

# IN THE SUPREME COURT OF TEXAS

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Misc. Docket No. 12- **9076**

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## ORDER APPROVING FY 2012-2013 BUDGET OF THE STATE BAR OF TEXAS

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WHEREAS, the State Bar of Texas has petitioned the Supreme Court of Texas to review and approve its budget for the fiscal year 2012-2013; and

WHEREAS, the Court has reviewed such proposed budget; and

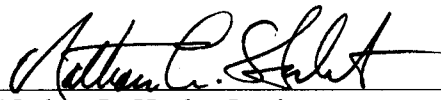
WHEREAS, it appears to the Court that all procedural antecedents have been complied with, including the public hearing and the notice to the membership; and

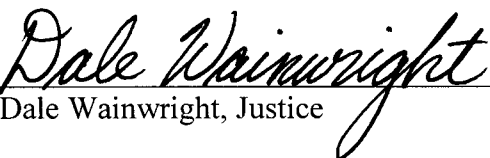
WHEREAS, it thus appears to the Court that such proposed budget should be approved;

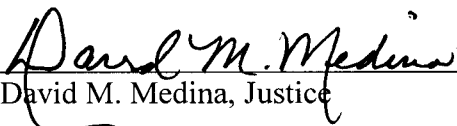
IT IS, THEREFORE, ORDERED that the proposed budget for fiscal year 2012-2013 of the State Bar of Texas, as submitted to this Court, is hereby approved in its entirety.


SIGNED this 8<sup>th</sup> day of May, 2012.


  
Wallace B. Jefferson, Chief Justice

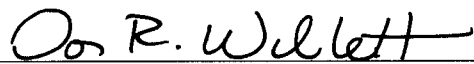
  
Nathan L. Hecht, Justice

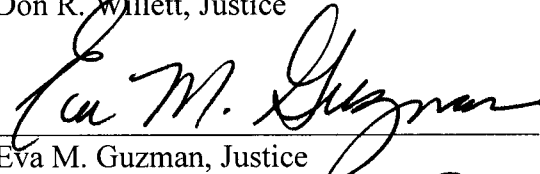
  
Dale Wainwright, Justice

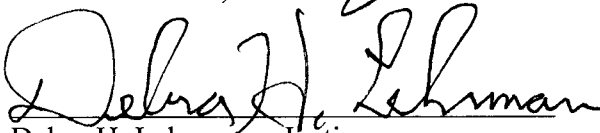
  
David M. Medina, Justice

  
Paul W. Green, Justice

  
Phil Johnson, Justice

  
Don R. Willett, Justice

  
Eva M. Guzman, Justice

  
Debra H. Lehrmann, Justice



# 2012-2013 PROPOSED COMBINED BUDGET

The State Bar proposed budgets for the 2012–2013 fiscal year are included here for your information. If you would like a copy of the budget summary, contact the State Bar Accounting Department at (800) 204-2222, Ext. 1521. All interested persons are invited to a public hearing on the proposed budget scheduled for Tuesday, March 27, 2012, at 9 a.m., at the Texas Law Center Hatton W. Sumners Conference Room. The General Fund is the operating fund for the State Bar of Texas. The TexasBarBook Fund is considered an Enterprise Fund. An Enterprise Fund 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 most do not use any membership dues or revenues from the General Fund for operations.

	GENERAL FUND	TEXASBARBOOK FUND	SPECIAL REVENUE FUNDS	TOTAL PROPOSED BUDGET
<b>REVENUES</b>				
DUES	\$19,211,200	\$0	\$0	\$19,211,200
FEES	14,982,232	44,730	1,815,183	16,842,145
ADVERTISING	824,996	0	0	824,996
SALES	1,254,492	2,289,670	26,500	3,570,662
INVESTMENTS	100,000	150	15,000	115,150
GRANTS	0	0	327,000	327,000
CONTRIBUTIONS	473,687	0	385,000	858,687
RENT	147,956	0	0	147,956
OTHER REVENUE	895,803	735,000	15,000	1,645,803
RECEIPTS FROM RESERVES	2,079,871	0	0	2,079,871
<b>TOTAL REVENUES &amp; RECEIPTS</b>	<b><u>\$39,970,237</u></b>	<b><u>\$3,069,550</u></b>	<b><u>\$2,583,683</u></b>	<b><u>\$45,623,470</u></b>
<b>EXPENDITURES</b>				
SALARIES	\$15,680,806	\$978,339	\$540,559	\$17,199,704
BENEFITS	4,196,515	265,300	148,383	4,610,198
TRAVEL	2,060,539	25,760	199,578	2,285,877
MEETINGS & CONFERENCES	3,712,317	1,700	567,915	4,281,932
PROFESSIONAL SERVICES	2,422,453	35,000	360,318	2,817,771
COURT FEES	143,000	0	0	143,000
PUBLICITY/ADVERTISING	868,034	65,970	111,000	1,045,004
DUES/SUBSCRIPTIONS/LICENSES	661,713	40,000	15,520	717,233
EDUCATION/TRAINING	231,391	11,500	1,850	244,741
SUPPLIES/AWARDS/GIFTS/SPEC. ITEMS	659,978	17,000	98,900	775,878
RENTALS — OFFICE, EQUIPMENT, STORAGE	979,741	142,327	117,833	1,239,901
MAINTENANCE/REPAIR	602,195	20,502	2,400	625,097
UTILITIES	199,158	0	58,079	257,237
POSTAGE AND FREIGHT	894,818	220,957	50,000	1,165,775
TELEPHONE	398,658	2,340	15,700	416,698
INSURANCE	428,497	9,000	0	437,497
ADMINISTRATIVE	997,366	605,073	686,662	2,289,101
FIXED ASSETS	93,325	49,277	1,035,500	1,178,102
PRINTING AND COPYING	1,676,795	484,134	127,412	2,288,341
RESERVE FOR CONTINGENCIES	450,000	0	0	450,000
TRANSFER TO RESERVES	0	0	1,059,012	1,059,012
<b>TOTAL EXPENDITURES</b>	<b><u>\$37,357,299</u></b>	<b><u>\$2,974,179</u></b>	<b><u>\$5,196,621</u></b>	<b><u>\$45,528,099</u></b>
<b>TRANSFERS (IN)/OUT</b>	<b><u>\$2,612,938</u></b>	<b><u>0</u></b>	<b><u>(2,612,938)</u></b>	<b><u>0</u></b>
<b>TOTAL REVENUES/RECEIPTS LESS EXPENDITURES &amp; TRANSFERS</b>	<b><u>\$0</u></b>	<b><u>\$95,371</u></b>	<b><u>\$0</u></b>	<b><u>\$95,371</u></b>

# 2012-2013 PROPOSED GENERAL FUND BUDGET



## REVENUES

Membership Dues	\$19,205,200
Accounting/Management Fees	591,936
<i>Bar Journal</i>	711,800
MCLE Fees	2,620,000
TexasBarCLE	12,690,303
Investment Income	100,000
CDC Disciplinary Fees	370,363
Advertising Review	265,000
Other Revenue	1,335,764
Transfer from Reserves	2,079,871

**TOTAL REVENUES \$39,970,237**

## EXPENDITURES

### EXECUTIVE DIVISION

Executive Director	\$460,687
Deputy Executive Director	305,833
Legal Counsel	334,323
Director of Special Projects	154,427
Unauthorized Practice of Law	170,000
Presidential Initiatives	100,000
Officers & Directors	761,837

### GOVERNMENTAL RELATIONS DIVISION

Governmental Relations	\$452,876
Center for Legal History	138,208
Law Related Education	457,859

### PROFESSIONAL DEVELOPMENT DIVISION

TexasBarCLE	\$9,777,324
Minority Affairs	360,639

### LEGAL SERVICES SUPPORT DIVISION

\$1,114,277

### ACCESS TO JUSTICE COMMISSION

\$669,488

### ATTORNEY COMPLIANCE DIVISION

Office of Attorney Compliance Director	\$123,294
Advertising Review	295,354
Client-Attorney Assistance Program	432,570
Lawyer Referral	350,525
Membership	980,051
MCLE	614,224
SBOT Volunteer Committees	301,980
Referendum	100,000

## ADMINISTRATION DIVISION

Administration Director	\$103,983
Human Resources	357,341
Training/Tuition	101,133
Purchasing & Facilities	1,126,125
Research & Analysis	110,110
Texas Lawyers Assistance	315,836

## FINANCE DIVISION

Accounting Department	\$875,830
Other Administrative	1,492,894

## INFORMATION TECHNOLOGY DIVISION

Information Technology	\$1,187,665
Customer Service	342,691

## COMMUNICATIONS DIVISION

Communications Director	\$240,636
<i>Bar Journal</i>	1,400,152
SBOT Leadership Academy	94,000
Local Bars	357,221
Sections	254,256
Public Information	192,229
Special Events	88,604
Texas Young Lawyers Association	890,675
Law Student Department	20,266

## WEBSITE DIVISION

\$557,396

## PUBLIC PROTECTION DIVISION

Chief Disciplinary Counsel	\$8,247,251
Statewide Committees	55,750
Board of Disciplinary Appeals	489,479

## TOTAL EXPENDITURES

**\$37,357,299**

## TRANSFERS

Texas Law Center Fund	\$483,067
Technology Fund	1,579,871
Client Security Fund	550,000

## TOTAL EXPENDITURES & TRANSFERS

**\$39,970,237**

## EXCESS (DEFICIT) REVENUES

### OVER EXPENDITURES

**\$0**



# 2012-2013 COMBINED BUDGET – SPECIAL REVENUE FUNDS

	LAW FOCUSED GRANTS	TBLS FUND	CONVENTION FUND	TEXAS LAW CENTER FUND	STATE BAR COLLEGE FUND	TECHNOLOGY FUND	CLIENT SECURITY FUND	TOTAL
<b>REVENUES</b>								
FEES	\$27,000	\$1,261,183	\$300,000	\$0	\$227,000	\$0	\$0	\$1,815,183
SALES	0	0	25,000	0	1,500	0	0	26,500
INVESTMENTS	0	0	0	0	0	0	15,000	15,000
GRANTS	327,000	0	0	0	0	0	0	327,000
CONTRIBUTIONS	0	0	385,000	0	0	0	0	385,000
RESTITUTION	0	0	0	0	0	0	15,000	15,000
<b>TOTAL REVENUES</b>	<b>\$354,000</b>	<b>\$1,261,183</b>	<b>\$710,000</b>	<b>\$0</b>	<b>\$228,500</b>	<b>\$0</b>	<b>\$30,000</b>	<b>\$2,583,683</b>
<b>EXPENDITURES</b>								
SALARIES	\$14,560	\$431,147	\$0	\$0	\$94,852	\$0	\$0	\$540,559
BENEFITS	3,858	118,362	0	0	26,163	0	0	148,383
TRAVEL	115,188	40,000	10,500	0	33,890	0	0	199,578
MEETINGS & CONFERENCES	68,130	33,500	458,285	0	8,000	0	0	567,915
PROFESSIONAL SERVICES	67,318	274,000	11,000	0	8,000	0	0	360,318
PUBLICITY/ADVERTISING	0	70,000	36,500	0	4,500	0	0	111,000
DUES/SUBSCRIPTIONS/LICENSES	0	14,600	420	0	500	0	0	15,520
EDUCATION/TRAINING	0	850	0	0	1,000	0	0	1,850
SUPPLIES/AWARDS/GIFTS/SPEC. ITEMS	44,400	11,000	17,000	20,000	6,500	0	0	98,900
RENTALS—OFFICE, EQUIPMENT, STORAGE	6,500	109,250	750	0	1,333	0	0	117,833
MAINTENANCE/REPAIR	0	2,400	0	0	0	0	0	2,400
UTILITIES	0	0	58,079	0	0	0	0	58,079
POSTAGE AND FREIGHT	8,500	10,500	23,000	0	8,000	0	0	50,000
TELEPHONE	0	14,400	0	0	1,300	0	0	15,700
ADMINISTRATIVE	6,600	76,600	8,000	0	15,462	0	580,000	686,662
FIXED ASSETS	0	4,500	0	0	0	1,031,000	0	1,035,500
PRINTING AND COPYING	18,946	3,000	86,466	0	19,000	0	0	127,412
TRANSFER TO RESERVES	0	47,074	0	463,067	0	548,871	0	1,059,012
<b>TOTAL EXPENDITURES</b>	<b>\$354,000</b>	<b>\$1,261,183</b>	<b>\$710,000</b>	<b>\$483,067</b>	<b>\$228,500</b>	<b>\$1,579,871</b>	<b>\$580,000</b>	<b>\$5,196,621</b>
OPERATING TRANSFER (IN)/OUT	0	0	0	(483,067)	0	(1,579,871)	(550,000)	(2,612,938)
<b>TOTAL EXPENDITURES NET OF OPERATING TRANSFERS</b>	<b>\$354,000</b>	<b>\$1,261,183</b>	<b>\$710,000</b>	<b>\$0</b>	<b>\$228,500</b>	<b>\$0</b>	<b>\$30,000</b>	<b>\$2,583,683</b>
<b>TOTAL REVENUES LESS EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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