2,000.00	-	4,536.20	(2,536.20)	226.81%
BAD DEBT EXPENSE	100.00	-	-	100.00	0.00%
RECORDS STORAGE - OFF SITE	7,440.00	1,240.00	6,980.00	460.00	93.82%
STAFF TRAINING	-	22.15	22.15	(22.15)	
STAFF MEMBERSHIP DUES	370.00	-	540.00	(170.00)	145.95%
MISCELLANEOUS	200.00	-	70.00	130.00	35.00%
TOTAL DIRECT EXPENSES:	162,393.33	9,420.42	160,317.76	2,075.57	98.72%
INDIRECT EXPENSES:					
SALARY EXPENSE (4.62 FTE)	311,882.00	21,810.01	292,726.32	19,155.68	93.86%
BENEFITS EXPENSE	108,019.00	8,314.94	101,025.66	6,993.34	93.53%
OTHER INDIRECT EXPENSE	110,594.00	11,152.98	109,030.81	1,563.19	98.59%
TOTAL INDIRECT EXPENSES:	530,495.00	41,277.93	502,782.79	27,712.21	94.78%
TOTAL ALL EXPENSES:	692,888.33	50,698.35	663,100.55	29,787.78	95.70%
NET INCOME (LOSS):	131,861.67	13,428.31	385,717.67		

Washington State Bar Association

Statement of Activities
For the Period from August 1, 2017 to August 31, 2017
91.67% OF YEAR COMPLETE

	FISCAL 2017 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
CONTINUING LEGAL EDUCATION (CLE)					
REVENUE:					
SEMINAR REGISTRATIONS	1,670,000.00	75,956.25	841,185.50	828,814.50	50.37%
SEMINAR-EXHIB/SPNSR/ETC	25,000.00	2,500.00	40,215.00	(15,215.00)	160.86%
SHIPPING & HANDLING	4,600.00	227.00	3,896.28	703.72	84.70%
DESKBOOK SALES	80,000.00	2,107.91	71,591.17	8,408.83	89.49%
COURSEBOOK SALES	20,000.00	825.00	15,187.78	4,812.22	75.94%
SECTION PUBLICATION SALES	15,200.00	508.50	10,913.33	4,286.67	71.80%
ROYALTIES	-	-	180.00	(180.00)	
CASEMAKER ROYALTIES	60,000.00	-	41,747.41	18,252.59	69.58%
MP3 AND VIDEO SALES	700,000.00	42,616.74	961,800.53	(261,800.53)	137.40%
TOTAL REVENUE:	2,574,800.00	124,741.40	1,986,717.00	588,083.00	77.16%
DIRECT EXPENSES:					
COURSEBOOK PRODUCTION	4,000.00	80.88	1,414.66	2,585.34	35.37%
POSTAGE - FLIERS/CATALOGS	40,000.00	442.69	18,192.71	21,807.29	45.48%
POSTAGE - MISC /DELIVERY	2,500.00	35.00	629.00	1,871.00	25.16%
DEPRECIATION	19,000.00	560.53	18,974.90	25.10	99.87%
ONLINE EXPENSES	82,000.00	6,589.97	84,928.24	(2,928.24)	103.57%
ACCREDITATION FEES	6,500.00	382.00	5,805.00	695.00	89.31%
SEMINAR BROCHURES	65,000.00	19.08	27,005.07	37,994.93	41.55%
FACILITIES	285,988.00	22,535.03	192,152.04	93,835.96	67.19%
SPEAKERS & PROGRAM DEVELOP	55,000.00	3,666.41	51,101.14	3,898.86	92.91%
SPLITS TO SECTIONS	167,456.00	18,398.46	89,581.21	77,874.79	53.50%
SPLITS TO CO-SPONSORS	7,500.00	-	-	7,500.00	0.00%
HONORARIA	20,250.00	-	-	20,250.00	0.00%
CLE SEMINAR COMMITTEE	1,500.00	11.05	200.10	1,299.90	13.34%
BAD DEBT EXPENSE	600.00	-	-	600.00	0.00%
STAFF TRAVEL/PARKING	6,500.00	52.76	4,436.67	2,063.33	68.26%
STAFF MEMBERSHIP DUES	1,550.00	-	1,652.00	(102.00)	106.58%
SUPPLIES	2,000.00	198.38	1,489.05	510.95	74.45%
COST OF SALES - DESKBOOKS	56,000.00	1,581.89	50,120.03	5,879.97	89.50%
COST OF SALES - COURSEBOOKS	1,400.00	101.87	1,316.06	83.94	94.00%
COST OF SALES SECTION PUBLICATION	2,800.00	78.04	1,857.43	942.57	66.34%
A/V DEVELOP COSTS (RECORDING)	1,500.00	-	-	1,500.00	0.00%
DESKBOOK ROYALTIES	1,000.00	-	570.72	429.28	57.07%
RECORDED SEMINAR ROYALTIES	-	55.00	247.50	(247.50)	
ONLINE EXPENSES	-	180.00	180.00	(180.00)	
SHIPPING SUPPLIES	250.00	-	-	250.00	0.00%
POSTAGE & DELIVERY-DESKBOOKS	4,000.00	90.99	3,861.32	138.68	96.53%
POSTAGE & DELIVERY-COURSEBOOKS	3,000.00	38.65	469.22	2,530.78	15.64%
SPLITS WITH SECTIONS	4,800.00	-	2,007.87	2,792.13	41.83%
FLIERS/CATALOGS	7,500.00	-	3,645.60	3,854.40	48.61%
POSTAGE - FLIERS/CATALOGS	5,000.00	-	2,794.57	2,205.43	55.89%
COMPLIMENTARY BOOK PROGRAM	4,000.00	-	1,404.15	2,595.85	35.10%
RECORDS STORAGE - OFF SITE	7,440.00	620.00	6,820.00	620.00	91.67%
MISCELLANEOUS	200.00	-	-	200.00	0.00%
TOTAL DIRECT EXPENSES:	866,234.00	55,718.68	572,856.26	293,377.74	66.13%
INDIRECT EXPENSES:					
SALARY EXPENSE (12.77 FTE)	837,663.00	67,437.95	808,554.02	29,108.98	96.52%
BENEFITS EXPENSE	295,948.00	21,932.33	292,408.81	3,539.19	98.80%
OTHER INDIRECT EXPENSE	302,742.00	26,151.07	283,884.26	18,857.74	93.77%
TOTAL INDIRECT EXPENSES:	1,436,353.00	115,521.35	1,384,847.09	51,505.91	96.41%
TOTAL ALL EXPENSES:	2,302,587.00	171,240.03	1,957,703.35	344,883.65	85.02%
NET INCOME (LOSS):	272,213.00	(46,498.63)	29,013.65		

Washington State Bar Association

Budget Comparison Report

For the Period from October 1, 2018 to September 30, 2019

DESKBOOKS	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
SHIPPING & HANDLING	4,000.00	2,000.00	(2,000.00)	-50%
DESKBOOK SALES	100,000.00	80,000.00	(20,000.00)	-20%
SECTION PUBLICATION SALES	6,000.00	3,000.00	(3,000.00)	-50%
CASEMAKER ROYALTIES	60,000.00	75,000.00	15,000.00	25%
TOTAL REVENUE:	170,000.00	160,000.00	(10,000.00)	-6%
DIRECT EXPENSES:				
COST OF SALES - DESKBOOKS	70,000.00	50,000.00	(20,000.00)	-29%
COST OF SALES - SECTION PUBLICATION	1,000.00	750.00	(250.00)	-25%
SPLITS TO SECTIONS	2,000.00	1,000.00	(1,000.00)	-50%
DESKBOOK ROYALTIES	1,000.00	1,000.00	-	0%
SHIPPING SUPPLIES	250.00	150.00	(100.00)	-40%
POSTAGE & DELIVERY-DESKBOOKS	3,000.00	2,000.00	(1,000.00)	-33%
FLIERS/CATALOGS	5,000.00	3,000.00	(2,000.00)	-40%
POSTAGE - FLIERS/CATALOGS	2,500.00	1,500.00	(1,000.00)	-40%
COMPLIMENTARY BOOK PROGRAM	2,000.00	2,000.00	-	0%
BAD DEBT EXPENSE	100.00	100.00	-	0%
RECORDS STORAGE - OFF SITE	7,440.00	7,440.00	-	0%
STAFF MEMBERSHIP DUES	205.00	250.00	45.00	22%
MISCELLANEOUS	200.00	200.00	-	0%
TOTAL DIRECT EXPENSES:	94,695.00	69,390.00	(25,305.00)	-27%
INDIRECT EXPENSES:				
FTE	2.15	2.05	(0.10)	-5%
SALARY EXPENSE	140,713.00	117,663.00	(23,050.00)	-16%
BENEFIT EXPENSE	53,392.00	48,833.00	(4,559.00)	-9%
OVERHEAD	52,208.00	50,383.00	(1,825.00)	-3%
TOTAL INDIRECT EXPENSES:	246,313.00	216,879.00	(29,434.00)	-12%
TOTAL ALL EXPENSES:	341,008.00	286,269.00	(54,739.00)	-16%
NET INCOME (LOSS):	(171,008.00)	(126,269.00)	44,739.00	

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 250 Washington state and federal appellate court opinions. Included in the CLE cost center in FY17, 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.

G

APEX (Acknowledging Professional Excellence) DINNER

DESCRIPTION

The WSBA annually recognizes luminaries of the Washington legal profession to honor those whose work embodies the WSBA mission; to show members what WSBA's mission looks like in day-to-day legal practice; to inspire members to proudly uphold the rule of law and integrity of the profession; and to continue to grow public confidence in a just and equitable legal profession. WSBA is the unique organization that can highlight the "best of the best" in the legal community from a statewide perspective.

OBJECTIVES

1. Recognize excellence in action with winners representing a wide range of geography, practice areas, and legal communities
2. Raise funds for the Washington State Bar Foundation
3. Induct new governors and honor those whose terms are expiring

Financial: Our immediate goal is to exceed the direct costs of the APEX program with Foundation donations and sponsorships

PROGRAM/MEMBER IMPACT/REACH

- 2018 attendance goal: at least 375

	2015	2016	2017
Paid Attendees	263	240	199
Staff Comps	23	20	20
Comps	106	94	87
Total Attendees	392	354	306

- 2018-19 outreach goal: Feature videos widely in outreach to local county bars, listening tours, TakeNote, social media, and media
- Groups affiliated with awards: Washington State Bar Foundation, Access to Justice Board, and Washington Young Lawyer Committee
- Foundation revenue supports wide-ranging public service and diversity programs across the state

FINANCES (DETAILED HISTORY ATTACHED)

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 BUDGET	FY19 BUDGET
Revenue¹	\$55,829	\$31,274	\$51,914	\$99,000	\$99,000
Direct Expense	\$72,722	\$56,707	\$66,986	\$63,000	\$63,000
Indirect Expense	\$35,595	\$35,936	\$34,423	\$39,513	\$40,545
Net	(\$52,488)	(\$61,369)	(\$49,495)	(\$3,513)	(\$53,545)

¹Revenue for FY15-FY17 includes actual event registrations and WSB Foundation donations and sponsorships; FY18 and FY19 Foundation donations and sponsorships are estimates.

APEX (Acknowledging Professional Excellence) DINNER

POTENTIAL OPTIONS/CONSIDERATIONS

1. **Draft FY19 Budget:** Carry over budget from FY18, accounting for this year's new attendance goals; however, we are exploring different formats and revenue models (below).

Financial targets for 2018/19:

- Total attendance—375 (up from 306 in 2017); ticket price—\$125 (up from \$100 in 2017); total paying guests—263 (70 percent)
- Goal for donations to Washington State Bar Foundation: \$55,000 (\$75,000 stretch goal)
- Ticket sales: \$32,875
- APEX costs: Dinner—\$37,500; AV equipment—\$10,000; awards—\$150 each; BOG gift—\$100 each; video production—\$15,000
- **Overall return to WSBA programs, total: \$23,375 to \$43,375**

2. **Other Options and Considerations**

- Restructure the format
- Move to a different venue for dinner (non-downtown, more “rocking”)
- Reduce the number of “comp” tickets by having the Foundation cover the cost of sponsorship dinners

3. **Discontinue APEX Dinner**

- Opportunity to partner with voluntary bars to support their luminaries
- Loss of net direct revenue for the organization
- Loss of opportunity for outreach, goodwill, and community building
- Loss of history and tradition

Washington State Bar Association

Statement of Activities

For the Period from September 1, 2015 to September 30, 2015

100% OF YEAR COMPLETE

	FISCAL 2015 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
COMMUNICATIONS					
REVENUE:					
AWARDS LUNCH/DINNER	38,000.00	33,427.16	43,692.16	(5,692.16)	114.98%
50 YEAR MEMBER TRIBUTE LUNCH	500.00	-	225.00	275.00	45.00%
WSBA LOGO MERCHANDISE SALES	-	-	420.00	(420.00)	
TOTAL REVENUE:	38,500.00	33,427.16	44,337.16	(5,837.16)	115.16%
DIRECT EXPENSES:					
MUSIC LIBRARY	1,500.00	-	-	1,500.00	0.00%
IMAGE LIBRARY	3,000.00	-	4,049.00	(1,049.00)	134.97%
BAR OUTREACH	1,200.00	-	118.60	1,081.40	9.88%
ABA DELEGATES	5,600.00	800.00	3,120.46	2,479.54	55.72%
ANNUAL CHAIR MTGS	1,000.00	143.36	833.43	166.57	83.34%
AWARDS DINNER	55,000.00	58,428.78	72,721.66	(17,721.66)	132.22%
50 YEAR MEMBER TRIBUTE LUNCH	5,000.00	-	6,372.16	(1,372.16)	127.44%
JUD RECOMMEND COMMITTEE	5,000.00	-	3,535.37	1,464.63	70.71%
PROFESSIONALISM	1,000.00	-	-	1,000.00	0.00%
WSBA 125TH ANNIVERSARY	15,000.00	-	7,683.03	7,316.97	51.22%
COMMUNICATIONS OUTREACH	15,000.00	3,077.50	15,053.53	(53.53)	100.36%
TRANSLATION SERVICES	1,800.00	181.70	2,968.80	(1,168.80)	164.93%
DEPRECIATION	2,710.00	225.00	2,711.00	(1.00)	100.04%
CREDIT CARD MERCHANT FEES	350.00	75.40	104.02	245.98	29.72%
STAFF TRAVEL/PARKING	5,000.00	976.12	6,196.84	(1,196.84)	123.94%
STAFF MEMBERSHIP DUES	1,755.00	230.00	2,276.50	(521.50)	129.72%
SUBSCRIPTIONS	6,500.00	-	7,080.64	(580.64)	108.93%
DIGITAL/ONLINE DEVELOPMENT	3,500.00	466.57	3,965.37	(465.37)	113.30%
CONFERENCE CALLS	250.00	-	62.14	187.86	24.86%
TOTAL DIRECT EXPENSES:	130,165.00	64,604.43	138,852.55	(8,687.55)	106.67%
INDIRECT EXPENSES:					
SALARY EXPENSE (13.25 FTE)	784,256.00	69,760.90	800,794.75	(16,538.75)	102.11%
BENEFITS EXPENSE	275,975.00	23,569.15	264,083.05	11,891.95	95.69%
OTHER INDIRECT EXPENSE	278,991.00	32,189.25	314,658.13	(35,667.13)	112.78%
TOTAL INDIRECT EXPENSES:	1,339,222.00	125,519.30	1,379,535.93	(40,313.93)	103.01%
TOTAL ALL EXPENSES:	1,469,387.00	190,123.73	1,518,388.48	(49,001.48)	103.33%
NET INCOME (LOSS):	(1,430,887.00)	(156,696.57)	(1,474,051.32)		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2016 to September 30, 2016
100% OF YEAR COMPLETE

	FISCAL 2016 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
COMMUNICATIONS					
REVENUE:					
AWARDS LUNCH/DINNER	45,000.00	24,058.93	23,218.93	21,781.07	51.60%
50 YEAR MEMBER TRIBUTE LUNCH	250.00	-	810.00	(560.00)	324.00%
WSBA LOGO MERCHANDISE SALES	-	1,120.70	1,260.70	(1,260.70)	
TOTAL REVENUE:	45,250.00	25,179.63	25,289.63	19,960.37	55.89%
DIRECT EXPENSES:					
IMAGE LIBRARY	4,000.00	-	4,099.00	(99.00)	102.48%
BAR OUTREACH	1,000.00	-	1,110.54	(110.54)	111.05%
ABA DELEGATES	5,600.00	1,789.53	3,764.91	1,835.09	67.23%
ANNUAL CHAIR MTGS	600.00	-	169.50	430.50	28.25%
AWARDS DINNER	55,000.00	51,089.57	56,707.07	(1,707.07)	103.10%
50 YEAR MEMBER TRIBUTE LUNCH	5,800.00	-	7,502.85	(1,702.85)	129.36%
JUD RECOMMEND COMMITTEE	5,000.00	-	4,782.95	217.05	95.66%
PROFESSIONALISM	1,000.00	-	636.88	363.12	63.69%
ONLINE EXPENSES	-	110.82	414.02	(414.02)	
COMMUNICATIONS OUTREACH	17,000.00	985.01	5,617.48	11,382.52	33.04%
TRANSLATION SERVICES	2,500.00	225.15	3,558.95	(1,058.95)	142.36%
DEPRECIATION	2,712.00	225.00	2,707.00	5.00	99.82%
EQUIPMENT, HARDWARE & SOFTWARE	1,520.00	223.85	1,055.33	464.67	69.43%
STAFF TRAVEL/PARKING	4,500.00	1,381.85	8,405.25	(3,905.25)	186.78%
STAFF MEMBERSHIP DUES	1,950.00	-	1,566.00	384.00	80.31%
SUBSCRIPTIONS	7,250.00	168.00	6,846.80	403.20	94.44%
DIGITAL/ONLINE DEVELOPMENT	3,750.00	291.57	3,213.84	536.16	85.70%
CONFERENCE CALLS	200.00	0.68	81.92	118.08	40.96%
TOTAL DIRECT EXPENSES:	119,382.00	56,491.03	112,240.29	7,141.71	94.02%
INDIRECT EXPENSES:					
SALARY EXPENSE (14.15 FTE)	837,316.00	75,935.40	858,748.90	(21,432.90)	102.56%
BENEFITS EXPENSE	317,600.00	23,923.47	294,723.64	22,876.36	92.80%
OTHER INDIRECT EXPENSE	338,723.00	34,150.62	333,864.77	4,858.23	98.57%
TOTAL INDIRECT EXPENSES:	1,493,639.00	134,009.49	1,487,337.31	6,301.69	99.58%
TOTAL ALL EXPENSES:	1,613,021.00	190,500.52	1,599,577.60	13,443.40	99.17%
NET INCOME (LOSS):	(1,567,771.00)	(165,320.89)	(1,574,287.97)		

Washington State Bar Association

Statement of Activities

For the Period from September 1, 2017 to September 30, 2017

100.00% OF YEAR COMPLETE

	FISCAL 2017 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
COMMUNICATIONS					
REVENUE:					
AWARDS LUNCH/DINNER	44,000.00	16,784.80	17,438.96	26,561.04	39.63%
50 YEAR MEMBER TRIBUTE LUNCH	250.00	-	1,170.00	(920.00)	468.00%
WSBA LOGO MERCHANDISE SALES	-	140.00	700.00	(700.00)	
TOTAL REVENUE:	44,250.00	16,924.80	19,308.96	24,941.04	43.64%
DIRECT EXPENSES:					
IMAGE LIBRARY	4,100.00	-	3,999.00	101.00	97.54%
BAR OUTREACH	2,500.00	30.00	1,380.94	1,119.06	55.24%
ABA DELEGATES	5,600.00	1,694.18	3,244.18	2,355.82	57.93%
ANNUAL CHAIR MTGS	600.00	-	877.32	(277.32)	146.22%
AWARDS DINNER	63,000.00	48,976.54	66,986.33	(3,986.33)	106.33%
50 YEAR MEMBER TRIBUTE LUNCH	8,000.00	-	9,374.15	(1,374.15)	117.18%
JUD RECOMMEND COMMITTEE	4,500.00	-	1,603.93	2,896.07	35.64%
PROFESSIONALISM	750.00	-	1,206.20	(456.20)	160.83%
COMMUNICATIONS OUTREACH	15,000.00	-	1,837.52	13,162.48	12.25%
TRANSLATION SERVICES	3,500.00	177.75	3,400.95	99.05	97.17%
DEPRECIATION	2,300.00	-	2,260.38	39.62	98.28%
EQUIPMENT, HARDWARE & SOFTWARE	-	-	79.47	(79.47)	
STAFF TRAVEL/PARKING	4,000.00	-	1,053.00	2,947.00	26.33%
STAFF MEMBERSHIP DUES	1,960.00	-	585.00	1,375.00	29.85%
SUBSCRIPTIONS	10,050.00	15.96	6,287.55	3,762.45	62.56%
DIGITAL/ONLINE DEVELOPMENT	4,000.00	256.60	4,122.19	(122.19)	103.05%
CONFERENCE CALLS	200.00	-	33.00	167.00	16.50%
TOTAL DIRECT EXPENSES:	130,060.00	51,151.03	108,331.11	21,728.89	83.29%
INDIRECT EXPENSES:					
SALARY EXPENSE (14.64 FTE)	896,797.00	76,204.86	852,033.87	44,763.13	95.01%
BENEFITS EXPENSE	326,726.00	21,732.19	300,021.91	26,704.09	91.83%
OTHER INDIRECT EXPENSE	347,075.00	29,619.60	322,025.40	25,049.60	92.78%
TOTAL INDIRECT EXPENSES:	1,570,598.00	127,556.65	1,474,081.18	96,516.82	93.85%
TOTAL ALL EXPENSES:	1,700,658.00	178,707.68	1,582,412.29	118,245.71	93.05%
NET INCOME (LOSS):	(1,656,408.00)	(161,782.88)	(1,563,103.33)		

Washington State Bar Association

Budget Comparison Report

For the Period from October 1, 2018 to September 30, 2019

COMMUNICATION STRATEGIES	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
AWARDS DINNER	44,000.00	50,000.00	6,000.00	14%
50 YEAR MEMBER TRIBUTE LUNCH	750.00	750.00	-	0%
TOTAL REVENUE:	44,750.00	50,750.00	6,000.00	13%
DIRECT EXPENSES:				
AWARDS DINNER	63,000.00	63,000.00	-	0%
50 YEAR MEMBER TRIBUTE LUNCH	8,000.00	8,000.00	-	0%
COMMUNICATIONS OUTREACH	15,000.00	15,000.00	-	0%
SPEAKERS & PROGRAM DEVELOP	1,600.00	1,600.00	-	0%
STAFF TRAVEL/PARKING	2,640.00	4,700.00	2,060.00	78%
STAFF MEMBERSHIP DUES	1,700.00	1,000.00	(700.00)	-41%
SUBSCRIPTIONS	10,050.00	10,050.00	-	0%
DIGITAL/ONLINE DEVELOPMENT	1,450.00	1,450.00	-	0%
TOTAL DIRECT EXPENSES:	103,440.00	104,800.00	1,360.00	1%
INDIRECT EXPENSES:				
FTE	4.68	4.62	(0.06)	-1%
SALARY EXPENSE	305,254.00	312,393.00	7,139.00	2%
BENEFIT EXPENSE	115,063.00	123,827.00	8,764.00	8%
OVERHEAD	113,644.00	113,547.00	(97.00)	0%
TOTAL INDIRECT EXPENSES:	533,961.00	549,767.00	15,806.00	3%
TOTAL ALL EXPENSES:	637,401.00	654,567.00	17,166.00	3%
NET INCOME (LOSS):	(592,651.00)	(603,817.00)	(11,166.00)	

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 the WSBA website, website content, and WSBA's blog (NWSidebar), social media channels, and broadcast emails). It works with all WSBA departments to support the communications and marketing of WSBA programs, services, and matters of interest to members and the public.

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WASHINGTON STATE BAR FOUNDATION

DESCRIPTION

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. Since 2014 the Foundation has contributed \$1,007,436 in revenue to the WSBA to support public service and diversity efforts within the Advancement Department cost centers.

OBJECTIVES

The mission of the Washington State Bar Foundation is to provide financial support for programs of the Washington State Bar Association that promote diversity within the legal profession and enhance the public's access to, and understanding of, the justice system. Specifically, the Foundation is a source of voluntary and tax-deductible, non-license fee revenue for WSBA's diversity and public service programming. The Foundation also plays a role in raising awareness about WSBA's work in these areas through the outreach work of staff and Trustees.

PROGRAM/MEMBER IMPACT/REACH

Every member is given an opportunity to support WSBA's diversity and public service work annually with a voluntary gift to the Washington State Bar Foundation through the licensing renewal process. Over 9,800 individuals have opted to give to the Foundation, including 1,158 new donors so far in FY18 (this represents a 98% increase over the number of new donors in FY17) and 764 have opted to give every year for the past six years at licensing. The diversity work supported by the Foundation directly engaged over 450 members in its events and activities in FY17 and benefits the public, the profession, and the justice system through a legal profession that better reflects the communities we serve and in which anyone can thrive and rise, regardless of their identities. WSBA's public service programming engaged just shy of 900 volunteers in FY17, while enhancing a culture of service in our profession.

FINANCES - FOUNDATION COST CENTER IN WSBA BUDGET (DETAILED HISTORY ATTACHED)

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 BUDGET	FY19 BUDGET
Direct Expense	\$15,639	\$12,591	\$7,002	\$17,600	\$14,200
Indirect Expense	\$145,198	\$132,652	\$147,241	\$151,053	\$150,738
Net	(\$160,837)	(\$145,243)	(\$154,243)	(\$168,653)	(\$164,938)
Grants to WSBA¹	\$162,800	\$175,000	\$200,000	\$220,000	
Net With Grants	\$1,963	\$29,757	\$45,757	\$51,347	

¹ Grants awards are based on the prior year's activities. Therefore, the WSBA receives grant funds from the Foundation in the fiscal year following the expenditures. For example, the FY15 Grants to WSBA of \$162,800 was actually paid to WSBA in FY16, but was based on FY15 actual results of (\$160,837).

WASHINGTON STATE BAR FOUNDATION

POTENTIAL OPTIONS/CONSIDERATIONS

1. Draft FY19 Budget

In FY19, the Foundation is budgeted to contribute \$220,000 in non-license fee revenue to support WSBA's diversity and public service programming. This represents a 10% increase over FY18, a 26% increase over FY17, and a 35% increase over FY16.

2. Discontinue Foundation

If the Foundation were to be discontinued, WSBA would lose actual and future potential non-license fee revenue. To continue the work would require increased use of license fee revenue. WSBA would lose the capacity to accept tax-exempt gifts and donors would lose the opportunity to voice their support for this work with those gifts. The Foundation is currently on a positive trajectory having grown revenue and donors consistently over the last two years after some years of decline.

3. Other Options

If the Foundation's staff support were to be reduced, it would likely halt and potentially reverse the progress that has been made in growing revenue and donors over the last two years. The extent and the rate at which this would occur is unclear.

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2015 to September 30, 2015
100% OF YEAR COMPLETE

	FISCAL 2015 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
FOUNDATION					
REVENUE:					
TOTAL REVENUE:	-	-	-	-	
DIRECT EXPENSES:					
BOARD OF TRUSTEES	5,500.00	153.07	2,649.90	2,850.10	48.18%
GRAPHIC DESIGN	1,500.00	-	350.00	1,150.00	23.33%
CREDIT CARD MERCHANT FEES	3,000.00	183.35	2,281.03	718.97	76.03%
CONSULTING SERVICES	3,000.00	-	2,550.00	450.00	85.00%
EQUIPMENT/HARDWARE/SOFTWARE	2,500.00	-	-	2,500.00	0.00%
POSTAGE	500.00	-	524.27	(24.27)	104.85%
PRINTING & COPYING	1,000.00	-	913.21	86.79	91.32%
STAFF TRAVEL/PARKING	1,700.00	(48.00)	1,138.10	561.90	66.95%
STAFF MEMBERSHIP DUES	475.00	-	300.00	175.00	63.16%
SUPPLIES	300.00	409.90	472.35	(172.35)	157.45%
SPECIAL EVENTS	6,000.00	2,104.37	4,460.30	1,539.70	74.34%
TOTAL DIRECT EXPENSES:	25,475.00	2,802.69	15,639.16	9,835.84	61.39%
INDIRECT EXPENSES:					
SALARY EXPENSE (1.35 FTE)	118,996.00	7,229.78	82,768.55	36,227.45	69.56%
BENEFITS EXPENSE	36,130.00	3,125.60	30,570.15	5,559.85	84.61%
OTHER INDIRECT EXPENSE	28,426.00	3,262.80	31,859.34	(3,433.34)	112.08%
TOTAL INDIRECT EXPENSES:	183,552.00	13,618.18	145,198.04	38,353.96	79.10%
TOTAL ALL EXPENSES:	209,027.00	16,420.87	160,837.20	48,189.80	76.95%
NET INCOME (LOSS):	(209,027.00)	(16,420.87)	(160,837.20)		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2016 to September 30, 2016
100% OF YEAR COMPLETE

	FISCAL 2016 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
FOUNDATION					
REVENUE:					
TOTAL REVENUE:	-	-	-	-	
DIRECT EXPENSES:					
BOARD OF TRUSTEES	5,000.00	241.24	1,165.70	3,834.30	23.31%
GRAPHIC DESIGN	1,500.00	600.00	600.00	900.00	40.00%
CONSULTING SERVICES	3,000.00	-	2,836.00	164.00	94.53%
POSTAGE	1,000.00	-	-	1,000.00	0.00%
PRINTING & COPYING	1,500.00	304.13	1,375.50	124.50	91.70%
STAFF TRAVEL/PARKING	1,700.00	44.28	1,352.38	347.62	79.55%
STAFF MEMBERSHIP DUES	600.00	-	50.00	550.00	8.33%
SUPPLIES	100.00	99.86	189.62	(89.62)	189.62%
SPECIAL EVENTS	6,000.00	3,422.39	5,022.46	977.54	83.71%
TOTAL DIRECT EXPENSES:	20,400.00	4,711.90	12,591.66	7,808.34	61.72%
INDIRECT EXPENSES:					
SALARY EXPENSE (1.25 FTE)	88,378.00	6,536.80	76,215.17	12,162.83	86.24%
BENEFITS EXPENSE	31,258.00	2,270.25	26,785.19	4,472.81	85.69%
OTHER INDIRECT EXPENSE	29,923.00	3,033.28	29,651.38	271.62	99.09%
TOTAL INDIRECT EXPENSES:	149,559.00	11,840.33	132,651.74	16,907.26	88.70%
TOTAL ALL EXPENSES:	169,959.00	16,552.23	145,243.40	24,715.60	85.46%
NET INCOME (LOSS):	(169,959.00)	(16,552.23)	(145,243.40)		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2017 to September 30, 2017
100.00% OF YEAR COMPLETE

	FISCAL 2017 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
FOUNDATION					
REVENUE:					
TOTAL REVENUE:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
DIRECT EXPENSES:					
BOARD OF TRUSTEES	5,000.00	189.51	2,134.46	2,865.54	42.69%
GRAPHIC DESIGN	1,500.00	-	-	1,500.00	0.00%
CONSULTING SERVICES	3,000.00	-	2,600.00	400.00	86.67%
POSTAGE	500.00	-	-	500.00	0.00%
PRINTING & COPYING	1,500.00	-	717.26	782.74	47.82%
STAFF TRAVEL/PARKING	1,700.00	216.73	286.84	1,413.16	16.87%
STAFF MEMBERSHIP DUES	600.00	-	363.00	237.00	60.50%
SUPPLIES	500.00	56.27	172.85	327.15	34.57%
SPECIAL EVENTS	5,000.00	-	727.24	4,272.76	14.54%
TOTAL DIRECT EXPENSES:	<u>19,300.00</u>	<u>462.51</u>	<u>7,001.65</u>	<u>12,298.35</u>	<u>36.28%</u>
INDIRECT EXPENSES:					
SALARY EXPENSE (1.25 FTE)	88,294.00	6,651.80	89,443.67	(1,149.67)	101.30%
BENEFITS EXPENSE	30,721.00	2,273.70	30,284.87	436.13	98.58%
OTHER INDIRECT EXPENSE	29,634.00	2,540.30	27,512.54	2,121.46	92.84%
TOTAL INDIRECT EXPENSES:	<u>148,649.00</u>	<u>11,465.80</u>	<u>147,241.08</u>	<u>1,407.92</u>	<u>99.05%</u>
TOTAL ALL EXPENSES:	<u>167,949.00</u>	<u>11,928.31</u>	<u>154,242.73</u>	<u>13,706.27</u>	<u>91.84%</u>
NET INCOME (LOSS):	<u>(167,949.00)</u>	<u>(11,928.31)</u>	<u>(154,242.73)</u>		

Washington State Bar Association Budget Comparison Report

For the Period from October 1, 2018 to September 30, 2019

FOUNDATION	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
TOTAL REVENUE:	-	-	-	
DIRECT EXPENSES:				
SPECIAL EVENTS	5,000.00	5,000.00	-	0%
BOARD OF TRUSTEES	5,000.00	3,000.00	(2,000.00)	-40%
GRAPHIC DESIGN	500.00	-	(500.00)	-100%
CONSULTING SERVICES	3,000.00	3,000.00	-	0%
POSTAGE	-	500.00	500.00	
PRINTING & COPYING	1,500.00	800.00	(700.00)	-47%
STAFF TRAVEL/PARKING	1,500.00	1,400.00	(100.00)	-7%
STAFF MEMBERSHIP DUES	600.00	-	(600.00)	-100%
SUPPLIES	500.00	500.00	-	0%
TOTAL DIRECT EXPENSES:	17,600.00	14,200.00	(3,400.00)	-19%
INDIRECT EXPENSES:				
FTE	1.20	1.15	(0.05)	-4%
SALARY EXPENSE	89,200.00	89,538.00	338.00	0%
BENEFIT EXPENSE	32,713.00	32,594.00	(119.00)	0%
OVERHEAD	29,140.00	28,264.00	(876.00)	-3%
TOTAL INDIRECT EXPENSES:	151,053.00	150,396.00	(657.00)	0%
TOTAL ALL EXPENSES:	168,653.00	164,596.00	(4,057.00)	-2%
NET INCOME (LOSS):	(168,653.00)	(164,596.00)	4,057.00	

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 \$220,000 in revenue to WSBA's FY19 budget to support public service and diversity efforts within the Advancement Department cost centers. We continue to look for opportunities to reduce indirect and direct costs in this cost center to better reflect the actual cost of delivering this service.



To: WSBA Budget & Audit Committee

From: Terra Nevitt, Chief Development Officer

Re: Financial Reports for June 18, 2018 Meeting

Date: June 8, 2018

This memo follows on our discussion of the Washington State Bar Foundation's health and viability at your June 2017, September 2017, October 2017, January 2018, February 2018, and April 2018 meetings. Attached, please find the Foundation's most recent financial report covering the period of October 1, 2017 through April 30, 2018. Also attached is the current fundraising report.

Looking at the *WSBF Balance Sheet*, you can see that as of April 30, 2018, the Foundation had a net worth of \$315,693. This is an increase of \$32,263 over our position as of February 29, which we reported on at the April meeting. The *WSBF Statement of Activities* details these and other income and expenses year-to-date. WSBA's support of the Foundation is captured in the report as "In Kind Donations" and "In Kind Expenses". Those total \$91,877 as of the end of April. At this point in the year, in-kind contributions account for 28% of total support to the WSBF. As we anticipated, that percentage is higher than the 23% reported in April and may rise further yet, though we project that it will continue to account for a smaller portion of support than in years prior. For FY17, in-kind income made up 42% of the Foundation's overall income. Compared to prior years at this point in time, our income through contributions is up 54% over FY17 and 48% over FY16.

The *Fundraising Progress Report* is intended to provide a more up-to-date but unofficial picture of the Foundation's income. As of May 31, 2018, the Foundation has raised \$245,619, which exceeds the total funds raised for all of FY17 by more than \$43,000. The majority of funds raised are through the licensing campaign, which has exceeded FY17's total by 36% and FY16's total by 50%.



Advancing WSBA's Vision of a Just Washington

To: Paula Littlewood and Terra Nevitt

From: Tiffany Lynch, Associate Director for Finance

Re: Foundation Financial Statements as of April 30, 2018

Date: June 8, 2018

Attached are the financial statements for the Washington State Bar Foundation as of April 30, 2018. Below is a summary of the fund balances¹ as of April 30, 2018.

WSBF Fund Balances¹
As of April 30, 2018

Fund Name	Cash	Pledges/Grants Receivable	Committed Funds	Available Funds
ATG/AGO	0	0	0	0
Call to Duty	2,000	0	0	2,000
Diversity	9,925	0	0	9,925
ELUL Midyear Scholarship Fund	3,280	0	(3,280)	0
McMahon	8,352	0	0	8,352
Moderate Means	0	0	0	0
Peter Greenfield Internship	3,903	0	(2,500)	1,403
Presidents' and Governors' Diversity Scholarship	28,861	0	0	28,861
WLI General Support	0	0	0	0
WSBA Justice & Diversity Opportunities	3,328	0	0	3,328
Unrestricted	<u>241,642</u>	<u>0</u>	<u>0</u>	<u>241,642</u>
Total Fund Balances	<u>301,291</u>	<u>\$0</u>	<u>(5,780)</u>	<u>295,511</u>

¹ Excludes fixed assets (\$14,400 in artwork).

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06/08/18

Cash Basis

WSBA Foundation
Statement of Activities (Profit & Loss)
 October 2017 through April 2018

	Oct '17 - Apr 18
Ordinary Income/Expense	
Income	
Contributions & Grants Income	
Corporate	23,669
Foundations & Nonprofits	600
Individuals/Private Donors	215,536
Total Contributions & Grants Income	239,805
In Kind Donations	91,877
Miscellaneous Income	1,814
Total Income	333,497
Expense	
In Kind Expenses	
WSBA Staff Support	87,815
WSBA Expenses	4,062
Total In Kind Expenses	91,877
Bank Service Charges	12
Credit Card Fees	917
Insurance	929
Licenses and Permits	10
Office Supplies	54
Program Expense	
WSBA Justice & Div. Opportunity	1,672
WSBA Funding	200,000
Program Expense - Other	1,187
Total Program Expense	202,859
Total Expense	296,658
Net Ordinary Income	36,838
Other Income/Expense	
Other Income	
Interest Income	469
Total Other Income	469
Other Expense	
Other Expenses	693
Total Other Expense	693
Net Other Income	-224
Net Income	36,615

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Cash Basis

WSBA Foundation
Balance Sheet
As of April 30, 2018

	Apr 30, 18
ASSETS	
Current Assets	
Checking/Savings	
Wells Fargo Checking	250,019
Wells Fargo Heritage Money Mkt	51,274
Total Checking/Savings	301,293
Total Current Assets	301,293
Fixed Assets	
Artwork	14,400
Total Fixed Assets	14,400
TOTAL ASSETS	315,693
LIABILITIES & EQUITY	
Equity	
Increase/Decrease Fund Balance	279,078
Net Income	36,615
Total Equity	315,693
TOTAL LIABILITIES & EQUITY	315,693

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06/08/18
Cash Basis

WSBA Foundation
Profit & Loss Prev Year Comparison
October 2017 through April 2018

	Oct '17 - Apr 18	Oct '16 - Apr 17	\$ Change	% Change
Ordinary Income/Expense				
Income				
Contributions & Grants Income				
Corporate	23,669.00	7,685.00	15,984.00	208.0%
Foundations & Nonprofits	600.00	650.00	-50.00	-7.7%
Individuals/Private Donors	215,536.11	147,100.25	68,435.86	46.5%
Total Contributions & Grants Income	239,805.11	155,435.25	84,369.86	54.3%
In Kind Donations	91,877.29	92,814.67	-937.38	-1.0%
Miscellaneous Income	1,814.37	2,000.00	-185.63	-9.3%
Total Income	333,496.77	250,249.92	83,246.85	33.3%
Expense				
In Kind Expenses				
WSBA Staff Support	87,815.07	86,702.91	1,112.16	1.3%
WSBA Expenses	4,062.22	5,586.76	-1,524.54	-27.3%
In Kind Expenses - Other	0.00	525.00	-525.00	-100.0%
Total In Kind Expenses	91,877.29	92,814.67	-937.38	-1.0%
Bank Service Charges	12.00	0.00	12.00	100.0%
Credit Card Fees	917.12	491.05	426.07	86.8%
Dues	0.00	180.00	-180.00	-100.0%
Insurance	929.00	0.00	929.00	100.0%
Licenses and Permits	10.00	10.00	0.00	0.0%
Office Supplies	54.39	0.00	54.39	100.0%
Program Expense				
ELUL Section Scholarship Fund	0.00	858.00	-858.00	-100.0%
WSBA Justice & Div. Opportunity	1,672.00	500.00	1,172.00	234.4%
WSBA Funding	200,000.00	175,000.00	25,000.00	14.3%
Peter Greenfield Scholarship	0.00	2,500.00	-2,500.00	-100.0%
Program Expense - Other	1,186.62	0.00	1,186.62	100.0%
Total Program Expense	202,858.62	178,858.00	24,000.62	13.4%
Total Expense	296,658.42	272,353.72	24,304.70	8.9%
Net Ordinary Income	36,838.35	-22,103.80	58,942.15	266.7%
Other Income/Expense				
Other Income				
Interest Income	469.44	217.23	252.21	116.1%
Total Other Income	469.44	217.23	252.21	116.1%
Other Expense				
Other Expenses	693.00	2,475.48	-1,782.48	-72.0%
Total Other Expense	693.00	2,475.48	-1,782.48	-72.0%
Net Other Income	-223.56	-2,258.25	2,034.69	90.1%
Net Income	<u>36,614.79</u>	<u>-24,362.05</u>	<u>60,976.84</u>	<u>250.3%</u>

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06/08/18
Cash Basis

WSBA Foundation
Balance Sheet Prev Year Comparison
As of April 30, 2018

	<u>Apr 30, 18</u>	<u>Apr 30, 17</u>	<u>\$ Change</u>	<u>% Change</u>
ASSETS				
Current Assets				
Checking/Savings				
Wells Fargo Checking	250,018.70	184,642.15	65,376.55	35.4%
Wells Fargo Heritage Money Mkt	51,274.24	50,631.64	642.60	1.3%
Total Checking/Savings	301,292.94	235,273.79	66,019.15	28.1%
Total Current Assets	301,292.94	235,273.79	66,019.15	28.1%
Fixed Assets				
Artwork	14,400.00	14,400.00	0.00	0.0%
Total Fixed Assets	14,400.00	14,400.00	0.00	0.0%
TOTAL ASSETS	<u>315,692.94</u>	<u>249,673.79</u>	<u>66,019.15</u>	<u>26.4%</u>
LIABILITIES & EQUITY				
Equity				
Increase/Decrease Fund Balance	279,078.15	274,035.84	5,042.31	1.8%
Net Income	36,614.79	-24,362.05	60,976.84	250.3%
Total Equity	315,692.94	249,673.79	66,019.15	26.4%
TOTAL LIABILITIES & EQUITY	<u>315,692.94</u>	<u>249,673.79</u>	<u>66,019.15</u>	<u>26.4%</u>

FY18 Fundraising Progress Report
As of May 31, 2018

FUNDRAISING ACTIVITY		DONATION SOURCE			
		Foundation Trustees & Trustee Firms (Goal \$25,000)	Board of Governors (non Trustee) (Goal \$5,000)	Individuals (Goal \$15,000)	Firms and Organizations (Goal \$50,000)
Annual Giving	\$12,941.56	\$11,730.00	\$161.56	\$800.00	\$250.00
Licensing (Goal \$175,000)					
License Fee Form	\$198,978.80	\$400.00	\$210.00	\$189,098.80	\$9,270.00
Donation	\$1,750.00			\$1,750.00	
Events					
2017 APEX Awards (income rec'd in FY18)	\$6,700.00			\$200.00	\$6,500.00
2018 APEX Awards	\$7,500.00	\$5,000.00			\$2,500.00
Program Event Sponsorships	\$6,900.00				\$6,900.00
Matching Gifts	\$6,940.00	\$6,050.00			\$890.00
Other					
Honor/Memorial, AmazonSmile	\$105.00			\$100.00	\$5.00
Sections	\$3,804.00			\$25.00	\$3,779.00
TOTAL	\$245,619.36	\$23,180.00	\$371.56	\$191,973.80	\$30,094.00

Totals listed under **Fundraising Activity** reflect amounts raised from each **Donation Source**

FY18 = October 1, 2017 - September 30, 2018

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SECTION AUTONOMY

DESCRIPTION

WSBA has 29 practice sections. The **Sections Administration** cost center in the General Fund reflects revenues much (but not all) of WSBA's costs to support sections, including the Sections Team; as well as some accounting, staff focused on Mini-CLEs, and supervisory time.

Section revenues and expenses are accounted for in the Board-designated Sections Fund. Each section has its own cost center; collectively, section revenues and expenses are reflected in *The Sections Operations* cost center reflects the revenue generated and expenses incurred by each section through its activities.

OBJECTIVES

Provide members with educational, networking, and leadership opportunities.

MEMBER IMPACT/REACH

There are 16,240 section memberships, held by more than 10,500 WSBA members who belong to one or more section.

FINANCES (DETAILED HISTORY ATTACHED)

Section Administration

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 BUDGET	FY19 BUDGET
Revenue	\$298,165	\$318,525	\$325,655	\$308,000	\$300,000
Direct Expense	\$18,296	\$10,959	\$7,645	\$10,100	\$9,297
Indirect Expense	\$387,441	\$390,670	\$451,126	\$464,958	\$514,081
Net	(\$107,572)	(\$83,104)	(\$133,116)	(\$167,058)	(\$223,378)

The sections pay WSBA a Per-Member Charge (PMC), which is intended to cover WSBA's costs to support the sections. Historically, the PMC has not covered the full cost of accounting, Mini-CLE, communications, and legal support provided to sections.

The PMC has been \$18.75 since FY16. In order to cover all costs for the staffing traditionally included in the PMC calculation (Sections Team and a fraction of an accounting staff person, a total of 3.08 FTE), the PMC would be \$22.41. The PMC would be \$31.34 to cover all costs reflected in the Sections Administration cost center (which includes additional staffing support for a total of 4.25 FTE). The PMC would be higher still to cover the additional CLE, Finance & Accounting, Production, Conference and Broadcast Services, Service Center, General Counsel, IT, and Regulatory Services staff time to support the sections (~8-10 FTE total).

SECTION AUTONOMY

Section Operations

	FY15 ACTUAL	FY16 ACTUAL	FY17 ACTUAL	FY18 BUDGET*	FY19 BUDGET
Revenue	\$802,103	\$710,461	\$660,677	\$613,210	TBD
Expense	\$646,815	\$727,529	\$675,588	\$903,363	TBD
Net	\$155,288	(\$17,068)	(\$14,911)	(\$290,153)	TBD

**Actual results for this cost center typically exceed budget expectations.*

Sections carry forward the results of their fiscal operations, whether positive or negative:

SECTION NAME	Members	Fund Balance (thru 4.30.18)
Administrative Law	280	\$ 41,530.26
Alternative Dispute Resolution	352	27,444.12
Animal Law	108	13,045.40
Antitrust, Consumer Protection, Unfair Business Practices	220	53,526.35
Business Law	1,277	39,078.13
Cannabis Law	63	250.70
Civil Rights Law	172	9,685.61
Construction Law	511	33,083.70
Corporate Counsel	1,084	51,061.32
Creditor Debtor Rights	512	30,700.79
Criminal Law	413	69,093.00
Elder Law	657	65,697.67
Environmental and Land Use Law	793	37,354.61
Family Law	1,121	92,521.85
Health Law	384	68,166.47
Indian Law	312	58,859.01
Intellectual Property	887	87,218.00
International Practice	239	22,750.63
Juvenile Law	203	9,121.93
Labor & Employment Law	991	88,822.45
Legal Assistance to Military Personnel	98	16,019.45
LGBT Law	116	7,134.38
Litigation	1,039	68,735.46
Low Bono	101	6,125.54
Real Property, Probate and Trust	2,342	96,922.81
Senior Lawyers	269	7,384.83
Solo & Small Practice	940	72,233.57
Taxation	656	61,300.14
World Peace Through Law	100	16,314.91
TOTAL	16,240	\$1,251,183.09

SECTION AUTONOMY

Financial Impacts to WSBA if Sections Split Off for Autonomy

Expenses:

- Reduction of support costs in the Sections, CLE, Finance & Accounting, Production, Conference and Broadcast Services, Service Center, General Counsel, IT, and Regulatory Services teams. At a minimum, the expenses would be reduced by \$200,000 from the difference between the costs reflected in the Sections Administration cost center (for 4.25 FTE) and the Per-Member Charge collected from Sections (\$300,000 for FY19). There would be additional reductions beyond this for CLE, Finance & Accounting, Production, Conference and Broadcast Services, Service Center, General Counsel, IT, and Regulatory Services staff time that currently support the sections and are not directly charged to the Sections Administration cost center.
- Future investments, such as replacement costs for a new listserv solution, would potentially not be incurred

Revenues:

- CLE seminar, product, and deskbook net revenues could be impacted, depending on the terms of any partnership/contract between WSBA and the sections

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2015 to September 30, 2015
100% OF YEAR COMPLETE

	FISCAL 2015 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
SECTIONS ADMINISTRATION					
REVENUE:					
REIMBURSEMENTS FROM SECTIONS	285,000.00	53.25	298,164.50	(13,164.50)	104.62%
TOTAL REVENUE:	285,000.00	53.25	298,164.50	(13,164.50)	104.62%
DIRECT EXPENSES:					
DUES STATEMENTS	8,500.00	-	8,122.36	377.64	95.56%
CREDIT CARD MERCHANT FEES	6,000.00	145.98	7,537.50	(1,537.50)	125.63%
STAFF TRAVEL/PARKING	1,300.00	372.40	1,163.69	136.31	89.51%
STAFF MEMBERSHIP DUES	300.00	-	-	300.00	0.00%
SECTION/COMMITTEE CHAIR MTGS	1,500.00	-	700.04	799.96	46.67%
CONFERENCE CALLS	-	-	114.69	(114.69)	
MISCELLANEOUS	300.00	-	658.01	(358.01)	219.34%
TOTAL DIRECT EXPENSES:	17,900.00	518.38	18,296.29	(396.29)	102.21%
INDIRECT EXPENSES:					
SALARY EXPENSE (4.04 FTE)	236,765.00	21,323.83	214,127.25	22,637.75	90.44%
BENEFITS EXPENSE	75,846.00	6,317.95	77,451.70	(1,605.70)	102.12%
OTHER INDIRECT EXPENSE	85,066.00	9,820.10	95,862.54	(10,796.54)	112.69%
TOTAL INDIRECT EXPENSES:	397,677.00	37,461.88	387,441.49	10,235.51	97.43%
TOTAL ALL EXPENSES:	415,577.00	37,980.26	405,737.78	9,839.22	97.63%
NET INCOME (LOSS):	(130,577.00)	(37,927.01)	(107,573.28)		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2015 to September 30, 2015
100% OF YEAR COMPLETE

	FISCAL 2015 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
SECTIONS OPERATIONS					
REVENUE:					
SECTION DUES	467,573.00	-	482,649.85	(15,076.85)	103.22%
SEMINAR PROFIT SHARE	140,700.00	84,024.04	245,923.81	(105,223.81)	174.79%
INTEREST INCOME	585.00	3,566.26	3,566.26	(2,981.26)	609.62%
PUBLICATIONS REVENUE	6,500.00	2,071.56	16,408.66	(9,908.66)	252.44%
OTHER	37,720.00	6,809.00	53,554.60	(15,834.60)	141.98%
TOTAL REVENUE:	653,078.00	96,470.86	802,103.18	(149,025.18)	122.82%
DIRECT EXPENSES:					
DIRECT EXPENSES OF SECTION ACTIVITIES	555,747.00	55,728.48	348,650.71	207,096.29	62.74%
REIMBURSEMENT TO WSBA FOR INDIRECT EXPENSES	287,829.25	53.25	298,164.50	(10,335.25)	103.59%
TOTAL DIRECT EXPENSES:	843,576.25	55,781.73	646,815.21	196,761.04	76.68%
NET INCOME (LOSS):	(190,498.25)	40,689.13	155,287.97		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2016 to September 30, 2016
100% OF YEAR COMPLETE

	FISCAL 2016 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
SECTIONS ADMINISTRATION					
REVENUE:					
REIMBURSEMENTS FROM SECTIONS	311,250.00	-	318,525.00	(7,275.00)	102.34%
TOTAL REVENUE:	311,250.00	-	318,525.00	(7,275.00)	102.34%
DIRECT EXPENSES:					
DUES STATEMENTS	8,500.00	-	9,173.06	(673.06)	107.92%
STAFF TRAVEL/PARKING	1,000.00	788.09	1,174.06	(174.06)	117.41%
STAFF MEMBERSHIP DUES	-	-	40.00	(40.00)	
SECTION/COMMITTEE CHAIR MTGS	1,000.00	-	229.34	770.66	22.93%
CONFERENCE CALLS	300.00	-	49.86	250.14	16.62%
MISCELLANEOUS	300.00	66.85	292.28	7.72	97.43%
TOTAL DIRECT EXPENSES:	11,100.00	854.94	10,958.60	141.40	98.73%
INDIRECT EXPENSES:					
SALARY EXPENSE (3.98 FTE)	227,217.00	18,820.50	223,410.73	3,806.27	98.32%
BENEFITS EXPENSE	87,910.00	6,443.40	73,231.91	14,678.09	83.30%
OTHER INDIRECT EXPENSE	95,273.00	9,617.90	94,027.18	1,245.82	98.69%
TOTAL INDIRECT EXPENSES:	410,400.00	34,881.80	390,669.82	19,730.18	95.19%
TOTAL ALL EXPENSES:	421,500.00	35,736.74	401,628.42	19,871.58	95.29%
NET INCOME (LOSS):	(110,250.00)	(35,736.74)	(83,103.42)		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2016 to September 30, 2016
100% OF YEAR COMPLETE

	FISCAL 2016 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
SECTIONS OPERATIONS					
REVENUE:					
SECTION DUES	473,340.00	-	489,577.87	(16,237.87)	103.43%
SEMINAR PROFIT SHARE	139,200.00	19,320.62	160,774.56	(21,574.56)	115.50%
INTEREST INCOME	719.00	5,355.49	5,355.49	(4,636.49)	744.85%
PUBLICATIONS REVENUE	6,500.00	1,132.94	8,859.77	(2,359.77)	136.30%
OTHER	60,953.00	1,151.25	45,893.66	15,059.34	75.29%
TOTAL REVENUE:	680,712.00	26,960.30	710,461.35	(29,749.35)	104.37%
DIRECT EXPENSES:					
DIRECT EXPENSES OF SECTION ACTIVITIES	582,512.84	60,804.46	409,003.92	173,508.92	70.21%
REIMBURSEMENT TO WSBA FOR INDIRECT EXPENSES	306,970.25	-	318,525.00	(11,554.75)	103.76%
TOTAL DIRECT EXPENSES:	889,483.09	60,804.46	727,528.92	161,954.17	81.79%
NET INCOME (LOSS):	(208,771.09)	(33,844.16)	(17,067.57)		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2017 to September 30, 2017
100.00% OF YEAR COMPLETE

	FISCAL 2017 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
SECTIONS ADMINISTRATION					
REVENUE:					
REIMBURSEMENTS FROM SECTIONS	307,000.00	79.66	325,654.66	(18,654.66)	106.08%
TOTAL REVENUE:	307,000.00	79.66	325,654.66	(18,654.66)	106.08%
DIRECT EXPENSES:					
DUES STATEMENTS	9,500.00	-	5,416.72	4,083.28	57.02%
STAFF TRAVEL/PARKING	1,000.00	-	836.07	163.93	83.61%
SECTION/COMMITTEE CHAIR MTGS	1,000.00	-	879.38	120.62	87.94%
CONFERENCE CALLS	300.00	2.58	206.76	93.24	68.92%
MISCELLANEOUS	300.00	41.00	306.14	(6.14)	102.05%
TOTAL DIRECT EXPENSES:	12,100.00	43.58	7,645.07	4,454.93	63.18%
INDIRECT EXPENSES:					
SALARY EXPENSE (4.03 FTE)	259,395.00	16,517.92	269,490.65	(10,095.65)	103.89%
BENEFITS EXPENSE	93,121.00	6,989.00	92,842.19	278.81	99.70%
OTHER INDIRECT EXPENSE	95,540.00	8,198.18	88,793.32	6,746.68	92.94%
TOTAL INDIRECT EXPENSES:	448,056.00	31,705.10	451,126.16	(3,070.16)	100.69%
TOTAL ALL EXPENSES:	460,156.00	31,748.68	458,771.23	1,384.77	99.70%
NET INCOME (LOSS):	(153,156.00)	(31,669.02)	(133,116.57)		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2017 to September 30, 2017
100.00% OF YEAR COMPLETE

	FISCAL 2017 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
SECTIONS OPERATIONS					
REVENUE:					
SECTION DUES	475,770.00	(70.00)	494,681.50	(18,911.50)	103.97%
SEMINAR PROFIT SHARE	151,310.00	18,398.46	106,741.21	44,568.79	70.54%
INTEREST INCOME	1,406.00	10,722.20	10,722.20	(9,316.20)	762.60%
PUBLICATIONS REVENUE	5,000.00	-	5,389.80	(389.80)	107.80%
OTHER	55,125.00	670.00	43,142.71	11,982.29	78.26%
TOTAL REVENUE:	688,611.00	29,720.66	660,677.42	27,933.58	95.94%
DIRECT EXPENSES:					
DIRECT EXPENSES OF SECTION ACTIVITIES	627,684.00	41,768.95	350,050.71	277,633.29	55.77%
REIMBURSEMENT TO WSBA FOR INDIRECT EXPENSES	310,818.75	(37.50)	325,537.50	(14,718.75)	104.74%
TOTAL DIRECT EXPENSES:	938,502.75	41,731.45	675,588.21	262,914.54	71.99%
NET INCOME (LOSS):	(249,891.75)	(12,010.79)	(14,910.79)		

Washington State Bar Association

Statement of Activities

For the Period from April 1, 2018 to April 30, 2018

58.33% OF YEAR COMPLETE

	FISCAL 2018 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
SECTIONS ADMINISTRATION					
REVENUE:					
REIMBURSEMENTS FROM SECTIONS	308,000.00	3,075.00	297,712.50	10,287.50	96.66%
TOTAL REVENUE:	308,000.00	3,075.00	297,712.50	10,287.50	96.66%
DIRECT EXPENSES:					
STAFF TRAVEL/PARKING	1,200.00	62.10	316.75	883.25	26.40%
SUBSCRIPTIONS	300.00	-	372.00	(72.00)	124.00%
CONFERENCE CALLS	300.00	-	161.33	138.67	53.78%
MISCELLANEOUS	300.00	-	-	300.00	0.00%
SECTION/COMMITTEE CHAIR MTGS	2,000.00	-	580.34	1,419.66	29.02%
DUES STATEMENTS	6,000.00	-	5,257.54	742.46	87.63%
TOTAL DIRECT EXPENSES:	10,100.00	62.10	6,687.96	3,412.04	66.22%
INDIRECT EXPENSES:					
SALARY EXPENSE (4.00 FTE)	266,847.00	22,778.82	144,713.13	122,133.87	54.23%
BENEFITS EXPENSE	100,979.00	8,140.33	57,969.06	43,009.94	57.41%
OTHER INDIRECT EXPENSE	97,132.00	8,395.86	52,737.46	44,394.54	54.29%
TOTAL INDIRECT EXPENSES:	464,958.00	39,315.01	255,419.65	209,538.35	54.93%
TOTAL ALL EXPENSES:	475,058.00	39,377.11	262,107.61	212,950.39	55.17%
NET INCOME (LOSS):	(167,058.00)	(36,302.11)	35,604.89		

Washington State Bar Association
Statement of Activities
For the Period from April 1, 2018 to April 30, 2018
58.33% OF YEAR COMPLETE

	FISCAL 2018 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
SECTIONS OPERATIONS					
REVENUE:					
SECTION DUES	484,380.00	4,711.25	451,908.75	32,471.25	93.30%
SEMINAR PROFIT SHARE	78,934.45	-	25,324.76	53,609.69	32.08%
INTEREST INCOME	1,371.00	-	-	1,371.00	0.00%
PUBLICATIONS REVENUE	4,000.00	-	4,027.14	(27.14)	100.68%
OTHER	44,525.00	1,235.00	26,520.00	18,005.00	59.56%
TOTAL REVENUE:	613,210.45	5,946.25	507,780.65	105,429.80	82.81%
DIRECT EXPENSES:					
DIRECT EXPENSES OF SECTION ACTIVITIES	584,980.00	14,197.72	156,611.57	428,368.43	26.77%
REIMBURSEMENT TO WSBA FOR INDIRECT EXPENSES	318,382.50	3,075.00	297,712.50	20,670.00	93.51%
TOTAL DIRECT EXPENSES:	903,362.50	17,272.72	454,324.07	449,038.43	50.29%
NET INCOME (LOSS):	(290,152.05)	(11,326.47)	53,456.58		

Washington State Bar Association

Budget Comparison Report

For the Period from October 1, 2018 to September 30, 2019

SECTIONS ADMINISTRATION	FISCAL 2018 BUDGET	FISCAL 2019 BUDGET	\$ CHANGE IN BUDGET	% CHANGE IN BUDGET
REVENUE:				
REIMBURSEMENTS FROM SECTIONS	308,000.00	300,000.00	(8,000.00)	-3%
TOTAL REVENUE:	<u>308,000.00</u>	<u>300,000.00</u>	<u>(8,000.00)</u>	<u>-3%</u>
DIRECT EXPENSES:				
SECTION/COMMITTEE CHAIR MTGS	2,000.00	1,000.00	(1,000.00)	-50%
DUES STATEMENTS	6,000.00	6,000.00	-	0%
STAFF TRAVEL/PARKING	1,200.00	1,200.00	-	0%
STAFF MEMBERSHIP DUES	-	125.00	125.00	
SUBSCRIPTIONS	300.00	372.00	72.00	24%
CONFERENCE CALLS	300.00	300.00	-	0%
MISCELLANEOUS	300.00	300.00	-	0%
TOTAL DIRECT EXPENSES:	<u>10,100.00</u>	<u>9,297.00</u>	<u>(803.00)</u>	<u>-8%</u>
INDIRECT EXPENSES:				
FTE	4.00	4.25	0.25	6%
SALARY EXPENSE	266,847.00	297,955.00	31,108.00	12%
BENEFIT EXPENSE	100,979.00	111,672.00	10,693.00	11%
OVERHEAD	97,132.00	104,454.00	7,322.00	8%
TOTAL INDIRECT EXPENSES:	<u>464,958.00</u>	<u>514,081.00</u>	<u>49,123.00</u>	<u>11%</u>
TOTAL ALL EXPENSES:	<u>475,058.00</u>	<u>523,378.00</u>	<u>48,320.00</u>	<u>10%</u>
NET INCOME (LOSS):	<u>(167,058.00)</u>	<u>(223,378.00)</u>	<u>(56,320.00)</u>	

The WSBA has 29 sections and provides the administrative functions necessary to support them. Direct staff time and expenses related to administering the sections are included in this cost center. This cost center also supports the indirect costs of developing 70 credit hours of 'Mini CLEs' for Sections in FY19. Sections partially 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 for supporting the sections. Overall direct expenses for the cost center in FY19 are reduced from FY18.