WSBA 2026 Fall Section Leaders Meeting

Materials

Thursday, Oct. 29, 2026 – Noon-1:30 p.m.

Table of Contents

1. Agenda 2

2. PowerPoint Presentation 3

3. WSBA Fiscal Policies – Chapter 6..... 39

4. WSBA Fiscal Policies – Chapter 10..... 52

WASHINGTON STATE BAR ASSOCIATION

Annual Fall Section Leaders Meeting

Shift into Gear!

Agenda

Thursday, October 29, 2026 | 12:00 – 1:30 p.m.
Via Zoom | Meeting ID: 856 5492 0767 | Passcode: 558788
Zoom Conference Call Line Toll-Free Option: (888) 788-0099

12:00 p.m.	Words of Welcome	Carolyn MacGregor, *Sections Program Specialist* Kevin Plachy, *Advancement Department Director*
12:05 p.m.	Understanding WSBA and Collaborating with Leadership	Kari Petrasek, *President* Terra Nevitt, *Executive Director*
12:25 p.m.	WSBA Policy Updates and Reminders: Open Meetings and Fiscal Policy	Carolyn MacGregor
12:40 p.m.	Activity	Sections Team
1:05 p.m.	Volunteer Toolbox Tour	Noah Baetge, *Sections Program Coordinator*
1:15 p.m.	Website Guidance	Julianne Unite, *Member Services and Engagement Manager* Kevin Plachy
1:25 p.m.	Wrap-up	Vanessa Sweeney, *Member Services and Engagement Program Coordinator*



FY27 AT-A-GLANCE	
Nov. 5	CLE Primer
Nov. 20	Legislative Primer
Nov-Jan	Renew Your Membership
Jan 1, 2027	**New Membership Year!**
Jan	Section Elections Prep Begins
Jan 21; Feb 2	Section Elections Informational Drop-ins
Feb 9	Election Setup Form Due
Mar 11	Nominating Committee Recruitment Strategy Drop-in
Mar 24; Apr 8	Interested Applicant Informational Drop-ins
April	Annual Spring Section Leaders Meeting
April-May	Annual Budget Process Begins (FY27)
May-June	Executive Committee Elections
July	Final Section FY27 Budget Due
Sept	Board of Governors Reviews/Approves Budgets
Sept 30, 2027	**End of Fiscal Year 2027**

Please take a moment to rename yourself in Zoom to Include your name and section, please!

ANNUAL FALL SECTION LEADERS MEETING

Shift into Gear!

Thursday, October 29, 2026
Noon – 1:30 p.m.

ANNUAL FALL SECTION LEADERS MEETING: *SHIFT INTO GEAR*

Thursday, October 29, 2026
Noon – 1:30 p.m.

AGENDA

- Words of Welcome
- Understanding WSBA & Collaborating with Leadership
- WSBA Policy Updates and Reminders: Open Meetings and Fiscal Policy
- Small Group Activity
- Volunteer Toolbox Tour
- Website Guidance
- Wrap-up & Adjourn

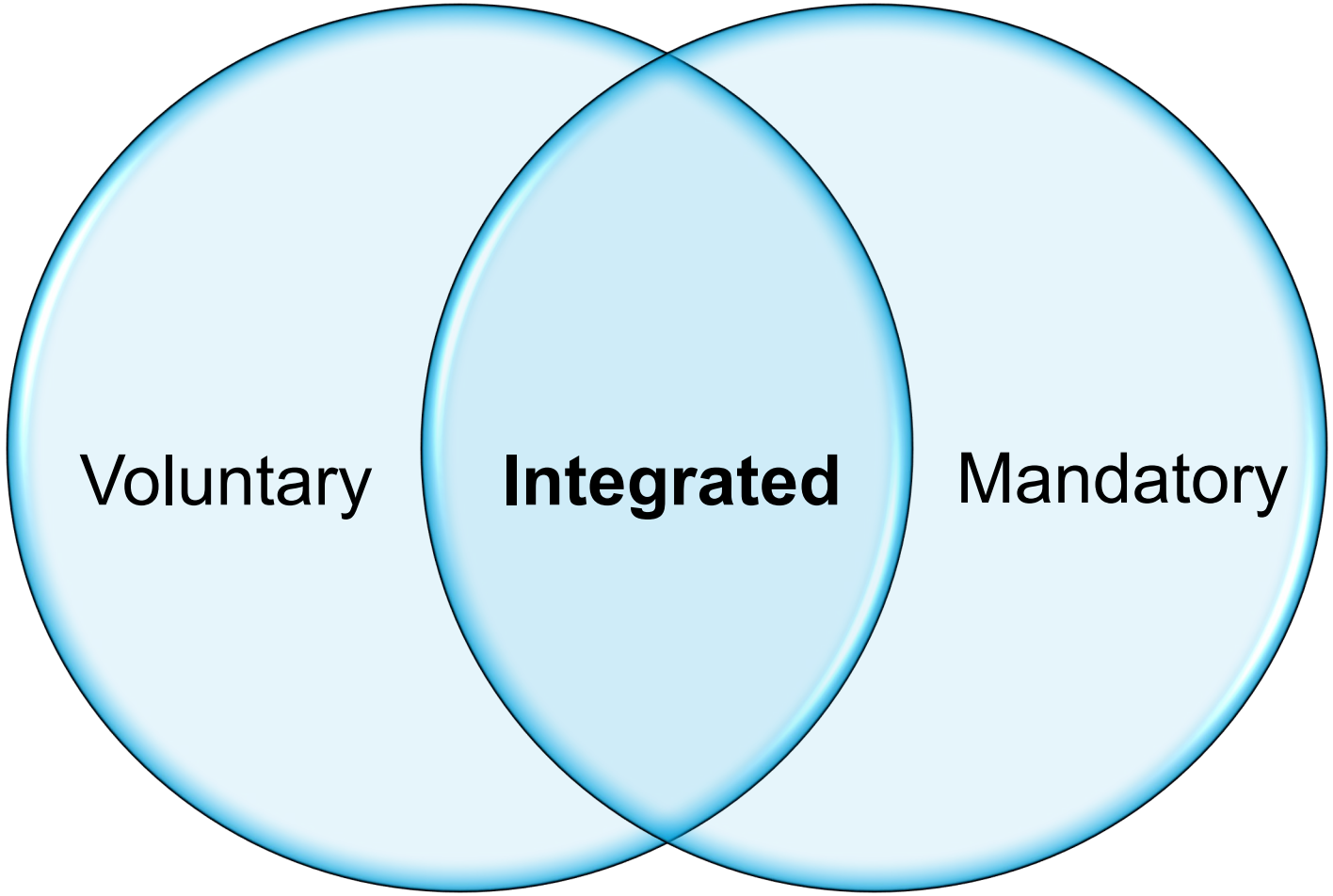
WORDS OF WELCOME

CAROLYN MacGREGOR, *Sections Program Specialist*
KEVIN PLACHY, *Advancement Department Director*

UNDERSTANDING WSBA AND COLLABORATING WITH LEADERSHIP

KARI PETRASEK, *President*
TERRA NEVITT, *Executive Director*

BAR ASSOCIATION STRUCTURES





WSBA MISSION STATEMENT

The Washington State Bar Association's mission is to serve the public and the members of the Bar, to ensure the integrity of the legal profession, and to champion justice.

WSBA Entity Chart

WASHINGTON STATE BAR ASSOCIATION

The WSBA operates under the delegated authority of the Washington Supreme Court to license the state's nearly 40,000 legal professionals.

Created in 2019 / Updated Sept. 2025

WASHINGTON SUPREME COURT

ADMINISTERED BY THE WSBA

Court-Created Boards *(Court-appointed)*

- Access to Justice
- Disciplinary
- Limited License Legal Technician
- Limited Practice
- Mandatory Continuing Legal Education
- Practice of Law

Court-Created Boards *(BOG-appointed)*

- Bar Examiners
- Character and Fitness
- Law Clerk
- Client Protection

Other Discipline-Related Entities

- Hearing Officer List *(Court-appointed)*
- Disciplinary Selection Panel *(Court-appointed)*
- Adjunct Disciplinary Counsel Panel *(BOG-appointed)*
- Discipline Advisory Round Table
  (joint venture of the WSBA and the Supreme Court)

BOARD OF GOVERNORS (BOG)

BOG Committees

- Awards
- Budget & Audit
- Executive
- Governance
- Legislative
- Nominations
- Personnel

WSBA Foundation 501(c)(3)

WSBA Entities

- Continuing Legal Education
- Court Rules and Procedures
- Editorial Advisory
- Judicial Recommendation
- Legislative Review
- Pro Bono and Public Service
- Professional Ethics
- Small Town and Rural
- Washington New Members

Other

- Sections (29)
- Council on Public Defense
- Long-Range Strategic Council
- Member Engagement Council
- Diversity, Equity & Inclusion Council*

** Includes both WSBA and BOG members*

STRATEGIC GOALS

- Advance a **fair, inclusive, effective, and accessible legal system** for all people in our state - ensuring all Washingtonians have the resources, knowledge, and support needed to seek justice.
- Provide legal professionals with education and resources to understand and optimally utilize **emerging technologies** to ensure the continued delivery of high-quality, ethical legal services, improve career satisfaction, and increase the public's access to legal services.
- **Foster a culture** where inclusivity, belonging, civility, and wellness are foundational, ensuring that all legal professionals can thrive and serve their communities and clients with excellence and integrity.
- Commit to a continuous process to **enhance and improve WSBA governance structures** and processes to ensure transparency, accountability, and inclusive engagement, while effectively serving the needs of the legal profession and the public and appropriately preserving confidential information.



WORKING WITH THE BOARD OF GOVERNORS

2026-2027 WSBA BOARD OF GOVERNORS MEETING SCHEDULE

MEETING DATE	LOCATION	DESCRIPTION	EXECUTIVE COMMITTEE MEETING	MATERIALS DEADLINE
October 16-17, 2026	Clearwater Casino Resort Seattle, WA	Team Building Retreat	N/A	N/A
November 6-7, 2026	Courtyard Marriott Columbia Point Richland, WA	BOG Meeting	October 8, 2026	October 1, 2026
January 15-16, 2027	WSBA Conference Center Seattle, WA	BOG Meeting KCBA MLK Luncheon Jan. 15	December 17, 2026	December 8, 2026
March 19-20, 2027	TBD Olympia, WA	BOG Meeting	February 18, 2027	February 10, 2027
May 13-14, 2027	Enzian Inn Leavenworth, WA	BOG Meeting	April 22, 2027	April 13, 2024
July 7, 2027 July 8, 2027 July 9-10, 2027	Silver Reef Casino Resort, Ferndale, WA	New Governor Orientation BOG Planning Retreat BOG Meeting	June 17, 2027	June 8, 2027
September 24-25, 2027	Hotel Indigo Vancouver, WA	BOG Meeting	September 2, 2027	August 24, 2027

BOG LIAISONS TO SECTIONS



- Business Law
- Corporate Counsel
- Creditor Debtor Rights
- Real Property, Probate and Trust

Kevin Fay, Dist. 9



- Health Law
- Indian Law
- Labor & Employment Law

Chris Bhang, At Large



- Civil Rights Law

Tom Ahearne, At Large



- Animal Law
- Environmental and Land Use Law
- Low Bono
- Solo & Small Practice
- World Peace Through Law

Jordan Couch, At Large



- Criminal Law
- Dispute Resolution
- Liquor, Cannabis & Psychedelics Law

Allison Widney, Dist. 3



- Juvenile Law

Min Kang, Dist. 2

BOG LIAISONS TO SECTIONS



- Administrative Law
- Elder Law
- Senior Lawyers

Parvin Price, Dist. 1



- Family Law
- International Practice

Norma Linda Ureña, Dist. 7 North



- Taxation

Sophie Ying, Dist. 8



- Antitrust, Consumer Protection & Unfair Business Practices
- LGBTQ+ Law

Emily Arneson, Dist. 5



- Legal Assistance to Military Personnel

Pres. Elect Nam Nguyen, Dist. 10



- Litigation

Mary Rathbone Dist. 4

BOG LIAISONS TO SECTIONS



- Construction Law
- Intellectual Property

Treas. Alain Villeneuve, Dist. 7 South

ROLE OF STAFF LIAISON

- Attends executive committee meetings to serve as resource and provide WSBA updates
- Provides guidance in navigating WSBA and its policies and processes
- Assists with event planning (contracts, MOUs, and LOAs)
- Works with section executive committees on bylaws amendments and project proposals
- Coordinates budget-related requests and arranges payment for section expenses

With assistance from Sections Team:

- Assists with section communications sent through WSBA channels (website, eblasts, member surveys)
- Maintains records of section executive committee business, rosters, activities, and programs
- Administers and supports annual section EC projects such as EC elections, budget planning, and section annual reports
- Hosts semi-annual informational meetings, a discussion series, and various drop-in sessions for section leaders

WSBA POLICY UPDATES AND REMINDERS: OPEN MEETINGS AND FISCAL POLICY

CAROLYN MacGREGOR, *Sections Program Specialist*

WSBA OPEN MEETINGS POLICY

Per WSBA Bylaws Article VII.B:

- All meetings of Bar entities must be open and public, and all persons will be permitted to attend any meeting.
- A meeting may be held in person or by videoconference and/or teleconference. **Meeting schedules and contact information will be made reasonably available by the Bar.**
- Minutes of all meetings must be recorded and approved minutes will be open to public inspection upon request.

Recommended: Plan your meeting schedule now for a regular day and time, if possible. For a special meeting, provide notice and agenda to Sections Team *at least* two days in advance.

Taking Action: Currently, voting on section business must occur *during a meeting* after quorum has been met. Quorum is a simple majority of voting executive committee members.

BAR RECORDS

- Public right of access to Bar records is governed by GR 12.4 as of 2014.
  - Presumption of access to Bar records (i.e., Bar records must be disclosed upon request unless they are specifically exempt from disclosure).
- What is considered a Bar record?
  - Bar record" is defined broadly to mean "any writing containing information relating to the conduct of any Bar function prepared, owned, used, or retained by the Bar regardless of physical form or characteristics."
  - Examples: Email communication with WSBA staff, meeting minutes, section websites, section list serve messages.
- If in any doubt, it is best to assume that any records you create having to do with Bar business are considered Bar records.
  - If you have specific questions, please send to Carolyn after this meeting.

FISCAL POLICY UPDATES AND REMINDERS

Expense reimbursements:

- Become familiar with guidelines on pg. 2 of expense form (e.g., per diem meal $ amounts, hotel rates, mode of travel).
- "Reasonableness" lens applied by WSBA leadership will consider context, setting, purpose of expense. Submit all receipts and any supporting documents/information.
- Expense reports are due within 60 days after the expense was incurred. Requests submitted after that date are not guaranteed and may take extra time to process.

Using section funds – payment method guidelines:

- When should WSBA pay vendor directly – group meals, venue contracts.
- When to seek reimbursement – travel expenses, smaller purchases in support of section business.
- When considering a section expense on behalf of the section or EC members, seek pre-approval to insure full reimbursement.

FISCAL POLICY UPDATES AND REMINDERS

Update regarding gift cards:

WSBA will not directly purchase or reimburse volunteers for the purchase of gift cards/certificates for meals, thank you gifts, and similar due to certain tax ramifications. This is a shift from previous practice. If you would like to recognize a volunteer or speaker with a gift, consider a gift basket, plaque, or other tangible item.

Unbudgeted expenses:

- A budget memo is required for any expense that will exceed the budgeted amount in any category by more than $500. The director of finance and department director will consider your year-to-date expenses, overall fund balance, and the amount of the proposed expense proportional to your total expense budget. Depending on the amount requested, executive director approval may also be needed.
- Memo template and assistance is available.

ALCOHOL POLICY AND PROCEDURES: ALL WSBA FUNCTIONS

When alcohol is provided at any WSBA function, including section events, the staff and/or volunteers coordinating the event must ensure compliance with the requirements below:

- Drinks must be served by a licensed and insured bartender. Insurance must be verified with a minimum liquor liability limit of $1M per occurrence/$2M aggregate;
- At any WSBA event where drinks are provided to attendees free of charge, attendees are limited to two free drinks per function. When a hosted bar is provided, drink tickets must be issued to attendees with no more than two tickets issued per attendee; and
- Non-alcoholic beverages must be made available at any event where alcohol is provided. If hosted alcoholic beverages are offered, then hosted non-alcoholic beverages must also be offered.
- The WSBA Executive Director may provide exceptions to these procedures under limited circumstances.

ALCOHOL POLICY AND PROCEDURES: SECTION FUNCTIONS

The WSBA's alcohol policy and procedures with regard to sections is as follows:

At the discretion of the Section Executive Committee, and because section revenues are paid voluntarily based on section members, section funds may be used to purchase alcoholic beverages at the following Section events:

- At section functions, defined as an event or meeting of the Section membership open to all members; and
- At a qualifying volunteer recognition event where many volunteers are being honored

SMALL GROUP ACTIVITY



The Sections Team



Once in your breakout room, introduce yourselves and designate a notetaker. (Please send your notes to sections@wsba.org)

Then proceed with the following questions -

For returning EC members:

What's the best tool or resource you've discovered or learned about as a WSBA volunteer that you'd like to share with other section leaders?

For new EC members:

What is a question (or two) you have for experienced section leaders as you start in your position on a section executive committee?

For all:

What suggestions do you have for balancing other demands in your life with your volunteer responsibilities?

VOLUNTEER TOOLBOX TOUR

NOAH BAETGE, *Sections Program Coordinator*

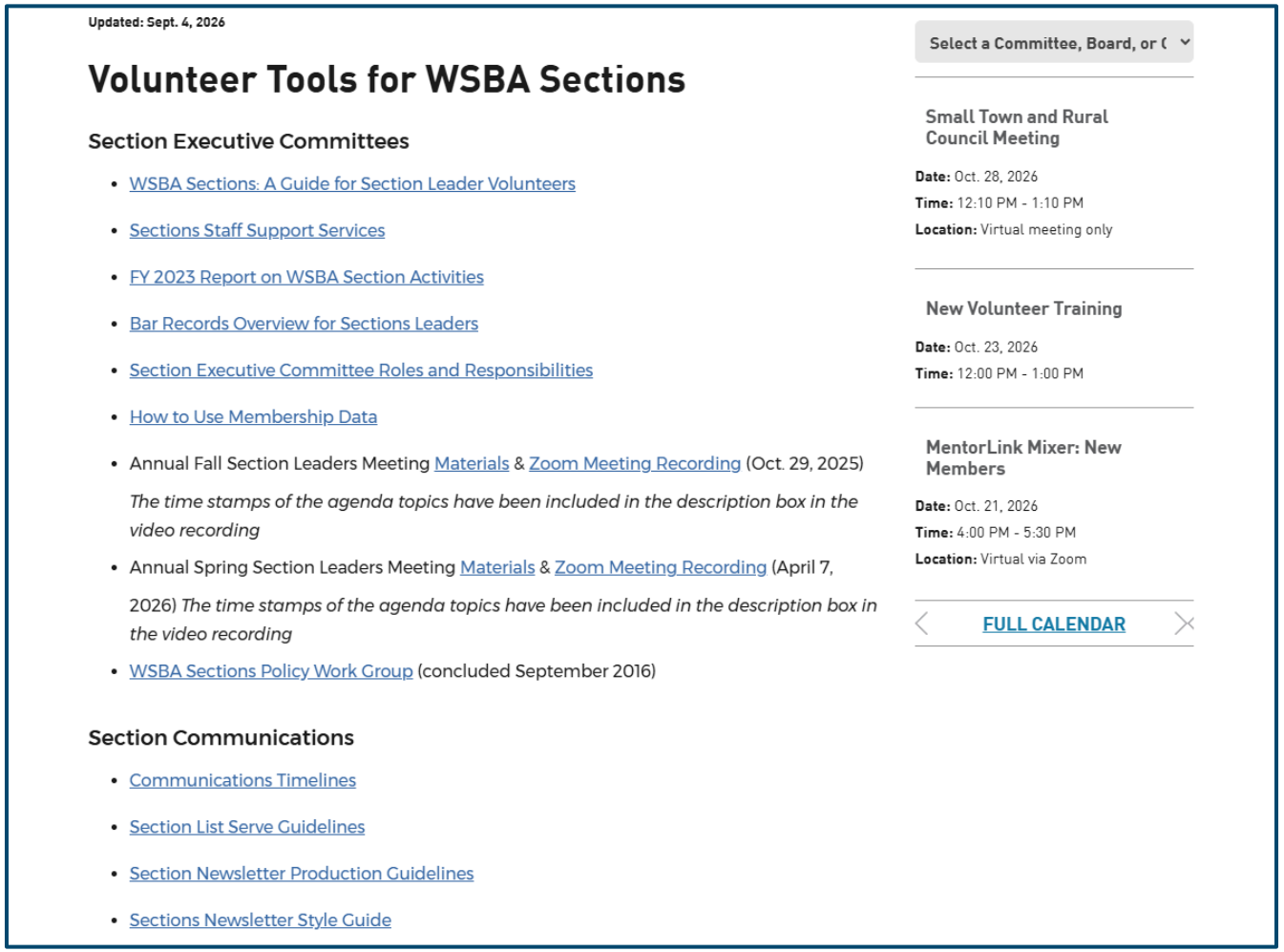
VOLUNTEER TOOLBOX – RESOURCES FOR SECTION LEADERS

The Volunteer Toolbox hosts a plethora of resources for section leaders, including some of the following:

- Templates, Forms & Guides
- Fiscal Information
- Communications & Marketing
- Info on Annual Section Leaders Meetings
- WSBA Policies
- CLE Resources
- And more!

By revamping the Volunteer Toolbox, we have worked to make sure as many of the tools you need are at your fingertips, so be sure to bookmark the page for easy access!

VOLUNTEER TOOLBOX – RESOURCES FOR SECTION LEADERS



Updated: Sept. 4, 2026

Volunteer Tools for WSBA Sections

Section Executive Committees

- WSBA Sections: A Guide for Section Leader Volunteers
- Sections Staff Support Services
- FY 2023 Report on WSBA Section Activities
- Bar Records Overview for Sections Leaders
- Section Executive Committee Roles and Responsibilities
- How to Use Membership Data
- Annual Fall Section Leaders Meeting Materials & Zoom Meeting Recording (Oct. 29, 2025)

  The time stamps of the agenda topics have been included in the description box in the video recording
- Annual Spring Section Leaders Meeting Materials & Zoom Meeting Recording (April 7, 2026) *The time stamps of the agenda topics have been included in the description box in the video recording*
- WSBA Sections Policy Work Group (concluded September 2016)

Section Communications

- Communications Timelines
- Section List Serve Guidelines
- Section Newsletter Production Guidelines
- Sections Newsletter Style Guide

Select a Committee, Board, or (

Small Town and Rural Council Meeting

Date: Oct. 28, 2026
Time: 12:10 PM - 1:10 PM
Location: Virtual meeting only

New Volunteer Training

Date: Oct. 23, 2026
Time: 12:00 PM - 1:00 PM

MentorLink Mixer: New Members

Date: Oct. 21, 2026
Time: 4:00 PM - 5:30 PM
Location: Virtual via Zoom

FULL CALENDAR

NEW! SECTION WEBSITE GUIDANCE

KEVIN PLACHY, *Advancement Department Director*
JULIANNE UNITE, *Member Services and Engagement Manager*

CONSIDERATIONS FOR WSBA AND SECTIONS WHEN POSTING

- **GR 12.2** and **legal requirements** for mandatory bar associations
- **Copyright requirements**, including documents, photos, videos, and links to outside websites
- **Relevance, timeliness, and conciseness**
- Compliance with applicable **WSBA policies**
- **Accessibility**

PROCESS FOR POSTING

- ❑ Contact WSBA staff liaison

- ❑ WSBA Sections Team reviews and maintains, updates, and removes existing content, e.g.,

  - ❑ Bylaws, budgets, annual reports, year-in-review
  - ❑ Notices of section executive committee meetings and agendas
  - ❑ Elections information
  - ❑ Executive committee rosters
  - ❑ Section newsletters
  - ❑ Upcoming section events and CLEs
  - ❑ Outdated events and CLEs

INFORMATION THAT MUST BE INCLUDED ON WEBPAGES

- Mission/description
- Bylaws
- Budget
- Annual Report
- Year-in-Review infographic
- Election information
- Executive committee roster
- Executive committee meeting notices and agendas

IMPERMISSIBLE WEBPAGE CONTENT

- Examples:
  - Legal advice
  - Not germane

ASSESS WHETHER THE WEBSITE IS THE RIGHT PLATFORM

- Examples:
  - Legislative bill tracking
  - Job postings
  - Section statements

QUESTIONS?

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Sept 30, 2027	**End of Fiscal Year 2027**



DOOR PRIZES!! – VIEWSUN CAR CLEANING KIT



WRAP-UP AND ADJOURN



VANESSA SWEENEY, *Member Services & Engagement Coordinator*

2026 Fall Section Leaders Meeting Evaluation

Thank you!

Sections are important 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.

Chapter 6: Expenses

I. GENERAL EXPENSE REIMBURSEMENT POLICY

WSBA depends upon and values the time and talent of its employees and volunteers. As a steward of member funds, WSBA asks for employees and volunteers to be fiscally prudent and follow the policy at all times. **WSBA will reimburse: (1) reasonable and prudent, (2) necessary, and (3) appropriately documented, out-of-pocket expenses incurred in connection with WSBA business or meetings, as set forth herein.**

A. Scope

This policy applies to all employees and volunteers while engaged in authorized WSBA work, including, but not limited to: the President, President-elect, and Immediate Past-President; Board of Governors; Board of Governors-elect; board, committee, task force, council, and panel members; section officers, executive committees and members; and invited guests. Any items not included herein deemed necessary to conduct the WSBA's business, or that deviate from these policies due to extenuating circumstances, may be approved by the WSBA Treasurer or the Executive Director in accordance with the WSBA Fiscal Matrix. Limitations and exceptions set forth in the policy apply to expenses incurred by volunteers and employees regardless of the method of payment (reimbursement or direct payment by the WSBA).

B. Liability

The financial liability of the WSBA to any board, committee, task force, council, panel or section is limited to the funds budgeted (on a line item basis) for it in the current approved budget of the WSBA. If any volunteer, board, committee, task force, council, panel or section (or any one of its members): (1) incurs a liability that is greater than the funds budgeted or otherwise approved; or (2) incurs a liability in excess or outside of the amounts allowed by this policy, such liability will be presented to the Director of Finance who will evaluate for appropriateness. If appropriate the Director of Finance will route to the Executive Director or Treasurer for approval. In the case the expense is not deemed to be reasonable the liability will be the personal obligation of the individual responsible for incurring or authorizing the liability.

C. Policy Exceptions

- WSBA ABA Delegate expenses shall be reimbursed a reasonable amount necessary to attend the ABA House of Delegate annual and midyear meetings only, not to include education and social events connected to the ABA Conference and ancillary meetings. Delegates should seek reimbursement from the ABA for approved expenses and seek reimbursement from the WSBA for those reasonable and necessary expenses not covered by ABA policy. The budget for delegate expenses will be contained as separate and distinct line item in the Executive Director Cost Center

- Certain expenses of WSBA Officers, Board of Governors, and the Executive Director shall be reimbursed in accordance with "IV. Expense Policies: WSBA Officers and Board of Governors" and Section "V. Expense Policies: WSBA Executive Director", *infra.*

- Section executive committees may use their discretion: (a) to use section funds to cover group meal expenses for one guest per section member attendee at section events open to all section members, at executive committee meetings and retreats, and at speaker or award dinners; and (b) to pay or reimburse a speaker or award recipient and guest for travel, meals, and lodging in accordance with WSBA expense policies. Group meals are paid for an entire group on one invoice and are not subject to the per diem amounts for individuals under the reimbursement policy. As with all other expenses, group meals are expected to be reasonable.

D. General Guidelines for Reimbursement Requests

1. WSBA will not reimburse expenses that are reimbursed from another source.

2. WSBA will not reimburse expenses incurred by spouses, domestic partners or guests (hereafter collectively referred to as "guest" or "guests"), except as identified in Section I.C above.

3. WSBA will not reimburse for use of rewards program benefits, such as frequent flyer coupons, air miles, hotel points, etc.

4. In accordance with IRS requirements, any person seeking reimbursement from WSBA shall submit a signed, dated WSBA Expense Report, supported by detailed receipts. In the absence of a detailed receipt, WSBA will reimburse up to $75 for expenses per event[1], so long as certification is provided confirming expenses comply with WSBA fiscal policies. If the reimbursement is for meals, no more than the maximum federal per diem rate for the state of Washington (see www.gsa.gov/perdiem) per meal will be reimbursed without a detailed receipt.
5. Barring any unforeseen circumstances, all WSBA Expense Report forms and receipts must be submitted within 60 days of incurring the expense, with two exceptions:
    - Expenses incurred in September must be submitted within 30 days after WSBA's September 30 fiscal year end (by October 30).
    - Reimbursements for airfare may be submitted after 60 days of incurring the expense but must be submitted within 30 days of the travel date.

   Reimbursement requests for expenses incurred in the prior fiscal year submitted after October 30th of the following fiscal year will not be paid unless approved by the Executive Director and Director of Finance. The Executive Director will have discretion to approve any expense report beyond the cutoff date when the same isn't completed due to unforeseen issues.

E. Travel Expenses

1. Volunteers:
   WSBA encourages virtual meetings whenever feasible to accomplish board, committee, task force, panel, council and section work. Reimbursement of travel expenses to board, committee, task force, council, panel and section members residing out of state to attend their meetings is limited to the approximate cost of in-state travel (i.e. cost of travel from the nearest WA border to the location of the particular meeting).

2. WSBA Employees:
   Employees must have prior authorization, from their supervisor or inherent in their job description, to incur travel, lodging, and meals expense on the job. All overnight stays at a Board of Governors meeting shall be approved by the Executive Director. For additional terms, see "III. Additional Employee Expense Policies".

F. Transportation

WSBA will reimburse transportation costs based on the limits set forth below. WSBA will not reimburse for lodging *en-route except* when special circumstances such as weather, abnormal traffic patterns or personal circumstances occur. Any expense report containing en-route expenses will be approved by the Executive Director.

WSBA encourages employees and volunteers to utilize the least costly method of transportation available under the circumstances. For example, if a ticket to fly coach economy to a particular destination is less expensive than the cost of reimbursing mileage for driving then flying should be the selected mode of transportation.

1. Personal Autos: Mileage will be reimbursed at the IRS Standard Mileage Rate in effect at the time of travel.

[1] An "event" may be a meeting, conference, or another gathering held in connection with WSBA business. Its classification does not depend on duration; it may last an hour or span several days.

Carpooling is encouraged. Damage to personal autos while being used on WSBA business is not covered because a portion of the mileage reimbursement is intended to defray the insurance cost to the individual. Fines for traffic violations are also not reimbursable.

2. Rental Cars: Rental cars may be used only when economical compared to other modes of local transportation or if local transportation is nonexistent. Rental charges should be net of any discounts and will be limited to the rental cost of compact or standard-size cars. Volunteers are not covered under WSBA insurance policies and must provide their own insurance coverage when renting vehicles.

3. Ground Transportation: WSBA will reimburse ground transportation, parking costs and tolls. WSBA will reimburse longer term airport parking at the lower of actual parking costs or an airport shuttle to/from the traveler's home. WSBA will reimburse tips for no more than 25% of the cost of the trip, in the case where 25% is less than $2.00 tips can be adjusted to that amount.

4. Airfare: WSBA will only reimburse coach/economy-class airfare, which should be booked sufficiently in advance of travel to obtain the lowest possible fares. Use of private airplanes is permitted; however, reimbursement is limited to an amount not to exceed coach-class airfare on a commercial air carrier, purchased not less than two weeks in advance of travel, for the same or substantially similar route. WSBA will pay a cancelled airfare if WSBA cancels a meeting. Airfare change fees will only be paid for changes in a meeting schedule. *Reimbursement receipts for airline travel must include name of passenger, credit card used for payment, confirmation that flight was paid in full, date of flight, and departure and destination locations. Credit card statements and cancelled checks are not acceptable.*

5. Other: Reimbursement for any other method of travel will be reimbursed only in an amount that would have been payable had the most economical method of travel been used.

6. If there is a question about the reasonableness of a travel expense it will be escalated to the appropriate Department Director for a determination of reasonableness.

G. Lodging/Hotel Accommodations

WSBA will reimburse hotel/motel accommodations up to $200 per night ($225 in Seattle) plus taxes. With respect to out of state conferences, WSBA will reimburse hotel accommodations at the advertised conference hotel rate.
Generally, if no lodging below the applicable limit is available or convenient in the area of the stay, department directors may approve reimbursements above the applicable per night limit utilizing the reasonable and prudent standard. WSBA will not reimburse for incidental expenses such as entertainment, personal phone calls, etc. *Reimbursement receipts must include name/location of hotel, guest name(s), date(s) of stay, and breakdown of charges for lodging, meals, telephones, and incidentals.*

H. Meal Expenses

1. WSBA will reimburse breakfast, lunch and dinner meal expenses, including reasonable tips, gratuity, and taxes. WSBA will not pay or reimburse for alcohol purchases unless it meets specific requirements outlined in Section II. Purchase of Alcohol for Bar Functions. The WSBA encourages volunteers and employees to adhere to the IRS per diem guidelines for meal reimbursement which are updated periodically. The most recent per diem rates are available on the IRS website and will be updated annually on the WSBA volunteer and employee expense form. Any reimbursement requests within the maximum per diem limits for the State of Washington will be deemed reasonable. Reimbursement requests above the maximum per diem limits should be reasonable and prudent given the circumstances and context in which the expense was incurred. Requests for reimbursement above the Federal Per Diem Rates will be escalated to the appropriate Department

Director for a determination of reasonableness.

2. If a meal is provided as part of a meeting or conference, no reimbursement will be made for substitute meals.
3. If a remote meeting of at least four hours in duration is scheduled through a meal period (i.e. breakfast, lunch, or dinner) then regular reimbursement rates will apply.

I. Expenses Other Than Travel/Transportation, Lodging, and Meals

1. Office Expenses: Despite use of services available through the WSBA office, volunteers may occasionally use their own resources to conduct WSBA business. Where practical, volunteers are expected to absorb, without reimbursement, minor expenditures. However, to the extent that cost records are available to document specific out-of-pocket expenses, such as telephone calls and postage, reimbursement may be made.

   Expenses for photocopying and facsimile use will be reimbursed at rates set by the WSBA[2]. No reimbursement will be made for office services not detailed by this policy (for example, voice mail charges, telephone connections, etc.). No reimbursement will be made for personal costs or professional services without specific advance authorization.

2. Gifts/Awards: WSBA will reimburse costs (up to $200, not including taxes or shipping fees) for the purchase of gifts, plaques or similar items recognizing an individual's extraordinary volunteer service to the WSBA and/or its component parts. To ensure compliance with tax requirements, WSBA prohibits the purchase, reimbursement, distribution, or use of gift cards, prepaid debit cards, cash-equivalent cards, and similar items for volunteers. Gifts from volunteers to WSBA employee are prohibited except for *de minimis* or token appreciations (up to $50). All employee liaisons to boards, committees, task forces, councils, panels or sections should make sure the group is aware of this policy.

3. Miscellaneous: Reimbursement for expenses not otherwise described by this policy may be allowed when reasonable, necessary, appropriately documented, explained, and approved by the Executive Director or WSBA Treasurer in accordance with the Fiscal Matrix.

II. PURCHASE OF ALCOHOL FOR BAR FUNCTIONS

Except as provided herein, the WSBA prohibits the use of WSBA funds to purchase alcoholic beverages.

A. WSBA will not pay for or reimburse alcoholic beverages purchased by volunteers or employees as part of a meal. Such purchases shall be segregated from meal expenses and paid for by the individual ordering them.

B. Alcoholic beverages may be served at WSBA functions, as long as they are: (1) paid for with personal funds (e.g. no host bar), or with non-WSBA funds raised for that purpose; (2) paid directly to the vendor; and (3) served by a licensed bartender.

C. WSBA funds may be used to pay ancillary costs at events such as the cost of a bartender, corkage fees for donated alcohol, and service/setup fees.

D. Alcoholic beverages may be served at section functions. Because section revenues are paid voluntarily by section members, alcoholic beverages may be paid for with section revenues, at the discretion of section leadership, and as long as the expense meets the criteria for section reimbursement of expenses.

[2] Photocopying charges will be reimbursed at the actual out-of-pocket expense up to 15 cents a page. For faxes, the WSBA will reimburse the lesser of (a) the actual cost to send the fax; (b) up to 25 cents per page; or (c) up to $5 per transmission. Appropriate documentation detailing the number of pages, fax recipients, etc. is required. The WSBA will reimburse for the telephone costs associated with long distance fax calls if detailed cost records are available.

III. ADDITIONAL EMPLOYEE EXPENSE POLICIES

A. Weekend Work

Working on a weekend is treated like any other workday. Meals, daycare, etc. will not be reimbursed. However, in some circumstances, employees may be reimbursed for parking if they are required to work on a weekend (see "Private Auto- Parking" policy below).

B. Transportation

1. Rental Cars: Car rental requires pre-approval of a department director, and may be used only when economically practical compared to other modes of local transportation or if local transportation is nonexistent. Rental charges should be net of any discounts and will be limited to the rental cost of compact or standard-size cars. It is helpful to rent the car in the name of the WSBA. However, the WSBA's insurance policy contains an endorsement which extends coverage for damage to rental cars even if they are rented in an individual's name as long as they had permission from the WSBA and they are on WSBA-related business (the endorsement is intended to fill in the gaps where someone doesn't or can't rent the car in the WSBA's name). The WSBA will not pay for additional insurance coverage; the renter should decline coverage when renting in the WSBA's name.

2. Car Pooling: Employees are encouraged to car pool when it is feasible as it reduces costs, risk, and can improve coordination amongst employees when traveling together.

3. Private Auto – Parking: Employees who purchase a monthly parking space are eligible for daily parking reimbursement at a prorated rate (1/21 of the monthly parking cost) on days they are required to use their vehicles for business. Employees who normally take public transportation but occasionally need their car for work may be eligible for reimbursement of actual parking costs. This option is expected to be used only occasionally and may apply regardless of whether the employee returns to the WSBA at the end of their work day. In addition, employees whose work assignments temporarily require substantial after-hours and weekend time in the office may request reimbursement for parking, subject to department director approval. Examples of such situations include the following: hearings; bar exam preparation; committee, section, or board meetings, licensing season; or other projects.

4. Taxi Rides: As part of the ORCA program, employees who have an ORCA and use an eligible method of transportation to work may use a taxi to get home if they meet certain emergency criteria. See the Human Resources Department for details. Directors may authorize a WSBA-paid taxi ride home in extenuating circumstances.

5. "Advances" For Travel or Expenses: The Executive Director, upon a director's recommendation, may approve travel advances. Travel advances must be requested at least 7 workdays prior to the trip to allow for sufficient time to prepare the check.

C. Meals

1. With Volunteers: Picking up the tab for lunches with volunteers outside of regular meetings should be done with caution because of consistency, fairness, and appearances. Director approval is required. Any such expenses should be charged to the committee or function budget.

D. Professional License Fees

WSBA will reimburse an employee or directly pay for fees associated with professional licenses that the employee legally must have to perform his/her job at the WSBA, or which the Executive Director determines are in the

interest of the WSBA for the employee to have. This includes, for example, WSBA licensing fees (but not section membership fees) for attorneys whose positions require a license to practice, the State Board of Accountancy licensing fees for CPAs, and the Department of Health licensing fees for LAP psychotherapists. Such reimbursements/payments are prorated for new employees based on the calendar year and date of beginning work at the WSBA, as follows:

Month	% Reimbursed
January	100%
February	92%
March	83%
April	75%
May	67%
June	58%
July	50%
August	42%
September	33%
October	25%
November	16%
December	8%

E. Professional Liability Insurance

WSBA reimburses Lawyers Assistance Program employees for the cost of professional liability coverage for their activities conducted pursuant to their employment with WSBA. An employee who leaves WSBA employment during the insured period must refund to the WSBA that portion of the reimbursement covering any insured period after WSBA employment ends.

F. Employee Membership Dues

WSBA may reimburse or pay membership dues for employees to belong to local, state, or national organizations, subject to director approval and budget constraints.

G. Employee Cell Phone Expense Reimbursement Policy

This policy covers the reimbursement policies and procedures for business use of employee-owned cell phones.

The WSBA acknowledges the use of cell phones is required of some employees to fulfill the responsibilities of their position (see WSBA Employee Handbook for eligibility criteria). As a result, the WSBA has defined two ways of providing cell phone service to employees whose position requires the use of cell phones.

1. Issue a WSBA owned cell phone
2. Allow for use of employee's personal phone and provide a reimbursement

Providing a WSBA Phone

The IT department will maintain a record of both the approvals and the phones issued. This is a critical step as these phones will be subject to public records rules. The type of phone to be issued will be determined by IT.

Use of Personal Phone for Work

A person who qualifies for a WSBA issued cell phone but chooses to use their personal cellular phone for WSBA business may be authorized to receive reimbursement in lieu of being issued a WSBA cellular phone.

The reimbursement will be at a rate of $20 per month for employees who work over 20 hours per week, and $10 per month for employees who work 20 hours or less per week. Eligible employees will receive a stipend via paycheck unless they opt out of the benefit.

Employees who have positions that do not meet these criteria may request this reimbursement as needed for special assignments or events (ex: Bar Exam, BOG meetings) with Director's pre-approval. These employees will be responsible for submitting an expense reimbursement form in PN3 to receive this benefit.

H. Employee Parties and Celebrations

1. Generally, events in which all employees are invited to participate, or were approved by the Executive Director and the directors in advance, are paid by the WSBA. These include:
   - Refreshments for all-employees meetings; and
   - Executive Director's purchase of treats for the entire employees for a special occasion.

2. Examples of where the WSBA *will not pay* include (any exceptions to this must be approved in advance by the Executive Director):
   - Personal celebrations like showers for weddings or babies;
   - Flowers for personal events, like illness or death in the family; and
   - Going-away luncheons or gifts.

I. Employee Development Budget

Each director is given an annual Employee Development budget, with sole discretion to use Employees Development funds reasonably for team building items such as employee retreats or activities, department meetings, meals or snacks, coffee or lunches with employees, and tokens or small gifts of appreciation for employees.

IV. EXPENSE POLICIES: WSBA OFFICERS AND BOARD OF GOVERNORS

The officers and members of the Board of Governors (including sitting and newly elected officers and Governors) are fiduciaries of WSBA and ambassadors to WSBA boards, committees, task forces, councils, panels and sections; to local and specialty bar associations in Washington State; and to other related groups or officials. It is expected that WSBA officers and governors will incur certain expenses in furtherance of this responsibility, and will comply with the expense policies of the WSBA, with the following exceptions:

A. Guest Meal Expenses

Individual meals for a guest of an officer or governor may be reimbursed when no group meal is provided (up to the limits set forth in the "Meal Expenses" section of the General Expense Reimbursement Policy). Separate lodging/rooms and transportation costs will not be reimbursed.

B. Officer and Governor Attendance at Law-Related Events

From time to time WSBA officers and governors are invited to attend a ticketed, non-educational event sponsored by an outside organization. Usually, these invitations come from local or specialty Bar Associations in the state of Washington, or a similar national organization having a local meeting, or other law-related organizations. The primary purpose of the event may be to raise funds for the organization, or it may be social or networking occasion.

The Board affirms its role as a statewide organization to reach out to these interest groups, to encourage and support other Bar Associations and law-related organizations, to further the understanding of the activities and purposes of the WSBA, and to foster collegiality among its members and goodwill between the Bar and the public; in a fiscally prudent manner.

To this end, WSBA will annually reimburse expenses incurred for group registration events as follows:

	Statewide Events	Local and Specialty Bar Events	Significant County Bar Events
Officer	yes	up to 8	yes
Governor	yes	up to 6	In Governor's home district

The Executive Director may approve exceptions to these limits. WSBA reserves the right to request reimbursement for cancellations to group registration events.

C. Officer and Governor Travel to and Attendance at National/Regional Events

Educational, training, or networking events for officers and/or governors are approved as part of the budget process based on the educational/networking value. Examples include the Bar Leaders Conference, Western States Bar Conference, American Bar Association annual or mid-year meetings, or meetings of the National Council of Bar Presidents.

The following policy has been adopted by the Board of Governors:

1. Officer Conferences:
   The President, President-elect, Past President, and Treasurer may attend three national conferences and the Western States Bar Conference. The President, President-elect, Treasurer, and Past President may also attend the Northwest Bar Leaders meeting.
2. Governor Conferences
   Governors may attend one national or regional conference during their term of service on the Board of Governors

V. EXPENSE POLICIES: WSBA EXECUTIVE DIRECTOR

The Executive Director is an ambassador of WSBA to WSBA boards, committees, task forces, councils, panels and sections; to local and specialty bar associations in Washington State; and to other related groups or officials. It is expected that the Executive Director will incur certain expenses in the furtherance of this responsibility. The Executive Director shall comply with the expense policies of the WSBA, with the following exceptions:

A. Guest Meal Expenses

Individual meals for a guest will be reimbursed only at Board of Governor functions when no group meal is provided (up to the limits set forth in the "Meal Expenses" section of the General Expense Reimbursement Policy). Separate lodging/rooms and transportation costs will not be reimbursed.

B. Attendance at Law-Related Events

The Executive Director shall be reimbursed for attendance at law-related events when he/she is attending in his/her official capacity.

C. Travel

Reimbursement will be made for travel costs (transportation, lodging, meals and incidentals) to other bar associations when the purpose of the trip is to meet with another bar's Executive Director or elected official(s) for the purpose of furthering WSBA business. This would include local and specialty bar associations in Washington State, and unified or voluntary bar associations in other states. The Executive Director is also reimbursed for attendance fees and travel and lodging expenses to attend work-related educational seminars, such as, but not limited to, American Bar Association, Western States Bar Conference, Bar Leaders Institute, and the National Association of Bar Executives.

D. Meals

WSBA will reimburse meal expenses of the Executive Director and any WSBA or Washington State elected or appointed official(s) when the purpose of the meal is for the Executive Director or WSBA or Washington State elected or appointed official(s) to conduct WSBA business with the official(s). This would also include Washington state local and specialty bar elected or appointed officials.

E. Review of Payments to Executive Director

At least quarterly, the Treasurer shall review the payments made to the Executive Director (including salary, benefits, credit card charges, and reimbursements). The Senior Accountant and Budget Analyst prepares a quarterly report for the Treasurer to review and sign.

VI. CLE SPEAKERS/PROGRAM PARTICIPANTS EXPENSES

In general, reimbursements to speakers and program participants shall be reimbursed according to the WSBA guidelines. However, with prior approval of the Executive Director, W S B A may approve reimbursements for lodging and meal expenses above the WSBA rates, as supported with appropriate receipts.

VII. ACCOMMODATION FUND

A. Purpose

The WSBA Accommodation Fund and Procedures are established to support the WSBA Accessibility Policy and ensure reasonable accommodation to members' participation in WSBA services, programs and events. Accommodation for services, programs and events is available to all members with disabilities. Reasonable accommodation includes such accommodation as sign language interpretation, sound enhancement, or other accommodation requested by members wishing to participate in WSBA services, programs and events.

B. Procedures

Persons should request accommodation through WSBA employees organizing the event (Organizer). The request should describe the event or series of events and the accommodation requested. Dialogue with the person requesting accommodation may be necessary to assure the most appropriate accommodation. All accommodation requests should be made as far in advance as possible, at least two weeks in advance of the event is strongly recommended to allow the best accommodation possible. The Organizer will review the request and outline the reasonable accommodation available. Reimbursement requests or pay-ahead service requests will be handled by the Organizer to ensure privacy. Should the request be beyond the expertise of the Organizer, even after consultation with Human Resources, outside experts will be consulted.

C. Other

The Accommodation Fund is intended primarily for use by WSBA members — other resources are available for WSBA employee accommodation and the Accommodation Fund is not intended to cover other overall accessibility accommodation which are budgeted for separately. The Accommodation Fund is not intended to cover facility or general accommodation needs. These matters will be handled by employees working with the facility at which the meeting or event is to be held.

D. Funding

The amount of funding available for accommodation will be set annually as an estimate of need in the budget process but may be modified by the Budget and Audit Committee if further needs arise to assure accommodation. The Organizer shall work with the Director of Finance to prepare a request for increased funding which will be considered by the Budget and Audit Committee at its next meeting. In time sensitive circumstances the Executive Director can preliminarily approve a request which exceeds the Accommodation Fund, so long as the funds are available within the current fiscal year budget, subject to the Fiscal Responsibility Matrix.

VIII. Policy for Payments to Volunteers and Other Third Parties

A. Policy

WSBA is a volunteer-centered organization, and its volunteers generously donate their time to help WSBA serve the legal community and protect the public and champion justice. Other than the circumstances below, no payment is given to WSBA volunteers aside from reimbursement for expenses as provided in Chapter 6 of the WSBA Fiscal Policies and Procedures Manual. In the circumstances below, payments may be given to individuals who devote their time and resources to WSBA activities but are not considered WSBA employees.[2]

B. Definitions

1) ***Compensation from another source***—A volunteer receives compensation from a source if they are receiving payment from an entity other than WSBA for the time they spend volunteering with WSBA. For example, a volunteer is receiving compensation from another source if their employer allows them to use paid work time to volunteer for WSBA or the volunteer is participating as an extension of their paid duties. A volunteer is not considered otherwise compensated due to reimbursement by WSBA for any reimbursable expenses allowed by WSBA Fiscal Policies (e.g., mileage, lodging).

2) ***Volunteer***—An individual, who is not an employee of WSBA, and who donates hours of service to WSBA for civic, charitable, professional development, or humanitarian reasons, without promise, expectation or receipt of compensation for services rendered. Reimbursement for reasonable expenses pursuant to WSBA's Fiscal Policies does not prevent a person from meeting this definition of a volunteer. However, in some of the circumstances below in which payments are made to non-employees of WSBA, payment means the individual will not be considered a volunteer, but rather an independent contractor, vendor, or temporary employee of WSBA.

3) ***WSBA Entity or Entity***—As used in this policy, "WSBA Entity" or "entity" has the same meaning as defined in the WSBA Bylaws, Article VII.A.1.b, which refers to any body, no matter how named, working under the authority of, or administered by, the Bar, pursuant to the WSBA Bylaws or court rule.

C. Circumstances in which payments may be made to non-employees:

Unless otherwise stated in specific guidance, historical payment amounts, current market rate for similar services, and budgeted funds available should be considered when determining the amount for payments made pursuant to this policy. Established rates should be reviewed annually in coordination with the WSBA's budget process. For payments made to third parties for contracted services, review of the payment amount should take place as part of the contract review process.

1) Fees for Speakers and CLE providers

WSBA's expectation is that speakers and CLE providers volunteer their time to participate in such activities and will not be offered compensation. However, a fee may be provided if a WSBA business need is identified. The relevant department director has the discretion to determine business needs, and approval of fees paid must comply with all applicable WSBA fiscal policies. The fee arrangement must be documented in a contractual agreement between WSBA and the speaker or CLE provider and must be approved through WSBA's contract review process. Fees for speakers and CLE providers as described in this section are not considered honoraria. Please see below for guidance on honoraria.

[2] Payments made to practice monitors and recovery monitors pursuant to ELC 6.5 and ELC 13.9(b)(6) are not considered compensation to a volunteer falling within this policy. Such payments are not limited by this policy.

2) Third parties performing activities on a recurring or routine basis without which WSBA would be unable to fulfill its court-mandated regulatory responsibilities.

The Washington Supreme Court delegates to WSBA certain mandatory regulatory functions. WSBA relies on third parties to perform some of the activities required to fulfill these regulatory functions. Without these third parties, WSBA would typically need to increase budget and/or capacity to perform these mandated functions. In addition, the labor provided by these groups of individuals typically goes beyond what would be considered ordinary volunteerism. For that reason, WSBA has historically provided compensation to these individuals and will continue to do so. Those roles include:

Chief Hearing Officer
Pursuant to ELC 2.11(a), the WSBA Board of Governors annually authorizes compensation for the Chief Hearing Officer. The Chief Hearing Officer is compensated as an independent contractor. The compensation arrangement with the Chief Hearing Officer must be documented in a contractual agreement and must be approved through WSBA's contract review process.

Hearing officers
Hearing officers typically do not receive compensation for the activities they perform for WSBA. However, compensation may be provided for extraordinary time spent in hearings. Please see WSBA's Hearing Officer Extraordinary Compensation Policy for the conditions under which such payments may be made. Hearing officers are considered volunteers even if they receive extraordinary compensation.

Board of Bar Examiners bar exam graders
Members of the Board of Bar Examiners (BOBE) may be compensated as independent contractors for their services grading the bar exam and revising the Washington Law Component exam. The compensation arrangement with BOBE members must be documented in a contractual agreement and must be approved through WSBA's contract review process.

Custodianship
Under ELC 7.7, custodians oversee the winding down of lawyer practices when a lawyer is disbarred, disappears, or has died. Custodians may be paid for their costs and expenses. Refer to Custodian Expense Policy and Procedure for policies applicable to paying custodians.

3) Honoraria

An honorarium payment may be offered to a volunteer to express WSBA's appreciation for the volunteer's service. Honoraria are paid as a gesture of appreciation for activities that would typically not be compensated. If payment is requested by the volunteer, the payment is not an honorarium and must be documented in a contractual agreement and approved through WSBA's contract review process. Honoraria are paid to individuals, not organizations. For example, honoraria might be provided for speaking as a keynote speaker at an annual event or facilitating a one-time focus group panel. Honoraria as described in this section are not considered are not considered fees for speakers and CLE providers. Please see above for guidance on fees for speakers and CLE providers.

For guidance on honoraria provided to recognize volunteers for contributing their lived experience, please refer to WSBA's Guidance for Offering Honorariums to Volunteers with Lived Experience.

The following guidance should be used when offering honoraria for reasons other than recognition of lived experience:

a) The volunteer is giving time and expertise above and beyond the expectations of their role.
b) The payment must be for nonrecurring volunteer services.
c) The volunteer must not be receiving compensation from another source for their volunteer time.
d) An honorarium payment should not be offered to an individual volunteer more than twice per fiscal year. If a volunteer receives two honorarium payments in the same fiscal year, the payments should not be given to recognize the same activity. For example, two honoraria should not be given to the same person in the same fiscal year for two instances of volunteering on a CLE panel. However, in a single fiscal year, the same person could be given one honorarium for volunteering on a CLE panel and one honorarium for facilitating a focus group.
e) The payment amount must be nominal (no more than $500) and must not be tied to time spent volunteering or productivity.

Department Director approval must be obtained before offering an honorarium payment to a volunteer for reasons other than lived experience.

IX. WSBA CREDIT CARDS

Each department director and some employees who frequently incur travel expenses (e.g., investigators) are issued individual WSBA corporate credit cards ("card holder") to cover WSBA business expenses only; personal charges are not allowed. An exception is if the charge contains personal expenses beyond the WSBA limit, in which case the card holder shall submit a check to Finance with the credit card bill. All charges on a WSBA credit card must be supported by appropriate detailed receipts.

Card holders may authorize their employees to use their credit card for business expenses. However, the card holders remain responsible for all charges made using their credit card; specifically, that all charges comply with WSBA policies, are made within the delegated budget authority, and are coded to the proper general ledger account.

Each card holder must approve the monthly statement for his/her credit card. The monthly statement, along with detailed receipts and general ledger coding information, shall be submitted to the Bookkeeping Specialist (AP) within 10 days of the end of the month.

Employees who support the WSBA's conference rooms and CLE Conference Center may be issued credit cards for the purpose of purchasing office supplies, food service, kitchen supplies, etc. in order to efficiently and cost-effectively manage the conference rooms and provide support to employee meetings. The monthly American Express bill shall be reconciled and coded to the proper general ledger accounts, then given to the Director of Finance for review and approval.

X. FUNCTIONAL ACCOUNTING PROCEDURES/ALLOCATION OF INDIRECT EXPENSES

"Indirect" expenses are expenses that benefit the whole organization; in many ways they are the basic cost of doing business. Examples include salaries, benefits, rent, telephone, insurance, legal advice, auditing services, computer equipment, etc., as well as all-employee meetings, coffee/tea service, etc. GAAP does not require a specific method of allocating expenses to their appropriate function. There are numerous ways to allocate common expenses, but there is no one correct way. However, the method chosen must be meaningful, reasonable, accurate, and consistently applied. Changes in the method of allocating indirect expenses, and what specific expenses are included in indirect expenses, are generally disclosed in the audited financial statements.

The main goal of allocating common expenses is to provide the "true cost" of each program. However, getting a "true cost" is a misnomer, since different allocation methods will produce different results. The organization must choose a reasonable method that makes sense and will produce “accurate enough" information. Thus, it is important to understand that you are never really seeing the true cost of any program; you are seeing as close as we can get based on the allocation method chosen. A good example of this is how the WSBA treats certain support expenses. The WSBA has several departments which support all the cost centers, but for which the costs are not allocated to the indirect pool. No employee time for the Human Resources department or Information Technology department is allocated to other cost centers, although they primarily exist to support all cost centers. Thus, the "true cost" of a program does not include many of the WSBA support functions provided to it. It is helpful to understand this when conducting reviews of programs and cost centers.

WSBA has been using functional accounting since 1992. Direct expenses are recorded 100% to the appropriate cost center. Examples include committee expenses, employee travel, events, etc. The WSBA allocates indirect expenses as follows:

- Salaries – Salaries are directly allocated (through payroll) to the cost centers in which the employees primarily work. For example, some employees are allocated among several cost centers in one department (e.g., Advancement or Regulatory Services Departments). Many employees are allocated to only one cost center, although the perform work for many functional areas (e.g., Finance and Administration Department employees). *The allocation of employees is done through the budget process; employees are allocated throughout the year just as they are budgeted.* Therefore, a person may be budgeted at 25%, but may actually spend more or less of their time performing work for that cost center. However, the person is allocated through payroll at 25% regardless of their actual time spent unless a mid-year change in actual allocation is authorized by the Executive Director as part of the Reforecast process. Actual time is considered in allocating employees for the next budget year.

- Benefits – When incurred, benefits expenses are pooled together and allocated among the cost centers *based on the salary expenses (dollars, not FTEs)* for each cost center. This method proportionately distributes benefits in relationship to the salaries expenses. Thus, the departments with higher-paid employees will also incur a higher share of benefits expense.

- Other Indirect Expenses (insurance, telephone, professional fees, etc.) – The WSBA allocates all other indirect expenses based on the *number of FTE’s in* a cost center. For example, if a cost center has 10 out of 138 of WSBA's FTEs, then it will be allocated 7.2% (10/138) of the pool of indirect expenses.

Chapter 10: Sections

Overview of Section Funds

WSBA has unrestricted, designated, and restricted fund balances. See Chapter 4, Unrestricted and Restricted Fund Balance Policy. All funds collected by the WSBA on behalf of a Section are subject to the control and fiscal oversight of the Board of Governors. Beginning in fiscal year 1994, the Board directed that the total difference between revenues, and direct and indirect expenses, for all Sections each year be designated as Section funds. Indirect expenses are that portion of the WSBA's employees' time and overhead expenses attributed to support of and work for the Sections (reimbursed through the "per-member" charge). Separate ledgers will be maintained for each Section, making up the total for the Section funds.

It is recommended that a Section's fund balance be consistent with its future needs. Generally, the purposes of a fund balance are to:

- Provide a cushion for an unexpected shortfall in revenue.
- Provide a cushion for an unexpected expense.
- Provide for a specific future event that does not occur annually.
- Provide the ability to take advantage of an unforeseen unique opportunity.

A Section's fund balance should be enough to sustain a consistent level of programming in the event there are severe fluctuations in annual Section membership (six months' worth of direct programming expenses are recommended as a guideline). In addition, a Section may plan for specific stated purposes (e.g., scholarships, special events, conferences, publications, and other member benefits). Sections are discouraged from maintaining fund balances in excess of two years' worth of direct programming expenses and specified purposes.

If a Section finds it has accumulated a larger fund balance than recommended above, Section leadership should devise a plan to spend down the fund balance by budgeting and incurring a loss in one or more subsequent fiscal years. Some suggestions are as follows:

- Reduce member dues.
- Subsidize the cost of full-day seminars by reducing the cost per member (the Section will pay the difference between the standard seminar price and what the Section would like to charge).
- High visibility or national-level speaker for a CLE program.
- Scholarships for law school students.
- Special educational projects (e.g., youth courts, mock trial programs, law school events).
- Improve membership resources (e.g., newsletters, website, law updates, handbooks, publications).
- Annual grant program to help support work of community-based programs providing access to civil legal services.
- Produce or sponsor law-related public information (e.g., Citizens' Rights brochures, sponsor lawforwa.gov website or votingforjudges.org, TVW's "The Docket").
- Donate to Washington State Bar Foundation.
- Sponsor projects through the Washington State Bar Foundation.

Executive Committees' Fiscal Responsibility

Each Section is entrusted with funds that are paid by its members as dues and that are the fruits of volunteer efforts (such as the Section's share of revenues from CLE programs and mid-year/annual meetings). Each Section's Executive Committee is charged with the duty of approving Section expenditures. As stewards of the Section's finances, the Committee should be responsible in authorizing expenditures in accordance with WSBA and Section policies.

Section Budgets

WSBA's and the Sections' fiscal year is October 1 through September 30. Section budgets are approved annually by the Board of Governors as part of the WSBA's annual budget. See Chapter 1, Key Fiscal Policies – Budget Policies and Process.

Monthly Financial Reports

Monthly financial statements will be sent to each Section chair, chair-elect, treasurer, and/or other executive committee members as requested by the section's executive committee, within a reasonable time after the close of each month with the exception of September due to the close of the fiscal year-end. These summary reports will show the Section's annual budget, actual monthly revenue and expenses, and year-to-date revenue and expenses. A detail report of posted transactions will also be provided. Section chairs, chairs-elect, and treasurers should review their Sections' monthly financial statements for accuracy and comparison to budget, and contact the Section's staff liaison if they have any questions about the amount of an income or expense item, the category in which it is recorded, or any other concerns.

Section Revenue

Member Dues

Section member dues are collected by the WSBA throughout the year. Each fall, membership renewal forms are sent to all WSBA active members and Section members from the prior fiscal year.

Interest Earned on Section Fund Balances

Annually, each Section may receive interest income on its fund balance. The calculation and journal entry will be made at the close of WSBA's fiscal year, prior to the annual audit of WSBA's financial statements. Each Section's share of interest income will be determined by taking the average interest rate earned by WSBA on its investments that fiscal year (excluding investments of reserve funds) and applying that rate to the average of the final year-end fund balance of each Section in the current and preceding fiscal years.

WSBA CLE and Programs Presented in Partnership with Sections *(updated and approved by the Board of Governors on July 27, 2018)*

Programs Co-sponsored with Sections

The goal of all WSBA CLE programs is to support the mission and strategic goals of the organization. WSBA Sections are an important partner in these efforts. WSBA retains fiscal reserves ("WSBA CLE Fund") to mitigate against changes in the CLE market, sustain and improve important technology required for the delivery of CLE programs, and protect against unexpected revenue shortfalls.

Net seminar and any associated net on-demand product revenue for all WSBA CLE programs developed in partnership with Sections (excluding mini-CLEs) will be split between the WSBA CLE Fund and the partnering Section's cost center. Beginning with seminars delivered in FY19, net revenues will be split 50-50 (%) between the WSBA CLE Fund and the partnering Section's cost center, up to a total net revenue of $8,000. Net revenue exceeding $8,000 will be split 65% to WSBA and 35% to the Section. WSBA will absorb any net losses sustained by individual programs.

In calculating net revenue, WSBA will subtract all direct and indirect costs for the development of the live program and on-demand product from the gross revenue of the live program and on-demand product sales. WSBA will keep the Section informed of the program financials in a timely and transparent manner. Following each fiscal year's close, the partnering Section will receive its portion of any net revenue earned in that fiscal year, based on audited financial statements.

Because the CLE market is dynamic, WSBA and the Sections will annually review overall results and may seek to adjust the revenue sharing terms set forth in this policy to ensure that CLE programming and WSBA CLE Fund reserves are sustainable.

Mini-CLEs

WSBA CLE also supports Section CLE programming through a "Mini-CLE" model. Mini-CLEs are seen as exclusively member-benefit programs. They do not exceed 2.0 credit hours in length and registration fees must be $35 or less. For Mini-CLEs, WSBA staff provides limited assistance at no charge to the Section (e.g., program accreditation, reporting, and attendance tracking). Sections do much more of the preparation and production of seminars than regular CLE programming, and are responsible for working in collaboration with WSBA (e.g., following procedures outlined including timely notice, providing onsite registration personnel).

Section Expenses

A WSBA Section, by duly authorized act of the governing board or committee of the Section, shall be authorized to expend all money as budgeted without prior approval by the Board of Governors, provided the following conditions have been met:

- The expenditure is consistent with the approved budget and WSBA expense policies;
- The expenditure is within the goals of WSBA as defined by Supreme Court Rule and the Bylaws; and
- The expenditure does not violate the restricted acts of WSBA as defined by Supreme Court Rule, or WSBA or Section Bylaws.

If a Section wishes to spend funds otherwise (in excess of $500.00 over budgeted amount), Section leadership should prepare a written request outlining the purpose and amount of the proposed expenditure and submit it to the Section's staff liaison who will submit it to the Director of Finance and Director of Advancement for review and approval.

WSBA Policy on Alcohol

The WSBA's policy on alcohol with regard to Sections is as follows:

At the discretion of the Section Executive Committee, and because section revenues are paid voluntarily based on section members, section funds may be used to purchase alcoholic beverages at the following Section events:

- At Section Functions, defined as an event or meeting of the Section membership open to all members; and
- At a qualifying volunteer recognition event[3] where many volunteers are being honored.

Per-Member Charge

Each Section shall reimburse WSBA for the cost of administering the various Sections through an annual per-member charge. See Chapter 6, Expenses – Functional Accounting/Allocation of Indirect Expenses for details.

Expenses in Excess of Annual Budget

Personal Liability. (WSBA Bylaws as updated and approved by the Board of Governors) Article V (B) 2 of the

[3] See WSBA Policy and Procedures for Purchase and Service of Alcohol for definition of qualifying events.

WSBA Bylaws states: "The financial obligation of the Bar to any Bar entity is limited to the amount budgeted and ceases upon payment of that amount unless the BOG authorizes otherwise."

Article V (B) 3 of the WSBA Bylaws states: "Any liability incurred by any Bar entity, or by its members, in excess of the funds budgeted, will be the personal liability of the person or persons responsible for incurring or authorizing the liability."

Article V (B) 4 of the WSBA Bylaws states: "Any liability incurred by any Bar entity, or by its members, not in accordance with the policies of the BOG or in conflict with any part of these Bylaws, will be the personal liability of the person or persons responsible for incurring or authorizing the liability"

Expenses Over Budget – Directors of Finance and Advancement Approval

Once a Section has incurred its budgeted expenses for the year and spent any additional unbudgeted revenue, no further expenses for the Section will be paid unless a spending plan for the remainder of the fiscal year is approved by the Directors of Finance and Advancement. Requests for additional expenses and a spending plan shall be submitted in writing to the Section's staff liaison who will submit it to the Director of Finance and Director of Advancement for review and approval.

Expenses Over Budget – WSBA Executive Director Approval

Unbudgeted expenses may not deplete the Section's reserve balance to less than 25% of the preceding fiscal year's expenditures. Approval by the WSBA Executive Director is required for unbudgeted expenses which total 25% or more of the Section's annual expense budget or $1,000, whichever is greater. Requests for such expenditures shall be submitted in writing and approved prior to incurring an obligation for them. The Section leadership shall submit a request in writing to the Section's staff liaison. The Section's staff liaison will inform the Section of the approval (or denial) of their request after review by the WSBA Executive Director.

Expense Policies for WSBA Sections ***(updated and approved by the Board of Governors on July 23, 2016)***

Sections shall comply with the expense policies of the WSBA (see Chapter 6, Expenses).