

# WASHINGTON STATE BAR ASSOCIATION

## Budget & Audit Committee Meeting Agenda

April 20<sup>th</sup>, 2020

1:00pm – 5:00pm

Remote Meeting via Telephone

### DISCUSSION/ACTION

1. Approval of February 24<sup>th</sup> Meeting Minutes: Action
2. February 2020 Financial Statements: Discussion
3. Clark Nuber Presentation of Deep Dive Audit: Discussion
4. FY20 Budget Reforecast Discussion
5. LLLT Business Plan Presentation: Discussion/Action
6. Discussion of Potential Financial Impacts of COVID-19
7. Financial Impact of COVID – 19 on Membership Relief Options

**MINUTES**  
**WSBA Budget and Audit Committee**  
**Seattle, WA**  
**February 24<sup>th</sup>, 2020**

**Attendance:** Members in attendance were Bryn Peterson, Alec Stephens and Treasurer Dan Clark. Phone participation included PJ Grabicki and Carla Higginson. Additionally on the phone were Nancy Hawkins representing Family Law and Steve Crossland representing the LLLT Board. From the WSBA staff in attendance were Interim Executive Director Terra Nevitt, Chief Financial Officer Jorge Perez, Director of Regulatory Services Jean McElroy, Director of Human Resources Felix Neals, Interim Director of Advancement Kevin Plachy, Chief Communications and Outreach Officer Sara Niegowski, and Elizabeth Wick Manager of Budget and Planning and. Also present was LLLT Sarah Bove. Paris Eriksen and Destinee Evers were also present.

Minutes pertaining to the Budget and Audit Committee meeting of January 27<sup>th</sup> were presented for approval. Governor Stephens presented a motion to approve the minutes the same was seconded by Governor Peterson. A vote ensued on the motion, motion approved 5 -0.

CFO Perez presented summary financial results for the month January. There were no questions resulting from the review. There was a request by Governor Peterson for a variance analysis of the results. Action Item was noted. Subsequent to the review of financial statement CFO Perez performed an update on the Deep Dive Audit, the 2020 Reforecast and the implementation of the Adaptive Insights system. Following the presentation Governor Grabicki requested a presentation from Clark Nuber on the “Deep Dive” audit, the Action Item was noted.

Director of Regulatory Services Jean McElroy proceeded to provide an update on the LLLT Business plan. During her presentation a discussion ensued regarding outreach activities and budgeted outreach expenditures for the LLLT program, specifically related to the creation and distribution of a promotional flier.

A presentation was made by Paris Eriksen and Destinee Evers requesting approval from the committee to a one year agreement with both Casemaker and Fast Case services. These services are used by the members for legal research. A motion was introduced by Governor Stephens to approve Option C of this request, the motion was seconded by Governor Peterson. The motion being approved a vote followed with the results being 5-0 in favor.

A discussion on the selection of an Audit firm was had, our current Auditors are going into the 6<sup>th</sup> year of a 6 year agreement. It was concluded that such search would start in October to November timeframe.

Felix Neals presented an analysis of hours tracked for five different WSBA roles. The results were shared with the committee.

**Adjournment**

The meeting was adjourned by Treasurer Clark at 3:44 p.m.

Respectfully submitted,

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Jorge Perez, Chief Financial Officer

**WASHINGTON STATE BAR ASSOCIATION**

Fiscal Activity Assessment  
Fiscal Year 2018

Submitted by:  
Clark Nuber P.S.

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### Fiscal Activity Assessment Fiscal Year 2018

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#### Executive Summary

We were engaged by the Washington State Bar Association (“WSBA”) to perform an independent assessment over the fiscal activity of WSBA during the fiscal year-ended September 30, 2018. We assessed this activity by performing data analysis, examining individual transactions for proper support and compliance with WSBA policies and conducting inquiries with individuals at WSBA. The objective of the assessment was to improve WSBA’s financial administration operations.

For the Executive Summary, we offer a list of key or high-level observations noted during this engagement, along with a general recommendation. Observations have been grouped into the following three categories in this summary and within the body of the report:

1. Expense Policies and Procedures
2. Compensation Policies and Procedures
3. Fiscal Operations Best Practices

The comprehensive list of observations and recommendations are based on findings that are detailed fully in the “Observation and Recommendations” section of this report.

#### Expense Policies and Procedures

1. Meals, accommodation, transportation and cell phone expenses were processed out of accordance with WSBA fiscal policies and procedures.
2. Expense reimbursements were missing required receipts or were processed outside of allowable time frame.
3. No system to document required pre-approval of certain employee travel expenses exists.

We recommend that WSBA implement additional controls to ensure WSBA processes expenses within the limits of the fiscal policies and procedures. Further, we recommend that the fiscal policies and procedures are reviewed to determine if additional clarity can be added to clarify and streamline potentially overly burdensome processes.

#### Compensation Policies

1. Documentation of pre-approval for overtime was not retained or completed.
2. The fiscal policies and procedures are not specific as to what guidelines are established under the approval of a compensation plan and what specific limitations those guidelines put in place for the executive director to operate within that plan. Further, there are no fiscal policies or procedures established associated with one-time payments made to employees for bonus’ or other one-time compensation adjustments.

We recommend creating clear compensation policies and procedures that are specific about delegation of authorities.

#### Fiscal Operation Best Practices

1. The vendor master file has many instances of duplicate vendors and many more vendors listed than are currently actively receiving disbursements.
2. An employee was not properly removed from payroll at the date of termination.

We recommend conducting a vendor master file maintenance project and strengthening controls around the employee termination process.

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**Fiscal Year 2018**

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Overall, the issues that are addressed throughout this report are primarily related to operational areas in need of clarity, streamlining and improvement. We did not note any red flags in the items tested within our scope, or findings that raised the possibility of fraud. The staff that we worked with at WSBA were all a pleasure to work with, open to our inquiries and considerate throughout the process. Our hope is that this report will assist WSBA in making improvements that will keep WSBA healthy long into the future.

### **Organizational Overview**

The Washington State Bar Association (“WSBA”) is an instrumentality of the Supreme Court of the State of Washington operating under delegated authority and active supervision of the Washington Supreme Court. Operations consist of regulating the practice of law in the state under delegated authority of the Washington Supreme Court and providing various law-related services to the members and public consistent with General Rules 12-12.3, other court rules and orders, and WSBA Bylaws. Lawyers, Limited License Legal Technicians, and Limited Practice Officers must be active members of WSBA in order to practice law in Washington State.

The Chief Financial Officer oversees the accounting department, which consisted of a controller, accounting manager and accounting staff. WSBA utilized the key following software or vendors for administration of its fiscal activities:

- Microsoft Dynamics Navision as its accounting software
- PN3 as its purchasing and payment authorization module for a portion of the year evaluated
- Wells Fargo for its credit card disbursements
- ADP as its payroll processor

Total expenses of WSBA were approximately \$23 million for the year ended September 30, 2018.

### **Purpose and Scope**

The Board of Governors requested services from Clark Nuber (CN) to perform an independent assessment over the fiscal activity of the Washington State Bar Association (“WSBA”).

This report outlines the purpose and scope, as well as observations and recommendations of the fiscal activity assessment, which covers the fiscal year ended September 30, 2018 (“year evaluated”). The purpose of the engagement was to provide an independent, objective examination designed to add value and improve WSBA’s financial administration operations. This was accomplished through interviews with staff, review of policies and procedures, performing data analysis over key fiscal databases and detailed testing of transactions for conformance with the WSBA fiscal policies and procedures.

The scope of our work consisted of three phases: planning and information gathering, activity testing and reporting.

In the first phase, we gathered information to gain an understanding of the activities and fiscal policies and procedures of WSBA. We then met with the fiscal activity assessment project leadership team; consisting of the WSBA CFO, WSBA General Counsel and WSBA Treasurer, to develop the final scope of work.

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In the second phase, we performed the following procedures:

- Performed a data mining analysis on the disbursement, vendor master file, credit card and payroll databases to look for red flags of potential fraud or error.
- Interviewed various finance staff for possible knowledge of any inappropriate activity.
- Evaluated certain individual transactions or periods of activity for adherence to WSBA fiscal policies and procedures and/or proper underlying support for the transactions.

The third phase of the engagement was to summarize and report on our findings, including recommendations for efficiency improvements, error prevention and other best practices. This report is the culmination of that effort.

A full description the scope and methodology is available at Appendix A.

The observations and recommendations noted in this report are the result of inquiries and procedural results. Management of WSBA is responsible for maintaining internal controls and evaluating the recommendations included in the report. The decision to implement any of the recommendations in this report is solely the responsibility of the WSBA. The purpose of this report is to share with you our observations and recommendations.

The services performed as part of this engagement do not constitute an audit, review, or compilation of the financial statements in accordance with the standards established by the American Institute of Certified Public Accountants. The objective of our procedures is solely for the purpose of assisting you in assessing the financial operations of WSBA and not to provide any level of assurance related to compliance, financial statements or internal controls.

#### **Observations and Recommendations**

The observations and recommendations outlined below were collected throughout the engagement and are the result of extensive staff and management interviews, contract testing, policy and procedure reviews and data mining procedures. To report our results in a systematic way, the observations and recommendations have been grouped into four broad areas listed below:

1. Expense Policies and Procedures
2. Compensation Policies and Procedures
3. Fiscal Operations Best Practices
4. Data Mining



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The following section outlines the detailed observations and recommendations related to each category.

#### **Expense Policies and Procedures:**

##### Meal Expenses

###### Observation:

Per WSBA policies and procedures, WSBA will reimburse meal expenses up to \$12 for breakfast, \$18 for lunch, and \$36 for dinner. If a person is traveling all day (for all three meals), he/she may combine the allowances set forth above into one per diem amount and reallocate the per-meal allowances as desired (e.g., spend more on lunch and less on dinner). Further, if a meal is provided as part of a meeting or conference, no reimbursement will be made for substitute meals. Additionally, the fiscal policies and procedures allow for deviation from the stated individual meal limits in instances that all three meals would be reimbursed, meals are being paid for a volunteer with director approval, meals are provided to the guest of an officer or board member and executive director meals when the purpose of the meal is to conduct WSBA business with an elected or appointed official.

Out of 18 employee expense reimbursement forms selected for testing, we identified two expense reports which included meal(s) reimbursed for in excess of the approved rates. Total expense reimbursements to employees made in excess of the policy limits totaled \$34.80.

Out of 10 non-WSBA employee expense reimbursement forms selected for testing, we identified two expense reports which included meal(s) reimbursed for in excess of the approved rates. Total expense reimbursements to non-WSBA employees made in excess of the policy limits totaled \$21.90.

Out of 15 WSBA boards or committees' transactions tested, one charge was identified was identified that included reimbursement of a meal in excess of the approved rates. Total expense reimbursements to non-WSBA employees for WSBA board or committee expenses totaled \$5.15.

WSBA authorization controls did not operate effectively to identify these charges as being non-compliant with the fiscal policies and procedures.

The effect is meal expenses were reimbursed for outside of the fiscal policies and procedures of WSBA.

###### Recommendation:

We recommend that WSBA process expense reimbursement for meals in accordance with the limits established under the fiscal policies and procedures. Further, we recommend that the expense reimbursement form includes documentation as to any reimbursement processed under an allowable deviation per the policies and procedures. Lastly, we recommend that in instances that the policy deviation requires approval, the timing and form of that approval is also stipulated.

##### Hotel/Lodging Accommodation Expenses

###### Observation:

Per the WSBA fiscal policies and procedures, WSBA will reimburse hotel/motel accommodations up to \$175 per night (\$200 in Seattle) plus taxes. With respect to out of state conferences, WSBA will reimburse hotel accommodations at the advertised conference hotel rate. If no lodging below the applicable limit is available or convenient in the area of the stay, department directors may approve reimbursements above the applicable per night limit.

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Out of 18 employee expense reimbursement forms selected for testing, we identified two expense reports which included hotel accommodations reimbursed for in excess of the per night limit. Total expense reimbursements to employees made in excess of the limit totaled \$316.

Out of 10 non-WSBA employee expense reimbursement forms selected for testing, we identified one expense reports which included hotel accommodations reimbursed for in excess of the per night limit. Total expense reimbursements to non-WSBA employees made in excess of the limit totaled \$14.

Out of 15 WSBA board or committee transactions tested, one charge was identified that included reimbursement of lodging in excess of the approved rates. Total expense reimbursements to non-WSBA employees for WSBA board or committee expenses over policy limits totaled \$168.

In all instances there was documentation of approval for the overall expense reimbursement form, which occurred subsequent to incurring the lodging expenses. It is unclear if this also approved reimbursement at rates above the per night limit, in accordance with the policies and procedures. Further, there is currently no process in place to document the "advertised conference hotel rate" or "if no lodging below the applicable limit is available or convenient in the area" when that rate is in excess of the standard per night limits.

The effect is expenses for accommodations were reimbursed for outside of the fiscal policies and procedures of WSBA.

Recommendation: We recommend that procedures are put in place to document when an accommodation expense is reimbursed for at rates in excess of the standard per night limit due to an acceptable deviation; such as reimbursement at an advertised conference hotel rate of approval by a department director. In addition, we recommend that the timing and form of the approval from deviation with the standard policy is specified in the policies and procedures. Lastly, we recommend that transactions are processed only within the limits of the fiscal policies and procedures unless documentation exists that supports an allowable deviation from the policy.

#### Employee Cell Phone Expenses

Observation: The WSBA fiscal policies states that an employee who qualifies for a WSBA issued cell phone (based on their job duties) but chooses to use his/her personal cellular phone for WSBA business may be authorized to seek reimbursement in lieu of being issued a WSBA cellular phone as long as: a.) The director and user agree on a fair and equitable way to allocate the charges between WSBA and the user based on cost or time spent on WSBA calls vs. personal calls; and b.) the appropriate director approves such arrangements in writing.

Per testing of 10 employee cell phone reimbursements, we noted six instances in which employees received a monthly reimbursement of \$20 for which there was no documentation available supporting this allocation of the individuals personal phone expenditure. However, WSBA has generally determined that \$20 per month represents a fair and equitable split of cell phone charges for individuals using personal phones to conduct WSBA business.

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Per testing of 10 employee cell phone reimbursements, we noted four instances in which the charges of the phone plan plus additional business related charges were reimbursed 100% for by the WSBA. Our understanding from inquiries made with WSBA management is that department directors are eligible to have WSBA sponsored phone lines, which are wholly for the business of WSBA, but established on the employee's personal cell phone account. As such, all charges associated with that phone line were reimbursed in whole.

We noted that there is no documentation on which employees of the WSBA qualify for a WSBA issued cell phone expense reimbursement.

The effect is WSBA cell phone expense reimbursements were processed without documented approval of the appropriate director in writing as required by the fiscal policies.

**Recommendation:** We recommend that the cell phone expense reimbursement policy be analyzed by WSBA to determine if components of the current practices should be incorporated into the fiscal policies and procedures. Further, we recommend that the WSBA determines and documents which employees are subject to cell phone reimbursement. In accordance with current fiscal policies, we recommend that documentation of the allocation of employee cell phone charges for reimbursement retained.

#### Expense Reimbursement - Timing of Expense

**Observation:** Per WSBA fiscal policies, expense report forms and receipts must be submitted within 60 days of incurring the expense. Further, CN notes that the policy stipulates expenses will not be paid unless approved by the Executive Director and Chief Operations Officer.

Per testing of 38 expense reimbursement forms, we noted one instance in which reimbursement was provided for the prior year of cell phone expenditures incurred.

The effect is WSBA expense reimbursements processed the fiscal policies and procedures.

**Recommendation:** We recommend that expense reimbursements be processed in accordance with the fiscal policies and procedures or any documentation supporting processing a transaction outside of policy due to an approved deviation is retained.

#### Expense Reimbursement - Receipt Affidavit

**Observation:** Per WSBA fiscal policies and procedures, any person seeking reimbursement from WSBA shall submit a signed and dated WSBA expense report and be supported by detailed receipts. In the absence of a detailed receipt, up to \$75 may be reimbursed for an expense by completing an Expense Affidavit Form.

Out of 2 months of employee credit card activity selected for testing, we identified one expense for supported by an Expense Affidavit Form that was in excess of \$75.

**Recommendation:** We recommend that expenditures are processed in accordance with the fiscal policies and procedures, which requires receipts for all expenditures in excess of \$75.

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#### Expense Reimbursement - Travel Pre-Approval

Observation: Per WSBA fiscal policies, employees must have prior authorization, from their supervisor or inherent in their job description, to incur travel, lodging, and meals expense on the job.

We noted that there is no identification of which employees of WSBA are subject to requiring prior authorization to incur travel, lodging, and meals expenses from their supervisor. Further, no processes are in place to document and retain the prior approval, if required, before expense reports are submitted.

The potential effect is WSBA processing employee expense reimbursement for employees not properly authorized to travel.

Recommendation: We recommend that WSBA determines which employees require prior approval to incur travel related expenditures and develop a process to retain any prior approvals obtained for travel expenditures. Alternatively, we recommend that WSBA analyzes if prior approval for travel expenses is a necessary key operational control and revise the fiscal policies and procedures based on the results of that analysis, as applicable.

#### Expense Policies - Overall

Observation: The WSBA fiscal policies and procedures allow for deviations from standard policies when certain criteria are met and have differing policies applicable based upon who is submitting the expense reimbursement and the type of business they were conducting. The added complexity of having various policies and/or deviations in which a similar expenditure can be classified makes it difficult to implement processes and controls.

Recommendation: We recommend that the fiscal policies and procedures for expenses are analyzed to determine if appropriate limits are set, policy is standardized for similar expenses throughout the organization and clarity is added for any documentation necessary to justify deviation from standard fiscal policies and procedures.

#### **Compensation Policies and Procedures:**

##### Comp Time Approval

Observation: Under WSBA fiscal policies, non-exempt employees may earn comp time for approved hours worked over 40 hours in a work week. Further, per review of the employee handbook, all nonexempt overtime must be approved in writing in advance by a supervisor, a department director, or the Executive Director on a "Request for Time Off/Overtime" form.

Per testing of payroll charges for 15 employees during the year evaluated, we noted that two employees received approved payouts for accumulated compensation time. For which the associated "request for Time Off/Overtime" form was not retained or completed. However, supervisors are required to review and sign-off on employee time sheets in the payroll system, which is the basis for the accumulation of the comp time.

The potential effect is WSBA incurring expenditures for comp time earned that would not have received prior approval.

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**Recommendation:** We recommend that in accordance with current policy the “request for time off/overtime” form is completed with pre-approval that supports an individual accumulating comp time. Alternatively, we recommend that WSBA considers if current practices of supervisors reviewing and authorizing time sheets provides a sufficient monitoring control and if so update the employee handbook to reflect the revised policy.

#### Compensation Policy Clarity

**Observation:** The WSBA fiscal policies and procedures do not stipulate a specific policy or process that must be followed for an employee to receive a bonus. They do assign responsibility to the Board of Governors to approve the WSBA compensation plan and for the executive director to approve salaries within the overall compensation plan. It is currently unclear what the compensation plan consists of, when it was last approved and what limits are set by establishment of that plan.

Per our testing of 15 employee payroll records during the year evaluated, we noted two instances of employees receiving bonuses approved by the executive director.

**Recommendation:** We recommend that there is clarification of the fiscal policies and procedures regarding the compensation plan and the frequency in which that plan will be approved. Also clarify, the authority the executive director has to operate within this structure. Specific items to address would include any limitations on approval of bonuses or retro pay for out-of-grade job duties performed.

#### **Fiscal Operations Best Practices:**

##### Vendor Master File Maintenance

**Observation:** In accordance with WSBA fiscal policies and procedures only one vendor should be set up for each company/person. If a company changes address, the address should be changed for that vendor. If a company is purchased by another company, a new vendor will be set up. For vendors with more than one mailing address, a separate vendor card should be set up for each address. Further, at least annually, the A/P Bookkeeper shall review the vendor list for duplicate or inactive vendors.

The vendor master file contained 9,472 vendors and during the year evaluated disbursements were made to 904 unique vendors. Further, there were 97 instances in which a vendor with the same name had duplicate accounts included in the vendor master file. Upon further detailed review of one vendor with duplicate accounts in the accounts payables submodule it was determined that each account was in an active status.

The potential effect is inefficiencies of processing disbursements and increased risk of misappropriation of assets.

**Recommendation:** We recommend that WSBA complete a vendor master file maintenance project to block, deactivate or remove any unused vendors. Further, we recommend that the WSBA implement internal controls that restrict the ability for new vendors to be added to the vendor master file without a review and approval process.

##### Terminated Employee Procedures

**Observation:** Out of 15 employees selected for testing of payroll disbursements during the year evaluated, we identified one individual who received compensation subsequent to their termination. The error was subsequently identified and resolved in the processing of the next payroll.

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Recommendation: We recommend that WSBA strengthen controls to ensure that all employees who terminate from WSBA are removed from all relevant systems at the time of termination. One potential control would be a checklist verifying that the individual was properly removed from all systems.

#### **Data Mining:**

We performed a data mining analysis on the payroll, cash disbursement, and credit card for the year evaluated. All tests were designed to identify potential red flags that could indicate fraud. The results of the tests were reviewed by the project leadership team. After review of potential anomalies with the project leadership team, they identified specific transactions that should be further examined. Based on our review of transactions, we did not note anything that suggested further follow-up or that an investigation was needed or warranted.

#### **Conclusion**

This engagement was performed to provide an objective examination to help WSBA improve its financial administration operations. It should be noted that all the observations in this report ultimately represent operational challenges facing many organizations: clarity in policies and procedures, consistent application and implementation of policy into processes, etc. It should also be noted that WSBA management has already started addressing many of the issues noted in this report. We hope that the all recommendations provided in this report help WSBA to successfully navigate these challenges into the future. Please let us know if we can be of assistance in addressing any of the issues noted in this report.

## APPENDICES

## WASHINGTON STATE BAR ASSOCIATION

### Appendix A: Scope of Work Fiscal Year 2018

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#### Scope of Work and Methodology

Below is our proposed scope of work. This is only the starting point for our discussion to fine tune the procedures to fully meet your needs. These procedures will be modified as needed and agreed to during our planning meeting with you. Our work is divided into three phases: planning and obtaining background information; performing on-site testing; and reporting.

#### PHASE I - PLANNING AND OBTAINING BACKGROUND INFORMATION

##### A. Meet with Management and/or Board or Committee Members to:

1. Fine tune proposed scope of work. We will remove non-value added steps or steps not practical to do, change proposed procedures as needed to meet your needs, and add additional steps that we haven't contemplated that you would like performed.
2. Agree on timing of work on-site and delivery of reports.
3. Agree on form and content of final report.
4. Agree on timing and method of periodic updates.
5. Finalize engagement letter for services.

##### B. Obtain and Review Needed Information

1. Audited and internal financial statements.
2. Trial balance for FY 2018.
3. Any prior reports related to WSBA management and accounting personnel.
4. WSBA accounting policies and procedures.
5. WSBA payroll register reports for each pay period from 2018.
6. Listing of WSBA employees with addresses.

##### C. Interview WSBA Accounting Staff

1. Discuss our understanding of policies and procedures as well as any concerns about inappropriate activity at WSBA.

#### PHASE II - PERFORM TESTING

##### A. Payroll Testing

1. For fiscal year 2018, we will:
  - a. Obtain the year-end payroll register.
  - b. For a sample of 15 staff we will:
    - i. Agree pay rate to authorized rate per personnel file.
    - ii. Re-compute pay, vacation, and deductions.
    - iii. Agree deductions to authorizations in personnel file.
    - iv. Review fringe benefits for reasonableness, compliance with policies, and agreement with personnel file documentation.
    - v. Agree any bonuses to proper authorizations.
    - vi. Summarize amount of vacation time used. If little to no vacation time is used, then discuss with others in the organization the reasonableness of these amounts.
    - vii. Recompute any vacation buyouts for each year and assess for reasonableness.



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- viii. If there are any employee loans, schedule out employee loans per employee and assess compliance with policies and procedures.
- c. Agree payroll per the payroll register to the amounts paid out of the payroll bank account.

#### **B. Expense Report Testing**

1. For fiscal year 2018, select 10 employees plus the Executive Committee's expense reports (including COO, Executive Director, HR Director, General Counsel, Disciplinary Council Director, Regional Council Chair, Director of Advancement, and Director of Communications) for testing. Review expenses for reasonableness, compliance with policies, and proper support.
2. Review the cell phone policy and select a sample of 10 employees to determine if the staff are in compliance with this policy by looking at bills, credit card statements, and other supporting documentation.
3. Determine which WSBA staff have company credit cards.
  - a. Select two statements from fiscal year 2018 per card holder and review each for reasonableness, compliance with policies, and proper supporting documentation.

#### **C. Fraudulent Disbursements Procedures**

1. Select one bank statement from fiscal year 2018. Trace each item (checks, deposits, wire transfers) in the statement to supporting documentation (deposit slips, cancelled checks, etc.). For checks, trace payee to general ledger. For wire transfers, verify proper authorization and destination of funds.
2. With our data mining software, we are able to take a computer database, and perform a battery of tests on 100% of the transactions in that database. For example, we recently did this for a large local government, and in four of twelve tests performed on their credit card database, a person committing fraud rose to the top of our exceptions list. We will use this software to look at the payroll and disbursement databases for fiscal year 2018. If issues are identified, we will then discuss with management how many years further we should look back.

#### **Payroll Database**

1. We will use our data mining software as well as other Computer Assisted Auditing Techniques (CAATs) to identify:
  - a. Gross salary by employee and withholdings (this can be further analyzed and compared against expectations and traced to approve pay rates).
  - b. Negative payroll amounts. This could indicate credits to payroll designed to offset excessive payments to an employee.
  - c. Positive or zero valued deductions. Can indicate manipulation of payroll deductions.
  - d. Number of payroll checks per employee (compare to number of pay periods). The number of checks per employee can identify employees writing additional payroll checks to themselves.
  - e. Total expense reimbursements - amount and count, if processed through payroll. Can identify excessive expense reimbursements.
  - f. Unusual addresses (e.g. out of state addresses or P.O. Boxes).
  - g. Multiple names to one address.
  - h. Bank account duplicates.

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- i. Employees listed in payroll not in the employee listing.
- j. Duplicate employee listings.
- k. Invalid social security numbers.
- l. Employees or employee addresses in the Vendor Master File. Indicates employees set up as a vendor in the disbursement database.
- m. Vacation time used. Look for employees with no vacation time used.

#### Credit Card Database

1. We will use our data mining software, as well as other Computer Assisted Auditing Techniques (CAATs) to identify:
  - a. Transactions processed on weekends. This can be an indicator of personal charges.
  - b. The top spenders and vendors used on weekends. This can indicate personal charges.
  - c. Peak charge periods and review with management. Peak spending around Christmas or at the end of the budget cycle can be indications of issues.
  - d. Duplicate transactions for the same cardholder for the same amount on the same day. This can indicate charges broken into smaller amounts to avoid certain purchase authorization limits, duplicate purchases for person uses, or double submissions for reimbursement.
  - e. Recurring charges for the same amounts. This could indicate personal bills being charged.
  - f. Transactions with even \$50 and \$100 increments. This can be an indicator of gift cards or certificates being purchased which is a common source of fraud.
  - g. Cardholders that consistently came within \$1,000 of credit limits. Could be an indicator of fraud if someone has a large dollar volume but knows enough to stop before they hit the credit limit.
  - h. Vendors with the highest dollar volume. Do the vendors at the top of the list make sense to management? Could identify fictitious vendors.
  - i. Vendors with the highest transaction volume. Do the vendors at the top of the list make sense to management? Could identify fictitious vendors.
  - j. For Procurement Cards, most frequently and infrequently used Merchant Category Codes (MCC's).
  - k. For Procurement Cards, suspicious MCC's and/or vendors.
2. We will review the results with the Project Committee and agree on which exceptions to follow up on.

#### Accounts Payable Database

1. We will use our data mining software as well as other Computer Assisted Auditing Techniques (CAATs) to identify:
  - a. Total vendor payments sorted by number of checks and dollar amount. Could be an indicator of a fictitious vendor.
  - b. Checks on weekends. Could be an indicator of fraudulent checks.
  - c. Multiple checks of the same dollar amount to the same vendor. Could indicate checks split into smaller amounts to avoid check authorization limits.
  - d. Gaps in checks. An indicator of missing checks.
  - e. Duplicate checks. A potential indicator of fraudulent checks.
  - f. Checks written to cash or blank payee (if a risk is determined, we can query for that risk similar to looking for all checks written to cash). Indicates internal controls needing improvement and possible fraudulent disbursements.

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- g. Matching employee addresses to vendor addresses. Indicates employees that may have also set themselves up as vendors in the accounting system.
  - h. Vendor address is a P.O. Box. Can be an indicator of fictitious vendors.
  - i. Vendor has more than one address. Can be an indicator of a fictitious vendor.
  - j. Matching vendor code from check register to vendor master file. Could indicate alterations to the accounting records.
  - k. Apply Benford's law to database looking for anomalies.
  - l. Summary of checks to vendors that are written for amounts below dollar threshold, such as a dual signature threshold (this summary will allow you to drill down on the detail). Can indicate split purchases to avoid authorization limits on purchases.
2. We will review the results with the Project Committee and agree on which exceptions to follow up on.

#### Vendor File Database

1. We will use our data mining software as well as other Computer Assisted Auditing Techniques (CAATs) to identify:
  - a. Employees or employee addresses in the Vendor Master File. Indicates employees set up as a vendor in the disbursement database.
  - b. Vendors that have more than one vendor file. Can indicate fictitious vendors.
  - c. Vendors with duplicate, non-standard tax ID's. Can indicate fictitious vendors.
  - d. Multiple vendors to the same address. Can indicate fictitious vendors.
2. We will review the results with the Project Committee and agree on which exceptions to follow up on.

#### D. Miscellaneous Items to Investigate

1. WSBA Travel for fiscal year 2018:
  - a. Obtain a general ledger report showing details for the travel accounts for each year.
  - b. Select 10 expense reports from non-WSBA employees for further testing. For each item selected, obtain supporting documentation and review for:
    - i. Reasonableness.
    - ii. Compliance with WSBA policies and procedures.
  - c. Report any areas of vulnerability and recommendations to address.
2. Use of WSBA funds by Board committees for fiscal years 2016-2018:
  - a. Obtain a report showing expenses by board committee for fiscal years 2016-2018.
    - i. Obtain explanations for variances greater than \$25,000 from year to year.
  - b. For the three committees with the highest expenditures, obtain expense detail for fiscal year 2018 and select the 5 largest transactions to trace to supporting documentation and assess reasonableness and compliance with WSBA policies.
  - c. Report any areas of noncompliance or unusual items with any recommendations we might have to avoid issues in the future.

**WASHINGTON STATE BAR ASSOCIATION**

**Appendix A: Scope of Work  
Fiscal Year 2018**

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**PHASE III - REPORTING**

1. At the conclusion of fieldwork, hold a preliminary exit conference to discuss any possible findings and recommendations to ensure there have been no miscommunications or misunderstandings before committing anything to writing.
2. If desired, prepare a draft report with executive summary, background and scope, and findings and recommendations.
3. Present draft report to management and edit as necessary.
4. Prepare final report.
5. Present results to the Executive Director, President and Treasurer.
6. Determine next steps and/or follow up procedures needed, if any, based on our find.

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

# **Financial Reports**

**(Unaudited)**

## **Year to Date February 29, 2020**

Prepared by Maggie Yu, Controller  
Submitted by  
**Jorge Perez, Chief Financial Officer**  
March 20, 2020

**Washington State Bar Association**  
**VENDOR TRIAL BALANCE OVER \$10K**  
**YTD AND MOST CURRENT MONTH**  
**41.67 % OF YEAR COMPLETE**

<b>VENDOR LISTS</b>	<b>FOR THE MONTH OF FEBRUARY</b>	<b>YEAR TO DATE</b>	
Washington State Retirement Systems	\$ 217,237.41	\$ 1,083,601.92	Employer and employee retirement contribution
University of Washington	\$ 265,518.56	\$ 865,184.18	2018 leasehold excise tax, facilities maintenance cost, rent and WLI FY20 grant
Health Care Authority	\$ 142,339.75	\$ 692,745.40	Employee medical coverage
Legal Foundation of WA	\$ 133,137.30	\$ 252,130.51	License Fee checkoff for donations
WSB Foundation	\$ 103,665.50	\$ 200,826.50	License Fee checkoff for donations
Wells Fargo Remittance Center	\$ 30,430.05	\$ 140,877.53	Wells Fargo credit card charges
Emerald Search Partners LLC	\$ 33,015.40	\$ 127,289.32	Budgeted temporary staffing (MCLE)
King County Finance	\$ -	\$ 103,577.50	Employee Orca Cards
Consolidated Press	\$ 24,958.44	\$ 100,094.29	Printing for NWLawyer and CLE marketing
University of Washington	\$ 80,000.00	\$ 80,000.00	2018 leasehold excise tax, facilities maintenance cost, rent and WLI FY20 grant
Clark Nuber P.S.	\$ 26,522.00	\$ 74,210.10	WSBA annual audit expenses and transactional audit
Fastcase Inc	\$ -	\$ 71,198.75	Annual license fee for member benefit legal research tool
Beresford Booth, PLLC	\$ -	\$ 56,923.44	Internal investigation
Postmaster	\$ 10,497.01	\$ 43,264.11	Postage for NW Lawyer, postage due and CLE marketing
Greater Tacoma Conv. Center	\$ 18,948.13	\$ 37,448.13	Bar Exam facility costs
Siemens Industry Software Inc	\$ 34,131.00	\$ 34,131.00	Software development tool
CDW Government	\$ -	\$ 29,396.71	Backup server annual maintenance
Accountemps	\$ 2,771.44	\$ 27,942.83	Temp replacement for Admin department
Ivoxy Consulting	\$ -	\$ 26,881.55	Hardware upgrade, software subscriptions and Cisco 32GB memory(capital)
Kepro	\$ 1,200.00	\$ 25,680.00	Member Wellness Plan (WSBA connects) and WSBA Employee Assistance Plan
Adaptive Insights, LLC	\$ -	\$ 25,155.65	Bdgeting and analysis software
Pitney Bowes Reserve Account	\$ -	\$ 25,000.00	Prepaid postage
Gonzaga University	\$ -	\$ 23,918.00	Moderate Means Grant
Fisher Phillips	\$ 10,366.92	\$ 22,981.14	Outside counsel services
MangoApps Inc.	\$ -	\$ 22,300.00	WSBA intranet annual hosting subscription
Robert Half Legal	\$ -	\$ 22,000.00	Staff placement fee (Admin)
Higher Logic LLC	\$ -	\$ 21,743.65	Marketing platform software license
Lawriter LLC	\$ -	\$ 21,664.00	CaseMaker member legal research tool
Skamania Lodge	\$ 10,000.00	\$ 20,350.00	Deposit for BOG meeting venue July 2020
Thomson Reuters - West	\$ 6,414.70	\$ 19,699.88	Westlaw and law library acquisitions
Limelight Networks, Inc.	\$ 4,052.01	\$ 19,587.80	CLE product online hosting
Access Information Management	\$ 3,168.32	\$ 18,351.11	Offsite records storage
Scion Staffing, Inc	\$ 7,467.60	\$ 17,614.13	Temp staffing (ATJ)
WA State Convention Center	\$ -	\$ 17,501.41	Seminar facilities costs
Morrison & Morrison, Ltd	\$ 17,500.00	\$ 17,500.00	Budget software consulting fee
Level 3 Communications	\$ 3,159.26	\$ 15,479.41	Phone line service
Ripley Law Firm Inc. PS	\$ 3,234.36	\$ 15,234.36	ELC appointed counsel contract payment
ADP, LLC	\$ 1,572.00	\$ 14,744.56	Payroll processing
Theresa A Cullen	\$ 4,323.75	\$ 14,742.00	Deskbook editorial work

**Washington State Bar Association**

VENDOR TRIAL BALANCE OVER \$10K

YTD AND MOST CURRENT MONTH

**41.67 % OF YEAR COMPLETE**

<b>VENDOR LISTS</b>	<b>FOR THE MONTH OF FEBRUARY</b>	<b>YEAR TO DATE</b>	
Cornerstone OnDemand	\$ -	\$ 13,487.25	HR performance system module
Randolph O. Petgrave III	\$ 3,250.00	\$ 13,281.00	Chief Hearing Officer contract payment
Affinity Consulting Group, LLC	\$ 10,750.19	\$ 13,204.87	Worldox, Gilda upgrade
Warwick Seattle Hotel	\$ 1,370.80	\$ 12,589.31	WSBA volunteer lodging expenses
Revolution Data Systems, LLC	\$ -	\$ 12,076.90	AX accplication, Kofax annual renewal and consulting services

# WASHINGTON STATE BAR ASSOCIATION

To: Board of Governors  
Budget and Audit Committee

From: Maggie Yu, Controller

Re: Key Financial Benchmarks for the Preliminary Fiscal Year to Date (YTD) through February, 2020

Date: March 20, 2020

	% of Year	Current Year % YTD	Current Year \$ Difference <sup>1</sup>	Prior Year YTD	Comments
Salaries	41.67%	41.45% <sup>2</sup>	\$25,381 Under budget <sup>2</sup>	43.02% <sup>3</sup>	Salaries is slightly under due to eliminated positions.
Benefits	41.67%	39.60%	\$88,255 Under budget	40.42%	Under budget due to eliminated positions
Other Indirect Expenses	41.67%	43.34%	(\$67,589) Over budget	46.13%	Over budget due to timing of annual payments aren't prorated
Total Indirect Expenses	41.67%	41.44%	\$46,047 Under budget	43.01%	Under budget due to eliminated positions

General Fund Revenues	41.67%	45.23%	\$742,574 Over budget	45.16%	Over budget due to timing of license late fees and bar exam fees payments
General Fund Direct Expenses	41.67%	33.29%	\$226,323 Under budget	30.29%	Under budget due to timing of payments

CLE Revenue	41.67%	40.72%	(\$18,859) Under budget	43.24%	Under budget due to low attendances
CLE Direct Expenses	41.67%	17.33%	\$142,351 Under budget	23.36%	Under the budget due to timing of the payments
CLE Indirect Expenses	41.67%	40.02%	\$23,487 Under budget	43.27%	Under budget due to open positions.

<sup>1</sup> Dollar difference is calculated based on pro-rated budget figures (total annual budget figures divided by 12 months) minus actual revenue and expense amounts as of September 30, 2019 (12 months into the fiscal year).

<sup>2</sup> The figure represents salaries expense for regular and temporary staff with offsets from allowance for open positions and capital labor & overhead.

<sup>3</sup> Includes expenses for regular and temporary salaries with offsets from allowance for open positions and capital labor & overhead.



## Checking & Savings Accounts

### General Fund

#### Checking

<u>Bank</u>	<u>Account</u>	<u>Amount</u>
Wells Fargo	General	\$ 930,914

Total

#### Investments

	<u>Rate</u>	<u>Amount</u>
Wells Fargo Money Market	1.70%	\$ 13,724,089
UBS Financial Money Market	1.76%	\$ 1,079,867
Morgan Stanley Money Market	1.57%	\$ 3,348,838
Merrill Lynch Money Market	1.70%	\$ 1,975,425

**General Fund Total \$ 21,059,133**

### Client Protection Fund

#### Checking

<u>Bank</u>	<u>Amount</u>
Wells Fargo	\$ 1,030,359

#### Investments

	<u>Rate</u>	<u>Amount</u>
Wells Fargo Money Market	1.70%	\$ 3,591,561
Morgan Stanley Money Market	1.57%	\$ 106,820

**Client Protection Fund Total \$ 4,728,740**

**Grand Total Cash & Investments \$ 25,787,873**

**Balance Sheet  
February, 2020**

ASSETS	Prior Year General, CLE, and Sections Funds	Current Year General, CLE, and Sections Funds	Prior Year CPF	Current Year CPF	Current Year TOTAL
Cash & cash equivalents	1,071,728	930,914			930,914
Amex credit card service fee	9,335	11,951			11,951
Investments- money market + CDs	14,938,395	20,128,219			20,128,219
Investments- equities/bond funds	3,308,165	-			-
Restricted Cash		-	1,040,581	1,030,359	1,030,359
Restricted Investments- money market + CDs			3,417,558	3,698,381	3,698,381
Due to/from GF-CPF	145,605	(48,618)	(145,605)	48,618.32	-
Due to/from GF-WSBC	30,253				-
Accounts Receivable	(25,926)	(3,194)			(3,194)
A/R Misc	12,981	12,981			12,981
Accrued Interest Receivables	4,407	(1,019)	-	-	(1,019)
Allowance for Bad Debt	(924)	-	-	-	-
Allowance for Deskbooks		(352)	-	-	(352)
OP Backorders	8,534	8,534			8,534
Unapplied receipts	(483)	-			-
CLE inventory	379,456	267,597			267,597
Deferred seminar costs	1,046	12,935			12,935
Prepaid expenses	317,302	408,140			408,140
Property & equipment, net	1,416,027	393,326			393,326
Software Canned		237,369	-	-	237,369
Software Custom		367,524	-	-	367,524
<b>TOTAL ASSETS</b>	<b>21,615,899</b>	<b>22,726,306</b>	<b>4,312,534</b>	<b>4,777,358</b>	<b>27,503,664</b>
<b>LIABILITIES</b>					
Accounts payable	495,348	346,842			346,842
Accounts payable-year end/misc	(5,392)	-			-
Refunds payable	1,111	1,764			1,764
CPF committed gifts			196,937	20,480	20,480
Accrued expenses	578,855	582,278			582,278
Future rent obligations	1,066,431	1,103,588			1,103,588
Unearned seminar/other revenue	76,150	67,708			67,708
Deferred licensing fees	12,794,494	13,083,208			13,083,208
Amex credit card service fee		7,902			7,902
Other deferred revenue	11,510	14,733			14,733
Deferred grant revenue	47,870	47,870			47,870
LAW Fund/WSBF Contributions	600	66,864			66,864
<b>TOTAL LIABILITIES</b>	<b>15,066,976</b>	<b>15,322,758</b>	<b>196,937</b>	<b>20,480</b>	<b>15,343,238</b>
<b>RETAINED EARNINGS</b>					
GENERAL FUND BALANCE	4,504,539	5,481,889			5,481,889
CLE FUND BALANCE	785,908	663,549			663,549
CPF FUND BALANCE			4,115,597	4,756,878	4,756,878
WSBC FUND BALANCE					-
SECTIONS FUND BALANCE	1,258,477	1,258,110			1,258,110
<b>TOTAL FUND BALANCE</b>	<b>6,548,923</b>	<b>7,403,548</b>	<b>4,115,597</b>	<b>4,756,878</b>	<b>12,160,426</b>
<b>TOTAL LIABILITIES AND RETAINED EARNINGS</b>	<b>21,615,899</b>	<b>22,726,306</b>	<b>4,312,534</b>	<b>4,777,358</b>	<b>27,503,664</b>

Note\* Total Retained Earnings must equal fund balance

**Washington State Bar Association**  
Statement of Activities  
For the Period from February 1, 2020 to February 29, 2020  
**41.67% OF YEAR COMPLETE**

	<b>FISCAL 2020 BUDGET</b>	<b>CURRENT MONTH</b>	<b>YEAR TO DATE</b>	<b>REMAINING BALANCE</b>	<b>% USED OF BUDGET</b>
<b>LICENSE FEES</b>					
<b>REVENUE:</b>					
LICENSE FEES	16,200,000.00	1,680,194.69	6,813,350.98	9,386,649.02	42.06%
<b>TOTAL REVENUE:</b>	<b><u>16,200,000.00</u></b>	<b><u>1,680,194.69</u></b>	<b><u>6,813,350.98</u></b>	<b><u>9,386,649.02</u></b>	<b><u>42.06%</u></b>

# Washington State Bar Association

Statement of Activities

For the Period from February 1, 2020 to February 29, 2020

**41.67% OF YEAR COMPLETE**

	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>ACCESS TO JUSTICE</b>					
<b>REVENUE:</b>					
WORK STUDY GRANTS	2,100.00	-	-	2,100.00	0%
<b>TOTAL REVENUE:</b>	<b>2,100.00</b>	<b>-</b>	<b>-</b>	<b>2,100.00</b>	<b>0.00%</b>
<b>DIRECT EXPENSES:</b>					
ATJ BOARD RETREAT	2,000.00	-	-	2,000.00	0.00%
LEADERSHIP TRAINING	2,000.00	-	-	2,000.00	0.00%
ATJ BOARD EXPENSE	24,000.00	1,564.07	4,203.93	19,796.07	17.52%
STAFF TRAVEL/PARKING	2,700.00	54.44	141.92	2,558.08	5.26%
STAFF MEMBERSHIP DUES	120.00	-	-	120.00	0.00%
PUBLIC DEFENSE	7,000.00	648.39	1,789.05	5,210.95	25.56%
RECEPTION/FORUM EXPENSE	9,500.00	1,885.80	1,885.80	7,614.20	19.85%
<b>TOTAL DIRECT EXPENSES:</b>	<b>47,320.00</b>	<b>4,152.70</b>	<b>8,020.70</b>	<b>39,299.30</b>	<b>16.95%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (1.92 FTE)	151,471.00	16,353.29	64,099.57	87,371.43	42.32%
BENEFITS EXPENSE	54,395.00	4,219.99	20,687.89	33,707.11	38.03%
OTHER INDIRECT EXPENSE	55,235.00	6,032.67	23,882.98	31,352.02	43.24%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>261,101.00</b>	<b>26,605.95</b>	<b>108,670.44</b>	<b>152,430.56</b>	<b>41.62%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>308,421.00</b>	<b>30,758.65</b>	<b>116,691.14</b>	<b>191,729.86</b>	<b>37.84%</b>
<b>NET INCOME (LOSS):</b>	<b>(306,321.00)</b>	<b>(30,758.65)</b>	<b>(116,691.14)</b>		

**Washington State Bar Association**  
Statement of Activities  
For the Period from February 1, 2020 to February 29, 2020  
**41.67% OF YEAR COMPLETE**

	<b>FISCAL 2020 BUDGET</b>	<b>CURRENT MONTH</b>	<b>YEAR TO DATE</b>	<b>REMAINING BALANCE</b>	<b>% USED OF BUDGET</b>
<b>ADMINISTRATION</b>					
<b>REVENUE:</b>					
INTEREST INCOME	100,000.00	17,923.82	68,875.00	31,125.00	68.88%
<b>TOTAL REVENUE:</b>	<b>100,000.00</b>	<b>17,923.82</b>	<b>68,875.00</b>	<b>31,125.00</b>	<b>68.88%</b>
<b>DIRECT EXPENSES:</b>					
STAFF TRAVEL/PARKING	4,200.00	350.00	1,798.00	2,402.00	42.81%
STAFF MEMBERSHIP DUES	950.00	-	-	950.00	0.00%
LAW LIBRARY	279.00	10.48	20.96	258.04	7.51%
<b>TOTAL DIRECT EXPENSES:</b>	<b>5,429.00</b>	<b>360.48</b>	<b>1,818.96</b>	<b>3,610.04</b>	<b>33.50%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE ( 7.98 FTE)	723,667.00	57,841.63	299,501.59	424,165.41	41.39%
BENEFITS EXPENSE	247,080.00	18,362.31	91,888.31	155,191.69	37.19%
OTHER INDIRECT EXPENSE	229,571.00	25,150.94	99,570.97	130,000.03	43.37%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>1,200,318.00</b>	<b>101,354.88</b>	<b>490,960.87</b>	<b>709,357.13</b>	<b>40.90%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>1,205,747.00</b>	<b>101,715.36</b>	<b>492,779.83</b>	<b>712,967.17</b>	<b>40.87%</b>
<b>NET INCOME (LOSS):</b>	<b>(1,105,747.00)</b>	<b>(83,791.54)</b>	<b>(423,904.83)</b>		

# Washington State Bar Association

Statement of Activities

For the Period from February 1, 2020 to February 29, 2020

**41.67% OF YEAR COMPLETE**

	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>ADMISSIONS</b>					
<b>REVENUE:</b>					
EXAM SOFT REVENUE	35,000.00	-	-	35,000.00	0.00%
BAR EXAM FEES	1,300,000.00	170,795.00	578,625.00	721,375.00	44.51%
RULE 9/LEGAL INTERN FEES	12,000.00	400.00	2,250.00	9,750.00	18.75%
SPECIAL ADMISSIONS	60,000.00	6,200.00	23,065.00	36,935.00	38.44%
<b>TOTAL REVENUE:</b>	<b>1,407,000.00</b>	<b>177,395.00</b>	<b>603,940.00</b>	<b>803,060.00</b>	<b>42.92%</b>
<b>DIRECT EXPENSES:</b>					
DEPRECIATION	26,900.00	-	-	26,900.00	0.00%
POSTAGE	4,000.00	192.80	1,203.79	2,796.21	30.09%
STAFF TRAVEL/PARKING	14,900.00	621.15	3,057.29	11,842.71	20.52%
STAFF MEMBERSHIP DUES	650.00	-	200.00	450.00	30.77%
SUPPLIES	2,500.00	153.52	674.56	1,825.44	26.98%
FACILITY, PARKING, FOOD	84,060.00	36,820.36	42,747.84	41,312.16	50.85%
EXAMINER FEES	35,000.00	750.00	750.00	34,250.00	2.14%
UBE EXMINATIONS	135,000.00	-	-	135,000.00	0.00%
BOARD OF BAR EXAMINERS	30,000.00	9,250.00	9,250.00	20,750.00	30.83%
BAR EXAM PROCTORS	31,000.00	-	-	31,000.00	0.00%
CHARACTER & FITNESS BOARD	20,000.00	889.52	3,857.10	16,142.90	19.29%
DISABILITY ACCOMMODATIONS	20,000.00	-	-	20,000.00	0.00%
CHARACTER & FITNESS INVESTIGATIONS	900.00	-	-	900.00	0.00%
LAW SCHOOL VISITS	1,600.00	78.00	612.14	987.86	38.26%
COURT REPORTERS	18,000.00	975.40	2,221.10	15,778.90	12.34%
CONFERENCE CALLS	-	12.21	16.00	(16.00)	
ONLINE LEGAL RESEARCH	3,675.00	297.95	595.90	3,079.10	16.21%
LAW LIBRARY	1,116.00	42.39	84.78	1,031.22	7.60%
<b>TOTAL DIRECT EXPENSES:</b>	<b>429,301.00</b>	<b>50,083.30</b>	<b>65,270.50</b>	<b>364,030.50</b>	<b>15.20%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (6.80 FTE)	547,525.00	40,370.70	230,645.79	316,879.21	42.13%
BENEFITS EXPENSE	205,780.00	15,187.94	82,111.18	123,668.82	39.90%
OTHER INDIRECT EXPENSE	195,624.00	21,424.84	84,819.67	110,804.33	43.36%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>948,929.00</b>	<b>76,983.48</b>	<b>397,576.64</b>	<b>551,352.36</b>	<b>41.90%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>1,378,230.00</b>	<b>127,066.78</b>	<b>462,847.14</b>	<b>915,382.86</b>	<b>33.58%</b>
<b>NET INCOME (LOSS):</b>	<b>28,770.00</b>	<b>50,328.22</b>	<b>141,092.86</b>		

**Washington State Bar Association**  
Statement of Activities  
For the Period from February 1, 2020 to February 29, 2020  
**41.67% OF YEAR COMPLETE**

	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>BOARD OF GOVERNOR</b>					
<b>REVENUE:</b>					
<b>TOTAL REVENUE:</b>	-	-	-	-	
<b>DIRECT EXPENSES:</b>					
STAFF MEMBERSHIP DUES	400.00	-	-	400.00	0.00%
WASHINGTON LEADERSHIP INSTITUTE	100,000.00	-	80,000.00	20,000.00	80.00%
BOG MEETINGS	210,500.00	3,930.76	46,259.91	164,240.09	21.98%
BOG COMMITTEES' EXPENSES	30,000.00	1,729.35	5,143.54	24,856.46	17.15%
BOG RETREAT	15,000.00	-	-	15,000.00	0.00%
BOG CONFERENCE ATTENDANCE	44,000.00	8,924.65	9,907.65	34,092.35	22.52%
BOG TRAVEL & OUTREACH	35,000.00	1,369.04	4,038.67	30,961.33	11.54%
CONSULTING SERVICES	5,000.00	-	-	5,000.00	0.00%
<b>TOTAL DIRECT EXPENSES:</b>	<b>439,900.00</b>	<b>15,953.80</b>	<b>145,349.77</b>	<b>294,550.23</b>	<b>33.04%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (1.00 FTE)	69,756.00	5,509.40	29,713.53	40,042.47	42.60%
BENEFITS EXPENSE	26,638.00	2,088.30	11,037.36	15,600.64	41.43%
OTHER INDIRECT EXPENSE	28,768.00	3,149.38	12,468.37	16,299.63	43.34%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>125,162.00</b>	<b>10,747.08</b>	<b>53,219.26</b>	<b>71,942.74</b>	<b>42.52%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>565,062.00</b>	<b>26,700.88</b>	<b>198,569.03</b>	<b>366,492.97</b>	<b>35.14%</b>
<b>NET INCOME (LOSS):</b>	<b>(565,062.00)</b>	<b>(26,700.88)</b>	<b>(198,569.03)</b>		

**Washington State Bar Association**  
 Statement of Activities  
 For the Period from February 1, 2020 to February 29, 2020  
**41.67% OF YEAR COMPLETE**

	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>COMMUNICATION STRATEGIES</b>					
<b>REVENUE:</b>					
APEX LUNCH/DINNER	40,000.00	-	2,250.00	37,750.00	5.63%
50 YEAR MEMBER TRIBUTE LUNCH	-	-	50.00	(50.00)	
WSBA LOGO MERCHANDISE SALES	-	-	342.59	(342.59)	
<b>TOTAL REVENUE:</b>	<b>40,000.00</b>	<b>-</b>	<b>2,642.59</b>	<b>37,357.41</b>	<b>6.61%</b>
<b>DIRECT EXPENSES:</b>					
STAFF TRAVEL/PARKING	4,700.00	350.00	1,823.53	2,876.47	38.80%
STAFF MEMBERSHIP DUES	1,515.00	-	630.00	885.00	41.58%
SUBSCRIPTIONS	10,050.00	470.60	1,265.19	8,784.81	12.59%
DIGITAL/ONLINE DEVELOPMENT	1,450.00	15.54	15.54	1,434.46	1.07%
APEX DINNER	70,000.00	-	3,515.63	66,484.37	5.02%
50 YEAR MEMBER TRIBUTE LUNCH	8,000.00	-	10,707.57	(2,707.57)	133.84%
COMMUNICATIONS OUTREACH	15,000.00	1,641.93	4,050.20	10,949.80	27.00%
TELEPHONE	325.00	27.50	137.94	187.06	42.44%
CONFERENCE CALLS	-	-	19.69	(19.69)	
<b>TOTAL DIRECT EXPENSES:</b>	<b>111,040.00</b>	<b>2,505.57</b>	<b>22,165.29</b>	<b>88,874.71</b>	<b>19.96%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (4.44 FTE)	310,102.00	23,711.16	119,733.16	190,368.84	38.61%
BENEFITS EXPENSE	118,282.00	8,817.23	45,545.78	72,736.22	38.51%
OTHER INDIRECT EXPENSE	127,731.00	13,972.74	55,317.12	72,413.88	43.31%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>556,115.00</b>	<b>46,501.13</b>	<b>220,596.06</b>	<b>335,518.94</b>	<b>39.67%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>667,155.00</b>	<b>49,006.70</b>	<b>242,761.35</b>	<b>424,393.65</b>	<b>36.39%</b>
<b>NET INCOME (LOSS):</b>	<b>(627,155.00)</b>	<b>(49,006.70)</b>	<b>(240,118.76)</b>		



**Washington State Bar Association**  
Statement of Activities  
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	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>CONFERENCE &amp; BROADCAST SERVICES</b>					
<b>REVENUE:</b>	_____	_____	_____	_____	_____
<b>TOTAL REVENUE:</b>	-	-	-	-	
<b>DIRECT EXPENSES:</b>	_____	_____	_____	_____	_____
TRANSLATION SERVICES	5,500.00	821.60	3,863.10	1,636.90	70.24%
<b>TOTAL DIRECT EXPENSES:</b>	<b>5,500.00</b>	<b>821.60</b>	<b>3,863.10</b>	<b>1,636.90</b>	<b>70.24%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (7.11 FTE)	439,469.00	36,333.49	179,910.75	259,558.25	40.94%
BENEFITS EXPENSE	175,752.00	13,309.13	69,511.63	106,240.37	39.55%
OTHER INDIRECT EXPENSE	204,542.00	22,400.75	88,683.06	115,858.94	43.36%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>819,763.00</b>	<b>72,043.37</b>	<b>338,105.44</b>	<b>481,657.56</b>	<b>41.24%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>825,263.00</b>	<b>72,864.97</b>	<b>341,968.54</b>	<b>483,294.46</b>	<b>41.44%</b>
<b>NET INCOME (LOSS):</b>	<b>(825,263.00)</b>	<b>(72,864.97)</b>	<b>(341,968.54)</b>		

**Washington State Bar Association**  
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	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>DISCIPLINE</b>					
<b>REVENUE:</b>					
AUDIT REVENUE	2,500.00	42.50	1,333.50	1,166.50	53.34%
RECOVERY OF DISCIPLINE COSTS	90,000.00	6,010.30	56,598.01	33,401.99	62.89%
DISCIPLINE HISTORY SUMMARY	14,000.00	1,215.00	7,759.83	6,240.17	55.43%
PRACTICE MONITOR FEES	4,000.00	-	-	4,000.00	0.00%
<b>TOTAL REVENUE:</b>	<b>110,500.00</b>	<b>7,267.80</b>	<b>65,691.34</b>	<b>44,808.66</b>	<b>59.45%</b>
<b>DIRECT EXPENSES:</b>					
DEPRECIATION-SOFTWARE	2,300.00	327.00	1,637.00	663.00	71.17%
PUBLICATIONS PRODUCTION	250.00	-	48.53	201.47	19.41%
STAFF TRAVEL/PARKING	35,000.00	3,315.15	14,413.96	20,586.04	41.18%
STAFF MEMBERSHIP DUES	4,111.00	-	2,980.00	1,131.00	72.49%
TELEPHONE	2,300.00	236.70	1,186.50	1,113.50	51.59%
COURT REPORTERS	35,000.00	973.70	10,234.70	24,765.30	29.24%
OUTSIDE COUNSEL/AIC	1,000.00	-	-	1,000.00	0.00%
LITIGATION EXPENSES	25,000.00	5,692.63	21,141.30	3,858.70	84.57%
DISABILITY EXPENSES	7,500.00	-	-	7,500.00	0.00%
ONLINE LEGAL RESEARCH	53,287.50	4,380.22	12,926.74	40,360.76	24.26%
LAW LIBRARY	6,700.00	(993.48)	3,773.76	2,926.24	56.32%
TRANSLATION SERVICES	1,000.00	-	240.00	760.00	24.00%
PRACTICE MONITOR EXPENSE	4,000.00	-	-	4,000.00	0.00%
<b>TOTAL DIRECT EXPENSES:</b>	<b>177,448.50</b>	<b>13,931.92</b>	<b>68,582.49</b>	<b>108,866.01</b>	<b>38.65%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (36.93 FTE)	3,676,010.00	300,198.41	1,473,106.24	2,202,903.76	40.07%
BENEFITS EXPENSE	1,211,817.00	94,247.35	482,978.64	728,838.36	39.86%
OTHER INDIRECT EXPENSE	1,062,411.00	116,395.11	460,801.11	601,609.89	43.37%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>5,950,238.00</b>	<b>510,840.87</b>	<b>2,416,885.99</b>	<b>3,533,352.01</b>	<b>40.62%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>6,127,686.50</b>	<b>524,772.79</b>	<b>2,485,468.48</b>	<b>3,642,218.02</b>	<b>40.56%</b>
<b>NET INCOME (LOSS):</b>	<b>(6,017,186.50)</b>	<b>(517,504.99)</b>	<b>(2,419,777.14)</b>		

**Washington State Bar Association**  
Statement of Activities  
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**41.67% OF YEAR COMPLETE**

	<b>FISCAL 2020 BUDGET</b>	<b>CURRENT MONTH</b>	<b>YEAR TO DATE</b>	<b>REMAINING BALANCE</b>	<b>% USED OF BUDGET</b>
<b>DIVERSITY</b>					
<b>REVENUE:</b>					
DONATIONS	125,000.00	(5,000.00)	125,000.00	-	100.00%
WORK STUDY GRANTS	10,374.00	-	-	10,374.00	0.00%
<b>TOTAL REVENUE:</b>	<b>135,374.00</b>	<b>(5,000.00)</b>	<b>125,000.00</b>	<b>10,374.00</b>	<b>92.34%</b>
<b>DIRECT EXPENSES:</b>					
STAFF TRAVEL/PARKING	6,000.00	144.85	769.28	5,230.72	12.82%
STAFF MEMBERSHIP DUES	980.00	-	-	980.00	0.00%
COMMITTEE FOR DIVERSITY	6,000.00	611.17	2,222.81	3,777.19	37.05%
DIVERSITY EVENTS & PROJECTS	15,750.00	-	4,438.95	11,311.05	28.18%
INTERNAL DIVERSITY OUTREACH	200.00	-	-	200.00	0.00%
<b>TOTAL DIRECT EXPENSE:</b>	<b>28,930.00</b>	<b>756.02</b>	<b>7,431.04</b>	<b>21,498.96</b>	<b>25.69%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (3.87 FTE)	341,233.00	16,783.33	82,306.68	258,926.32	24.12%
BENEFITS EXPENSE	114,992.00	7,941.50	40,792.18	74,199.82	35.47%
OTHER INDIRECT EXPENSE	111,333.00	12,198.40	48,292.74	63,040.26	43.38%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>567,558.00</b>	<b>36,923.23</b>	<b>171,391.60</b>	<b>396,166.40</b>	<b>30.20%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>596,488.00</b>	<b>37,679.25</b>	<b>178,822.64</b>	<b>417,665.36</b>	<b>29.98%</b>
<b>NET INCOME (LOSS):</b>	<b>(461,114.00)</b>	<b>(42,679.25)</b>	<b>(53,822.64)</b>		

# Washington State Bar Association

## Statement of Activities

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**41.67% OF YEAR COMPLETE**

	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>FOUNDATION</b>					
<b>REVENUE:</b>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL REVENUE:</b>	<hr/> <u>-</u>	<hr/> <u>-</u>	<hr/> <u>-</u>	<hr/> <u>-</u>	<hr/> <u>-</u>
<b>DIRECT EXPENSES:</b>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
CONSULTING SERVICES	3,000.00	2,000.00	2,000.00	1,000.00	66.67%
PRINTING & COPYING	900.00	-	-	900.00	0.00%
STAFF TRAVEL/PARKING	750.00	37.76	37.76	712.24	5.03%
SUPPLIES	250.00	-	-	250.00	0.00%
SPECIAL EVENTS	5,000.00	-	-	5,000.00	0.00%
BOARD OF TRUSTEES	3,000.00	85.05	232.11	2,767.89	7.74%
POSTAGE	500.00	-	62.28	437.72	12.46%
<b>TOTAL DIRECT EXPENSES:</b>	<hr/> <u><b>13,400.00</b></u>	<hr/> <u><b>2,122.81</b></u>	<hr/> <u><b>2,332.15</b></u>	<hr/> <u><b>11,067.85</b></u>	<hr/> <u><b>17.40%</b></u>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (1.05 FTE)	90,008.00	6,429.21	32,567.36	57,440.64	36.18%
BENEFITS EXPENSE	31,689.00	2,402.38	12,458.70	19,230.30	39.32%
OTHER INDIRECT EXPENSE	30,135.00	3,326.87	13,170.77	16,964.23	43.71%
<b>TOTAL INDIRECT EXPENSES:</b>	<hr/> <u><b>151,832.00</b></u>	<hr/> <u><b>12,158.46</b></u>	<hr/> <u><b>58,196.83</b></u>	<hr/> <u><b>93,635.17</b></u>	<hr/> <u><b>38.33%</b></u>
<b>TOTAL ALL EXPENSES:</b>	<hr/> <u><b>165,232.00</b></u>	<hr/> <u><b>14,281.27</b></u>	<hr/> <u><b>60,528.98</b></u>	<hr/> <u><b>104,703.02</b></u>	<hr/> <u><b>36.63%</b></u>
<b>NET INCOME (LOSS):</b>	<hr/> <u><b>(165,232.00)</b></u>	<hr/> <u><b>(14,281.27)</b></u>	<hr/> <u><b>(60,528.98)</b></u>		

# Washington State Bar Association

## Statement of Activities

For the Period from February 1, 2020 to February 29, 2020

**41.67% OF YEAR COMPLETE**

	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>HUMAN RESOURCES</b>					
<b>REVENUE:</b>					
<b>TOTAL REVENUE:</b>	-	-	-	-	
<b>DIRECT EXPENSES:</b>					
STAFF TRAVEL/PARKING	250.00	-	44.00	206.00	17.60%
STAFF MEMBERSHIP DUES	870.00	-	-	870.00	0.00%
SUBSCRIPTIONS	2,100.00	295.00	574.00	1,526.00	27.33%
STAFF TRAINING- GENERAL	30,000.00	1,195.00	3,042.63	26,957.37	10.14%
RECRUITING AND ADVERTISING	7,000.00	88.11	722.39	6,277.61	10.32%
PAYROLL PROCESSING	49,000.00	1,572.00	14,744.56	34,255.44	30.09%
SALARY SURVEYS	2,900.00	-	765.20	2,134.80	26.39%
CONSULTING SERVICES	75,000.00	-	-	75,000.00	0.00%
TRANSFER TO INDIRECT EXPENSE	(167,120.00)	(3,150.11)	(19,892.78)	(147,227.22)	11.90%
<b>TOTAL DIRECT EXPENSES:</b>	-	-	-	-	
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (2.45 FTE)	271,913.00	21,189.06	100,690.32	171,222.68	37.03%
ALLOWANCE FOR OPEN POSITIONS	(200,000.00)	-	-	(200,000.00)	0.00%
BENEFITS EXPENSE	86,720.00	7,622.72	35,870.12	50,849.88	41.36%
OTHER INDIRECT EXPENSE	70,482.00	7,718.26	30,556.14	39,925.86	43.35%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>229,115.00</b>	<b>36,530.04</b>	<b>167,116.58</b>	<b>61,998.42</b>	<b>72.94%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>229,115.00</b>	<b>36,530.04</b>	<b>167,116.58</b>	<b>61,998.42</b>	<b>72.94%</b>
<b>NET INCOME (LOSS):</b>	<b>(229,115.00)</b>	<b>(36,530.04)</b>	<b>(167,116.58)</b>		

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	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>LAW CLERK PROGRAM</b>					
<b>REVENUE:</b>					
LAW CLERK FEES	172,000.00	42,940.00	177,054.67	(5,054.67)	102.94%
LAW CLERK APPLICATION FEES	2,700.00	100.00	1,200.00	1,500.00	44.44%
<b>TOTAL REVENUE:</b>	<b>174,700.00</b>	<b>43,040.00</b>	<b>178,254.67</b>	<b>(3,554.67)</b>	<b>102.03%</b>
<b>DIRECT EXPENSES:</b>					
SUBSCRIPTIONS	250.00	-	-	250.00	0.00%
CHARACTER & FITNESS INVESTIGATIONS	100.00	-	-	100.00	0.00%
LAW CLERK BOARD EXPENSE	10,000.00	1,157.87	2,926.02	7,073.98	29.26%
STAFF TRAVEL/PARKING	600.00	37.95	37.95	562.05	6.33%
LAW CLERK OUTREACH	3,000.00	950.60	4,696.37	(1,696.37)	156.55%
<b>TOTAL DIRECT EXPENSES:</b>	<b>13,950.00</b>	<b>2,146.42</b>	<b>7,660.34</b>	<b>6,289.66</b>	<b>54.91%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (1.25 FTE)	92,121.00	7,768.76	39,594.36	52,526.64	42.98%
BENEFITS EXPENSE	34,398.00	2,678.61	13,832.14	20,565.86	40.21%
OTHER INDIRECT EXPENSE	35,960.00	3,947.89	15,629.35	20,330.65	43.46%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>162,479.00</b>	<b>14,395.26</b>	<b>69,055.85</b>	<b>93,423.15</b>	<b>42.50%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>176,429.00</b>	<b>16,541.68</b>	<b>76,716.19</b>	<b>99,712.81</b>	<b>43.48%</b>
<b>NET INCOME (LOSS):</b>	<b>(1,729.00)</b>	<b>26,498.32</b>	<b>101,538.48</b>		

## Washington State Bar Association

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	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>LEGISLATIVE</b>					
<b>REVENUE:</b>					
<b>TOTAL REVENUE:</b>	-	-	-	-	
<b>DIRECT EXPENSES:</b>					
STAFF TRAVEL/PARKING	2,500.00	826.39	1,742.72	757.28	69.71%
STAFF MEMBERSHIP DUES	450.00	-	-	450.00	0.00%
SUBSCRIPTIONS	2,000.00	-	1,981.80	18.20	99.09%
OLYMPIA RENT	2,500.00	-	51.58	2,448.42	2.06%
CONTRACT LOBBYIST	5,000.00	3,333.32	6,666.64	(1,666.64)	133.33%
LEGISLATIVE COMMITTEE	2,500.00	214.96	766.99	1,733.01	30.68%
BOG LEGISLATIVE COMMITTEE	250.00	-	-	250.00	0.00%
<b>TOTAL DIRECT EXPENSES:</b>	<b>15,200.00</b>	<b>4,374.67</b>	<b>11,209.73</b>	<b>3,990.27</b>	<b>73.75%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (1.10 FTE)	82,883.00	6,933.90	35,036.05	47,846.95	42.27%
BENEFITS EXPENSE	30,676.00	2,399.34	12,394.75	18,281.25	40.41%
OTHER INDIRECT EXPENSE	31,645.00	3,459.93	13,697.68	17,947.32	43.29%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>145,204.00</b>	<b>12,793.17</b>	<b>61,128.48</b>	<b>84,075.52</b>	<b>42.10%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>160,404.00</b>	<b>17,167.84</b>	<b>72,338.21</b>	<b>88,065.79</b>	<b>45.10%</b>
<b>NET INCOME (LOSS):</b>	<b>(160,404.00)</b>	<b>(17,167.84)</b>	<b>(72,338.21)</b>		

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	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>LICENSING &amp; MEMBERSHIP RECORDS</b>					
<b>REVENUE:</b>					
STATUS CERTIFICATE FEES	22,000.00	2,395.00	13,761.63	8,238.37	62.55%
INVESTIGATION FEES	22,700.00	2,100.00	10,400.00	12,300.00	45.81%
PRO HAC VICE	270,000.00	36,645.00	130,231.00	139,769.00	48.23%
MEMBER CONTACT INFORMATION	10,000.00	268.72	7,168.15	2,831.85	71.68%
PHOTO BAR CARD SALES	300.00	12.00	144.00	156.00	48.00%
<b>TOTAL REVENUE:</b>	<b>325,000.00</b>	<b>41,420.72</b>	<b>161,704.78</b>	<b>163,295.22</b>	<b>49.76%</b>
<b>DIRECT EXPENSES:</b>					
DEPRECIATION	13,850.00	1,151.00	5,753.00	8,097.00	41.54%
POSTAGE	19,500.00	-	6,346.95	13,153.05	32.55%
LICENSING FORMS	2,437.50	-	2,253.10	184.40	92.43%
<b>TOTAL DIRECT EXPENSES:</b>	<b>35,787.50</b>	<b>1,151.00</b>	<b>14,353.05</b>	<b>21,434.45</b>	<b>40.11%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (4.20 FTE)	386,870.00	34,153.76	165,865.43	221,004.57	42.87%
BENEFITS EXPENSE	130,142.00	10,148.40	52,558.91	77,583.09	40.39%
OTHER INDIRECT EXPENSE	120,827.00	13,218.65	52,331.80	68,495.20	43.31%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>637,839.00</b>	<b>57,520.81</b>	<b>270,756.14</b>	<b>367,082.86</b>	<b>42.45%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>673,626.50</b>	<b>58,671.81</b>	<b>285,109.19</b>	<b>388,517.31</b>	<b>42.32%</b>
<b>NET INCOME (LOSS):</b>	<b>(348,626.50)</b>	<b>(17,251.09)</b>	<b>(123,404.41)</b>		



## Washington State Bar Association

Statement of Activities

For the Period from February 1, 2020 to February 29, 2020

**41.67% OF YEAR COMPLETE**

	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>LIMITED LICENSE LEGAL TECHNICIAN PROGRAM</b>					
<b>REVENUE:</b>					
SEMINAR REGISTRATIONS	14,655.00	-	398.00	14,257.00	2.72%
LLLT LICENSE FEES	7,250.00	641.61	2,535.77	4,714.23	34.98%
LLLT LATE LICENSE FEES	300.00	-	300.00	-	100.00%
INVESTIGATION FEES	300.00	-	100.00	200.00	33.33%
LLLT EXAM FEES	4,500.00	-	3,350.00	1,150.00	74.44%
LLLT WAIVER FEES	300.00	-	-	300.00	0.00%
MEMBER LATE FEES	300.00	150.00	150.00	150.00	50.00%
<b>TOTAL REVENUE:</b>	<b>27,605.00</b>	<b>791.61</b>	<b>6,833.77</b>	<b>20,771.23</b>	<b>24.76%</b>
<b>DIRECT EXPENSES:</b>					
STAFF TRAVEL/PARKING	600.00	-	101.80	498.20	16.97%
FACILITY, PARKING, FOOD	600.00	-	-	600.00	0.00%
LLLT BOARD	18,000.00	1,947.99	4,741.83	13,258.17	26.34%
LLLT OUTREACH	3,000.00	130.03	1,463.59	1,536.41	48.79%
LLLT EDUCATION	5,650.00	-	-	5,650.00	0.00%
POSTAGE	20.00	-	-	20.00	0.00%
LLLT EXAM WRITING	14,178.00	-	-	14,178.00	0.00%
LICENSING FORMS	2.50	-	-	2.50	0.00%
<b>TOTAL DIRECT EXPENSES:</b>	<b>42,050.50</b>	<b>2,078.02</b>	<b>6,307.22</b>	<b>35,743.28</b>	<b>15.00%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (1.34 FTE)	103,330.00	8,445.02	43,314.36	60,015.64	41.92%
BENEFITS EXPENSE	37,843.00	2,924.30	15,114.09	22,728.91	39.94%
OTHER INDIRECT EXPENSE	38,406.00	4,258.36	16,858.53	21,547.47	43.90%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>179,579.00</b>	<b>15,627.68</b>	<b>75,286.98</b>	<b>104,292.02</b>	<b>41.92%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>221,629.50</b>	<b>17,705.70</b>	<b>81,594.20</b>	<b>140,035.30</b>	<b>36.82%</b>
<b>NET INCOME (LOSS):</b>	<b>(194,024.50)</b>	<b>(16,914.09)</b>	<b>(74,760.43)</b>		

**Washington State Bar Association**  
Statement of Activities  
For the Period from February 1, 2020 to February 29, 2020  
**41.67% OF YEAR COMPLETE**

	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>LIMITED PRACTICE OFFICERS</b>					
<b>REVENUE:</b>					
INVESTIGATION FEES	1,000.00	-	100.00	900.00	10.00%
ACCREDITED PROGRAM FEES	6,000.00	-	-	6,000.00	0.00%
MEMBER LATE FEES	900.00	1,350.00	1,950.00	(1,050.00)	216.67%
LPO EXAMINATION FEES	26,000.00	2,600.00	13,800.00	12,200.00	53.08%
LPO LICENSE FEES	173,900.00	16,789.77	72,621.29	101,278.71	41.76%
LPO LATE LICENSE FEES	4,590.00	-	400.00	4,190.00	8.71%
<b>TOTAL REVENUE:</b>	<b>212,390.00</b>	<b>20,739.77</b>	<b>88,871.29</b>	<b>123,518.71</b>	<b>41.84%</b>
<b>DIRECT EXPENSES:</b>					
FACILITY, PARKING, FOOD	6,890.00	-	-	6,890.00	0.00%
EXAM WRITING	14,178.00	-	-	14,178.00	0.00%
ONLINE LEGAL RESEARCH	1,837.50	148.97	297.94	1,539.56	16.21%
LAW LIBRARY	279.00	10.48	20.96	258.04	7.51%
LICENSING FORMS	60.00	-	-	60.00	0.00%
LPO BOARD	3,000.00	438.34	695.98	2,304.02	23.20%
LPO OUTREACH	3,000.00	26.64	26.64	2,973.36	0.89%
POSTAGE	480.00	-	-	480.00	0.00%
PRINTING & COPYING	200.00	70.50	70.50	129.50	35.25%
STAFF TRAVEL/PARKING	100.00	-	-	100.00	0.00%
<b>TOTAL DIRECT EXPENSES:</b>	<b>30,024.50</b>	<b>694.93</b>	<b>1,112.02</b>	<b>28,912.48</b>	<b>3.70%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (1.09 FTE)	86,688.00	7,088.94	36,464.92	50,223.08	42.06%
BENEFITS EXPENSE	31,360.00	2,423.53	12,577.52	18,782.48	40.11%
OTHER INDIRECT EXPENSE	31,214.00	3,459.92	13,697.64	17,516.36	43.88%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>149,262.00</b>	<b>12,972.39</b>	<b>62,740.08</b>	<b>86,521.92</b>	<b>42.03%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>179,286.50</b>	<b>13,667.32</b>	<b>63,852.10</b>	<b>115,434.40</b>	<b>35.61%</b>
<b>NET INCOME (LOSS):</b>	<b>33,103.50</b>	<b>7,072.45</b>	<b>25,019.19</b>		

## Washington State Bar Association

Statement of Activities

For the Period from February 1, 2020 to February 29, 2020

**41.67% OF YEAR COMPLETE**

	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>MANDATORY CONTINUING LEGAL EDUCATION</b>					
<b>REVENUE:</b>					
ACCREDITED PROGRAM FEES	534,000.00	46,500.00	216,800.00	317,200.00	40.60%
FORM 1 LATE FEES	150,000.00	14,050.00	84,250.00	65,750.00	56.17%
MEMBER LATE FEES	201,800.00	56,975.00	113,325.00	88,475.00	56.16%
ANNUAL ACCREDITED SPONSOR FEES	43,000.00	-	41,750.00	1,250.00	97.09%
ATTENDANCE LATE FEES	85,000.00	4,100.00	40,950.00	44,050.00	48.18%
COMITY CERTIFICATES	29,000.00	1,375.00	28,425.23	574.77	98.02%
<b>TOTAL REVENUE:</b>	<b>1,042,800.00</b>	<b>123,000.00</b>	<b>525,500.23</b>	<b>517,299.77</b>	<b>50.39%</b>
<b>DIRECT EXPENSES:</b>					
DEPRECIATION	250,000.00	20,841.00	104,209.00	145,791.00	41.68%
STAFF MEMBERSHIP DUES	500.00	-	-	500.00	0.00%
ONLINE LEGAL RESEARCH	1,837.50	148.97	297.94	1,539.56	16.21%
LAW LIBRARY	279.00	10.48	20.96	258.04	7.51%
MCLE BOARD	2,000.00	27.38	774.36	1,225.64	38.72%
STAFF TRAVEL/PARKING	-	-	9.26	(9.26)	
<b>TOTAL DIRECT EXPENSES:</b>	<b>254,616.50</b>	<b>21,027.83</b>	<b>105,311.52</b>	<b>149,304.98</b>	<b>41.36%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (4.65 FTE)	424,678.00	47,709.70	235,894.30	188,783.70	55.55%
BENEFITS EXPENSE	123,400.00	8,752.32	47,087.41	76,312.59	38.16%
OTHER INDIRECT EXPENSE	133,772.00	14,638.08	57,951.33	75,820.67	43.32%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>681,850.00</b>	<b>71,100.10</b>	<b>340,933.04</b>	<b>340,916.96</b>	<b>50.00%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>936,466.50</b>	<b>92,127.93</b>	<b>446,244.56</b>	<b>490,221.94</b>	<b>47.65%</b>
<b>NET INCOME (LOSS):</b>	<b>106,333.50</b>	<b>30,872.07</b>	<b>79,255.67</b>		

**Washington State Bar Association**  
Statement of Activities  
For the Period from February 1, 2020 to February 29, 2020  
**41.67% OF YEAR COMPLETE**

	<b>FISCAL 2020 BUDGET</b>	<b>CURRENT MONTH</b>	<b>YEAR TO DATE</b>	<b>REMAINING BALANCE</b>	<b>% USED OF BUDGET</b>
<b>MEMBER ASSISTANCE PROGRAM</b>					
<b>REVENUE:</b>					
DIVERSIONS	6,750.00	750.00	4,500.00	2,250.00	66.67%
LAP GROUPS REVENUE	-	-	360.00	(360.00)	
<b>TOTAL REVENUE:</b>	<b>6,750.00</b>	<b>750.00</b>	<b>4,860.00</b>	<b>1,890.00</b>	<b>72.00%</b>
<b>DIRECT EXPENSES:</b>					
PUBLICATIONS PRODUCTION	200.00	-	-	200.00	0.00%
STAFF MEMBERSHIP DUES	225.00	-	-	225.00	0.00%
PROF LIAB INSURANCE	850.00	-	775.50	74.50	91.24%
<b>TOTAL DIRECT EXPENSES:</b>	<b>1,275.00</b>	<b>-</b>	<b>775.50</b>	<b>499.50</b>	<b>60.82%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (0.90 FTE)	87,698.00	6,526.58	33,304.27	54,393.73	37.98%
BENEFITS EXPENSE	35,067.00	2,663.39	13,724.49	21,342.51	39.14%
OTHER INDIRECT EXPENSE	25,891.00	2,838.87	11,238.95	14,652.05	43.41%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>148,656.00</b>	<b>12,028.84</b>	<b>58,267.71</b>	<b>90,388.29</b>	<b>39.20%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>149,931.00</b>	<b>12,028.84</b>	<b>59,043.21</b>	<b>90,887.79</b>	<b>39.38%</b>
<b>NET INCOME (LOSS):</b>	<b>(143,181.00)</b>	<b>(11,278.84)</b>	<b>(54,183.21)</b>		

**Washington State Bar Association**  
Statement of Activities  
For the Period from February 1, 2020 to February 29, 2020  
**41.67% OF YEAR COMPLETE**

	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>MEMBER SERVICES &amp; ENGAGEMENT</b>					
<b>REVENUE:</b>					
ROYALTIES	42,500.00	3,132.37	16,595.45	25,904.55	39.05%
NMP PRODUCT SALES	70,000.00	3,774.00	56,425.00	13,575.00	80.61%
SPONSORSHIPS	800.00	-	-	800.00	0.00%
SEMINAR REGISTRATIONS	15,000.00	3,605.00	3,605.00	11,395.00	24.03%
TRIAL ADVOCACY PROGRAM	10,000.00	-	-	10,000.00	0.00%
<b>TOTAL REVENUE:</b>	<b>138,300.00</b>	<b>10,511.37</b>	<b>76,625.45</b>	<b>61,674.55</b>	<b>55.41%</b>
<b>DIRECT EXPENSES:</b>					
STAFF TRAVEL/PARKING	2,500.00	98.88	98.88	2,401.12	3.96%
SUBSCRIPTIONS	500.00	10.00	80.00	420.00	16.00%
CONFERENCE CALLS	300.00	14.71	28.32	271.68	9.44%
YLL SECTION PROGRAM	1,100.00	(95.00)	520.00	580.00	47.27%
WYLC CLE COMPS	1,000.00	-	-	1,000.00	0.00%
WYLC OUTREACH EVENTS	2,500.00	-	96.51	2,403.49	3.86%
WYL COMMITTEE	15,000.00	85.77	1,046.70	13,953.30	6.98%
OPEN SECTIONS NIGHT	3,000.00	-	-	3,000.00	0.00%
TRIAL ADVOCACY EXPENSES	2,500.00	-	0.05	2,499.95	0.00%
RECEPTION/FORUM EXPENSE	4,000.00	-	947.12	3,052.88	23.68%
WYLC SCHOLARSHIPS/DONATIONS/GRANT	2,500.00	-	-	2,500.00	0.00%
STAFF MEMBERSHIP DUES	445.00	25.00	100.00	345.00	22.47%
LENDING LIBRARY	5,500.00	2,757.54	3,160.45	2,339.55	57.46%
NMP SPEAKERS & PROGRAM DEVELOPMENT	1,500.00	210.60	446.00	1,054.00	29.73%
<b>TOTAL DIRECT EXPENSES:</b>	<b>42,345.00</b>	<b>3,107.50</b>	<b>6,524.03</b>	<b>35,820.97</b>	<b>15.41%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (4.24 FTE)	326,272.00	29,111.23	150,981.32	175,290.68	46.27%
BENEFITS EXPENSE	119,762.00	9,666.16	49,715.34	70,046.66	41.51%
OTHER INDIRECT EXPENSE	121,977.00	13,351.72	52,858.67	69,118.33	43.33%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>568,011.00</b>	<b>52,129.11</b>	<b>253,555.33</b>	<b>314,455.67</b>	<b>44.64%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>610,356.00</b>	<b>55,236.61</b>	<b>260,079.36</b>	<b>350,276.64</b>	<b>42.61%</b>
<b>NET INCOME (LOSS):</b>	<b>(472,056.00)</b>	<b>(44,725.24)</b>	<b>(183,453.91)</b>		

## Washington State Bar Association

Statement of Activities

For the Period from February 1, 2020 to February 29, 2020

**41.67% OF YEAR COMPLETE**

	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>MEMBERSHIP BENEFITS</b>					
<b>REVENUE:</b>					
SPONSORSHIPS	9,000.00	1,000.00	1,000.00	8,000.00	11.11%
INTERNET SALES	12,000.00	588.00	17,493.00	(5,493.00)	145.78%
<b>TOTAL REVENUE:</b>	<b>21,000.00</b>	<b>1,588.00</b>	<b>18,493.00</b>	<b>2,507.00</b>	<b>88.06%</b>
<b>DIRECT EXPENSES:</b>					
TRANSCRIPTION SERVICES	1,500.00	-	-	1,500.00	0.00%
LEGAL LUNCHBOX SPEAKERS & PROGRAM	2,000.00	-	-	2,000.00	0.00%
WSBA CONNECTS	46,560.00	-	31,040.00	15,520.00	66.67%
CASEMAKER & FASTCASE	136,436.00	-	98,283.69	38,152.31	72.04%
CONFERENCE CALLS	-	5.30	5.30	(5.30)	
<b>TOTAL DIRECT EXPENSES:</b>	<b>186,496.00</b>	<b>5.30</b>	<b>129,328.99</b>	<b>57,167.01</b>	<b>69.35%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (0.69 FTE)	53,322.00	6,823.98	34,037.10	19,284.90	63.83%
BENEFITS EXPENSE	19,484.00	1,923.23	9,997.22	9,486.78	51.31%
OTHER INDIRECT EXPENSE	19,706.00	2,173.55	8,604.98	11,101.02	43.67%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>92,512.00</b>	<b>10,920.76</b>	<b>52,639.30</b>	<b>39,872.70</b>	<b>56.90%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>279,008.00</b>	<b>10,926.06</b>	<b>181,968.29</b>	<b>97,039.71</b>	<b>65.22%</b>
<b>NET INCOME (LOSS):</b>	<b>(258,008.00)</b>	<b>(9,338.06)</b>	<b>(163,475.29)</b>		

## Washington State Bar Association

Statement of Activities

For the Period from February 1, 2020 to February 29, 2020

**41.67% OF YEAR COMPLETE**

	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>NORTHWEST LAWYER</b>					
<b>REVENUE:</b>					
ROYALTIES	-	-	1,440.86	(1,440.86)	
DISPLAY ADVERTISING	297,500.00	46,522.00	171,599.00	125,901.00	57.68%
SUBSCRIPT/SINGLE ISSUES	350.00	-	72.00	278.00	20.57%
CLASSIFIED ADVERTISING	12,500.00	1,375.90	4,069.70	8,430.30	32.56%
GEN ANNOUNCEMENTS	17,500.00	1,514.00	5,570.00	11,930.00	31.83%
PROF ANNOUNCEMENTS	21,000.00	2,603.00	10,253.00	10,747.00	48.82%
JOB TARGET ADVERTISING	112,500.00	16,244.87	76,971.02	35,528.98	68.42%
<b>TOTAL REVENUE:</b>	<b>461,350.00</b>	<b>68,259.77</b>	<b>269,975.58</b>	<b>191,374.42</b>	<b>58.52%</b>
<b>DIRECT EXPENSES:</b>					
BAD DEBT EXPENSE	2,000.00	-	-	2,000.00	0.00%
POSTAGE	89,000.00	10,257.01	40,923.95	48,076.05	45.98%
PRINTING, COPYING & MAILING	250,000.00	24,958.44	96,942.34	153,057.66	38.78%
DIGITAL/ONLINE DEVELOPMENT	12,000.00	1,750.00	5,800.00	6,200.00	48.33%
GRAPHICS/ARTWORK	3,500.00	-	-	3,500.00	0.00%
OUTSIDE SALES EXPENSE	-	15,191.70	56,226.60	(56,226.60)	
EDITORIAL ADVISORY COMMITTEE	800.00	16.99	532.31	267.69	66.54%
STAFF MEMBERSHIP DUES	615.00	-	-	615.00	0.00%
<b>TOTAL DIRECT EXPENSES:</b>	<b>357,915.00</b>	<b>52,174.14</b>	<b>200,425.20</b>	<b>157,489.80</b>	<b>56.00%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (2.55 FTE)	206,395.00	17,757.71	87,620.68	118,774.32	42.45%
BENEFITS EXPENSE	79,825.00	6,248.75	32,203.21	47,621.79	40.34%
OTHER INDIRECT EXPENSE	73,359.00	8,028.78	31,785.40	41,573.60	43.33%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>359,579.00</b>	<b>32,035.24</b>	<b>151,609.29</b>	<b>207,969.71</b>	<b>42.16%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>717,494.00</b>	<b>84,209.38</b>	<b>352,034.49</b>	<b>365,459.51</b>	<b>49.06%</b>
<b>NET INCOME (LOSS):</b>	<b>(256,144.00)</b>	<b>(15,949.61)</b>	<b>(82,058.91)</b>		

**Washington State Bar Association**  
Statement of Activities  
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**41.67% OF YEAR COMPLETE**

	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>OFFICE OF THE EXECUTIVE DIRECTOR</b>					
<b>REVENUE:</b>					
<b>TOTAL REVENUE:</b>	-	-	-	-	
<b>DIRECT EXPENSES:</b>					
ED TRAVEL & OUTREACH	5,000.00	182.05	1,116.99	3,883.01	22.34%
LAW LIBRARY	279.00	10.48	70.93	208.07	25.42%
STAFF TRAVEL/PARKING	5,400.00	146.40	174.40	5,225.60	3.23%
STAFF MEMBERSHIP DUES	1,700.00	-	-	1,700.00	0.00%
TELEPHONE	1,000.00	-	-	1,000.00	0.00%
<b>TOTAL DIRECT EXPENSES:</b>	<b>13,379.00</b>	<b>338.93</b>	<b>1,362.32</b>	<b>12,016.68</b>	<b>10.18%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (1.45 FTE)	247,104.00	31,881.08	140,819.24	106,284.76	56.99%
BENEFITS EXPENSE	71,244.00	6,881.70	33,610.34	37,633.66	47.18%
OTHER INDIRECT EXPENSE	41,714.00	4,568.86	18,087.84	23,626.16	43.36%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>360,062.00</b>	<b>43,331.64</b>	<b>192,517.42</b>	<b>167,544.58</b>	<b>53.47%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>373,441.00</b>	<b>43,670.57</b>	<b>193,879.74</b>	<b>179,561.26</b>	<b>51.92%</b>
<b>NET INCOME (LOSS):</b>	<b>(373,441.00)</b>	<b>(43,670.57)</b>	<b>(193,879.74)</b>		



**Washington State Bar Association**  
Statement of Activities  
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**41.67% OF YEAR COMPLETE**

	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>OFFICE OF GENERAL COUNSEL</b>					
<b>REVENUE:</b>					
COPY FEES	-	-	3.96	(3.96)	
<b>TOTAL REVENUE:</b>	<b>-</b>	<b>-</b>	<b>3.96</b>	<b>(3.96)</b>	
<b>DIRECT EXPENSES:</b>					
DEPRECIATION	3,336.00	-	-	3,336.00	0.00%
STAFF TRAVEL/PARKING	300.00	-	-	300.00	0.00%
STAFF MEMBERSHIP DUES	1,500.00	300.00	300.00	1,200.00	20.00%
ONLINE LEGAL RESEARCH	11,025.00	893.84	1,787.68	9,237.32	16.21%
LAW LIBRARY	1,673.00	1,312.08	1,375.44	297.56	82.21%
COURT RULES COMMITTEE	3,000.00	-	925.00	2,075.00	30.83%
DISCIPLINE ADVISORY ROUNDTABLE	500.00	-	-	500.00	0.00%
CUSTODIANSHIPS	2,500.00	956.49	1,016.25	1,483.75	40.65%
LITIGATION EXPENSES	500.00	-	39.88	460.12	7.98%
<b>TOTAL DIRECT EXPENSES:</b>	<b>24,334.00</b>	<b>3,462.41</b>	<b>5,444.25</b>	<b>18,889.75</b>	<b>22.37%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (5.82 FTE)	600,907.00	38,305.72	192,615.32	408,291.68	32.05%
BENEFITS EXPENSE	198,401.00	14,534.20	75,712.73	122,688.27	38.16%
OTHER INDIRECT EXPENSE	167,431.00	18,319.83	72,526.97	94,904.03	43.32%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>966,739.00</b>	<b>71,159.75</b>	<b>340,855.02</b>	<b>625,883.98</b>	<b>35.26%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>991,073.00</b>	<b>74,622.16</b>	<b>346,299.27</b>	<b>644,773.73</b>	<b>34.94%</b>
<b>NET INCOME (LOSS):</b>	<b>(991,073.00)</b>	<b>(74,622.16)</b>	<b>(346,295.31)</b>		

**Washington State Bar Association**  
Statement of Activities  
For the Period from February 1, 2020 to February 29, 2020  
**41.67% OF YEAR COMPLETE**

	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>OFFICE OF GENERAL COUNSEL - DISCIPLINARY BOARD</b>					
<b>REVENUE:</b>					
<b>TOTAL REVENUE:</b>	-	-	-	-	
<b>DIRECT EXPENSE:</b>					
STAFF MEMBERSHIP DUES	200.00	-	-	200.00	0.00%
LAW LIBRARY	1,116.00	42.39	84.78	1,031.22	7.60%
DISCIPLINARY BOARD EXPENSES	10,000.00	121.06	609.63	9,390.37	6.10%
CHIEF HEARING OFFICER	33,000.00	2,500.00	12,500.00	20,500.00	37.88%
HEARING OFFICER EXPENSES	3,000.00	-	(2,018.63)	5,018.63	-67.29%
HEARING OFFICER TRAINING	2,000.00	-	526.93	1,473.07	26.35%
OUTSIDE COUNSEL	55,000.00	4,234.36	20,234.36	34,765.64	36.79%
<b>TOTAL DIRECT EXPENSES:</b>	<b>104,316.00</b>	<b>6,897.81</b>	<b>31,937.07</b>	<b>72,378.93</b>	<b>30.62%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (1.55 FTE)	104,449.00	8,717.62	44,050.28	60,398.72	42.17%
BENEFITS EXPENSE	40,468.00	3,175.94	16,379.46	24,088.54	40.48%
OTHER INDIRECT EXPENSE	44,591.00	4,879.33	19,317.11	25,273.89	43.32%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>189,508.00</b>	<b>16,772.89</b>	<b>79,746.85</b>	<b>109,761.15</b>	<b>42.08%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>293,824.00</b>	<b>23,670.70</b>	<b>111,683.92</b>	<b>182,140.08</b>	<b>38.01%</b>
<b>NET INCOME (LOSS):</b>	<b>(293,824.00)</b>	<b>(23,670.70)</b>	<b>(111,683.92)</b>		

## Washington State Bar Association

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**41.67% OF YEAR COMPLETE**

	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>OUTREACH &amp; ENGAGEMENT</b>					
<b>REVENUE:</b>					
<b>TOTAL REVENUE:</b>	-	-	-	-	
<b>DIRECT EXPENSE:</b>					
STAFF MEMBERSHIP DUES	825.00	-	-	825.00	0.00%
ABA DELEGATES	5,600.00	800.00	800.00	4,800.00	14.29%
ANNUAL CHAIR MEETINGS	600.00	-	510.31	89.69	85.05%
JUDICIAL RECOMMENDATIONS COMMITTEE	4,500.00	4.05	179.41	4,320.59	3.99%
BOG ELECTIONS	6,500.00	-	3,920.00	2,580.00	60.31%
BAR OUTREACH	11,600.00	226.83	226.83	11,373.17	1.96%
PROFESSIONALISM	2,000.00	-	-	2,000.00	0.00%
<b>TOTAL DIRECT EXPENSES:</b>	<b>31,625.00</b>	<b>1,030.88</b>	<b>5,636.55</b>	<b>25,988.45</b>	<b>17.82%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (2.73 FTE)	231,494.00	15,800.24	86,899.00	144,595.00	37.54%
BENEFITS EXPENSE	81,898.00	6,001.81	31,919.17	49,978.83	38.97%
OTHER INDIRECT EXPENSE	78,537.00	8,605.42	34,068.43	44,468.57	43.38%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>391,929.00</b>	<b>30,407.47</b>	<b>152,886.60</b>	<b>239,042.40</b>	<b>39.01%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>423,554.00</b>	<b>31,438.35</b>	<b>158,523.15</b>	<b>265,030.85</b>	<b>37.43%</b>
<b>NET INCOME (LOSS):</b>	<b>(423,554.00)</b>	<b>(31,438.35)</b>	<b>(158,523.15)</b>		

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	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>PRACTICE OF LAW BOARD</b>					
<b>REVENUE:</b>					
<b>TOTAL REVENUE:</b>	-	-	-	-	
<b>DIRECT EXPENSES:</b>					
PRACTICE OF LAW BOARD	16,000.00	1,190.09	2,235.71	13,764.29	13.97%
<b>TOTAL DIRECT EXPENSES:</b>	<b>16,000.00</b>	<b>1,190.09</b>	<b>2,235.71</b>	<b>13,764.29</b>	<b>13.97%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (0.40 FTE)	38,689.00	3,259.68	16,468.39	22,220.61	42.57%
BENEFITS EXPENSE	13,065.00	1,012.03	5,268.09	7,796.91	40.32%
OTHER INDIRECT EXPENSE	11,507.00	1,242.03	4,917.06	6,589.94	42.73%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>63,261.00</b>	<b>5,513.74</b>	<b>26,653.54</b>	<b>36,607.46</b>	<b>42.13%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>79,261.00</b>	<b>6,703.83</b>	<b>28,889.25</b>	<b>50,371.75</b>	<b>36.45%</b>
<b>NET INCOME (LOSS):</b>	<b>(79,261.00)</b>	<b>(6,703.83)</b>	<b>(28,889.25)</b>		

## Washington State Bar Association

Statement of Activities

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**41.67% OF YEAR COMPLETE**

	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>PROFESSIONAL RESPONSIBILITY PROGRAM</b>					
<b>REVENUE:</b>					
<b>TOTAL REVENUE:</b>	-	-	-	-	
<b>DIRECT EXPENSES:</b>					
STAFF TRAVEL/PARKING	4,000.00	-	1,351.78	2,648.22	33.79%
STAFF MEMBERSHIP DUES	375.00	-	-	375.00	0.00%
LAW LIBRARY	279.00	10.48	20.96	258.04	7.51%
CPE COMMITTEE	5,000.00	929.91	2,184.93	2,815.07	43.70%
<b>TOTAL DIRECT EXPENSES:</b>	<b>9,654.00</b>	<b>940.39</b>	<b>3,557.67</b>	<b>6,096.33</b>	<b>36.85%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (1.55 FTE)	159,873.00	13,342.90	67,421.04	92,451.96	42.17%
BENEFITS EXPENSE	57,053.00	4,457.08	23,066.66	33,986.34	40.43%
OTHER INDIRECT EXPENSE	44,591.00	4,879.36	19,317.08	25,273.92	43.32%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>261,517.00</b>	<b>22,679.34</b>	<b>109,804.78</b>	<b>151,712.22</b>	<b>41.99%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>271,171.00</b>	<b>23,619.73</b>	<b>113,362.45</b>	<b>157,808.55</b>	<b>41.80%</b>
<b>NET INCOME (LOSS):</b>	<b>(271,171.00)</b>	<b>(23,619.73)</b>	<b>(113,362.45)</b>		

## Washington State Bar Association

Statement of Activities

For the Period from February 1, 2020 to February 29, 2020

**41.67% OF YEAR COMPLETE**

	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>PUBLIC SERVICE PROGRAMS</b>					
<b>REVENUE:</b>					
DONATIONS & GRANTS	125,000.00	5,000.00	135,000.00	(10,000.00)	108.00%
PSP PRODUCT SALES	1,000.00	-	99.00	901.00	9.90%
WORK STUDY GRANTS	2,100.00	-	-	2,100.00	0.00%
<b>TOTAL REVENUE:</b>	<b>128,100.00</b>	<b>5,000.00</b>	<b>135,099.00</b>	<b>(6,999.00)</b>	<b>105.46%</b>
<b>DIRECT EXPENSES:</b>					
DONATIONS/SPONSORSHIPS/GRANTS	221,777.00	2,213.25	29,647.28	192,129.72	13.37%
STAFF TRAVEL/PARKING	2,000.00	-	59.00	1,941.00	2.95%
PRO BONO & PUBLIC SERVICE COMMITTEE	2,000.00	133.34	1,043.83	956.17	52.19%
PUBLIC SERVICE EVENTS AND PROJECTS	25,000.00	-	-	25,000.00	0.00%
<b>TOTAL DIRECT EXPENSES:</b>	<b>250,777.00</b>	<b>2,346.59</b>	<b>30,750.11</b>	<b>220,026.89</b>	<b>12.26%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (1.54 FTE)	117,048.00	8,903.56	46,693.32	70,354.68	39.89%
BENEFITS EXPENSE	42,502.00	3,129.70	16,981.88	25,520.12	39.96%
OTHER INDIRECT EXPENSE	44,303.00	4,835.03	19,141.59	25,161.41	43.21%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>203,853.00</b>	<b>16,868.29</b>	<b>82,816.79</b>	<b>121,036.21</b>	<b>40.63%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>454,630.00</b>	<b>19,214.88</b>	<b>113,566.90</b>	<b>341,063.10</b>	<b>24.98%</b>
<b>NET INCOME (LOSS):</b>	<b>(326,530.00)</b>	<b>(14,214.88)</b>	<b>21,532.10</b>		

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**41.67% OF YEAR COMPLETE**

	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>PUBLICATION &amp; DESIGN SERVICES</b>					
<b>REVENUE:</b>	_____	_____	_____	_____	_____
<b>TOTAL REVENUE:</b>	-	-	-	-	
<b>DIRECT EXPENSES:</b>	_____	_____	_____	_____	_____
EQUIPMENT, HARDWARE & SOFTWARE	330.00	-	-	330.00	0.00%
SUBSCRIPTIONS	262.00	-	179.98	82.02	68.69%
SUPPLIES	300.00	-	-	300.00	0.00%
IMAGE LIBRARY	4,680.00	-	4,100.00	580.00	87.61%
<b>TOTAL DIRECT EXPENSES:</b>	<b>5,572.00</b>	<b>-</b>	<b>4,279.98</b>	<b>1,292.02</b>	<b>76.81%</b>
<b>INDIRECT EXPENSES:</b>	_____	_____	_____	_____	_____
SALARY EXPENSE (1.09 FTE)	75,007.00	6,246.62	30,308.01	44,698.99	40.41%
BENEFITS EXPENSE	28,805.00	2,158.25	11,152.66	17,652.34	38.72%
OTHER INDIRECT EXPENSE	31,357.00	3,415.54	13,521.92	17,835.08	43.12%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>135,169.00</b>	<b>11,820.41</b>	<b>54,982.59</b>	<b>80,186.41</b>	<b>40.68%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>140,741.00</b>	<b>11,820.41</b>	<b>59,262.57</b>	<b>81,478.43</b>	<b>42.11%</b>
<b>NET INCOME (LOSS):</b>	<b>(140,741.00)</b>	<b>(11,820.41)</b>	<b>(59,262.57)</b>		

## Washington State Bar Association

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	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>SECTIONS ADMINISTRATION</b>					
<b>REVENUE:</b>					
REIMBURSEMENTS FROM SECTIONS	300,000.00	29,775.00	277,256.25	22,743.75	92.42%
<b>TOTAL REVENUE:</b>	<b>300,000.00</b>	<b>29,775.00</b>	<b>277,256.25</b>	<b>22,743.75</b>	<b>92.42%</b>
<b>DIRECT EXPENSES:</b>					
STAFF TRAVEL/PARKING	1,200.00	25.98	262.95	937.05	21.91%
SUBSCRIPTIONS	372.00	-	409.57	(37.57)	110.10%
CONFERENCE CALLS	300.00	9.14	28.26	271.74	9.42%
MISCELLANEOUS	300.00	-	-	300.00	0.00%
SECTION/COMMITTEE CHAIR MTGS	1,000.00	-	344.39	655.61	34.44%
DUES STATEMENTS	6,000.00	-	5,788.00	212.00	96.47%
STAFF MEMBERSHIP DUES	125.00	-	-	125.00	0.00%
<b>TOTAL DIRECT EXPENSES:</b>	<b>9,297.00</b>	<b>35.12</b>	<b>6,833.17</b>	<b>2,463.83</b>	<b>73.50%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (4.24 FTE)	303,468.00	15,859.65	81,255.53	222,212.47	26.78%
BENEFITS EXPENSE	114,639.00	6,918.14	40,534.77	74,104.23	35.36%
OTHER INDIRECT EXPENSE	121,905.00	13,351.74	52,858.72	69,046.28	43.36%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>540,012.00</b>	<b>36,129.53</b>	<b>174,649.02</b>	<b>365,362.98</b>	<b>32.34%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>549,309.00</b>	<b>36,164.65</b>	<b>181,482.19</b>	<b>367,826.81</b>	<b>33.04%</b>
<b>NET INCOME (LOSS):</b>	<b>(249,309.00)</b>	<b>(6,389.65)</b>	<b>95,774.06</b>		



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<b>TECHNOLOGY</b>					
<b>REVENUE:</b>					
<b>TOTAL REVENUE:</b>	-	-	-	-	
<b>DIRECT EXPENSES:</b>					
CONSULTING SERVICES	85,000.00	30,334.15	48,011.21	36,988.79	56.48%
STAFF TRAVEL/PARKING	2,500.00	-	726.39	1,773.61	29.06%
STAFF MEMBERSHIP DUES	110.00	90.00	90.00	20.00	81.82%
TELEPHONE	24,000.00	1,989.68	8,383.53	15,616.47	34.93%
COMPUTER HARDWARE	29,000.00	468.09	3,156.87	25,843.13	10.89%
COMPUTER SOFTWARE	29,000.00	-	6,438.69	22,561.31	22.20%
HARDWARE SERVICE & WARRANTIES	60,000.00	-	32,669.19	27,330.81	54.45%
SOFTWARE MAINTENANCE & LICENSING	270,000.00	-	137,819.96	132,180.04	51.04%
TELEPHONE HARDWARE & MAINTENANCE	10,000.00	56.00	275.10	9,724.90	2.75%
COMPUTER SUPPLIES	15,000.00	1,393.84	3,304.73	11,695.27	22.03%
THIRD PARTY SERVICES	143,000.00	35,344.37	132,963.54	10,036.46	92.98%
TRANSFER TO INDIRECT EXPENSES	(667,610.00)	(69,676.13)	(373,839.21)	(293,770.79)	56.00%
<b>TOTAL DIRECT EXPENSES:</b>	-	-	-	-	
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (12.10 FTE)	1,090,382.00	98,732.62	472,705.83	617,676.17	43.35%
BENEFITS EXPENSE	377,371.00	29,362.39	152,191.88	225,179.12	40.33%
CAPITAL LABOR & OVERHEAD	(141,000.00)	-	(31,780.00)	(109,220.00)	22.54%
OTHER INDIRECT EXPENSE	348,096.00	38,147.77	151,024.66	197,071.34	43.39%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>1,674,849.00</b>	<b>166,242.78</b>	<b>744,142.37</b>	<b>930,706.63</b>	<b>44.43%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>1,674,849.00</b>	<b>166,242.78</b>	<b>744,142.37</b>	<b>930,706.63</b>	<b>44.43%</b>
<b>NET INCOME (LOSS):</b>	<b>(1,674,849.00)</b>	<b>(166,242.78)</b>	<b>(744,142.37)</b>		

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	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>CLE - PRODUCTS</b>					
<b>REVENUE:</b>					
SHIPPING & HANDLING	1,000.00	27.00	195.75	804.25	19.58%
COURSEBOOK SALES	9,000.00	300.00	3,253.00	5,747.00	36.14%
MP3 AND VIDEO SALES	925,000.00	28,126.30	503,405.35	421,594.65	54.42%
<b>TOTAL REVENUE:</b>	<b>935,000.00</b>	<b>28,453.30</b>	<b>506,854.10</b>	<b>428,145.90</b>	<b>54.21%</b>
<b>DIRECT EXPENSES:</b>					
BAD DEBT EXPENSE	100.00	-	-	100.00	0.00%
DEPRECIATION	5,820.00	485.00	2,425.00	3,395.00	41.67%
STAFF MEMBERSHIP DUES	620.00	-	587.50	32.50	94.76%
COST OF SALES - COURSEBOOKS	200.00	25.61	292.95	(92.95)	146.48%
A/V DEVELOP COSTS (RECORDING)	1,500.00	-	-	1,500.00	0.00%
ONLINE PRODUCT HOSTING EXPENSES	42,000.00	4,052.01	20,438.84	21,561.16	48.66%
POSTAGE & DELIVERY-COURSEBOOKS	500.00	7.64	179.78	320.22	35.96%
SEMINAR BROCHURES	3,000.00	-	-	3,000.00	0.00%
POSTAGE - FLIERS/CATALOGS	3,500.00	-	-	3,500.00	0.00%
STAFF TRAVEL/PARKING	2,000.00	-	54.56	1,945.44	2.73%
<b>TOTAL DIRECT EXPENSES:</b>	<b>59,240.00</b>	<b>4,570.26</b>	<b>23,978.63</b>	<b>35,261.37</b>	<b>40.48%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (1.56 FTE)	103,267.00	6,652.48	41,789.79	61,477.21	40.47%
BENEFITS EXPENSE	39,532.00	3,106.89	15,980.53	23,551.47	40.42%
OTHER INDIRECT EXPENSE	44,878.00	4,923.70	19,492.67	25,385.33	43.43%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>187,677.00</b>	<b>14,683.07</b>	<b>77,262.99</b>	<b>110,414.01</b>	<b>41.17%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>246,917.00</b>	<b>19,253.33</b>	<b>101,241.62</b>	<b>145,675.38</b>	<b>41.00%</b>
<b>NET INCOME (LOSS):</b>	<b>688,083.00</b>	<b>9,199.97</b>	<b>405,612.48</b>		

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<b>CLE - SEMINARS</b>					
<b>REVENUE:</b>					
SEMINAR REGISTRATIONS	860,000.00	13,258.00	263,974.50	596,025.50	30.69%
SEMINAR-EXHIB/SPNSR/ETC	29,000.00	-	2,000.00	27,000.00	6.90%
<b>TOTAL REVENUE:</b>	<b>889,000.00</b>	<b>13,258.00</b>	<b>265,974.50</b>	<b>623,025.50</b>	<b>29.92%</b>
<b>DIRECT EXPENSES:</b>					
BAD DEBT EXPENSE	500.00	-	-	500.00	0.00%
STAFF TRAVEL/PARKING	6,000.00	124.69	391.17	5,608.83	6.52%
STAFF MEMBERSHIP DUES	850.00	-	587.50	262.50	69.12%
SUPPLIES	2,000.00	-	378.39	1,621.61	18.92%
COURSEBOOK PRODUCTION	3,000.00	23.13	148.56	2,851.44	4.95%
POSTAGE - FLIERS/CATALOGS	12,000.00	439.24	3,380.21	8,619.79	28.17%
POSTAGE - MISC./DELIVERY	1,000.00	35.00	280.00	720.00	28.00%
ACCREDITATION FEES	3,000.00	(22.00)	2,813.00	187.00	93.77%
SEMINAR BROCHURES	18,000.00	-	4,366.12	13,633.88	24.26%
FACILITIES	234,000.00	3,000.00	44,257.35	189,742.65	18.91%
SPEAKERS & PROGRAM DEVELOP	62,000.00	195.82	6,142.00	55,858.00	9.91%
SPLITS TO SECTIONS	100,100.00	-	(806.60)	100,906.60	-0.81%
CLE SEMINAR COMMITTEE	500.00	6.18	27.90	472.10	5.58%
CONFERENCE CALLS	-	-	8.99	(8.99)	
<b>TOTAL DIRECT EXPENSES:</b>	<b>442,950.00</b>	<b>3,802.06</b>	<b>61,974.59</b>	<b>380,975.41</b>	<b>13.99%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (7.75 FTE)	539,988.00	44,761.31	218,795.33	321,192.67	40.52%
BENEFITS EXPENSE	206,307.00	17,030.00	84,980.20	121,326.80	41.19%
OTHER INDIRECT EXPENSE	222,954.00	24,441.18	96,761.15	126,192.85	43.40%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>969,249.00</b>	<b>86,232.49</b>	<b>400,536.68</b>	<b>568,712.32</b>	<b>41.32%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>1,412,199.00</b>	<b>90,034.55</b>	<b>462,511.27</b>	<b>949,687.73</b>	<b>32.75%</b>
<b>NET INCOME (LOSS):</b>	<b>(523,199.00)</b>	<b>(76,776.55)</b>	<b>(196,536.77)</b>		

## Washington State Bar Association

Statement of Activities

For the Period from February 1, 2020 to February 29, 2020

**41.67% OF YEAR COMPLETE**

	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>CONTINUING LEGAL EDUCATION (CLE)</b>					
<b>REVENUE:</b>					
SEMINAR REGISTRATIONS	860,000.00	13,258.00	263,974.50	596,025.50	30.69%
SEMINAR-EXHIB/SPNSR/ETC	29,000.00	-	2,000.00	27,000.00	6.90%
SHIPPING & HANDLING	1,000.00	27.00	195.75	804.25	19.58%
COURSEBOOK SALES	9,000.00	300.00	3,253.00	5,747.00	36.14%
MP3 AND VIDEO SALES	925,000.00	28,126.30	503,405.35	421,594.65	54.42%
<b>TOTAL REVENUE:</b>	<b>1,824,000.00</b>	<b>41,711.30</b>	<b>772,828.60</b>	<b>1,051,171.40</b>	<b>42.37%</b>
<b>DIRECT EXPENSES:</b>					
COURSEBOOK PRODUCTION	3,000.00	23.13	148.56	2,851.44	4.95%
POSTAGE - FLIERS/CATALOGS	15,500.00	439.24	3,380.21	12,119.79	21.81%
POSTAGE - MISC./DELIVERY	1,000.00	35.00	280.00	720.00	28.00%
DEPRECIATION	5,820.00	485.00	2,425.00	3,395.00	41.67%
ONLINE EXPENSES	42,000.00	4,052.01	20,438.84	21,561.16	48.66%
ACCREDITATION FEES	3,000.00	(22.00)	2,813.00	187.00	93.77%
SEMINAR BROCHURES	21,000.00	-	4,366.12	16,633.88	20.79%
FACILITIES	234,000.00	3,000.00	44,257.35	189,742.65	18.91%
SPEAKERS & PROGRAM DEVELOP	62,000.00	195.82	6,142.00	55,858.00	9.91%
SPLITS TO SECTIONS	100,100.00	-	(806.60)	100,906.60	-0.81%
CLE SEMINAR COMMITTEE	500.00	6.18	27.90	472.10	5.58%
BAD DEBT EXPENSE	600.00	-	-	600.00	0.00%
STAFF TRAVEL/PARKING	6,000.00	124.69	391.17	5,608.83	6.52%
STAFF MEMBERSHIP DUES	1,470.00	-	1,175.00	295.00	79.93%
SUPPLIES	2,000.00	-	378.39	1,621.61	18.92%
TELEPHONE	-	-	8.99	(8.99)	
COST OF SALES - COURSEBOOKS	200.00	25.61	292.95	(92.95)	146.48%
A/V DEVELOP COSTS (RECORDING)	1,500.00	-	-	1,500.00	0.00%
POSTAGE & DELIVERY-COURSEBOOKS	500.00	7.64	179.78	320.22	35.96%
STAFF TRAVEL/PARKING	2,000.00	-	54.56	1,945.44	2.73%
<b>TOTAL DIRECT EXPENSES:</b>	<b>502,190.00</b>	<b>8,372.32</b>	<b>85,953.22</b>	<b>416,236.78</b>	<b>17.12%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (9.31 FTE)	643,255.00	51,413.79	260,585.12	382,669.88	40.51%
BENEFITS EXPENSE	245,839.00	20,136.89	100,960.73	144,878.27	41.07%
OTHER INDIRECT EXPENSE	267,832.00	29,364.88	116,253.82	151,578.18	43.41%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>1,156,926.00</b>	<b>100,915.56</b>	<b>477,799.67</b>	<b>679,126.33</b>	<b>41.30%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>1,659,116.00</b>	<b>109,287.88</b>	<b>563,752.89</b>	<b>1,095,363.11</b>	<b>33.98%</b>
<b>NET INCOME (LOSS):</b>	<b>164,884.00</b>	<b>(67,576.58)</b>	<b>209,075.71</b>		

**Washington State Bar Association**  
Statement of Activities  
For the Period from February 1, 2020 to February 29, 2020  
**41.67% OF YEAR COMPLETE**

	<b>FISCAL 2020 BUDGET</b>	<b>CURRENT MONTH</b>	<b>YEAR TO DATE</b>	<b>REMAINING BALANCE</b>	<b>% USED OF BUDGET</b>
<b>DESKBOOKS</b>					
<b>REVENUE:</b>					
SHIPPING & HANDLING	2,500.00	153.00	1,496.25	1,003.75	59.85%
DESKBOOK SALES	100,000.00	4,503.00	23,181.60	76,818.40	23.18%
SECTION PUBLICATION SALES	3,000.00	65.00	965.00	2,035.00	32.17%
CASEMAKER ROYALTIES	60,000.00	3,579.81	11,627.29	48,372.71	19.38%
<b>TOTAL REVENUE:</b>	<b>165,500.00</b>	<b>8,300.81</b>	<b>37,270.14</b>	<b>128,229.86</b>	<b>22.52%</b>
<b>DIRECT EXPENSES:</b>					
COST OF SALES - DESKBOOKS	60,000.00	2,492.18	7,381.55	52,618.45	12.30%
COST OF SALES - SECTION PUBLICATION	750.00	-	213.30	536.70	28.44%
SPLITS TO SECTIONS	1,000.00	-	145.91	854.09	14.59%
DESKBOOK ROYALTIES	1,000.00	758.49	758.49	241.51	75.85%
POSTAGE & DELIVER-DESKBOOKS	2,500.00	328.18	2,183.83	316.17	87.35%
FLIERS/CATALOGS	3,000.00	-	-	3,000.00	0.00%
ONLINE LEGAL RESEARCH	1,837.50	148.97	297.94	1,539.56	16.21%
POSTAGE - FLIERS/CATALOGS	1,500.00	-	-	1,500.00	0.00%
COMPLIMENTARY BOOK PROGRAM	2,500.00	-	-	2,500.00	0.00%
OBSOLETE INVENTORY	-	70.30	351.50	(351.50)	
BAD DEBT EXPENSE	100.00	-	-	100.00	0.00%
RECORDS STORAGE - OFF SITE	8,100.00	675.00	4,050.00	4,050.00	50.00%
STAFF MEMBERSHIP DUES	220.00	-	-	220.00	0.00%
SUBSCRIPTIONS	150.00	-	-	150.00	0.00%
<b>TOTAL DIRECT EXPENSES:</b>	<b>82,657.50</b>	<b>4,473.12</b>	<b>15,382.52</b>	<b>67,274.98</b>	<b>18.61%</b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (2.25 FTE)	148,307.00	8,951.56	46,159.79	102,147.21	31.12%
BENEFITS EXPENSE	58,004.00	3,743.54	19,442.01	38,561.99	33.52%
OTHER INDIRECT EXPENSE	64,729.00	7,097.27	28,097.55	36,631.45	43.41%
<b>TOTAL INDIRECT EXPENSES:</b>	<b>271,040.00</b>	<b>19,792.37</b>	<b>93,699.35</b>	<b>177,340.65</b>	<b>34.57%</b>
<b>TOTAL ALL EXPENSES:</b>	<b>353,697.50</b>	<b>24,265.49</b>	<b>109,081.87</b>	<b>244,615.63</b>	<b>30.84%</b>
<b>NET INCOME (LOSS):</b>	<b>(188,197.50)</b>	<b>(15,964.68)</b>	<b>(71,811.73)</b>		

**Washington State Bar Association**  
Statement of Activities  
For the Period from February 1, 2020 to February 29, 2020  
**41.67% OF YEAR COMPLETE**

	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>CLIENT PROTECTION FUND</b>					
<b>REVENUE:</b>					
CPF RESTITUTION	3,000.00	806.99	2,764.24	235.76	92.14%
CPF MEMBER ASSESSMENTS	1,000,000.00	117,150.00	987,840.00	12,160.00	98.78%
INTEREST INCOME	20,000.00	5,249.61	31,167.89	(11,167.89)	155.84%
<b>TOTAL REVENUE:</b>	<b><u>1,023,000.00</u></b>	<b><u>123,206.60</u></b>	<b><u>1,021,772.13</u></b>	<b><u>1,227.87</u></b>	<b><u>99.88%</u></b>
<b>DIRECT EXPENSES:</b>					
BANK FEES - WELLS FARGO	1,000.00	211.02	842.20	157.80	84.22%
GIFTS TO INJURED CLIENTS	500,000.00	15,160.02	18,242.53	481,757.47	3.65%
CPF BOARD EXPENSES	3,000.00	683.41	1,137.81	1,862.19	37.93%
<b>TOTAL DIRECT EXPENSES:</b>	<b><u>504,000.00</u></b>	<b><u>16,054.45</u></b>	<b><u>20,222.54</u></b>	<b><u>483,777.46</u></b>	<b><u>4.01%</u></b>
<b>INDIRECT EXPENSES:</b>					
SALARY EXPENSE (1.18 FTE)	79,855.00	6,656.66	33,633.91	46,221.09	42.12%
BENEFITS EXPENSE	30,884.00	2,412.79	12,429.70	18,454.30	40.25%
OTHER INDIRECT EXPENSE	33,947.00	3,726.08	14,751.28	19,195.72	43.45%
<b>TOTAL INDIRECT EXPENSES:</b>	<b><u>144,686.00</u></b>	<b><u>12,795.53</u></b>	<b><u>60,814.89</u></b>	<b><u>83,871.11</u></b>	<b><u>42.03%</u></b>
<b>TOTAL ALL EXPENSES:</b>	<b><u>648,686.00</u></b>	<b><u>28,849.98</u></b>	<b><u>81,037.43</u></b>	<b><u>567,648.57</u></b>	<b><u>12.49%</u></b>
<b>NET INCOME (LOSS):</b>	<b><u>374,314.00</u></b>	<b><u>94,356.62</u></b>	<b><u>940,734.70</u></b>		

# Washington State Bar Association

## Statement of Activities

For the Period from February 1, 2020 to February 29, 2020

**41.67% OF YEAR COMPLETE**

	<b>FISCAL 2020 BUDGET</b>	<b>CURRENT MONTH</b>	<b>YEAR TO DATE</b>	<b>REMAINING BALANCE</b>	<b>% USED OF BUDGET</b>
<b>SECTIONS OPERATIONS</b>					
<b>REVENUE:</b>					
SECTION DUES	454,005.00	45,793.75	420,728.75	33,276.25	92.67%
SEMINAR PROFIT SHARE	94,118.73	-	71,693.40	22,425.33	76.17%
INTEREST INCOME	2,320.00	-	-	2,320.00	0.00%
PUBLICATIONS REVENUE	10,000.00	2,147.80	2,293.71	7,706.29	22.94%
OTHER	46,100.00	3,948.31	14,668.31	31,431.69	31.82%
<b>TOTAL REVENUE:</b>	<b>606,543.73</b>	<b>51,889.86</b>	<b>509,384.17</b>	<b>97,159.56</b>	<b>83.98%</b>
<b>DIRECT EXPENSES:</b>					
DIRECT EXPENSES OF SECTION ACTIVITIES	562,340.00	17,674.25	95,242.04	467,097.96	16.94%
REIMBURSEMENT TO WSBA FOR INDIRECT EXPENSES	298,443.75	29,775.00	277,256.25	21,187.50	92.90%
<b>TOTAL DIRECT EXPENSES:</b>	<b>860,783.75</b>	<b>47,449.25</b>	<b>372,498.29</b>	<b>488,285.46</b>	<b>43.27%</b>
<b>NET INCOME (LOSS):</b>	<b>(254,240.02)</b>	<b>4,440.61</b>	<b>136,885.88</b>		

**Washington State Bar Association**  
Statement of Activities  
For the Period from February 1, 2020 to February 29, 2020  
**41.67% OF YEAR COMPLETE**

	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE	% USED OF BUDGET
<b>INDIRECT EXPENSES:</b>					
SALARIES	12,060,469.00	958,038.89	4,816,000.90	7,244,468.10	39.93%
ALLOWANCE FOR OPEN POSITIONS	(200,000.00)	-	-	(200,000.00)	0.00%
TEMPORARY SALARIES	250,780.00	47,072.07	178,001.66	72,778.34	70.98%
CAPITAL LABOR & OVERHEAD	(141,000.00)	-	(31,780.00)	(109,220.00)	22.54%
EMPLOYEE ASSISTANCE PLAN	4,800.00	1,200.00	2,400.00	2,400.00	50.00%
EMPLOYEE SERVICE AWARDS	3,080.00	120.00	1,055.00	2,025.00	34.25%
FICA (EMPLOYER PORTION)	887,000.00	72,254.83	343,549.78	543,450.22	38.73%
L&I INSURANCE	49,500.00	-	9,597.26	39,902.74	19.39%
WA STATE FAMILY MEDICAL LEAVE (EMPLOYER PORTION)	17,500.00	1,411.78	6,628.28	10,871.72	37.88%
MEDICAL (EMPLOYER PORTION)	1,580,000.00	122,972.61	599,365.49	980,634.51	37.93%
RETIREMENT (EMPLOYER PORTION)	1,527,000.00	120,500.61	599,423.81	927,576.19	39.25%
TRANSPORTATION ALLOWANCE	115,000.00	252.50	105,355.00	9,645.00	91.61%
UNEMPLOYMENT INSURANCE	84,500.00	9,239.01	24,362.33	60,137.67	28.83%
STAFF DEVELOPMENT-GENERAL	6,900.00	-	1,375.19	5,524.81	19.93%
<b>TOTAL SALARY &amp; BENEFITS EXPENSE:</b>	<b>16,245,529.00</b>	<b>1,333,062.30</b>	<b>6,655,334.70</b>	<b>9,590,194.30</b>	<b>40.97%</b>
WORKPLACE BENEFITS	44,500.00	1,925.55	12,534.21	31,965.79	28.17%
HUMAN RESOURCES POOLED EXP	167,120.00	3,150.11	19,892.78	147,227.22	11.90%
MEETING SUPPORT EXPENSES	15,000.00	862.33	6,207.79	8,792.21	41.39%
RENT	1,951,000.00	265,385.02	863,946.52	1,087,053.48	44.28%
PERSONAL PROP TAXES-WSBA	12,000.00	272.82	3,876.18	8,123.82	32.30%
FURNITURE, MAINT, LH IMP	35,000.00	4,388.45	13,418.29	21,581.71	38.34%
OFFICE SUPPLIES & EQUIPMENT	46,000.00	1,979.37	18,476.22	27,523.78	40.17%
FURN & OFFICE EQUIP DEPRECIATION	53,000.00	4,282.00	21,414.00	31,586.00	40.40%
COMPUTER HARDWARE DEPRECIATION	50,000.00	3,601.00	18,511.54	31,488.46	37.02%
COMPUTER SOFTWARE DEPRECIATION	165,000.00	10,652.00	52,959.00	112,041.00	32.10%
INSURANCE	243,000.00	17,639.19	88,195.95	154,804.05	36.29%
PROFESSIONAL FEES-AUDIT	85,000.00	24,522.00	72,210.10	12,789.90	84.95%
PROFESSIONAL FEES-LEGAL	250,000.00	16,197.88	100,192.65	149,807.35	40.08%
TELEPHONE & INTERNET	47,000.00	3,741.96	18,194.52	28,805.48	38.71%
POSTAGE - GENERAL	30,000.00	1,937.00	10,650.79	19,349.21	35.50%
RECORDS STORAGE	42,000.00	3,168.32	18,351.11	23,648.89	43.69%
STAFF TRAINING	99,900.00	7,165.06	20,042.51	79,857.49	20.06%
BANK FEES	34,000.00	3,418.99	17,538.73	16,461.27	51.58%
PRODUCTION MAINTENANCE & SUPPLIES	12,000.00	(386.33)	4,274.00	7,726.00	35.62%
COMPUTER POOLED EXPENSES	667,610.00	69,676.13	373,839.21	293,770.79	56.00%
<b>TOTAL OTHER INDIRECT EXPENSES:</b>	<b>4,049,130.00</b>	<b>443,578.85</b>	<b>1,754,726.10</b>	<b>2,294,403.90</b>	<b>43.34%</b>
<b>TOTAL INDIRECT EXPENSES:</b>	<b>20,294,659.00</b>	<b>1,776,641.15</b>	<b>8,410,060.80</b>		



## Washington State Bar Association

Statement of Activities

For the Period from February 1, 2020 to February 29, 2020

**41.67% OF YEAR COMPLETE**

	FISCAL 2020 BUDGET	CURRENT MONTH	YEAR TO DATE	REMAINING BALANCE
<b>SUMMARY PAGE</b>				
LICENSE FEES	16,200,000.00	1,680,194.69	6,813,350.98	9,386,649.02
ACCESS TO JUSTICE	(306,321.00)	(30,758.65)	(116,691.14)	(189,629.86)
ADMINISTRATION	(1,105,747.00)	(83,791.54)	(423,904.83)	(681,842.17)
ADMISSIONS/BAR EXAM	28,770.00	50,328.22	141,092.86	(112,322.86)
BOARD OF GOVERNORS	(565,062.00)	(26,700.88)	(198,569.03)	(366,492.97)
COMMUNICATIONS	(627,155.00)	(49,006.70)	(240,118.76)	(387,036.24)
CONFERENCE & BROADCAST SERVICES	(825,263.00)	(72,864.97)	(341,968.54)	(483,294.46)
DISCIPLINE	(6,017,186.50)	(517,504.99)	(2,419,777.14)	(3,597,409.36)
DIVERSITY	(461,114.00)	(42,679.25)	(53,822.64)	(407,291.36)
FOUNDATION	(165,232.00)	(14,281.27)	(60,528.98)	(104,703.02)
HUMAN RESOURCES	(229,115.00)	(36,530.04)	(167,116.58)	(61,998.42)
LAP	(143,181.00)	(11,278.84)	(54,183.21)	(88,997.79)
LEGISLATIVE	(160,404.00)	(17,167.84)	(72,338.21)	(88,065.79)
LICENSING AND MEMBERSHIP	(348,626.50)	(17,251.09)	(123,404.41)	(225,222.09)
LIMITED LICENSE LEGAL TECHNICIAN	(194,024.50)	(16,914.09)	(74,760.43)	(119,264.07)
LIMITED PRACTICE OFFICERS	33,103.50	7,072.45	25,019.19	8,084.31
MANDATORY CLE ADMINISTRATION	106,333.50	30,872.07	79,255.67	27,077.83
MEMBER BENEFITS	(258,008.00)	(9,338.06)	(163,475.29)	(94,532.71)
MEMBER SERVICES & ENGAGEMENT	(472,056.00)	(44,725.24)	(183,453.91)	(288,602.09)
NW LAWYER	(256,144.00)	(15,949.61)	(82,058.91)	(174,085.09)
OFFICE OF THE EXECUTIVE DIRECTOR	(373,441.00)	(43,670.57)	(193,879.74)	(179,561.26)
OFFICE OF GENERAL COUNSEL	(991,073.00)	(74,622.16)	(346,295.31)	(644,777.69)
OGC-DISCIPLINARY BOARD	(293,824.00)	(23,670.70)	(111,683.92)	(182,140.08)
OUTREACH & ENGAGEMENT	(423,554.00)	(31,438.35)	(158,523.15)	(265,030.85)
PRACTICE OF LAW BOARD	(79,261.00)	(6,703.83)	(28,889.25)	(50,371.75)
PROFESSIONAL RESPONSIBILITY PROGRAM	(271,171.00)	(23,619.73)	(113,362.45)	(157,808.55)
PUBLICATION & DESIGN SERVICES	(140,741.00)	(11,820.41)	(59,262.57)	(81,478.43)
PUBLIC SERVICE PROGRAMS	(326,530.00)	(14,214.88)	21,532.10	(348,062.10)
LAW CLERK PROGRAM	(1,729.00)	26,498.32	101,538.48	(103,267.48)
SECTIONS ADMINISTRATION	(249,309.00)	(6,389.65)	95,774.06	(345,083.06)
TECHNOLOGY	(1,674,849.00)	(166,242.78)	(744,142.37)	(930,706.63)
CLE - PRODUCTS	688,083.00	9,199.97	405,612.48	282,470.52
CLE - SEMINARS	(523,199.00)	(76,776.55)	(196,536.77)	(326,662.23)
SECTIONS OPERATIONS	(254,240.02)	4,440.61	136,885.88	(391,125.90)
DESKBOOKS	(188,197.50)	(15,964.68)	(71,811.73)	(116,385.77)
CLIENT PROTECTION FUND	374,314.00	94,356.62	940,734.70	(566,420.70)
INDIRECT EXPENSES	(20,294,659.00)	(1,776,641.15)	(8,410,060.80)	(11,884,598.20)
<b>TOTAL OF ALL</b>	<b><u>20,789,813.02</u></b>	<b><u>1,375,555.55</u></b>	<b><u>6,449,823.67</u></b>	<b><u>14,339,989.35</u></b>
<b>NET INCOME (LOSS)</b>	<b><u>(495,154.02)</u></b>	<b><u>401,085.60</u></b>	<b><u>1,960,237.13</u></b>	

**Washington State Bar Association Financial Summary**  
**Compared to Fiscal Year 2020 Budget**  
**For the Period from February 1, 2020 to February 29, 2020**

Category	Actual Revenues	Budgeted Revenues	Actual Indirect Expenses	Budgeted Indirect Expenses	Actual Direct Expenses	Budgeted Direct Expenses	Actual Total Expenses	Budgeted Total Expenses	Actual Net Result	Budgeted Net Result
Access to Justice	-	2,100	108,670	261,101	8,021	47,320	116,691	308,421	(116,691)	(306,321)
Administration	68,875	100,000	490,961	1,200,318	1,819	5,429	492,780	1,205,747	(423,905)	(1,105,747)
Admissions/Bar Exam	603,940	1,407,000	397,577	948,929	65,271	429,301	462,847	1,378,230	141,093	28,770
Board of Governors	-	0	53,219	125,162	145,350	439,900	198,569	565,062	(198,569)	(565,062)
Communications Strategies	2,643	40,000	220,596	556,115	22,165	111,040	242,761	667,155	(240,119)	(627,155)
Conference & Broadcast Services	-	0	338,105	819,763	3,863	5,500	341,969	825,263	(341,969)	(825,263)
Discipline	65,691	110,500	2,416,886	5,950,238	68,582	177,449	2,485,468	6,127,687	(2,419,777)	(6,017,187)
Diversity	125,000	135,374	171,392	567,558	7,431	28,930	178,823	596,488	(53,823)	(461,114)
Foundation	-	0	58,197	151,832	2,332	13,400	60,529	165,232	(60,529)	(165,232)
Human Resources	-	0	167,117	229,115	-	0	167,117	229,115	(167,117)	(229,115)
Law Clerk Program	178,255	174,700	69,056	162,479	7,660	13,950	76,716	176,429	101,538	(1,729)
Legislative	-	0	61,128	145,204	11,210	15,200	72,338	160,404	(72,338)	(160,404)
Licensing and Membership Records	161,705	325,000	270,756	637,839	14,353	35,788	285,109	673,627	(123,404)	(348,627)
Licensing Fees	6,813,351	16,200,000	-	0	-	0	-	-	6,813,351	16,200,000
Limited License Legal Technician	6,834	27,605	75,287	179,579	6,307	42,051	81,594	221,630	(74,760)	(194,025)
Limited Practice Officers	88,871	212,390	62,740	149,262	1,112	30,025	63,852	156,182	25,019	33,104
Mandatory CLE	525,500	1,042,800	340,933	681,850	105,312	254,617	446,245	936,467	79,256	106,334
Member Assistance Program	4,860	6,750	58,268	148,656	776	1,275	59,043	149,931	(54,183)	(143,181)
Member Benefits	18,493	138,300	52,639	568,011	129,329	42,345	181,968	610,356	(163,475)	(472,056)
Member Services & Engagement	76,625	21,000	253,555	92,512	6,524	186,496	260,079	279,008	(183,454)	(258,008)
NW Lawyer	269,976	461,350	151,609	359,579	200,425	357,915	352,034	717,494	(82,059)	(256,144)
Office of the Executive Director	-	0	192,517	360,062	1,362	13,379	0	-	(193,880)	(373,441)
Office of General Counsel	4	0	340,855.02	966,739.00	5,444.25	24,334.00	346,299.27	991,073	(346,295)	(991,073)
OGC-Disciplinary Board	-	0	79,747	189,508	31,937	104,316	111,684	293,824	(111,684)	(293,824)
Outreach and Engagement	-	0	152,887	391,929	5,637	31,625	158,523	423,554	(158,523)	(423,554)
Practice of Law Board	-	0	26,654	63,261	2,236	16,000	28,889	79,261	(28,889)	(79,261)
Professional Responsibility Program	-	0	109,805	261,517	3,558	9,654	113,362	271,171	(113,362)	(271,171)
Public Service Programs	135,099	128,100	82,817	203,853	30,750	250,777	113,567	454,630	21,532	(326,530)
Publication and Design Services	-	0	54,983	135,169	4,280	5,572	59,263	140,741	(59,263)	(140,741)
Sections Administration	277,256	300,000	174,649	540,012	6,833	9,297	181,482	549,309	95,774	(249,309)
Technology	-	0	744,142	1,674,849	-	0	744,142	1,674,849	(744,142)	(1,674,849)
<b>Subtotal General Fund</b>	<b>9,422,978</b>	<b>20,832,969</b>	<b>7,777,747</b>	<b>18,722,001</b>	<b>899,878</b>	<b>2,702,883</b>	<b>8,677,625</b>	<b>21,424,884</b>	<b>745,353</b>	<b>(591,915)</b>
Expenses using reserve funds							<b>8,677,625</b>		-	-
<b>Total General Fund - Net Result from Operations</b>									<b>745,353</b>	<b>(591,915)</b>
<b>Percentage of Budget</b>	<b>45.23%</b>		<b>41.54%</b>		<b>33.29%</b>		<b>40.50%</b>			
CLE-Seminars and Products	772,829	1,824,000	477,800	1,156,926	85,953	502,190	563,753	1,659,116	209,076	164,884
CLE - Deskbooks	37,270	165,500	93,699	271,040	15,383	82,658	109,082	353,698	(71,812)	(188,198)
<b>Total CLE</b>	<b>810,099</b>	<b>1,989,500</b>	<b>571,499</b>	<b>1,427,966</b>	<b>101,336</b>	<b>584,848</b>	<b>672,835</b>	<b>2,012,814</b>	<b>137,264</b>	<b>(23,314)</b>
<b>Percentage of Budget</b>	<b>40.72%</b>		<b>40.02%</b>		<b>17.33%</b>		<b>33.43%</b>			
<b>Total All Sections</b>	<b>509,384</b>	<b>606,544</b>	<b>-</b>	<b>-</b>	<b>372,498</b>	<b>860,784</b>	<b>372,498</b>	<b>860,784</b>	<b>136,886</b>	<b>(254,240)</b>
Client Protection Fund-Restricted	1,021,772	1,023,000	60,815	144,686	20,223	504,000	81,037	648,686	940,735	374,314
<b>Totals</b>	<b>11,764,233</b>	<b>24,452,013</b>	<b>8,410,060.80</b>	<b>20,294,653</b>	<b>1,393,935.00</b>	<b>4,652,514.00</b>	<b>9,803,996</b>	<b>24,947,167</b>	<b>1,960,237</b>	<b>(495,154)</b>
<b>Percentage of Budget</b>	<b>48.11%</b>		<b>41.44%</b>		<b>29.96%</b>		<b>39.30%</b>			

Summary of Fund Balances:	Fund Balances Sept. 30, 2019	2020 Budgeted Fund Balances	Fund Balances Year to date
<b>Restricted Funds:</b>			
Client Protection Fund	3,816,143	4,190,457	4,756,878
<b>Board-Designated Funds (Non-General Fund):</b>			
CLE Fund Balance	526,285	502,972	663,549
Section Funds	1,121,224	866,984	1,258,110
<b>Board-Designated Funds (General Fund):</b>			
Operating Reserve Fund	1,500,000	1,500,000	1,500,000
Facilities Reserve Fund	550,000	550,000	550,000
<b>Unrestricted Funds (General Fund):</b>			
Unrestricted General Fund	2,686,537	2,094,622	3,431,889
<b>Total General Fund Balance</b>	<b>4,736,537</b>	<b>4,144,622</b>	<b>5,481,889.31</b>
<b>Net Change in general Fund Balance</b>		<b>(591,915)</b>	<b>745,353</b>
<b>Total Fund Balance</b>	<b>10,200,189</b>	<b>9,705,035</b>	<b>12,160,426</b>
<b>Net Change In Fund Balance</b>		<b>(495,154)</b>	<b>1,960,237</b>



# WSBA 2020 REFORECAST

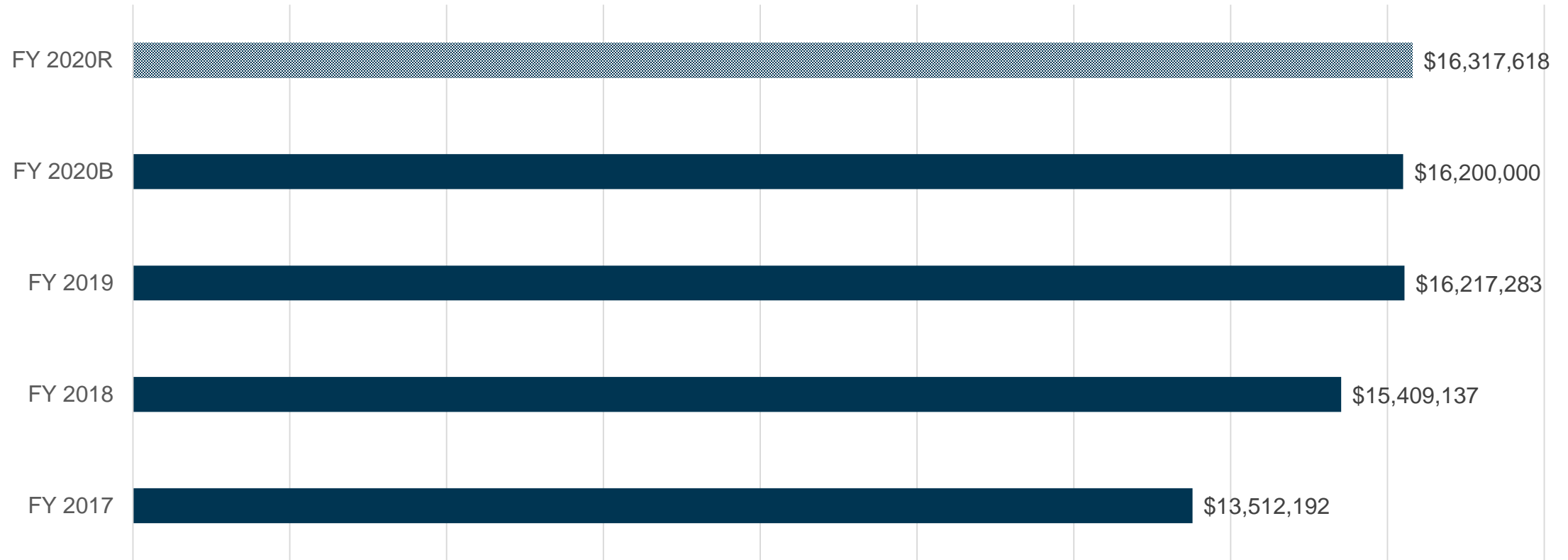
Results

# DESCRIPTION OF REFORECAST

- Purpose
  - Detailed review of revenue assumptions and expenses by cost center
  - Identify savings opportunities
  - Adjust the budget for current events
- Activities
  - Participation by multiple employees in all functions across the entire organization.
  - Two separate orientation meetings held to assist the team in the process.
  - Consolidation and analysis performed by finance team.

# MEMBERSHIP FEES

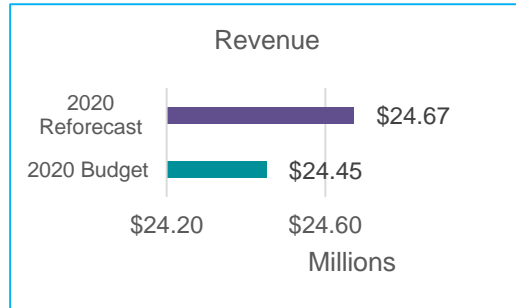
Annual Membership Fees  
2017-2019 Actual vs 2020 B/R



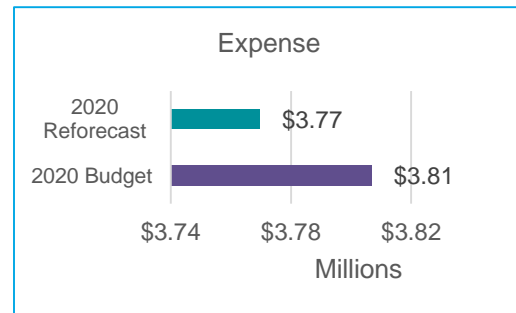
2020 Reforecast Improves Membership Fees By \$117.6K

# TOP LEVEL OVERVIEW

## DIRECT REVENUE & EXPENSE

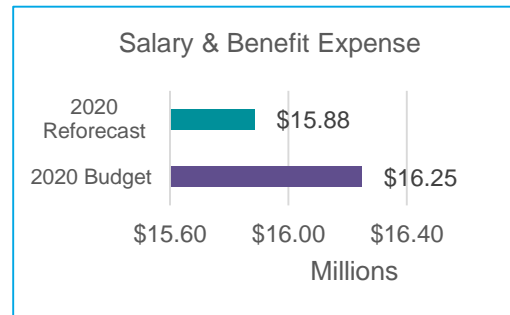


Forecasted increase of \$220k

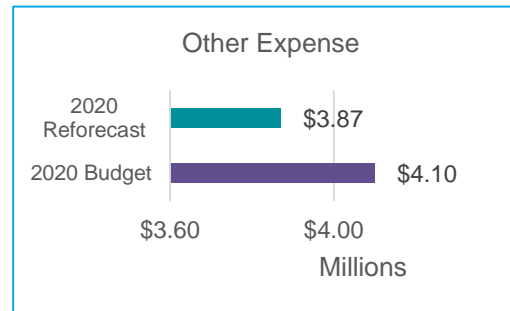


Forecasted reduction of \$37k

## INDIRECT EXPENSE



Forecasted reduction of \$362k



Forecasted reduction of \$229k

Total Revenue Increase \$220,495

Total Expense Reduction \$628,210

Total Reforecast Improvement  
\$848,705

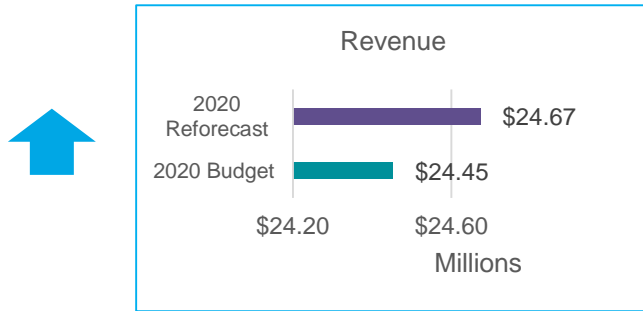
2020 Budget \$(560,160)\*

2020 Reforecast \$288,545

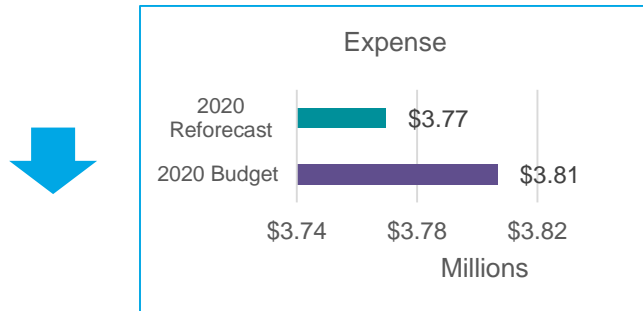
- Includes \$65k of BOG approved increases
- Excludes \$25K of COVID -19 Funds.

# FUNCTION OVERVIEW

## DIRECT REVENUE & EXPENSE



Forecasted favorable increase of \$220k

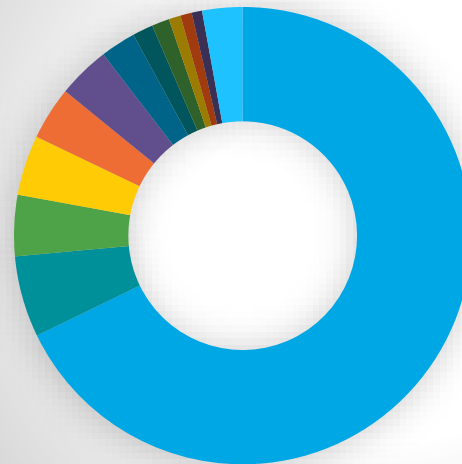


Forecasted favorable reduction of \$37k

\*Totals include 5k Members Assistance Program

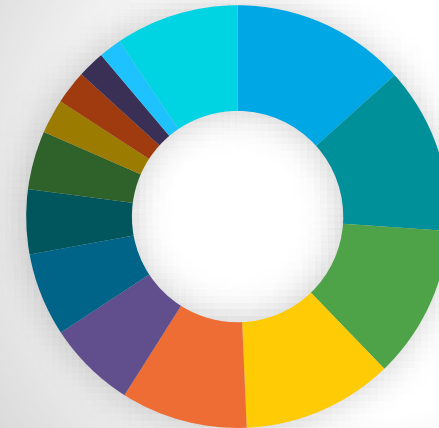
\*\*Excludes 100K Admin

## Revenue



- Licensing \$16,317,618
- Admissions \$1,383,550
- Mandatory Continuing Legal Education \$1,038,450
- Client Protection Fund \$1,024,000
- CLE Seminars \$904,328
- CLE Products \$888,750
- NW Lawyer \$601,350
- Licensing & Membership Records \$350,350
- Section Administration \$300,000
- Limited Practice Officers \$201,606
- Law Clerk Program \$194,562
- Deskbooks \$176,000
- Other \$685,400

## Expenses\*

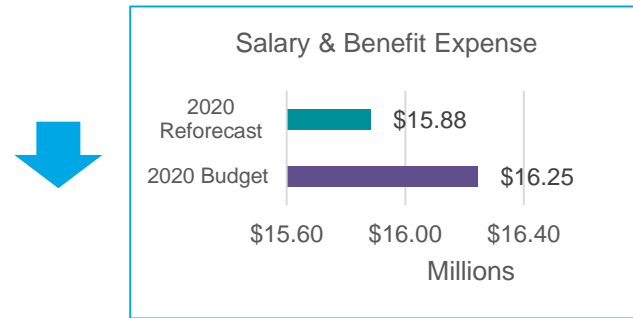


- Client Protection Fund \$502,400
- NW Lawyer \$480,899
- CLE Seminars \$441,082
- Board of Governors \$434,500
- Admissions \$364,765
- Mandatory Continuing Legal Education \$255,167
- Public Service Programs \$240,188
- Membership Benefits \$186,496
- Discipline \$168,765
- Deskbooks \$99,043
- Office of General Counsel Disciplinary Board \$97,216
- Communication Strategies \$78,085
- CLE Products \$65,290

\* Expenses do not include \$25K approved for COVID - 19

# INDIRECT EXPENSE

## SALARY & BENEFITS EXPENSE



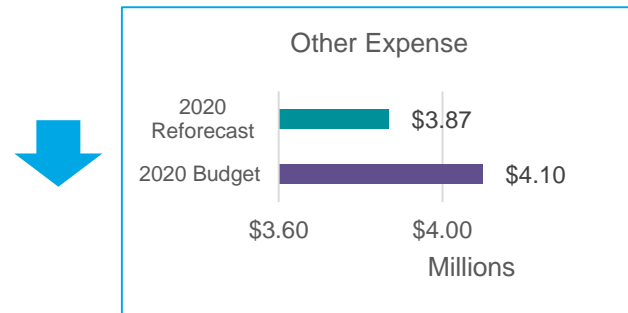
**Forecasted favorable reduction of \$362k**

SALARY & BENEFITS EXPENSE:	2020 BUDGET	2020 REFORECAST	VARIANCE
SALARIES	\$ 12,060,469	\$ 11,648,992	\$ 411,477
ALLOWANCE FOR OPEN POSITIONS	\$ (200,000)	\$ (212,872)	\$ 12,872
TEMPORARY SALARIES	\$ 250,780	\$ 245,029	\$ 5,751
CAPITAL LABOR & OVERHEAD	\$ (141,000)	\$ (51,000)	\$ (90,000)
EMPLOYEE ASSISTANCE PLAN	\$ 4,800	\$ 5,290	\$ (490)
EMPLOYEE SERVICE AWARDS	\$ 3,080	\$ 2,800	\$ 280
FICA (EMPLOYER PORTION)	\$ 887,000	\$ 892,585	\$ (5,585)
L&I INSURANCE	\$ 49,500	\$ 49,500	\$ -
WA STATE FAMILY MEDICAL LEAVE (Employee)	\$ 17,500	\$ 17,500	\$ -
MEDICAL (EMPLOYER PORTION)	\$ 1,580,000	\$ 1,580,000	\$ -
RETIREMENT (EMPLOYER PORTION)	\$ 1,527,000	\$ 1,499,604	\$ 27,396
TRANSPORTATION ALLOWANCE	\$ 115,000	\$ 115,000	\$ -
UNEMPLOYMENT INSURANCE	\$ 84,500	\$ 84,500	\$ -
STAFF DEVELOPMENT-GENERAL	\$ 6,900	\$ 6,900	\$ -
<b>TOTAL SALARY &amp; BENEFITS EXPENSE:</b>	<b>\$ 16,245,529</b>	<b>\$ 15,883,828</b>	<b>\$ 361,701</b>



# INDIRECT EXPENSE

## OTHER INDIRECT EXPENSE



Forecasted reduction of \$229k

OTHER INDIRECT EXPENSE:	2020 BUDGET	2020 REFORECAST	VARIANCE
WORKPLACE BENEFITS	\$ 44,500	\$ 39,000	\$ 5,500
HUMAN RESOURCES POOLED EXP	\$ 167,120	\$ 161,774	\$ 5,346
MEETING SUPPORT EXPENSES	\$ 15,000	\$ 15,000	\$ -
RENT	\$ 1,951,000	\$ 1,925,000	\$ 26,000
PERSONAL PROP TAXES-WSBA	\$ 12,000	\$ 7,984	\$ 4,016
FURNITURE, MAINT, LH IMP	\$ 35,000	\$ 29,798	\$ 5,202
OFFICE SUPPLIES & EQUIPMENT	\$ 46,000	\$ 45,000	\$ 1,000
FURN & OFFICE EQUIP DEPRECIATION	\$ 53,000	\$ 53,000	\$ -
COMPUTER HARDWARE DEPRECIATION	\$ 50,000	\$ 46,436	\$ 3,564
COMPUTER SOFTWARE DEPRECIATION	\$ 165,000	\$ 153,867	\$ 11,133
INSURANCE	\$ 243,000	\$ 194,743	\$ 48,257
PROFESSIONAL FEES-AUDIT	\$ 85,000	\$ 81,000	\$ 4,000
PROFESSIONAL FEES-LEGAL	\$ 250,000	\$ 100,000	\$ 150,000
TELEPHONE & INTERNET	\$ 47,000	\$ 47,000	\$ -
POSTAGE - GENERAL	\$ 30,000	\$ 28,071	\$ 1,929
RECORDS STORAGE	\$ 42,000	\$ 42,000	\$ -
STAFF TRAINING	\$ 99,900	\$ 81,400	\$ 18,500
BANK FEES	\$ 34,000	\$ 34,000	\$ -
PRODUCTION MAINTENANCE & SUPPLIES	\$ 12,000	\$ 12,000	\$ -
COMPUTER POOLED EXPENSES	\$ 717,610	\$ 772,680	\$ (55,070)
<b>TOTAL OTHER INDIRECT EXPENSE:</b>	<b>\$ 4,099,130</b>	<b>\$ 3,869,754</b>	<b>\$ 229,376</b>

# INDIRECT EXPENSE

## TOTALS

Indirect Expenses	2020		VARIANCE
	2020 BUDGET	REFORECAST	
<b>TOTAL SALARY &amp; BENEFITS EXPENSE:</b>	\$ 16,245,529	\$ 15,883,827	\$ 361,701
<b>TOTAL OTHER INDIRECT EXPENSE:</b>	\$ 4,099,130	\$ 3,869,754	\$ 229,376
<b>TOTAL ALL INDIRECT EXPENSE:</b>	<b>\$ 20,344,659</b>	<b>\$ 19,753,581</b>	<b>\$ 591,078</b>

### Main Items:

- Professional Fees-Legal was reduced by \$150,000 as the anticipated need is much lower
- Capital Labor & Overhead includes a charge of \$90,000 for write off of Phase 2 of the “In House” admissions software
- Insurance was reduced by \$48,257 to reflect the actual premium.
- Includes elimination of 3 positions.

# COST CENTERS

Revenue & Expense



# COST CENTER SUMMARY

## 3 CATEGORIES

Total Savings \$140K\*

- Accretive – 20 Cost Centers \$219K
- Neutral – 3 Cost Centers with \$0K Impact
- Dilutive – 9 Cost Centers \$(79K)

\*Excludes Sections Cost Centers

Neutral Cost Centers: Members Assistance Program  
Publication & Design Services  
Administration

# COST CENTER REVENUE & EXPENSE

## FAVORABLE TO PROFITABILITY

- Incremental admissions revenue driven by reductions in exam expense & court reporter expense.
- Member Services 34% increase from increase in revenue due to higher product sales than anticipated as well as a reduction in expense due to the elimination of some budgeted mixers.
- Licensing and Membership Records improvement rooted in increased revenue from Proof of Passage that was not included in the original budget.

\*All Variances Are Favorable to the Budget

COST CENTER	2020 BUDGET	2020 REFORECAST	VARIANCE*
Admissions	\$ 977,699	\$ 1,018,785	\$ 41,086
Member Services and Engagement	\$ 95,955	\$ 128,705	\$ 32,750
Licensing & Membership Records	\$ 289,213	\$ 314,747	\$ 25,534
Law Clerk Program	\$ 160,750	\$ 181,812	\$ 21,062
Public Service Programs	\$ (122,677)	\$ (104,988)	\$ 17,689
CLE Seminars	\$ 446,050	\$ 463,246	\$ 17,196
NW Lawyer	\$ 103,435	\$ 120,451	\$ 17,016
Office of General Counsel Disciplinary Board	\$ (104,316)	\$ (97,216)	\$ 7,100
Membership Benefits	\$ (165,496)	\$ (158,496)	\$ 7,000
Board of Governors	\$ (439,900)	\$ (434,500)	\$ 5,400
Access to Justice	\$ (45,220)	\$ (39,820)	\$ 5,400
Communication Strategies	\$ (81,040)	\$ (75,835)	\$ 5,205
Discipline	\$ (66,949)	\$ (62,265)	\$ 4,684
Practice of Law Board	\$ (16,000)	\$ (12,000)	\$ 4,000
Diversity	\$ 106,444	\$ 109,097	\$ 2,653
Client Protection Fund	\$ 519,000	\$ 521,600	\$ 2,600
Foundation	\$ (13,400)	\$ (12,150)	\$ 1,250
Office of the Executive Director	\$ (13,379)	\$ (12,379)	\$ 1,000
Professional Responsibility Program	\$ (9,654)	\$ (9,279)	\$ 375
Outreach and Engagement	\$ (31,625)	\$ (31,525)	\$ 100
<b>TOTAL</b>	<b>\$ 1,588,890</b>	<b>\$ 1,807,991</b>	<b>\$ 219,101</b>

# COST CENTER REVENUE & EXPENSE

## UNFAVORABLE TO PROFITABILITY

- CLE is forecasted lower due to a reduction in revenue. Sales are trending about 5% below last fiscal year
- Conference Broadcast Services assumes no Apex Awards Activity

COST CENTER	2020 BUDGET	2020 REFORECAST	VARIANCE	Change
CLE Products	\$875,760	\$823,460	(\$52,300)	-6.0%
Legislative	(\$20,200)	(\$29,700)	(\$9,500)	47.0%
Deskbooks	\$82,843	\$76,958	(\$5,885)	-7.1%
Mandatory Continuing Legal Education	\$788,184	\$783,284	(\$4,900)	-0.6%
Others	\$428,789	\$422,283	(\$6,505)	-1.5%
<b>TOTAL</b>	<b>\$2,155,375</b>	<b>\$2,076,284</b>	<b>(\$79,091)</b>	<b>-4%</b>

**QUESTIONS?**



**WASHINGTON STATE**  
**BAR ASSOCIATION**

**TO: WSBA Budget & Audit Committee Et. al.**  
**FROM: Daniel D. Clark, WSBA Treasurer & 4<sup>th</sup> District Governor**  
**DATE: April 15, 2020**  
**RE: ANALYSIS OF LLLT FINANCIAL BUSINESS PLAN**

---

WSBA Budget & Audit Committee Members,

As you know, earlier in the year, we have spoken at various Budget and Audit Committee meetings regarding the lack of a viable financial business plan to the WSBA and the Supreme Court that shows that the LLLT license type can be revenue cost neutral to the WSBA and its membership in a reasonable time frame.

In the spirit of attempting to work collaboratively with the LLLT Board, I have previously proposed that key stakeholders be involved in attempting to draft a realistic and reasonable business plan to address the Supreme Court's 2012 Court order and the requirements of GR 25.

The LLLT Board has prepared a draft business financial business plan that is set to be reviewed at the April Budget and Audit Committee Meeting. As WSBA Treasurer, I've reviewed and examined the proposed LLLT Business Plan that was asked of them to complete. Despite clear directives of what was expected of the LLLT Board, the current LLLT plan clearly fails in my opinion to provide any review of the currently approved practice area of family law, and fails to provide a reasonable time frame for the program to become revenue cost neutral in compliance with the 2012 Supreme Court Order and the requirements of GR 25.

The following contains a good faith detailed analysis of a review of the current drafts of the LLLT Financial Business Plan, Power Point Presentation and the 88 page LLLT Report that Mr. Crossland attempted to submit to the Supreme Court at the end of March 2020, which included a copy of the business plan and related materials.

For ease of review, they are attempted to be broken down into a comprehensive and detailed analysis of how and why I'm making each criticism and comment of the current plan.



## Historical Review of Requirement for LLLT Business Plan & My Overall Concerns of the LLLT Board's failure to comply with the 2012 Supreme Court Order & GR 25:

1. Despite a clear mandate from the Supreme Court and language of GR 25 that should have required that the LLLT Board submit a plan to the Court showing that the program would be revenue cost neutral, the LLLT Board to date has failed to do so.

The relevant portion of the 2012 Court order provides:

Another concern that has been raised is that the 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 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).**

2. To date, the LLLT Board has simply failed to address the 2012 Court language. There has been no attempt to show a system that can be revenue cost neutral in the current family law approved practice area. The license type is not revenue cost neutral, and the LLLT Board forecast to the Court in its submission confirms that it will continue to run massive deficits for years to come. This is directly contrary to the language and intent of the Court in establishing the program. (more expanded in paragraph 9).

This response simply ignores the 2012 Court order and mandate of the Supreme Court when they approved the LLLT license. It also ignores the requirements of GR 25 which require that any limited license program be self-sustaining and revenue cost neutral to the WSBA and its membership.

3. The LLLT business plan that they have prepared doesn't address the 2012 Supreme Court Order, nor does it talk about any plan viability for the Family Law Practice area

which has been from FY 2013 to through FY 2019 resulted in a cost of a total of **\$1,278,724.00** in financial loss to the WSBA from creation of this license type and operation of this license type. The following is a true and correct breakdown of costs of the LLLT program incurred by WSBA from 2012 through FY 2019.

The LLLT Program was authorized by this Court in 2012, and WSBA has to date incurred the following annual costs and losses in support of the LLLT program and LLLT Board.

<b>Fiscal Year</b>	<b>Total combined Expenditures of Direct &amp; Indirect Costs of the LLLT Program</b>	<b>Net Loss to WSBA in Expenses over Revenue</b>
2013	\$106,693.00	\$106,093.00
2014	\$159,189.00	\$157,689.00
2015	\$162,500.00	\$154,319.00
2016	\$207,684.00	\$195,978.00
2017	\$202,956.00	\$189,508.00
2018	\$269,205.00	\$258,089.00
2019	\$252,557.51	\$217,048.00

Overall since inception through the end of FY 2019, WSBA has spent **\$1,360,784.51** on the LLLT program and LLLT Board. Overall with modest revenue earned by the program since inception, WSBA has lost **\$1,278,724.00**. These ongoing losses are contrary to the language and intent of GR 25 and the 2012 Supreme Court order that established the LLLT license type.

4. The average amount per year of total direct and indirect expenses in excess of total revenue for the program from FY 2013 through FY 2019 has been **\$182,675.86**, which is currently having to be subsidized by the WSBA and its members annually in violation of GR 25 and the 2012 Supreme Court Order language authorizing the program.
5. Continuing this annual loss over FY 2013 through FY 2019 and forecasting those actual average annual costs over through FY 2028, we would be at a total of **\$1,644,082.74** if we took the **\$182,675.86** average figure and projected it out through FY 2028. This would result in a total expenditure on the LLLT program of a financial cost to WSBA attorney members of **\$2,922,806.74** in financial losses in operating the program from FY 13 through FY 2028 under current annual financial losses to the program. This figure seems more realistic than is being advocated by the LLLT Board, as their entire business plan is premised on the assumption the Court will approve two (2) new practice areas v. carrying

on what happens if the Court rejects the increased areas and continues down the path of the one approved one that has been in place now since the 2012 order.

6. The average amount per year of cost per LLLT license with this expenditure through FY 2019 has been **\$29,737.77** per LLLT licensed member (43 total) or **\$34,560.10** per active member to date (37 active members currently with 1 suspended, and 1 voluntarily resigned, and 4 on inactive status).
7. The plan set forth currently does not set forth a basis for potential revenue cost neutrality for the LLLT program based on the approved family law practice area and license type. This is directly in violation of the 2012 Supreme Court order and the requirements of GR 25.
8. Through FY 2019, there are 43 total members and 37 active LLLT members at an overall expense of **\$1,278,724.00** to the WSBA membership to do so.
9. Despite being put on notice several months ago of the request to formulate a business plan, that's been met by apparent opposition by Mr. Crossland on behalf of the LLLT Board. He commented in the attempted late March 88 page submission to the Supreme Court which he sent over objection from BOG Liaison Governor Grabicki, the following:

*We note here that the LLLT board believes it would have been a better approach to start by asking the question of whether being self-sustaining should truly be a guiding force in LLLT licensing and program administration, or whether the focus instead should be on the delivery of affordable legal services and access to justice even if the program is not completely self-sustaining.*

This response simply ignores the 2012 Court order and mandate of the Supreme Court when they approved the LLLT license. It also ignores the requirements of GR 25 which require that any limited license program be self-sustaining and revenue cost neutral to the WSBA and its membership.

The issue if the LLLT license type may provide an additional avenue of affordable legal services and access to justice is completely irrelevant to the fact that the program is not meeting the requirements of GR 25, nor the 2012 Supreme Court order.

10. Mr. Crossland on behalf of the LLLT Board submitted various responses to Mr. Bridges' letter to the Court and a response in NW Lawyer that, instead of addressing an attempt at a business plan to comply with the Court's 2012 order, made comments that appeared in the October 2019 edition of Northwest Lawyer on page(s) 5-6, stating in pertinent part:

*According to the WSBA's financial records, the LLLT program has operated at an average loss of less than \$200,000 each year. In terms of a license fee, the amount is equivalent to the cost of a cup of coffee or two per WSBA member per year.*

This response is provided to show what appears to be simply a dismissal by Mr. Crossland and the LLLT Board of the importance of the LLLT limited license becoming revenue cost neutral in compliance with the requirements of GR 25 and the 2012 Supreme Court Order.

11. On March 27, 2020, despite written notice of concerns of the proposed LLLT written submission to the Supreme Court, Steve Crossland ignored BOG Liaison District 5 Governor P.J. Grabicki's concerns and simply attempted to submit the 88 page report to the Court. While this report was ultimately rejected by Chief Justice Stephens because Mr. Crossland mistakenly provided a draft instead of the final version of submission, it's very troubling that Mr. Crossland would seemingly simply ignore the concerns of Governor Grabicki before sending the report.
12. Given this historical performance of the LLLT program background, here are my specific concerns of the current proposed LLLT business plan:

**My Analysis, Concerns and Recommendations re: LLLT Financial Business Plan as Currently Drafted:**

13. The current LLLT business plan does not address any forecast for the Family Law Practice area. This seems contrary to the 2012 Supreme Court order and/or the Supreme Court rule GR 25. I addressed this concern and other general concerns of the plan to Renata Garcia on February 13, 2020. A true and correct copy of the summary of the email I sent to her is included in attachment A.
14. Instead of setting forth a business plan that addressed the 2012 Supreme Court order, and requirements of GR 25, the LLLT Board and Innovative License staff, have developed a proposed plan that is directly tied to the Supreme Court implementing two new practice areas in addition to family law. This seems in my strong opinion as a plan that has very aggressive assumptions that do not appear to be validated by historical performance, and that the LLLT Board has not been able to show any basis to date that the current practice area has any chance of ever being financially viable.
15. The proposed plan in its current form sets forth a potential basis to continue to expend an extra **\$986,588.65 over FY 20 through FY 28** on the program before the LLLT Board

claims that this would result in a revenue cost neutral program for the WSBA and its membership.

16. That figure would account for a sixteen (16) year total of non-revenue neutrality from start of the program in FY 2013 through the end of FY 2028. The total amount of financial losses to the WSBA under the LLLT Board’s plan is **\$2,265,312.65** through FY 2028.
17. Given the historical financial performance of the LLLT Cost center to date, I respectfully disagree with the key performance indicators as set forth by the LLLT Board in their current business plan.
18. The LLLT Business plan key performance indicator estimated figures include the Court adopting two (2) new practice areas which are not approved by this Court and have not been presented for input to the Board of Governors, nor the membership of the WSBA.
19. The current LLLT Business Plan figures include what in my strong opinion as WSBA Treasurer is an overly optimistic and unsupported forecast of increased interest in the LLLT program which is far greater than the five (5) year data from FY 2015 through FY 2019 when LLLT members started to be licensed which clearly shows an average growth of 8.6 LLLT members per year.

Instead, of this figure, the LLLT Board shows the following potential anticipated growth of the program in LLLT exam test takers:

FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
34	47	59	69	81	94	108	124	143	164

When in reality, the following has been the historical trends of candidates that have taken the LLLT bar exam:

FY 15	FY 16	FY 17	FY 18	FY 19
24	16	18	14	13

As this above chart shows, the trend has been downward, not upward. This is likely because the initial spike of interest and growth of the LLLT License was through exemption for the normal process and licensing of experienced paralegals that were successfully able to waive the requirements of the LLLT program’s core curriculum.

Certainly if the Court does approve two new practice areas, maybe the initial trend will be upward as some current LLLT's will want to take the program, but others will not want to do so and the average for the 5 years to date is only 17 that have taken the exam each year.

Thus, how by FY 21 this will double and then continue to greatly expand is not explained nor is there any historical data to support this assumption.

20. The program calls for the following growth to occur which seems excessive to the current 8.6 member a year average to date:

<b>FY 20</b>	<b>FY 21</b>	<b>FY 22</b>	<b>FY 23</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>FY 29</b>
49 total	62 total	80 total	103 total	129 total	160 total	195 total	236 total	283 total	338 total

The total would continue to increase through FY 2030 with 416 total. Given the 8.6 per year growth from the first 5 numbers, these numbers seem greatly unsupported and overly optimistic. While for FY 20, adding 6 total seems reasonable, in FY 21 and beyond the numbers of anticipated overall growth (which are also dependent on the Court approving 2 new practice areas), seem overly optimistic.

21. The current budget plan calls for \$90k in donations to the program over a period of FY 21 through FY 30. The plan doesn't discuss how that will happen, and/or where the LLLT program cost center will be awarded these donations. They list the following in their business plan:

It lists that Grants will start in FY 2021 in the amount of \$5000 annually and then grow in FY 23-30 in the amount of \$10k per year. Where is this money coming from and what happens if they don't get a grant? It seems odd to include this in a business plan unless there is a guaranteed or realistic revenue stream to include here.

<b>FY 21</b>	<b>FY 22</b>	<b>FY 23</b>	<b>FY 24</b>	<b>FY 25</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 28</b>	<b>FY 29</b>	<b>FY 30</b>
5,000	5,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000

22. The business plan builds in a one hundred (\$100.00) dollar extra license fee costs per program with an assumption that the LLLT license will not cost more than an Attorney's.

There is no rule that would support that, and I'd think as long as the program runs a cost deficit that additional practice areas would be subject to additional fees over \$100 dollars. As WSBA through the Board of Governors sets this recommendation, this is something that we need to discuss in Budget and Audit and at the BOG table assuming this gets approved by the Supreme Court.

Here is a list of what they are wanting to have maximum charges be assuming that the Court were to adopt 100 dollars per 2<sup>nd</sup> and 3<sup>rd</sup> extra practice area:

FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
440.45	452.47	452.10	452.35	452.27	452.88	452.23	453.34	455.25

These numbers do not appear to make any sense, and they call for the 3<sup>rd</sup> practice area to start to be dropped from \$100 dollars to a lowered amount starting in FY 24. This is advocated for despite the program continuing to lose significant money and not being in compliance with GR 25 during this time period. I would be opposed to this practice, and certainly it doesn't seem to make sense that we would drop the LLLT license fee for potential second and third practice areas until such a time as the program had complied with GR 25 and was revenue cost neutral to the WSBA and its membership.

23. The two new License fee practice area estimated growth and key performance indicators included in the current plan appear to give a very aggressive and not realistic growth based on the plan of members that would be licensed in the program. While they don't list total number of members that will take part in the 2<sup>nd</sup> and 3<sup>rd</sup> practice areas that they include in their plans, at 100 dollars per practice area, one can estimate that in FY 22, which is when they purport to start licensing of these two new practice areas, that they will have 32 member get licensed in the 2<sup>nd</sup> practice area at a total income of \$3200 (32 x 100), and that they will also have 24 members get licensed in the 3<sup>rd</sup> practice area. These numbers seem overly optimistic in my opinion based on the less than 9 total number of growth of LLLT members per year which is the average of performance to date.

24. The LLLT Pipeline Timeline that was presented in the LLLT Board's February 2020 Agenda shows the following:

<b>3-4 Years (Working on Core Education/AA Degree or Waiver</b>	<b>1-2 Years (Working on Practice Area Education)</b>	<b>Less than 18 Months (Completed Practice Area Education)</b>	<b>Less than 1 Month (Passed Summer 2019 Exam).</b>
166	33	58	1

This indicates that the maximum number of potential applicants in the near future that WSBA could see from this program in the next 18 months would be a total of 58 maximum new students. This is simply not enough even assuming that all were to successfully pass the LLLT Bar Exam, (which has a very low historical bar passage rate lower than that of attorney membership.)

This is further information that should be included in the plan for the Supreme Court to review showing that the program simply has failed to meet anticipated growth or interest when the Court approved it in 2012.

These numbers do not support expansion of the program into two new practice areas, nor do they support any realistic formula to make the current practice area revenue cost neutral to the WSBA nor its membership.

25. The Key performance indicators on anticipated growth of the program do not seem to match the March 2020 LLLT Board’s supplemental agenda materials which show the following current interest in the program:

<b>Working on Core Education</b>	<b>Enrolled in Practice Area Classes (current Cohort)</b>	<b>Completed Practice Area Classes</b>	<b>Approved to Take Practice Area Classes</b>	<b>Passed Exam (Not Yet Licensed)</b>	<b>Interested in Waiver</b>	<b>Interested but Unable to Access Core Education</b>	<b>Total</b>
173	TBD	58	33	1	5	2	272

The key number take away is the completed practice area classes. There are only fifty-eight (58) total that would be potentially eligible to take the LLLT bar right now. It is my understanding that only 11 candidates sat for the recent February 2020 bar. These numbers do not seem to support any realistic key performance indicators set forth in the current LLLT Business plan.



26. The social tab of the business plan is completely irrelevant to the discussion of the compliance with GR 25 and the financial costs of the program and should be eliminated from the plan.
27. The Advocacy and Outreach tabs should also be eliminated and are irrelevant to what the business plan should address which is purely financial solvency and achieving a revenue cost neutrality to the WSBA and its membership.
28. Applying the current \$229 dollar annual fee, there would be a need of over 800 LLLT members necessary to break even and achieve compliance with GR 25. It certainly seems reasonable for the LLLT Board and Board of Governors to start to discuss continuing to raise the annual license fee of the LLLT Cost center to generate additional revenue for the WSBA and to reduce the annual negative cost balance of the cost center.
29. One cost that seems to be able to be mitigated moving forward would be an outside cost for the LLLT bar exam fee. WSBA could save Between \$10,750 and \$16,000.00 a year if we had the LLLT Exam revert back to having volunteers write and grade the exam. Instead, the LLLT Board and Innovative License department farm this work out to a 3<sup>rd</sup> party vendor that charges this amount. Overall from FY 2020 through FY 30 this will cost us \$277,882.37 which are costs which I would argue could be substantially reduced or eliminated if we had WSBA volunteers writing and grading the exams.
30. In my opinion, the biggest thing that the most significant impact on reduction of costs of the LLLT cost center if the goal is to achieve a revenue cost neutral result in compliance with GR 25 and the 2012 Supreme Court order is to immediately look to significantly reduce the indirect labor costs of the program.
31. The 88 page document that Mr. Crossland attempted to send to the Supreme Court earlier in late March argued that the indirect costs were totally controlled by WSBA and the Supreme Court should not penalize the LLLT program, nor Board for these costs. Such a position is erroneous in that to date the WSBA has provided the LLLT Board with all staff and requested financial support that they have indicated that they need to make the program successful.
32. A recent three (3) month time tracking study of the LLLT program at my request as WSBA Treasurer, showed the following results:

Employee Name	APR Rule	LLLT	LPO	Clerk Total	LLLT Total	LPO Total

	<b>6 Law Clerk Board</b>	<b>Percentage</b>	<b>Percentage</b>			
Chart A	0	8	1	12	364	59
Chart B	1	4	1	43	260	40
Chart C	3	39	10	189	2159	553
Chart D	3	72	5	135	3902	275
Chart E	49.67	5	22.33	2050	200	955
Totals	11.33	25.6	7.866	2429	6885	1882

So as this chart shows, the innovative license staff spent more time on the LLLT program (6885 total) v. 2429 for the APR rule 6 program and 1882 for the LPO program. Even adding up the totals for the APR Rule 6 and LPO program, the LLLT time spent to date by staff is significantly more.

33. Given the true and correct time tracking breakdown of the innovative license department, a reasonable question that has to be asked is if the above is the current necessary time to spend on the LLLT license type for one (1) practice area of the LLLT Board, then certainly it would seem reasonable to believe that adding two (2) new practice areas would result in additional increased time necessary by the Innovative License Department staff and other WSBA staff to provide such support and services for the program for the two proposed additional practice areas. Such additional costs would seem reasonable to continue to increase to the WSBA and do the exact opposite to what the 2012 Supreme Court Order and GR 25 mandates provide. They to date, are simply not mentioned in the current LLLT Financial Business Plan.
34. The current WSBA Innovative License Department staff time spent on the LLLT License Type and LLLT Board support is approximately four (4) times the staff time spent on the LPO license, is over 2.5 more than the APR Rule 6 program and is over two (2) times more than the APR Rule 6 and LPO programs combined time spent by staff, the WSBA!
35. It should be noted that these staggering financial numbers to WSBA do not include any time spent by the Interim Executive Director, and/or WSBA Exec team, nor any other staff other than the innovative license department staff. The only WSBA Exec team member whose time is billed against the cost center is Jean McIlroy.
36. Given the current significant staff time and WSBA member financial resources, it makes no sense given the current time being spent on the LLLT program by WSBA staff to look to increase the two new practice areas. This will no doubt cause significant additional time to be spent on the program by WSBA staff. It is unreasonable for the BOG and WSBA to be expected to do this in my strong opinion.
37. Given that already WSBA staff are spending around 2.5 times as much time as spent on the APR Rule 6 program and roughly 4 times what they are spending on the LPO program, it is troubling that the LLLT Board would appear to be claiming in their March

attempted submission to the Court and in the current LLLT Business plan to indicate that the program's failures to date are in any way tied to WSBA not providing enough direct and/or indirect funding to the program.

38. What happens as well if the actual number estimates contained in the current LLLT Business plan continue to be significantly lower than what is estimated in their key performance indicators? If the Supreme Court approves their recommendations and the LLLT Program simply fails to continue to live up to expectations and hopes as far as action number of growth and interest, what happens then? These are questions that certainly need to be raised and answered with a collaboration of the Board of Governors, LLLT Board and Supreme Court.
39. The Key Performance Indicators (KPI's) offered by the LLLT Board to support this do not seem reasonable or realistic, nor supported by any data that would give a reasonable person belief that they would be actually achievable goals.
40. Things that could seem to help increase the LLLT license type's membership would include the following:
  - A. Allowing interested people with BA degrees in social science classes such as political science, pre-law, sociology and related fields, to bypass the 45 credit core education requirements.
  - B. To have Barbri, or another third party outside vendor offer an LLLT Bar prep course. (Currently one does not exist to my knowledge which helps to account for the 33 percent passage rate of bar exams over the last two years.)
  - C. There is lack of student loans and financial aid to do the program, especially for the 45 credit core requirements.
  - D. The 45 credit core requirements are only offered in 6 out of the 39 community colleges and are simply not offered anywhere in District 4.

#### **Additional Member Comments and Opposition to current expansion of LLLT Board:**

In looking at the reasonableness of the current LLLT Business Plan which includes two new practice areas, it is important and reasonable to look at the overriding historical opposition to the LLLT license type and overriding opposition of member comment for expansion. The

following are meant to represent true and correct criticisms and comments in opposition by the majority of the WSBA membership that have commented on these proposals.

41. The LLLT Board's current website on WSBA at: <https://www.wsba.org/for-legal-professionals/join-the-legal-profession-in-wa/limited-license-legal-technicians>

Also: <https://www.wsba.org/Legal-Community/Committees-Boards-and-Other-Groups/LLLT-boardx>

Gives notice of a new practice area of Consumer Money and Debt Law. What it doesn't do though is give any notice of the proposed Practice area of Administrative Law. Such zero notice to membership and the public of this proposed practice area seems to further illustrate that it seems erroneous to include this in a proposed business plan. The reality as indicated above, the initial business plan must detail how and when the current Supreme Court approved practice area of Family law can and would potentially become revenue cost neutral.

42. In the March 2020 Supplemental LLLT Board material, there is a document drafted from WSBA employee, and Innovative License Department Manager Renata Garcia and WSBA employee Jaime Patneau, which indicates that between May 18, 2018 and July 16, 2018 staff received a total of 50 comments on the proposed LLLT practice area of Consumer, Money, and Debt.

The overriding comments received were negative and in opposition to the report.

The following is a break down of the comments.

Total Comments:	50
Total Opposing Practice Area:	36
Total Supporting Practice area:	10
Total indicating the LLLT License is damaging to Attorneys and the practice of law And/or cause harm to the public	18 or 36 percent.

With only 20 percent of the comments received supporting expansion of the new practice area, one has to ask why the LLLT Board would ignore what the majority of the public comments stated which **is that over 72 percent of people that commented did NOT support expansion of the LLLT Board in this proposed practice area.**

In fact, a really relevant quote from a WSBA member to the LLLT Technician Email dated May 29, 2018 found:

***The program has ZERO data that it has remotely met the original goals under family law. It is asinine to expand at this time and seriously calls into question the sanity of those running the program. The way this is being run is so offensive it's not even funny at this point...***

*Mathew M. Purcell.*

Or another from another WSBA member that found:

***"I hate to be so frank but this program is a complete disaster! ... This program should be discontinued. Complete insult to the legal profession. "***

*WSBA member Jennifer R. Smith.*

Or a third comment finding:

***The proposal does not well-serve the community, but rather allows persons with a limited knowledge of law and a limited experience in practicing law to represent clients who may make their choice of representation based solely on price.***

*WSBA Member John Chessell WSBA #19370.*

Or finally a fourth comment that indicated in pertinent part:

***... Therefore, not only should this class of license to practice law (LLL) NOT be extended to Consumer, Money, and Debt, it's existence to practice any other area of law should be revoked. I am angry and appalled that the WSBA which should be defending my license that I worked so hard to obtain, is in fact ready and willing to extend this serious dilution of the quality of the legal profession in the state of Washington.***

*WSBA member Lyne C. Clare.*

All four (4) WSBA member comments are included to show that there is an overriding number of those that commented on the proposed practice area that not only did not approve of the expansion of the LLLT license type, but seriously question and criticize the WSBA and LLLT Board handling of the LLLT license type to date.

Therefore, it seems an error to include what are two highly controversial and questionable expansions of the LLLT license type in the current plan. If the LLLT Board wishes to do that, then first a section of the plan should be to address the current practice area that is approved. Only after that is clearly done, should one or two of these two new practice areas be introduced in the business plan. To do the contrary which is what the LLLT Business plan currently does, does not comply with the intent of the Supreme Court in my opinion, nor does it give the Budget and Audit Committee, the Board of Governors, nor the Supreme Court with an accurate post description of what the LLLT cost center may do if the Court does not approve the new practice areas, and/or only approves 1 of the 2.

43. Former Chair of the Access To Justice Board, Geoffrey Revelle, also indicated concerns of the potential expansion of the LLLT Board's recommendation that is erroneously part of their current business plan not yet approved by the Court. He stated in a July 16, 2018 letter to Mr. Crossland in pertinent part:

*We understand that 36 people have graduated from the LLLT program since it began and of those 36, 33 are in practice. We also understand that three LLLT's are practicing in Eastern Washington while the rest practice in Western Washington.*

*It is our understanding that none of the 33 LLLT's are employed by a civil legal aid provider. (To our understanding one LLLT has a contract with the Chelan-Douglas County Volunteer Attorney Services, how much of her time is involved with that contract is unknown.*

*It is also our understanding that the LLLT Board does not know the amount LLLT's are charging for their services. Without the basic information it is difficult to conclude how much of the population would gain access to the justice system if this newest proposal were to be adopted.*

*...In order to further access the justice system, the expansion into the scope of practice that the LLLT Board is recommended should be limited. Your proposal should not allow LLLT's to represent any corporate entity, partnership, or person in connection with the business of debt collection, debt buying, or money lending. Without this restriction your proposal would not expand access to the justice system for those who need it but instead only allow another avenue for those who already have the means to access the justice system.*

*As an overarching concern, the ATJ Board will want to see how this new proposal would promote access to the justice system. If the overwhelming majority of LLLTs are charging for their services, then this proposal will not promote access to the justice system for those who have no ability to pay.*

44. The Creditor/Debtor Rights Section sent a letter to the LLLT Board on August 13, 2018 expressing major concerns about the potential expansion of the practice area.

They stated in pertinent part:

The CD believes the proposed expansion will not achieve increased access to legal services for low income individuals because:

1. *The proposed expansion fails to address concerns that would arise from existing federal and state regulations of this area of law;*
2. *The proposed expansion is not tailored to address the individual need for legal services;*
3. *The proposed expansion fails to acknowledge alternative avenues to address the problem that already exists, or changes that could be made to the existing system to meet the need of the targeted constituency.*

The CD did not outright reject the expansion but instead found seven recommendations to limit the scope of the practice area that they mentioned including the following:

1. *Potential clients should be subject to some form of means testing to ensure the goals of the expansion is met. CD believes the appropriate amount is 200 percent of the poverty level.*
2. *LLLT's should only be authorized to assist with debts within the same dollar limitations applicable to claims in small claims court or an amount close to that.*
3. *LLLT's should only be authorized to represent natural persons, and not business entities.*
4. *LLLT's representation should be limited only to debtors.*
5. *Undertake a review of the RPC to consider changes that would allow more flexibility for attorneys to address the identified needs through the relaxation of rules on the unbundling of services and/or advertising to enact changes in concert with the potential expansion of the LLLT program.*
6. *Revision of the proposal, in consultation with CD to address the various statutory and regulatory regimes applicable to the proposed expansion practice area.*
7. *Removal of the Bankruptcy Awareness and Advice area from the proposal in any final proposal expansion.*

45. Given the roughly seventy-two (72) percent opposition to the new practice area, and seemingly insufficient notice given for the expanded new practice area of administrative law, certainly these are offered to show that the time estimates for potential implementation of these two new practice area(s) by the LLLT Board do not seem practical, nor advisable given the massive opposition by WSBA members to expansion of the LLLT License.

At a minimum, the above seems to show that there is a lot of opposition to the proposed practice area, and that the administrative law practice area has not been properly advertised to membership to review and/or solicit comments for.

**CONCLUSION & WSBA TREASURER RECOMMENDATION(S):**

The above is meant to have been a comprehensive good faith analysis of the current LLLT Business plan that was drafted by WSBA Innovative License Staff and the LLLT Board which includes my comments, concerns and suggestions.

In summary, the business plan is in my opinion, severally flawed in that it fails to address the 2012 Supreme Court Order and requirements of GR 25 for the approved practice area of Family Law. It erroneously includes both additional proposed practice areas that have not been included by the Court as part of their plan. The plan seems to greatly over-state potential realistic growth of the program based on membership increasing, and to not consider that the program runs a massive continued annual deficit to the membership at least through FY 2028. Spending 2,265,312.65 from FY 2013 through FY 2028 to make this program potential revenue cost neutral is the result of the current LLLT Board Business plan proposal.

Unless substantial changes to the business plan are made, I cannot in good faith recommend to the Budget and Audit Committee and/or the Board of Governors to adopt the plan in its current form.

It is my hope that the above analysis, information and recommendation will be beneficial in each of you reviewing and analyzing the current LLLT business plan as of April 15, 2020. Thank you and please let me know if you have any questions of the above analysis.

Respectfully,



Daniel D. Clark  
WSBA Treasurer & District 4 Governor  
WSBA #35901





# LLLT Program Business Plan

ACHIEVING ECONOMIC SUSTAINABILITY

# Program Goals



- ▶ Provide affordable, educated, competent, licensed and regulated legal advice and assistance of a limited scope, in identified areas of law, to people of low and moderate means who otherwise might not seek or be able to obtain legal help
- ▶ Serve as many people of low and moderate means as possible, in areas of law and populations where there is high need
- ▶ Make qualified legal help more accessible
- ▶ Make the legal profession more accessible and attainable, in order to provide services to more people
- ▶ Achieve a self-sustaining profession



# Where Are We Now?



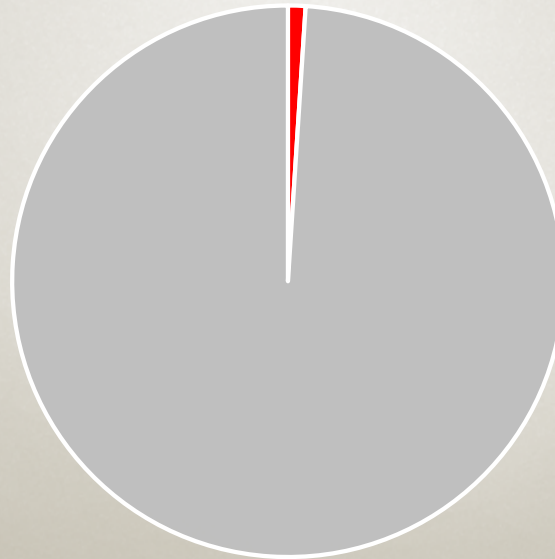
In this presentation, we will:

- ▶ Review the total fiscal impact, overall budget performance, direct and indirect costs, and business plan developed as requested by the Board of Governors (BOG)
- ▶ Discuss how the business plan addresses the goals of the program and the financial impact on WSBA
- ▶ Discuss how the business plan addresses existing barriers while still achieving the primary original program goal of providing increased access to justice for people of low and moderate income in areas of identified need

# Fiscal Impact

- ▶ LLLT impact on WSBA expenses is 1%
  - ▶ Total WSBA Expenses paid from general fund (2013-2019) = \$123.3M
  - ▶ Total Net Cost of Administering the LLLT Program (2013-2019) = \$1.3M

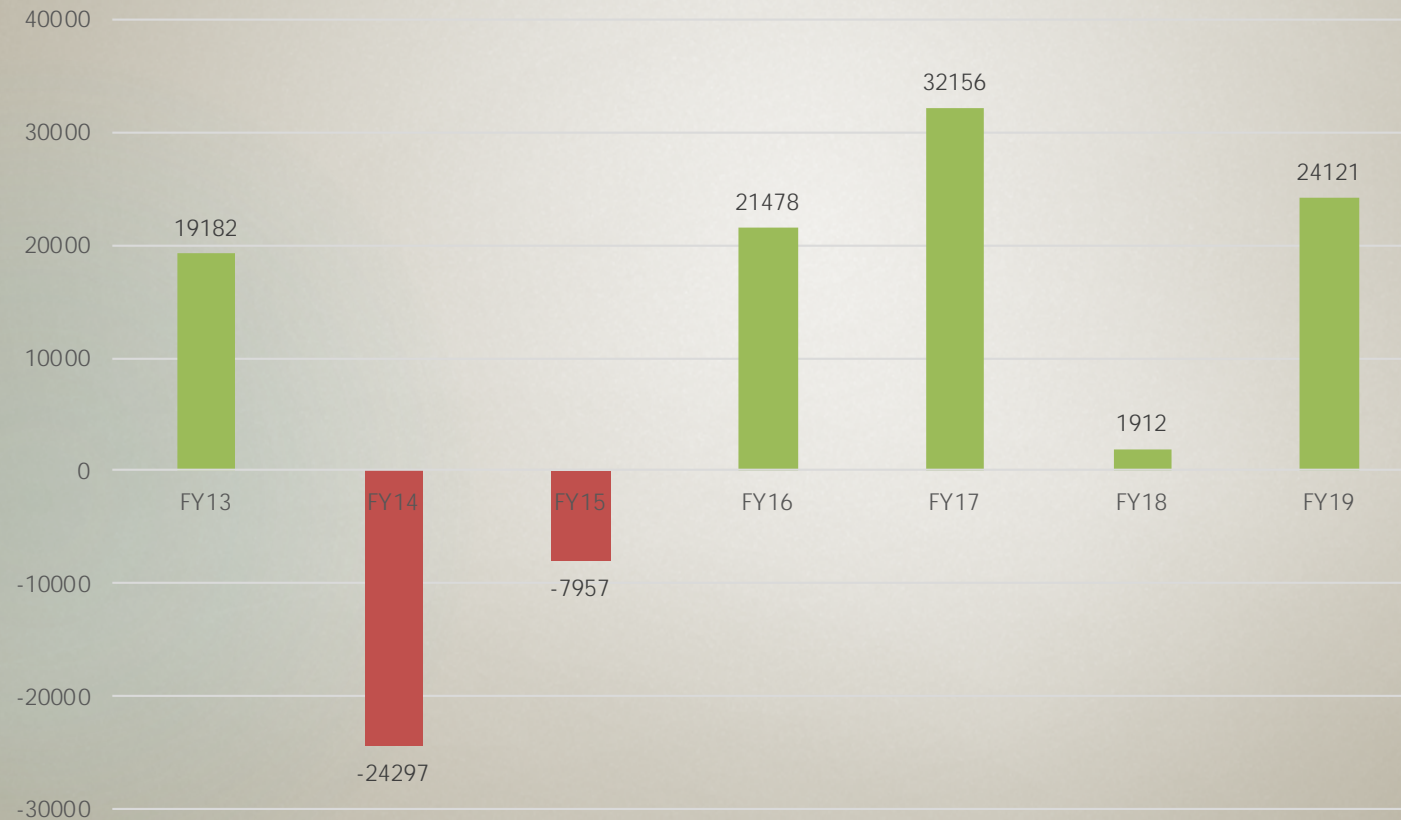
1% OF WSBA'S GENERAL FUND EXPENSES





# Budget Performance

- ▶ Life to date the program performance is \$66.5k better than budgeted



# Direct vs Indirect Costs

- ▶ Numbers shown in previous slides include all assigned indirect costs of the program. How indirect costs and overhead are assigned within WSBA is not within LLLT Board control.
- ▶ Total direct costs since 2013: \$231,166
- ▶ Total direct costs since 2015 (when first LLLT became licensed): \$179,347
- ▶ Total net direct costs since 2013: \$149,105
- ▶ Total net direct costs since 2015: \$99,396
- ▶ Revenue **expected** to cover direct expenses starting 2022
- ▶ **Expected** to cover all direct and indirect costs in 2029



# Business Plan

- ▶ Key Assumptions
  - ▶ Additional practice areas
    - ▶ Washington Administrative Law
    - ▶ Eviction and Debt Assistance
  - ▶ Increased educational opportunities – new schools & reach
  - ▶ Modified licensure requirements
    - ▶ Experience requirement
    - ▶ Gradually increased fee revenue (license and exam)
  - ▶ Experience and testing requirements for the waiver pathway
  - ▶ Ability to seek funding through grants and donations

# Increased Education Opportunities



- ▶ Increase access to core education
  - ▶ ABA rule change (synchronous learning)
  - ▶ Additional community colleges
    - ▶ Yakima Valley College
    - ▶ Wenatchee Valley College
    - ▶ South Puget Sound Community College
- ▶ Increase access to practice area education
  - ▶ Community College collaboration group
- ▶ Expand pool of experienced paralegals eligible for waiver by modifying testing and experience requirement
- ▶ Diversify candidate pool by reducing experience requirement



# Expanded Pipeline

- ▶ Practice area student numbers start at 21 in 2020 growing to 103 in 2030
- ▶ Key assumptions
  - ▶ Each new practice area is assumed to drive 5% growth
  - ▶ 90% of practice area students will sit for the LLLT exam
  - ▶ 40% of examinees will pass any given LLLT exam
  - ▶ 95% of those who pass will become licensed
- ▶ NOTE: Pipeline & licensee numbers could grow with some additional resources, e.g., licensing exam prep course, which could increase the exam passage rate

# Modify Licensure Requirements



- ▶ Waiver requirements – experience and testing requirements
  - ▶ Modify years of experience required – currently require 10 years
  - ▶ Accept proof of paralegal competency through passage of additional national certification exams
- ▶ Experience requirement for licensure
  - ▶ Currently require 3,000 hours
  - ▶ Most other states requiring 1,500

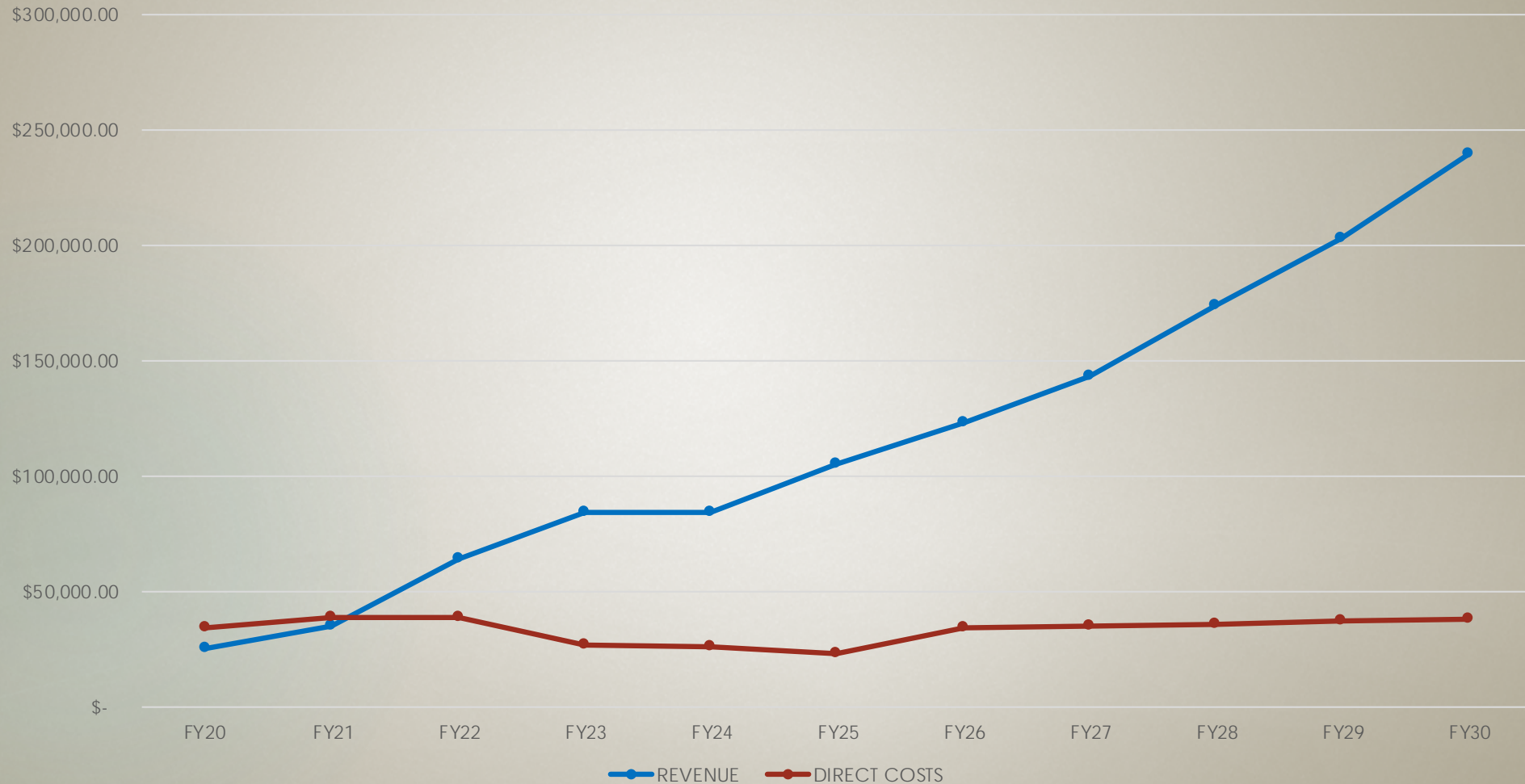


# Increase Revenue

- ▶ Gradually Increase License Fees and Include New Licensed Areas
- ▶ Figures below used to project future revenue (for discussion only)
- ▶ Assumption: LLLT license fee not to exceed lawyer license fee
- ▶ **Not an endorsement or proposal for actual fee increase at this time**

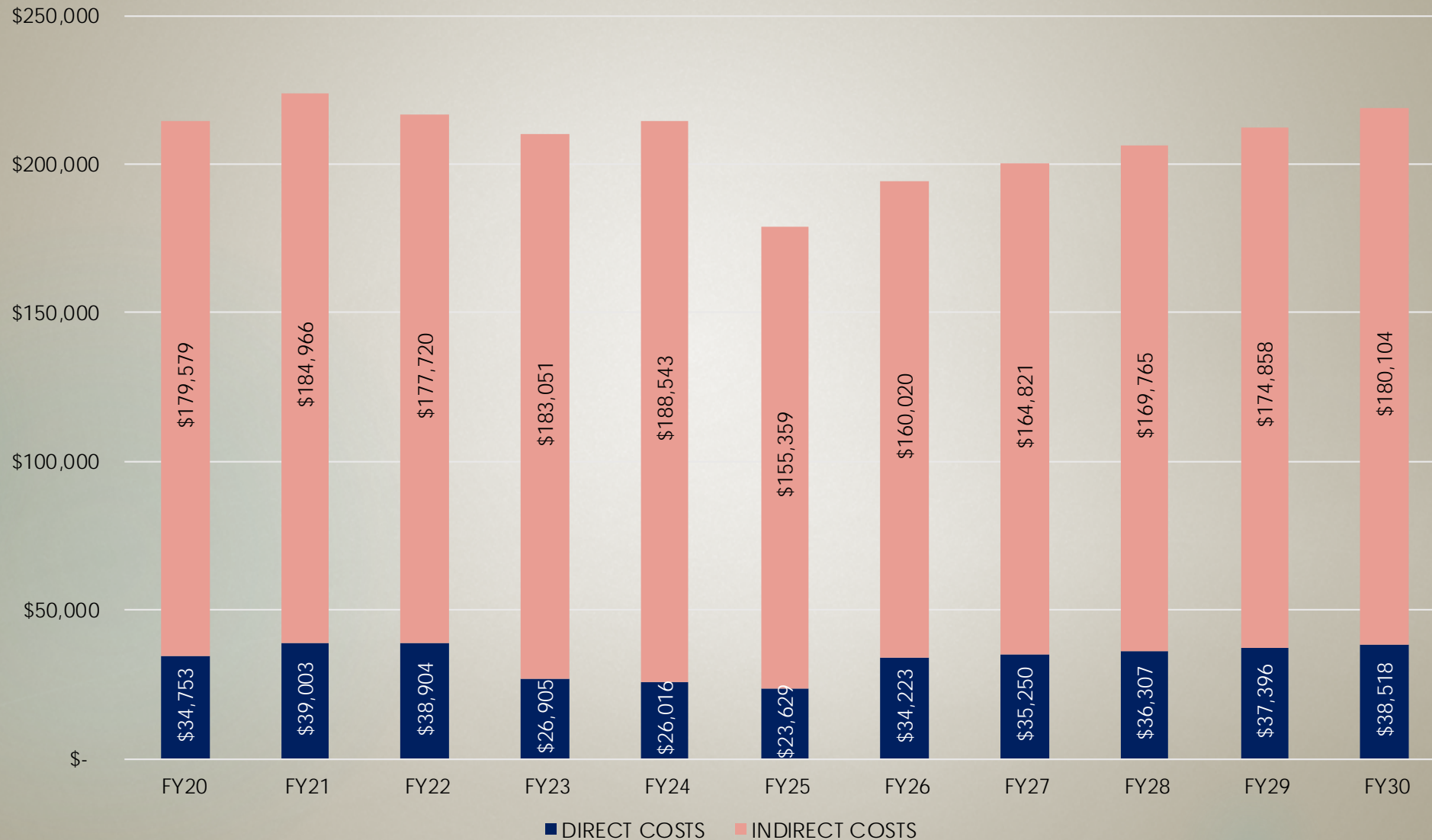
License fee	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Base fee (1 practice area)	\$ 200.00	\$ 229.00	\$ 240.00	\$ 252.00	\$ 265.00	\$ 278.00	\$ 292.00	\$ 307.00	\$ 322.00	\$ 338.00	\$ 355.00
1st additional practice area	\$ -	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00
2nd additional practice area	\$ -	\$ 100.00	\$ 100.00	\$ 100.00	\$ 87.00	\$ 74.00	\$ 60.00	\$ 46.00	\$ 30.00	\$ 15.00	\$ -
Total	\$ 200.00	\$ 429.00	\$ 440.00	\$ 452.00	\$ 452.00	\$ 452.00	\$ 452.00	\$ 453.00	\$ 452.00	\$ 453.00	\$ 455.00

# Projected Revenue vs Direct Costs





# Projected Direct and Indirect Costs



# Final Forecast Based on Current Assumptions

(direct and indirect costs and revenue)

