

# STATE BAR *of* TEXAS

## 2021-2022 PROPOSED COMBINED BUDGET

The State Bar proposed budgets for the 2021-2022 fiscal year are included here for your information. If you would like a copy of the budget summary, contact the State Bar finance division director at 800-204-2222, ext. 1481. All interested persons are invited to a public hearing on the proposed budgets scheduled for 9 a.m. Tuesday, April 6, 2021, in Room 101 at the Texas Law Center, 1414 Colorado, Austin, TX 78701. Because of the ongoing COVID-19 pandemic, it is possible this hearing will be held remotely. Please go to [texasbar.com/ourfinances](http://texasbar.com/ourfinances) for updates and instructions on how to participate remotely. The General Fund is the operating fund for the State Bar of Texas. The Texas Bar Books Fund is considered an Enterprise Fund, which is defined as a proprietary fund that is used to account for goods/services provided to the general public on a user-charge basis. The Special Revenue Funds are independent funds and do not use any membership dues or revenues from the General Fund for operations. Capital Projects Funds are used to account for the acquisition and construction of the State Bar's major capital facilities and other capital expenditures.

	GENERAL FUND	TEXAS BAR BOOKS FUND	SPECIAL REVENUE & CAPITAL PROJECTS FUNDS	TOTAL PROPOSED COMBINED BUDGET
<b>REVENUES &amp; RECEIPTS</b>				
MEMBERSHIP DUES	\$21,492,546	\$0	\$0	\$21,492,546
FEES	17,173,875	30,000	2,058,525	19,262,400
ADVERTISING	748,000	0	0	748,000
SALES	998,879	2,342,161	26,300	3,367,340
INVESTMENTS	100,000	300	60,548	160,848
GRANTS	0	0	352,750	352,750
CONTRIBUTIONS	665,139	0	360,000	1,025,139
ADMINISTRATIVE FEES	672,800	48,922	0	721,722
RENT	172,673	0	0	172,673
OTHER REVENUE	1,381,266	1,323,500	5,000	2,709,766
<b>TOTAL REVENUES</b>	<b>\$43,405,178</b>	<b>\$3,744,883</b>	<b>\$2,863,123</b>	<b>\$50,013,184</b>
RECEIPTS FROM RESERVES	1,666,405	0	223,000	1,889,405
<b>TOTAL REVENUES &amp; RECEIPTS</b>	<b>\$45,071,583</b>	<b>\$3,744,883</b>	<b>\$3,086,123</b>	<b>\$51,902,589</b>
<b>EXPENDITURES</b>				
SALARIES	\$17,966,317	\$1,308,192	\$592,893	\$19,867,402
BENEFITS	6,540,681	450,010	214,610	7,205,301
TRAVEL	2,072,916	44,500	168,300	2,285,716
MEETINGS & CONFERENCES	4,424,944	2,400	643,110	5,070,454
PROFESSIONAL SERVICES	3,052,776	135,624	424,491	3,612,891
COURT FEES	88,100	0	0	88,100
PUBLICITY/ADVERTISING	596,950	92,000	202,233	891,183
DUES/SUBSCRIPTIONS/LICENSES	730,299	68,215	32,920	831,434
EDUCATION/TRAINING	199,418	9,440	2,400	211,258
SUPPLIES/AWARDS/GIFTS/SPEC. ITEMS	583,987	27,500	99,400	710,887
RENTALS—OFFICE, EQUIPMENT, STORAGE	1,208,464	164,376	179,000	1,551,840
MAINTENANCE/REPAIR	683,774	30,600	350,000	1,064,374
UTILITIES	248,960	0	0	248,960
POSTAGE & FREIGHT	803,583	141,494	51,433	996,510
TELEPHONE	395,619	3,900	25,800	425,319
INSURANCE	688,583	7,500	0	696,083
ADMINISTRATIVE	423,323	747,852	838,600	2,009,775
FIXED ASSETS	26,500	64,000	1,308,398	1,398,898
PRINTING & COPYING	1,231,184	359,202	66,385	1,656,771
RESERVE FOR CONTINGENCIES	150,000	0	0	150,000
<b>TOTAL EXPENDITURES</b>	<b>\$42,116,378</b>	<b>\$3,656,805</b>	<b>\$5,199,973</b>	<b>\$50,973,156</b>
BOARD COMMITMENTS (IN)/OUT	1,666,405	0	(1,213,398)	453,007
TRANSFERS (IN)/OUT	1,288,800	0	(1,288,800)	0
<b>TOTAL EXPENDITURES, BOARD COMMITMENTS &amp; TRANSFERS</b>	<b>\$45,071,583</b>	<b>\$3,656,805</b>	<b>\$2,697,775</b>	<b>\$51,426,163</b>
<b>NET REVENUES &amp; RECEIPTS OVER EXPENDITURES, BOARD COMMITMENTS &amp; TRANSFERS</b>	<b>\$0</b>	<b>\$88,078</b>	<b>\$388,348</b>	<b>\$476,426</b>
<b>TOTAL BUDGETED FULL-TIME EQUIVALENTS</b>	<b>263.13</b>	<b>19.63</b>	<b>7.88</b>	<b>290.64</b>

# STATE BAR *of* TEXAS

## 2021-2022 PROPOSED GENERAL FUND BUDGET

### REVENUES & RECEIPTS

Attorney Membership Fees	\$21,492,546
Accounting/Management Fees	658,255
Bar Journal Revenue	552,577
MCLE Fees	3,453,950
TexasBarCLE Revenue	13,454,193
Website Revenue	495,000
CDC Disciplinary Fees	555,405
Advertising Review Fees	368,600
Member Benefit Fees	935,309
Other Revenue	1,439,343
<b>TOTAL REVENUES</b>	<b>\$43,405,178</b>
Receipts from Reserves	1,666,405
<b>TOTAL REVENUES &amp; RECEIPTS</b>	<b>\$45,071,583</b>

### EXPENDITURES, BOARD COMMITMENTS & TRANSFERS

EXECUTIVE DIVISION	BUDGET	FTEs
Executive	\$680,604	2.88
Associate Executive Director/Legal Counsel	695,474	3.00
Deputy Executive Director	232,248	1.00
Deputy Executive Director/External Affairs	262,493	1.00
Officers & Directors	1,144,483	-
Human Resources	305,166	2.00
Training/Tuition	62,133	-
<b>MEMBER &amp; PUBLIC SERVICES DIVISION</b>		
Center for Legal History	\$153,576	2.00
Law-Related Education	519,847	3.00
Government Relations	261,144	1.50
Texas Young Lawyers Association	1,010,511	3.00
LeadershipSBOT	98,672	-
Sections	340,715	4.00
Local Bars	460,582	4.00
Special Events	73,604	-
Law Student Department	20,266	-
Volunteer Committees	320,062	1.00
<b>LEGAL &amp; ATTORNEY SERVICES DIVISION</b>		
Legal & Attorney Services	\$234,651	1.00
Texas Lawyers' Assistance Program	494,789	5.00
Legal Access Division	1,528,472	7.50
<b>ACCESS TO JUSTICE COMMISSION</b>	<b>\$686,301</b>	<b>3.00</b>
<b>LAW PRACTICE MANAGEMENT DIVISION</b>	<b>\$181,780</b>	<b>1.00</b>
<b>PROFESSIONAL DEVELOPMENT DIVISION</b>		
TexasBarCLE	\$9,682,518	40.00
Minority Affairs	546,474	3.00

### EXPENDITURES, BOARD COMMITMENTS & TRANSFERS CONTINUED

ATTORNEY COMPLIANCE DIVISION	BUDGET	FTEs
Attorney Compliance	\$188,133	1.00
Advertising Review	150,397	2.00
Client Attorney Assistance Program	536,421	8.00
Lawyer Referral	373,183	4.00
MCLE	571,649	7.00
<b>OPERATIONS/SECURITY</b>		
Purchasing & Facilities	\$1,311,814	5.75
Customer Service	386,118	3.00
<b>RESEARCH &amp; ANALYSIS</b>	<b>\$239,555</b>	<b>2.00</b>
<b>MEMBER BENEFITS</b>	<b>\$88,263</b>	<b>-</b>
<b>FINANCE DIVISION</b>		
Accounting	\$1,052,091	12.00
Membership	621,780	7.00
Other Administrative	2,106,883	-
<b>IT DEPARTMENT</b>		
Information Technology	\$1,233,964	8.00
<b>COMMUNICATIONS DIVISION</b>		
Communications	\$258,476	2.00
Bar Journal	1,306,390	4.50
Printing & Graphics	323,338	4.00
Public Information	172,045	1.50
Website	408,740	2.00
<b>PUBLIC PROTECTION DIVISION</b>		
Chief Disciplinary Counsel	\$9,930,881	95.50
Statewide Committees	243,800	-
Ombudsman	87,223	1.00
Board of Disciplinary Appeals	528,669	3.00
<b>BOARD COMMITMENTS</b>	<b>\$1,666,405</b>	<b>1.00</b>
<b>TRANSFERS TO SPECIAL REVENUE &amp; CAPITAL PROJECTS FUNDS</b>		
Texas Law Center Fund	\$288,800	
Technology Fund	500,000	
Client Security Fund	500,000	
<b>TOTAL EXPENDITURES, BOARD COMMITMENTS &amp; TRANSFERS</b>	<b>\$45,071,583</b>	
<b>TOTAL REVENUES &amp; RECEIPTS OVER EXPENDITURES, BOARD COMMITMENTS &amp; TRANSFERS</b>	<b>\$0</b>	
<b>TOTAL BUDGETED GENERAL FUND FTEs</b>		<b>263.13</b>

(FTE—Full-Time Equivalent)

# STATE BAR *of* TEXAS

## 2021-2022 PROPOSED BUDGETS FOR SPECIAL REVENUE & CAPITAL PROJECTS FUNDS

	LAW FOCUSED GRANTS	TEXAS BOARD OF LEGAL SPECIALIZATION	TEXAS BAR COLLEGE	CONVENTION FUND	BUILDING FUND	TECHNOLOGY FUND	CLIENT SECURITY FUND	TOTAL
<b>REVENUES</b>								
FEES	\$0	\$1,470,250	\$288,275	\$300,000	\$0	\$0	\$0	\$2,058,525
SALES	0	0	1,300	25,000	0	0	0	26,300
INVESTMENTS	0	35,000	1,000	0	14,548	0	10,000	60,548
GRANTS	352,750	0	0	0	0	0	0	352,750
CONTRIBUTIONS	0	0	0	360,000	0	0	0	360,000
RESTITUTION	0	0	0	0	0	0	5,000	5,000
<b>TOTAL REVENUES</b>	<b>\$352,750</b>	<b>\$1,505,250</b>	<b>\$290,575</b>	<b>\$685,000</b>	<b>\$14,548</b>	<b>\$0</b>	<b>\$15,000</b>	<b>\$2,863,123</b>
RECEIPTS FROM RESERVES	0	0	0	0	0	223,000	0	223,000
<b>TOTAL REVENUES &amp; RECEIPTS</b>	<b>\$352,750</b>	<b>\$1,505,250</b>	<b>\$290,575</b>	<b>\$685,000</b>	<b>\$14,548</b>	<b>223,000</b>	<b>\$15,000</b>	<b>\$3,086,123</b>
<b>EXPENDITURES</b>								
SALARIES	\$0	\$523,444	\$69,449	\$0	\$0	\$0	\$0	\$592,893
BENEFITS	0	188,250	26,360	0	0	0	0	214,610
TRAVEL	61,000	55,000	42,000	10,300	0	0	0	168,300
MEETINGS & CONFERENCES	0	75,000	20,000	548,110	0	0	0	643,110
PROFESSIONAL SERVICES	222,775	165,000	27,716	9,000	0	0	0	424,491
PUBLICITY/ADVERTISING	0	158,733	7,000	36,500	0	0	0	202,233
DUES/SUBSCRIPTIONS/LICENSES	0	30,000	2,500	420	0	0	0	32,920
EDUCATION/TRAINING	0	1,650	750	0	0	0	0	2,400
SUPPLIES/AWARDS/GIFTS/SPEC. ITEMS	50,400	12,000	20,000	17,000	0	0	0	99,400
RENTALS—OFFICE, EQUIPMENT, STORAGE	0	170,000	9,000	0	0	0	0	179,000
MAINTENANCE/REPAIR	0	0	0	0	350,000	0	0	350,000
POSTAGE & FREIGHT	5,600	7,833	15,000	23,000	0	0	0	51,433
TELEPHONE	0	25,000	800	0	0	0	0	25,800
ADMINISTRATIVE	6,600	76,600	32,000	8,400	0	0	715,000	838,600
FIXED ASSETS	0	7,000	0	0	65,000	1,236,398	0	1,308,398
PRINTING & COPYING	6,375	9,740	18,000	32,270	0	0	0	66,385
<b>TOTAL EXPENDITURES</b>	<b>\$352,750</b>	<b>\$1,505,250</b>	<b>\$290,575</b>	<b>\$685,000</b>	<b>\$415,000</b>	<b>\$1,236,398</b>	<b>\$715,000</b>	<b>\$5,199,973</b>
BOARD COMMITMENTS - TRANSFERS IN	0	0	0	0	(500,000)	(513,398)	(200,000)	(1,213,398)
TRANSFERS (IN)/OUT	0	0	0	0	(288,800)	(500,000)	(500,000)	(1,288,800)
<b>TOTAL EXPENDITURES, BOARD COMMITMENTS &amp; TRANSFERS</b>	<b>\$352,750</b>	<b>\$1,505,250</b>	<b>\$290,575</b>	<b>\$685,000</b>	<b>(373,800)</b>	<b>223,000</b>	<b>15,000</b>	<b>\$2,697,775</b>
<b>EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES, BOARD COMMITMENTS &amp; TRANSFERS</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$388,348</b>	<b>\$0</b>	<b>\$0</b>	<b>\$388,348</b>
<b>TOTAL BUDGETED FULL-TIME EQUIVALENTS</b>	<b>0</b>	<b>6.88</b>	<b>1.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7.88</b>

The purpose of the State Bar of Texas is to engage in those activities enumerated in section 81.012 of the State Bar Act. The expenditure of funds by the State Bar of Texas is limited as set forth in both section 81.034 of the State Bar Act and in *Keller v. State Bar of California*, 496 U.S. 1 (1990). If any member thinks that any actual or proposed expenditure is not within such purposes of, or limitations on, the State Bar, then such member may object thereto and seek a refund of a pro rata portion of his or her dues expended, plus interest, by filing an objection with the executive director. The objection must be made in writing, addressed to the executive director of the State Bar of Texas, P.O. Box 12487, Austin, TX 78711, and postmarked not later than 90 days after the conclusion of the challenged activity.

Upon receipt of a member's objection, the executive director shall promptly review such objection together with the allocation of dues monies spent on the challenged activity and, in consultation with the president, shall have the discretion to resolve the objection, including refunding a pro rata portion of the member's dues, plus interest. Refund of a pro rata share of the member's dues shall be for the convenience of the State Bar and shall not be construed as an admission that the challenged activity was or would not have been within the purposes of, or limitations on, the State Bar.



# State Bar of Texas



## 2020 – 2021 Committee Review Task Force Report

### **Overview**

The State Bar Act (Section 81.122) requires the State Bar Executive Committee to review standing and special committees of the State Bar on a biennial basis. The Executive Committee is charged with determining whether there is a continued need for each committee and whether there is any unnecessary overlap of committee activities, as well as recommending any changes to State Bar policies governing committees.

Since 2004, standing and special committees have been reviewed and various recommendations have been adopted by the State Bar Board of Directors. Recommendations have included making changes to Board Policy, changing committee names, redefining purpose clauses, and eliminating several committees.

A Committee Review Task Force, made up of Executive Committee members, was appointed at the beginning of the current Bar year. The task force members conducted an extensive review of all standing and special committees by attending meetings and gathering information from committee leadership, board liaisons, and staff liaisons.

### **Committee Review Process**

The task force established a review process to evaluate the effectiveness of all State Bar standing and special committees. Committees were evaluated on their relevance in accordance with the State Bar Act, Strategic Plan, and Board Policy. The task force also evaluated whether a committee's purpose or activities overlap with the purpose and activities of other committees or sections of the State Bar. The review included the following:

- Collecting information about the purposes, goals, and activities of each standing committee;
- Comparing the goals and activities of each standing committee, including each committee's purpose clause with the reasons why each committee was originally created, and with the requirements of the State Bar Act, Strategic Plan, and Board Policy;
- Assessing each standing committee's activities, accomplishments, and financial information; and
- Reviewing State Bar policies and procedures governing standing and special committees.

### **Task Force Recommendations**

After extensive review, the Committee Review Task Force recommends that all committees should continue in their current format with no changes. The task force also recommends additional considerations as explained below.

## **General Findings**

Over the past year, all committees have adapted to virtual meetings through the use of Zoom or other virtual conference technologies. We appreciate the effort that committees have put forth during the pandemic and the unique circumstances that have been presented with no in-person meetings being conducted. Since Board Policy states that meetings of the full committee should be kept to a minimum, we encourage committees to continue to use video and teleconferencing even when in-person meetings resume when possible.

## **Disability Issues Committee**

The committee is considering whether to expand the name of the committee and whether to expand their purpose clause to expand their focus. During the next committee review process, the Task Force should coordinate with the committee to consider whether to recommend such changes to the Executive Committee.

## **Legal Services to the Poor in the Civil Matters Committee**

The chair of the committee indicated that there seemed to be confusion at times regarding their mission and what tasks they should be completing. The committee recognizes that there are other resources and entities that have similar missions, such as the Texas Access to Justice Commission and the Poverty Law Section. The committee would like to evaluate their future role to further define an effective path for them moving forward. During the next committee review process, the Committee Review Task Force should revisit this issue with the committee to see what suggestions they may have regarding their mission.

## **Pattern Jury Charges – Family and Probate**

During the review of the committee, there was discussion about whether it should be split into two separate jury charge committees. There was also discussion about whether to expand the number of committee members that serve on the committee. Additionally, there was a suggestion to appoint more family law attorneys to have a balance of practice area lawyers serving on the committee. The task force determined that no changes should be made to the committee at this time, but that these issues should be monitored and discussed again in the near future to determine whether changes should be made.

## **Committee Chair Appointments**

As prescribed by the Board Policy Manual, the office of chair of a standing committee is one year in duration. The chair is appointed by the incoming President, and may be reappointed provided his or her term as a regular member has not expired. The Task Force observed that the chairs typically serve multiple years as a way to maintain consistent leadership and maintain experience in the position. The position of chair seems to rotate on a limited basis based on the needs of each committee. While there is a term limit on regular member positions, there is no term limit on the number of consecutive years to serve in the chair position.

The Task Force understands the need for maintaining experience in the chair position. However, it believes there may also be value in rotating the chair position on a more frequent and consistent basis, in order to give other committee members an opportunity to serve in a leadership role. The terms of the committee chairs should be monitored over the next two years to see how the rotation patterns develop. After such a review, the Executive Committee and the Board may consider implementing term limits for the chair position, and limit the amount of consecutive years in that position to two or three years.

## **Committee Highlights**

The Committee Review Task Force wanted to thank the standing committees for all their efforts.

Additionally, the Task Force wanted to recognize several committees for their work on specific projects.

<b>Advertising Review</b>	The department and IT staff are in the final stages of developing an online portal that will allow attorneys to submit their advertisements online. This will make the review process more efficient and streamline the administrative process for lawyers.
<b>Diversity in the Profession</b>	<ul style="list-style-type: none"> <li>• Bar prep scholarship program: Received grants through Texas Bar Foundation and donations from bar prep companies (like Kaplan). The committee assists law school students by providing small grants to help pay costs for bar preparation courses.</li> <li>• Texas Minority Law Students Program: They are holding conferences at two law schools (Texas Tech and St. Mary's) to discuss interviewing and resume building. There will be a networking luncheon and panel discussion with lawyers from all different stages of their career</li> <li>• Texas Minority Attorney Program: They are working on a one-day CLE and presentations for client development strategies.</li> <li>• K-12 Pipeline: They are working with schools across the state to present information to children about the legal profession</li> </ul>
<b>Jury Service</b>	<ul style="list-style-type: none"> <li>• Developed the "juror's bill of rights" to identify best practices for the coordinating of jurors. It includes considerations for parking, breaks, access to communication devices and other things jurors have indicated were issues affecting their prior service.</li> <li>• Jury service public service announcements. They are working on the final drafts of several printed ads featuring Texas celebrities encouraging jurors to respond when called for jury duty.</li> <li>• Jury scams- They are working on producing materials to assist law enforcement in identifying and preventing jury scams by public education.</li> <li>• COVID reintegration- They discuss safety issues from around the state at every meeting.</li> </ul>
<b>Law Focused Education</b>	The LFE Committee members are recruiting high school students to participate in their region's Texas Citizen Bee competition and some are serving as officials. The Committee continues to provide a wide range of services to help educators teach students about the rule of law despite the impact of the pandemic.
<b>MCLE</b>	In response to a request from the State Bar Board, the committee developed recommendations for changes to the MCLE regulations that would allow courses on implicit bias or wellness to count as ethics credit. The Committee researched similar regulations by other Bar associations and reviewed all the public comments submitted to the State Bar. The committee's final recommendations will be presented to the Board of Directors for consideration at their April 16, 2021 meeting.
<b>Professionalism</b>	The committee obtained the Texas Supreme Court and the Texas Court of Criminal Appeals' Proclamation of The Texas Day of Civility in the Law as <b>September 17, 2021</b> . They are working with the SBOT staff for the State Bar to recognize the same date (to be presented/requested at an upcoming Board of Directors meeting). They are also preparing a short article to accompany the proclamation in the May issue of the Texas Bar Journal.

## **Conclusion**

The State Bar currently has a total of 28 standing committees and one special committee. Overall, the committee structure of the Bar is sound and is meeting the goals established by the State Bar Act, Strategic Plan, and Board Policy. The Committee Review Task Force concludes that there is a continuing need for all committees and that no changes to the committee structure is needed at this time. In summary, the task force makes the following recommendations to the State Bar Board of Directors:

1. Coordinate with the Disability Issues Committee to determine whether there should be a change made to their committee name and purpose clause during the next committee review process;
2. In the next two years, obtain feedback from the Legal Services to Poor in Civil Matters to determine whether their mission should be changed or refocused in a different direction;
3. In 2023, the next Committee Review Task Force should review the terms of Chair position appointments again to determine whether term limits should be incorporated.

This report is submitted on behalf of the Committee Review Subcommittee, whose members include: Sylvia Borunda Firth, (Chair), Charlie Ginn, Wendy-Adele Humphrey, Michael Smith, and James Wester.

Respectfully Submitted,

Sylvia Borunda Firth, Chair



