

STATE BAR *of* TEXAS

2024-2025 PROPOSED COMBINED BUDGET

The State Bar of Texas proposed budgets for the 2024-2025 fiscal year are included here for your information. If you would like a copy of the budget summary, contact the State Bar finance division director at 512-427-1481. All interested persons are invited to a public hearing on the proposed budgets that will be held at 9 a.m. CDT March 21, 2024, in Room 101 at the Texas Law Center, 1414 Colorado St., Austin, TX 78701. The General Fund is the operating fund for the State Bar of Texas. The Texas Bar Books Fund is considered an Enterprise Fund, which is defined as a proprietary fund used to account for goods/services provided to the general public on a user-charge basis. The Special Revenue Funds are independent funds and do not use any membership dues or revenues from the General Fund for operations. Capital Projects Funds are used to account for the acquisition and construction of the State Bar's major capital facilities and other capital expenditures.

	GENERAL FUND	TEXAS BAR BOOKS FUND	SPECIAL REVENUE & CAPITAL PROJECTS FUNDS	TOTAL COMBINED PROPOSED BUDGET
REVENUES & RECEIPTS				
ATTORNEY MEMBERSHIP FEES	\$21,954,117	\$0	\$0	\$21,954,117
FEES	19,174,840	40,000	2,603,454	21,818,294
ADVERTISING	911,000	0	0	911,000
SALES	1,061,635	2,392,139	21,500	3,475,274
INVESTMENTS	702,594	24,000	133,023	859,617
GRANTS	0	0	538,300	538,300
CONTRIBUTIONS	737,900	0	305,000	1,042,900
ADMINISTRATIVE FEES	328,500	58,468	0	386,968
RENT	172,673	0	0	172,673
OTHER REVENUE	1,798,207	1,468,137	5,000	3,271,344
TOTAL REVENUES	\$46,841,466	\$3,982,744	\$3,606,277	\$54,430,487
RECEIPTS FROM RESERVES	4,253,092	0	345,477	4,598,569
TOTAL REVENUES & RECEIPTS	\$51,094,558	\$3,982,744	\$3,951,754	\$59,029,056
EXPENDITURES				
SALARIES	\$20,864,103	\$1,466,830	\$689,817	\$23,020,750
BENEFITS	7,510,959	504,793	243,909	8,259,661
TRAVEL	2,161,141	58,900	406,870	2,626,911
MEETINGS & CONFERENCES	4,052,842	16,400	717,850	4,787,092
PROFESSIONAL SERVICES	3,655,878	133,500	710,621	4,499,999
COURT FEES	72,500	0	0	72,500
PUBLICITY/ADVERTISING	386,120	104,000	228,000	718,120
DUES/SUBSCRIPTIONS/LICENSES	780,242	101,462	36,945	918,649
EDUCATION/TRAINING	203,017	16,675	24,500	244,192
SUPPLIES/AWARDS/GIFTS/SPEC. ITEMS	535,587	19,500	149,400	704,487
RENTALS—OFFICE, EQUIPMENT, STORAGE	1,285,438	158,172	271,900	1,715,510
MAINTENANCE/REPAIR	1,134,459	50,004	30,000	1,214,463
UTILITIES	248,960	0	0	248,960
POSTAGE & FREIGHT	1,011,939	102,853	58,848	1,173,640
TELEPHONE	407,874	2,400	18,000	428,274
INSURANCE	829,831	12,000	0	841,831
ADMINISTRATIVE	715,270	691,763	1,010,184	2,417,217
FIXED ASSETS	47,921	56,208	1,324,000	1,428,129
PRINTING & COPYING	1,398,537	352,584	91,670	1,842,791
RESERVE FOR CONTINGENCIES	250,000	0	0	250,000
TOTAL EXPENDITURES	\$47,552,618	\$3,848,044	\$6,012,514	\$57,413,176
BOARD COMMITMENTS (IN)/OUT	2,058,832	0	(2,000,000)	58,832
TRANSFERS (IN)/OUT	1,483,108	0	(1,483,108)	0
TOTAL EXPENDITURES, BOARD COMMITMENTS & TRANSFERS	\$51,094,558	\$3,848,044	\$2,529,406	\$57,472,008
NET REVENUES & RECEIPTS OVER EXPENDITURES, BOARD COMMITMENTS & TRANSFERS	\$0	\$134,700	\$1,422,348	\$1,557,048
TOTAL BUDGETED FULL-TIME EQUIVALENTS	274.50	20.75	8.38	303.63

STATE BAR of TEXAS

2024-2025 PROPOSED GENERAL FUND BUDGET

REVENUES & RECEIPTS

Attorney Membership Dues	\$21,954,117
Accounting/Management Fees	601,015
Texas Bar Journal Revenue	612,250
MCLE Fees	4,370,651
TexasBarCLE Revenue	14,351,618
Website Revenue	685,000
CDC Disciplinary Fees	587,914
Texas Minority Counsel Program Fees	417,500
Member Benefit Vendor Fees	1,000,500
Investment Revenue	702,594
Other Revenue	1,558,307
TOTAL REVENUES	\$46,841,466
Receipts from Reserves	4,253,092
TOTAL REVENUES & RECEIPTS	\$51,094,558

EXPENDITURES, BOARD COMMITMENTS & TRANSFERS

EXECUTIVE DIVISION	BUDGET	FTEs
Executive	\$723,626	2.5
Legal Counsel	830,274	4.0
Deputy Executive Director	263,611	1.0
Deputy Executive Director/External Affairs	299,312	1.0
Officers & Directors	1,308,503	–
Human Resources & Training/Tuition	495,567	3.0
MEMBER & PUBLIC SERVICES DIVISION		
Center for Legal History	\$179,666	2.0
Law-Related Education	561,057	3.0
Governmental Relations	348,930	2.0
Texas Young Lawyers Association	1,164,051	3.0
LeadershipSBOT	108,672	–
Sections	351,323	4.0
Law Student Division	20,266	–
LEGAL & ATTORNEY SERVICES DIVISION		
Texas Lawyers' Assistance Program	\$786,126	5.0
Legal Access Department	1,486,816	7.0
ACCESS TO JUSTICE COMMISSION	\$697,454	3.0
LAW PRACTICE MANAGEMENT	\$360,644	2.0
PROFESSIONAL DEVELOPMENT DIVISION		
TexasBarCLE	\$9,757,298	40.5
Office of Minority Affairs	634,578	3.0

EXPENDITURES, BOARD COMMITMENTS & TRANSFERS CONTINUED

ATTORNEY COMPLIANCE DIVISION	BUDGET	FTEs
Attorney Compliance	\$212,870	1.0
Advertising Review	167,143	2.0
Client-Attorney Assistance Program	669,305	9.0
Lawyer Referral & Information Service	485,958	5.0
MCLE	701,156	8.0
OPERATIONS/SECURITY		
Purchasing & Facilities	\$1,439,769	6.0
Membership	1,286,024	7.0
Research & Analysis	209,956	1.0
Insurance Member Benefits	43,094	–
Volunteer Committees	335,334	1.0
FINANCE DIVISION		
Accounting	\$1,216,575	13.0
Other Administrative	2,557,605	–
IT DIVISION		
Customer Service	\$418,706	3.0
Information Technology	1,742,541	8.0
COMMUNICATIONS DIVISION		
Communications	\$366,523	3.0
Texas Bar Journal	1,714,158	4.0
Printing and Graphics	247,404	2.5
Public Affairs	196,773	2.0
Website	329,119	2.0
Member Benefits	86,031	1.0
Local Bars	588,111	4.0
Special Events	95,104	–
PUBLIC PROTECTION DIVISION		
Chief Disciplinary Counsel	\$11,065,132	101.0
Ombudsman	117,804	1.0
Statewide Committees	245,218	–
Board of Disciplinary Appeals	637,431	3.0
BOARD COMMITMENTS	\$2,058,832	1.0
TRANSFERS TO SPECIAL REVENUE & CAPITAL PROJECTS FUNDS		
Texas Law Center Fund	\$483,108	
Technology Fund	500,000	
Client Security Fund	500,000	
TOTAL EXPENDITURES, BOARD COMMITMENTS & TRANSFERS	\$51,094,558	

TOTAL REVENUES & RECEIPTS OVER EXPENDITURES, BOARD COMMITMENTS & TRANSFERS

\$0

TOTAL BUDGETED GENERAL FUND FTEs

274.5

(FTE–Full-Time Equivalent Employees)

STATE BAR *of* TEXAS

2024-2025 PROPOSED BUDGETS FOR SPECIAL REVENUE & CAPITAL PROJECTS FUNDS

	LAW FOCUSED GRANTS	TEXAS BOARD OF LEGAL SPECIALIZATION	TEXAS BAR COLLEGE	CONVENTION FUND	BUILDING FUND	TECHNOLOGY FUND	CLIENT SECURITY FUND	TOTAL
REVENUES								
FEES	\$0	\$1,974,625	\$323,829	\$305,000	\$0	\$0	\$0	\$2,603,454
SALES	0	0	1,000	20,500	0	0	0	21,500
INVESTMENTS	0	22,000	5,260	0	68,240	0	37,523	133,023
GRANTS	538,300	0	0	0	0	0	0	538,300
CONTRIBUTIONS	0	0	0	305,000	0	0	0	305,000
RESTITUTION	0	0	0	0	0	0	5,000	5,000
TOTAL REVENUES	\$538,300	\$1,996,625	\$330,089	\$630,500	\$68,240	0	\$42,523	\$3,606,277
RECEIPTS FROM RESERVES	0	0	0	0	0	0	\$345,477	\$345,477
TOTAL REVENUES & RECEIPTS	\$538,300	\$1,996,625	\$330,089	\$630,500	\$68,240	0	\$388,000	\$3,951,754
EXPENDITURES								
SALARIES	\$0	\$585,333	\$104,484	\$0	\$0	\$0	\$0	\$689,817
BENEFITS	0	209,109	34,800	0	0	0	0	243,909
TRAVEL	186,870	140,000	30,000	50,000	0	0	0	406,870
MEETINGS & CONFERENCES	58,950	145,000	20,000	493,900	0	0	0	717,850
PROFESSIONAL SERVICES	173,900	216,000	13,221	7,500	300,000	0	0	710,621
PUBLICITY/ADVERTISING	0	198,000	5,000	25,000	0	0	0	228,000
DUES/SUBSCRIPTIONS/LICENSES	0	34,025	2,500	420	0	0	0	36,945
EDUCATION/TRAINING	0	24,000	500	0	0	0	0	24,500
SUPPLIES/AWARDS/GIFTS/SPEC. ITEMS	78,400	31,000	25,000	15,000	0	0	0	149,400
RENTALS—OFFICE, EQUIPMENT, STORAGE	2,900	260,000	9,000	0	0	0	0	271,900
MAINTENANCE/REPAIR	0	0	0	0	30,000	0	0	30,000
POSTAGE & FREIGHT	10,200	16,558	25,000	7,090	0	0	0	58,848
TELEPHONE	0	18,000	0	0	0	0	0	18,000
ADMINISTRATIVE	6,600	76,600	30,584	8,400	0	0	888,000	1,010,184
FIXED ASSETS	0	25,000	0	0	600,000	699,000	0	1,324,000
PRINTING & COPYING	20,480	18,000	30,000	23,190	0	0	0	91,670
TOTAL EXPENDITURES	\$538,300	\$1,996,625	\$330,089	\$630,500	\$930,000	\$699,000	\$888,000	\$6,012,514
BOARD COMMITMENTS - TRANSFERS IN	0	0	0	0	(1,500,000)	(500,000)	0	(2,000,000)
TRANSFERS (IN)/OUT	0	0	0	0	(483,108)	(500,000)	(500,000)	(1,483,108)
TOTAL EXPENDITURES, BOARD COMMITMENTS & TRANSFERS	\$538,300	\$1,996,625	\$330,089	\$630,500	(\$1,053,108)	(\$301,000)	\$388,000	\$2,529,406
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES, BOARD COMMITMENTS & TRANSFERS	\$0	\$0	\$0	\$0	\$1,121,348	\$301,000	\$0	\$1,422,348
FULL-TIME EQUIVALENTS	0	6.88	1.50	0	0	0	0	8.38

The purpose of the State Bar of Texas is to engage in those activities enumerated at § 81.012 of the State Bar Act. The expenditure of funds by the State Bar of Texas is limited as set forth at § 81.034 of the State Bar Act and in *Keller v. State Bar of California*, 496 U.S. 1 (1990), *McDonald v. Longley*, 4 F.4th 229 (5th Cir. 2021), and *Boudreaux v. Louisiana State Bar Association*, 86 F.4th 620 (5th Cir. 2023). If any member has a reasonable belief that any actual or proposed expenditure is not within such purposes of, or limitations on, the State Bar, then such member may object thereto and seek a refund of a *pro rata* portion of his or her dues expended, plus interest, by filing a written objection with the Executive Director. The objection must be made in writing, on the official State Bar Fees Objection Form, addressed to the Executive Director of the State Bar, P.O. Box 12487, Austin, TX 78711, or by email to objections@texasbar.com. The objection must be submitted no later than 60 calendar days after the annual audit of the State Bar for the fiscal year in which the transaction objected to occurred is published on the State Bar website. A copy of the State Bar Fees Objection Form may be obtained by written or in person request to the Executive Director or from the State Bar website at www.texasbar.com/objections.

Upon receipt of a member's objection, the Executive Director shall within 60 calendar days review such objection together with the allocation of dues monies spent on the challenged activity and, in consultation with the President, shall have the discretion to resolve the objection, including refunding a *pro rata* portion of the member's dues, plus interest. If the objecting member contests the Executive Director's determination of the member's claim, the objecting member may, within 30 calendar days of notice of the Executive Director's determination, invoke the objection procedures set forth in Section 3.14 of the State Bar of Texas Board of Directors Policy Manual, which include an opportunity for the objection to be decided by an impartial decision maker. Any refund of a *pro rata* share of the member's dues shall not be construed as an admission by the State Bar that the challenged activity was not or would not have been within the purposes of or limitations on the State Bar.

STATE BAR of TEXAS

2024-2025 PROPOSED GENERAL FUND BUDGET DUES ALLOCATION

Dues Allocation Formula

Dues are allocated to the budget first by determining the percent of total dues revenue to the total general fund expenditures. That percent is then applied to all operating expenditures of the general fund to determine how much of each expenditure category is paid for by bar dues.

The formula for this allocation is:

$$\text{Total Dues Allocated to Expenditure Category} = (\text{Total Dues Revenue} / \text{Total GF Expenditures}) * \text{Expenditure Category}$$

Individual Dues Allocation Formula

The member dues payment is allocated to each expenditure category first by determining the percent of the "expenditure category" to the total expenditures of the general fund. That percent is then applied to the amount of dues payment received, which allocates the dues payment based on the cost of the expenditure category.

The formula for this allocation is:

$$\text{Individual Dues Allocated to Expenditure Category} = (\text{Total Expenditure Category} / \text{Total GF Expenditures}) * \text{Dues Payment}$$

Proposed FY-24-25 Budget

General Fund (GF) Revenues	Budget
Attorney Membership Fees	\$21,954,117

Expenditure Categories	Dues Allocation			Individual Dues Allocation			
	Budget	Dues Allocated to Expenditures Category	% of Total Expenditures	Dues Payment Allocation of \$235*	Dues Payment Allocation of \$148*	Dues Payment Allocation of \$68*	Dues Payment Allocation of \$50*
Executive Division							
Executive	\$723,626	\$323,979	1.48%	\$3.47	\$2.18	\$1.00	\$0.74
Legal Counsel	\$830,274	\$371,728	1.69%	\$3.98	\$2.51	\$1.15	\$0.85
Deputy Executive Director	\$263,611	\$118,023	0.54%	\$1.26	\$0.80	\$0.37	\$0.27
Deputy Executive Director/External Affairs	\$299,312	\$134,007	0.61%	\$1.43	\$0.90	\$0.42	\$0.31
Officers & Directors	\$1,308,503	\$585,839	2.67%	\$6.27	\$3.95	\$1.81	\$1.33
Human Resources	\$495,567	\$221,874	1.01%	\$2.37	\$1.50	\$0.69	\$0.51
Member & Public Services Division							
Center for Legal History	\$179,666	\$80,439	0.37%	\$0.86	\$0.54	\$0.25	\$0.18
Law-Related Education	\$561,057	\$251,195	1.14%	\$2.69	\$1.69	\$0.78	\$0.57
Governmental Relations	\$348,930	\$156,222	0.71%	\$1.67	\$1.05	\$0.48	\$0.36
Texas Young Lawyers Association	\$1,164,051	\$521,165	2.37%	\$5.58	\$3.51	\$1.61	\$1.19
LeadershipSBOT	\$108,672	\$48,654	0.22%	\$0.52	\$0.33	\$0.15	\$0.11
Sections	\$351,323	\$157,293	0.72%	\$1.68	\$1.06	\$0.49	\$0.36
Law Student Division	\$20,266	\$9,073	0.04%	\$0.10	\$0.06	\$0.03	\$0.02
Legal Attorney Services Division							
Texas Lawyers' Assistance Program	\$786,126	\$351,962	1.60%	\$3.77	\$2.37	\$1.09	\$0.80
Legal Access Department	\$1,486,816	\$665,672	3.03%	\$7.13	\$4.49	\$2.06	\$1.52
Access to Justice Commission	\$697,454	\$312,262	1.42%	\$3.34	\$2.11	\$0.97	\$0.71
Law Practice Management	\$360,644	\$161,466	0.74%	\$1.73	\$1.09	\$0.50	\$0.37
Professional Development Division							
TexasBarCLE	\$9,757,298	\$4,368,506	19.90%	\$46.76	\$29.45	\$13.53	\$9.95
Office of Minority Affairs	\$634,578	\$284,111	1.29%	\$3.04	\$1.92	\$0.88	\$0.65
Attorney Compliance Division							
Attorney Compliance	\$212,870	\$95,305	0.43%	\$1.02	\$0.64	\$0.30	\$0.22
Advertising Review	\$167,143	\$74,833	0.34%	\$0.80	\$0.50	\$0.23	\$0.17
Client-Attorney Assistance Program	\$669,305	\$299,659	1.36%	\$3.21	\$2.02	\$0.93	\$0.68
Lawyer Referral & Information Service	\$485,958	\$217,572	0.99%	\$2.33	\$1.47	\$0.67	\$0.50
MCLE	\$701,156	\$313,919	1.43%	\$3.36	\$2.12	\$0.97	\$0.71

(STATE BAR OF TEXAS 2024-2025 PROPOSED GENERAL FUND DUES ALLOCATION CONTINUED)

Expenditure Categories	Dues Allocation		Individual Dues Allocation				
	Budget	Dues Allocated to Expenditures Category	% of Total Expenditures	Dues Payment Allocation of \$235*	Dues Payment Allocation of \$148*	Dues Payment Allocation of \$68*	Dues Payment Allocation of \$50*
Operations/Security							
Purchasing & Facilities	\$1,439,769	\$644,609	2.94%	\$6.90	\$4.35	\$2.00	\$1.47
Membership	\$1,286,024	\$575,775	2.62%	\$6.16	\$3.88	\$1.78	\$1.31
Research & Analysis	\$209,956	\$94,001	0.43%	\$1.01	\$0.63	\$0.29	\$0.21
Insurance Member Benefits	\$43,094	\$19,294	0.09%	\$0.21	\$0.13	\$0.06	\$0.04
Volunteer Committees	\$335,334	\$150,135	0.68%	\$1.61	\$1.01	\$0.47	\$0.34
Finance Division							
Accounting	\$1,216,575	\$544,681	2.48%	\$5.83	\$3.67	\$1.69	\$1.24
Other Administrative	\$2,557,605	\$1,145,083	5.22%	\$12.26	\$7.72	\$3.55	\$2.61
IT Division							
Customer Service	\$1,742,541	\$780,165	3.55%	\$8.35	\$5.26	\$2.42	\$1.78
Information Technology	\$418,706	\$187,462	0.85%	\$2.01	\$1.26	\$0.58	\$0.43
Communications Division							
Communications	\$366,523	\$164,098	0.75%	\$1.76	\$1.11	\$0.51	\$0.37
Texas Bar Journal	\$1,714,158	\$767,457	3.50%	\$8.21	\$5.17	\$2.38	\$1.75
Printing and Graphics	\$247,404	\$110,767	0.50%	\$1.19	\$0.75	\$0.34	\$0.25
Public Affairs	\$196,773	\$88,099	0.40%	\$0.94	\$0.59	\$0.27	\$0.20
Website	\$329,119	\$147,352	0.67%	\$1.58	\$0.99	\$0.46	\$0.34
Member Benefits	\$86,031	\$38,518	0.18%	\$0.41	\$0.26	\$0.12	\$0.09
Local Bars	\$588,111	\$263,307	1.20%	\$2.82	\$1.78	\$0.82	\$0.60
Special Events	\$95,104	\$42,580	0.19%	\$0.46	\$0.29	\$0.13	\$0.10
Public Protection Division							
Chief Disciplinary Counsel	\$11,065,132	\$4,954,045	22.57%	\$53.03	\$33.40	\$15.34	\$11.28
Ombudsman	\$117,804	\$52,743	0.24%	\$0.56	\$0.36	\$0.16	\$0.12
Statewide Committees	\$245,218	\$109,788	0.50%	\$1.18	\$0.74	\$0.34	\$0.25
Board of Disciplinary Appeals	\$637,431	\$285,389	1.30%	\$3.05	\$1.92	\$0.88	\$0.65
Transfers to Special Revenue & Capital Projects Funds							
Texas Law Center Fund	\$483,108	\$216,296	0.99%	\$2.32	\$1.46	\$0.67	\$0.49
Technology Fund	\$500,000	\$223,858	1.02%	\$2.40	\$1.51	\$0.69	\$0.51
Chief Security Fund	\$500,000	\$223,858	1.02%	\$2.40	\$1.51	\$0.69	\$0.51
Total Operating Expenditures & Transfers	\$49,035,726	\$21,954,117	100%	\$235.00	\$148.00	\$68.00	\$50.00

The State Bar of Texas' expenditure of these budgeted funds is limited in accordance with § 81.034 of the State Bar Act, *Keller v. State Bar of California*, 496 U.S. 1 (1990), *McDonald v. Longley*, 4 F.4th 229 (5th Cir. 2021), and *Boudreaux v. Louisiana State Bar Association*, 86 F.4th 620 (5th Cir. 2023). As such, no State Bar of Texas expenditure of these budgeted funds is non-chargeable to members under those authorities. The dues allocation presentation is intended to provide further information on the budgeted expenditures of the State Bar, but does not represent a formal designation of funds for accounting purposes.

*Sums in columns may not add due to rounding.