

State Bar of Texas
Proposed Combined Budget
Fiscal Year 2023-2024
Detailed Reports

Proposed Combined Budget for Fiscal Year 2023-2024

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Our Mission

The mission of the State Bar of Texas is to support the administration of the legal system, assure all citizens equal access to justice, foster high standards of ethical conduct for lawyers, enable its members to better serve their clients and the public, educate the public about the rule of law, and promote diversity in the administration of justice and the practice of law.

Executive Division

Office of the Executive Director

FY2023-2024 Proposed Budgeted Programs and Activities

The Executive Director serves as chief administrator of the State Bar as set out in the State Bar Act, State Bar Rules, and State Bar Board Policy Manual. The Executive Director administers, implements, and evaluates the day-to-day operations, established programs, activities, and projects of the State Bar. The Executive Director ensures the State Bar meets its obligations and purposes by carrying out the policy decisions of the Board of Directors and by administering the operations of the State Bar according to best practices and high standards of ethical conduct. The Office of the Executive Director includes the Executive Director as well as support staff for the office.

In addition to salaries, major expenditures include travel to bar-related meetings and conferences for the purposes of representing the State Bar, gaining valuable insights on the needs of those whom the State Bar serves, and educating members and the public on the services and resources available to them.

Office of Executive Director Proposed Detailed Budget Fiscal Year 2023-2024

	<u>Budget</u>
Expenditures:	
Salaries	\$462,263
Benefits	140,990
Travel	41,728
Meetings & Conferences	15,750
Dues/Subscriptions/Licenses	6,000
Education/Training	6,000
Supplies/Awards/Gifts/Spec. Items	10,118
Rentals - Office, Equipment, Storage	406
Postage and Freight	1,250
Telephone	6,230
Administrative	1,000
Printing and Copying	4,000
Total Expenditures	<u>695,735</u>
Excess (Deficit) of Revenues Over Expenditures & Transfers	<u><u>(695,735)</u></u>

Office of Legal Counsel
FY2023-2024 Proposed Budgeted Programs and Activities

The department provides legal counsel and legal services to the State Bar, its executive director and staff, and its board of directors. It also handles the duties of in-house counsel by providing internal legal advice and information to assure compliance with all laws. The department works to ensure the State Bar complies with the State Bar Act, State Bar Rules, and board and internal policies, which set forth the State Bar’s core purposes and its mission. The department also monitors compliance with limitations imposed by *Keller v. State Bar of California* (U.S. Supreme Court) and *McDonald v. Longley* (Fifth Circuit). Major non-salary expenditures include professional services, which largely cover outside counsel services for lawyers serving as board general counsel and representing the State Bar in litigation and employment matters.

Legal Counsel
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Expenditures:	
Salaries	\$481,997
Benefits	147,009
Travel	15,900
Meetings & Conferences	1,130
Professional Services	127,000
Dues/Subscriptions/Licenses	19,200
Education/Training	6,440
Supplies/Awards/Gifts/Spec. Items	2,850
Rentals - Office, Equipment, Storage	360
Postage and Freight	360
Telephone	2,700
Printing and Copying	122
Total Expenditures	805,068
 Excess (Deficit) of Revenues Over Expenditures & Transfers	 (805,068)

Deputy Executive Director
FY2023-2024 Proposed Budgeted Programs and Activities

The purpose of this department is to support the Executive Department and the Board of Directors in administering the agency to accomplish its mission. The Deputy Executive Director assists the Board of Directors, President and President-elect, and Executive office in implementing various State Bar initiatives. The Deputy Executive Director also oversees the management of various program areas in the Bar, including the divisions/departments and functions included under Information Technology, Attorney Compliance, Finance, Research and Analysis, Insurance Member Benefits, and Operations and Security.

Non-salary expenditures include travel to board meetings, conferences, and other bar events. Expenditures also include office supplies and general administrative expenditures.

Deputy Executive Director
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Expenditures:	
Salaries	\$187,561
Benefits	58,233
Travel	6,525
Meetings & Conferences	290
Education/Training	630
Supplies/Awards/Gifts/Spec. Items	255
Telephone	1,000
Printing and Copying	200
Total Expenditures	254,694
 Excess (Deficit) of Revenues Over Expenditures & Transfers	 (254,694)

Deputy Executive Director - External Affairs
FY2023-2024 Proposed Budgeted Programs and Activities

The Deputy Executive Director provides executive-level guidance and management oversight to the Member & Public Services Division, the Professional Development Division, and the Law Practice Resources Division. The Deputy Executive Director serves as a member of the Executive Team and works with the Executive Director to carry out the work of the organization.

The Deputy Executive Director also currently serves as the Member and Public Services Division Director and provides oversight of Archives, Governmental Relations, Law Related Education (LRE), Texas Young Lawyers Association (TYLA) and Sections Departments.

Non-salary expenses include travel and costs associated with meetings, conferences, and other bar events and administrative (telephone) expenses.

Deputy Executive Director/External Affairs
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Expenditures:	
Salaries	\$213,393
Benefits	66,112
Travel	6,500
Meetings & Conferences	1,160
Telephone	840
Total Expenditures	288,005
Excess (Deficit) of Revenues Over Expenditures & Transfers	(288,005)

Officers and Directors Department
FY2023-2024 Proposed Budgeted Programs and Activities

The Officers and Directors’ budget includes expenditures that allow the Board of Directors and its committees to meet, discuss, and govern the State Bar of Texas and function as the governing body of the State Bar (State Bar Act Sec. 81.020). The board provides essential leadership in establishing policy designed to regulate the conduct of lawyers fairly across the state, promote high ethical standards and professionalism, and help educate the public and lawyers about lawyer regulation, the grievance system, the client security fund, and other services and programs of the State Bar.

Major expenditures include travel for board and committee meetings and other bar-related meetings and conferences; contracts with an election services provider to conduct elections for president-elect and district directors; limited reimbursements for president-elect campaign expenditures; and insurance costs including directors’ and officers’ liability coverage and employment practices liability coverage.

Officers & Directors
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Expenditures:	
Salaries	\$269,653
Travel	372,139
Meetings & Conferences	216,533
Professional Services	42,000
Dues/Subscriptions/Licenses	19,500
Education/Training	9,867
Supplies/Awards/Gifts/Spec. Items	32,500
Postage and Freight	66,220
Telephone	500
Insurance	293,666
Administrative	117,500
Printing and Copying	68,078
Total Expenditures	1,508,156
 Excess (Deficit) of Revenues Over Expenditures & Transfers	 (1,508,156)

Human Resources Department
FY2023-2024 Proposed Budgeted Programs and Activities

The Human Resources Department provides services to all departments and divisions to ensure the State Bar has the necessary staff to fulfill its mission. The department provides the following services: employment and recruiting; labor and employment law compliance, including EEO; compensation and benefits administration; employee relations; training and development of staff; personnel record maintenance; employee disciplinary actions; and the performance appraisal process. Other department programs include tuition reimbursement and employee events.

A major department expenditure is education/training. The training program serves to provide management and non-management training and development opportunities to staff to further their knowledge and skill set, increasing their effectiveness in successfully performing their job duties and serving the members and customers of the State Bar. Other non-salary expenditures include meetings and conferences, including staff meetings, trainings, and benefits fairs; and professional services, including consultant or specialist services for staff development and training, compensation review, and the Employee Assistance Program.

Human Resources
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Expenditures:	
Salaries	\$288,462
Benefits	87,981
Travel	1,300
Meetings & Conferences	13,557
Professional Services	8,088
Dues/Subscriptions/Licenses	7,475
Education/Training	65,283
Supplies/Awards/Gifts/Spec. Items	5,155
Rentals - Office, Equipment, Storage	240
Maintenance/Repair	250
Postage and Freight	260
Telephone	1,200
Printing and Copying	290
Total Expenditures	479,541
 Excess (Deficit) of Revenues Over Expenditures & Transfers	 (479,541)

Member and Public Services Division

Center for Legal History

FY2023-2024 Proposed Budgeted Programs and Activities

The Center for Legal History or Archives department collects, preserves, and provides access to the official records and publications of the State Bar of Texas and to a wide range of materials that document Texas legal history. The Archives department provides information and resources to members of the Bar and to the public, as well as to State Bar staff and volunteers. The department supports records retention compliance; collects and catalogs records and digitizes items for online posting; and responds to inquiries from State Bar staff, volunteers, and members. The department provides research services to the public at no charge.

In addition to salaries, major expenditures include costs related to staff participation in two professional conferences to stay abreast of changes in archival science and costs related to the Online Public Access Catalog that allows online public access to archival records.

Center for Legal History Proposed Detailed Budget Fiscal Year 2023-2024

	Budget
Expenditures:	
Salaries	\$111,419
Benefits	33,068
Travel	2,350
Meetings & Conferences	160
Professional Services	850
Publicity/Advertising	100
Dues/Subscriptions/Licenses	12,976
Education/Training	1,079
Supplies/Awards/Gifts/Spec. Items	6,288
Rentals - Office, Equipment, Storage	2,700
Postage and Freight	160
Telephone	40
Printing and Copying	1,700
Total Expenditures	<u>172,890</u>
Excess (Deficit) of Revenues Over Expenditures & Transfers	<u><u>(172,890)</u></u>

**Law Related Education
FY2023-2024 Proposed Budgeted Programs and Activities**

The Law-Related Education (LRE) department advances law-related and civic education programs throughout the state. Working with the legal community, public and private school districts, universities, and Regional Educational Service Centers of the State of Texas, the LRE department administers numerous programs designed to improve the administration of justice and promote civic participation and competence. The LRE department educates the public about the rule of law, the importance of responsible citizenship, and effective participation in the nation’s legal system. The department develops and implements a variety of workshops and institutes; engages in a number of public outreach opportunities; develops LRE curriculum; develops online LRE resources and courses; maintains the LRE website; and issues awards to recognize and promote law-related education.

Major non-salary expenditures include website hosting and maintenance fees; costs for professional services, such as presenters at workshops and institutes, video and illustration production services, and curriculum and module creation; lunches for participants and staff who attend professional development programs; domain renewal fees and subscriptions to graphic arts services; expenses for education and training; and rental of audio/visual equipment for certain programs. Revenue consists of registration fees.

**Law Related Education
Proposed Detailed Budget
Fiscal Year 2023-2024**

	Budget
Revenues:	
Fees	\$2,500
Total Revenues	2,500
Expenditures:	
Salaries	240,702
Benefits	74,441
Travel	53,500
Meetings & Conferences	43,500
Professional Services	74,000
Education/Training	5,500
Supplies/Awards/Gifts/Spec. Items	30,100
Rentals - Office, Equipment, Storage	2,500
Postage and Freight	7,400
Telephone	2,110
Printing and Copying	15,506
Total Expenditures	549,259
Excess (Deficit) of Revenues Over Expenditures & Transfers	(546,759)

Governmental Relations
FY2023-2024 Proposed Budgeted Programs and Activities

The Governmental Relations department serves as the State Bar’s liaison to the Texas Legislature and other state and federal governmental entities and coordinates the State Bar’s legislative program. The department monitors legislation for potential impact on the State Bar and furthers attorney involvement in legislative matters addressing the State Bar, the regulation of lawyers, the functioning of state or federal courts, or the functioning of the legal system.

Major non-salary expenditures include subscriptions for legislative information and analytics related to state government.

Governmental Relations
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Expenditures:	
Salaries	\$236,297
Benefits	62,555
Travel	3,500
Meetings & Conferences	1,000
Dues/Subscriptions/Licenses	23,638
Education/Training	2,250
Supplies/Awards/Gifts/Spec. Items	2,906
Rentals - Office, Equipment, Storage	725
Postage and Freight	400
Telephone	2,050
Printing and Copying	950
Total Expenditures	336,271
 Excess (Deficit) of Revenues Over Expenditures & Transfers	 (336,271)

Texas Young Lawyers Association (TYLA)
FY2023-2024 Proposed Budgeted Programs and Activities

The Texas Young Lawyers Association (TYLA) is defined in Article 1(15) of the State Bar Rules as “the division of the State Bar of Texas commonly referred to as its “public service arm” and whose regular membership is comprised of all members of the State Bar of Texas, irrespective of age, licensed twelve years or less at the beginning of each fiscal year beginning June 1.” TYLA develops programs and sponsors seminars designed to aid and enhance the practice of law for its members, including providing training and experience for future bar leadership. TYLA also implements projects designed to provide legal education and services to the public. TYLA projects include lawyer-mentorship programs, CLEs and seminars for lawyers, the development of curriculum programs, diversity initiatives, the development of law-focused pamphlets, newsletters, videos and public service announcements, the facilitation of legal assistance related to disaster relief, and access to justice initiatives. TYLA works closely with local bar young lawyer associations to strengthen local programs and increase attorney involvement at both the local and statewide level. In addition to salaries, major expenditures include travel and meeting costs for board meetings and events; website development; videography; and other technology costs. Major revenue sources include registration fees and website advertising sales.

TYLA
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Revenues:	
Fees	\$98,950
Advertising	10,000
Total Revenues	108,950
Expenditures:	
Salaries	232,545
Benefits	70,926
Travel	300,000
Meetings & Conferences	250,356
Professional Services	53,068
Dues/Subscriptions/Licenses	1,300
Education/Training	3,750
Supplies/Awards/Gifts/Spec. Items	31,000
Rentals - Office, Equipment, Storage	5,020
Postage and Freight	12,500
Telephone	4,464
Administrative	62,000
Printing and Copying	13,030
Total Expenditures	1,039,959
Excess (Deficit) of Revenues Over Expenditures & Transfers	(931,009)

Leadership SBOT
FY2023-2024 Proposed Budgeted Programs and Activities

LeadershipSBOT is a year-long training program that teaches leadership and increases diversity in leadership participation within the legal community and the State Bar of Texas. Through nominations, potential leaders are identified to participate in the program who might not otherwise be engaged in State Bar of Texas service. Participants examine various aspects of the State Bar, learn leadership expectations, and identify opportunities to serve the Texas legal community and public. Each class consists of 20 members and meets three times per fiscal year.

Major expenditures include travel costs, hotel and conference space, and speakers or consultants for training.

SBOT Leadership Academy
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Revenues:	
Contributions	\$5,000
Total Revenues	5,000
Expenditures:	
Travel	44,525
Meetings & Conferences	39,572
Professional Services	5,500
Publicity/Advertising	100
Education/Training	1,800
Supplies/Awards/Gifts/Spec. Items	5,000
Rentals - Office, Equipment, Storage	500
Postage and Freight	100
Telephone	75
Printing and Copying	1,500
Total Expenditures	98,672
Excess (Deficit) of Revenues Over Expenditures & Transfers	(93,672)

Sections Department
FY2023-2024 Proposed Budgeted Programs and Activities

The Sections department provides administrative and staffing support to State Bar sections to help them accomplish their goals, initiatives, and missions, and educates the leadership and governing bodies of State Bar sections regarding State of Texas and State Bar of Texas policies, regulations, financial procedures, and best practices for governance and the provision of benefits to section members.

The Sections department provides support for section initiatives and programs, including: planning and conducting section council meetings; producing live and virtual continuing legal education courses; conducting one orientation and two Council of Chairs meetings; providing website support; planning and distributing section publications; assisting the sections to promote internships, grants, and pro bono service programs; implementing diversity and inclusion initiatives; and facilitating section participation and programming related to the State Bar Annual Meeting. In addition to salaries, major expenditures of the Sections department include staff travel related to meetings and continuing legal education courses; expenses related to meetings and conferences; and dues, subscriptions, and licenses.

Sections
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Expenditures:	
Salaries	\$264,841
Benefits	77,727
Travel	12,680
Meetings & Conferences	5,620
Publicity/Advertising	910
Dues/Subscriptions/Licenses	3,000
Education/Training	2,033
Supplies/Awards/Gifts/Spec. Items	2,899
Rentals - Office, Equipment, Storage	360
Postage and Freight	565
Telephone	5,115
Administrative	2,400
Printing and Copying	650
Total Expenditures	378,800
 Excess (Deficit) of Revenues Over Expenditures & Transfers	 (378,800)

Law Student Division
FY2023-2024 Proposed Budgeted Programs and Activities

The purpose of the Law Student Division is to enhance law students' participation in the administration of justice, the advancement of professional responsibility, and the implementation of public service programs in cooperation with the State Bar of Texas and the Texas Young Lawyers Association. The division offers campus programs to Texas law schools, including section mentoring programs, law practice management programs, access to justice programs, and Texas Lawyers' Assistance Program (TLAP) events. Activities of the division also include two scholarship opportunities for law students. The legal professionalism award and the essay contest promote understanding of the justice system. The Law Student Division gives law students insight into the purposes of the State Bar of Texas and the Texas Young Lawyers Association before they become licensed Texas attorneys.

Expenditures include administrative support; travel and meeting costs; two legal professionalism awards and two awards for an essay contest among Law Student Division applicants. Revenue consists of membership fees collected during membership drives, student organization fairs, and law school programs sponsored by the Division at the various Texas law school campuses throughout the year.

Law Student Division
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Revenues:	
Dues	\$6,000
Total Revenues	6,000
Expenditures:	
Travel	3,473
Meetings & Conferences	3,450
Education/Training	2,500
Supplies/Awards/Gifts/Spec. Items	4,750
Postage and Freight	285
Administrative	5,000
Printing and Copying	808
Total Expenditures	20,266
Excess (Deficit) of Revenues Over Expenditures & Transfers	(14,266)

Legal and Attorney Services Division

Legal Access Division

FY2023-2024 Proposed Budgeted Programs and Activities

The Legal Access Division improves the quality of legal services to low-income Texans through the provision of statewide support services for legal aid and pro bono programs and by developing and implementing strategies and initiatives to improve access to justice. Programs include the Pro Bono Texas campaign, Texas Disaster Response and Coordination Team, Legal Research Network, Malpractice Insurance Network Exchange, Language Access Fund, Communications Access Fund, Referral Directory, and Pro Bono Work Group. Expenditures include salaries, travel and other costs associated with meetings and conferences including the Poverty Law Conference, Pro Bono Coordinators Retreat, Family Law Essentials Seminars, and the ATJ Track at the SBOT Local Bar Leaders Conference.

Legal Access Proposed Detailed Budget Fiscal Year 2023-2024

	Budget
Revenues:	
Fees	\$25,000
Total Revenues	25,000
Expenditures:	
Salaries	402,225
Benefits	122,679
Travel	99,403
Meetings & Conferences	165,508
Professional Services	197,463
Dues/Subscriptions/Licenses	143,369
Education/Training	5,900
Supplies/Awards/Gifts/Spec. Items	8,750
Rentals - Office, Equipment, Storage	1,800
Postage and Freight	12,005
Telephone	2,500
Insurance	268,615
Administrative	1,250
Printing and Copying	26,800
Total Expenditures	1,458,267
Excess (Deficit) of Revenues Over Expenditures & Transfers	(1,433,267)

Texas Lawyers' Assistance Program (TLAP)
FY2023-2024 Proposed Budgeted Programs and Activities

The Texas Lawyers' Assistance Program (TLAP) provides for the identification, peer intervention, counseling, and rehabilitation of any Texas lawyer, judge, or law student whose professional performance may be affected by substance use or mental health disorders. TLAP is the peer assistance program of the State Bar and is governed by the provisions of the Texas Health & Safety Code, Chapter 467 et seq. and Texas Administrative Code, Chapter 151. TLAP provides connection to the help needed to address the mental health and substance use problems some lawyers face, including direct peer support, in-the-moment telephonic counseling support, mental health and substance use treatment and professional support, therapy, connection to funding for care through the Sheeran-Crowley Lawyer Wellness Trust, and access to group support. TLAP assists attorneys in maintaining their fitness to practice and handle the important interests of the public.

Expenses consist of salaries, travel costs for outreach and presentations, in-the-moment telephonic counseling service costs, committee and presentation meeting costs, education and training, and subscriptions necessary to provide online and remote services.

Texas Lawyers Assistance Program
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Expenditures:	
Salaries	\$349,988
Benefits	106,746
Travel	52,534
Meetings & Conferences	6,800
Professional Services	9,800
Dues/Subscriptions/Licenses	5,000
Education/Training	2,000
Supplies/Awards/Gifts/Spec. Items	2,900
Postage and Freight	400
Telephone	1,700
Printing and Copying	1,000
Total Expenditures	538,868
 Excess (Deficit) of Revenues Over Expenditures & Transfers	 (538,868)

Texas Access to Justice Commission

FY2023-2024 Proposed Budgeted Programs and Activities

The Texas Supreme Court created the Texas Access to Justice Commission to provide statewide leadership for improving the quantity and quality of legal services available to more than 5 million people living in Texas who qualify for legal aid. Its mission is to develop and implement policy initiatives designed to expand access to and enhance the quality of justice in civil legal matters for low-income Texans. Commissioners meet quarterly to conduct the work of the Commission. Commission programs include Texas disaster response and coordination, the ATJ Internship Program, language access initiatives, and working to increase resources and funding for access to justice in civil matters. Major expenditures include salaries and the costs associated with meetings of the Commission and its committees.

Access to Justice Commission Proposed Detailed Budget Fiscal Year 2023-2024

	Budget
Expenditures:	
Salaries	\$353,298
Benefits	108,783
Travel	123,700
Meetings & Conferences	40,379
Professional Services	28,022
Publicity/Advertising	19,780
Dues/Subscriptions/Licenses	13,090
Education/Training	5,505
Supplies/Awards/Gifts/Spec. Items	9,965
Postage and Freight	13,175
Telephone	2,700
Administrative	54,600
Printing and Copying	16,560
Total Expenditures	789,557
 Excess (Deficit) of Revenues Over Expenditures & Transfers	 (789,557)

Law Practice Management

FY2023-2024 Proposed Budgeted Programs and Activities

The Law Practice Management (LPM) department works with the LPM committee to develop programs and resources on effective law practice management for Bar members. This includes addressing issues incurred while practicing a business, such as dissolution of abandoned law practices when attorneys have had a sudden and unexpected cessation of practice. The LPM department also answers questions from attorneys and provides educational resources and tools to assist lawyers in managing their practices more efficiently and in a cost-effective way. The LPM department focuses on projects to address specific practice management needs covering the arc of a lawyer's career from law school through retirement. The LPM committee has specifically focused on educating lawyers in the ethical and effective use of technology to provide cost-effective legal services, assisting lawyers in adapting their practice to navigate the pandemic environment, assisting lawyers in succession planning, and assisting colleagues and family members when a lawyer's practice ceases unexpectedly.

Costs include salaries, travel, teleconference, and food for committee meetings. Costs also include professional services for website support, marketing, telephone, postage, and printing.

Law Practice Management Proposed Detailed Budget Fiscal Year 2023-2024

	<u>Budget</u>
Expenditures:	
Salaries	\$189,472
Benefits	57,789
Travel	3,000
Professional Services	12,000
Publicity/Advertising	350
Dues/Subscriptions/Licenses	961
Education/Training	700
Supplies/Awards/Gifts/Spec. Items	100
Postage and Freight	50
Administrative	58,467
Printing and Copying	250
Total Expenditures	<u>323,139</u>
Excess (Deficit) of Revenues Over Expenditures & Transfers	<u>(323,139)</u>

Professional Development Division

TexasBarCLE

FY2023-2024 Proposed Budgeted Programs and Activities

TexasBarCLE has two main purposes: (1) to provide high-quality continuing legal education (CLE) to assist Texas lawyers in maintaining and improving their legal knowledge and skills, and (2) to generate net revenue through sound business practice to assist the State Bar in continuing to operate at a high level of service to members and the public without the need for frequent dues increases.

The department provides in-person live and video replay programs across a spectrum of practice areas and experience levels. It also provides lawyers with continuing legal education through an online CLE classroom, a substantive CLE library of legal articles, CLE webcasts, group CLE programs, and free or discounted CLE programs. TexasBarCLE also provides access to oral arguments and meetings of the Texas Supreme Court and Court of Criminal Appeals. These offerings help to regulate the legal profession and improve the quality of legal services.

The department's budget consists of salaries, the costs of CLE meetings and conferences, professional services related to putting on CLE programs, rentals, administrative costs for items such as mobile apps for events, printing course materials, supplies, subscriptions and dues, telephone and Wi-Fi costs, marketing and advertising, training, and insurance.

TexasBarCLE's detailed budget is presented on the following page.

**TexasBarCLE
Proposed Detailed Budget
Fiscal Year 2023-2024**

	Budget
Revenues:	
Fees	\$12,482,391
Sales	1,050,601
Contributions	416,252
Other Revenue	110,270
Total Revenues	14,059,514
Expenditures:	
Salaries	2,697,629
Benefits	827,573
Travel	250,280
Meetings & Conferences	2,861,875
Professional Services	1,349,794
Publicity/Advertising	215,892
Dues/Subscriptions/Licenses	251,467
Education/Training	20,172
Supplies/Awards/Gifts/Spec. Items	121,920
Rentals - Office, Equipment, Storage	518,788
Maintenance/Repair	208,000
Postage and Freight	45,160
Telephone	91,766
Insurance	67,500
Administrative	56,967
Printing and Copying	383,125
Total Expenditures	9,967,908
Excess (Deficit) of Revenues Over Expenditures & Transfers	4,091,606

Office of Diversity, Equity & Inclusion
FY2023-2024 Proposed Budgeted Programs and Activities

The Diversity, Equity & Inclusion department develops and supports initiatives focused on enhancing and increasing diversity, equity, and inclusion in the legal profession, and fostering allies of historically underrepresented groups. The department’s programs and services are open to all attorneys, including diverse members of the Bar. The department provides access to programs and services, increases member participation in the governance of the State Bar, and helps members develop sound law office practice management.

The department develops continuing legal education and puts on networking and leadership programs to engage and educate attorneys and groups about diverse legal resources, leadership, and legal careers. It also acts as a liaison between the State Bar of Texas and the Diversity in the Profession and Women in the Profession committees. Expenses for this department include salaries, the costs of meetings, conferences, travel, publicity and advertising, audio/visual needs, and supplies.

Diversity Equity and Inclusion
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Revenues:	
Fees	\$117,000
Contributions	308,000
Total Revenues	425,000
Expenditures:	
Salaries	192,479
Benefits	58,706
Travel	40,363
Meetings & Conferences	259,150
Professional Services	39,600
Publicity/Advertising	2,255
Dues/Subscriptions/Licenses	460
Supplies/Awards/Gifts/Spec. Items	20,585
Rentals - Office, Equipment, Storage	175
Postage and Freight	165
Telephone	3,650
Printing and Copying	2,595
Total Expenditures	620,183
Excess (Deficit) of Revenues Over Expenditures & Transfers	(195,183)

Attorney Compliance Division

Attorney Compliance Division Director

FY2023-2024 Proposed Budgeted Programs and Activities

The purpose of the department is to oversee the mandatory administrative compliance requirements or attorneys. This includes the MCLE, Advertising Review, CAAP, and Lawyer Referral & Information Service Departments. The department provides leadership for the department directors and their staff to effectively manage the administrative requirements for attorneys. It also provides support to board members, bar officers, and staff to implement policy initiatives and agency functions.

Non-salary expenditures include office supplies and general administrative expenditures such as paper, cell phone, printing, all for the administration of the office. Additional expenses include travel for board meetings, presentations, and committee meetings.

Attorney Compliance Director Proposed Detailed Budget Fiscal Year 2023-2024

	<u>Budget</u>
Expenditures:	
Salaries	\$151,007
Benefits	46,057
Travel	5,760
Meetings & Conferences	200
Education/Training	1,000
Supplies/Awards/Gifts/Spec. Items	600
Telephone	550
Printing and Copying	250
Total Expenditures	<u>205,424</u>
 Excess (Deficit) of Revenues Over Expenditures & Transfers	 <u><u>(205,424)</u></u>

Advertising Review
FY2023-2024 Proposed Budgeted Programs and Activities

The purpose of the department is to implement the lawyer advertising rules under Part VII of the Texas Disciplinary Rules of Professional Conduct. The rules and advertising review regulatory process are designed to protect the public from false, misleading, or deceptive communications. Staff facilitates the regulatory functions as per the rules and works with the Advertising Review Committee to implement the regulatory process. The department reviews ads and written solicitations in accordance with the disciplinary rules in order to protect the public. The department also provides an important educational role to attorneys by giving technical support over the phone, in person, by correspondence, and by providing CLE courses.

Non-salary department expenditures include travel costs for both the Advertising Review Committee when it resumes meeting in person, and for staff to give CLE presentations throughout the state. The department budget also consists of funds to cover the administrative costs associated with running the department.

Advertising Review
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Revenues:	
Fees	\$254,300
Total Revenues	254,300
Expenditures:	
Salaries	101,124
Benefits	30,843
Travel	12,936
Meetings & Conferences	600
Dues/Subscriptions/Licenses	300
Education/Training	392
Supplies/Awards/Gifts/Spec. Items	4,986
Rentals - Office, Equipment, Storage	450
Postage and Freight	4,715
Telephone	1,960
Printing and Copying	2,400
Total Expenditures	160,706
Excess (Deficit) of Revenues Over Expenditures & Transfers	93,594

Client-Attorney Assistance Program
FY2023-2024 Proposed Budgeted Programs and Activities

The Client-Attorney Assistance Program (CAAP) provides information about the grievance process to the public; provides callers referral assistance for issues outside the scope of CAAP; and facilitates communication between clients and Texas attorneys that assists in resolving issues, concerns, or misunderstandings within the context of the attorney-client relationship. The department answers the grievance information helpline and provides information to callers about disciplinary procedures. It also assists the public and attorneys by providing mediation and dispute resolution services to resolve issues that do not involve misconduct according to the Texas Disciplinary Rules of Professional Conduct. In addition, the department provides information and educational materials at CLE programs statewide and through personal contact with lawyers in the dispute resolution process. CAAP also receives Discretionary Grievance Referrals directly from the Chief Disciplinary Counsel’s office.

Non-salary department expenditures include administrative expenses (including for office supplies, phones, printing, and copying) and travel expenses (including for CLE events and Bar meetings and conferences).

Client Attorney Assistance Program
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Expenditures:	
Salaries	\$477,705
Benefits	145,700
Travel	1,800
Publicity/Advertising	400
Dues/Subscriptions/Licenses	500
Education/Training	2,000
Supplies/Awards/Gifts/Spec. Items	6,000
Rentals - Office, Equipment, Storage	250
Postage and Freight	6,500
Telephone	4,000
Printing and Copying	4,000
Total Expenditures	648,855
 Excess (Deficit) of Revenues Over Expenditures & Transfers	 (648,855)

Lawyer Referral & Information Service (LRIS)
FY2023-2024 Proposed Budgeted Programs and Activities

The LRIS assists the public by providing access to legal representation or other resources through referrals and serves attorney members by acting as a source of fee-generating cases, opportunities for service, and client development. The department also certifies local referral services in Texas as statutorily required by the Texas Lawyer Referral Service Quality Assurance Act and investigates uncertified referral services. The LRIS provides individuals statewide an opportunity to have a consultation with a lawyer for \$20 for the initial half-hour to discuss their legal issue.

The department’s major non-salary expenditures include publicity and advertising, travel, and professional services. Publicity and advertising expenditures are used to promote the service. Travel expenses include attendance at two educational conferences. Professional Services consist of credit card transaction fees to process annual fees and attorney referral fees submitted by participating attorneys.

Lawyer Referral
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Revenues:	
Fees	\$180,000
Total Revenues	180,000
Expenditures:	
Salaries	259,681
Benefits	80,230
Travel	2,300
Meetings & Conferences	150
Professional Services	2,050
Publicity/Advertising	74,460
Dues/Subscriptions/Licenses	25
Education/Training	450
Supplies/Awards/Gifts/Spec. Items	1,300
Rentals - Office, Equipment, Storage	120
Postage and Freight	600
Telephone	9,000
Printing and Copying	400
Total Expenditures	430,766
Excess (Deficit) of Revenues Over Expenditures & Transfers	(250,766)

**Minimum Continuing Legal Education (MCLE)
FY2023-2024 Proposed Budgeted Programs and Activities**

The MCLE department administers and enforces Article XII of the State Bar Rules and Texas Gov't Code Section 81.113, which require attorneys to obtain minimum continuing legal education. Texas law requires all active attorneys to attend at least 15 hours of continuing legal education per year to maintain a valid Texas law license. The MCLE department's major activities include: providing staff support to the Minimum Continuing Legal Education Committee of the State Bar; reviewing submitted CLE materials to determine whether they meet the accreditation criteria established by the Committee; providing accreditation for CLE sponsors who meet certain criteria that entitles their materials and programs to be presumptively approved for accreditation; monitoring compliance by licensed attorneys with the minimum CLE requirements; overseeing suspension and authorizing reinstatement for noncompliant attorneys; providing customer service to attorneys regarding the fulfillment of their MCLE responsibilities; and reviewing and accrediting programs of instruction for attorneys who represent parties in guardianship cases or who serve as court-appointed guardians.

The major categories of non-salary expenditures include: Professional Services - Credit card processing fees for collection of credit card payments; Postage and Printing/Inventory - for compliance notices to attorneys; Travel – for conferences related to continuing legal education; and Administrative Expenditures – office supplies, phone, equipment, etc.

**MCLE Dept
Proposed Detailed Budget
Fiscal Year 2023-2024**

	Budget
Revenues:	
Fees	\$3,692,050
Total Revenues	3,692,050
Expenditures:	
Salaries	371,823
Benefits	114,433
Travel	14,300
Professional Services	45,000
Publicity/Advertising	555
Dues/Subscriptions/Licenses	800
Supplies/Awards/Gifts/Spec. Items	4,799
Rentals - Office, Equipment, Storage	1,795
Maintenance/Repair	300
Postage and Freight	32,004
Telephone	600
Printing and Copying	12,000
Total Expenditures	598,409
Excess (Deficit) of Revenues Over Expenditures & Transfers	3,093,641

Operations Division

Purchasing and Facilities

FY2023-2024 Proposed Budgeted Programs and Activities

The Purchasing and Facilities department provides maintenance and security for the Texas Law Center facility, equipment, and grounds; support for meeting room set up; mail services; copy services; and purchasing services. The department provides a centralized purchasing function for the State Bar.

Major non-salary expenditures include professional services, such as security (off-duty law enforcement officers), security and fire alarm panel monitoring, custodial service and cleaning supplies, and landscaping; maintenance and repair of all systems within the Texas Law Center, such as elevator service, HVAC service, and security and fire alarm system; and utilities expenditures, including for electricity and water. Rental expenditures include post office box, postage and copier machines, and video projectors. Other administrative expenditures include general office supplies and equipment.

Purchasing and Facilities Proposed Detailed Budget Fiscal Year 2023-2024

	Budget
Revenues:	
Sales	\$6,500
Other Revenue	40,000
Total Revenues	<u>46,500</u>
Expenditures:	
Salaries	352,984
Benefits	107,660
Travel	2,000
Meetings & Conferences	4,000
Professional Services	359,800
Dues/Subscriptions/Licenses	2,520
Education/Training	2,760
Supplies/Awards/Gifts/Spec. Items	42,800
Rentals - Office, Equipment, Storage	50,688
Maintenance/Repair	127,500
Utilities	248,960
Postage and Freight	280
Telephone	7,870
Printing and Copying	830
Total Expenditures	<u>1,310,652</u>
Excess (Deficit) of Revenues Over Expenditures & Transfers	<u>(1,264,152)</u>

Membership
FY2023-2024 Proposed Budgeted Programs and Activities

The Membership Department maintains and updates records of attorneys licensed in Texas and, on behalf of the Texas Supreme Court Clerk, collects annual membership fee payments required by Section 81.054 of the Texas Government Code. The Department provides customer service to State Bar members and verifies bar membership for various entities and the general public. The Department suspends attorneys for non-compliance and reinstates attorneys when they comply with statutory requirements. The Department also processes section dues, Access to Justice contributions, license fees, Law Student Division dues, and replacement bar card fees. Additionally, the Department collects, on behalf of the Texas Supreme Court Clerk, the legal services fee set by the Texas Supreme Court and required by Section 81.054 of the Texas Government Code, which is subsequently remitted to the Texas Comptroller of Public Accounts. The department verifies eligibility for Supervised Practice Cards for qualified law school students and qualified law school graduates. Expenditures related to professional services include credit card processing fees for collection of membership dues by credit card. Postage and printing costs are incurred to mail annual dues notifications and correspondence to members.

Membership
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Revenues:	
Dues	\$21,579,602
Fees	718,255
Other Revenue	1,205
Total Revenues	22,299,062
Expenditures:	
Salaries	409,384
Benefits	124,862
Travel	1,400
Meetings & Conferences	700
Professional Services	512,495
Dues/Subscriptions/Licenses	1,235
Education/Training	1,350
Supplies/Awards/Gifts/Spec. Items	7,200
Rentals - Office, Equipment, Storage	4,095
Postage and Freight	88,200
Telephone	1,800
Printing and Copying	63,800
Total Expenditures	1,216,521
Excess (Deficit) of Revenues Over Expenditures & Transfers	21,082,541

Insurance Member Benefits
FY2023-2024 Proposed Budgeted Programs and Activities

The Insurance Member Benefits department provides Texas lawyers with access to insurance services and resources. Insurance services and resources include health and ancillary insurance products as well as other practice related resources. A secondary objective is to serve as a source of non-dues revenue. The program is marketed through personal outreach and targeted communications. The expenditures of the program include marketing and advertising, and travel and supplies and software costs related to educational presentations on benefits offered to Texas attorneys.

Insurance Member Benefits
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Revenues:	
Other Revenue	\$840,306
Total Revenues	840,306
Expenditures:	
Travel	8,000
Publicity/Advertising	15,000
Dues/Subscriptions/Licenses	3,770
Supplies/Awards/Gifts/Spec. Items	100
Postage and Freight	7,204
Administrative	3,055
Printing and Copying	5,965
Total Expenditures	43,094
Excess (Deficit) of Revenues Over Expenditures & Transfers	797,212

Research and Analysis
FY2023-2024 Proposed Budgeted Programs and Activities

The Research and Analysis department provides detailed information and reporting about the legal profession in Texas. The department aids the Bar in understanding and responding to the changing needs of those to whom the State Bar provides services or employs. This research assists the Bar in regulating the legal profession and improving the quality of legal services. The department’s annual activities include conducting statistical surveys and studies in relation to the legal profession, including statistics on the active attorney population, their compensation, hourly rates, demographic trends, diversity, geographic distribution and density, and any other relevant information affecting the legal profession. Other department functions include conducting judicial polls and evaluations, board elections, budget forecasts, employee opinion surveys, and managing the Member Benefits department.

Non-salary expenditures include administrative costs, travel to board and committee meetings, and professional services for software for survey administration, data collection, and reporting.

Research & Analysis
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Expenditures:	
Salaries	\$137,671
Benefits	41,685
Travel	5,000
Meetings & Conferences	643
Professional Services	14,186
Dues/Subscriptions/Licenses	467
Education/Training	1,000
Supplies/Awards/Gifts/Spec. Items	996
Postage and Freight	200
Telephone	629
Administrative	500
Printing and Copying	204
Total Expenditures	203,181
 Excess (Deficit) of Revenues Over Expenditures & Transfers	 (203,181)

Volunteer Committees
FY2023-2024 Proposed Budgeted Programs and Activities

The Volunteer Committees department facilitates the administration of the standing committees of the State Bar. It also assists the State Bar president-elect in making standing committee appointments; assists with processing reimbursement requests, meeting planning and correspondence, record keeping, and website updates; and provides other support as needed to help committees reach their goals. Standing committees are established by the State Bar Board of Directors. Standing committees advise the State Bar, develop and implement rules relative to regulating the legal profession, and seek to improve the quality of legal services to the public.

Major non-salary expenditures relate to travel and meeting costs for committees to carry out their work.

Volunteer Committees
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Expenditures:	
Salaries	\$53,217
Benefits	16,231
Travel	201,000
Meetings & Conferences	36,795
Professional Services	8,000
Publicity/Advertising	200
Dues/Subscriptions/Licenses	600
Education/Training	450
Supplies/Awards/Gifts/Spec. Items	2,050
Postage and Freight	1,600
Telephone	3,600
Administrative	1,200
Printing and Copying	1,780
Total Expenditures	326,723
 Excess (Deficit) of Revenues Over Expenditures & Transfers	 (326,723)

Finance Division

Accounting

FY2023-2024 Proposed Budgeted Programs and Activities

The Accounting department provides centralized accounting services for the State Bar and its related organizations and ensures appropriate and accurate recording and reporting of all financial activity, as well as provides proper controls of State Bar funds and assets. The department provides high-quality and efficient accounting services and support to the State Bar, and ultimately, to the members and public. The department's activities meet the Strategic Plan Financial Management purpose to "conduct its fiscal affairs in conformance with or to establish the best management practices observed by Texas state agencies and by bar associations of similar size and scope." Non-salary expenditures include administrative costs incurred during the course of collecting, reporting, and communicating the financial position of the State Bar.

Accounting Proposed Detailed Budget Fiscal Year 2023-2024

	Budget
Expenditures:	
Salaries	\$881,101
Benefits	268,736
Travel	4,000
Meetings & Conferences	4,350
Professional Services	1,325
Dues/Subscriptions/Licenses	1,000
Education/Training	8,000
Supplies/Awards/Gifts/Spec. Items	12,900
Rentals - Office, Equipment, Storage	7,000
Postage and Freight	5,485
Telephone	4,000
Printing and Copying	7,500
Total Expenditures	<u>1,205,397</u>
 Excess (Deficit) of Revenues Over Expenditures & Transfers	 <u><u>(1,205,397)</u></u>

Other Administrative
FY2023-2024 Proposed Budgeted Programs and Activities

The budget category Other Administrative includes expenditures that apply to multiple areas within the State Bar, including audit fees, retirees’ health insurance benefit payments, credit card processing fees, banking fees, insurance, and investment expenditures. Administrative expenditures are necessary to support sound financial management and provide support services to other areas and programs within the State Bar. Revenues include investment revenue, rent, and accounting and management fees charged to related entities. Benefits expenditures include the retirees’ health insurance payments; professional services expenditures include audit, banking, investment, and credit card fees; insurance expenditures cover auto, fire, property, and worker’s compensation coverage; reserve for contingencies expenditures cover unforeseen expenditures that may be needed at the Executive Director’s discretion.

Administrative Other
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Revenues:	
Investments	\$200,000
Rent	172,673
Other Revenue	616,843
Total Revenues	989,516
Expenditures:	
Benefits	1,211,613
Meetings & Conferences	2,200
Professional Services	188,711
Supplies/Awards/Gifts/Spec. Items	700
Postage and Freight	4,400
Insurance	196,600
Administrative	5,400
Printing and Copying	3,000
Total Expenditures	1,612,624
Excess (Deficit) of Revenues Over Expenditures & Transfers	(623,108)

Information Technology Division

Information Technology

FY2023-2024 Proposed Budgeted Programs and Activities

The Information Technology department’s purpose is to provide the highest quality business systems and services possible in order to meet the mission and the strategic goals of the State Bar of Texas. This includes providing a stable, well-functioning information processing environment in which to conduct the State Bar of Texas’ day-to-day business functions. The department also provides a secure information-processing environment which safeguards both public and private information as well as rapid resolution of technology related problems to minimize the operational impact on the State Bar of Texas, its members, or its constituency. It provides flexible information technology infrastructure that can accommodate the integration of new systems, technologies, and architectures and provides strategic leadership to executives. As a support organization, the Information Technology department provides key services and support to allow the State Bar’s objectives to be achieved. The IT department is integral to the evaluation and implementation of technologies such as web services, mass communication, and business systems which support the State Bar’s ability to operate.

This department’s major non-salary expenses include the costs of providing and maintaining IT technology, equipment, hardware, software, services, subscriptions, travel costs, education, and training.

Information Technology Proposed Detailed Budget Fiscal Year 2023-2024

	Budget
Revenues:	
Other Revenue	\$1,200
Total Revenues	1,200
Expenditures:	
Salaries	764,116
Benefits	233,055
Travel	9,000
Dues/Subscriptions/Licenses	4,430
Education/Training	12,000
Supplies/Awards/Gifts/Spec. Items	19,471
Maintenance/Repair	478,487
Postage and Freight	360
Telephone	7,200
Printing and Copying	300
Total Expenditures	1,528,419
Excess (Deficit) of Revenues Over Expenditures & Transfers	(1,527,219)

Customer Service
FY2023-2024 Proposed Budgeted Programs and Activities

The Customer Service department monitors the front desk at the Law Center and serves as the first point of contact for visitors, guests, and members. The department answers all calls received by the main State Bar telephone line, provides information to the public and members of the State Bar, and assists in ensuring the individual is placed into contact with the appropriate State Bar department or personnel. The department also manages the meeting room reservations for the Texas Law Center and administers the land line, mobility, Wi-Fi, and other telecommunication services for State Bar facilities and staff. The department directs members and the public to State Bar programs and services and enables State Bar members to better serve their clients and the public.

Department expenditures relate to the provision of customer service and telephone administration and maintenance of its equipment.

Customer Care
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Expenditures:	
Salaries	\$159,731
Benefits	48,718
Supplies/Awards/Gifts/Spec. Items	400
Maintenance/Repair	46,000
Telephone	155,547
Total Expenditures	410,396
 Excess (Deficit) of Revenues Over Expenditures & Transfers	 (410,396)

Communications Division

Communications Division Director

FY2023-2024 Proposed Budgeted Programs and Activities

The Communications Division Director Department manages all communications components of the State Bar of Texas, including the Texas Bar Journal, Website, Graphics, Public Affairs, and Printing Departments and social media—and also oversees strategic planning and the Member & Public Experience Departments (Marketing & Outreach, Local Bars/Annual Meeting, and Member Benefits). The department provides strategy for communicating with the State Bar’s multiple constituencies, including bar members, the Board of Directors, the media, bar staff, and the public. The department also ensures the bar complies with statutes, rules, and policy requiring dissemination of certain information.

Major programs include executive and board communications, After the Bar Exam communications, Texas Lawyer’s Creed poster and pamphlet distribution, and new lawyer communications. Major department non-salary expenditures include publicity/advertising and printing/postage to promote bar events and programs and travel expenditures for staff members who work off-site events.

Office of Communications Division Director Proposed Detailed Budget Fiscal Year 2023-2024

	<u>Budget</u>
Expenditures:	
Salaries	\$183,900
Benefits	56,089
Travel	10,850
Meetings & Conferences	850
Publicity/Advertising	10,400
Dues/Subscriptions/Licenses	6,155
Education/Training	2,000
Supplies/Awards/Gifts/Spec. Items	5,200
Postage and Freight	500
Telephone	1,800
Printing and Copying	<u>8,562</u>
Total Expenditures	286,306
Excess (Deficit) of Revenues Over Expenditures & Transfers	<u><u>(286,306)</u></u>

Texas Bar Journal
FY2023-2024 Proposed Budgeted Programs and Activities

The Texas Bar Journal (TBJ) is the publication of record for the State Bar of Texas. The TBJ complies with statutes, rules, and policy requiring the State Bar to publish and disseminate certain information [Tex. Gov't Code §§ 22.108(c); 22.109(c); 33.005; 81.0215(c); 81.023(a); 81.0242(2); 81.0876(b); 81.0878; Texas Rules of Disciplinary Procedure Rules 4.06; 6.04; 6.07; and Texas State Bar Rules Article IV, Section 11; Article VII, Section 3; Article XII, Section 3].

Revenue is generated through the sale of display and classified advertisements and subscriptions as well as royalties generated by TBJ material used in legal search engines. Major non-salary expenditures include printing and postage/freight.

Texas Bar Journal Dept
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Revenues:	
Advertising	\$540,000
Sales	200
Other Revenue	16,000
Total Revenues	556,200
Expenditures:	
Salaries	367,234
Benefits	112,006
Travel	6,750
Meetings & Conferences	100
Professional Services	2,450
Dues/Subscriptions/Licenses	1,450
Education/Training	2,440
Supplies/Awards/Gifts/Spec. Items	650
Rentals - Office, Equipment, Storage	540
Postage and Freight	516,444
Telephone	920
Insurance	1,525
Printing and Copying	596,220
Total Expenditures	1,608,729
Excess (Deficit) of Revenues Over Expenditures & Transfers	(1,052,529)

Printing & Graphics
FY2023-2024 Proposed Budgeted Programs and Activities

The Printing & Graphics Department coordinates printing and mailing services for the State Bar of Texas. The department provides creative, high-quality graphic design and layout services for all State Bar departments/divisions for print and online products and publications. Materials produced by the department assist in educating, engaging, and informing Texas lawyers and the public. Notably, the department is responsible for coordinating the printing and digital edition services for the *Texas Bar Journal*.

The department generates revenue by charging for staff time spent on graphic design and layout projects for outside customers. Non-salary department expenditures are minimal and include subscriptions/licenses and supplies.

Printing and Graphics
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Revenues:	
Other Revenue	\$2,000
Total Revenues	2,000
Expenditures:	
Salaries	193,458
Benefits	59,005
Travel	3,005
Dues/Subscriptions/Licenses	7,450
Education/Training	2,370
Supplies/Awards/Gifts/Spec. Items	4,050
Telephone	2,300
Printing and Copying	330
Total Expenditures	271,968
Excess (Deficit) of Revenues Over Expenditures & Transfers	(269,968)

Public Affairs
FY2023-2024 Proposed Budgeted Programs and Activities

The Public Affairs Department educates the public and news media about the State Bar of Texas and its many programs, and it provides information about the overall legal profession and judicial system in Texas. The department manages media relations and public information programs for the bar; provides communications assistance to State Bar leaders; manages the bar’s statewide disaster response communications; produces a daily email newsletter on legal news of interest to Texas lawyers; and oversees the design and distribution of the bar’s free legal resource pamphlet library. The department also serves as a collection point to answer general questions from the public.

Major non-salary expenditures include printing/inventory and postage/freight to fund the printing and distribution of legal resource pamphlets, and dues/subscriptions/licenses to fund services such as media monitoring, press outreach, and design software.

Public Affairs
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Expenditures:	
Salaries	\$79,280
Benefits	24,180
Travel	3,500
Meetings & Conferences	2,250
Professional Services	5,000
Dues/Subscriptions/Licenses	14,100
Education/Training	1,000
Supplies/Awards/Gifts/Spec. Items	1,000
Rentals - Office, Equipment, Storage	24
Postage and Freight	3,000
Telephone	4,000
Printing and Copying	27,250
Total Expenditures	164,584
 Excess (Deficit) of Revenues Over Expenditures & Transfers	 (164,584)

Website

FY2023-2024 Proposed Budgeted Programs and Activities

The Website Department produces and maintains texasbar.com, which ensures individuals can interact with the State Bar and access bar services through the Internet (Tex. Gov't Code § 81.038). At texasbar.com, members can manage their attorney profile information (Tex. Gov't Code § 81.115), find news and information about the legal profession and the State Bar, and access free legal research tools, law practice and wellness support, and other member benefits and services. The public can search for attorneys and see an attorney's disciplinary history, learn about the disciplinary process and access reports regarding the grievance system (Tex. Gov't Code § 81.084(c)(2)), read information about disaster relief resources, and access free legal pamphlets. Major department programs include the Texas Bar Blog and Texas Bar Today blogging platforms, State Bar social media, and the State Bar of Texas Podcast.

The department generates revenue through website advertisements sales as well as royalties from the Texas Bar Career Center online job board and from the bar's affinity program with a legal software company. Major non-salary expenditures include professional services (for various consultants) and dues/subscriptions/licenses (mainly for the use of software platforms).

Website Proposed Detailed Budget Fiscal Year 2023-2024

	<u>Budget</u>
Revenues:	
Advertising	\$230,000
Other Revenue	350,000
Total Revenues	<u>580,000</u>
Expenditures:	
Salaries	173,439
Benefits	52,899
Travel	10,815
Meetings & Conferences	4,215
Professional Services	149,450
Publicity/Advertising	400
Dues/Subscriptions/Licenses	37,600
Education/Training	2,440
Supplies/Awards/Gifts/Spec. Items	3,810
Telephone	2,350
Printing and Copying	880
Total Expenditures	<u>438,298</u>
Excess (Deficit) of Revenues Over Expenditures & Transfers	<u>141,702</u>

Local Bars
FY2023-2024 Proposed Budgeted Programs and Activities

The Local Bar Services department encourages the formation and activities of local bar associations pursuant to Texas Government Code § 81.012(5). The department serves as a liaison to approximately 275 local bar associations across the state. The department assists with networking opportunities, continuing legal education speaker coordination, and implementing services and programs available from the State Bar. The department’s budget supports the Local Bar Leaders Conference, Law Day, and awards for local bar activities that are presented at the State Bar of Texas Annual Meeting.

Expenditures of the department include salaries, travel, hotel and conference, and printing costs related to the Local Bar Leaders Conference; meeting, awards, and travel costs related to Law Day, and Stars of Texas Bar Awards related to local bar activities.

Local Bars
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Revenues:	
Fees	\$1,500
Contributions	6,000
Total Revenues	7,500
Expenditures:	
Salaries	245,957
Benefits	75,017
Travel	57,271
Meetings & Conferences	86,500
Dues/Subscriptions/Licenses	1,975
Education/Training	600
Supplies/Awards/Gifts/Spec. Items	7,250
Rentals - Office, Equipment, Storage	300
Postage and Freight	1,200
Telephone	3,500
Administrative	2,500
Printing and Copying	6,431
Total Expenditures	488,501
Excess (Deficit) of Revenues Over Expenditures & Transfers	(481,001)

Special Events
FY2023-2024 Proposed Budgeted Programs and Activities

The Special Events budget provides services at the direction of the Executive Director, Supreme Court of Texas, and Court of Criminal Appeals for any special events such as judicial receptions, investitures, retirements, memorials, and the New Lawyer Induction Ceremony. Events included in the budget include two New Lawyers Induction Ceremonies and receptions and investitures for Supreme Court of Texas justices and Court of Criminal Appeals judges. Major expenditures include facility costs, food and beverage event costs, and the printing of programs.

Special Events
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Expenditures:	
Travel	\$3,100
Meetings & Conferences	61,100
Supplies/Awards/Gifts/Spec. Items	1,247
Postage and Freight	297
Printing and Copying	7,860
Total Expenditures	73,604
Excess (Deficit) of Revenues Over Expenditures & Transfers	(73,604)

Member Benefits
FY2023-2024 Proposed Budgeted Programs and Activities

The Member Benefits department provides Texas lawyers with access to services and resources designed to help them provide high-quality legal services and maintain efficient and productive law practices. Services and resources include law practice management resources, finance-related resources, website design, rental cars, credit card processing, shipping, Fed-Ex Office and more. A secondary objective is to serve as a source of non-dues revenue. Currently the program includes 38 contracted vendors that offer discounts on services and products to Texas attorneys. The department is marketed through targeted and mass communications. The expenditures of the program include marketing and advertising, travel and supplies.

Member Benefits
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Revenues:	
Other Revenue	\$342,755
Total Revenues	342,755
Expenditures:	
Salaries	43,782
Benefits	13,354
Travel	2,000
Publicity/Advertising	15,000
Postage and Freight	7,204
Administrative	15,000
Printing and Copying	5,965
Total Expenditures	102,305
Excess (Deficit) of Revenues Over Expenditures & Transfers	240,450

Public Protection Division

Office of the Chief Disciplinary Counsel FY2023-2024 Proposed Budgeted Programs and Activities

The Office of the Chief Disciplinary Counsel of the State Bar of Texas manages the Texas attorney grievance, disability, and discipline system. The Office incurs necessary expenditures for the investigation of allegations of attorney professional misconduct, assertions of attorney disability, any resulting litigation, and attorney compliance with conditions contained in disciplinary judgments. These actions are in accordance with the office's charge pursuant to Sections 81.071–81.086 of the Texas Government Code, and the Texas Rules of Disciplinary Procedure, and to ensure the operation, effectiveness, and integrity of the professional disciplinary and disability system.

Associated expenditures include office space rent for regional offices in Dallas, Houston, and San Antonio; travel costs for staff and volunteer grievance committee members in connection with case matters; food costs and meeting room rentals in connection with handling disciplinary case matters; professional services expenses to include court reporters, mediators, interpreters, appellate counsel, expert witnesses, and security; court costs to include filing fees, service of process/subpoena fees, and non-expert witness expenses; publicity costs for mandated Yellow Page advertising about the grievance process; supplies; postage; subscription costs for legal research and investigative tools; telephone; printing costs for mandated grievance information brochures, notice to client signs, and annual reports. Attorneys' fees are collected if imposed.

The Office of the Chief Disciplinary Counsel's budget also includes support for an Ethics Helpline that assists Texas attorneys who have questions about their ethical obligations to clients, courts, and the public under the Texas Disciplinary Rules of Professional Conduct.

Other activities of the Chief Disciplinary Counsel include staff support to Texas Supreme Court committees, including the Professional Ethics Committee, the Unauthorized Practice of Law Committee, and the Committee on Disciplinary Rules and Referenda, as well as the Client Security Fund Subcommittee of State Bar Board of Directors. Also, as a service to members of the Bar, the Office of Chief Disciplinary Counsel responds to requests for Certificates of Good Standing. The certificates certify an attorney's current license status and ability to practice law in Texas, as well as provide requested, detailed, information about an attorney's pending or past grievances if any exist. Fees are collected per each certificate provided.

See detailed budget below for revenue and expenditures.

**Chief Disciplinary Counsel
Proposed Detailed Budget
Fiscal Year 2023-2024**

	Budget
Revenues:	
Fees	\$584,453
Total Revenues	584,453
Expenditures:	
Salaries	6,953,172
Benefits	2,122,772
Travel	167,000
Meetings & Conferences	53,975
Professional Services	185,706
Court Fees	75,500
Publicity/Advertising	15,000
Dues/Subscriptions/Licenses	140,142
Education/Training	22,000
Supplies/Awards/Gifts/Spec. Items	175,000
Rentals - Office, Equipment, Storage	603,936
Maintenance/Repair	3,000
Postage and Freight	74,700
Telephone	55,400
Printing and Copying	13,220
Total Expenditures	10,660,523
Excess (Deficit) of Revenues Over Expenditures & Transfers	(10,076,070)

Ombudsman
FY2023-2024 Proposed Budgeted Programs and Activities

The Ombudsman position was created pursuant to Texas Government Code Sections 81.0881–81.0885. The Ombudsman reviews grievances to determine whether the State Bar followed the proper grievance procedure. The Ombudsman also receives complaints about the attorney discipline system and receives and investigates complaints on violations of the discipline system’s procedural rules. The Ombudsman answers questions from the public on the attorney discipline system’s operation, accessing the system, and the availability of other State Bar programs. Annually, the Ombudsman makes recommendations to the State Bar Board of Directors and the Supreme Court of Texas for improvements to the attorney discipline system, including ways to improve access to the system and changes to the grievance form.

Additionally, the statute dictates that the Ombudsman is independent from both the grievance process and the State Bar of Texas. As such, the law mandates that the Ombudsman is selected by and works directly for the Supreme Court of Texas. Non-salary expenses include necessary dues and registration and travel expenses to attend educational conferences.

Ombudsman
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Expenditures:	
Salaries	\$84,826
Benefits	25,872
Travel	970
Meetings & Conferences	700
Dues/Subscriptions/Licenses	250
Supplies/Awards/Gifts/Spec. Items	840
Postage and Freight	60
Telephone	60
Printing and Copying	120
Total Expenditures	113,698
Excess (Deficit) of Revenues Over Expenditures & Transfers	(113,698)

Grievance Oversight Committee
FY2023-2024 Proposed Budgeted Programs and Activities

The Grievance Oversight Committee is a committee of the Texas Supreme Court that acts as the liaison between the Supreme Court and the attorney discipline and disability system. The Supreme Court has charged the committee generally with reviewing the Texas lawyer discipline system and reporting its observations and recommendations to the Supreme Court. The committee provides biennial reports on the state of the grievance system to the Supreme Court, as well as additional reports on specific issues as requested by the Supreme Court.

The committee meets approximately once a month (generally 11 times per year) in various cities across the state and/or remotely via teleconference to gather information from the public as well as members of the grievance system. Meeting expenditures include travel costs, hotel and conference space, and food costs for volunteers.

Grievance Oversight Committee
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Expenditures:	
Travel	\$37,200
Meetings & Conferences	9,700
Professional Services	1,200
Postage and Freight	90
Telephone	240
Printing and Copying	370
Total Expenditures	48,800
 Excess (Deficit) of Revenues Over Expenditures & Transfers	 (48,800)

Commission for Lawyer Discipline
FY2023-2024 Proposed Budgeted Programs and Activities

Pursuant to Section 81.076 of the Texas Government Code, the Commission for Lawyer Discipline (CFLD) is charged with reviewing the structure, function, and effectiveness of the disciplinary and disability procedures. As a standing committee of the State Bar of Texas, it provides oversight to the Office of Chief Disciplinary Counsel, which administers the attorney discipline and disability system. The CLFD works closely with the State Bar Board of Directors in addressing important issues within the grievance process. The CFLD meets approximately 10 times each fiscal year to discuss and act on administrative oversight matters relative to the grievance, discipline, and disability procedures. The CFLD reviews the annual budget for the attorney professional disciplinary and disability system; considers recommendations concerning needed changes in disciplinary or disability procedures or structures; and considers and acts (or not) on pending disciplinary matters. Through its oversight of the Office of Chief Disciplinary Counsel and as the client body in attorney discipline cases, the CFLD protects the public and protects the dignity and sanctity of the legal profession by affording complainants and accused lawyers a fair and just system for evaluating and adjudicating allegations of professional misconduct against Texas lawyers. The main costs for CFLD are the travel and meeting costs for commission members.

Commission for Lawyer Discipline
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Expenditures:	
Travel	\$50,000
Meetings & Conferences	25,000
Dues/Subscriptions/Licenses	300
Supplies/Awards/Gifts/Spec. Items	1,000
Postage and Freight	200
Total Expenditures	76,500
 Excess (Deficit) of Revenues Over Expenditures & Transfers	 (76,500)

**Committee on Disciplinary Rules and Referenda
FY2023-2024 Proposed Budgeted Programs and Activities**

The Committee on Disciplinary Rules and Referenda (CDRR) was established by Section 81.0873 of the Texas Government Code and is responsible for (1) reviewing the Texas Disciplinary Rules of Professional Conduct and the Texas Rules of Disciplinary Procedure (collectively called “the disciplinary rules”); (2) at least annually issuing a report on the adequacy of the disciplinary rules; and (3) overseeing the initial process for proposing a disciplinary rule (including drafting and publishing proposed disciplinary rule changes).

The CDRR reviews and proposes changes to the disciplinary rules, which aim to protect the public and to promote high ethical standards and professionalism. The disciplinary rules are central to the regulation of the conduct of Texas lawyers. The CDRR reviews and recommends improvements to the disciplinary rules to ensure the public is protected and that the rules are fair and effective.

Most expenditures relate to meeting costs, which may be held in-person and/or via videoconference. Costs also include those associated with public hearings and needed professional services, such as transcription services. There are also videoconference license costs, printing costs, and telephone costs related to meetings.

**Committee on Disciplinary Rules and Referenda
Proposed Detailed Budget
Fiscal Year 2023-2024**

	Budget
Expenditures:	
Travel	\$8,000
Meetings & Conferences	6,500
Professional Services	1,000
Dues/Subscriptions/Licenses	6,000
Telephone	2,700
Printing and Copying	800
Total Expenditures	25,000
 Excess (Deficit) of Revenues Over Expenditures & Transfers	 (25,000)

Unauthorized Practice of Law Committee
FY2023-2024 Proposed Budgeted Programs and Activities

The Unauthorized Practice of Law Committee (UPLC) is established under Subchapter G of Chapter 81 of the Texas Government Code. Pursuant to Section 81.104 of the Texas Government Code, the UPLC is charged with: (1) keeping the Texas Supreme Court and State Bar informed regarding the unauthorized practice of law by lay persons and lay agencies and the participation of attorneys in that unauthorized practice of law, as well as regarding methods for the prevention of the unauthorized practice of law; and (2) seeking the elimination of the unauthorized practice of law by appropriate actions and methods, including the filing of suits in the name of the UPLC. By investigating complaints regarding the unauthorized practice of law in Texas and taking action to prevent such unauthorized activities, the UPLC protects the public from economic and personal harm and prevents the loss of public confidence in the legal profession. Pursuant to Section 81.103 of the Texas Government Code, the UPLC is composed of nine members appointed by the Texas Supreme Court. The UPLC holds four quarterly meetings each year. Meetings may be virtual, in-person, or hybrid. Section 81.103(f) of the Texas Government Code provides that all necessary and actual expenses of the UPLC should be provided for and paid out of the budget of the State Bar.

Major expenditures of the UPLC include the cost of travel, hotel and conference space, AV, expenses related to administrative support of the subcommittees in the major metropolitan areas, and technology subscriptions. Other expenditures include expenses connected with the investigation and litigation of unauthorized practice of law cases, including professional services, court costs, and printing.

Unauthor. Prac. of Law Comm.
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Expenditures:	
Travel	\$55,600
Meetings & Conferences	27,800
Professional Services	68,600
Court Fees	5,000
Publicity/Advertising	10,000
Dues/Subscriptions/Licenses	1,600
Supplies/Awards/Gifts/Spec. Items	600
Postage and Freight	200
Telephone	600
Total Expenditures	170,000
 Excess (Deficit) of Revenues Over Expenditures & Transfers	 (170,000)

Board of Disciplinary Appeals
FY2023-2024 Proposed Budgeted Programs and Activities

The Board of Disciplinary Appeals (BODA) is an adjudicatory body of 12 lawyers to whom the Supreme Court of Texas has delegated the authority to hear and determine certain attorney discipline cases in accordance with the State Bar Act. See Tex. Gov't Code §§ 81.071–81.0751. The Supreme Court created BODA through implementation of the Texas Rules of Disciplinary Procedure (TRDP) as an independent statewide body with original jurisdiction over certain disciplinary matters and appellate jurisdiction over certain decisions by the State Bar of Texas Chief Disciplinary Counsel and District Grievance Committees. BODA has jurisdiction to decide six types of disciplinary matters: compulsory discipline cases, reciprocal discipline cases, revocation-of-probation cases, disability and reinstatement cases, appeals from evidentiary judgments, and appeals from classification decisions. See Tex. Gov't Code §§ 81.072–81.0751; TRDP Parts VII–IX, XII. Although not a State Bar department, BODA, as a statutorily required tribunal in the attorney disciplinary system, helps to protect the public through the fair and efficient administration of the attorney discipline system—a mutual goal of the Supreme Court, the State Bar, and BODA. Since 1992, BODA has heard and decided over 66,000 disciplinary matters.

BODA's non-salary expenditures include meeting costs related to BODA's docket, travel, website maintenance, legal research subscriptions, licenses for necessary software, supplies, education and training, printing, and postage and freight.

BODA
Proposed Detailed Budget
Fiscal Year 2023-2024

	Budget
Expenditures:	
Salaries	\$373,416
Benefits	113,892
Travel	35,500
Meetings & Conferences	13,000
Professional Services	4,126
Dues/Subscriptions/Licenses	13,500
Education/Training	504
Supplies/Awards/Gifts/Spec. Items	6,000
Rentals - Office, Equipment, Storage	840
Postage and Freight	4,906
Telephone	1,200
Printing and Copying	4,750
Total Expenditures	571,634
 Excess (Deficit) of Revenues Over Expenditures & Transfers	 (571,634)

Enterprise Fund: Texas Bar Books

FY2023-2024 Proposed Budgeted Programs and Activities

Texas Bar Books publishes books in a variety of formats for the members of the State Bar of Texas. Texas Bar Books publications are designed as practical aids for the practice of law. Lawyers at the tops of their fields collaborate to produce works of the highest quality to serve the Bar and its members. These works represent balanced views from a diverse group and provide authoritative resources to Texas lawyers at a reasonable cost. Publishing practice materials of the highest quality for the bench and bar is one of the ways in which the Bar seeks to further its purposes as listed in Section 81.012 of the Texas Government Code, particularly to aid the courts in carrying on and improving the administration of justice, to advance the quality of legal services to the public, and to foster the role of the legal profession in serving the public.

In financial terms, the TexasBarBooks Fund is an enterprise fund separate from the General Fund. As of May 31, 2022, the TexasBarBooks Fund net position was \$1,643,943.

A detailed budget for TexasBarBooks Fund is presented on the following page.

**Texas Bar Books
Proposed Detailed Budget
Fiscal Year 2023-2024**

	<u>Budget</u>
Revenues:	
Book Sales Net of Estimated Returns	\$1,558,965
Online Sales	823,800
Total Sales	2,382,765
Fees	40,000
Interest	8,916
Royalty	1,435,288
Other Revenue	55,008
Total Revenues	<u>3,921,977</u>
Cost of Goods Sold:	
Finished Products	327,382
Royalties	163,596
Other	50,000
Total Cost of Goods Sold	<u>540,978</u>
Operating Expenses:	
Salaries	1,396,326
Benefits	487,922
Travel	40,500
Meetings & Conferences	3,000
Professional Services	114,142
Publicity/Advertising	105,560
Dues/Subscriptions/Licenses	75,785
Education/Training	10,440
Supplies/Awards/Gifts/Spec. Items	19,500
Rentals - Office, Equipment, Storage	159,172
Maintenance/Repair	50,004
Postage and Freight	126,099
Telephone	2,400
Insurance	12,000
Administrative Fee	479,040
Bad Debts	100,092
Depreciation/Amortization	56,208
Copying	1,500
Total Operating Expenses	<u>3,239,692</u>
Total Expenses	<u>3,780,670</u>
Net Income/(Loss)	<u>141,307</u>

Special Revenue Fund: Texas Board of Legal Specialization (TBLS)

FY2023-2024 Proposed Budgeted Programs and Activities

The Texas Board of Legal Specialization (TBLS) was created by the Supreme Court of Texas in 1974 to certify attorneys and paralegals in specific areas of law. Currently TBLS certifies attorneys in 27 areas of the law and paralegals in eight areas of law. TBLS is self-funded through dues and fees received for certifications. TBLS is composed of 12 members who are appointed by the State Bar President and approved by the State Bar Board. TBLS is a voluntary program, is self-funded, and does not receive funds from the State Bar of Texas. TBLS promotes the availability, accessibility and quality of the services of attorneys to the public in particular areas of the law and serves the public interest by advancing the standards of the legal profession. As of May 31, 2022, TBLS's fund balance was \$2,778,742.

TBLS Proposed Detailed Budget Fiscal Year 2023-2024

	Budget
Revenues:	
Fees	\$1,407,750
Investments	2,500
Total Revenues	1,410,250
Expenditures:	
Salaries	559,715
Benefits	200,623
Travel	40,000
Meetings & Conferences	79,322
Professional Services	120,000
Publicity/Advertising	80,000
Dues/Subscriptions/Licenses	15,000
Education/Training	650
Supplies/Awards/Gifts/Spec. Items	21,600
Rentals - Office, Equipment, Storage	180,000
Postage and Freight	7,000
Telephone	18,000
Administrative	76,600
Fixed Assets	2,000
Printing and Copying	9,740
Total Expenditures	1,410,250

Special Revenue Fund: Law Focused Education

FY2023-2024 Proposed Budgeted Programs and Activities

Law Focused Education, Inc. (LFE) was created in 1975 as a 501(c)(3) corporation. LFE is a special revenue fund of the State Bar and its purpose is to administer grant funds received for purposes of law-related education. The mission of LFE is to plan, promote and support law-related education programs which are aimed at preparing elementary, middle and high school students for effective, responsible citizenship, and which are committed to liberty, justice and the Rule of Law. This department also educates the public about the rule of law, the importance of responsible citizenship, and effective participation in the nation's legal system. Its Board of Directors consists of 10 members who are nominated by current LFE board members or State Bar board members and approved by the State Bar Board.

During FY 2023-2024, Hatton W. Sumners Grants fund is budgeted to receive separate grants totaling \$ 424,000 as follows:

- a. Hatton W. Sumners Institute - \$300,000 grant: This institute trains teachers in the founding documents of America which include substantive and foundational information about the legal system and encourages teaching civic knowledge and engagement in Texas Classrooms.
- b. Citizen Bee – \$83,000 grant: This is a statewide civic education program and academic competition which offers teachers and high school students a way to reach and study America's heritage. Students study U.S. history, U.S. government, economics, geography, and current events. This program involves law related education.
- c. Capitol Experience - \$ 11,000: This funding will allow Citizen Bee Participants to have an extra day of programs in Austin before the 2023 competition.
- d. LRE Ambassadors - High School - \$30,000 grant: Law-Related Education and Law Focused Education, Inc. will sponsor a civic trainer session in the summer of 2023. This institute will create a cadre of educators to serve as LRE ambassadors and train educators in their regional service center areas.

The detailed budget for LFE is presented on the following page.

**Hatton W. Sumners
Proposed Detailed Budget
Fiscal Year 2023-2024**

	Budget
Revenues:	
Grants	\$424,000
Total Revenues	<u>424,000</u>
Expenditures:	
Travel	135,170
Meetings & Conferences	44,650
Professional Services	150,800
Supplies/Awards/Gifts/Spec. Items	60,000
Rentals - Office, Equipment, Storage	2,900
Postage and Freight	9,000
Administrative	6,600
Printing and Copying	<u>14,880</u>
Total Expenditures	424,000

Special Revenue Fund: Texas Bar College

FY2023-2024 Proposed Budgeted Programs and Activities

The Texas Bar College (the College) is a professional society of legal scholars designed to recognize attorneys who “go that extra step” to accumulate at least twice as many CLE credit hours each year than are required by the Minimum Continuing Legal Education standards. The College was created in 1981 by order of the Supreme Court and became a 501(c)(3) corporation in 2002. The College has a 19-member Board of Directors. The objective of the College is to represent and promote the highest standard of knowledge, performance, ethics, and professionalism. The prestige associated with membership in the College inspires attorneys to build and maintain their professional competence, thereby providing better service to the public and improving the quality of legal services. The College maintains approximately 3,500 members and recruits around 500 new members each year. The College is self-funded through voluntary membership dues and receives investment income and other revenue. The College’s fund balance as of May 31, 2022, was \$498,815. Non-salary expenditures include hotel meeting space and food costs for meetings of the College’s board of directors; travel and lodging related to College board meetings and to exhibit at CLE and other events; promotional flyers and other marketing efforts; supplies and awards; branded merchandise; and printing and postage for certificates and membership recruitment campaigns.

Texas Bar College’s detailed budget is presented on the following page.

**Texas Bar College
Proposed Detailed Budget
Fiscal Year 2023-2024**

	Budget
Revenues:	
Fees	\$320,658
Sales	1,000
Investments	500
Total Revenues	322,158
Expenditures:	
Salaries	98,206
Benefits	33,147
Travel	30,000
Meetings & Conferences	20,000
Professional Services	13,221
Publicity/Advertising	5,000
Dues/Subscriptions/Licenses	2,500
Education/Training	500
Supplies/Awards/Gifts/Spec. Items	25,000
Rentals - Office, Equipment, Storage	9,000
Postage and Freight	25,000
Administrative	30,584
Printing and Copying	30,000
Total Expenditures	322,158
Excess (Deficit) of Revenues Over Expenditures & Transfers	0

Special Revenue Fund: Annual Meeting

FY2023-2024 Proposed Budgeted Programs and Activities

The Annual Meeting is required by Article VII, Section 1 of the State Bar Rules and Section 1.19 of the State Bar of Texas Board of Directors Policy Manual. The Annual Meeting provides educational programming which helps to advance the quality of legal services to the public and to foster the role of the legal profession in serving the public. Some of the major events include: the CLE seminars held by State Bar sections; the swearing in of the State Bar President at the General Session Luncheon; the recognition of judges during the Bench Bar Breakfast; and the recognition of the achievements of local bars at the Bar Leaders Recognition Luncheon. Annual meeting ticket sales, registrations, law firm and exhibitor contributions offset the cost of the event. Expenditures include charges from the hotel where the event is held. These charges include catering costs, security, audio visual expenses and expo costs. The fund balance of the Annual Meeting special revenue fund as of May 31, 2022, was \$277,402.

Annual Meeting Proposed Detailed Budget Fiscal Year 2023-2024

	Budget
Revenues:	
Fees	\$300,000
Sales	25,000
Contributions	360,000
Total Revenues	685,000
Expenditures:	
Travel	10,300
Meetings & Conferences	548,110
Professional Services	9,000
Publicity/Advertising	36,500
Dues/Subscriptions/Licenses	420
Supplies/Awards/Gifts/Spec. Items	17,000
Postage and Freight	23,000
Administrative	8,400
Printing and Copying	32,270
Total Expenditures	685,000

Capital Projects Fund: Building Fund

FY2023-2024 Proposed Budgeted Programs and Activities

Section 3.08.03 of the State Bar of Texas Board of Directors Policy Manual provides for a permanent building or maintenance fund, which is used to maintain or replace building equipment as needed, in the most cost-effective manner and with minimal or no down time. The Building Fund allows the building assets to remain in use for staff and members. The Building Fund is maintained by an annual transfer from the General Fund. Section 3.08.03 of the Policy Manual provides that, each year, the Board Budget Committee, in consultation with the Board Administration Committee and the Board Audit and Finance Committee, shall consider budgeting a transfer from the General Fund to the Building Fund in such an amount to ensure that 80% to 100% of the annual capital equipment straight-line depreciation be transferred annually. During the FY2023-2024 budget cycle, the original cost of the equipment was adjusted for inflation to bring the costs incurred in 2005 to today's dollars when the measurement was taken in September 2022. The FY 2023-2024 General Fund budget includes a transfer of \$412,118 to the building fund which is 80% of the annual capital equipment straight-line depreciation.

Pursuant to Section 3.08.03 of the Policy Manual, all interest earned on the corpus within the Building Fund shall accumulate in the Building Fund.

The Facilities & Equipment Subcommittee and the Administration Committee have both recognized that the only building and land assets owned by the members of the State Bar are the Texas Law Center building, Bartholomew-Robinson building and the land it rests upon. Therefore, the goal of both committees is to maintain and improve the building assets while at the same time providing a productive working environment for State Bar staff so that staff can continue to provide high quality services to members and the public. The budgeted expenditures for fiscal year 2023-2024 include the planning costs for the renovation and repair of the Bartholomew-Robinson building and repairs and equipment replacement at the Texas Law Center. The fund balance of the Building Fund on May 31, 2022, was \$5,494,946.

The Building and Capital Projects Fund's detailed budget is presented on the following page.

**Building and Capital Projects Fund
Proposed Detailed Budget
Fiscal Year 2023-2024**

	Budget
Revenues:	
Investments	\$30,000
Total Revenues	30,000
Expenditures:	
Repairs and Maintenance	100,000
Fixed Assets	350,000
Total Expenditures	450,000
Transfers (In)/Out	(412,118)
Total Expenditures & Transfers	37,882
Excess of Revenues Over Expenditures & Transfers	(7,882)
Board Committed Transfers	1,000,000
Total YTD Increase in Fund Balance	992,118

Capital Projects Fund: Technology Fund

FY2023-2024 Proposed Budgeted Programs and Activities

The Technology Fund was established in 2001 to maintain the technological hardware and software of the State Bar of Texas and to fund the necessary projects to move the State Bar forward from a technology perspective. The functions provided by the Technology Fund support the core mission of the State Bar by providing the underlying technology support to all divisions, departments and programs in the achievement of their goals and objectives. Expenditures include fixed assets such as computers, infrastructure hardware, audio-visual equipment, software licenses, information system upgrades and implementations. Lease expenditures include workstation assets, backup system hardware and virtual server hardware.

The Technology Fund also receives periodic Board commitments to fund specific technology initiatives that are beyond the scope of basic infrastructure. These Board commitments fund one-time projects such as replacement of major business systems, website improvements, and compliance and security projects. As of May 31, 2022, the Technology Fund's fund balance was \$670,822.

Technology Fund Proposed Detailed Budget Fiscal Year 2023-2024

	Budget
Expenditures:	
Fixed Assets	\$641,000
Total Expenditures	641,000
Transfers (In)/Out	(500,000)
Total Expenditures & Transfers	141,000
Excess (Deficit) of Revenues Over Expenditures & Transfers	(141,000)
Board Commitments	500,000
Total Increase in Fund Balance	359,000

Special Revenue Fund: Client Security Fund

FY2023-2024 Proposed Budgeted Programs and Activities

The Client Security Fund (the Fund) is a special revenue fund that is governed by Section 3.08.02 of the State Bar of Texas Board of Directors Policy Manual. The Fund is administered through the Office of the Chief Disciplinary Counsel and the Client Security Fund Subcommittee. The Client Security Fund Subcommittee operates as a standing subcommittee of the Discipline and Client Attorney Assistance Committee of the State Bar Board of Directors. The Fund is a key piece of the State Bar's public protection mission. It supports the regulation of the legal profession by providing meaningful assistance to clients who have been victimized by attorney misconduct—attorneys who have stolen money intended for the client or failed to refund an unearned fee. The Fund's purpose carries out this mission by ameliorating financial losses suffered by clients through the dishonesty of Texas attorneys acting in their capacity as the clients' attorney.

Expenditures are primarily grant payments which are processed pursuant to individual grants approved by the Client Security Fund Subcommittee in an amount not to exceed the maximum individual reimbursement limits set at a maximum claim payout of \$40,000 per claim. The revenues of the funds include: (1) amounts transferred each year from the State Bar's General Fund; (2) interest earned on the Fund's corpus; and (3) restitution collected from attorneys whose clients have been paid from the Fund. Section 3.08.02 of the State Bar Board of Directors Policy Manual provides that the Fund's corpus may not fall below \$2,000,000. As of May 31, 2022, the fund balance of the Client Security Fund was \$5,303,115.

Client Security Fund Proposed Detailed Budget Fiscal Year 2023-2024

	Budget
Revenues:	
Investments	\$12,000
Other Revenue	5,000
Total Revenues	<u>17,000</u>
Expenditures:	
Administrative	<u>700,000</u>
Total Expenditures	700,000
Transfers (In)/Out	<u>(500,000)</u>
Total Expenditures & Transfers	<u>200,000</u>
Excess (Deficit) of Revenues Over Expenditures & Transfers	<u>(183,000)</u>