

Wrapping Up FY22 and Planning for FY23: Budgeting and Programming

April 27, 2022 | 3:00 p.m. – 5:00 p.m. | Virtual via [Zoom](#)

AGENDA

3:00 p.m.	Welcome & Plan for The Day	Carolyn MacGregor, <i>Sections Program Specialist</i> Hon. Brian Tollefson (Ret.), <i>WSBA President</i>
3:10	FY23 Budget Planning	Liz Wick, <i>Finance Manager</i>
3:50	Sections Program Updates	Carolyn MacGregor, <i>Sections Program Specialist</i> Omar Abdulla, <i>Sections Program Coordinator</i> Julianne Unite, <i>Member Services and Engagement (MSE) Manager</i> Kevin Plachy, <i>Director of Advancement</i>
4:00	WSBA Structure Study Update	Terra Nevitt, <i>Executive Director</i> Hon. Brian Tollefson (Ret.), <i>WSBA President</i> Kyle Sciuchetti, <i>WSBA Past President</i> Bryn Peterson, <i>WSBA Treasurer</i> Francis Adewale, <i>WSBA Board of Governor</i> Lauren Boyd, <i>WSBA Board of Governor</i> Brent Williams-Ruth, <i>WSBA Board of Governor</i> Kevin Plachy, <i>Director of Advancement</i>
4:30	Open Dialogue with Board of Governors Members	Hon. Brian Tollefson (Ret.), <i>WSBA President</i> Kyle Sciuchetti, <i>WSBA Past President</i> Treasurer Bryn Peterson, <i>WSBA Treasurer</i> Francis Adewale, <i>WSBA Board of Governor</i> Matthew Dresden, <i>WSBA Board of Governor</i> Lauren Boyd, <i>WSBA Board of Governor</i> Brent Williams-Ruth, <i>WSBA Board of Governor</i>
5:00	Closing Remarks & Adjourn	Carolyn MacGregor, <i>Sections Program Specialist</i>

*Your commitment as a section leader is valued and appreciated—
thank you for being here today!
This meeting will be recorded and available for viewing after the event.*



ANNUAL SPRING SECTION LEADERS MEETING

Wrapping up FY2022 and Planning for FY2023: Budgeting and Programming

Wednesday, April 27, 2022
3:00 p.m. – 5:00 p.m.

AGENDA

- Welcome and Plan for the Day
- FY23 Budget Planning
- Sections Program Updates
- WSBA Structure Study Update
- Open Dialogue with BOG Members
- Adjourn



FY2023 BUDGET PLANNING

LIZ WICK, BUDGET AND FINANCE MANAGER,
elizabethw@wsba.org



FISCAL YEAR (FY) 2023 BUDGET SCHEDULE

- ▶ **May 2:** Budget Worksheets and documents sent to Section Leaders
- ▶ **May 2 – July 1:** Sections Leaders complete budget template
- ▶ **June 22:** Budget Process Drop-In Calls
- ▶ **July 1:** Deadline for Sections to submit their budget worksheet and change dues request
- ▶ **July 27:** WSBA Budget & Audit (B&A) Committee meeting reviews initial budget drafts
- ▶ **July 9 – 30:** Review of budget worksheet and follow-up
- ▶ **August 26:** Final budget worksheets due
- ▶ **September 14:** B&A reviews final FY22 Section Budgets
- ▶ **September 22 – 23:** WSBA Board of Governors approves budget

DOCUMENTS

- ▶ **FY23 Section Budget Request Worksheet**
 - ▶ **Request to Change Member Dues**
 - ▶ **Section Membership Dues History**
 - ▶ **Section Membership Count History**
 - ▶ **Section Fiscal Policies**
 - ▶ **CLE Split Summary**
 - ▶ **FY23 Per-Member Charge Calculation**
-
- ▶ All distributed on May 2nd

FY23 SECTION BUDGET REQUEST WORKSHEET

- ▶ Sample spreadsheet attached to meeting materials
- ▶ Includes 2019 – 2022 YTD budget and actual numbers
- ▶ “Narrative” column to be filled out explaining the purpose of the funds and any calculations or additional information to support the budget figure
- ▶ Sections leaders will input FY2023 budget dollar amounts and narrative
- ▶ Due July 1st

REQUEST TO CHANGE MEMBER DUES

- ▶ Only needed if planning a change to member dues for FY23
- ▶ Due July 1st

SECTION MEMBERSHIP DUES HISTORY

- ▶ This document shows the membership dues for each section for the past 5 years

SECTION MEMBERSHIP COUNT HISTORY

- ▶ This document shows the membership counts for your section over the past 5 years as well as the year-to-date count

SECTION FISCAL POLICIES

- ▶ This explains the WSBA’s guidelines for section financial activity
- ▶ General guidelines:
 - ▶ Sections fund balance should be enough to sustain a consistent level of programming in the even there are severe fluctuations in annual section membership (six months’ worth of direct programming expenses are recommended as a guideline)
 - ▶ Sections are discouraged from maintaining fund balances in excess of two years’ worth of direct programming expenses and specified purposes
 - ▶ Limits to certain expense categories may exist e.g., lodging and meal reimbursements, gifts, etc.
 - ▶ While section annual budgets are designed as “use it or lose it,” there is a process for proposing use of unbudgeted funds for unexpected or unplanned circumstances.

FY23 PER-MEMBER CHARGE CALCULATION

- ▶ The current (FY23) PMC calculation of \$17.66 was approved by the Budget & Audit Committee at the April 20th meeting.
- ▶ A detailed breakdown of the calculation behind the charge will be distributed along with the other budget materials on May 2nd.

QUESTIONS?

SECTIONS PROGRAM UPDATES

CAROLYN MACGREGOR, SECTIONS PROGRAM SPECIALIST

OMAR ABDULLA, SECTIONS PROGRAM COORDINATOR

JULIANNE UNITE, MEMBER SERVICES AND ENGAGEMENT MANAGER

KEVIN PLACHY, DIRECTOR OF ADVANCEMENT



Elections

- Nominating committees reviewing applications
- Candidate slate form due May 16*
- Ballots finalized by May 31
- Voting begins June 6*
- Final results sent to section chairs by July 8

**Some sections are following an alternate timeline*

Year-in-Review Infosheets

- Available now via link on each section webpage
- Designed as tool for section publicity/member recruitment
- Content taken from FY21 section annual reports

Discussion Series

- Virtual lunchtime discussion series to be launched soon
- Opportunity for section leaders to engage in discussion on relevant topics
- 1-2 sessions planned for the rest of FY21
- 1st topic is “What’s Happening with Open Sections Night?”

List Serve Clean Up

- Purpose: Ensure current section members are subscribed to WSBA administered section list serves
- Communication and Implementation Plan
 - Notification to Section Leaders – Late April
 - Notification to Section Members – Early May
 - Clean-up – Mid May

COVID-19 UPDATES

- Updated policies for volunteers and guests are in effect.
- Check the [COVID-19 Policy page](#) for latest information, resources, and to upload proof of vaccination or exemption.
- [Volunteer Policy](#): Proof of vaccination, including booster, or qualifying exemption.
- [Guest Policy](#): Proof of vaccination, including booster, or negative PCR test within past 72 hours.
- For masking protocol, follow local Health Dept. and venue guidelines at time of event.

QUESTIONS?



WSBA STRUCTURE STUDY UPDATE

TERRA NEVITT, EXECUTIVE DIRECTOR

HON. BRIAN TOLLEFSON (RET.), WSBA PRESIDENT

KYLE SCIUCHETTI, WSBA PAST PRESIDENT

BRYN PETERSON, WSBA TREASURER

FRANCIS ADEWALE, MEMBER - WSBA BOARD OF GOVERNORS

LAUREN BOYD, MEMBER - WSBA BOARD OF GOVERNORS

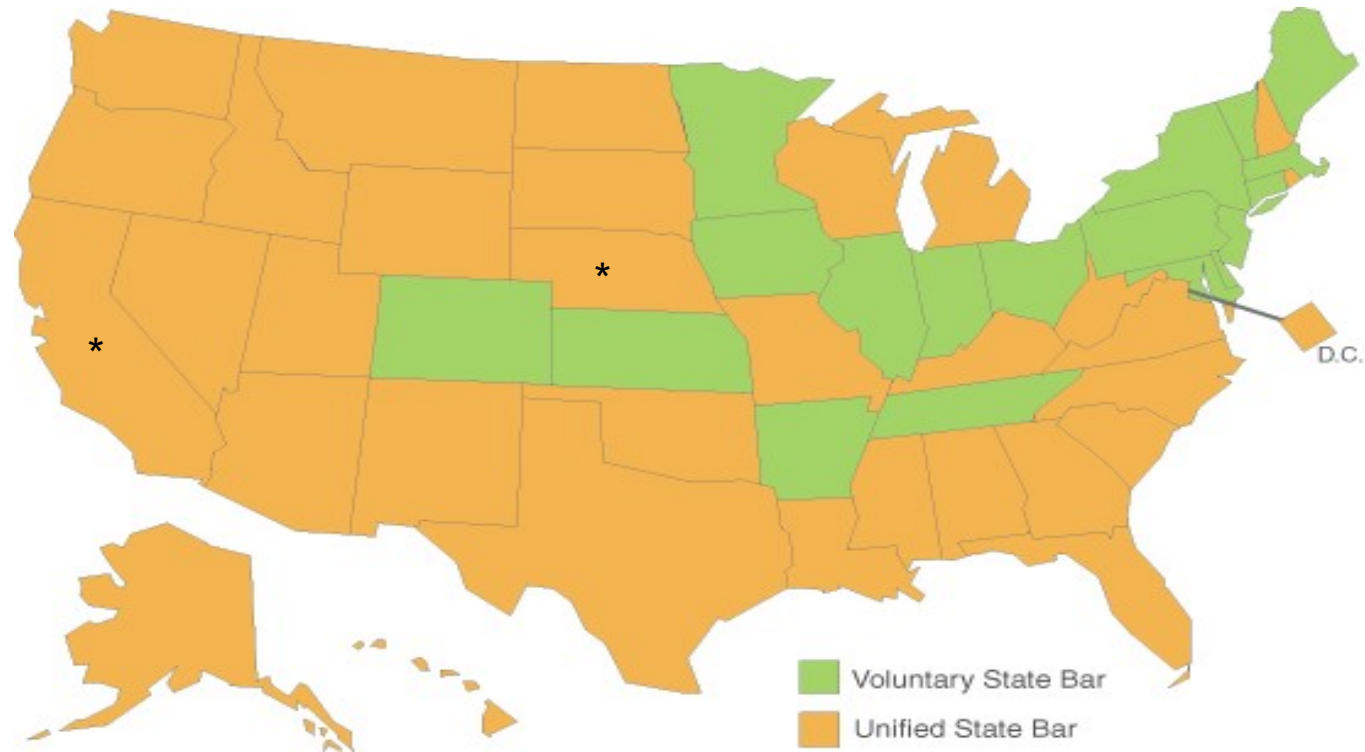
BRENT WILLIAMS-RUTH, MEMBER - WSBA BOARD OF GOVERNORS

KEVIN PLACHY, DIRECTOR OF ADVANCEMENT



WHAT IS OUR STRUCTURE NOW?

Mandatory/Unified/Integrated Bar v. Agency Model



* CA and NE modified their unified bar models.



**WHY IS THE STRUCTURE
BEING EXAMINED?**

U.S. SUPREME COURT DECISIONS

FREE ASSOCIATION	FREE SPEECH
<ul style="list-style-type: none">• States may constitutionally require membership <i>to further legitimate interests in raising the quality of professional services</i> even though the organization also engages in some legislative activity. <p>Lathrop v. Donohue (1961)</p>	<ul style="list-style-type: none">• Compelled association and integrated bar <i>justified by states' interest in regulating the legal profession and improving the quality of legal services.</i>• <i>The State Bar may constitutionally fund germane activities</i> from mandatory dues. It may not, however, in such manner fund activities of an ideological nature which fall outside of those areas. <p>Keller v. State Bar of California (1990)</p>

Is the activity prohibited under GR 12.2?

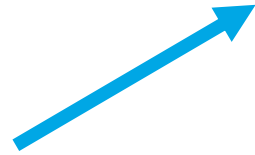
Would the activity constitute taking a position on a political issue that is not related to either the administration of justice or the practice of law?



Yes



No



Yes



No



Include in Keller Deduction

Can we use compulsory license fees for the activity under Keller?

Is the activity germane to the bar association's legitimate interests in regulating the legal profession and improving the quality of legal services?

JANUS V. AFSCME (2018)

- Supreme Court holds that the First Amendment forbids government from requiring their employees to pay union fees.
- Overturned the 1977 decision of *Abood v. Detroit Board of Education*, which had formed the basis for the US Supreme Court's 1990 decision in *Keller v. State Bar of California*.
- Without *Abood* as a foundation, is *Keller* still good law?



**WHY IS THE STRUCTURE
BEING EXAMINED AGAIN?**

CASES FILED AFTER JANUS

5th Circuit

- Louisiana – Bourdreaux v. Louisiana State Bar - Keller notice claim remanded. Inability to identify nongermane expenditure is constitutional violation.
- Texas - McDonald v. Longley - Mandatory bars that engage in any nongermane activity violate First Amendment right of free association. Injunction issued.

6th Circuit

- Michigan – Taylor v. Buchanan - Mandatory bars that engage in germane activity only are constitutional. Cert. Petition filed 9/1/2021

7th Circuit

- Wisconsin – Jarchow v. State Bar of Wisconsin, Cert. Petition denied 6/1/20 with two justices wanting to reconsider Keller

8th Circuit

- North Dakota – Fleck v. Wetch, Cert. Petition denied 3/9/20; rehearing denied 5/4/20

9th Circuit-Pending

- Oregon – Crowe/Gruber v. Oregon State Bar – Free association claim remanded; Cert. Petition denied 10/4/2021
- Washington - cases dismissed 2017 and 2018

10th Circuit-Pending

- Oklahoma – Schell v. Oklahoma Supreme Court - Free association claim remanded. Broader free association claim not yet decided by US Supreme Court.

THREE QUESTIONS FROM THE WASHINGTON SUPREME COURT

1. Does current federal litigation regarding the constitutionality of integrated bars require the WSBA to make a structure change?
2. Even if the WSBA does not have to alter its structure now, what is the contingency plan if the U.S. Supreme Court does issue a ruling that forces a change?
3. Litigation aside, what is the ideal structure for the WSBA to accomplish its mission?

EXAMINING THE HISTORICAL ORGANIZATION AND STRUCTURE OF THE BAR (ETHOS)

- Feb. 5, 2022
- Mar. 5, 2022
- ~~Mar. 25, 2022~~
- **Apr. 23, 2022**
- May 21, 2022
- Jun. 18, 2022
- **Jul. 23, 2022**
- Aug. 13, 2022

Background materials, meeting materials, and meeting information is available at:

<https://www.wsba.org/about-wsba/who-we-are/board-of-governors/bar-structure-study>

OPEN DIALOGUE WITH BOG MEMBERS



HON. BRIAN TOLLEFSON, WSBA PRESIDENT

KYLE SCIUCHETTI, WSBA PAST PRESIDENT

BRYN PETERSON, TREASURER

GOVERNOR FRANCIS ADEWALE, BOARD OF GOVERNORS

LAUREN BOYD, BOARD OF GOVERNORS

MATTHEW DRESDEN, BOARD OF GOVERNORS

BRENT WILLIAMS-RUTH, BOARD OF GOVERNORS

TERRA NEVITT, EXECUTIVE DIRECTOR

KEVIN PLACHY, DIRECTOR OF ADVANCEMENT

To all our volunteers:

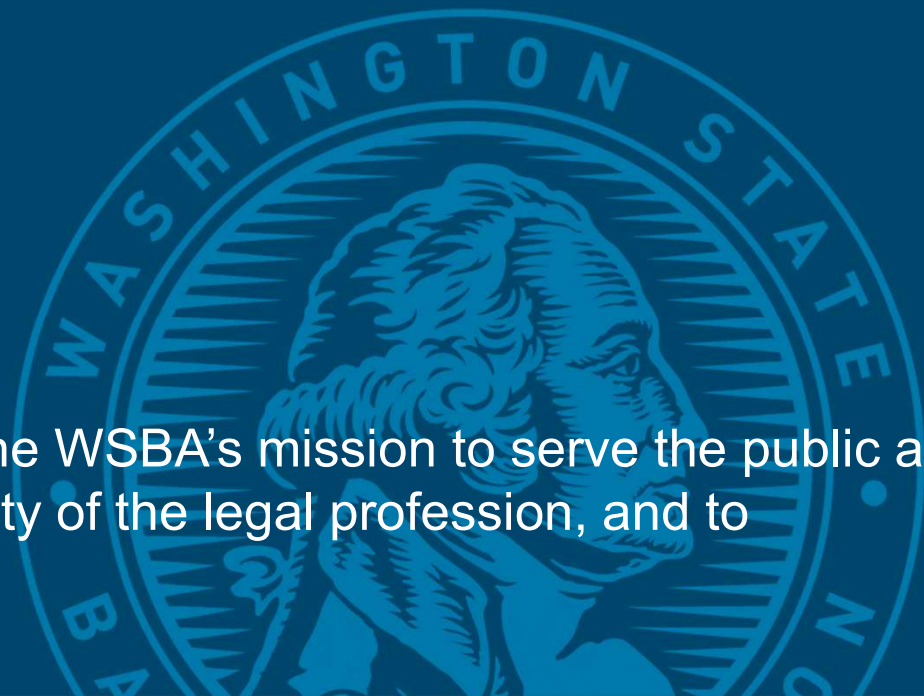
**THANK YOU
FOR ALL YOU DO**



Image credit: WSBA Celebrates National Volunteer Week April 17-23, 2022

Thank you!

Sections are integral partners in promoting the WSBA's mission to serve the public and the members of the Bar, to ensure the integrity of the legal profession, and to champion justice.



Washington State Bar Association
 FY2023 BUDGET

SSAM-Sample Section

ENTER NUMBERS
 BELOW:

Planned number of members in FY2023:	975
Planned FY2023 Dues Rate:	\$ 35.00
Per Member Charge (PMC) - provided by WSBA	\$ 18.75

INSTRUCTIONS

Please enter data in all of the sections with a yellow header. This includes:

- Cells C10 & C11 (planned number of members & dues rate)
- Column I (the numbers highlighted in grey have been provided and cannot be changed)
- Column J (please provide a narrative for any numbers you entered in column I)

See Memo for explanation of this column	Enter final desired budget numbers in this column	
FY2023 BUDGET DATA:		
		Narrative: Enter description of how the budgeted funds will be used.
FY2023 Estimated Budget	FY2023 Submitted Budget	
Interest - Investments	40500	This number is provided by WSBA. Cannot be changed.
Seminar Revenue-Other	41825	This number is provided by WSBA. Cannot be changed.
Seminar Splits w/CLE	41850	This number is provided by WSBA. Cannot be changed.
Seminar Splits w/Others	41875	This number is provided by WSBA. Cannot be changed.
Section Dues Revenue	48200	This number is calculated based on the numbers entered in cells C6 & C7.
<i>ADDITIONAL REVENUE LINES IF NEEDED: (see "Accounts" tab for list of accounts)</i>		
TOTAL REVENUE	50,050	
Conference Calls	50165	This number is calculated based on the numbers entered in cells C6 & C8.
Annual or Other Meeting Expens	58125	
Attendance at BOG Meetings	58150	
Awards	58175	
Executive Committee Expenses	58300	
Executive Comm Exp - Other	58305	
Membership & Recruiting Exp	58350	
Newsletter/Publication Expense	58375	
Per Member Charge	58400	
Reception/Forum Expense	58450	
Scholarships/Donations/Grant	58525	
Mini-CLE Expense	58620	
Seminar Expense - Sections	58625	
<i>ADDITIONAL EXPENSE LINES IF NEEDED: (see "Accounts" tab for list of accounts)</i>		
TOTAL DIRECT EXPENSES:	62,213	
NET INCOME (LOSS):	(12,163)	
FUND BALANCE:	67,032	

	FY2021 Budget	FY2021 Actuals	FY2022 Budget	FY2022 Actuals as of 3/31/22
REVENUE:				
Interest - Investments	40500	771	-	-
Seminar Revenue-Other	41825	-	-	-
Seminar Splits w/CLE	41850	13,000	9,000	21,537
Seminar Splits w/Others	41875	1,000	1,000	-
Section Dues Revenue	48200	36,050	34,125	32,725
<i>ADDITIONAL REVENUE LINES IF NEEDED: (see "Accounts" tab for list of accounts)</i>				
TOTAL REVENUE	50,050	49,252	44,125	54,262
EXPENSES:				
Conference Calls	50165	500	1,000	-
Annual or Other Meeting Expens	58125	1,500	1,500	-
Attendance at BOG Meetings	58150	3,000	3,000	-
Awards	58175	1,900	1,900	-
Executive Committee Expenses	58300	16,000	16,000	-
Executive Comm Exp - Other	58305	10,000	10,000	-
Membership & Recruiting Exp	58350	220	1,000	-
Newsletter/Publication Expense	58375	-	-	-
Per Member Charge	58400	19,313	17,726	16,998
Reception/Forum Expense	58450	-	-	-
Scholarships/Donations/Grant	58525	2,000	10,000	-
Mini-CLE Expense	58620	2,000	2,000	-
Seminar Expense - Sections	58625	6,000	6,000	-
<i>ADDITIONAL EXPENSE LINES IF NEEDED: (see "Accounts" tab for list of accounts)</i>				
TOTAL DIRECT EXPENSES:	62,213	24,456	70,126	16,998
NET INCOME (LOSS):	(12,163)	24,796	(26,001)	37,264
FUND BALANCE:	67,032	117,829	67,032	155,093

(IF APPLICABLE) PLEASE LIST ANY CLE'S TO BE PLANNED IN PARTNERSHIP WITH WSBA CLE BELOW:

MONTH/YEAR	DESCRIPTION	HALF, FULL, OR MULTI-DAY