

WASHINGTON STATE BAR ASSOCIATION

Budget & Audit Committee Meeting Agenda
August 10th, 2020
1:00pm – 5:00pm
Remote Meeting via Zoom

DISCUSSION/ACTION

1. Approval of July 20th Meeting Minutes: Action
2. Second read of the FY 2021 budget
3. Update Sweep Account Activity
4. Keller Calculation
5. Legal Fees Reserves

MINUTES
WSBA Budget and Audit Committee
Various Remote Locations
Via Zoom
July 20th, 2020

Attendance: All members attended via zoom. In virtual attendance were Governor Bryn Peterson, Governor Thomas McBride, Governor Alec Stephens, Treasurer Dan Clark, Governor Brian Tollefson, and Governor PJ Grabicki. Additionally attending were Nancy Hawkins representing Family Law. From the WSBA staff in virtual attendance were Interim Executive Director Terra Nevitt, Chief Financial Officer Jorge Perez, Director of Regulatory Services Jean McElroy, General Counsel Julie Shankland, Chief Disciplinary Counsel Doug Ende, Interim Director of Advancement Kevin Plachy, Chief Communications and Outreach Officer Sara Niegowski, and Elizabeth Wick Manager of Budget and Planning.

Minutes pertaining to the Budget and Audit Committee meeting of June 22nd were presented for approval. Governor Stephens presented a motion to approve the minutes the same was seconded by Governor Grabicki. A vote ensued on the motion, motion approved 6-0.

Summary financial results for the month May were presented by CFO Perez. Results are on track to achieve the reforecast with the exception of Legal Fees which will be over the reforecast. A discussion of the results ensued and replies to questions were provided. Specifically the COVID -19 costs were provided, it was communicated that \$14,000 of COVID -19 expenses will be booked in July.

CFO Perez presented the First Read of the FY – 2021 Budget. The same was received with few questions. The Second Read will be presented in the August 10th Budget and Audit Committee meeting.

Interim Advancement Director Kevin Plachy presented the Section's per member charge for FY 2021. The charge was approved at \$18.62 as presented, with the understanding it would be not be higher than the FY2020 charge of \$18.75.

A motion was presented to seek an exception to the travel policy to allow attendance from governors to 2020 NCBP Virtual Annual Meeting. The motion was presented by Governor Peterson and seconded by Governor Stephens. The ensuing vote was unanimous in favor with a 6 – 0 vote.

Adjournment

The meeting was adjourned by Treasurer Clark at 3:00 p.m.

Respectfully submitted,

Jorge Perez, Chief Financial Officer

TO: WSBA Budget and Audit Committee
FROM: Jorge Perez CFO
DATE: August 10th 2020
RE: FY 2021 Second Pass Budget

ACTION: REVIEW AND APPROVAL OF SECOND PASS 2021 BUDGET

Attached for your review is the Second Pass of the FY2021 Budget for the Washington State Bar Association. As we worked through the budget process we realize the current public health situation driven by the COVID – 19 creates a level of uncertainty that requires us to provide our best thinking as it relates to our assumptions and outcomes. With that said throughout this year we have endeavored to keep a close eye on expenses as evidenced by both the reforecast and the actual results which continue to yield results even better than those forecast. The work we have done to date identifying and implementing efficiencies is going to serve us well as we head into next year with many uncertainties and potential impacts from the global pandemic

This memorandum: (1) provides an overview of the Second draft General Fund, CLE, Client Protection Fund, (2) Key Assumptions in support of budgeted amounts.

I. OVERVIEW OF SECOND DRAFT BUDGETS

FY 2021 Budget	General Fund*	CPF Fund	CLE Fund	Sections
Beginning Balance FY 2020	2,666,537	3,816,143	526,285	1,121,224
Net Income/Loss V 1	(391,125)	(135,582)	33,716	171,000
V1 Budgeted Balance	2,275,412	3,680,561	560,001	1,292,224
Net Income/Loss V 2	(285,221)	(131,884)	(86,582)	(306,880)
V2 Budgeted Balance	2,381,316	3,684,259	439,703	814,344
Difference	105,904	3,698	(120,298)	(477,880)

*Excludes \$2,050,000 of Restricted Funds

A. GENERAL FUND

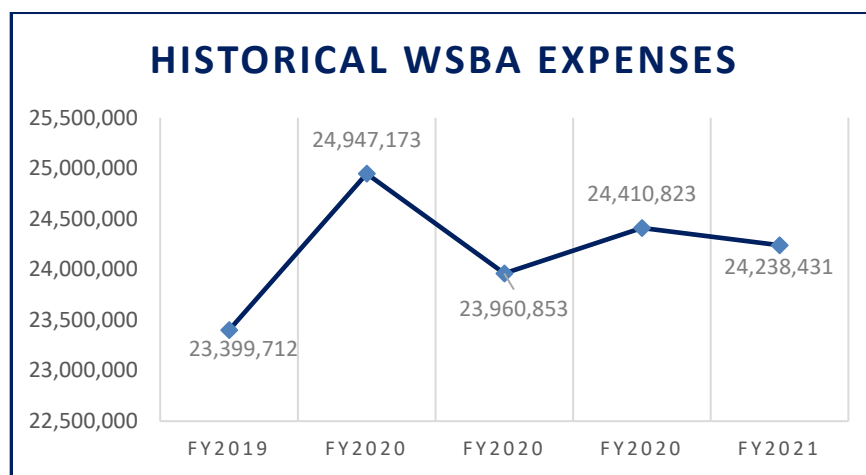
The Second draft assumes revenue of \$20,878,369 expenses of \$21,163,590 a projected net loss of \$(285,221) and an ending fund balance of \$2,487,876. On the revenue side License Fees are higher to the tune of \$488,735, these are partially offset by reduced MCLE revenue of \$270,500. On the expense side the net loss is driven mainly by the

addition of \$150K in expenses for WSBA Staff and BOG training and an increase in Legal Fees to \$250K from \$100K in the reforecast. Fortunately, these impacts have been offset significantly through efficiency gains, including \$402,098 in salaries and \$130,855 in reductions to direct and indirect expenses as compared to the FY 2020 Reforecast.

Additionally, anticipated savings this year will put our reserves well above the targeted level allowing us to absorb these unexpected or uncontrollable impacts. The following table shows the progress made on expenses since FY-19. A Net Income Bridge is provided as Attachment A to this memo.

Expense Comparison

Actual	Budget	Trend	Reforecast	Second Pass
FY2019	FY2020	FY2020	FY2020	FY2021
23,399,712	24,947,173	23,960,853	24,410,823	24,238,431



As demonstrated from the above figure total expenses for the Bar are trending better than the reforecast by \$449,970. The Second Pass budget sets total expenses \$277,578 or 1.2% above the trend and \$172,392 less than the reforecast. This includes the \$300,000 for incremental Legal Fees and training costs. Excluding these 2 items the Second Pass budget expenses would be \$22K below the FY - 2020 trend.

B. CLE FUND

The CLE Budget was prepared assuming we are delivering a full slate of CLE programs as normal (i.e. offsite midyears, offsite one and two day conferences, etc...). If COVID continues to prevent large gatherings in FY 21 most of the CLE programs will be delivered over webinar, that will change direct costs favorably and impact revenue unfavorably. To assume anything other than this could put us in a place where our expenses could be effectively higher than the approved budget. This is a position we do not want to find ourselves in during the year.

C. CLIENT PROTECTION FUND

In November 2019, the Board of Governors voted in favor of lowering the Client Protection Fund assessment from \$30.00 to \$25.00. The vote was subject to ratification by the Washington State Supreme Court, the Court did do so shortly thereafter, and the annual assessment has been reduced starting in FY 2021 from \$30.00 to \$25.00.

Given, the devastating financial impact on the State of Washington and United States of COVID- 19, and the very real impact there will be, we are requesting for the BOG to consider adopting a recommendation to the Supreme Court to lower the FY 2021 annual client protection assessment for an additional one (1) time relief which would be meant to provide WSBA membership that is subject to paying into the fund (Attorneys and LLLT members), some economic relief.

For purposes of this budget submission we assumed the one time reduction will be approved, accordingly we have the CPF contribution at \$10.00 per member. The FY 2021 Budget is planned \$494,460 below the 2020 reforecast.

D. Sections

The Sections were not included in the First Pass of the FY 2021 Budget because of timing. The Second Pass includes Section Revenue is \$579,955 with expenses of \$886,835 resulting in Net Loss of (\$306,880). This Net Loss is encouraged given the actual balance of the Sections reserves through June 2020 of \$1,236,604. The Sections reserve is \$396,620 above its forecast ending balance for FY 2020.

APPENDIX 1
Net Income Bridge

Reforecast Net Income	\$	267,143
License Fee Revenue difference	\$	488,735
MCLE Revenue difference	\$	(270,500)
CPF Revenue difference	\$	(494,460)
Communications Revenue difference	\$	(155,108)
Admissions	\$	(249,175)
NW Lawyer	\$	(134,216)
Other Revenue difference	\$	(35,377)
TOTAL REVENUE	\$	(850,102)
Increased Legal Expense	\$	150,000
HR Staff Training	\$	100,000
BOG Leadership Training	\$	50,000
3% Salary increase	\$	356,000
Eliminated positions/reduced salaries	\$	(402,098)
Other Expense	\$	(130,855)
Direct Expense	\$	104,561
TOTAL EXPENSE	\$	227,608
FY 2021 Net Income/(Loss)	\$	(810,567)
Variance to BOG Reforecast	\$	(1,077,710)



FY – 2021 BUDGET SECOND READ

August 10, 2020

2021 BUDGET FIRST READ VS SECOND READ FUND BALANCES

FY 2021 Budget	General Fund*	CPF Fund	CLE Fund	Sections
Beginning Balance FY 2020	2,666,537	3,816,143	526,285	1,121,224
Net Income/Loss V 1	(391,125)	(135,582)	33,716	171,000
V1 Budgeted Balance	2,275,412	3,680,561	560,001	1,292,224
Net Income/Loss V 2	(285,221)	(131,884)	(86,582)	(306,880)
V2 Budgeted Balance	2,381,316	3,684,259	439,703	814,344
Difference	105,904	3,698	(120,298)	(477,880)

Net Loss Key Drivers

- General Fund – Legal Expenses, Training (\$300K)
- CPF Fund – Reduction of CPF Contribution to \$10.00
- CLE Fund – Reduced CLE Sales, Deskbooks
- Sections – Planned Utilization of Excess Reserves

* Starting General Fun Balance excludes 2,050,000 M of Restricted Funds

FUND BRIDGES

	General Fund	CPF Fund	CLE	Sections
Revenue	20,878,369	529,540	1,840,000	579,955
Licensing revenue	16,806,353			
other revenue	4,072,016			
Expenses	21,163,590	661,424	1,926,582	886,835
indirect expenses	18,454,798	157,305	1,264,527	
direct expenses	2,708,792	504,119	662,055	
Net Income/Loss	(285,221)	(131,884)	(86,582)	(306,880)
FY20 reforecast unrestricted fund balance	2,773,097	4,197,832	579,425	866,984
FY21 Budgeted unrestricted fund balance	2,487,876	4,065,948	492,842.65	560,104
Same amount for Reserve Fund				
General Fund				
Operating Reserve Fund	1,500,000			
Facilities Reserve Fund	550,000			

NET INCOME BRIDGE

Reforecast Net Income	\$	267,143
License Fee Revenue difference	\$	488,735
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CPF Revenue difference	\$	(494,460)
Communications Revenue difference	\$	(155,108)
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KEY ASSUMPTIONS

- Total Members 41,267 an Increase of 456 members
- Headcount is planned at 139.5 FTE
- 3% Salary Increase on All Employees
- CPF is \$10.00 PMC
- Staff Training Assumed at \$150K (HR & BOG)
- Medical & Retirement Assumed 5% Increase
- Gifts to Injured Clients assumed at \$500K
- Legal Fees are planned at \$300K

SUMMARY INCOME STATEMENT

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
WSBA					
REVENUE:					
TOTAL REVENUE	23,827,864	24,452,013	(624,149)	24,677,966	(850,102)
TOTAL DIRECT EXPENSES:	4,761,800	4,652,514	109,287	4,657,240	104,561
INDIRECT EXPENSES:					
Salaries	11,940,121	12,311,249	(371,128)	11,894,023	46,098
Benefits	4,318,168	4,268,380	49,788	4,246,778	71,390
OTHER INDIRECT EXPENSE	3,618,341	3,715,030	(96,689)	3,612,782	5,559
TOTAL INDIRECT EXPENSES:	19,876,630	20,294,659	(418,029)	19,753,583	123,047
TOTAL ALL EXPENSES:	24,638,431	24,947,173	(308,742)	24,410,823	227,608
NET INCOME (LOSS):	(810,567)	(495,160)	(315,407)	267,143	(1,077,710)
FTEs	139.50				

OPEN ITEMS

- OGC based on LY (excluding legal fees assumed at \$250K)

COMPARATIVE COST CENTER STATEMENTS
FY 2021 BUDGET

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
LIC-Licensing Revenue					
REVENUE:					
License Fees	16,806,353	16,200,000	606,353	16,317,618	488,735
TOTAL REVENUE	16,806,353	16,200,000	606,353	16,317,618	488,735
DIRECT EXPENSES:					
INDIRECT EXPENSES:					
NET INCOME (LOSS):	16,806,353	16,200,000	606,353	16,317,618	488,735

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
ATJ-Access to Justice					
REVENUE:					
Work Study Grants		2,100	(2,100)		-
TOTAL REVENUE		2,100	(2,100)		-
DIRECT EXPENSES:					
Staff Travel/Parking	3,500	2,700	800	2,700	800
Staff Membership Dues	120	120	-	120	-
ATJ Board Retreat	2,000	2,000	-	2,000	-
Leadership Training	2,000	2,000	-	2,000	-
ATJ Board Expense	20,000	24,000	(4,000)	24,000	(4,000)
Public Defense	5,000	7,000	(2,000)	7,000	(2,000)
Reception/Forum Expense	7,125	9,500	(2,375)	2,000	5,125
TOTAL DIRECT EXPENSES:	41,981	47,320	(5,339)	39,820	2,161
INDIRECT EXPENSES:					
Salaries	113,833	151,471	(37,638)	185,736	(71,903)
Benefits	50,054	54,307	(4,253)	80,467	(30,413)
OTHER INDIRECT EXPENSE	44,017	55,323	(11,305)	52,781	(8,764)
TOTAL INDIRECT EXPENSES:	207,905	261,101	(53,196)	318,984	(111,079)
TOTAL ALL EXPENSES:	249,886	308,421	(58,535)	358,804	(108,918)
NET INCOME (LOSS):	(249,886)	(306,321)	56,435	(358,804)	108,918
FTEs	1.60				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
ADMIN - Administration					
REVENUE:					
Interest - Investments	100,000	100,000	-	100,000	-
TOTAL REVENUE	100,000	100,000	-	100,000	-
DIRECT EXPENSES:					
Consulting Services	11,000		11,000		11,000
Staff Travel/Parking	4,200	4,200	-	4,200	-
Staff Membership Dues	-	950	(950)	950	(950)
Law Library	-	279	(279)	279	(279)
TOTAL DIRECT EXPENSES:	24,871	5,429	19,442	5,429	19,442
INDIRECT EXPENSES:					
Salaries	661,596	723,667	(62,071)	702,386	(40,790)
Benefits	226,446	246,682	(20,235)	230,920	(4,474)
OTHER INDIRECT EXPENSE	190,375	229,970	(39,595)	219,369	(28,994)
TOTAL INDIRECT EXPENSES:	1,078,417	1,200,318	(121,901)	1,152,675	(74,258)
TOTAL ALL EXPENSES:	1,103,288	1,205,747	(102,459)	1,158,104	(54,816)
NET INCOME (LOSS):	(1,003,288)	(1,105,747)	102,459	(1,058,104)	54,816
FTEs	6.92				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
ADMISS-Admissions					
REVENUE:					
Exam Soft Revenue	31,500	35,000	(3,500)	33,000	(1,500)
Bar Exam Fees	1,019,035	1,300,000	(280,965)	1,300,000	(280,965)
Bar Exam Late Fees	34,200		34,200		34,200
House Counsel Application Fees	30,000	60,000	(30,000)	37,200	(7,200)
Rule 9/Legal intern Fees	12,000	12,000	-	13,350	(1,350)
Foreign Law Consultant Fees	620		620		620
Special Admissions	7,020		7,020		7,020
TOTAL REVENUE	1,134,375	1,407,000	(272,625)	1,383,550	(249,175)
DIRECT EXPENSES:					
Depreciation		26,900	(26,900)		-
Postage	1,800	4,000	(2,200)	3,570	(1,770)
Staff Travel/Parking	17,000	14,900	2,100	14,900	2,100
Staff Membership Dues	800	650	150	650	150
Supplies	1,000	2,500	(1,500)	2,000	(1,000)
Conference Calls			-	4	(4)
Facility, Parking, Food	64,700	84,060	(19,360)	85,000	(20,300)
Examiner Fees	20,000	35,000	(15,000)	26,000	(6,000)
UBE Examinations	115,900	135,000	(19,100)	120,000	(4,100)
Board of Bar Examiners	6,000	30,000	(24,000)	28,500	(22,500)
Bar Exam Proctors	27,000	31,000	(4,000)	30,000	(3,000)
Character & Fitness Board Exp	12,000	20,000	(8,000)	15,000	(3,000)
Disability Accommodations	10,000	20,000	(10,000)	17,250	(7,250)
Character & Fitness Investi	300	900	(600)	500	(200)
Law School Visits	920	1,600	(680)	1,600	(680)
Depreciation-Software	22,778		22,778		22,778
Court Reporters	15,000	18,000	(3,000)	15,000	-
Online Legal Research	2,682	3,675	(993)	3,675	(993)
Law Library	378	1,116	(738)	1,116	(738)
TOTAL DIRECT EXPENSES:	327,416	429,301	(101,885)	364,765	(37,348)
INDIRECT EXPENSES:					
Salaries	479,520	547,525	(68,005)	534,949	(55,429)
Benefits	195,751	205,448	(9,697)	204,543	(8,792)
OTHER INDIRECT EXPENSE	180,372	195,956	(15,584)	186,931	(6,559)
TOTAL INDIRECT EXPENSES:	855,643	948,929	(93,286)	926,423	(70,780)
TOTAL ALL EXPENSES:	1,183,060	1,378,230	(195,171)	1,291,188	(108,128)
NET INCOME (LOSS):	(48,685)	28,770	(77,454)	92,362	(141,047)

FTEs

6.55

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
BOG - Board of Governors					
REVENUE:					
				-	
DIRECT EXPENSES:					
Consulting Services		5,000	(5,000)	5,000	(5,000)
Staff Travel/Parking		400	(400)		-
Leadership Training	50,000		50,000		50,000
Washington Leadership Institute		100,000	(100,000)	100,000	(100,000)
BOG Meetings	210,500	210,500	-	210,500	-
BOG Committees' Expenses	30,000	30,000	-	30,000	-
BOG Retreat	15,000	15,000	-	15,000	-
BOG Conference Attendance	44,000	44,000	-	44,000	-
BOG Travel & Outreach	35,000	35,000	-	30,000	5,000
BOG Elections	12,000		12,000		12,000
President's Dinner	10,000		10,000		10,000
TOTAL DIRECT EXPENSES:	408,946	439,900	(30,954)	434,500	(25,554)
INDIRECT EXPENSES:					
Salaries	116,539	69,756	46,783	66,113	50,426
Benefits	46,979	26,595	20,384	20,407	26,572
OTHER INDIRECT EXPENSE	48,144	28,811	19,333	27,490	20,654
					-
TOTAL INDIRECT EXPENSES:	211,662	125,162	86,500	114,010	97,652
				-	
TOTAL ALL EXPENSES:	620,608	565,062	55,546	548,510	72,098
NET INCOME (LOSS):	(620,608)	(565,062)	(55,546)	(548,510)	(72,098)

FTEs 1.75

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
COMM-Communication Strategies					
REVENUE:					
WSBA Logo Merchandise Sales	-		-	343	(343)
APEX Dinner	-	40,000		2,250	(2,250)
50 Year Member Tribute Lunch	-			300	(300)
TOTAL REVENUE	-	40,000	(40,000)	2,893	(2,893)
DIRECT EXPENSES:					
Staff Travel/Parking	4,700	4,700	-	4,700	-
Staff Membership Dues	1,183	1,515	(332)	1,515	(332)
Subscriptions	3,052	10,050	(6,998)	3,000	52
Digital/Online Development	800	1,450	(650)	1,450	(650)
Telephone	300	325	(25)	325	(25)
Conference Calls	302		302	30	272
Miscellaneous	5,000		5,000		5,000
APEX Dinner Expenses	25,000	70,000	(45,000)	23,000	2,000
50 Year Member Tribute Lunch	10,708	8,000	2,708	10,708	0
Communications Outreach	25,000	15,000	10,000	34,000	(9,000)
TOTAL DIRECT EXPENSES:	81,360	111,040	(29,680)	78,728	2,633
INDIRECT EXPENSES:					
Salaries	257,293	310,102	(52,809)	297,765	(40,472)
Benefits	93,055	118,091	(25,037)	117,948	(24,893)
OTHER INDIRECT EXPENSE	104,633	127,922	(23,289)	122,055	(17,422)
TOTAL INDIRECT EXPENSES:	454,980	556,115	(101,135)	537,768	(82,788)
TOTAL ALL EXPENSES:	536,340	667,155	(130,815)	616,496	(80,155)
NET INCOME (LOSS):	(536,340)	(627,155)	90,815	(613,603)	77,263
FTEs	3.80				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
CBS-Conference and Broadcast Services					
REVENUE:					
				-	
DIRECT EXPENSES:					
Translation Services		5,500	(5,500)	9,000	(9,000)
TOTAL DIRECT EXPENSES:	-	5,500	(5,500)	9,000	(9,000)
INDIRECT EXPENSES:					
Salaries	-	439,469	(439,469)	407,873	(407,873)
Benefits	-	175,469	(175,469)	159,798	(159,798)
OTHER INDIRECT EXPENSE	-	204,826	(204,826)	195,453	(195,453)
TOTAL INDIRECT EXPENSES:	-	819,763	(819,763)	763,124	(763,124)
TOTAL ALL EXPENSES:	-	825,263	(825,263)	772,124	(772,124)
NET INCOME (LOSS):	-	(825,263)	825,263	(772,124)	772,124

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Rereforecast - BOG Approved	FY2021 v2 vs Rereforecast
Office of Disciplinary Counsel					
REVENUE:					
Audit Revenue	2,500	2,500	-	2,500	-
Recovery of Discipline Costs	80,000	90,000	(10,000)	90,000	(10,000)
Discipline History Summary	15,000	14,000	1,000	14,000	1,000
Practice Monitor Fees		4,000	(4,000)		-
TOTAL REVENUE	97,500	110,500	(13,000)	106,500	(9,000)
DIRECT EXPENSES:					
Depreciation		2,300	(2,300)	2,300	(2,300)
Publications Production	250	250	-	250	-
Staff Travel/Parking	35,000	35,000	-	35,000	-
Staff Membership Dues	4,840	4,111	729	4,877	(37)
Telephone	2,900	2,300	600	2,849	51
Court Reporters	35,000	35,000	-	30,000	5,000
Outside Counsel Expenses	5,000	1,000	4,000	1,000	4,000
Litigation Expenses	35,000	25,000	10,000	35,000	-
Disability Expenses	10,000	7,500	2,500	7,500	2,500
Online Legal Research	53,288	53,288	-	43,188	10,099
Law Library	12,000	6,700	5,300	5,800	6,200
Translation Services	1,000	1,000	-	1,000	-
Practice Monitor Expenses		4,000	(4,000)		-
TOTAL DIRECT EXPENSES:	247,389	177,449	69,940	168,765	78,624
INDIRECT EXPENSES:					
Salaries	3,679,216	3,676,010	3,206	3,599,769	79,447
Benefits	1,248,214	1,209,863	38,351	1,196,980	51,234
OTHER INDIRECT EXPENSE	1,045,613	1,064,367	(18,754)	1,015,202	30,411
TOTAL INDIRECT EXPENSES:	5,973,043	5,950,240	22,803	5,811,951	161,092
TOTAL ALL EXPENSES:	6,220,432	6,127,688	92,744	5,980,716	239,716
NET INCOME (LOSS):	(6,122,932)	(6,017,188)	(105,744)	(5,874,216)	(248,716)
FTEs	38.00				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
DIV-Diversity					
REVENUE:					
Donations & Grants	125,000	125,000	-	130,000	(5,000)
Work Study Grants	10,374	10,374	-	5,187	5,187
TOTAL REVENUE	135,374	135,374	-	135,187	187
DIRECT EXPENSES:					
Staff Travel/Parking	4,000	6,000	(2,000)	4,000	-
Staff Membership Dues	640	980	(340)	640	-
Committee for Diversity	6,000	6,000	-	6,000	-
Diversity Events & Projects	17,250	15,750	1,500	15,250	2,000
Internal Diversity Outreach	-	200	(200)	200	(200)
TOTAL DIRECT EXPENSES:	31,328	28,930	2,398	26,090	5,238
INDIRECT EXPENSES:					
Salaries	177,334	341,233	(163,899)	187,061	(9,727)
Benefits	66,940	114,807	(47,867)	81,042	(14,102)
OTHER INDIRECT EXPENSE	67,677	111,519	(43,842)	106,386	(38,709)
TOTAL INDIRECT EXPENSES:	311,950	567,558	(255,608)	374,489	(62,539)
TOTAL ALL EXPENSES:	343,278	596,488	(253,210)	400,579	(57,301)
NET INCOME (LOSS):	(207,904)	(461,114)	253,210	(265,392)	57,488
FTEs	2.46				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
FOUND-Foundation					
REVENUE:					
				-	
DIRECT EXPENSES:					
Consulting Services	3,000	3,000	-	3,000	-
Postage	500	500	-	500	-
Printing & Copying	900	900	-	900	-
Staff Travel/Parking	500	750	(250)	500	-
Supplies	250	250	-	250	-
Special Events	5,000	5,000	-	5,000	-
Board of Trustees	2,000	3,000	(1,000)	2,000	-
TOTAL DIRECT EXPENSES:	13,548	13,400	148	12,150	1,398
INDIRECT EXPENSES:					
Salaries	76,758	90,008	(13,250)	70,951	5,807
Benefits	17,260	31,638	(14,378)	30,738	(13,478)
OTHER INDIRECT EXPENSE	27,511	30,186	(2,675)	28,864	(1,353)
				-	
TOTAL INDIRECT EXPENSES:	121,528	151,832	(30,304)	130,553	(9,025)
TOTAL ALL EXPENSES:	135,076	165,232	(30,156)	142,703	(7,627)
NET INCOME (LOSS):	(135,076)	(165,232)	30,156	(142,703)	7,627
FTEs	1.00				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
HR-Human Resources					
REVENUE:					
				-	
DIRECT EXPENSES:					
Consulting Services	37,500	75,000	(37,500)	75,000	(37,500)
Staff Travel/Parking	741	250	491	250	491
Staff Membership Dues	193	870	(677)	385	(192)
Subscriptions	3,505	2,100	1,405	2,239	1,266
Staff Training- General	100,000	30,000	70,000	25,000	75,000
Recruiting and Advertising	7,000	7,000	-	7,000	-
Payroll Processing	49,000	49,000	-	49,000	-
Salary Surveys	2,900	2,900	-	2,900	-
Transfer to Indirect Expense	(200,839)	(167,120)	(33,719)	(161,774)	(39,065)
TOTAL DIRECT EXPENSES:	-	-	-	-	-
INDIRECT EXPENSES:					
Salaries	290,204	271,913	18,291	267,155	23,049
Benefits	92,733	86,580	6,153	37,600	55,133
OTHER INDIRECT EXPENSE	104,541	70,622	33,919	34,362	70,179
					-
TOTAL INDIRECT EXPENSES:	487,479	229,115	258,364	339,117	148,362
TOTAL ALL EXPENSES:	487,479	229,115	258,364	339,117	148,362
NET INCOME (LOSS):	(487,479)	(229,115)	(258,364)	(339,117)	(148,362)
FTEs	3.80				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
CLERK-Law Clerk Program					
REVENUE:					
Law Clerk Fees	190,000	172,000	18,000	191,362	(1,362)
Law Clerk Application Fees	3,000	2,700	300	3,200	(200)
TOTAL REVENUE	193,000	174,700	18,300	194,562	(1,562)
DIRECT EXPENSES:					
Staff Travel/Parking	300	600	(300)	400	(100)
Subscriptions	250	250	-	250	-
Character & Fitness Investi	100	100	-	100	-
Law Clerk Board	5,000	10,000	(5,000)	6,000	(1,000)
Law Clerk Outreach	3,000	3,000	-	6,000	(3,000)
TOTAL DIRECT EXPENSES:	9,908	13,950	(4,042)	12,750	(2,842)
INDIRECT EXPENSES:					
Salaries	49,391	92,121	(42,730)	98,336	(48,945)
Benefits	21,258	34,343	(13,085)	37,600	(16,342)
OTHER INDIRECT EXPENSE	24,760	36,016	(11,256)	34,362	(9,602)
TOTAL INDIRECT EXPENSES:	95,409	162,479	(67,070)	170,298	(74,889)
TOTAL ALL EXPENSES:	105,317	176,429	(71,112)	183,048	(77,731)
NET INCOME (LOSS):	87,683	(1,729)	89,412	11,514	76,169
FTEs	0.90				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
LEG-Legislative					
REVENUE:					
				-	
DIRECT EXPENSES:					
Staff Travel/Parking	4,550	2,500	2,050	2,500	2,050
Staff Membership Dues	450	450	-	450	-
Subscriptions	2,000	2,000	-	2,000	-
Rent - Olympia Office	2,500	2,500	-	1,500	1,000
Contract Lobbyist	20,000	5,000	15,000	20,000	(0)
Legislative Committee	2,500	2,500	-	3,000	(500)
BOG Legislative Committee	250	250	-	250	-
TOTAL DIRECT EXPENSES:	33,647	15,200	18,447	29,700	3,947
INDIRECT EXPENSES:					
Salaries	70,310	82,883	(12,573)	87,076	(16,766)
Benefits	30,143	30,627	(484)	34,491	(4,348)
OTHER INDIRECT EXPENSE	27,511	31,695	(4,184)	30,239	(2,728)
				-	
TOTAL INDIRECT EXPENSES:	127,964	145,204	(17,241)	151,806	(23,842)
				-	
TOTAL ALL EXPENSES:	161,611	160,404	1,207	181,506	(19,895)
NET INCOME (LOSS):	(161,611)	(160,404)	(1,207)	(181,506)	19,895
FTEs	1.00				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
LICMR-Licensing & Membership Records					
REVENUE:					
Status Certificate Fees	26,300	22,000	4,300	25,000	1,300
Investigation Fees	24,000	22,700	1,300	24,000	-
Pro Hac Vice	274,800	270,000	4,800	290,000	(15,200)
Member Contact Information	11,000	10,000	1,000	11,000	-
Photo Bar Card Sales	350	300	50	350	-
TOTAL REVENUE	336,450	325,000	11,450	350,350	(13,900)
DIRECT EXPENSES:					
Depreciation	1,151	13,850	(12,699)	13,850	(12,699)
Postage	18,300	19,500	(1,200)	19,500	(1,200)
Licensing Forms	2,500	2,438	63	2,253	247
TOTAL DIRECT EXPENSES:	27,262	35,788	(8,526)	35,603	(8,342)
INDIRECT EXPENSES:					
Salaries	343,548	386,870	(43,322)	341,930	1,618
Benefits	142,954	129,932	13,022	126,335	16,619
OTHER INDIRECT EXPENSE	104,541	121,037	(16,496)	115,458	(10,917)
TOTAL INDIRECT EXPENSES:	591,043	637,839	(46,796)	583,723	7,320
TOTAL ALL EXPENSES:	618,305	673,627	(55,322)	619,326	(1,021)
NET INCOME (LOSS):	(281,855)	(348,627)	66,772	(268,976)	(12,879)
FTEs	3.80				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
LLLT-Limited License Legal Technician					
REVENUE:					
Seminar Registrations	1,750	14,655	(12,905)	4,344	(2,594)
LLLT Exam Late Fee	600		600		600
LLLT License Fees	10,905	7,250	3,655	5,736	5,169
LLLT Exam Fees	9,000	4,500	4,500	6,280	2,720
Investigation Fees	300	300	-	300	-
LLLT Late License Fees	412	300	112	300	112
LLLT Waiver Fees	300	300	-	150	150
Member Late Fees	-	300	(300)	150	(150)
TOTAL REVENUE	23,267	27,605	(4,338)	17,260	6,007
DIRECT EXPENSES:					
Postage	-	20	(20)	20	(20)
Staff Travel/Parking	200	600	(400)	600	(400)
Facility, Parking, Food		600	(600)		-
LLLT Board	7,000	18,000	(11,000)	14,000	(7,000)
LLLT Outreach	1,000	3,000	(2,000)	4,000	(3,000)
Exam Writing	-	14,178	(14,178)	10,750	(10,750)
LLLT Education	-	5,650	(5,650)	2,500	(2,500)
Editorial Advis Committee Exp		800	(800)		-
Licensing Forms	3	3	1	3	1
TOTAL DIRECT EXPENSES:	9,601	42,851	(33,250)	31,873	(22,272)
INDIRECT EXPENSES:					
Salaries	62,532	103,330	(40,798)	103,650	(41,118)
Benefits	26,433	37,782	(11,349)	39,631	(13,198)
OTHER INDIRECT EXPENSE	27,511	38,467	(10,956)	36,836	(9,325)
TOTAL INDIRECT EXPENSES:	116,476	179,579	(63,103)	180,117	(63,641)
TOTAL ALL EXPENSES:	126,076	222,430	(96,353)	211,990	(85,913)
NET INCOME (LOSS):	(102,809)	(194,825)	92,015	(194,730)	91,920
FTEs	1.00				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
LPO-Limited Practice Officers					
REVENUE:					
Investigation Fees	1,000	1,000	-	1,000	-
LPO Examination Fees	16,000	26,000	(10,000)	26,800	(10,800)
LPO Exam Late Fee	2,400		2,400		2,400
LPO License Fees	171,400	173,900	(2,500)	172,517	(1,117)
LPO Late License Fees	4,500	4,590	(90)	3,088	1,412
Accredited Program Fees		6,000	(6,000)		-
Member Late Fees		900	(900)	1,800	(1,800)
TOTAL REVENUE	195,300	212,390	(17,090)	205,205	(9,905)
DIRECT EXPENSES:					
Postage		480	(480)		-
Printing & Copying	100	200	(100)		100
Staff Travel/Parking	500	100	400	500	-
Facility, Parking, Food	100	6,890	(6,790)	24	76
Exam Writing	9,750	14,178	(4,428)	9,750	-
Online Legal Research	1,800	1,838	(38)	1,838	(38)
Law Library	279	279	-	279	-
Licensing Forms		60	(60)		-
LPO Board Expenses	3,000	3,000	-	3,000	-
LPO Outreach	4,000	3,000	1,000	5,000	(1,000)
TOTAL DIRECT EXPENSES:	20,228	30,025	(9,797)	20,391	(163)
INDIRECT EXPENSES:					
Salaries	29,237	86,688	(57,451)	83,983	(54,746)
Benefits	12,468	31,309	(18,842)	32,112	(19,644)
OTHER INDIRECT EXPENSE	13,755	31,265	(17,509)	29,964	(16,209)
TOTAL INDIRECT EXPENSES:	55,460	149,262	(93,802)	146,059	(90,599)
TOTAL ALL EXPENSES:	75,688	179,287	(103,599)	166,450	(90,762)
NET INCOME (LOSS):	119,612	33,103	86,509	38,755	80,857

FTEs 0.50

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
MCLE-Mandatory Continuing Legal Education					
REVENUE:					
Accredited Program Fees	480,000	534,000	(54,000)	516,700	(36,700)
Form 1 Late Fee	150,000	150,000	-	170,000	(20,000)
Member Late Fees	2,700	201,800	(199,100)	191,000	(188,300)
Annual Accredited Sponsor Fees	42,250	43,000	(750)	41,750	500
Attendance Late Fees	80,000	85,000	(5,000)	90,000	(10,000)
COMITY Certificates - Request	13,000	13,000	-	13,000	-
COMITY Certificates - Submit	-	16,000	(16,000)	16,000	(16,000)
TOTAL REVENUE	767,950	1,042,800	(274,850)	1,038,450	(270,500)
DIRECT EXPENSES:					
Depreciation		250,000	(250,000)	250,000	(250,000)
Staff Travel/Parking	50		50	50	-
Staff Membership Dues	500	500	-	500	-
Online Legal Research	-	1,838	(1,838)	1,838	(1,838)
Law Library	-	279	(279)	279	(279)
MCLE Board Expenses	2,600	2,000	600	2,500	100
Depreciation-Software	143,045		143,045		143,045
TOTAL DIRECT EXPENSES:	151,511	254,617	(103,105)	255,167	(103,655)
INDIRECT EXPENSES:					
Salaries	266,995	424,678	(157,683)	509,354	(242,359)
Benefits	108,168	123,201	(15,033)	139,871	(31,703)
OTHER INDIRECT EXPENSE	104,743	133,971	(29,229)	127,828	(23,085)
TOTAL INDIRECT EXPENSES:	479,906	681,850	(201,945)	777,053	(297,147)
TOTAL ALL EXPENSES:	631,417	936,467	(305,050)	1,032,220	(400,803)
NET INCOME (LOSS):	136,533	106,333	30,200	6,230	130,303
FTEs	3.80				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Rereforecast - BOG Approved	FY2021 v2 vs Rereforecast
MAP-Member Assistance Program					
REVENUE:					
Diversion	8,000	6,750	1,250	6,750	1,250
TOTAL REVENUE	8,000	6,750	1,250	6,750	1,250
DIRECT EXPENSES:					
Publications Production		200	(200)	200	(200)
Staff Membership Dues	225	225	-	225	-
Prof Liab Insurance	850	850	-	850	-
TOTAL DIRECT EXPENSES:	2,053	1,275	778	1,275	778
INDIRECT EXPENSES:					
Salaries	65,052	87,698	(22,646)	82,545	(17,493)
Benefits	32,876	35,010	(2,135)	26,410	6,466
OTHER INDIRECT EXPENSE	19,258	25,948	(6,690)	24,741	(5,483)
TOTAL INDIRECT EXPENSES:	117,186	148,656	(31,470)	133,696	(16,510)
TOTAL ALL EXPENSES:	119,239	149,931	(30,692)	134,971	(15,732)
NET INCOME (LOSS):	(111,239)	(143,181)	31,942	(128,221)	16,982
FTEs	0.70				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
MSE-Member Services and Engagement					
REVENUE:					
Royalties	49,250	42,500	6,750	49,250	-
NMP Product Sales	80,000	70,000	10,000	80,000	-
Sponsorships		800	(800)		-
Seminar Registrations	15,000	15,000	-	15,000	-
Trial Advocacy Program	10,000	10,000	-	10,000	-
TOTAL REVENUE	154,250	138,300	15,950	154,250	-
DIRECT EXPENSES:					
YLL Section Program	1,500	1,100	400	1,100	400
CLE Comps	1,000	1,000	-	1,000	-
Staff Travel/Parking	2,500	2,500	-	2,500	-
Staff Membership Dues	490	445	45	445	45
Subscriptions	500	500	-	500	-
Conference Calls	300	300	-	300	-
Speakers & Program Develop		1,500	(1,500)		-
Library Materials/Resources	6,200	5,500	700	6,200	-
Speakers & Program Development	1,500		1,500	1,500	-
New Lawyer Outreach Events	2,500	2,500	-	2,500	-
New Lawyers Committee	12,500	15,000	(2,500)	1,500	11,000
Open Sections Night		3,000	(3,000)		-
Trial Advocacy Expenses	5,000	2,500	2,500	2,500	2,500
Reception/Forum Expense	4,000	4,000	-	3,000	1,000
Scholarships/Donations/Grant	5,000	2,500	2,500	2,500	2,500
TOTAL DIRECT EXPENSES:	48,762	42,345	6,417	25,545	23,217
INDIRECT EXPENSES:					
Salaries	286,006	326,272	(40,266)	330,563	(44,557)
Benefits	97,783	119,569	(21,786)	143,212	(45,429)
OTHER INDIRECT EXPENSE	113,620	122,170	(8,551)	116,557	(2,937)
TOTAL INDIRECT EXPENSES:	497,409	568,011	(70,602)	590,332	(92,923)
TOTAL ALL EXPENSES:	546,171	610,356	(64,186)	615,877	(69,706)
NET INCOME (LOSS):	(391,921)	(472,056)	80,136	(461,627)	69,706

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
MBEN-Membership Benefits					
REVENUE:					
Sponsorships	9,000	9,000	-	9,000	-
Internet Sales	19,000	12,000	7,000	19,000	-
TOTAL REVENUE	28,000	21,000	7,000	28,000	-
DIRECT EXPENSES:					
Transcription Services	1,500	1,500	-	1,500	-
Conference Calls	2,000		2,000		2,000
Speakers & Program Develop	2,000	2,000	-	2,000	-
WSBA Connects	46,560	46,560	-	46,560	-
Casemaker/FastCase	136,436	136,436	-	136,436	-
TOTAL DIRECT EXPENSES:	190,117	186,496	3,621	186,496	3,621
INDIRECT EXPENSES:					
Salaries	77,693	53,322	24,371	74,151	3,542
Benefits	25,057	19,453	5,605	32,124	(7,067)
OTHER INDIRECT EXPENSE	31,913	19,737	12,175	18,968	12,945
TOTAL INDIRECT EXPENSES:	134,662	92,512	42,150	125,243	9,419
TOTAL ALL EXPENSES:	324,780	279,008	45,772	311,739	13,041
NET INCOME (LOSS):	(296,780)	(258,008)	(38,772)	(283,739)	(13,041)
FTEs	1.16				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
BN-NW Lawyer					
REVENUE:					
Royalties	1,500		1,500	1,216	284
BNews Display Advertising	300,000	297,500	2,500	423,500	(123,500)
BNews Subscript/Single Issues	350	350	-	350	-
BNews Classified Advertising	11,500	12,500	(1,000)	12,500	(1,000)
BNews Gen Announcements	15,000	17,500	(2,500)	20,000	(5,000)
BNews Prof Announcements	20,000	21,000	(1,000)	25,000	(5,000)
Job Target Advertising	120,000	112,500	7,500	120,000	-
TOTAL REVENUE	468,350	461,350	7,000	602,566	(134,216)
DIRECT EXPENSES:					
Bad Debt Expense	750	2,000	(1,250)	2,000	(1,250)
Postage	95,000	89,000	6,000	95,000	-
Printing & Copying	250,000	250,000	-	250,000	-
Staff Membership Dues	615	615	-	615	-
Digital/Online Development	11,000	12,000	(1,000)	13,200	(2,200)
Graphics/Artwork	1,500	3,500	(2,000)	2,000	(500)
Outside Sales Expense	90,000		90,000	118,500	(28,500)
Editorial Advis Committee Exp	800		800	800	-
TOTAL DIRECT EXPENSES:	453,615	357,115	96,500	482,115	(28,500)
INDIRECT EXPENSES:					
Salaries	199,455	206,395	(6,940)	216,483	(17,028)
Benefits	68,957	79,696	(10,739)	85,752	(16,795)
OTHER INDIRECT EXPENSE	77,764	73,488	4,276	70,099	7,665
TOTAL INDIRECT EXPENSES:	346,176	359,579	(13,403)	372,334	(26,158)
TOTAL ALL EXPENSES:	799,791	716,694	83,097	854,449	(54,658)
NET INCOME (LOSS):	(331,441)	(255,344)	(76,097)	(251,883)	(79,558)

FTEs

2.83

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
Office of Executive Director					
REVENUE:					
				-	
DIRECT EXPENSES:					
Staff Travel/Parking		5,400	(5,400)	5,400	(5,400)
Staff Membership Dues		1,700	(1,700)	1,700	(1,700)
Telephone		1,000	(1,000)		-
ABA Delegates	5,000		5,000		5,000
Section/Committee Chair Mtgs	500		500		500
Washington Leadership Institute	80,000		80,000		80,000
ED Travel & Outreach	5,000	5,000	-	5,000	-
BOG Elections	1		1		1
Law Library		279	(279)	279	(279)
TOTAL DIRECT EXPENSES:	105,694	13,379	92,315	12,379	93,315
INDIRECT EXPENSES:					
Salaries	399,634	247,104	152,530	382,572	17,062
Benefits	140,741	71,129	69,612	118,089	22,652
OTHER INDIRECT EXPENSE	82,533	41,829	40,704	39,860	42,673
TOTAL INDIRECT EXPENSES:	622,908	360,062	262,846	540,521	82,387
TOTAL ALL EXPENSES:	728,601	373,441	355,160	552,900	175,701
NET INCOME (LOSS):	(728,601)	(373,441)	(355,160)	(552,900)	(175,701)
FTEs	3.00				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
OGC-Office of General Counsel					
REVENUE:					
Copy Fees				4	(4)
TOTAL REVENUE			-	4	(4)
DIRECT EXPENSES:					
Depreciation	1,668	3,336	(1,668)	3,336	(1,668)
Staff Travel/Parking		300	(300)	300	(300)
Staff Membership Dues	25	1,500	(1,475)	2,725	(2,700)
Litigation Expenses		500	(500)	500	(500)
Online Legal Research		11,025	(11,025)	11,205	(11,205)
Law Library		1,673	(1,673)	2,921	(2,921)
Court Rules Committee	3,000	3,000	-	3,000	-
Discipline Advisory Roundtable	500	500	-	500	-
Custodianship	1,500	2,500	(1,000)	1,500	-
TOTAL DIRECT EXPENSES:	15,606	24,334	(8,728)	25,987	(10,382)
INDIRECT EXPENSES:					
Salaries	597,765	600,907	(3,142)	460,618	137,147
Benefits	183,258	198,081	(14,823)	159,114	24,144
OTHER INDIRECT EXPENSE	175,450	167,751	7,699	159,991	15,459
TOTAL INDIRECT EXPENSES:	956,473	966,739	(10,266)	779,723	176,750
TOTAL ALL EXPENSES:	972,079	991,073	(18,994)	805,710	166,368
NET INCOME (LOSS):	(972,079)	(991,073)	18,994	(805,706)	(166,372)
FTEs	6.38				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
OGCDB-Office of General Counsel Disciplinary Board					
REVENUE:					
				-	
DIRECT EXPENSES:					
Staff Membership Dues	100	200	(100)	100	-
Law Library		1,116	(1,116)	1,116	(1,116)
Disciplinary Board Expenses	4,000	10,000	(6,000)	4,000	-
Chief Hearing Officer	33,000	33,000	-	33,000	-
Hearing Officer Expenses	2,000	3,000	(1,000)	2,000	-
Hearing Officer Training	2,000	2,000	-	2,000	-
Outside Counsel	55,000	55,000	-	55,000	-
TOTAL DIRECT EXPENSES:	97,917	104,316	(6,399)	97,216	701
INDIRECT EXPENSES:					
Salaries	93,396	104,449	(11,053)	231,661	(138,265)
Benefits	36,463	40,403	(3,939)	80,024	(43,561)
OTHER INDIRECT EXPENSE	35,764	44,656	(8,892)	42,609	(6,845)
					-
TOTAL INDIRECT EXPENSES:	165,624	189,508	(23,884)	354,294	(188,670)
				-	
TOTAL ALL EXPENSES:	263,541	293,824	(30,283)	451,510	(187,969)
NET INCOME (LOSS):	(263,541)	(293,824)	30,283	(451,510)	187,969
FTEs	1.30				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
OUTENG-Outreach and Engagement					
REVENUE:					
				-	
DIRECT EXPENSES:					
Staff Travel/Parking	1,400		1,400		1,400
Staff Membership Dues	1,152	825	327	825	327
ABA Delegates	5,600	5,600	-	5,000	600
Section/Committee Chair Mtgs	600	600	-	600	-
Jud Recommend Committee	4,500	4,500	-	2,000	2,500
BOG Elections	-	6,500	(6,500)	6,500	(6,500)
Bar Outreach	15,000	11,600	3,400	16,600	(1,600)
Professionalism		2,000	(2,000)		-
TOTAL DIRECT EXPENSES:	31,047	31,625	(578)	31,525	(478)
INDIRECT EXPENSES:					
Salaries	149,493	231,494	(82,001)	198,420	(48,927)
Benefits	58,196	81,766	(23,570)	78,596	(20,400)
OTHER INDIRECT EXPENSE	55,022	78,669	(23,647)	75,047	(20,025)
					-
TOTAL INDIRECT EXPENSES:	262,710	391,929	(129,219)	352,063	(89,353)
				-	
TOTAL ALL EXPENSES:	293,758	423,554	(129,797)	383,588	(89,830)
NET INCOME (LOSS):	(293,758)	(423,554)	129,797	(383,588)	89,830
FTEs	2.00				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Rerecast - BOG Approved	FY2021 v2 vs Rerecast
PLB-Practice Law Board					
REVENUE:					
				-	
DIRECT EXPENSES:					
Practice of Law Board	12,000	16,000	(4,000)	12,000	-
TOTAL DIRECT EXPENSES:	12,210	16,000	(3,790)	12,000	210
INDIRECT EXPENSES:					
Salaries	26,203	38,689	(12,486)	39,116	(12,913)
Benefits	6,909	13,044	(6,135)	13,512	(6,603)
OTHER INDIRECT EXPENSE	4,127	11,528	(7,401)	10,996	(6,869)
					-
TOTAL INDIRECT EXPENSES:	37,238	63,261	(26,023)	63,624	(26,386)
				-	
TOTAL ALL EXPENSES:	49,448	79,261	(29,813)	75,624	(26,176)
NET INCOME (LOSS):	(49,448)	(79,261)	29,813	(75,624)	26,176
FTEs	0.15				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
PRP-Professional Responsibility Program					
REVENUE:					
				-	
DIRECT EXPENSES:					
Staff Travel/Parking		4,000	(4,000)	4,000	(4,000)
Staff Membership Dues		375	(375)		-
Law Library		279	(279)	279	(279)
CPE Committee	5,000	5,000	-	5,000	-
TOTAL DIRECT EXPENSES:	7,365	9,654	(2,289)	9,279	(1,914)
INDIRECT EXPENSES:					
Salaries	161,075	159,873	1,202	160,115	960
Benefits	73,593	56,961	16,632	55,310	18,283
OTHER INDIRECT EXPENSE	46,562	44,683	1,879	42,609	3,953
					-
TOTAL INDIRECT EXPENSES:	281,230	261,517	19,713	258,034	23,196
				-	
TOTAL ALL EXPENSES:	288,595	271,171	17,424	267,313	21,282
NET INCOME (LOSS):	(288,595)	(271,171)	(17,424)	(267,313)	(21,282)
FTEs	1.69				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Rereforecast - BOG Approved	FY2021 v2 vs Rereforecast
PSP-Public Service Programs					
REVENUE:					
Donations & Grants	130,000	125,000	5,000	135,000	(5,000)
PSP Product Sales	200	1,000	(800)	200	-
Work Study Grants		2,100	(2,100)		-
TOTAL REVENUE	130,200	128,100	2,100	135,200	(5,000)
DIRECT EXPENSES:					
Donations/Sponsorships/Grants	233,193	221,777	11,416	205,688	27,505
Staff Travel/Parking	2,000	2,000	-	2,000	-
Pro Bono& Legal Aid Committee	2,800	2,000	800	2,000	800
Day of Service	27,000	25,000	2,000	30,500	(3,500)
Pro Bono CertificateS	3,800		3,800		3,800
TOTAL DIRECT EXPENSES:	270,191	250,777	19,414	240,188	30,003
INDIRECT EXPENSES:					
Salaries	72,709	117,048	(44,339)	95,912	(23,203)
Benefits	28,504	42,433	(13,929)	41,552	(13,048)
OTHER INDIRECT EXPENSE	27,511	44,372	(16,861)	42,334	(14,823)
TOTAL INDIRECT EXPENSES:	128,724	203,853	(75,129)	179,798	(51,074)
TOTAL ALL EXPENSES:	398,914	454,630	(55,716)	419,986	(21,072)
NET INCOME (LOSS):	(268,714)	(326,530)	57,816	(284,786)	16,072
FTEs	1.00				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
PUB-Publication and Design Services					
REVENUE:					
				-	
DIRECT EXPENSES:					
Equipment, Hardware & Software	300	330	(30)	330	(30)
Subscriptions	200	262	(62)	262	(62)
Supplies	150	300	(150)	300	(150)
Image Library	5,080	4,680	400	4,680	400
TOTAL DIRECT EXPENSES:	6,946	5,572	1,374	5,572	1,374
INDIRECT EXPENSES:					
Salaries	53,951	75,007	(21,056)	74,534	(20,583)
Benefits	21,259	28,759	(7,500)	29,523	(8,264)
OTHER INDIRECT EXPENSE	23,934	31,403	(7,469)	29,964	(6,030)
				-	
TOTAL INDIRECT EXPENSES:	99,144	135,169	(36,025)	134,021	(34,877)
TOTAL ALL EXPENSES:	106,090	140,741	(34,651)	139,593	(33,503)
NET INCOME (LOSS):	(106,090)	(140,741)	34,651	(139,593)	33,503
FTEs	0.87				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
SECT-Sections Administration					
REVENUE:					
Reimbursements From Sections	300,000	300,000	-	300,000	-
TOTAL REVENUE	300,000	300,000	-	300,000	-
DIRECT EXPENSES:					
Staff Travel/Parking	1,740	1,200	540	1,200	540
Staff Membership Dues	125	125	-	125	-
Subscriptions	410	372	38	410	-
Conference Calls	300	300	-	300	-
Miscellaneous	300	300	-	300	-
Section/Committee Chair Mtgs	1,000	1,000	-	1,000	-
Dues Statements	6,000	6,000	-	6,000	-
TOTAL DIRECT EXPENSES:	13,620	9,297	4,323	9,335	4,285
INDIRECT EXPENSES:					
Salaries	162,741	303,468	(140,727)	161,026	1,715
Benefits	51,405	114,454	(63,050)	69,763	(18,358)
OTHER INDIRECT EXPENSE	73,729	122,090	(48,361)		73,729
OTHER INDIRECT EXPENSE	73,729	122,090		116,557	(42,828)
TOTAL INDIRECT EXPENSES:	287,875	540,012	(252,137)	347,346	(59,471)
TOTAL ALL EXPENSES:	301,495	549,309	(247,814)	356,681	(55,186)
NET INCOME (LOSS):	(1,495)	(249,309)	247,814	(56,681)	55,186
FTEs	2.68				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
TECH-Technology					
REVENUE:					
				-	
DIRECT EXPENSES:					
Consulting Services	110,000	85,000	25,000	110,000	-
Staff Travel/Parking	2,500	2,500	-	2,500	-
Staff Membership Dues	450	110	340	180	270
Telephone	18,000	24,000	(6,000)	24,000	(6,000)
Transfer to Indirect Expense		(667,610)	667,610		-
Computer Hardware	40,000	29,000	11,000	38,000	2,000
Computer Software	110,000	29,000	81,000	29,000	81,000
Hardware Service & Warranties	50,000	60,000	(10,000)	55,000	(5,000)
Software Maint & Licensing	325,000	270,000	55,000	320,000	5,000
Telephone Hardware & Maint	7,000	10,000	(3,000)	7,000	-
Computer Supplies	10,000	15,000	(5,000)	10,000	-
Third Party Services	130,000	143,000	(13,000)	177,000	(47,000)
Transfer to Indirect Expenses	(802,950)		(802,950)	(772,680)	(30,270)
TOTAL DIRECT EXPENSES:	-	-	802,950		(0)
INDIRECT EXPENSES:					
Salaries	1,120,546	1,090,382	30,164	1,063,911	56,635
Benefits	401,543	376,762	24,781	380,432	21,111
Capital Labor & Overhead	(220,000)	(141,000)	(79,000)	(51,000)	(169,000)
OTHER INDIRECT EXPENSE	330,130	348,705	(18,575)	332,628	(2,498)
TOTAL INDIRECT EXPENSES:	1,632,219	1,674,850	(42,630)	1,709,878	(93,752)
TOTAL ALL EXPENSES:	1,632,219	1,674,850	(42,630)	1,709,878	(77,659)
NET INCOME (LOSS):	(1,632,219)	(1,674,850)	42,630	(1,709,878)	77,659
FTEs	12.00				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
CLEP-CLE-Products					
REVENUE:					
Shipping & Handling	1,000	1,000	-	1,000	-
Coursebook Sales	8,000	9,000	(1,000)	9,000	(1,000)
MP3 Sales	195,000		195,000		195,000
Digital Video Sales	625,000		625,000		625,000
Internet Sales		925,000	(925,000)	878,750	(878,750)
TOTAL REVENUE	829,000	935,000	(106,000)	888,750	(59,750)
DIRECT EXPENSES:					
Bad Debt Expense		100	(100)	100	(100)
Depreciation		5,820	(5,820)	5,820	(5,820)
Staff Travel/Parking		2,000	(2,000)	2,000	(2,000)
Staff Membership Dues	600	620	(20)	620	(20)
Cost of Sales - Coursebooks	1,500	200	1,300	250	1,250
A/V Develop Costs (Recording)	2,000	1,500	500	1,500	500
CLE-Equip-Depreciation	3,188		3,188		3,188
Online Product Hosting Expenses	48,000	42,000	6,000	48,000	-
Postage & Delivery-Coursebooks	500	500	-	500	-
Postage - Fliers/Catalogs		3,500	(3,500)		-
Postage - Fliers/Catalogs			-	3,500	(3,500)
Seminar Brochures		3,000	(3,000)	3,000	(3,000)
TOTAL DIRECT EXPENSES:	57,814	59,240	(1,426)	65,290	(7,476)
INDIRECT EXPENSES:					
Salaries	93,569	103,267	(9,698)	102,074	(8,505)
Benefits	42,423	39,468	2,954	40,063	2,360
OTHER INDIRECT EXPENSE	39,891	44,942	(5,051)	42,884	(2,993)
TOTAL INDIRECT EXPENSES:	175,883	187,677	(11,794)	185,021	(9,138)
TOTAL ALL EXPENSES:	233,697	246,917	(13,220)	250,311	(16,614)
NET INCOME (LOSS):	595,303	688,083	(92,780)	638,439	(43,136)

FTEs

1.45

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
CLES-CLE-Seminars					
REVENUE:					
Seminar Registrations	825,000	860,000	(35,000)	875,329	(50,329)
Seminar Revenue-Other	28,000	29,000	(1,000)	29,000	(1,000)
TOTAL REVENUE	853,000	889,000	(36,000)	904,329	(51,329)
DIRECT EXPENSES:					
Bad Debt Expense	650	500	150	500	150
Staff Travel/Parking	15,000	6,000	9,000	6,000	9,000
Staff Membership Dues	853	850	3	850	3
Supplies	1,000	2,000	(1,000)	2,000	(1,000)
Conference Calls	50		50	25	25
Coursebook Production	1,500	3,000	(1,500)	3,000	(1,500)
Postage - Fliers/Catalogs	8,000	12,000	(4,000)	12,000	(4,000)
Postage - Misc/Delivery	800	1,000	(200)	1,000	(200)
Accreditation Fees	3,000	3,000	-	3,000	-
Seminar Brochures	20,000	18,000	2,000	18,000	2,000
Facilities	279,000	234,000	45,000	232,357	46,643
Speakers & Program Develop	50,000	62,000	(12,000)	62,000	(12,000)
Splits to Sections	100,000	100,100	(100)	100,100	(100)
CLE Seminar Committee	250	500	(250)	250	-
TOTAL DIRECT EXPENSES:	489,844	442,950	46,894	441,082	48,761
INDIRECT EXPENSES:					
Salaries	474,788	539,988	(65,200)	485,567	(10,779)
Benefits	204,978	205,974	(996)	210,364	(5,386)
OTHER INDIRECT EXPENSE	191,751	223,287	(31,536)	213,047	(21,296)
TOTAL INDIRECT EXPENSES:	871,516	969,249	(97,733)	908,978	(37,462)
TOTAL ALL EXPENSES:	1,361,360	1,412,199	(50,839)	1,350,060	11,300
NET INCOME (LOSS):	(508,360)	(523,199)	14,839	(445,732)	(62,628)

FTEs 6.97

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
CLES-CLE-Seminars, CLEP-CLE-Products					
REVENUE:					
Shipping & Handling	1,000	1,000	-	1,000	-
Seminar Registrations	825,000	860,000	(35,000)	875,329	(50,329)
Seminar Revenue-Other	28,000	29,000	(1,000)	29,000	(1,000)
Coursebook Sales	8,000	9,000	(1,000)	9,000	(1,000)
MP3 Sales	195,000		195,000		195,000
Digital Video Sales	625,000		625,000		625,000
Internet Sales		925,000	(925,000)	878,750	(878,750)
TOTAL REVENUE	1,682,000	1,824,000	(142,000)	1,793,079	(111,079)
DIRECT EXPENSES:					
Bad Debt Expense	650	600	50	600	50
Depreciation		5,820	(5,820)	5,820	(5,820)
Staff Travel/Parking	15,000	8,000	7,000	8,000	7,000
Staff Membership Dues	1,453	1,470	(17)	1,470	(17)
Supplies	1,000	2,000	(1,000)	2,000	(1,000)
Conference Calls	50		50	25	25
Cost of Sales - Coursebooks	1,500	200	1,300	250	1,250
A/V Develop Costs (Recording)	2,000	1,500	500	1,500	500
CLE-Equip-Depreciation	3,188		3,188		3,188
Online Product Hosting Exper	48,000	42,000	6,000	48,000	-
Postage & Delivery-Courseboo	500	500	-	500	-
Postage - Fliers/Catalogs		3,500	(3,500)		-
Coursebook Production	1,500	3,000	(1,500)	3,000	(1,500)
Postage - Fliers/Catalogs	8,000	12,000	(4,000)	15,500	(7,500)
Postage - Misc/Delivery	800	1,000	(200)	1,000	(200)
Accreditation Fees	3,000	3,000	-	3,000	-
Seminar Brochures	20,000	21,000	(1,000)	21,000	(1,000)
Facilities	279,000	234,000	45,000	232,357	46,643
Speakers & Program Develop	50,000	62,000	(12,000)	62,000	(12,000)
Splits to Sections	100,000	100,100	(100)	100,100	(100)
CLE Seminar Committee	250	500	(250)	250	-
TOTAL DIRECT EXPENSES:	547,658	502,190	45,468	506,372	41,286
INDIRECT EXPENSES:					
Salaries	568,357	643,255	(74,898)	587,641	(19,284)
Benefits	247,401	245,443	1,958	250,427	(3,026)
OTHER INDIRECT EXPENSE	231,641	268,229	(36,588)	255,931	(24,290)
TOTAL INDIRECT EXPENSES:	1,047,399	1,156,926	(109,527)	1,093,999	(46,600)
TOTAL ALL EXPENSES:	1,595,057	1,659,116	(64,059)	1,600,371	(5,314)
NET INCOME (LOSS):	86,943	164,884	(77,941)	192,707	(105,764)
FTEs	8.42				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
DESK-Deskbooks					
REVENUE:					
Shipping & Handling	3,000	2,500	500	3,000	-
Deskbook Sales	100,000	100,000	-	110,000	(10,000)
Section Publication Sales	5,000	3,000	2,000	3,000	2,000
Casemaker Royalties	50,000	60,000	(10,000)	60,000	(10,000)
TOTAL REVENUE	158,000	165,500	(7,500)	176,000	(18,000)
DIRECT EXPENSES:					
Bad Debt Expense	100	100	-	100	-
Records Storage - Off Site	8,100	8,100	-	8,100	-
Staff Membership Dues	220	220	-	220	-
Subscriptions	185	150	35	185	-
Miscellaneous	200		200		200
Cost of Sales - Deskbooks	56,880	60,000	(3,120)	75,000	(18,120)
Cost of Sales - Section Public	2,000	750	1,250	750	1,250
Obsolete Inventory	21,000		21,000	850	20,150
Splits to Sections	15,000	1,000	14,000	1,000	14,000
Deskbook Royalties	500	1,000	(500)	1,000	(500)
Postage & Delivery-Deskbooks	3,000	2,500	500	3,000	-
Fliers/Catalogs	1,500	3,000	(1,500)	3,000	(1,500)
Postage - Fliers/Catalogs	750	1,500	(750)	1,500	(750)
Complimentary Book Program	1,000	2,500	(1,500)	2,500	(1,500)
Online Legal Research	1,838	1,838	-	1,838	-
TOTAL DIRECT EXPENSES:	114,397	82,658	31,739	99,043	15,354
INDIRECT EXPENSES:					
Salaries	124,752	148,307	(23,555)	110,788	13,964
Benefits	50,559	57,910	(7,351)	43,885	6,674
OTHER INDIRECT EXPENSE	41,816	64,823	(23,006)	61,852	(20,036)
TOTAL INDIRECT EXPENSES:	217,128	271,040	(53,912)	216,525	603
TOTAL ALL EXPENSES:	331,525	353,698	(22,173)	315,568	15,957
NET INCOME (LOSS):	(173,525)	(188,198)	14,673	(139,568)	(33,957)

FTEs

1.52

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
Client Protection Fund					
REVENUE:					
CPF Restitution	4,000	3,000	1,000	4,000	-
CPF Member Assessments	515,540	1,000,000	(484,460)	1,000,000	(484,460)
Interest Revenue	10,000	20,000	(10,000)	20,000	(10,000)
TOTAL REVENUE	529,540	1,023,000	(493,460)	1,024,000	(494,460)
-					
DIRECT EXPENSES:					
Bank Fees	1,000	1,000	-	1,000	0
Staff Membership Dues	200		200	200	-
Gifts to injured Clients	500,000	500,000	-	500,000	-
CPF Board	1,200	3,000	(1,800)	1,200	-
TOTAL DIRECT EXPENSES:	504,119	504,000	119	502,400	1,719
INDIRECT EXPENSES:					
Salaries	84,477	79,855	4,622	79,880	4,597
Benefits	38,990	30,834	8,156	27,593	11,397
OTHER INDIRECT EXPENSE	33,838	33,997	(159)	32,438	1,400
TOTAL INDIRECT EXPENSES:	157,305	144,686	12,619	139,911	17,394
-					
TOTAL ALL EXPENSES:	661,424	648,686	12,738	642,311	19,113
NET INCOME (LOSS):	(131,884)	374,314	(506,198)	381,689	(513,573)
FTEs	1.23				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
COVID19					
REVENUE:				-	
DIRECT EXPENSES:					
Covid19	-		-	25,000	(25,000)
TOTAL DIRECT EXPENSES:	-		-	25,000	(25,000)
INDIRECT EXPENSES:					
OTHER INDIRECT EXPENSE	-		-	-	-
TOTAL INDIRECT EXPENSES:	-		-	-	-
TOTAL ALL EXPENSES:	-		-	25,000	(25,000)
NET INCOME (LOSS):	-		-	(25,000)	25,000

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Rereforecast - BOG Approved	FY2021 v2 vs Rereforecast
SC-Service Center					
REVENUE:					
				-	
DIRECT EXPENSES:					
Translation Services	8,500		8,500		8,500
TOTAL DIRECT EXPENSES:	17,877		17,877		17,877
INDIRECT EXPENSES:					
Salaries	381,733		381,733		381,733
Benefits	175,470		175,470		175,470
OTHER INDIRECT EXPENSE	184,598		184,598		184,598
TOTAL INDIRECT EXPENSES:	741,800		741,800		741,800
TOTAL ALL EXPENSES:	759,677		759,677		759,677
NET INCOME (LOSS):	(759,677)		(759,677)		(759,677)
FTEs	6.71				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
RSD FTE-Dept headcount allocation					
REVENUE:					
				-	
DIRECT EXPENSES:					
TOTAL DIRECT EXPENSES:	3,773		3,773		3,773
INDIRECT EXPENSES:					
Salaries	331,549		331,549		331,549
Benefits	105,319		105,319		105,319
OTHER INDIRECT EXPENSE	74,279		74,279		74,279
					-
TOTAL INDIRECT EXPENSES:	511,148		511,148		511,148
				-	
TOTAL ALL EXPENSES:	514,921		514,921		514,921
NET INCOME (LOSS):	(514,921)		(514,921)		(514,921)
FTEs	2.70				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
COMM FTE-Dept headcount allocation					
REVENUE:					
				-	
DIRECT EXPENSES:					
TOTAL DIRECT EXPENSES:	1,398		1,398		1,398
INDIRECT EXPENSES:					
Salaries	149,564		149,564		149,564
Benefits	48,370		48,370		48,370
OTHER INDIRECT EXPENSE	27,511		27,511		27,511
					-
TOTAL INDIRECT EXPENSES:	225,445		225,445		225,445
				-	
TOTAL ALL EXPENSES:	226,842		226,842		226,842
NET INCOME (LOSS):	(226,842)		(226,842)		(226,842)
FTEs	1.00				

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

	Budget FY2021 v2 FY2021	Original Budget FY2020	FY2021 v2 vs Original FY2020	Reforecast - BOG Approved	FY2021 v2 vs Reforecast
ADV FTE-Dept headcount allocation					
REVENUE:					
				-	
DIRECT EXPENSES:					
TOTAL DIRECT EXPENSES:	1,607		1,607		1,607
INDIRECT EXPENSES:					
Salaries	159,665		159,665		159,665
Benefits	46,659		46,659		46,659
OTHER INDIRECT EXPENSE	31,637		31,637		31,637
					-
TOTAL INDIRECT EXPENSES:	237,962		237,962		237,962
				-	
TOTAL ALL EXPENSES:	239,569		239,569		239,569
NET INCOME (LOSS):	(239,569)		(239,569)		(239,569)
FTEs	1.15				

NARRATIVES



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

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



BUDGET NARRATIVE

For the Fiscal Year Ended September 30, 2021

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

Fiscal Context

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

License fees are WSBA's main source of funding. From 201_ through 2021, WSBA kept license fees at \$458. Cost cutting measures, operational and program changes, and prudent use of reserves enabled WSBA to maintain the same license fee for the past 4 years. To address the Pandemic and inconsideration to our members we have reduced Client Protection Fund contributions by \$20 dollars, \$15 dollars will be a onetime reduction for Fiscal Year 2021 the remaining \$5 dollars will be kept as a permanent reduction barring an adequate level of the Client Protection Fund itself.

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

FY21 Budget Highlights

The FY21 budget assumes expenses of \$24,638,431 million, supported by \$23,827,864 million in revenues, and planned use of up to \$810,567 in reserves. The General Fund impact is (\$285,221), the Section Funds is reduced by design by (\$306,680). The CPF fund and CLE fund are impacted by (\$131,884) and (86,582) respectively. The CPF reduction is fully attributable to the reduction in the CPF fee for FY 2021.

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

The FY21 budget advances WSBA's mission to serve the public and the members of the Bar, to ensure the integrity of the legal profession, and to champion justice. It supports programs and services such as the following, which help assure competent and qualified legal professionals, and promote the role of lawyers in society:

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

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

WSBA GENERAL FUND

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

ACCESS TO JUSTICE

Revenue	\$ 0
Expense	<u>\$ 249,886</u>
Net	\$ (249,886)

FTE Staff: 1.6

Advancement Department

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

ADMINISTRATION

Revenue	\$ 100,000
Expense	<u>\$1,103,288</u>
Net	\$ (1,003,288)

FTE Staff: 6.92

Finance and Administration Department

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

ADMISSIONS/BAR EXAM

Revenue	\$ 1,134,375
Expense	<u>\$ 1,183,060</u>
Net	\$ (48,685)

FTE Staff: 6.55

Regulatory Services Department

The Supreme Court has delegated to WSBA administrative responsibility over lawyer admissions. Each year, approximately 1,300 people take the Uniform Bar Exam offered in February and July in the Puget Sound area. In addition, approximately 450 people are admitted through admission by motion or a UBE score transfer. This work unit also investigates character and fitness issues (up to several hundred each year), supports the Character and Fitness Board, and conducts character and fitness hearings (up to 24 each year).

Revenues consist of application fees and royalties received from ExamSoft (the software program used by applicants during the exam). Expenses relate to staffing and other admission costs, including bar exam expenses, background investigations, Character and Fitness Board and hearings, facilities rental, proctors, and Board of Bar Examiners fees and expenses. Expenses also relate to the staffing and direct costs for administration of all limited licenses, except for Rule 9 Legal Interns, LPOs, LLLTs and *pro hac vice*.

OFFICE OF THE EXECUTIVE DIRECTOR

Revenue	\$ 0
Expense	<u>\$ 728,601</u>
Net	\$ (728,601)

FTE Staff: 3.0

Office of the Executive Director

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

DISCIPLINE

Revenue	\$ 97,500
Expense	<u>\$ 6,220,432</u>
Net	\$(6,122,932)

FTE Staff: 38.00

Office of Disciplinary Counsel

The Washington Supreme Court’s exclusive responsibility to administer the lawyer, LPO, and LLLT discipline system is delegated by court rule to WSBA. This function is discharged in part by the lawyers and staff of the Office of Disciplinary Counsel (ODC), which is responsible for investigating allegations of licensee misconduct and prosecuting violations of the Rules of Professional Conduct. The ODC receives more than 2,000 written grievances against lawyers per year. The Intake team identifies and dismisses grievances that do not allege unethical conduct, and forwards well-grounded matters to disciplinary counsel for further investigation and possible disciplinary action or disability proceedings. ODC also has responsibility for investigation and prosecution of ethical misconduct by LPOs and LLLTs upon referral from the corresponding regulatory board. Matters not resolved by stipulation are heard before WSBA hearing officers and in some cases the applicable regulatory board and the Supreme Court. Many matters involving less serious misconduct are diverted from discipline into the Diversion Program. ODC’s Consumer Affairs unit fields a substantial number of calls, letters, and e-mails, primarily from individuals with concerns about their relationship with a lawyer. The Consumer Affairs staff tries to resolve client-lawyer communication issues, file disputes, and some fee disputes informally without the need for recourse to written grievances. In addition to supporting investigative work, ODC auditors review trust account overdraft notices and conduct random examinations of trust account books and records.

Revenues consist primarily of recovery of discipline costs and expenses

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

DIVERSITY

Revenue	\$ 135,374
Expense	<u>\$ 343,278</u>
Net	\$ (207,904)

FTE Staff: 2.46

Advancement Department

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

FOUNDATION

Revenue	\$ 12,150
Expense	<u>\$ 133,868</u>
Net	\$ (121,718)

FTE Staff: 1.0

Office of Executive Director

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

HUMAN RESOURCES

Revenue	\$ 0
Expense	<u>\$ 487,789</u>
Net	\$ (487,789)

FTE Staff: 3.7

Human Resources Department

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

LAW CLERK PROGRAM

Revenue	\$ 193,000
Expense	<u>\$ 105,317</u>
Net	\$ 87,683

FTE Staff: 0.90

Regulatory Services Department

This cost center captures the revenue and expenses for the Rule 6 Law Clerk Program. Revenues are generated from Law Clerk fees who participate in the program. Expenses are the costs of administering the Law Clerk program and the expenses incurred by the Law Clerk Board.

MEMBERS ASSISTANCE**PROGRAM**

Revenue	\$ 8,000
Expense	<u>\$ 119,239</u>
Net	\$ (111,239)

FTE Staff: 0.70*Human Resources Department*

The Lawyers Assistance Program (LAP) is a confidential (APR 19) program whose goal is to help lawyers prevent and/or address psychological and emotional problems; addictions; and family, health, stress, and other personal problems. Services include assessment, short-term consultation, group services (e.g. for Job Seekers) and referral, follow-up, and training. Through a community partner, Kepro, licensed professionals are available 24/7. Professional staff is licensed to identify, assess, treat, and refer impaired lawyers. Members also have access to a suite of work/life integration services. Extended resources include free statewide LAP-trained peer advisor network, self-care website resources, and free or low cost work and wellness educational programming.

LAP administers all Diversion Program respondent evaluations, and handles evaluation interviews, written reports, monitoring, and consultations with other treating professionals and ODC staff. LAP provides judicial officers referrals for clinical service through the Judicial Assistance Services Program (JASP).

Revenues come from Diversion Program fees. Expenses are principally staff-related costs.

LEGISLATIVE

Revenue	\$ 0
Expense	<u>\$ 161,611</u>
Net	\$(116,611)

FTE Staff: 1.0*Communications Department*

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

LICENSING

Revenue	\$ 16,806,353
Expense	<u>\$ 0</u>
Net	\$ 16,806,353

FTE Staff: 0*Regulatory Services Department*

Most cost centers across WSBA are supported by license fee funds. The Licensing cost center tracks this revenue without any associated expenses.

LICENSING/MEMBERSHIP**RECORDS**

Revenue	\$ 336,450
Expense	<u>\$ 618,305</u>
Net	\$ (281,855)

FTE Staff: 3.8*Regulatory Services Department*

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

Revenues are generated from application fees for Rule 9 Legal Interns and *pro hac vice*, as well as sales of member contact information, member status certificates, investigation fees for status changes, and revenue for photo bar cards. Expenses are primarily printing and postage costs for the annual license packets, the costs of administering the Rule 9 Legal Intern and *pro hac vice* programs, and all status changes.

**LIMITED LICENSE LEGAL
TECHNICIAN**

Revenue	\$ 23,267
Expense	<u>\$ 126,076</u>
Net	\$ (102,809)

FTE Staff: 1.0

Regulatory Services Department

This program administers and regulates the Limited License Legal Technician (LLLT) program (APR 28). This rule was adopted in 2012, and administration of this function was delegated by the Supreme Court to WSBA. In a letter dated June 4, 2020 the Supreme Court decided to sunset the LLLT program. Revenues consist of fees for exams, licensing, and waivers. Expenses include the costs of administering the exam, Board expenses and staffing the program.

**LIMITED PRACTICE
OFFICERS**

Revenue	\$ 195,300
Expense	<u>\$ 75,668</u>
Net	\$ 119,612

FTE Staff: .50

Regulatory Services Department

This program administers and regulates the Limited Practice Officer (LPO) licensing program (APR 12), which the Supreme Court delegated to the WSBA In 2002. There are about 1,000 licensed LPOs in Washington including 164 inactive.

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

**MANDATORY CLE
ADMINISTRATION**

Revenue	\$ 767,950
Expense	<u>\$ 631,417</u>
Net	\$ 136,533

FTE Staff: 3.8

Regulatory Services Department

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

Revenues are received from sponsors to accredit courses and to track attendance. Revenues are also received from members and sponsors who pay late fees assessed because they missed reporting or other deadlines. Expenses are the costs of administering MCLE accreditation and compliance tracking, as well as expenses to support the MCLE Board, which oversees the program.

MEMBERSHIP BENEFITS

Revenue	\$ 28,000
Expense	<u>\$ 324,780</u>
Net	\$ (296,780)

FTE Staff: 1.16

Office of General Counsel

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

MEMBER SERVICES AND ENGAGEMENT

Revenue	\$ 154,250
Expense	<u>\$ 546,171</u>
Net	\$ (391,121)

FTE Staff: 4.13

Advancement Department

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

FY20 revenue includes rebates received for WSBA’s Practice Management Discount Network, (products made available to WSBA members at a discount), CLE registration for live seminars, and sales of on-demand recorded products; (6) this cost center also supports the development of approximately 70 credit hours of Section 'Mini CLEs' provided at low or no cost to members in FY21.

NW LAWYER

Revenue	\$ 468,350
Expense	<u>\$ 799,791</u>
Net	(\$ 328,026)

FTE Staff: 2.83

Communications Department

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

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

OFFICE OF GENERAL COUNSEL

Revenue	\$ 0
Expense	<u>\$ 972,079</u>
Net	(\$ 972,079)

FTE Staff: 6.38

Office of General Counsel

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 Amicus Brief Committee, the Court Rules Committee, and the Discipline Advisory Round Table. Expenses are primarily staff-related.

**OFFICE OF GENERAL COUNSEL
- DISCIPLINARY BOARD**

Revenue	\$	0
Expense	\$	<u>263,541</u>
Net	\$	(263,541)

FTE Staff: 1.3

Office of General Counsel

One assistant general counsel devotes approximately half of his time to this function, assisted by the clerk to the Disciplinary Board. Expenses include support of the Disciplinary Board as well as staffing.

PRACTICE OF LAW BOARD

Revenue	\$	0
Expense	\$	<u>49,448</u>
Net	\$	(49,448)

FTE Staff: 0.15

Office of General Counsel

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

**PROFESSIONAL
RESPONSIBILITY PROGRAM**

Revenue	\$	0
Expense	\$	<u>288,595</u>
Net	\$	(288,595)

FTE Staff: 1.69

Office of General Counsel

This program includes the ethics phone line, a resource for members to get answers to ethics questions before they have taken action (approximately 50 to 100 calls each week); support for the Committee on Professional Ethics; and statewide educational ethics presentations.

PUBLIC SERVICE PROGRAMS

Revenue	\$	130,200
Expense	\$	<u>398,914</u>
Net	\$	(268,714)

FTE Staff: 1.0

Advancement Department

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

SECTIONS ADMINISTRATION

Revenue	\$ 300,000
Expense	<u>\$ 301,495</u>
Net	\$ (1,495)

FTE Staff: 2.68

Advancement Department

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

TECHNOLOGY

Revenue	\$ 0
Expense	<u>\$ 1,632,219</u>
Net	\$ (1,632,219)

FTE Staff: 12.0

Information Technology Department

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

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

CLE FUND

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

CLE Seminars -Products

Revenue	\$ 829,000
Expense	<u>\$ 233,697</u>
Net	\$ 595,303

FTE Staff: 1.45

Communications and Advancement Departments

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

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

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

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

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

SECTIONS FUND

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

SECTIONS OPERATIONS

Revenue	\$ 579,955
Expense	<u>\$ 866,835</u>
Net	\$ (306880)

FTE Staff: 0

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

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

LAWYERS' FUND FOR CLIENT PROTECTION

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

Revenue	\$ 529,940
Expense	<u>\$ 661,424</u>
Net	\$ (131,884)

FTE Staff: 1.23

Office of General Counsel

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 Lawyers' Fund for Client Protection Board or, in the case of payments over \$25,000, by the Board of Governors, who serves as the trustee of the Fund. The LFCP is funded by a mandatory annual assessment of \$25 per active member and *pro hac vice admissions*. However a onetime reduction of \$15.00 for COVID- 19 relief was offered in FY 2021 resulting in a net mandatory assessment of \$10.00 for this fiscal year.

INDIRECT EXPENSES

Revenue	\$ 0
Expense	<u>\$ 19,876,630</u>
Net	\$(19,876,630)

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

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

Salaries: The budget for staff salaries has increased \$46,098 from FY 2020 Approved Reforecast, compared to the 2020 Budget the improvement is \$371,128 or 3%. Planned salaries include a general salary increase of 3%.

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

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

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

Depreciation: This expense consists of: capital items (items that cost +\$2,500 with an estimated useful life of more than one year) including tenant improvements at WSBA's office space at Puget Sound Plaza;

new copiers; and computer hardware. The budget reflects a reduction of \$161,312 (28.3%) in these costs due to the completion of depreciation for furniture and office equipment and computer hardware that has completed its useful life.

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

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