

WASHINGTON STATE BAR ASSOCIATION

Budget & Audit Committee Meeting Agenda

November 21st, 2019

1:00pm – 5:00pm

WSBA Offices, Seattle

DISCUSSION/ACTION

1. Approval of October 28, 2019 meeting minutes
2. Review of September 2019 Financial Statements
3. Review of Initial FY 2019 completion report
4. Western States Travel. Board will consider a recommendation for November meeting regarding BOG travel
 - i. Revised Policy Document
5. Next steps on complying with Supreme Court Keller Request
 - i. Copy of Supreme Court Request
 - ii. Keller Procedure
 - iii. AUP Clark Nuber
 - iv. Actions from Other Bars
6. Continued discussion on WSBA staff time tracking
 - i. Hours Tracking memo from Felix Neals
7. Update on WSBA Audits (annual financial statement and "deep dive")
8. FY 2020 Reforecast update.
9. Continued LLLT cost center discussion.
 - i. Memo to Steve Crossland
10. Public Comment Period
11. Governors Round Table

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

Financial Reports

(Unaudited)

Year to Date September 30, 2019

Prepared by Maggie Yu, Controller

Submitted by

Jorge Perez, Chief Financial Officer

November 15, 2019

Washington State Bar Association Financial
Summary Year to Date as of September 30, 2019
100% of Year Compared to Fiscal Year 2019 Budget

Category	Actual Revenues	Budgeted Revenues	Actual Indirect Expenses	Budgeted Indirect Expenses	Actual Direct Expenses	Budgeted Direct Expenses	Actual Total Expenses	Budgeted Total Expenses	Actual Net Result	Budgeted Net Result
Access to Justice	7,500	7,500	274,292	271,867	41,777	62,957	316,068	334,824	(308,568)	(327,324)
Administration	329,633	100,000	1,117,474	1,138,769	4,237	4,885	1,121,711	1,143,654	(792,079)	(1,043,654)
Admissions/Bar Exam	1,332,120	1,327,400	849,161	841,048	384,892	416,931	1,234,053	1,257,979	98,067	69,421
Board of Governors	-	-	600,427	530,178	261,225	304,531	861,652	834,709	(861,652)	(834,709)
Communications Strategies	25,318	50,750	545,852	550,782	100,958	104,800	646,811	655,582	(621,492)	(604,832)
Conference & Broadcast Services	-	-	802,253	780,393	8,063	3,500	810,316	783,893	(810,316)	(783,893)
Discipline	90,087	96,200	5,557,915	5,664,008	173,562	220,267	5,731,477	5,884,275	(5,641,390)	(5,788,075)
Diversity	143,774	120,374	545,456	544,641	18,890	21,550	564,346	566,191	(420,572)	(445,817)
Foundation	-	-	151,974	150,663	3,549	14,200	155,523	164,863	(155,523)	(164,863)
Human Resources	-	-	391,398	204,958	-	-	391,398	204,958	(391,398)	(204,958)
Law Clerk Program	168,403	166,000	138,945	142,665	4,789	11,350	143,734	154,015	24,669	11,985
Legislative	-	-	138,260	135,416	12,940	18,650	151,200	154,066	(151,200)	(154,066)
Licensing and Membership Records	404,990	304,350	637,752	636,327	33,782	45,812	671,534	682,139	(266,544)	(377,789)
Licensing Fees	16,217,283	15,958,200	-	-	-	-	-	-	16,217,283	15,958,200
Limited License Legal Technician	25,508	-	207,871	215,591	30,779	25,600	238,650	241,191	(213,142)	(241,191)
Limited Practice Officers	-	-	158,623	168,653	3,049	3,000	161,672	156,182	(161,672)	(171,653)
Mandatory CLE	1,186,632	1,050,000	624,148	620,981	251,648	252,448	875,796	873,429	310,836	176,571
Member Assistance Program	12,719	10,000	140,488	141,224	1,307	1,275	141,795	142,499	(129,076)	(132,499)
Member Benefits	20,249	17,000.00	88,995	92,611	161,206	185,096	250,200	277,707	(229,951)	(260,707)
Member Services & Engagement	168,117	141,200.00	487,039	505,614	30,367	56,065	517,406	561,679	(349,289)	(420,479)
NW Lawyer	561,142	461,350	295,535	302,818	448,787	355,635	744,322	658,453	(183,180)	(197,103)
Office of General Counsel	342	-	794,785	928,680	3,468	13,076	798,253	941,756	(797,911)	(941,756)
OGC-Disciplinary Board	-	-	170,840	187,073	78,554	103,500	249,394	290,573	(249,394)	(290,573)
Outreach and Engagement	-	-	373,135	371,046	24,509	30,852	397,645	401,898	(397,645)	(401,898)
Practice of Law Board	-	-	44,401	74,063	15,272	16,000	59,672	90,063	(59,672)	(90,063)
Professional Responsibility Program	-	-	259,576	258,870	8,556	6,700	268,132	265,570	(268,132)	(265,570)
Public Service Programs	139,504	112,000	126,636	142,504	238,666	232,415	365,302	374,919	(225,798)	(262,919)
Publication and Design Services	-	-	146,765	141,602	4,280	5,263	151,045	146,865	(151,045)	(146,865)
Sections Administration	294,638	300,000	517,337	515,018	8,957	9,297	526,293	524,315	(231,656)	(224,315)
Technology	-	-	1,641,879	1,540,222	-	-	1,641,879	1,540,222	(1,641,879)	(1,540,222)
Subtotal General Fund	21,127,959	20,222,324	17,829,210	17,798,285	2,358,070	2,525,655	20,187,280	20,323,940	940,679	(101,616)
Expenses using reserve funds							20,187,280		-	-
Total General Fund - Net Result from Operations									940,679	(101,616)
Percentage of Budget	104.48%		100.17%		93.36%		99.33%			
CLE-Seminars and Products	1,800,477	1,879,500	1,141,140	1,150,797	447,278	393,776	1,588,418	1,544,573	212,059	334,927
CLE - Deskbooks	157,844	160,000	219,876	217,303	227,867	69,390	447,743	286,693	(289,899)	(126,693)
Total CLE	1,958,320	2,039,500	1,361,016	1,368,100	675,145	463,166	2,036,161	1,831,266	(77,840)	208,234
Percentage of Budget	96.02%		99.48%		145.77%		111.19%			
Total All Sections	548,382	544,140	-	-	587,501	841,025	587,501	841,025	(39,119)	(296,885)
Client Protection Fund-Restricted	1,119,310	992,500	147,772	164,210	383,382	504,000	531,155	668,210	588,155	324,290
Management of Western States Bar Conference (NG)	67,858	68,200	-	-	57,617	62,800	57,617	62,800	10,241	5,400
Totals	24,821,828	23,866,664	19,337,997.71	19,330,595	4,061,715	4,396,646	23,399,712	23,727,241	1,422,116	139,423
Percentage of Budget	104.00%		100.04%		92.38%		98.62%			

Summary of Fund Balances:	Fund Balances Sept. 30, 2018	2019 Budgeted Fund Balances	Fund Balances Year to date
Restricted Funds:			
Client Protection Fund	3,227,988	3,552,278	3,816,143.11
Western States Bar Conference	8,340		13,740
Board-Designated Funds (Non-General Fund):			
CLE Fund Balance	604,125	812,359	526,285
Section Funds	1,160,343	863,458	1,121,224
Board-Designated Funds (General Fund):			
Operating Reserve Fund	1,500,000	1,500,000	1,500,000
Facilities Reserve Fund	450,000	450,000	550,000
Unrestricted Funds (General Fund):			
Unrestricted General Fund	1,845,858	1,744,242	2,686,537
Total General Fund Balance	3,795,858	3,694,242	4,736,536.68
Net Change in general Fund Balance		(101,616)	940,679
Total Fund Balance	8,796,654	8,936,077	10,218,770
Net Change In Fund Balance		139,423	1,422,116

Washington State Bar Association

Statement of Activities

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

100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
LICENSE FEES					
REVENUE:					
LICENSE FEES	15,778,000.00	1,322,495.21	16,053,477.87	(275,477.87)	101.75%
LLLT LICENSE FEES	5,800.00	479.15	6,491.95	(691.95)	111.93%
LPO LICENSE FEES	174,400.00	14,534.79	157,313.17	17,086.83	90.20%
TOTAL REVENUE:	15,958,200.00	1,337,509.15	16,217,282.99	(259,082.99)	101.62%

Washington State Bar Association

Statement of Activities

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

100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
ACCESS TO JUSTICE					
REVENUE:					
CONFERENCES & INSTITUTES	7,500.00	7,500.00	7,500.00	-	100.00%
TOTAL REVENUE:	7,500.00	7,500.00	7,500.00	-	100.00%
DIRECT EXPENSES:					
ATJ BOARD RETREAT	2,000.00	-	1,260.45	739.55	63.02%
LEADERSHIP TRAINING	2,000.00	-	802.75	1,197.25	40.14%
ATJ BOARD EXPENSE	24,000.00	1,832.77	15,813.95	8,186.05	65.89%
STAFF TRAVEL/PARKING	3,500.00	89.26	3,893.21	(393.21)	111.23%
STAFF MEMBERSHIP DUES	120.00	-	100.00	20.00	83.33%
PUBLIC DEFENSE	7,000.00	465.28	2,908.45	4,091.55	41.55%
CONFERENCE/INSTITUTE EXPENSE	14,837.00	-	13,714.56	1,122.44	92.43%
RECEPTION/FORUM EXPENSE	9,500.00	-	3,283.29	6,216.71	34.56%
TOTAL DIRECT EXPENSES:	62,957.00	2,387.31	41,776.66	21,180.34	66.36%
INDIRECT EXPENSES:					
SALARY EXPENSE (2.10 FTE)	160,817.00	12,339.75	162,522.11	(1,705.11)	101.06%
BENEFITS EXPENSE	59,156.00	4,705.00	56,488.03	2,667.97	95.49%
OTHER INDIRECT EXPENSE	51,894.00	4,647.61	55,281.49	(3,387.49)	106.53%
TOTAL INDIRECT EXPENSES:	271,867.00	21,692.36	274,291.63	(2,424.63)	100.89%
TOTAL ALL EXPENSES:	334,824.00	24,079.67	316,068.29	18,755.71	94.40%
NET INCOME (LOSS):	(327,324.00)	(16,579.67)	(308,568.29)		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2019 to September 30, 2019
100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
ADMINISTRATION					
REVENUE:					
INTEREST INCOME	70,000.00	(7,214.29)	231,185.85	(161,185.85)	330.27%
GAIN/LOSS ON INVESTMENTS	30,000.00	-	98,446.79	(68,446.79)	328.16%
TOTAL REVENUE:	100,000.00	(7,214.29)	329,632.64	(229,632.64)	329.63%
DIRECT EXPENSES:					
CREDIT CARD MERCHANT FEES	-	1,355.89	(1,196.55)	1,196.55	
STAFF TRAVEL/PARKING	4,200.00	805.20	3,605.20	594.80	85.84%
STAFF MEMBERSHIP DUES	685.00	-	599.17	85.83	87.47%
MISCELLANEOUS	-	673.98	1,229.42	(1,229.42)	
TOTAL DIRECT EXPENSES:	4,885.00	2,835.07	4,237.24	647.76	86.74%
INDIRECT EXPENSES:					
SALARY EXPENSE (7.97 FTE)	700,100.00	40,634.52	680,554.19	19,545.81	97.21%
BENEFITS EXPENSE	241,718.00	17,431.77	226,923.90	14,794.10	93.88%
OTHER INDIRECT EXPENSE	196,951.00	17,654.76	209,995.98	(13,044.98)	106.62%
TOTAL INDIRECT EXPENSES:	1,138,769.00	75,721.05	1,117,474.07	21,294.93	98.13%
TOTAL ALL EXPENSES:	1,143,654.00	78,556.12	1,121,711.31	21,942.69	98.08%
NET INCOME (LOSS):	(1,043,654.00)	(85,770.41)	(792,078.67)		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2019 to September 30, 2019
100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
ADMISSIONS					
REVENUE:					
EXAM SOFT REVENUE	35,000.00	21,875.00	32,760.00	2,240.00	93.60%
BAR EXAM FEES	1,200,000.00	49,460.00	1,226,675.00	(26,675.00)	102.22%
RPC BOOKLETS	-	-	150.00	(150.00)	
SPECIAL ADMISSIONS	60,000.00	3,065.00	38,425.00	21,575.00	64.04%
LLLT EXAM FEES	7,500.00	-	2,910.00	4,590.00	38.80%
LLLT WAIVER FEES	900.00	-	600.00	300.00	66.67%
LPO EXAMINATION FEES	24,000.00	1,200.00	30,600.00	(6,600.00)	127.50%
TOTAL REVENUE:	1,327,400.00	75,600.00	1,332,120.00	(4,720.00)	100.36%
DIRECT EXPENSES:					
DEPRECIATION	17,776.00	-	-	17,776.00	0.00%
POSTAGE	4,000.00	1,556.28	5,060.44	(1,060.44)	126.51%
STAFF TRAVEL/PARKING	13,000.00	700.00	16,933.94	(3,933.94)	130.26%
STAFF MEMBERSHIP DUES	400.00	(200.00)	300.00	100.00	75.00%
SUPPLIES	2,500.00	-	1,703.19	796.81	68.13%
FACILITY, PARKING, FOOD	70,000.00	-	88,428.48	(18,428.48)	126.33%
EXAMINER FEES	35,000.00	-	26,000.00	9,000.00	74.29%
UBE EXMINATIONS	130,000.00	71,642.00	108,674.00	21,326.00	83.60%
BOARD OF BAR EXAMINERS	25,000.00	4,703.46	30,327.29	(5,327.29)	121.31%
BAR EXAM PROCTORS	31,000.00	-	30,126.50	873.50	97.18%
CHARACTER & FITNESS BOARD	20,000.00	1,740.34	15,699.67	4,300.33	78.50%
DISABILITY ACCOMMODATIONS	20,000.00	-	18,943.16	1,056.84	94.72%
CHARACTER & FITNESS INVESTIGATIONS	900.00	-	-	900.00	0.00%
LAW SCHOOL VISITS	1,000.00	70.40	729.52	270.48	72.95%
EXAM WRITING	28,355.00	-	28,350.00	5.00	99.98%
SPEAKERS & PROGRAM DEVELOP	-	74.43	336.03	(336.03)	
COURT REPORTERS	18,000.00	3,809.58	13,120.88	4,879.12	72.89%
PRINTING & COPYING	-	-	158.75	(158.75)	
TOTAL DIRECT EXPENSES:	416,931.00	84,096.49	384,891.85	32,039.15	92.32%
INDIRECT EXPENSES:					
SALARY EXPENSE (6.30 FTE)	496,503.00	40,312.11	502,378.70	(5,875.70)	101.18%
BENEFITS EXPENSE	188,862.00	14,990.33	180,566.91	8,295.09	95.61%
OTHER INDIRECT EXPENSE	155,683.00	13,974.10	166,215.68	(10,532.68)	106.77%
TOTAL INDIRECT EXPENSES:	841,048.00	69,276.54	849,161.29	(8,113.29)	100.96%
TOTAL ALL EXPENSES:	1,257,979.00	153,373.03	1,234,053.14	23,925.86	98.10%
NET INCOME (LOSS):	69,421.00	(77,773.03)	98,066.86		

Washington State Bar Association

Statement of Activities

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

100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
BOG/OED					
REVENUE:					
TOTAL REVENUE:	-	-	-	-	
DIRECT EXPENSES:					
STAFF TRAVEL/PARKING	5,400.00	364.30	3,497.14	1,902.86	64.76%
STAFF MEMBERSHIP DUES	2,131.00	-	1,125.00	1,006.00	52.79%
TELEPHONE	1,000.00	-	421.19	578.81	42.12%
WASHINGTON LEADERSHIP INSTITUTE	60,000.00	-	60,000.00	-	100.00%
BOG MEETINGS	117,000.00	3,692.48	114,351.30	2,648.70	97.74%
BOG COMMITTEES' EXPENSES	30,000.00	2,696.88	21,052.80	8,947.20	70.18%
BOG CONFERENCE ATTENDANCE	49,000.00	6,668.83	29,292.45	19,707.55	59.78%
BOG TRAVEL & OUTREACH	35,000.00	7,416.78	25,224.39	9,775.61	72.07%
ED TRAVEL & OUTREACH	5,000.00	1,518.67	5,816.38	(816.38)	116.33%
BAR STRUCTURE WORKGROUP	-	-	444.48	(444.48)	
TOTAL DIRECT EXPENSES:	304,531.00	22,357.94	261,225.13	43,305.87	85.78%
INDIRECT EXPENSES:					
SALARY EXPENSE (2.45 FTE)	361,878.00	21,292.60	431,204.63	(69,326.63)	119.16%
BENEFITS EXPENSE	107,757.00	8,480.35	104,665.23	3,091.77	97.13%
OTHER INDIRECT EXPENSE	60,543.00	5,427.44	64,557.01	(4,014.01)	106.63%
TOTAL INDIRECT EXPENSES:	530,178.00	35,200.39	600,426.87	(70,248.87)	113.25%
TOTAL ALL EXPENSES:	834,709.00	57,558.33	861,652.00	(26,943.00)	103.23%
NET INCOME (LOSS):	(834,709.00)	(57,558.33)	(861,652.00)		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2019 to September 30, 2019
100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
COMMUNICATION STRATEGIES					
REVENUE:					
APEX LUNCH/DINNER	50,000.00	24,179.88	24,344.88	25,655.12	48.69%
50 YEAR MEMBER TRIBUTE LUNCH	750.00	-	300.00	450.00	40.00%
WSBA LOGO MERCHANDISE SALES	-	113.53	673.53	(673.53)	
TOTAL REVENUE:	50,750.00	24,293.41	25,318.41	25,431.59	49.89%
DIRECT EXPENSES:					
STAFF TRAVEL/PARKING	4,700.00	786.50	4,636.50	63.50	98.65%
STAFF MEMBERSHIP DUES	1,000.00	-	1,195.00	(195.00)	119.50%
SUBSCRIPTIONS	10,050.00	47.56	7,156.19	2,893.81	71.21%
DIGITAL/ONLINE DEVELOPMENT	1,450.00	-	406.36	1,043.64	28.02%
APEX DINNER	63,000.00	37,295.17	66,301.45	(3,301.45)	105.24%
50 YEAR MEMBER TRIBUTE LUNCH	8,000.00	150.77	8,609.72	(609.72)	107.62%
COMMUNICATIONS OUTREACH	15,000.00	175.59	11,938.13	3,061.87	79.59%
SPEAKERS & PROGRAM DEVELOP	1,600.00	-	-	1,600.00	0.00%
EQUIPMENT, HARDWARE & SOFTWARE	-	-	384.25	(384.25)	
TELEPHONE	-	27.60	294.73	(294.73)	
CONFERENCE CALLS	-	-	36.09	(36.09)	
TOTAL DIRECT EXPENSES:	104,800.00	38,483.19	100,958.42	3,841.58	96.33%
INDIRECT EXPENSES:					
SALARY EXPENSE (4.62 FTE)	312,393.00	23,175.13	309,727.53	2,665.47	99.15%
BENEFITS EXPENSE	124,221.00	9,571.09	114,431.22	9,789.78	92.12%
OTHER INDIRECT EXPENSE	114,168.00	10,231.04	121,693.69	(7,525.69)	106.59%
TOTAL INDIRECT EXPENSES:	550,782.00	42,977.26	545,852.44	4,929.56	99.10%
TOTAL ALL EXPENSES:	655,582.00	81,460.45	646,810.86	8,771.14	98.66%
NET INCOME (LOSS):	(604,832.00)	(57,167.04)	(621,492.45)		

Washington State Bar Association

Statement of Activities

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

100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
CONFERENCE & BROADCAST SERVICES					
REVENUE:					
TOTAL REVENUE:	-	-	-	-	
DIRECT EXPENSES:					
TRANSLATION SERVICES	3,500.00	869.00	8,063.20	(4,563.20)	230.38%
TOTAL DIRECT EXPENSES:	3,500.00	869.00	8,063.20	(4,563.20)	230.38%
INDIRECT EXPENSES:					
SALARY EXPENSE (7.15 FTE)	429,625.00	35,628.53	448,870.14	(19,245.14)	104.48%
BENEFITS EXPENSE	174,080.00	13,873.07	164,906.17	9,173.83	94.73%
OTHER INDIRECT EXPENSE	176,688.00	15,845.59	188,476.67	(11,788.67)	106.67%
TOTAL INDIRECT EXPENSES:	780,393.00	65,347.19	802,252.98	(21,859.98)	102.80%
TOTAL ALL EXPENSES:	783,893.00	66,216.19	810,316.18	(26,423.18)	103.37%
NET INCOME (LOSS):	(783,893.00)	(66,216.19)	(810,316.18)		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2019 to September 30, 2019
100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
DISCIPLINE					
REVENUE:					
AUDIT REVENUE	3,200.00	212.50	1,851.25	1,348.75	57.85%
RECOVERY OF DISCIPLINE COSTS	80,000.00	8,042.30	72,283.51	7,716.49	90.35%
DISCIPLINE HISTORY SUMMARY	13,000.00	1,608.65	15,952.14	(2,952.14)	122.71%
TOTAL REVENUE:	96,200.00	9,863.45	90,086.90	6,113.10	93.65%
DIRECT EXPENSES:					
DEPRECIATION-SOFTWARE	7,123.00	328.00	7,649.56	(526.56)	107.39%
PUBLICATIONS PRODUCTION	444.00	194.10	405.35	38.65	91.30%
STAFF TRAVEL/PARKING	35,000.00	4,957.60	31,920.49	3,079.51	91.20%
STAFF MEMBERSHIP DUES	3,900.00	-	2,985.05	914.95	76.54%
TELEPHONE	2,300.00	196.18	2,400.52	(100.52)	104.37%
COURT REPORTERS	55,000.00	5,298.30	30,221.81	24,778.19	54.95%
OUTSIDE COUNSEL/AIC	2,000.00	-	37.49	1,962.51	1.87%
LITIGATION EXPENSES	25,000.00	1,743.96	20,707.22	4,292.78	82.83%
DISABILITY EXPENSES	7,500.00	-	5,475.00	2,025.00	73.00%
ONLINE LEGAL RESEARCH	68,000.00	185.90	62,014.67	5,985.33	91.20%
LAW LIBRARY	12,500.00	862.08	9,483.86	3,016.14	75.87%
TRANSLATION SERVICES	1,500.00	-	247.89	1,252.11	16.53%
CONFERENCE CALLS	-	-	12.84	(12.84)	
TOTAL DIRECT EXPENSES:	220,267.00	13,766.12	173,561.75	46,705.25	78.80%
INDIRECT EXPENSES:					
SALARY EXPENSE (36.88 FTE)	3,556,329.00	250,348.31	3,449,703.31	106,625.69	97.00%
BENEFITS EXPENSE	1,196,316.00	93,838.40	1,136,517.65	59,798.35	95.00%
OTHER INDIRECT EXPENSE	911,363.00	81,692.24	971,694.35	(60,331.35)	106.62%
TOTAL INDIRECT EXPENSES:	5,664,008.00	425,878.95	5,557,915.31	106,092.69	98.13%
TOTAL ALL EXPENSES:	5,884,275.00	439,645.07	5,731,477.06	152,797.94	97.40%
NET INCOME (LOSS):	(5,788,075.00)	(429,781.62)	(5,641,390.16)		

Washington State Bar Association

Statement of Activities

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

100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
DIVERSITY					
REVENUE:					
DONATIONS	110,000.00	-	137,500.00	(27,500.00)	125.00%
WORK STUDY GRANTS	10,374.00	-	6,273.75	4,100.25	60.48%
TOTAL REVENUE:	120,374.00	-	143,773.75	(23,399.75)	119.44%
DIRECT EXPENSES:					
STAFF TRAVEL/PARKING	6,000.00	481.52	5,628.58	371.42	93.81%
STAFF MEMBERSHIP DUES	350.00	-	150.00	200.00	42.86%
COMMITTEE FOR DIVERSITY	5,000.00	538.61	5,863.64	(863.64)	117.27%
DIVERSITY EVENTS & PROJECTS	10,000.00	230.92	7,177.09	2,822.91	71.77%
INTERNAL DIVERSITY OUTREACH	200.00	-	70.24	129.76	35.12%
TOTAL DIRECT EXPENSE:	21,550.00	1,251.05	18,889.55	2,660.45	87.65%
INDIRECT EXPENSES:					
SALARY EXPENSE (4.05 FTE)	328,835.00	24,607.91	327,814.35	1,020.65	99.69%
BENEFITS EXPENSE	115,724.00	9,206.79	110,788.72	4,935.28	95.74%
OTHER INDIRECT EXPENSE	100,082.00	8,983.33	106,853.08	(6,771.08)	106.77%
TOTAL INDIRECT EXPENSES:	544,641.00	42,798.03	545,456.15	(815.15)	100.15%
TOTAL ALL EXPENSES:	566,191.00	44,049.08	564,345.70	1,845.30	99.67%
NET INCOME (LOSS):	(445,817.00)	(44,049.08)	(420,571.95)		

Washington State Bar Association

Statement of Activities

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

100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
FOUNDATION					
REVENUE:					
TOTAL REVENUE:	-	-	-	-	
DIRECT EXPENSES:					
CONSULTING SERVICES	3,000.00	-	2,000.00	1,000.00	66.67%
PRINTING & COPYING	800.00	-	649.96	150.04	81.25%
STAFF TRAVEL/PARKING	1,400.00	-	43.79	1,356.21	3.13%
SUPPLIES	500.00	14.29	14.29	485.71	2.86%
SPECIAL EVENTS	5,000.00	250.00	250.00	4,750.00	5.00%
BOARD OF TRUSTEES	3,000.00	193.48	542.45	2,457.55	18.08%
POSTAGE	500.00	-	48.93	451.07	9.79%
TOTAL DIRECT EXPENSES:	14,200.00	457.77	3,549.42	10,650.58	25.00%
INDIRECT EXPENSES:					
SALARY EXPENSE (1.15 FTE)	89,538.00	6,323.98	90,605.44	(1,067.44)	101.19%
BENEFITS EXPENSE	32,707.00	2,465.99	30,944.86	1,762.14	94.61%
OTHER INDIRECT EXPENSE	28,418.00	2,557.76	30,423.26	(2,005.26)	107.06%
TOTAL INDIRECT EXPENSES:	150,663.00	11,347.73	151,973.56	(1,310.56)	100.87%
TOTAL ALL EXPENSES:	164,863.00	11,805.50	155,522.98	9,340.02	94.33%
NET INCOME (LOSS):	(164,863.00)	(11,805.50)	(155,522.98)		

Washington State Bar Association

Statement of Activities

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

100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
HUMAN RESOURCES					
REVENUE:					
TOTAL REVENUE:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
DIRECT EXPENSES:					
STAFF TRAVEL/PARKING	150.00	53.60	273.60	(123.60)	182.40%
STAFF MEMBERSHIP DUES	1,250.00	251.65	1,029.65	220.35	82.37%
SUBSCRIPTIONS	2,100.00	-	2,531.52	(431.52)	120.55%
STAFF TRAINING- GENERAL	30,000.00	149.73	10,719.76	19,280.24	35.73%
RECRUITING AND ADVERTISING	7,000.00	-	13,416.43	(6,416.43)	191.66%
PAYROLL PROCESSING	49,000.00	3,860.03	45,155.99	3,844.01	92.16%
SALARY SURVEYS	2,900.00	-	2,510.30	389.70	86.56%
CONSULTING SERVICES	10,000.00	-	28,206.20	(18,206.20)	282.06%
TRANSFER TO INDIRECT EXPENSE	(102,400.00)	(4,315.01)	(103,843.45)	1,443.45	101.41%
TOTAL DIRECT EXPENSES:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
INDIRECT EXPENSES:					
SALARY EXPENSE (2.45 FTE)	260,398.00	17,519.55	248,914.17	11,483.83	95.59%
ALLOWANCE FOR OPEN POSITIONS	(200,000.00)	-	-	(200,000.00)	0.00%
BENEFITS EXPENSE	84,017.00	5,837.24	77,926.97	6,090.03	92.75%
OTHER INDIRECT EXPENSE	60,543.00	5,427.42	64,556.98	(4,013.98)	106.63%
TOTAL INDIRECT EXPENSES:	<u>204,958.00</u>	<u>28,784.21</u>	<u>391,398.12</u>	<u>(186,440.12)</u>	<u>190.97%</u>
TOTAL ALL EXPENSES:	<u>204,958.00</u>	<u>28,784.21</u>	<u>391,398.12</u>	<u>(186,440.12)</u>	<u>190.97%</u>
NET INCOME (LOSS):	<u>(204,958.00)</u>	<u>(28,784.21)</u>	<u>(391,398.12)</u>		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2019 to September 30, 2019
100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
LAW CLERK PROGRAM					
REVENUE:					
LAW CLERK FEES	162,000.00	(1,336.00)	164,603.00	(2,603.00)	101.61%
LAW CLERK APPLICATION FEES	4,000.00	600.00	3,800.00	200.00	95.00%
TOTAL REVENUE:	166,000.00	(736.00)	168,403.00	(2,403.00)	101.45%
DIRECT EXPENSES:					
SUBSCRIPTIONS	250.00	-	250.00	-	100.00%
CHARACTER & FITNESS INVESTIGATIONS	100.00	-	-	100.00	0.00%
LAW CLERK BOARD EXPENSE	6,000.00	20.91	4,363.77	1,636.23	72.73%
STAFF TRAVEL/PARKING	-	-	33.33	(33.33)	
LAW CLERK OUTREACH	5,000.00	-	142.01	4,857.99	2.84%
TOTAL DIRECT EXPENSES:	11,350.00	20.91	4,789.11	6,560.89	42.19%
INDIRECT EXPENSES:					
SALARY EXPENSE (1.10 FTE)	84,449.00	6,356.75	80,456.95	3,992.05	95.27%
BENEFITS EXPENSE	31,033.00	2,455.82	29,548.30	1,484.70	95.22%
OTHER INDIRECT EXPENSE	27,183.00	2,433.00	28,939.38	(1,756.38)	106.46%
TOTAL INDIRECT EXPENSES:	142,665.00	11,245.57	138,944.63	3,720.37	97.39%
TOTAL ALL EXPENSES:	154,015.00	11,266.48	143,733.74	10,281.26	93.32%
NET INCOME (LOSS):	11,985.00	(12,002.48)	24,669.26		

Washington State Bar Association

Statement of Activities

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

100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
LEGISLATIVE					
REVENUE:					
TOTAL REVENUE:	-	-	-	-	
DIRECT EXPENSES:					
STAFF TRAVEL/PARKING	4,550.00	18.00	2,034.46	2,515.54	44.71%
STAFF MEMBERSHIP DUES	450.00	-	130.00	320.00	28.89%
SUBSCRIPTIONS	2,000.00	-	1,981.80	18.20	99.09%
TELEPHONE	400.00	-	-	400.00	0.00%
OLYMPIA RENT	2,500.00	-	1,353.12	1,146.88	54.12%
CONTRACT LOBBYIST	5,000.00	-	5,000.00	-	100.00%
LOBBYIST CONTACT COSTS	1,000.00	-	-	1,000.00	0.00%
LEGISLATIVE COMMITTEE	2,500.00	-	2,440.63	59.37	97.63%
BOG LEGISLATIVE COMMITTEE	250.00	-	-	250.00	0.00%
TOTAL DIRECT EXPENSES:	18,650.00	18.00	12,940.01	5,709.99	69.38%
INDIRECT EXPENSES:					
SALARY EXPENSE (1.10 FTE)	80,340.00	6,051.18	80,440.04	(100.04)	100.12%
BENEFITS EXPENSE	27,893.00	2,394.56	28,880.32	(987.32)	103.54%
OTHER INDIRECT EXPENSE	27,183.00	2,433.00	28,939.35	(1,756.35)	106.46%
TOTAL INDIRECT EXPENSES:	135,416.00	10,878.74	138,259.71	(2,843.71)	102.10%
TOTAL ALL EXPENSES:	154,066.00	10,896.74	151,199.72	2,866.28	98.14%
NET INCOME (LOSS):	(154,066.00)	(10,896.74)	(151,199.72)		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2019 to September 30, 2019
100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
LICENSING & MEMBERSHIP RECORDS					
REVENUE:					
STATUS CERTIFICATE FEES	22,000.00	2,286.53	19,053.19	2,946.81	86.61%
RULE 9/LEGAL INTERN FEES	11,000.00	850.00	13,500.00	(2,500.00)	122.73%
INVESTIGATION FEES	22,000.00	1,200.00	28,600.00	(6,600.00)	130.00%
PRO HAC VICE	230,000.00	22,650.00	332,071.00	(102,071.00)	144.38%
MEMBER CONTACT INFORMATION	19,000.00	1,555.00	11,358.26	7,641.74	59.78%
PHOTO BAR CARD SALES	350.00	12.00	408.00	(58.00)	116.57%
TOTAL REVENUE:	304,350.00	28,553.53	404,990.45	(100,640.45)	133.07%
DIRECT EXPENSES:					
DEPRECIATION	13,812.00	1,150.00	13,806.00	6.00	99.96%
POSTAGE	29,000.00	-	17,535.32	11,464.68	60.47%
LICENSING FORMS	3,000.00	-	2,441.11	558.89	81.37%
TOTAL DIRECT EXPENSES:	45,812.00	1,150.00	33,782.43	12,029.57	73.74%
INDIRECT EXPENSES:					
SALARY EXPENSE (4.35 FTE)	395,080.00	29,350.56	395,248.27	(168.27)	100.04%
BENEFITS EXPENSE	133,752.00	10,594.56	127,858.97	5,893.03	95.59%
OTHER INDIRECT EXPENSE	107,495.00	9,638.37	114,644.33	(7,149.33)	106.65%
TOTAL INDIRECT EXPENSES:	636,327.00	49,583.49	637,751.57	(1,424.57)	100.22%
TOTAL ALL EXPENSES:	682,139.00	50,733.49	671,534.00	10,605.00	98.45%
NET INCOME (LOSS):	(377,789.00)	(22,179.96)	(266,543.55)		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2019 to September 30, 2019
100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
LIMITED LICENSE LEGAL TECHNICIAN PROGRAM					
REVENUE:					
SEMINAR REGISTRATIONS	-	-	25,508.00	(25,508.00)	
TOTAL REVENUE:	-	-	25,508.00	(25,508.00)	
DIRECT EXPENSES:					
STAFF TRAVEL/PARKING	600.00	-	431.49	168.51	71.92%
LLLT BOARD	17,000.00	1,863.33	14,648.53	2,351.47	86.17%
LLLT OUTREACH	8,000.00	-	2,652.24	5,347.76	33.15%
LLLT EDUCATION	-	324.80	13,047.18	(13,047.18)	
TOTAL DIRECT EXPENSES:	25,600.00	2,188.13	30,779.44	(5,179.44)	120.23%
INDIRECT EXPENSES:					
SALARY EXPENSE (1.55 FTE)	135,526.00	9,072.22	121,991.10	13,534.90	90.01%
BENEFITS EXPENSE	41,762.00	3,748.94	45,067.54	(3,305.54)	107.92%
OTHER INDIRECT EXPENSE	38,303.00	3,431.17	40,811.93	(2,508.93)	106.55%
TOTAL INDIRECT EXPENSES:	215,591.00	16,252.33	207,870.57	7,720.43	96.42%
TOTAL ALL EXPENSES:	241,191.00	18,440.46	238,650.01	2,540.99	98.95%
NET INCOME (LOSS):	(241,191.00)	(18,440.46)	(213,142.01)		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2019 to September 30, 2019
100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
LIMITED PRACTICE OFFICERS					
REVENUE:					
TOTAL REVENUE:	-	-	-	-	
DIRECT EXPENSES:					
LPO BOARD	3,000.00	278.48	3,049.49	(49.49)	101.65%
TOTAL DIRECT EXPENSES:	3,000.00	278.48	3,049.49	(49.49)	101.65%
INDIRECT EXPENSES:					
SALARY EXPENSE (1.17 FTE)	99,089.00	7,352.56	94,543.91	4,545.09	95.41%
BENEFITS EXPENSE	40,651.00	2,763.89	33,284.57	7,366.43	81.88%
OTHER INDIRECT EXPENSE	28,913.00	2,588.96	30,794.47	(1,881.47)	106.51%
TOTAL INDIRECT EXPENSES:	168,653.00	12,705.41	158,622.95	10,030.05	94.05%
TOTAL ALL EXPENSES:	171,653.00	12,983.89	161,672.44	9,980.56	94.19%
NET INCOME (LOSS):	(171,653.00)	(12,983.89)	(161,672.44)		

Washington State Bar Association

Statement of Activities

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

100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
MANDATORY CONTINUING LEGAL EDUCATION					
REVENUE:					
ACCREDITED PROGRAM FEES	540,000.00	44,800.00	621,845.00	(81,845.00)	115.16%
FORM 1 LATE FEES	150,000.00	14,250.00	201,437.50	(51,437.50)	134.29%
MEMBER LATE FEES	203,000.00	750.00	194,625.00	8,375.00	95.87%
ANNUAL ACCREDITED SPONSOR FEES	43,000.00	-	43,000.00	-	100.00%
ATTENDANCE LATE FEES	85,000.00	4,000.00	92,280.00	(7,280.00)	108.56%
COMITY CERTIFICATES	29,000.00	225.00	33,444.06	(4,444.06)	115.32%
TOTAL REVENUE:	1,050,000.00	64,025.00	1,186,631.56	(136,631.56)	113.01%
DIRECT EXPENSES:					
DEPRECIATION	249,948.00	20,843.00	249,935.00	13.00	99.99%
STAFF MEMBERSHIP DUES	500.00	-	500.00	-	100.00%
MCLE BOARD	2,000.00	102.04	1,212.88	787.12	60.64%
TOTAL DIRECT EXPENSES:	252,448.00	20,945.04	251,647.88	800.12	99.68%
INDIRECT EXPENSES:					
SALARY EXPENSE (4.90 FTE)	374,898.00	34,489.27	375,385.72	(487.72)	100.13%
BENEFITS EXPENSE	124,996.00	9,953.08	119,648.11	5,347.89	95.72%
OTHER INDIRECT EXPENSE	121,087.00	10,854.87	129,114.01	(8,027.01)	106.63%
TOTAL INDIRECT EXPENSES:	620,981.00	55,297.22	624,147.84	(3,166.84)	100.51%
TOTAL ALL EXPENSES:	873,429.00	76,242.26	875,795.72	(2,366.72)	100.27%
NET INCOME (LOSS):	176,571.00	(12,217.26)	310,835.84		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2019 to September 30, 2019
100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
MEMBER ASSISTANCE PROGRAM					
REVENUE:					
DIVERSIONS	10,000.00	1,875.00	10,891.80	(891.80)	108.92%
SEMINAR REGISTRATIONS	-	-	1,372.00	(1,372.00)	
LAP GROUPS REVENUE	-	175.00	455.00	(455.00)	
TOTAL REVENUE:	10,000.00	2,050.00	12,718.80	(2,718.80)	127.19%
DIRECT EXPENSES:					
PUBLICATIONS PRODUCTION	200.00	-	256.26	(56.26)	128.13%
STAFF MEMBERSHIP DUES	225.00	-	226.00	(1.00)	100.44%
PROF LIAB INSURANCE	850.00	-	825.00	25.00	97.06%
TOTAL DIRECT EXPENSES:	1,275.00	-	1,307.26	(32.26)	102.53%
INDIRECT EXPENSES:					
SALARY EXPENSE (0.90 FTE)	84,582.00	6,324.60	84,214.93	367.07	99.57%
BENEFITS EXPENSE	34,402.00	2,633.20	32,527.62	1,874.38	94.55%
OTHER INDIRECT EXPENSE	22,240.00	1,996.29	23,745.19	(1,505.19)	106.77%
TOTAL INDIRECT EXPENSES:	141,224.00	10,954.09	140,487.74	736.26	99.48%
TOTAL ALL EXPENSES:	142,499.00	10,954.09	141,795.00	704.00	99.51%
NET INCOME (LOSS):	(132,499.00)	(8,904.09)	(129,076.20)		

Washington State Bar Association

Statement of Activities

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

100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
MEMBER SERVICES & ENGAGEMENT					
REVENUE:					
ROYALTIES	30,000.00	88.60	47,875.11	(17,875.11)	159.58%
NMP PRODUCT SALES	70,000.00	6,208.99	88,427.69	(18,427.69)	126.33%
SPONSORSHIPS	1,200.00	-	725.00	475.00	60.42%
SEMINAR REGISTRATIONS	30,000.00	-	16,134.06	13,865.94	53.78%
TRIAL ADVOCACY PROGRAM	10,000.00	-	14,955.00	(4,955.00)	149.55%
TOTAL REVENUE:	141,200.00	6,297.59	168,116.86	(26,916.86)	119.06%
DIRECT EXPENSES:					
STAFF TRAVEL/PARKING	4,500.00	577.59	1,776.68	2,723.32	39.48%
SUBSCRIPTIONS	480.00	15.00	846.60	(366.60)	176.38%
CONFERENCE CALLS	200.00	32.34	132.31	67.69	66.16%
YLL SECTION PROGRAM	1,100.00	103.36	843.36	256.64	76.67%
WYLC CLE COMPS	1,000.00	-	250.00	750.00	25.00%
WYLC OUTREACH EVENTS	2,500.00	1,327.76	1,844.69	655.31	73.79%
WYL COMMITTEE	15,000.00	1,088.24	6,180.73	8,819.27	41.20%
OPEN SECTIONS NIGHT	4,400.00	-	2,999.64	1,400.36	68.17%
RURAL PLACEMENT PROGRAM	10,500.00	9.42	9.42	10,490.58	0.09%
TRIAL ADVOCACY EXPENSES	2,500.00	-	2,347.00	153.00	93.88%
RECEPTION/FORUM EXPENSE	4,000.00	90.93	3,777.74	222.26	94.44%
WYLC SCHOLARSHIPS/DONATIONS/GRANT	2,500.00	799.50	2,081.27	418.73	83.25%
STAFF MEMBERSHIP DUES	385.00	(75.00)	109.00	276.00	28.31%
LENDING LIBRARY	5,500.00	1,879.57	4,979.61	520.39	90.54%
NMP SPEAKERS & PROGRAM DEVELOPMENT	1,500.00	24.04	2,188.52	(688.52)	145.90%
TOTAL DIRECT EXPENSES:	56,065.00	5,872.75	30,366.57	25,698.43	54.16%
INDIRECT EXPENSES:					
SALARY EXPENSE (3.98 FTE)	296,941.00	22,932.79	276,550.83	20,390.17	93.13%
BENEFITS EXPENSE	110,321.00	8,763.99	105,490.28	4,830.72	95.62%
OTHER INDIRECT EXPENSE	98,352.00	8,827.36	104,997.82	(6,645.82)	106.76%
TOTAL INDIRECT EXPENSES:	505,614.00	40,524.14	487,038.93	18,575.07	96.33%
TOTAL ALL EXPENSES:	561,679.00	46,396.89	517,405.50	44,273.50	92.12%
NET INCOME (LOSS):	(420,479.00)	(40,099.30)	(349,288.64)		

Washington State Bar Association

Statement of Activities

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

100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
MEMBERSHIP BENEFITS					
REVENUE:					
SPONSORSHIPS	8,000.00	-	5,500.00	2,500.00	68.75%
INTERNET SALES	9,000.00	490.00	14,749.00	(5,749.00)	163.88%
TOTAL REVENUE:	17,000.00	490.00	20,249.00	(3,249.00)	119.11%
DIRECT EXPENSES:					
LEGAL LUNCHBOX COURSEBOOK PRODUCTION	500.00	-	-	500.00	0.00%
LEGAL LUNCHBOX SPEAKERS & PROGRAM	1,700.00	-	531.69	1,168.31	31.28%
WSBA CONNECTS	46,560.00	-	31,040.00	15,520.00	66.67%
CASEMAKER & FASTCASE	136,336.00	6.54	129,363.49	6,972.51	94.89%
CONFERENCE CALLS	-	-	270.41	(270.41)	
TOTAL DIRECT EXPENSES:	185,096.00	6.54	161,205.59	23,890.41	87.09%
INDIRECT EXPENSES:					
SALARY EXPENSE (0.73 FTE)	54,366.00	4,579.62	50,239.13	4,126.87	92.41%
BENEFITS EXPENSE	20,206.00	1,630.30	19,462.58	743.42	96.32%
OTHER INDIRECT EXPENSE	18,039.00	1,622.02	19,293.14	(1,254.14)	106.95%
TOTAL INDIRECT EXPENSES:	92,611.00	7,831.94	88,994.85	3,616.15	96.10%
TOTAL ALL EXPENSES:	277,707.00	7,838.48	250,200.44	27,506.56	90.10%
NET INCOME (LOSS):	(260,707.00)	(7,348.48)	(229,951.44)		

Washington State Bar Association

Statement of Activities

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

100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
NORTHWEST LAWYER					
REVENUE:					
ROYALTIES	-	-	1,267.59	(1,267.59)	
DISPLAY ADVERTISING	297,500.00	48,643.00	325,488.10	(27,988.10)	109.41%
SUBSCRIPT/SINGLE ISSUES	350.00	-	165.18	184.82	47.19%
CLASSIFIED ADVERTISING	12,500.00	1,798.50	16,414.30	(3,914.30)	131.31%
GEN ANNOUNCEMENTS	17,500.00	2,704.00	10,088.00	7,412.00	57.65%
PROF ANNOUNCEMENTS	21,000.00	2,300.00	20,765.60	234.40	98.88%
JOB TARGET ADVERTISING	112,500.00	19,890.19	186,953.60	(74,453.60)	166.18%
TOTAL REVENUE:	461,350.00	75,335.69	561,142.37	(99,792.37)	121.63%
DIRECT EXPENSES:					
BAD DEBT EXPENSE	2,000.00	-	(2,950.00)	4,950.00	-147.50%
POSTAGE	89,000.00	20,674.45	90,564.92	(1,564.92)	101.76%
PRINTING, COPYING & MAILING	250,000.00	26,307.47	255,097.76	(5,097.76)	102.04%
DIGITAL/ONLINE DEVELOPMENT	10,200.00	800.00	7,050.00	3,150.00	69.12%
GRAPHICS/ARTWORK	3,500.00	-	-	3,500.00	0.00%
OUTSIDE SALES EXPENSE	-	16,094.10	98,480.90	(98,480.90)	
EDITORIAL ADVISORY COMMITTEE	800.00	39.68	525.52	274.48	65.69%
STAFF MEMBERSHIP DUES	135.00	-	-	135.00	0.00%
SUPPLIES	-	-	17.79	(17.79)	
TOTAL DIRECT EXPENSES:	355,635.00	63,915.70	448,786.89	(93,151.89)	126.19%
INDIRECT EXPENSES:					
SALARY EXPENSE (2.25 FTE)	177,211.00	13,667.74	177,838.23	(627.23)	100.35%
BENEFITS EXPENSE	70,006.00	5,555.88	58,334.04	11,671.96	83.33%
OTHER INDIRECT EXPENSE	55,601.00	4,990.76	59,362.86	(3,761.86)	106.77%
TOTAL INDIRECT EXPENSES:	302,818.00	24,214.38	295,535.13	7,282.87	97.59%
TOTAL ALL EXPENSES:	658,453.00	88,130.08	744,322.02	(85,869.02)	113.04%
NET INCOME (LOSS):	(197,103.00)	(12,794.39)	(183,179.65)		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2019 to September 30, 2019
100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
OFFICE OF GENERAL COUNSEL					
REVENUE:					
COPY FEES	-	1.26	342.27	(342.27)	
TOTAL REVENUE:	-	1.26	342.27	(342.27)	
DIRECT EXPENSES:					
DEPRECIATION	3,336.00	-	-	3,336.00	0.00%
STAFF TRAVEL/PARKING	3,240.00	-	-	3,240.00	0.00%
STAFF MEMBERSHIP DUES	1,500.00	-	725.00	775.00	48.33%
COURT RULES COMMITTEE	2,000.00	541.46	2,345.29	(345.29)	117.26%
DISCIPLINE ADVISORY ROUNDTABLE	500.00	-	-	500.00	0.00%
CUSTODIANSHIPS	2,500.00	51.66	84.66	2,415.34	3.39%
LITIGATION EXPENSES	-	-	313.29	(313.29)	
TOTAL DIRECT EXPENSES:	13,076.00	593.12	3,468.24	9,607.76	26.52%
INDIRECT EXPENSES:					
SALARY EXPENSE (5.75 FTE)	588,978.00	33,645.45	465,336.13	123,641.87	79.01%
BENEFITS EXPENSE	197,610.00	14,821.28	177,703.03	19,906.97	89.93%
OTHER INDIRECT EXPENSE	142,092.00	12,757.57	151,746.04	(9,654.04)	106.79%
TOTAL INDIRECT EXPENSES:	928,680.00	61,224.30	794,785.20	133,894.80	85.58%
TOTAL ALL EXPENSES:	941,756.00	61,817.42	798,253.44	143,502.56	84.76%
NET INCOME (LOSS):	(941,756.00)	(61,816.16)	(797,911.17)		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2019 to September 30, 2019
100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
OFFICE OF GENERAL COUNSEL - DISCIPLINARY BOARD					
REVENUE:					
TOTAL REVENUE:	-	-	-	-	
DIRECT EXPENSE:					
STAFF MEMBERSHIP DUES	500.00	-	150.00	350.00	30.00%
DISCIPLINARY BOARD EXPENSES	10,000.00	130.15	3,911.63	6,088.37	39.12%
CHIEF HEARING OFFICER	33,000.00	5,000.00	30,000.00	3,000.00	90.91%
HEARING OFFICER EXPENSES	3,000.00	3,733.59	3,868.02	(868.02)	128.93%
HEARING OFFICER TRAINING	2,000.00	-	-	2,000.00	0.00%
OUTSIDE COUNSEL	55,000.00	7,000.00	40,000.00	15,000.00	72.73%
DISCIPLINARY SELECTION PANEL	-	-	624.53	(624.53)	
TOTAL DIRECT EXPENSES:	103,500.00	15,863.74	78,554.18	24,945.82	75.90%
INDIRECT EXPENSES:					
SALARY EXPENSE (1.45 FTE)	110,578.00	6,934.23	94,341.42	16,236.58	85.32%
BENEFITS EXPENSE	40,663.00	3,183.12	38,283.79	2,379.21	94.15%
OTHER INDIRECT EXPENSE	35,832.00	3,212.80	38,214.84	(2,382.84)	106.65%
TOTAL INDIRECT EXPENSES:	187,073.00	13,330.15	170,840.05	16,232.95	91.32%
TOTAL ALL EXPENSES:	290,573.00	29,193.89	249,394.23	41,178.77	85.83%
NET INCOME (LOSS):	(290,573.00)	(29,193.89)	(249,394.23)		

Washington State Bar Association

Statement of Activities

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

100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
OUTREACH & ENGAGEMENT					
REVENUE:					
TOTAL REVENUE:	-	-	-	-	
DIRECT EXPENSE:					
STAFF TRAVEL/PARKING	1,400.00	-	39.92	1,360.08	2.85%
STAFF MEMBERSHIP DUES	1,152.00	-	-	1,152.00	0.00%
CONFERENCE CALLS	200.00	-	-	200.00	0.00%
ABA DELEGATES	4,500.00	1,911.78	4,882.62	(382.62)	108.50%
ANNUAL CHAIR MEETINGS	600.00	-	496.74	103.26	82.79%
JUDICIAL RECOMMENDATIONS COMMITTEE	4,500.00	9.54	2,329.86	2,170.14	51.77%
BOG ELECTIONS	6,500.00	-	4,900.00	1,600.00	75.38%
BAR OUTREACH	10,000.00	711.26	11,860.26	(1,860.26)	118.60%
PROFESSIONALISM	2,000.00	-	-	2,000.00	0.00%
TOTAL DIRECT EXPENSES:	30,852.00	2,632.58	24,509.40	6,342.60	79.44%
INDIRECT EXPENSES:					
SALARY EXPENSE (2.73 FTE)	224,397.00	16,909.95	224,383.29	13.71	99.99%
BENEFITS EXPENSE	79,186.00	6,361.93	76,774.50	2,411.50	96.95%
OTHER INDIRECT EXPENSE	67,463.00	6,051.25	71,977.36	(4,514.36)	106.69%
TOTAL INDIRECT EXPENSES:	371,046.00	29,323.13	373,135.15	(2,089.15)	100.56%
TOTAL ALL EXPENSES:	401,898.00	31,955.71	397,644.55	4,253.45	98.94%
NET INCOME (LOSS):	(401,898.00)	(31,955.71)	(397,644.55)		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2019 to September 30, 2019
100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
PRACTICE OF LAW BOARD					
REVENUE:					
TOTAL REVENUE:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
DIRECT EXPENSES:					
PRACTICE OF LAW BOARD	16,000.00	1,084.75	15,271.57	728.43	95.45%
TOTAL DIRECT EXPENSES:	<u>16,000.00</u>	<u>1,084.75</u>	<u>15,271.57</u>	<u>728.43</u>	<u>95.45%</u>
INDIRECT EXPENSES:					
SALARY EXPENSE (0.40 FTE)	50,676.00	1,411.07	21,143.78	29,532.22	41.72%
BENEFITS EXPENSE	13,502.00	1,072.18	12,868.25	633.75	95.31%
OTHER INDIRECT EXPENSE	<u>9,885.00</u>	<u>873.37</u>	<u>10,388.55</u>	<u>(503.55)</u>	<u>105.09%</u>
TOTAL INDIRECT EXPENSES:	<u>74,063.00</u>	<u>3,356.62</u>	<u>44,400.58</u>	<u>29,662.42</u>	<u>59.95%</u>
TOTAL ALL EXPENSES:	<u>90,063.00</u>	<u>4,441.37</u>	<u>59,672.15</u>	<u>30,390.85</u>	<u>66.26%</u>
NET INCOME (LOSS):	<u>(90,063.00)</u>	<u>(4,441.37)</u>	<u>(59,672.15)</u>		

Washington State Bar Association

Statement of Activities

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

100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
PROFESSIONAL RESPONSIBILITY PROGRAM					
REVENUE:					
TOTAL REVENUE:	-	-	-	-	
DIRECT EXPENSES:					
STAFF TRAVEL/PARKING	2,000.00	484.19	3,027.79	(1,027.79)	151.39%
STAFF MEMBERSHIP DUES	500.00	-	250.00	250.00	50.00%
CPE COMMITTEE	4,200.00	514.46	5,278.54	(1,078.54)	125.68%
TOTAL DIRECT EXPENSES:	6,700.00	998.65	8,556.33	(1,856.33)	127.71%
INDIRECT EXPENSES:					
SALARY EXPENSE (1.65 FTE)	160,192.00	12,196.23	160,861.63	(669.63)	100.42%
BENEFITS EXPENSE	57,904.00	4,582.88	55,305.50	2,598.50	95.51%
OTHER INDIRECT EXPENSE	40,774.00	3,649.48	43,408.92	(2,634.92)	106.46%
TOTAL INDIRECT EXPENSES:	258,870.00	20,428.59	259,576.05	(706.05)	100.27%
TOTAL ALL EXPENSES:	265,570.00	21,427.24	268,132.38	(2,562.38)	100.96%
NET INCOME (LOSS):	(265,570.00)	(21,427.24)	(268,132.38)		

Washington State Bar Association

Statement of Activities

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

100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
PUBLIC SERVICE PROGRAMS					
REVENUE:					
DONATIONS & GRANTS	110,000.00	-	137,500.00	(27,500.00)	125.00%
PSP PRODUCT SALES	2,000.00	29.00	2,004.00	(4.00)	100.20%
TOTAL REVENUE:	112,000.00	29.00	139,504.00	(27,504.00)	124.56%
DIRECT EXPENSES:					
DONATIONS/SPONSORSHIPS/GRANTS	207,915.00	56,642.50	216,939.75	(9,024.75)	104.34%
STAFF TRAVEL/PARKING	2,000.00	54.74	1,044.67	955.33	52.23%
PRO BONO & PUBLIC SERVICE COMMITTEE	2,000.00	454.36	1,725.50	274.50	86.28%
PUBLIC SERVICE EVENTS AND PROJECTS	20,500.00	5,308.46	18,956.21	1,543.79	92.47%
TOTAL DIRECT EXPENSES:	232,415.00	62,460.06	238,666.13	(6,251.13)	102.69%
INDIRECT EXPENSES:					
SALARY EXPENSE (1.03 FTE)	87,057.00	6,130.87	70,905.14	16,151.86	81.45%
BENEFITS EXPENSE	29,994.00	2,372.52	28,646.43	1,347.57	95.51%
OTHER INDIRECT EXPENSE	25,453.00	2,277.04	27,084.40	(1,631.40)	106.41%
TOTAL INDIRECT EXPENSES:	142,504.00	10,780.43	126,635.97	15,868.03	88.86%
TOTAL ALL EXPENSES:	374,919.00	73,240.49	365,302.10	9,616.90	97.43%
NET INCOME (LOSS):	(262,919.00)	(73,211.49)	(225,798.10)		

Washington State Bar Association

Statement of Activities

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

100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
PUBLICATION & DESIGN SERVICES					
REVENUE:					
TOTAL REVENUE:	-	-	-	-	
DIRECT EXPENSES:					
STAFF MEMBERSHIP DUES	500.00	-	-	500.00	0.00%
SUBSCRIPTIONS	83.00	-	79.98	3.02	96.36%
IMAGE LIBRARY	4,680.00	-	4,200.00	480.00	89.74%
TOTAL DIRECT EXPENSES:	5,263.00	-	4,279.98	983.02	81.32%
INDIRECT EXPENSES:					
SALARY EXPENSE (1.22 FTE)	80,074.00	5,946.84	84,784.25	(4,710.25)	105.88%
BENEFITS EXPENSE	31,380.00	2,487.29	29,702.04	1,677.96	94.65%
OTHER INDIRECT EXPENSE	30,148.00	2,713.72	32,278.39	(2,130.39)	107.07%
TOTAL INDIRECT EXPENSES:	141,602.00	11,147.85	146,764.68	(5,162.68)	103.65%
TOTAL ALL EXPENSES:	146,865.00	11,147.85	151,044.66	(4,179.66)	102.85%
NET INCOME (LOSS):	(146,865.00)	(11,147.85)	(151,044.66)		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2019 to September 30, 2019
100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
SECTIONS ADMINISTRATION					
REVENUE:					
REIMBURSEMENTS FROM SECTIONS	300,000.00	1,143.75	294,637.50	5,362.50	98.21%
TOTAL REVENUE:	300,000.00	1,143.75	294,637.50	5,362.50	98.21%
DIRECT EXPENSES:					
STAFF TRAVEL/PARKING	1,200.00	30.00	2,118.57	(918.57)	176.55%
SUBSCRIPTIONS	372.00	-	372.00	-	100.00%
CONFERENCE CALLS	300.00	23.24	290.41	9.59	96.80%
MISCELLANEOUS	300.00	-	-	300.00	0.00%
SECTION/COMMITTEE CHAIR MTGS	1,000.00	-	590.39	409.61	59.04%
DUES STATEMENTS	6,000.00	-	5,585.18	414.82	93.09%
STAFF MEMBERSHIP DUES	125.00	-	-	125.00	0.00%
TOTAL DIRECT EXPENSES:	9,297.00	53.24	8,956.55	340.45	96.34%
INDIRECT EXPENSES:					
SALARY EXPENSE (4.25 FTE)	297,955.00	22,417.06	298,133.15	(178.15)	100.06%
BENEFITS EXPENSE	112,039.00	8,912.95	107,156.26	4,882.74	95.64%
OTHER INDIRECT EXPENSE	105,024.00	9,420.02	112,047.17	(7,023.17)	106.69%
TOTAL INDIRECT EXPENSES:	515,018.00	40,750.03	517,336.58	(2,318.58)	100.45%
TOTAL ALL EXPENSES:	524,315.00	40,803.27	526,293.13	(1,978.13)	100.38%
NET INCOME (LOSS):	(224,315.00)	(39,659.52)	(231,655.63)		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2019 to September 30, 2019
100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
TECHNOLOGY					
REVENUE:					
TOTAL REVENUE:	-	-	-	-	
DIRECT EXPENSES:					
CONSULTING SERVICES	85,000.00	11,297.07	76,614.60	8,385.40	90.13%
STAFF TRAVEL/PARKING	2,500.00	81.64	425.03	2,074.97	17.00%
STAFF MEMBERSHIP DUES	110.00	-	-	110.00	0.00%
TELEPHONE	24,000.00	2,501.51	21,198.31	2,801.69	88.33%
COMPUTER HARDWARE	29,000.00	12,697.88	27,192.98	1,807.02	93.77%
COMPUTER SOFTWARE	29,000.00	(3,297.50)	14,867.13	14,132.87	51.27%
HARDWARE SERVICE & WARRANTIES	60,000.00	-	42,149.45	17,850.55	70.25%
SOFTWARE MAINTENANCE & LICENSING	270,000.00	2,870.09	215,665.68	54,334.32	79.88%
TELEPHONE HARDWARE & MAINTENANCE	10,000.00	3,859.56	4,193.99	5,806.01	41.94%
COMPUTER SUPPLIES	15,000.00	1,130.45	8,241.75	6,758.25	54.95%
THIRD PARTY SERVICES	143,000.00	(7,898.50)	108,560.72	34,439.28	75.92%
TRANSFER TO INDIRECT EXPENSES	(667,610.00)	(23,242.20)	(519,109.64)	(148,500.36)	77.76%
TOTAL DIRECT EXPENSES:	-	-	-	-	
INDIRECT EXPENSES:					
SALARY EXPENSE (12.10 FTE)	1,059,680.00	83,029.87	1,093,486.90	(33,806.90)	103.19%
BENEFITS EXPENSE	370,332.00	29,339.64	349,725.20	20,606.80	94.44%
CAPITAL LABOR & OVERHEAD	(188,800.00)	(8,363.16)	(120,408.06)	(68,391.94)	63.78%
OTHER INDIRECT EXPENSE	299,010.00	26,825.23	319,074.91	(20,064.91)	106.71%
TOTAL INDIRECT EXPENSES:	1,540,222.00	130,831.58	1,641,878.95	(101,656.95)	106.60%
TOTAL ALL EXPENSES:	1,540,222.00	130,831.58	1,641,878.95	(101,656.95)	106.60%
NET INCOME (LOSS):	(1,540,222.00)	(130,831.58)	(1,641,878.95)		

Washington State Bar Association

Statement of Activities

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

100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
CONTINUING LEGAL EDUCATION (CLE)					
REVENUE:					
SEMINAR REGISTRATIONS	876,000.00	97,338.50	850,383.40	25,616.60	97.08%
SEMINAR-EXHIB/SPNSR/ETC	41,500.00	17,300.00	28,300.00	13,200.00	68.19%
SHIPPING & HANDLING	1,000.00	45.00	538.14	461.86	53.81%
COURSEBOOK SALES	11,000.00	864.00	10,819.00	181.00	98.35%
MP3 AND VIDEO SALES	950,000.00	37,503.52	910,436.02	39,563.98	95.84%
TOTAL REVENUE:	1,879,500.00	153,051.02	1,800,476.56	79,023.44	95.80%
DIRECT EXPENSES:					
COURSEBOOK PRODUCTION	3,000.00	162.26	1,356.89	1,643.11	45.23%
POSTAGE - FLIERS/CATALOGS	10,685.00	635.31	11,591.63	(906.63)	108.49%
POSTAGE - MISC./DELIVERY	2,500.00	70.00	651.50	1,848.50	26.06%
DEPRECIATION	5,540.00	485.00	6,846.12	(1,306.12)	123.58%
ONLINE EXPENSES	40,000.00	5,292.66	46,005.37	(6,005.37)	115.01%
ACCREDITATION FEES	4,696.00	(110.00)	1,812.00	2,884.00	38.59%
SEMINAR BROCHURES	20,770.00	179.25	19,993.15	776.85	96.26%
FACILITIES	223,500.00	29,197.66	213,688.78	9,811.22	95.61%
SPEAKERS & PROGRAM DEVELOP	68,100.00	2,842.47	47,518.83	20,581.17	69.78%
SPLITS TO SECTIONS	-	72,500.00	76,284.24	(76,284.24)	
CLE SEMINAR COMMITTEE	500.00	-	143.82	356.18	28.76%
BAD DEBT EXPENSE	600.00	-	(474.00)	1,074.00	-79.00%
STAFF TRAVEL/PARKING	5,675.00	4,709.31	15,899.11	(10,224.11)	280.16%
STAFF MEMBERSHIP DUES	1,260.00	-	1,007.00	253.00	79.92%
SUPPLIES	3,650.00	-	1,039.97	2,610.03	28.49%
TELEPHONE	-	6.05	19.93	(19.93)	
COST OF SALES - COURSEBOOKS	1,200.00	77.92	1,478.86	(278.86)	123.24%
A/V DEVELOP COSTS (RECORDING)	1,500.00	1,500.00	1,966.82	(466.82)	131.12%
SHIPPING SUPPLIES	100.00	-	-	100.00	0.00%
POSTAGE & DELIVERY-COURSEBOOKS	500.00	36.11	448.14	51.86	89.63%
TOTAL DIRECT EXPENSES:	393,776.00	117,584.00	447,278.16	(53,502.16)	113.59%
INDIRECT EXPENSES:					
SALARY EXPENSE (9.72 FTE)	656,422.00	46,929.36	649,474.88	6,947.12	98.94%
BENEFITS EXPENSE	254,178.00	19,354.00	235,292.03	18,885.97	92.57%
OTHER INDIRECT EXPENSE	240,197.00	21,553.72	256,372.91	(16,175.91)	106.73%
TOTAL INDIRECT EXPENSES:	1,150,797.00	87,837.08	1,141,139.82	9,657.18	99.16%
TOTAL ALL EXPENSES:	1,544,573.00	205,421.08	1,588,417.98	(43,844.98)	102.84%
NET INCOME (LOSS):	334,927.00	(52,370.06)	212,058.58		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2019 to September 30, 2019
100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
DESKBOOKS					
REVENUE:					
SHIPPING & HANDLING	2,000.00	135.00	4,177.86	(2,177.86)	208.89%
DESKBOOK SALES	80,000.00	2,544.00	110,780.18	(30,780.18)	138.48%
SECTION PUBLICATION SALES	3,000.00	225.00	3,765.00	(765.00)	125.50%
CASEMAKER ROYALTIES	75,000.00	2,085.42	39,120.84	35,879.16	52.16%
TOTAL REVENUE:	160,000.00	4,989.42	157,843.88	2,156.12	98.65%
DIRECT EXPENSES:					
COST OF SALES - DESKBOOKS	50,000.00	4,113.58	104,803.87	(54,803.87)	209.61%
COST OF SALES - SECTION PUBLICATION	750.00	42.66	635.24	114.76	84.70%
SPLITS TO SECTIONS	1,000.00	164.19	1,242.96	(242.96)	124.30%
DESKBOOK ROYALTIES	1,000.00	-	1,131.87	(131.87)	113.19%
SHIPPING SUPPLIES	150.00	-	-	150.00	0.00%
POSTAGE & DELIVER-DESKBOOKS	2,000.00	180.76	5,728.28	(3,728.28)	286.41%
FLIERS/CATALOGS	3,000.00	-	1,932.18	1,067.82	64.41%
POSTAGE - FLIERS/CATALOGS	1,500.00	-	746.95	753.05	49.80%
COMPLIMENTARY BOOK PROGRAM	2,000.00	-	3,024.84	(1,024.84)	151.24%
OBSOLETE INVENTORY	-	92,401.61	100,377.40	(100,377.40)	
BAD DEBT EXPENSE	100.00	-	-	100.00	0.00%
RECORDS STORAGE - OFF SITE	7,440.00	675.00	8,045.00	(605.00)	108.13%
STAFF MEMBERSHIP DUES	250.00	-	198.00	52.00	79.20%
MISCELLANEOUS	200.00	-	-	200.00	0.00%
TOTAL DIRECT EXPENSES:	69,390.00	97,577.80	227,866.59	(158,476.59)	328.39%
INDIRECT EXPENSES:					
SALARY EXPENSE (2.05 FTE)	117,663.00	9,045.19	118,893.58	(1,230.58)	101.05%
BENEFITS EXPENSE	48,981.00	3,895.22	46,813.81	2,167.19	95.58%
OTHER INDIRECT EXPENSE	50,659.00	4,554.08	54,168.56	(3,509.56)	106.93%
TOTAL INDIRECT EXPENSES:	217,303.00	17,494.49	219,875.95	(2,572.95)	101.18%
TOTAL ALL EXPENSES:	286,693.00	115,072.29	447,742.54	(161,049.54)	156.17%
NET INCOME (LOSS):	(126,693.00)	(110,082.87)	(289,898.66)		

Washington State Bar Association

Statement of Activities

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

100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
CLIENT PROTECTION FUND					
REVENUE:					
DONATIONS	-	-	200.00	(200.00)	
CPF RESTITUTION	3,000.00	635.41	8,346.56	(5,346.56)	278.22%
CPF MEMBER ASSESSMENTS	982,000.00	6,150.00	1,030,782.50	(48,782.50)	104.97%
INTEREST INCOME	7,500.00	7,160.70	79,980.88	(72,480.88)	1066.41%
TOTAL REVENUE:	992,500.00	13,946.11	1,119,309.94	(126,809.94)	112.78%
DIRECT EXPENSES:					
BANK FEES - WELLS FARGO	1,000.00	154.69	2,410.02	(1,410.02)	241.00%
GIFTS TO INJURED CLIENTS	500,000.00	225,419.00	379,818.00	120,182.00	75.96%
CPF BOARD EXPENSES	3,000.00	170.16	1,154.42	1,845.58	38.48%
TOTAL DIRECT EXPENSES:	504,000.00	225,743.85	383,382.44	120,617.56	76.07%
INDIRECT EXPENSES:					
SALARY EXPENSE (1.25 FTE)	97,740.00	6,421.91	81,269.13	16,470.87	83.15%
BENEFITS EXPENSE	35,581.00	2,782.32	33,482.62	2,098.38	94.10%
OTHER INDIRECT EXPENSE	30,889.00	2,776.11	33,020.64	(2,131.64)	106.90%
TOTAL INDIRECT EXPENSES:	164,210.00	11,980.34	147,772.39	16,437.61	89.99%
TOTAL ALL EXPENSES:	668,210.00	237,724.19	531,154.83	137,055.17	79.49%
NET INCOME (LOSS):	324,290.00	(223,778.08)	588,155.11		

Washington State Bar Association

Statement of Activities

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

100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
MANAGEMENT OF WESTERN STATES BAR CONFERENCE (NO WSBA FUNDS)					
REVENUE:					
REGISTRATION REVENUE	33,000.00	-	34,632.50	(1,632.50)	104.95%
OTHER ACTIVITIES REGISTRATION REVENUE	20,000.00	-	22,525.00	(2,525.00)	112.63%
WESTERN STATES BAR MEMBERSHIP DUES	3,200.00	-	3,000.00	200.00	93.75%
SPONSORSHIPS	12,000.00	-	7,700.00	4,300.00	64.17%
TOTAL REVENUE:	68,200.00	-	67,857.50	342.50	99.50%
DIRECT EXPENSES:					
FACILITIES	55,000.00	-	47,383.58	7,616.42	86.15%
SPEAKERS & PROGRAM DEVELOPMENT	1,000.00	-	501.23	498.77	50.12%
BANK FEES	-	-	1.00	(1.00)	
WSBC PRESIDENT TRAVEL	500.00	-	-	500.00	0.00%
OPTIONAL ACTIVITIES EXPENSE	3,500.00	-	6,952.30	(3,452.30)	198.64%
MARKETING EXPENSE	800.00	-	601.05	198.95	75.13%
STAFF TRAVEL/PARKING	2,000.00	-	2,177.35	(177.35)	108.87%
TOTAL DIRECT EXPENSES:	62,800.00	-	57,616.51	5,183.49	91.75%
INDIRECT EXPENSES:					
TOTAL INDIRECT EXPENSES:	-	-	-	-	
TOTAL ALL EXPENSES:	62,800.00	-	57,616.51	5,183.49	91.75%
NET INCOME (LOSS):	5,400.00	-	10,240.99		

Washington State Bar Association

Statement of Activities

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

100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
SECTIONS OPERATIONS					
REVENUE:					
SECTION DUES	472,490.00	1,770.00	447,289.37	25,200.63	94.67%
SEMINAR PROFIT SHARE	15,000.00	1,500.00	28,977.55	(13,977.55)	193.18%
INTEREST INCOME	1,900.00	26,692.77	26,692.77	(24,792.77)	1404.88%
PUBLICATIONS REVENUE	4,000.00	164.19	3,832.02	167.98	95.80%
OTHER	50,750.00	4,700.00	41,590.22	9,159.78	81.95%
TOTAL REVENUE:	544,140.00	34,826.96	548,381.93	(4,241.93)	100.78%
DIRECT EXPENSES:					
DIRECT EXPENSES OF SECTION ACTIVITIES	531,505.00	39,199.91	292,863.28	238,641.72	55.10%
REIMBURSEMENT TO WSBA FOR INDIRECT EXPENSES	309,019.50	1,143.75	294,637.50	14,382.00	95.35%
TOTAL DIRECT EXPENSES:	840,524.50	40,343.66	587,500.78	253,023.72	69.90%
NET INCOME (LOSS):	(296,384.50)	(5,516.70)	(39,118.85)		

Washington State Bar Association

Statement of Activities

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

100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
INDIRECT EXPENSES:					
SALARIES	11,868,980.00	849,963.21	11,564,502.04	304,477.96	97.43%
ALLOWANCE FOR OPEN POSITIONS	(200,000.00)	-	-	(200,000.00)	0.00%
TEMPORARY SALARIES	141,330.00	13,414.50	187,714.92	(46,384.92)	132.82%
CAPITAL LABOR & OVERHEAD	(188,800.00)	(8,363.16)	(120,408.06)	(68,391.94)	63.78%
EMPLOYEE ASSISTANCE PLAN	4,800.00	3,880.00	8,680.00	(3,880.00)	180.83%
EMPLOYEE SERVICE AWARDS	2,230.00	-	2,129.12	100.88	95.48%
FICA (EMPLOYER PORTION)	879,000.00	70,379.15	849,504.62	29,495.38	96.64%
L&I INSURANCE	47,250.00	9,956.74	40,405.18	6,844.82	85.51%
WA STATE FAMILY MEDICAL LEAVE (EMPLOYER PORTION)	-	1,374.98	12,720.22	(12,720.22)	
MEDICAL (EMPLOYER PORTION)	1,590,000.00	121,875.46	1,465,008.89	124,991.11	92.14%
RETIREMENT (EMPLOYER PORTION)	1,494,000.00	118,749.43	1,439,569.78	54,430.22	96.36%
TRANSPORTATION ALLOWANCE	119,250.00	415.00	108,983.20	10,266.80	91.39%
UNEMPLOYMENT INSURANCE	87,500.00	3,428.82	69,014.44	18,485.56	78.87%
STAFF DEVELOPMENT-GENERAL	6,900.00	2,178.63	4,686.64	2,213.36	67.92%
TOTAL SALARY & BENEFITS EXPENSE:	15,852,440.00	1,187,252.76	15,632,510.99	219,929.01	98.61%
WORKPLACE BENEFITS	39,000.00	3,177.09	44,073.97	(5,073.97)	113.01%
HUMAN RESOURCES POOLED EXP	102,400.00	4,315.01	103,843.45	(1,443.45)	101.41%
MEETING SUPPORT EXPENSES	12,500.00	1,676.02	13,916.07	(1,416.07)	111.33%
RENT	1,802,000.00	144,047.70	1,878,238.88	(76,238.88)	104.23%
PERSONAL PROP TAXES-WSBA	14,000.00	900.84	12,949.35	1,050.65	92.50%
FURNITURE, MAINT, LH IMP	35,200.00	6,120.68	26,353.30	8,846.70	74.87%
OFFICE SUPPLIES & EQUIPMENT	46,000.00	977.77	47,501.69	(1,501.69)	103.26%
FURN & OFFICE EQUIP DEPRECIATION	51,300.00	4,283.00	50,628.78	671.22	98.69%
COMPUTER HARDWARE DEPRECIATION	51,800.00	3,960.90	46,686.90	5,113.10	90.13%
COMPUTER SOFTWARE DEPRECIATION	162,700.00	10,552.00	119,141.00	43,559.00	73.23%
INSURANCE	143,000.00	17,639.19	154,440.18	(11,440.18)	108.00%
PROFESSIONAL FEES-AUDIT	35,000.00	-	31,669.20	3,330.80	90.48%
PROFESSIONAL FEES-LEGAL	50,000.00	70,455.85	446,760.87	(396,760.87)	893.52%
TELEPHONE & INTERNET	47,000.00	6,652.14	42,760.00	4,240.00	90.98%
POSTAGE - GENERAL	36,000.00	2,295.73	24,841.35	11,158.65	69.00%
RECORDS STORAGE	40,000.00	3,672.88	44,478.99	(4,478.99)	111.20%
STAFF TRAINING	95,245.00	4,322.10	59,306.09	35,938.91	62.27%
BANK FEES	35,400.00	1,325.03	30,660.04	4,739.96	86.61%
PRODUCTION MAINTENANCE & SUPPLIES	12,000.00	126.72	8,126.97	3,873.03	67.72%
COMPUTER POOLED EXPENSES	667,610.00	23,242.20	519,109.64	148,500.36	77.76%
TOTAL OTHER INDIRECT EXPENSES:	3,478,155.00	309,742.85	3,705,486.72	(227,331.72)	106.54%
TOTAL INDIRECT EXPENSES:	19,330,595.00	1,496,995.61	19,337,997.71		

Washington State Bar Association
Statement of Activities
For the Period from September 1, 2019 to September 30, 2019
100.00% OF YEAR COMPLETE

	FISCAL 2019 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE
SUMMARY PAGE				
LICENSE FEES	15,958,200.00	1,337,509.15	16,217,282.99	(259,082.99)
ACCESS TO JUSTICE	(327,324.00)	(16,579.67)	(308,568.29)	(18,755.71)
ADMINISTRATION	(1,043,654.00)	(85,770.41)	(792,078.67)	(251,575.33)
ADMISSIONS/BAR EXAM	69,421.00	(77,773.03)	98,066.86	(28,645.86)
BOARD OF GOVERNORS	(834,709.00)	(57,558.33)	(861,652.00)	26,943.00
COMMUNICATIONS	(604,832.00)	(57,167.04)	(621,492.45)	16,660.45
CONFERENCE & BROADCAST SERVICES	(783,893.00)	(66,216.19)	(810,316.18)	26,423.18
DISCIPLINE	(5,788,075.00)	(429,781.62)	(5,641,390.16)	(146,684.84)
DIVERSITY	(445,817.00)	(44,049.08)	(420,571.95)	(25,245.05)
FOUNDATION	(164,863.00)	(11,805.50)	(155,522.98)	(9,340.02)
HUMAN RESOURCES	(204,958.00)	(28,784.21)	(391,398.12)	186,440.12
LAP	(132,499.00)	(8,904.09)	(129,076.20)	(3,422.80)
LEGISLATIVE	(154,066.00)	(10,896.74)	(151,199.72)	(2,866.28)
LICENSING AND MEMBERSHIP	(377,789.00)	(22,179.96)	(266,543.55)	(111,245.45)
LIMITED LICENSE LEGAL TECHNICIAN	(241,191.00)	(18,440.46)	(213,142.01)	(28,048.99)
LIMITED PRACTICE OFFICERS	(171,653.00)	(12,983.89)	(161,672.44)	(9,980.56)
MANDATORY CLE ADMINISTRATION	176,571.00	(12,217.26)	310,835.84	(134,264.84)
MEMBER BENEFITS	(260,707.00)	(7,348.48)	(229,951.44)	(30,755.56)
MEMBER SERVICES & ENGAGEMENT	(420,479.00)	(40,099.30)	(349,288.64)	(71,190.36)
NW LAWYER	(197,103.00)	(12,794.39)	(183,179.65)	(13,923.35)
OFFICE OF GENERAL COUNSEL	(941,756.00)	(61,816.16)	(797,911.17)	(143,844.83)
OGC-DISCIPLINARY BOARD	(290,573.00)	(29,193.89)	(249,394.23)	(41,178.77)
OUTREACH & ENGAGEMENT	(401,898.00)	(31,955.71)	(397,644.55)	(4,253.45)
PRACTICE OF LAW BOARD	(90,063.00)	(4,441.37)	(59,672.15)	(30,390.85)
PROFESSIONAL RESPONSIBILITY PROGRAM	(265,570.00)	(21,427.24)	(268,132.38)	2,562.38
PUBLICATION & DESIGN SERVICES	(146,865.00)	(11,147.85)	(151,044.66)	4,179.66
PUBLIC SERVICE PROGRAMS	(262,919.00)	(73,211.49)	(225,798.10)	(37,120.90)
LAW CLERK PROGRAM	11,985.00	(12,002.48)	24,669.26	(12,684.26)
SECTIONS ADMINISTRATION	(224,315.00)	(39,659.52)	(231,655.63)	7,340.63
TECHNOLOGY	(1,540,222.00)	(130,831.58)	(1,641,878.95)	101,656.95
CLE - PRODUCTS	733,919.00	15,565.39	675,121.12	58,797.88
CLE - SEMINARS	(398,992.00)	(67,935.45)	(463,062.54)	64,070.54
SECTIONS OPERATIONS	(296,384.50)	(5,516.70)	(39,118.85)	(257,265.65)
DESKBOOKS	(126,693.00)	(110,082.87)	(289,898.66)	163,205.66
CLIENT PROTECTION FUND	324,290.00	(223,778.08)	588,155.11	(263,865.11)
WESTERN STATES BAR CONFERENCE (No WSBA Funds)	5,400.00	-	10,240.99	(4,840.99)
INDIRECT EXPENSES	(19,330,595.00)	(1,496,995.61)	(19,337,997.71)	7,402.71
TOTAL OF ALL	19,190,671.50	1,988,271.11	17,915,881.86	1,274,789.64
NET INCOME (LOSS)	139,923.50	(491,275.50)	1,422,115.85	

**Washington State Bar Association
Analysis of Cash Investments
As of September 30, 2019**

Checking & Savings Accounts

General Fund

Checking

<u>Bank</u>	<u>Account</u>	<u>Amount</u>
Wells Fargo	General	\$ 1,049,780

Total

<u>Investments</u>	<u>Rate</u>	<u>Amount</u>
Wells Fargo Money Market	2.10%	\$ 2,197,243
UBS Financial Money Market	2.10%	\$ 835,346
Morgan Stanley Money Market	2.09%	\$ 3,326,791
Merrill Lynch Money Market	2.20%	\$ 1,959,529
Short Term Investments	Varies	\$ 990,000

General Fund Total \$ 10,358,689

Client Protection Fund

Checking

<u>Bank</u>	<u>Amount</u>
Wells Fargo	\$ 348,164

<u>Investments</u>	<u>Rate</u>	<u>Amount</u>
Wells Fargo Money Market	2.10%	\$ 3,961,422
Morgan Stanley Money Market	2.09%	\$ 106,204
Wells Fargo Investments	Varies	\$ -

Client Protection Fund Total \$ 4,415,790

Grand Total Cash & Investments \$ 14,774,479

Short Term Investments- General Fund

Total Short Term Investments- General Fund	990,000.00
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<u>Bank</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Term Mths</u>	<u>Maturity Date</u>	<u>Amount</u>
				Total CPF	-

2019 PERFORMANCE SUMMARY

As of September 2019	Budgeted Revenue	Actual Revenue	Variance	Budgeted Indirect Expenses	Indirect Expenses	Variance	Budgeted Direct Expenses	Direct Expenses	Variance	Budgeted Net	Net Income
General	20,222,324	21,222,609	1,000,285	17,798,285	17,743,723	(54,562)	2,525,655	2,405,149	(120,506)	(101,616)	1,073,737
CLE	2,039,500	1,958,320	(81,180)	1,368,100	1,361,826	(6,274)	463,166	670,763	207,597	(126,693)	(74,269)
Section	544,140	521,525	(22,615)			0	841,025	586,754	(254,271)	(296,885)	(65,229)
CPF	992,500	1,119,310	126,810	164,210	202,214	38,004	504,000	383,382	(120,618)	324,290	533,714
Total	23,798,464	24,821,764	1,023,300	19,330,595	19,307,763	(22,832)	4,333,846	4,046,048	(287,798)	(200,904)	1,467,953

Revenue:

❑ WSBA Revenue over performed budget as a result of higher actual members (2,308) vs. budgeted amount.

This was partially offset by an adjustment to deskbook inventory in the CLE fund and less than expected members joining sections than budgeted.

Indirect Expenses

❑ Indirect Expenses are favorable to budget mainly driven by more open positions than planned throughout the year. The budget includes \$200k as a vacancy factor.

Direct Expenses

❑ For the FY ending September 2019 direct expenses have been managed closely resulting in a favorable variance to budget of \$391K or 9.9%. These variances are driven mostly by Sections Ops – BOG/ED – Admissions – OGC and OGC Board – as well as Member Benefits and Member Services. The savings in these cost centers were partially offset with incremental to budget spend in Deskbook and North West Lawyer.

PROPOSED POLICY

Officer and Governor Travel to and Attendance at National/Regional Events

Educational, training, or networking events for officers and/or governors are approved as part of the budget process based on the educational/networking value. Examples include the Bar Leaders Conference, Western States Bar Conference, American Bar Association annual or mid-year meetings, or meetings of the National Council of Bar Presidents.

Existing policy locks Governors into travel to one national conference their second year, this proposed policy removes the dictation on the specific year they go. This proposed policy puts the emphasis on officers representing the WSBA as delegates to national conferences and reflects the current budgeted expenses.

The following policy has been adopted by the Board of Governors:

1. Officer Conferences

The President, President-elect, and Treasurer may attend two national conferences and the Western States Bar Conference. The President and President-elect may also attend the Northwest Bar Leaders meeting.

2. Governor Conferences

Governors may attend one national or regional conference during their term of service on the Board of Governors.

The Supreme Court
State of Washington

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CHIEF JUSTICE
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September 25, 2019

Via electronic mail

Ms. Terra Nevitt
Interim Executive Director
Washington State Bar Association
1325 Fourth Avenue, Suite 600
Seattle, Washington 98101-2539

WSBA Board of Governors
Washington State Bar Association
1325 Fourth Avenue, Suite 600
Seattle, Washington 98101-2539

Dear Ms. Nevitt and Washington State Bar Board of Governors:

The Supreme Court received and reviewed the *Report and Recommendations* dated September 2019 from the Supreme Court Work Group on Bar Structure and the minority report dated August 28, 2019. The Court also reviewed comments to the report received from individuals and organizations.

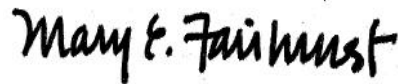
By a majority vote, the Court acted on the recommendations as follows:

Work Group Recommendation	Court Decision
Retain an integrated bar structure.	Retain an integrated bar structure for now (5-4, Johnson, Madsen, Stephens, Wiggins, JJ., dissenting).
Make no fundamental changes to the six Court appointed boards administered and funded by the WSBA: the Access to Justice Board; the Disciplinary Board; the Limited License Legal Technician Board; the Limited Practice Board; the Mandatory Continuing Legal Education Board; and the Practice of Law Board.	Make no fundamental changes, as recommended (5-4, Johnson, Madsen, Stephens, Wiggins, JJ., dissenting).
Consider amending court rules to specify that the prohibitions of General Rule (GR) 12.2(c) apply to Court appointed boards.	Review whether the prohibitions in GR 12.2(c) apply to Court appointed boards and seek additional input, especially from the affected entities (6-3, Madsen, Stephens, Wiggins, JJ., dissenting).
Consider ordering the WSBA Board of Governors and staff to adopt and execute a	Request, but do not order, that the WSBA Board of Governors and staff do a thorough

thorough <i>Keller v. State Bar of California</i> , 496 U.S. 1, 110 S. Ct. 2228 (1990) interpretation when calculating all future <i>Keller</i> deductions.	<i>Keller v. State Bar of California</i> calculation for the Court's review (6-3, Madsen, Stephens, Wiggins, JJ., dissenting).
Reexamine the <i>Report and Recommendations</i> from the WSBA Governance Task Force dated June 2014.	Review and reexamine recommendations from the 2014 Governance Task Force report (5-4, Johnson, Madsen, Stephens, Wiggins, JJ., dissenting).
Consider adding public member(s) to the WSBA BOG.	Reevaluate the composition of the BOG membership including adding public member(s) to the WSBA BOG (5-4, Johnson, Madsen, Stephens, Wiggins, JJ., dissenting).

The Court appreciates the efforts of the Work Group to analyze issues and develop recommendations. We are sharing with you the Court's actions to date on these recommendations and look forward to working with the WSBA and the Board of Governors as we consider further decisions regarding the recommendations.

Very truly yours,



MARY E. FAIRHURST
Chief Justice

cc: Justices



KELLER CALCULATION PROCEDURE

1. PURPOSE

The purpose of this procedure is to document the process WSBA will use to calculate the “optional Keller deduction” as approved by the Board of Governors.

2. BACKGROUND

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

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

3. DEFINITIONS

Non Chargeable Costs: The sum of all costs related to activities that are political or ideological in nature and which are not reasonably related to (1) regulating the practice of law, or (2) improving the quality of legal services. The final amount represents the costs for activities permitted by GR 12, but non-chargeable under *Keller*.

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

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

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

4. PROCEDURE

Elements Required For the Calculation

- Labor Hours and costs associated with all non-chargeable legislative activities are obtained from all WSBA operating areas, including the following areas⁴
 - Legislative
 - Access To justice
 - Counsel Public Defense
 - Pro Bono Public Service
 - WSBA Legislative Activity
 - NW Lawyer Publication
 - Sections
 - BOG Related Meeting Activity
- Direct and Indirect Costs of non-chargeable Legislative Activity
- Costs Related To ABA Delegate Activities Specified in Cost Center Outreach and Engagement “OutEng” G/L Account Code
 - 52520
- All other actual direct and indirect costs of other non-chargeable activities in the current fiscal year, including staff salary, benefits and overhead, including meeting time, conference call costs and overhead.
- An estimate for the Number of Actual Paying Members for the fiscal year of the calculation, based on the most recent count available

Legislative Expense Calculation

The Chief Financial Officer and the General Counsel will be accountable for the correct, timely calculation and dissemination of the Keller deduction calculation.

STEP 1. Determine each license fee paying member’s share of the entire legislative function budget.

$$\text{Total Legislative Budget}^5 / \text{Estimated Total Number of License Fee Paying Members}^6$$

The result of the calculation above will be the “Pro Rata” share of Legislative Cost per Member or

$$\text{LCPM} = \text{Total Legislative Budget} / \text{Total Number of License Fee Paying Members}$$

STEP 2. Determine the percentage of the legislative function budget spent on nonchargeable activities.

General Counsel reviews each bill that the legislative staff spent time on and determines whether it is chargeable (directly relates to the regulating the legal profession or improving the quality of legal services), or non-chargeable (not directly related to regulating the legal profession or improving the quality of legal

⁴ When doing the Keller Calculation we use the most recent historical 12 month data. Because the calculation needs to be approved in a September BOG meeting our most recent historical 12 months start with the month of July of the current fiscal year. From there we go back 12 months through August of the previous fiscal year. The fact that we cross into the previous fiscal year is irrelevant as we have captured 12 months of activity. For example, to calculate the Keller deduction for 2021, we use costs from August 2019-July 2020.

⁵ ACCT CODE LEG - Should Include both Direct and Indirect Codes

⁶ This number is provided by Regulatory Services Department.

services.)⁷ This calculation also includes expenses related to legislative staff time spent during and preparing for BOG, BOG Legislative Committee and BOG Legislative Review Committee meetings. This calculation also includes time that the legislative staff spent on bills for the Access to Justice Board (ATJ) or Council on Public Defense (CPD) if the legislative staff spends time working on bills specifically for these entities.

$$\text{LCPM} \times \text{Non Chargeable Percent of Legislative Expenses} = \text{Legislative Non Chargeable Amount per License Fee Paying Member}$$

Step 3: The next step is to determine the actual direct and indirect costs for activities not directly related to legislative activity, but non-chargeable under Keller. General Counsel asks all WSBA staff to provide descriptions of political activity not directly related to regulating the practice of law or improving the quality of legal services direct and associated indirect costs for these activities. Although we examine all activity, the Cost Centers frequently determined to have non chargeable costs include:

- Access To Justice
- Counsel Public Defense
- Pro Bono Public Service
- NW Lawyer Publication
- Sections
- Outreach and Engagement
- BOG Related Staff Costs

The costs will be submitted to the Office of General Counsel on the template provided (Attachment A). The information will be due on the dates specified on the Keller Calculation Calendar (Attachment B). General Counsel reviews the costs provided to determine whether they are nonchargeable. The costs are then provided to CFO for inclusion in the final Keller refund calculation.

⁷ These bills reasonably relate to or affect the practice of law or the administration of justice, so this activity complies with GR 12.2, but are appropriately subject to the *Keller* deduction.

Rules for Calculations

Legislative Calculation:

$\text{LCPM} \times \text{Non Chargeable Percent of Legislative Budget} = \text{Legislative Budget Non Chargeable Amount}$

ABA Delegation Calculation:

$\frac{100\% \text{ ABA Delegation Budget}}{\text{Total Number of License Fee Paying members}} = \text{ABA Non Chargeable Amount}$

BOG Related Staff Costs:

$\sum \text{Non Chargeable Staff Hours} \times \text{Staff Salaries} / \text{Total Number of License Fee Paying members}$

Access to Justice (ATJ)

$\sum \text{All Direct and Indirect Non Chargeable Costs ATJ Activities} / \text{Total Number of License Fee Paying members}$

Counsel for Public Defense (CPD)

$\sum \text{All Direct and Indirect Non Chargeable Costs CPD Activities} / \text{Total Number of License Fee Paying members}$

Pro Bono Public Service

$\sum \text{All Direct and Indirect Non Chargeable Costs Pro Bono Activities} / \text{Total Number of License Fee Paying members}$

NW Lawyer Publication

$\sum \text{All Direct and Indirect Non Chargeable Costs NW Lawyer Activities} / \text{Total Number of License Fee Paying members}$

Outreach and Engagement

$\sum \text{All Direct and Indirect Non Chargeable Costs Outreach and Engagement Activities} / \text{Total Number of License Fee Paying members}$

BOG Cost Calculation:

In order to obtain the cost to be included in the deduction related to BOG activities OGC will review the BOG minutes and determine the staff members present during any BOG meeting and use the video of the BOG meeting to determine the amount of meeting time spent on these activities.

Subsequently to this OGC will deliver to the Controller this data. The Controller will then be responsible for calculating the actual costs utilizing the information available. Specifically payroll and OH expenses.

Attachment B
Keller Deduction Timeline

In order to ensure the timely production, review and approval of the Keller Deduction we need to adhere to the following timeline:

Action	Responsible	Completion Date
Distribute Templates to Department Heads	Accounting	1st Work day of August
Prepare Data to be Utilized for Calculation and Submit to OGC	Department Heads	12 th Work Day of August
OGC Review and Submit To Accounting	OGC	20 th work Day of August
Accounting Review for Accuracy	Accounting	3rd Work Day of September
Prepare Memo for BOG Meeting	OGC	3rd Work Day of September
Submit Memo and Calculation to ED for Review and Approval	OGC	5 th Work Day of September
Include in BOG Materials	ED	7 th Work Day of September

Assumes 20 work days in the month of August

Link to Attachment 1 Template

W:\OGC\RESTRICTED\ORG\Keller_2020\Proposed Template Keller.xlsx

WASHINGTON STATE BAR ASSOCIATION

Special Report on the Fiscal Year 2018 Budget Summary

Table of Contents

	Page
Independent Accountant's Report on Applying Agreed-Upon Procedures	1 - 8
Exhibit A: Fiscal Year 2019 Budget Summary - Final	9
Exhibit B: Fiscal Year 2018 Budget Summary - Final	10
Exhibit C: Fiscal Year 2017 Statement of Activities	11

Independent Accountant's Report on Applying Agreed-Upon Procedures

**To the Board of Governors
Washington State Bar Association
Seattle, Washington**

At your request, we have performed certain agreed-upon procedures, as enumerated below, with respect to the Washington State Bar Association (WSBA) Fiscal Year 2018 Budget Summary for the year ending September 30, 2018. These procedures, which were agreed to by management of the WSBA, were performed solely to assist you in evaluating the consistency of the presentation of the Fiscal Year 2018 Budget Summary of revenues and expenses by budget category (2018 Budget) included in Exhibit A, with presentation of the Fiscal Year 2017 Budget Summary of revenues and expenses for the fiscal year ended September 30, 2017 (2017 Budget) included in Exhibit B, and the presentation of revenues and expenses in the audited Statement of Activities for the fiscal year ended September 30, 2016 (2016 Statement of Activities) included in Exhibit C. This report is prepared to comply with Keller vs. State Bar of California, 496 U.S. 1 (1990) which prohibits using compulsory fees of any member who objects to that use for political or ideological activities that are not germane, or reasonably related, to regulating the legal profession or improving the quality of legal services ("nonchargeable" activities). Objecting members are offered a "Keller deduction" that represents the estimated portion of fees that is used for "nonchargeable" activities. The Keller deduction is calculated prospectively based on the coming year's budget and the previous year's political activity. The Special Report on the Budget Summary reports on the presentation of the coming year's budget, which is used to compute the Keller deduction, with the previous year's financial statements and current year budget by explaining differences in categories, budgeting methodologies, and significant revenues and expenses. The WSBA's management is responsible for the 2018 and 2017 Budgets and the 2016 Statement of Activities.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the WSBA. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. We totaled all columns and rows of the 2019 and 2018 Budgets and the 2017 Statement of Activities to verify the mathematical accuracy.

Findings

None

2. We compared the 2019 Budget category descriptions to the 2018 Budget and the 2017 Statement of Activities category descriptions and explained differences.

Findings

The WSBA changed the following categories in the 2019 Budget compared to the 2018 Budget:

Member Services and Engagement - In fiscal year 2019, the Practice Management Assistance, New Member Programs, and Mentorship cost centers were combined into one cost center, titled Member Services and Engagement. This combination is intended to reflect the coordination and administration of these areas, which have significant overlap and are supported by the same team.

The WSBA added the following categories in the 2019 Budget compared to the 2017 Statement of Activities:

Communications Strategies, Outreach and Engagement, Conference and Broadcast Services, and Publications and Design Services - In fiscal year 2017, the Communications and Legislative cost centers included revenues and expenses related to all functions performed by the Communications Department. In 2018 and continuing in 2019, for greater transparency, and to better reflect the department's restructuring in 2018, these cost centers were replaced with: (a) Communications Strategies, (b) Outreach and Engagement, (c) Legislative, (d) Conference and Broadcast Services, and (e) Publications and Design Services.

Limited License Legal Technicians and Limited Practice Officers - Effective September 1, 2017, the Washington Supreme Court approved amendments to the Admission and Practice (APR) rules establishing the coordinated admissions and licensing system for lawyers, Limited Practice Officers (LPO), and Limited License Legal Technicians (LLLT). Historically, we have included all revenues and costs associated with these programs in the LPO and LLLT costs centers. To reflect this rule change in fiscal year 2018 and continuing in 2019, WSBA drafted budgets such that LPO and LLLT exam and waiver revenue, and exam writing costs, are identified and accounted for in the Admissions cost center; and LPO and LLLT license fee revenue are identified and accounted for in the Licensing cost center.

Practice Management Assistance - In fiscal year 2018: (a) the Law Office Management Assistance Program cost center was retitled Practice Management Assistance; and (b) revenues from royalties earned from member participation in discounted third party services were moved from the Member Benefits cost center to the Practice Management Assistance cost center.

Deskbooks - In fiscal year 2017, the CLE cost center included revenue and expenses related to conducting in-person and webcast CLE Seminars, and producing and online sale of deskbooks, coursebooks, and recorded CLE seminars under CLE Products. In 2018 and

continuing in 2019, Deskbooks is its own cost center to better reflect that deskbooks are distinct from other CLE products.

3. We inquired of management if there were any differences in the methodology used to budget for revenue and expense amounts for each category for the 2019 Budget as compared to the methodology used to budget for revenue and expense amounts for each category for the 2018 Budget and to account for revenue and expenses in the 2017 Statement of Activities.

Findings

The WSBA noted no differences in the methodology used to budget for revenue or expense amounts for each category for the 2018 Budget as compared to the methodology used to budget for revenue and expense amounts for each category for the 2017 Budget and to account for revenues and expenses in the 2016 Statement of Activities.

4. We compared total revenues and total expenses by category in the 2018 Budget to the total revenues and total expenses by category in the 2017 Budget and noted differences in amounts both greater than \$100,000 and 20%. We also compared the total revenues and total expenses by category in the 2018 Budget to total revenues and total expenses by category reported on the 2016 Statement of Activities and noted differences in amounts both greater than \$100,000 and 20%. We inquired of management for an explanation of those differences.

Findings

The following categories showed differences greater than \$100,000 and 20%:

Comparison of 2019 Budget to 2018 Budget

	2018 Budget	2017 Budget	Difference	
			Amount	Percentage
Admissions / Bar Exam				
a. Revenue	\$ -	\$ 1,327,400	\$ (1,327,400)	-100%
Limited Practice Officers				
b. Revenue	\$ -	\$ 761,000	\$ (761,000)	-100%
Continuing Legal Education				
c. Revenue	\$ -	\$ 1,862,235	\$ (1,862,235)	-100%
d. Expense	\$ -	\$ 1,699,431	\$ (1,699,431)	-100%
Deskbooks (formerly in CLE-Products)				
e. Revenue	\$ -	\$ 170,000	\$ (170,000)	100%
f. Expense	\$ -	\$ 340,905	\$ (340,905)	100%
Communications Strategies (formerly Communications)				
g. Expense	\$ -	\$ 636,530	\$ (636,530)	-100%
Conference and Broadcast Services (formerly Communications)				
h. Expense	\$ -	\$ 738,960	\$ (738,960)	100%
Licensing and Membership Records				
i. Expense	\$ -	\$ 697,145	\$ (697,145)	-100%
Outreach and Engagement (formerly Communications)				
j. Expense	\$ -	\$ 111,234	\$ (111,234)	100%
Publication and Design Services (formerly Communications)				
k. Expense	\$ -	\$ 449,548	\$ (449,548)	100%

Management's explanations for the differences are as follows:

- a. The increase in expenses is due to a reallocation of 0.84 FTE from a number of other cost centers within the Advancement department to support WSBA's diversity programming. Expenses consist mainly of salaries, benefits, and overhead.
- b. The increase in revenue is due to changes in the Mandatory Continuing Legal Education fee structure effective October 1, 2019. The changes include increases and elimination of various fees with the overall goal of providing an equitable assessment of fees for all license types.
- c. The new revenue is due to the creation of the Member Services and Engagement cost center in fiscal year 2019.
- d. The new expenses are due to the creation of the Member Services and Engagement cost center in fiscal year 2019.
- e. The increase in expenses is due to the addition of Fastcase, a second legal research tool for members for \$60,000 and the reallocation of 0.33 FTE from a number of other cost centers within the Advancement department to support WSBA's membership benefits programming.

- f. The decrease in expense is due to the combination of the Mentorship Program cost center with Practice Management Assistance and New Member Programs to create the Member Services and Engagement cost center in fiscal year 2019.
- g. The decrease in expense is due to the combination of the New Member Programs cost center with Practice Management Assistance and Mentorship programs to create the Member Services and Engagement cost center in fiscal year 2019.
- h. The decrease in expense is due to the combination of the Practice Management Assistance cost center with Mentorship and New Member Programs to create the Member Services and Engagement cost center in fiscal year 2019.

Comparison of 2018 Budget to 2016 Statement of Activities

	2018 Budget	2016 SOA	Difference	
			Amount	Percentage
Administration				
a. Revenue	\$ -	\$ 118,824	\$ (118,824)	-100.0%
Limited Practice Officers				
b. Revenue	\$ -	\$ 146,986	\$ (146,986)	-100.0%
Continuing Legal Education				
c. Revenue	\$ -	\$ 1,986,718	#####	-100.0%
d. Expense	\$ -	\$ 1,957,703	#####	-100.0%
Deskbooks (formerly in CLE-Products)				
e. Revenue	\$ -	\$ -	\$ -	100.0%
f. Expense	\$ -	\$ -	\$ -	100.0%
Communications Strategies (formerly Communications)				
g. Expense	\$ -	\$ 1,582,412	#####	-100.0%
Conference and Broadcast Services (formerly Communications)				
h. Expense	\$ -	\$ -	\$ -	100.0%
Licensing and Membership Records				
i. Expense	\$ -	\$ 585,230	\$ (585,230)	-100.0%
Mandatory CLE Administration				
j. Expense	\$ -	\$ 718,481	\$ (718,481)	-100.0%
Outreach and Engagement (formerly Communications)				
k. Expense	\$ -	\$ -	\$ -	100.0%
Professional Responsibility Program				
l. Expense	\$ -	\$ 247,054	\$ (247,054)	-100.0%
Publication and Design Services (formerly Communications)				
m. Expense	\$ -	\$ -	\$ -	100.0%
Sections Operations				
n. Expense	\$ -	\$ 675,588	\$ (675,588)	-100.0%

Management's explanations for the differences are as follows:

- a. The Client Protection Fund's largest expense is for "Gifts to Injured Clients". This expense varies each year as it depends on the number and type of applications received and approved by the Client Protection Fund Board and the WSBA Board of Governors. Over the past few years the WSBA has budgeted \$400,000 to \$500,000 for this expense when actual gifts have ranged from \$300,000 to over \$900,000 so a variance is to be expected. The remainder of the increase in expenses is due to a reallocation of 0.24 FTE from other Office of General Counsel department cost centers to provide additional support to the program.
- b. The decrease in expense is due to the reallocation of the Communications and Legislative cost center costs into the following revised categories: (1) Communications Strategies, (b) Outreach and Engagement, (c) Legislative, (d) Conference and Broadcast Services, and (e)

Publications and Design Services. The actual fiscal year 2017 expenses for Communications and Legislative was \$1,780,514. The fiscal year 2019 budget for the five replacement cost centers is \$2,142,304. This is an increase of \$361,790 or 20.3%. The increase includes the salary, benefits, and overhead of an additional 0.33 FTE because of a reallocation of staff from other cost centers to support these programs, as well as general increases in costs associated with staffing from 2017 to 2019 and lower than budgeted salaries expense in 2017.

- c. The new Conference and Broadcast Service expense is due to the action taken in fiscal year 2018 as described in note b. above.
- d. The reduction in Continuing Legal Education expenses are a result of three main items:
 - (1) In fiscal year 2018, the Deskbook cost center was created and all costs associated with producing and selling deskbooks were moved out of the CLE- Products cost center. This includes 2.05 FTEs and corresponding salaries, benefits, and overhead and applicable direct expenses which equates to approximately \$290,000.
 - (2) In fiscal year 2019, expenses for "Splits to Sections- Seminars" was reduced to \$0 from \$89,581 in 2017. This is a result of changes to WSBA fiscal policy effective beginning fiscal year 2019 that determine how seminar profit is split between WSBA and Sections. Under the new policy, the profit splits with Sections will resume in fiscal year 2020.
 - (3) In fiscal year 2019, expenses for "Seminar Online Hosting" was reduced to \$0 from \$45,000 in 2017. The expenses were moved into the Information Technology direct expense budget under "Third Party Services" because they support the entire organization.
- e. The new Deskbook revenue is due to the creation of the deskbook specific cost center beginning in fiscal year 2018.
- f. The new Deskbook expense is due to the creation of the deskbook specific cost center beginning in fiscal year 2018.
- g. The increase in Diversity expenses is for salaries, benefits, and overhead from the addition of 1.08 FTEs from 2017 to 2019, which were reallocated from existing cost centers to provide additional program and supervisory support for WSBA's diversity efforts.
- h. The decrease in expenses for Human Resources is due to the line item titled "Allowance for Open Positions". The annual budget for salaries and benefits assumes that the organization is fully staffed for the entire year. However, there are usually savings as a result of position vacancies. To account for this likely variance, we budget an amount under "Allowance for Open Positions" that reduces the expense budget. Because salaries are allocated to each cost center, we have selected to allocate the full allowance amount for the organization to the Human Resources cost center. No actual amounts are allocated to this line item, it is

purely to assist in creating a more accurate budget. The variance between the 2019 Budget and 2017 SOA for the Human Resources cost center without the allowance is \$32,172 or 8.6%.

- i. The decrease in Limited Practice Officer (LPO) revenue is due to the September 2017 amendments to the Admission and Practice (APR) rules establishing the coordinated admissions and licensing system for lawyers, LPOs, and Limited License Legal technicians (LLLT). To reflect this rule change, beginning in fiscal year 2018, LPO and LLLT license fee revenue are identified and accounted for in the Licensing cost center.
- j. The increase in revenue is due to changes in the Mandatory Continuing Legal Education fee structure effective October 1, 2019. The changes include the increase and elimination of various fees with the overall goal of providing an equitable assessment of fees for all license types.
- k. The increase in expenses is related to increased depreciation costs for the Mandatory Continuing Legal Education reporting system software. In fiscal year 2018, additional enhancements were made to the system that added to the software's book value. This increases the depreciation for the asset going forward into fiscal year 2019.
- l. The new revenue is due to the creation of the Member Services and Engagement cost center in fiscal year 2019.
- m. The new expenses are due to the creation of the Member Services and Engagement cost center in fiscal year 2019.
- n. Beginning in fiscal year 2018, the Membership Benefits cost center began to include direct and indirect costs associated with programs benefiting WSBA's membership as part of their annual license fee. This includes monthly continuing legal education through the WSBA's Legal Lunchbox Series, and the WSBA Connects member assistance program. Prior to 2018, the only expenses included in this cost center were for the CaseMaker legal research tool. No indirect costs were included. Additionally, in fiscal year 2019 the WSBA added funding for a second legal research tool (Fastcase) for \$60,000.
- o. The decrease in expense is due to the combination of the Mentorship Program cost center with Practice Management Assistance and New Member Programs to create the Member Services and Engagement cost center in fiscal year 2019.
- p. The decrease in expense is due to the combination of the New Member Programs cost center with Practice Management Assistance and Mentorship programs to create the Member Services and Engagement cost center in fiscal year 2019.
- q. The new Outreach and Engagement expense is due to the action taken in fiscal year 2018 as described in note b. above.

- r. The decrease in expense is due to the combination of the Practice Management Assistance cost center with Mentorship and New Member Programs to create the Member Services and Engagement cost center in fiscal year 2019.
- s. The new Publication and Design Services expense is due to the action taken in fiscal year 2018 as described in note b. above.
- t. Section budgets and actual spending are linked to work plans, which can differ each year. For 2019, the expenses have increased because of normal changes in Section work plans through direct expenses.

We were not engaged to and did not conduct an examination; the objective of which would be the expression of an opinion on the accompanying 2018 and 2017 Budgets. Accordingly, we do not express an opinion on whether the budgets are presented in conformity with AICPA presentation guidelines or on whether the underlying assumptions provide a reasonable basis for the presentation. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. Furthermore, there will usually be differences between the budgets and actual results as events and circumstances frequently do not occur as expected and those differences may be material. We expressed an unmodified opinion on the WSBA's financial statements as of and for the year ended September 30, 2016. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

This report is intended solely for the information and use of management and members of the WSBA and is not intended to be and should not be used by anyone other than these specified parties.

Certified Public Accountants

DATE

EXHIBIT A

WASHINGTON STATE BAR ASSOCIATION

Fiscal Year 2019 Budget Summary - Final

EXHIBIT B

WASHINGTON STATE BAR ASSOCIATION

Fiscal Year 2018 Budget Summary - Final

Cost Centers	Revenue	Expense	Net
Access to Justice	\$ -	\$ 305,327	\$ (249,146)
Administration	55,000	1,050,999	(995,999)
Admissions / Bar Exam	1,327,400	1,169,438	157,962
Board of Governors and Office of the Executive Director	-	802,546	(802,546)
Communications Strategies	44,750	636,530	(591,780)
Conference and Broadcast Services		738,960	(738,960)
Discipline	130,300	5,767,755	(5,637,455)
Diversity	100,374	442,633	(342,259)
Foundation	-	164,730	(164,730)
Human Resources		269,931	(269,931)
Law Clerk Program	112,000	112,617	(617)
Legislative		151,840	(151,840)
Licensing	15,068,125		15,068,125
Licensing and Membership Records	284,700	697,145	(412,445)
Limited License Legal Technician		254,748	(254,748)
Limited Practice Officers		159,182	(159,182)
Mandatory CLE Administration	761,000	777,340	(16,340)
Member Assistance Program	10,000	133,105	(123,105)
Member Benefits		166,530	(166,530)
Mentorship Program	-	115,842	(115,842)
New Member Programs	53,200	297,863	(244,663)
NW Lawyer	538,350	661,305	(122,955)
Office of General Counsel	-	795,748	(795,748)
Office of General Counsel Disciplinary Board	-	303,963	(303,963)
Outreach and Engagement		385,421	(385,421)
Practice of Law Board	-	111,234	(111,234)
Practice Management Assistance	15,000	211,569	(196,569)
Professional Responsibility Program		284,096	(284,096)
Public Service Programs	105,000	449,548	(344,548)
Publication and Design Services		156,000	(156,000)
Sections Administration	308,000	472,903	(164,903)
Technology		1,468,042	(1,468,042)
Total General Fund	18,913,199	19,514,890	(601,691)
Operating Loss for FY 2018			(601,691)
Percent Increase Over FY17 Budget	12.0%	3.3%	
Depreciation			315,638
Straight Line Rent			143,635
Capital Labor			(194,000)
Net Cash Flow From FY 2018 Operations			(336,418)
Continuing Legal Education	1,862,235	1,699,431	162,804
Deskbooks	170,000	340,905	(170,905)
Continuing Legal Education	2,032,235	2,040,336	(8,101)
Operating Gain for FY 2018			(8,101)
Percent Decrease Over FY17 Budget	-21.1%	-11.4%	
Sections Operations	611,335	901,606	(290,271)
Lawyers Fund for Client Protection	992,500	565,720	426,780
Western States Bar Conference	49,900	46,860	3,040
	\$ 22,599,169	\$ 23,069,412	\$ (470,243)

EXHIBIT C

WASHINGTON STATE BAR ASSOCIATION

Statement of Activities

For the Year Ended September 30, 2017

	Revenues	Expenses	Revenues Over (Under) Expenses
Unrestricted - General:			
Access to Justice Board	\$ 9,785	\$ 284,444	\$ (274,659)
Administration	118,824	1,021,674	(902,850)
Admissions / Bar Exam	1,359,865	1,110,933	248,932
Board of Governors and Office of the Executive Director		774,927	(774,927)
Communications	19,309	1,582,412	(1,563,103)
Discipline	111,472	5,374,154	(5,262,682)
Diversity	90,275	381,269	(290,994)
Foundation		154,243	(154,243)
Human Resources		372,786	(372,786)
Law Clerk Program	108,050	85,399	22,651
Law Office Management Assistance Program	3,510	188,311	(184,801)
Lawyer Assistance Program	8,560	178,314	(169,754)
Legislative		198,102	(198,102)
Licensing Fees	13,512,188		13,512,188
Licensing and Membership Records	333,582	585,230	(251,648)
Limited License Legal Technician	13,448	202,956	(189,508)
Limited Practice Officers	146,986	157,599	(10,613)
Mandatory Continuing Legal Education Administration	722,297	718,481	3,816
Member Benefits	25,870	73,540	(47,670)
Mentorship Program		155,219	(155,219)
New Lawyer Education	36,217	284,623	(248,406)
NW Lawyer	544,535	613,747	(69,212)
Office of General Counsel	150	797,513	(797,363)
Office of General Counsel Disciplinary Board		256,269	(256,269)
Practice of Law Board		120,785	(120,785)
Professional Responsibility Program		247,054	(247,054)
Public Service Programs	94,271	408,451	(314,180)
Sections Administration	325,655	458,771	(133,116)
Technology		1,352,428	(1,352,428)
Total Unrestricted - General	\$ 17,584,849	\$ 18,139,634	\$ (554,785)
Unrestricted - Continuing Legal Education:			
Products	\$ 1,105,317	\$ 633,418	\$ 471,899
Seminars	881,401	1,324,285	(442,884)
Total Unrestricted - Continuing Legal Education	\$ 1,986,718	\$ 1,957,703	\$ 29,015
Unrestricted - Sections Operations	\$ 660,677	\$ 675,588	\$ (14,911)
Western States Bar Conference	\$ 67,950	\$ 59,276	\$ 8,674
Lawyers' Fund for Client Protection	\$ 1,028,663	\$ 432,586	\$ 596,077

WASHINGTON STATE BAR ASSOCIATION

Statement of Activities

For the Year Ended September 30, 2017

APPENDIX VI SUMMARY OF OTHER MANDATORY STATE BAR KELLER RESPONSES

Mandatory Bar State	"Keller-Pure" State	Criteria	Formal Keller Determination	"Review and Refund" State ("Chargeable")	Other	Dues Opt-out	Dues Opt-in	Challenge Procedure	Appeal
Alabama	X	No formal criteria							
Alaska	X			NA				Letter to E.D.	Arbitration
Arizona	X	Michigan's +1	X					Letter to E.D.	Arbitration
California					X	X		Challenge to Fees Form; Escrow	Arbitration
Florida	X	Michigan's	X					Letter to E.D.	Arbitration
Georgia	X		2-step					Letter to E.D.	Arbitration
Hawaii	X	Uses Keller language						Letter to E.D.	Arbitration
Kentucky	X	Per Ky Sup. Ct. rules*						Dues Claim Form	Special Conflicts Committee
Louisiana	X	Similar to Michigan						Letter to E.D.	Arbitration
Michigan	X	5-point criteria						Letter to E.D.	Appeal to BOC, then MSC
Mississippi	X	See below						Letter to E.D.	None specified
Missouri	X	See below	2-step					Letter to E.D.; Escrow	Mediation
Montana		Michigan's + 4						Letter to E.D.	Arbitration
Nebraska					X				
Nevada	X	Michigan's + 3						Letter to E.D.	Arbitration
New Hampshire	X	Limited						Letter to E.D.	Arbitration
New Mexico				X				Letter to Board	Appeal to Board, Sup. Ct.
North Carolina					X				
North Dakota					X			Letter to E.D.	unclear
Oklahoma	X	Limited						Claim Form to E.D.	Appeal to Board
Oregon	X	Enhanced Michigan						Letter to E.D.	Arbitration
Rhode Island	X	NA						Letter to E.D.	Arbitration
South Carolina	X	Not defined						Letter to E.D.	Escrow; arbitration
South Dakota	N A								
Texas	X	Keller language	2-step					Letter to E.D.	None provided
Utah					X			Letter to E.D.	
Virginia					X				
Washington					X		X		Arbitration
West Virginia					X				
Wisconsin				X					Arbitration
Wyoming					X				

Alabama Reportedly does not engage in any policy activity other than supporting the judicial budget

Alaska Costs may be assessed against member for frivolous objection



**WSBA TREASURER &
DISTRICT 4 GOVERNOR DANIEL D. CLARK**

November 15, 2019

To: Steve Crossland, Chair of the LLLT Board

RE: LLLT Cost Center and the need for a self-sustaining system of regulation for LLLT that is cost-neutral to the WSBA and its membership.

Steve,

This letter is sent from myself as WSBA Treasurer to you as the Chair of the LLLT Board to invite you to an upcoming Budget and Audit Committee meeting to discuss the LLLT cost center and the status of the establishment of a self-sustaining system of regulation for the LLLT license that ensures that the licensing and ongoing regulation will be cost-neutral to the WSBA and its membership. The Budget and Audit Committee will be meeting to discuss this issue at the November 21, 2019 meeting at 1:00 pm to 5:00 pm at the WSBA offices.

As I am sure you are aware, the 2012 Supreme Court order that established the LLLT program indicated it was intended to be cost revenue neutral to the WSBA budget. The 2012 Court order stated in pertinent part:

Another concern that has been raised is that attorneys will be called upon to underwrite the costs of regulating non-attorney limited license legal technicians against whom they are now in competition for market share. This will not happen. GR 25 requires that any recommendation to authorize the limited practice of law by non-attorneys demonstrate that "the costs of regulation if any, can be effectively underwritten within the context of the proposed regulatory regime" **The Practice of Law Board's rule expressly provides that the ongoing cost of regulation will be borne by the limited license legal technicians themselves and will be collected through licensing and examination fees.** Experience with the Limited Practice Board demonstrates that a self-sustaining system of regulation can be created and sustained. **The Court is confident that the WSBA and the Practice of Law Board, in consultation with this Court, will be able to develop a fee based system that ensures that the licensing and ongoing regulation of limited license technicians will be cost-neutral to the WSBA and its membership.**

Emphasis Added

Based on review of WSBA's FY 2013 to FY 2020 budgets and actual expenditures, it is clear that the 2012 Supreme Court order requiring a self-sustaining system of regulation and licensing for LLLT members that is cost-neutral to the WSBA and its members has not been met. For FY 2019, the LLLT cost center had a negative net income of \$213,142.00. FY 2020's budget for the LLLT cost center is currently budgeted to spend \$194,024.50 in negative revenue for operation of the LLLT cost center.

The annual budget performance of the LLLT cost center has failed to comply with the above Supreme Court order and requirements of GR 25. This is an issue of paramount importance for us to deal with in a collaborative manner. The LLLT cost center's failure to comply with the above Court order is an issue that I would like us to work on so we can create a cost neutral system.

This letter is not meant to be considered an adversarial communication, but rather is meant to be an invitation for you as the Chair of the LLLT Board to attempt to work collaborative with myself, the Budget and Audit Committee, Interim Director Terra Nevitt and the WSBA Executive Management Team members in an attempt to solve this important fiscal issue on behalf of the WSBA and its members.

To that end, it is my hope that you will be able to participate in the next meeting set for November 21, 2019. If you are unable to do so, I hope that you will be able to offer some written comments to aid in the discussion of this important financial matter that the WSBA and its membership must solve. For reference if you are able to come and attend and participate in future meetings, the budget and audit future meeting schedule for 2019-20 is currently scheduled as follows:

- December 16, 2019 1:00 to 5:00 pm.
- January 27, 2020 1:00 to 5:00 pm.
- February 24, 2020 1:00 to 5:00 pm.
- March 30, 2020 1:00 to 5:00 pm.
- April 20, 2020 9:00 to 1:00 pm.
- May 16, 2020 1:00 to 5:00 pm.
- June 22, 2020 1:00 to 5:00 pm.
- July 10, 2020 1:00 to 5:00 pm.
- August 3, 2020 1:00 to 5:00 pm.
- August 31, 2020 1:00 to 5:00 pm.

In closing I look forward to hearing from you if you will be able to attend the November meeting. Please contact me if you have any questions.

Respectfully,

Dan Clark

WSBA Treasurer/District 4 Governor