

STATE BAR *of* TEXAS

2022-2023 PROPOSED COMBINED BUDGET

The State Bar proposed budgets for the 2022-2023 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 800-204-2222, ext. 1481. All interested persons are invited to a public hearing on the proposed budgets that will be held April 11, 2022, in Room 101 at the Texas Law Center, 1414 Colorado, 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 that is 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				
MEMBERSHIP DUES	\$21,221,742	\$0	\$0	\$21,221,742
FEES	17,602,211	40,000	2,031,795	19,674,006
ADVERTISING	750,000	0	0	750,000
SALES	1,154,026	2,187,462	26,300	3,367,788
INVESTMENTS	100,000	252	16,152	116,404
GRANTS	0	0	497,100	497,100
CONTRIBUTIONS	694,933	0	360,000	1,054,933
ADMINISTRATIVE FEES	714,129	48,922	0	763,051
RENT	172,673	0	0	172,673
OTHER REVENUE	1,367,208	1,361,000	5,000	2,733,208
TOTAL REVENUES	\$43,776,922	\$3,637,636	\$2,936,347	\$50,350,905
RECEIPTS FROM RESERVES	5,768,233	0	0	5,768,233
TOTAL REVENUES & RECEIPTS	\$49,545,155	\$3,637,636	\$2,936,347	\$56,119,138
EXPENDITURES				
SALARIES	\$18,653,780	\$1,306,171	\$610,288	\$20,570,239
BENEFITS	6,830,233	454,969	219,863	7,505,065
TRAVEL	2,083,215	44,500	255,300	2,383,015
MEETINGS & CONFERENCES	4,519,866	3,000	664,110	5,186,976
PROFESSIONAL SERVICES	3,307,728	116,737	380,441	3,804,906
COURT FEES	86,100	0	0	86,100
PUBLICITY/ADVERTISING	569,918	91,600	161,244	822,762
DUES/SUBSCRIPTIONS/LICENSES	765,880	66,000	32,920	864,800
EDUCATION/TRAINING	198,127	12,440	2,400	212,967
SUPPLIES/AWARDS/GIFTS/SPEC. ITEMS	556,824	30,500	122,816	710,140
RENTALS—OFFICE, EQUIPMENT, STORAGE	1,228,069	164,172	184,000	1,576,241
MAINTENANCE/REPAIR	613,769	30,600	0	644,369
UTILITIES	248,960	0	0	248,960
POSTAGE & FREIGHT	853,526	139,184	60,433	1,053,143
TELEPHONE	393,504	2,400	25,800	421,704
INSURANCE	705,879	12,000	0	717,879
ADMINISTRATIVE	388,390	655,835	828,184	1,872,409
FIXED ASSETS	20,000	54,000	2,424,000	2,498,000
PRINTING & COPYING	1,256,146	319,077	73,148	1,648,371
RESERVE FOR CONTINGENCIES	150,000	0	0	150,000
TOTAL EXPENDITURES	\$43,429,914	\$3,503,185	\$6,044,947	\$52,978,046
BOARD COMMITMENTS (IN)/OUT	4,826,441	0	(-3,748,502)	1,077,939
TRANSFERS (IN)/OUT	1,288,800	0	(-1,288,800)	0
TOTAL EXPENDITURES, BOARD COMMITMENTS, & TRANSFERS	\$49,545,155	\$3,503,185	\$1,007,645	\$54,055,985
NET REVENUES & RECEIPTS OVER EXPENDITURES, BOARD COMMITMENTS, & TRANSFERS	\$0	\$134,451	\$1,928,702	\$2,063,153
TOTAL BUDGETED FULL TIME EQUIVALENTS	265.25	19.03	7.88	292.16

STATE BAR *of* TEXAS

2022-2023 PROPOSED GENERAL FUND BUDGET

REVENUES & RECEIPTS

Attorney Membership Dues	\$21,221,742
Accounting/Management Fees	586,843
Bar Journal Revenue	539,700
MCLE Fees	3,438,950
TexasBarCLE Revenue	13,846,526
Website	525,000
CDC Disciplinary Fees	574,277
Minority Affairs Fees	414,500
Member Benefit Fees	983,260
Other Revenue	1,646,124
TOTAL REVENUES	\$43,776,922
Receipts from Reserves	5,768,233
TOTAL REVENUES & RECEIPTS	\$49,545,155

EXPENDITURES, BOARD COMMITMENTS, & TRANSFERS

EXECUTIVE DIVISION	BUDGET	FTEs
Executive	\$700,838	3.00
Legal Counsel	783,269	4.00
Deputy Executive Director	242,975	1.00
Deputy Executive Director/External Affairs	274,858	1.00
Officers & Directors	1,153,503	-
Human Resources	393,826	2.00
MEMBER & PUBLIC SERVICES DIVISION		
Center for Legal History	\$154,170	2.00
Law Related Education	533,269	3.00
Governmental Relations	322,599	2.00
Texas Young Lawyers Association	1,024,297	3.00
LeadershipSBOT	98,672	-
Sections	353,389	4.00
Local Bars	468,835	4.00
Special Events	73,604	-
Law Student Department	20,266	-
LEGAL & ATTORNEY SERVICES DIVISION		
Texas Lawyers Assistance Program	\$513,944	5.00
Legal Access Division	1,522,165	7.50
ACCESS TO JUSTICE COMMISSION	\$740,527	3.00
LAW PRACTICE MANAGEMENT DIVISION	\$294,707	2.00
PROFESSIONAL DEVELOPMENT DIVISION		
TexasBarCLE	\$9,982,301	40.00
Minority Affairs	580,524	3.00

EXPENDITURES, BOARD COMMITMENTS, & TRANSFERS CONTINUED

ATTORNEY COMPLIANCE DIVISION	BUDGET	FTEs
Attorney Compliance	\$196,193	1.00
Advertising Review	156,912	2.00
Client Attorney Assistance Program	558,065	8.00
Lawyer Referral	430,424	5.00
MCLE	567,899	7.00
OPERATIONS/SECURITY		
Purchasing & Facilities	\$1,325,310	5.75
Customer Service	390,591	3.00
RESEARCH & ANALYSIS	\$221,705	1.50
MEMBER BENEFITS	\$88,263	-
VOLUNTEER COMMITTEES	\$323,432	1.00
FINANCE DIVISION		
Accounting	\$1,093,115	12.00
Membership	1,144,361	7.00
Other Administrative	1,695,968	-
IT DIVISION		
Information Technology	\$1,259,567	8.00
COMMUNICATIONS DIVISION		
Communications	\$266,798	2.00
Bar Journal	1,409,549	4.50
Printing and Graphics	335,281	4.00
Public Information	178,043	1.50
Website	421,064	2.00
PUBLIC PROTECTION DIVISION		
Chief Disciplinary Counsel	\$10,231,432	95.50
Ombudsman	98,461	1.00
Statewide Committees	256,462	-
Board of Disciplinary Appeals	548,481	3.00
BOARD COMMITMENTS	\$4,826,441	1.00
TRANSFERS TO SPECIAL REVENUE & CAPITAL PROJECTS FUNDS		
Texas Law Center Fund	\$288,800	
Technology Fund	500,000	
Client Security Fund	500,000	

TOTAL EXPENDITURES, BOARD COMMITMENTS, & TRANSFERS \$49,545,155

TOTAL REVENUES & RECEIPTS OVER EXPENDITURES, BOARD COMMITMENTS, & TRANSFERS \$0

TOTAL BUDGETED GENERAL FUND FTEs 265.25

(FTE—Full-Time Equivalent)

STATE BAR *of* TEXAS

2022-2023 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	\$1,443,625	\$288,170	\$300,000	\$0	\$0	\$0	\$2,031,795
SALES	0	0	1,300	25,000	0	0	0	26,300
INVESTMENTS	0	1,500	252	0	8,400	0	6,000	16,152
GRANTS	497,100	0	0	0	0	0	0	497,100
CONTRIBUTIONS	0	0	0	360,000	0	0	0	360,000
RESTITUTION	0	0	0	0	0	0	5,000	5,000
TOTAL REVENUES	\$497,100	\$1,445,125	\$289,722	\$685,000	\$8,400	\$0	\$11,000	\$2,936,347
EXPENDITURES								
SALARIES	\$0	\$536,584	\$73,704	\$0	\$0	\$0	\$0	\$610,288
BENEFITS	0	194,557	25,306	0	0	0	0	219,863
TRAVEL	158,000	45,000	42,000	10,300	0	0	0	255,300
MEETINGS & CONFERENCES	21,000	75,000	20,000	548,110	0	0	0	664,110
PROFESSIONAL SERVICES	210,325	135,000	26,116	9,000	0	0	0	380,441
PUBLICITY/ADVERTISING	0	117,744	7,000	36,500	0	0	0	161,244
DUES/SUBSCRIPTIONS/LICENSES	0	30,000	2,500	420	0	0	0	32,920
EDUCATION/TRAINING	0	1,650	750	0	0	0	0	2,400
SUPPLIES/AWARDS/GIFTS/SPEC. ITEMS	69,000	13,417	23,399	17,000	0	0	0	122,816
RENTALS—OFFICE, EQUIPMENT, STORAGE	5,000	170,000	9,000	0	0	0	0	184,000
MAINTENANCE/REPAIR	0	0	0	0	230,000	0	0	230,000
POSTAGE & FREIGHT	14,600	7,833	15,000	23,000	0	0	0	60,433
TELEPHONE	0	25,000	800	0	0	0	0	25,800
ADMINISTRATIVE	6,600	76,600	25,584	8,400	0	0	711,000	828,184
FIXED ASSETS	0	7,000	0	0	750,000	1,437,000	0	2,194,000
PRINTING AND COPYING	12,575	9,740	18,563	32,270	0	0	0	73,148
TOTAL EXPENDITURES	\$497,100	\$1,445,125	\$289,722	\$685,000	\$980,000	\$1,437,000	\$711,000	\$6,044,947
BOARD COMMITMENTS - TRANSFERS IN	0	0	0	0	(1,248,502)	(1,500,000)	(1,000,000)	(3,748,502)
TRANSFERS (IN)/OUT	0	0	0	0	(288,800)	(500,000)	(500,000)	(1,288,800)
TOTAL EXPENDITURES, BOARD COMMITMENTS & TRANSFERS	\$497,100	\$1,445,125	\$289,722	\$685,000	(\$557,302)	(\$563,000)	(\$789,000)	\$1,007,645
NET REVENUES OVER EXPENDITURES, BOARD COMMITMENTS & TRANSFERS	\$0	\$0	\$0	\$0	\$565,702	\$563,000	\$800,000	\$1,928,702
FULL-TIME EQUIVALENTS	0	6.88	1.00	0	0	0	0	7.88

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), and *McDonald v. Longley*, 4 F4th 229 (5th Cir. 2021). 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 decisionmaker. 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

2022-2023 PROPOSED GENERAL FUND BUDGET

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 FY22-23 Budget

General Fund (GF) Revenues	Budget
Attorney Membership Fees	\$21,221,742

Expenditure Categories	Budget	Dues Allocation		Individual Dues Allocation			
		Dues Allocated to Expenditure 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	700,838	\$332,590	1.57%	\$3.68	\$2.32	\$1.07	\$0.78
Associate Executive Director/Legal Counsel	783,269	\$371,708	1.75%	\$4.12	\$2.59	\$1.19	\$0.88
Deputy Executive Director	242,975	\$115,306	0.54%	\$1.28	\$0.80	\$0.37	\$0.27
Deputy Executive Director/External Affairs	274,858	\$130,437	0.61%	\$1.44	\$0.91	\$0.42	\$0.31
Officers & Directors	1,153,503	\$547,407	2.58%	\$6.06	\$3.82	\$1.75	\$1.29
Human Resources	393,826	\$186,894	0.88%	\$2.07	\$1.30	\$0.60	\$0.44
Member & Public Services Division							
Center for Legal History	154,170	\$73,163	0.34%	\$0.81	\$0.51	\$0.23	\$0.17
Law Related Education	533,269	\$253,068	1.19%	\$2.80	\$1.76	\$0.81	\$0.60
Governmental Relations	322,599	\$153,093	0.72%	\$1.70	\$1.07	\$0.49	\$0.36
Texas Young Lawyers Association	1,024,297	\$486,091	2.29%	\$5.38	\$3.39	\$1.56	\$1.15
LeadershipSBOT	98,672	\$46,826	0.22%	\$0.52	\$0.33	\$0.15	\$0.11
Sections	353,389	\$167,705	0.79%	\$1.86	\$1.17	\$0.54	\$0.40
Local Bars	468,835	\$222,491	1.05%	\$2.46	\$1.55	\$0.71	\$0.52
Special Events	73,604	\$34,930	0.16%	\$0.39	\$0.24	\$0.11	\$0.08
Law Student Department	20,266	\$9,617	0.05%	\$0.11	\$0.07	\$0.03	\$0.02
Legal & Attorney Services Division							
Texas Lawyers Assistance Program	513,944	\$243,898	1.15%	\$2.70	\$1.70	\$0.78	\$0.57
Legal Access Division	1,522,165	\$722,360	3.40%	\$8.00	\$5.04	\$2.31	\$1.70
Access to Justice Commission							
	740,527	\$351,425	1.66%	\$3.89	\$2.45	\$1.13	\$0.83
Law Practice Management Division							
	294,707	\$139,856	0.66%	\$1.55	\$0.98	\$0.45	\$0.33
Professional Development Division							
TexasBarCLE	9,982,301	\$4,737,207	22.32%	\$52.46	\$33.04	\$15.18	\$11.16
Minority Affairs	580,524	\$275,494	1.30%	\$3.05	\$1.92	\$0.88	\$0.65
Attorney Compliance Division							
Attorney Compliance	196,193	\$93,105	0.44%	\$1.03	\$0.65	\$0.30	\$0.22
Advertising Review	156,912	\$74,464	0.35%	\$0.82	\$0.52	\$0.24	\$0.18
Client Attorney Assistance Program	558,065	\$264,836	1.25%	\$2.93	\$1.85	\$0.85	\$0.62
Lawyer Referral	430,424	\$204,262	0.96%	\$2.26	\$1.42	\$0.65	\$0.48
MCLE	567,899	\$269,503	1.27%	\$2.98	\$1.88	\$0.86	\$0.63

(STATE BAR OF TEXAS 2022-2023 PROPOSED GENERAL FUND BUDGET continued)

Expenditure Categories	Budget	Dues Allocation		Individual Dues Allocation			
		Dues Allocated to Expenditure 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	1,325,310	\$628,940	2.96%	\$6.96	\$4.39	\$2.02	\$1.48
Customer Service	390,591	\$185,359	0.87%	\$2.05	\$1.29	\$0.59	\$0.44
Research & Analysis	221,705	\$105,212	0.50%	\$1.17	\$0.73	\$0.34	\$0.25
Member Benefits	88,263	\$41,886	0.20%	\$0.46	\$0.29	\$0.13	\$0.10
Volunteer Committees	323,432	\$153,488	0.72%	\$1.70	\$1.07	\$0.49	\$0.36
Finance Division							
Accounting	1,093,115	\$518,749	2.44%	\$5.74	\$3.62	\$1.66	\$1.22
Membership	1,144,361	\$543,069	2.56%	\$6.01	\$3.79	\$1.74	\$1.28
Other Administrative	1,695,968	\$804,840	3.79%	\$8.91	\$5.61	\$2.58	\$1.90
IT Department							
Information Technology	1,259,567	\$597,741	2.82%	\$6.62	\$4.17	\$1.92	\$1.41
Communications Division							
Communications	266,798	\$126,612	0.60%	\$1.40	\$0.88	\$0.41	\$0.30
Bar Journal	1,409,549	\$668,916	3.15%	\$7.41	\$4.67	\$2.14	\$1.58
Printing and Graphics	335,281	\$159,111	0.75%	\$1.76	\$1.11	\$0.51	\$0.37
Public Information	178,043	\$84,492	0.40%	\$0.94	\$0.59	\$0.27	\$0.20
Website	421,064	\$199,820	0.94%	\$2.21	\$1.39	\$0.64	\$0.47
Public Protection Division							
Chief Disciplinary Counsel	10,231,432	\$4,855,435	22.88%	\$53.77	\$33.86	\$15.56	\$11.44
Ombudsman	98,461	\$46,726	0.22%	\$0.52	\$0.33	\$0.15	\$0.11
Statewide Committees	256,462	\$121,707	0.57%	\$1.35	\$0.85	\$0.39	\$0.29
Board of Disciplinary Appeals	548,481	\$260,288	1.23%	\$2.88	\$1.82	\$0.83	\$0.61
Transfers to Special Revenue & Capital Projects Funds							
Texas Law Center Fund	288,800	\$137,053	0.65%	\$1.52	\$0.96	\$0.44	\$0.32
Technology Fund	500,000	\$237,280	1.12%	\$2.63	\$1.65	\$0.76	\$0.56
Client Security Fund	500,000	\$237,280	1.12%	\$2.63	\$1.65	\$0.76	\$0.56
Total Operating Expenditures & Transfers	\$44,718,714	\$21,221,742	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), and *McDonald v. Longley*, 4 F.4th 229 (5th Cir. 2021). As such, no State Bar of Texas expenditure of these budgeted funds is non-chargeable to members under those authorities.

*Sums in columns may not add due to rounding.