



5121 Masthead NE • P O Box 92860  
Albuquerque, NM 87199-2860  
(505) 797-6000 • (800) 876-6227  
Fax (505) 828-3765 • www.nmbar.org

Jessica A. Pérez  
President

**BOARD OF**

**BAR COMMISSIONERS**

**First District**

Erika Anderson  
Martha Chicoski  
David M. Berlin  
Michelle Lujan Grisham  
Danny W. Jarrett  
Twila B. Larkin  
Hilary A. Noskin  
Raynard Struck

**Second District**

R. David Pederson

**Third District**

Deborah A. Armstrong  
J. Brent Moore  
Jessica A. Pérez

**Fourth District**

Brigitte U. Lotze

**Fifth District**

Wesley O. Pool

**Sixth District**

Andrew J. Cloutier  
Dominic E. Dutton  
Stephen S. Shanor

**Seventh District**

Roxanna M. Chacon  
Hans Voss

**Senior Lawyers**

**Division Delegate**

John P. "Jack" Burton

**Young Lawyers**

**Division Chair**

Ernestina R. Cruz

**Paralegal**

**Division Liaison**

Kay L. Homan

Stephen S. Shanor  
Immediate Past President

Joseph Conte  
Executive Director  
jconte@nmbar.org

## 2012 BUDGET DISCLOSURE

Dear Members:

The Board of Bar Commissioners has approved the budget for calendar year 2012. The budget is available in its entirety on the State Bar website at [www.nmbar.org](http://www.nmbar.org). Members wishing to receive a printed copy may do so by calling 505-797-6035 or 800-87nmbar (876-6227). The first pages of the budget provide the total expenditures by categories, while the remaining pages provide explanations and further breakouts of the expenditures by category. The total expenditures for the State Bar in 2012 are budgeted to be \$2,604,039. Of this amount, approximately \$928,630 is expected to be supported by non-dues revenue, and approximately \$1,675,409 will be funded by dues (see charts below). There were no material non-budgeted expenditures in the 2010 audit.

The Board of Bar Commissioners (BBC) has determined that all proposed expenditures for 2012 are necessarily or reasonably related to regulating the legal profession or improving the quality of legal services to the people of the state of New Mexico and, therefore, all dues-related expenditures are chargeable to fees for all members. Instructions for challenging expenditures believed to be non-germane are set forth on page two of the document.

Since the two published decisions in *Popejoy v. N.M. Board of Bar Commissioners*, the BBC has hired auditors to conduct two annual audits—a financial audit and a budget disclosure audit. The operative language of Judge Juan G. Burciaga’s opinion on the budget disclosure is repeated in both *Popejoy* decisions and requires the BBC to “topically categorize expenditures by amount spent and to allocate these expenditures into chargeable and non-chargeable activities so that the bar member has sufficient information to decide whether to object.” *Popejoy I*, 831 F. Supp. 814, 820 (D.N.M. 1993); *Popejoy II*, 845 F. Supp. 155, 157 (D.N.M. 1994) (citations omitted). Judge Burciaga also told the BBC to have the figures verified by “an independent auditor.” 831 F. Supp. at 820.

Approximately every three years, the BBC puts out a RFP requesting bids on the audit work. Because of the interrelated nature of the two audits, a single bid is accepted for both audits in which the bidder bids on each audit. In 2010, the BBC accepted the bids of Meyners + Company for both audits because of the amount of the bid and Meyners’ familiarity with the State Bar’s audit needs. REDW performed those audits from 2008–2010. A few months after the BBC accepted its bid, Meyners merged into Clifton Gunderson, a large regional accounting firm. Clifton Gunderson’s errors and omissions carrier and own firm policies prevented it from doing budget audits. In interviewing Clifton Gunderson partners and in performing its own research, the State Bar learned: budget audits, especially of publicly traded companies, was seen as a high risk area in the accounting profession after Enron and similar financial scandals; none of the “Big 4” accounting firms do budget audits any longer; 19 of the 20 largest regional accounting firms in the U.S. have ceased doing all budget audits (Clifton Gunderson is in this group); and the trend in the profession is to eliminate budget audits. The BBC met and determined at its July 2011 meeting that it would be inefficient, and perhaps futile, to attempt to hire an auditor for its budget audit as it appears that the accounting profession is ceasing to perform such audits.

*continued on next page*

The financial condition of the State Bar is sound, and the BBC is proud of the many programs and services the State Bar provides to the membership and the public.

Sincerely,



Erika Anderson, Secretary-Treasurer  
State Bar of New Mexico

**DEADLINE TO CHALLENGE EXPENDITURES**

Using the form provided on the last page of the budget document, submit written challenges on or before noon, Dec. 31 to:

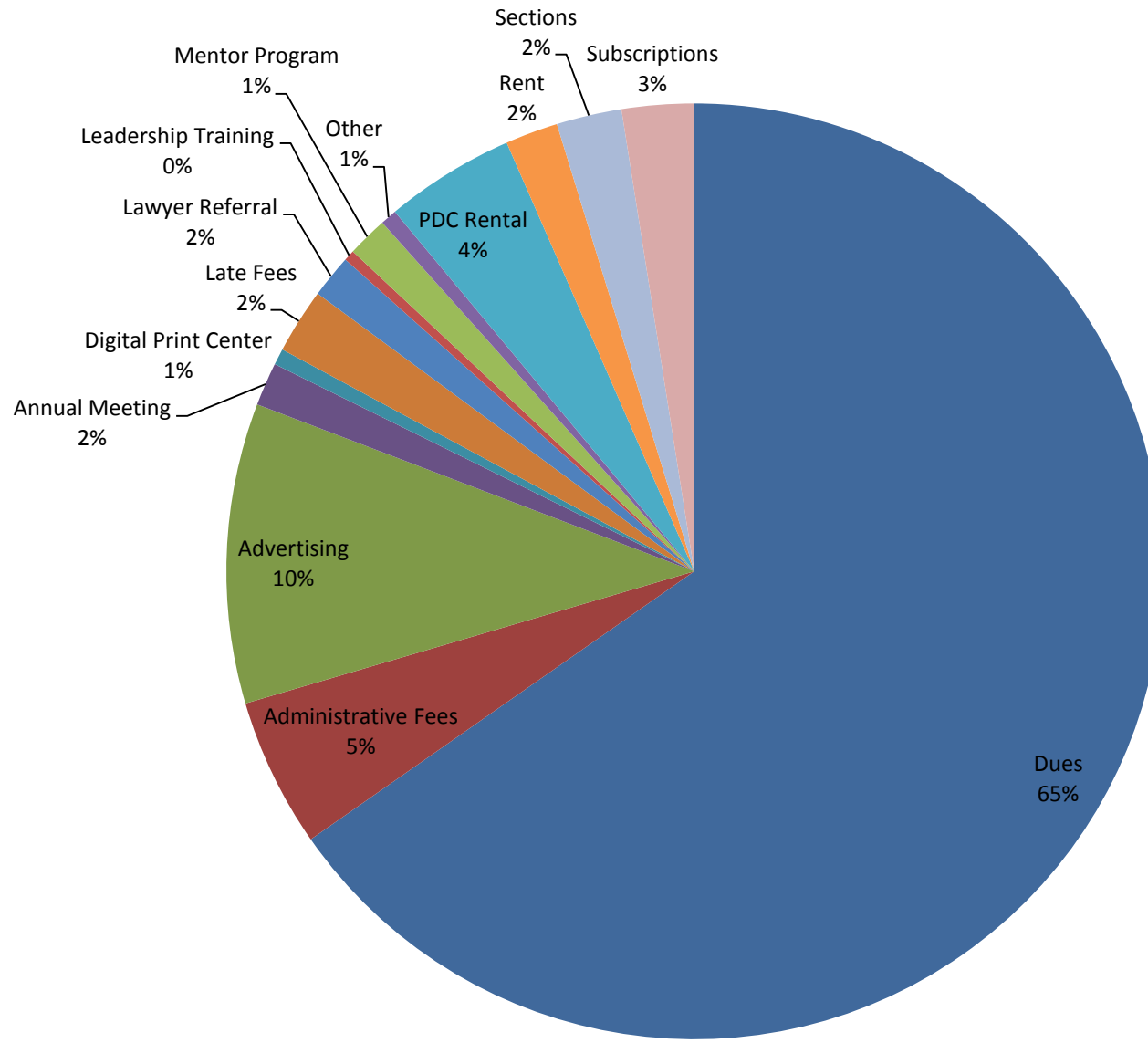
Joe Conte, Executive Director  
State Bar of New Mexico  
PO Box 92860  
Albuquerque, NM 87199

Challenges may also be delivered in person to the State Bar or faxed to 505-828-3765.

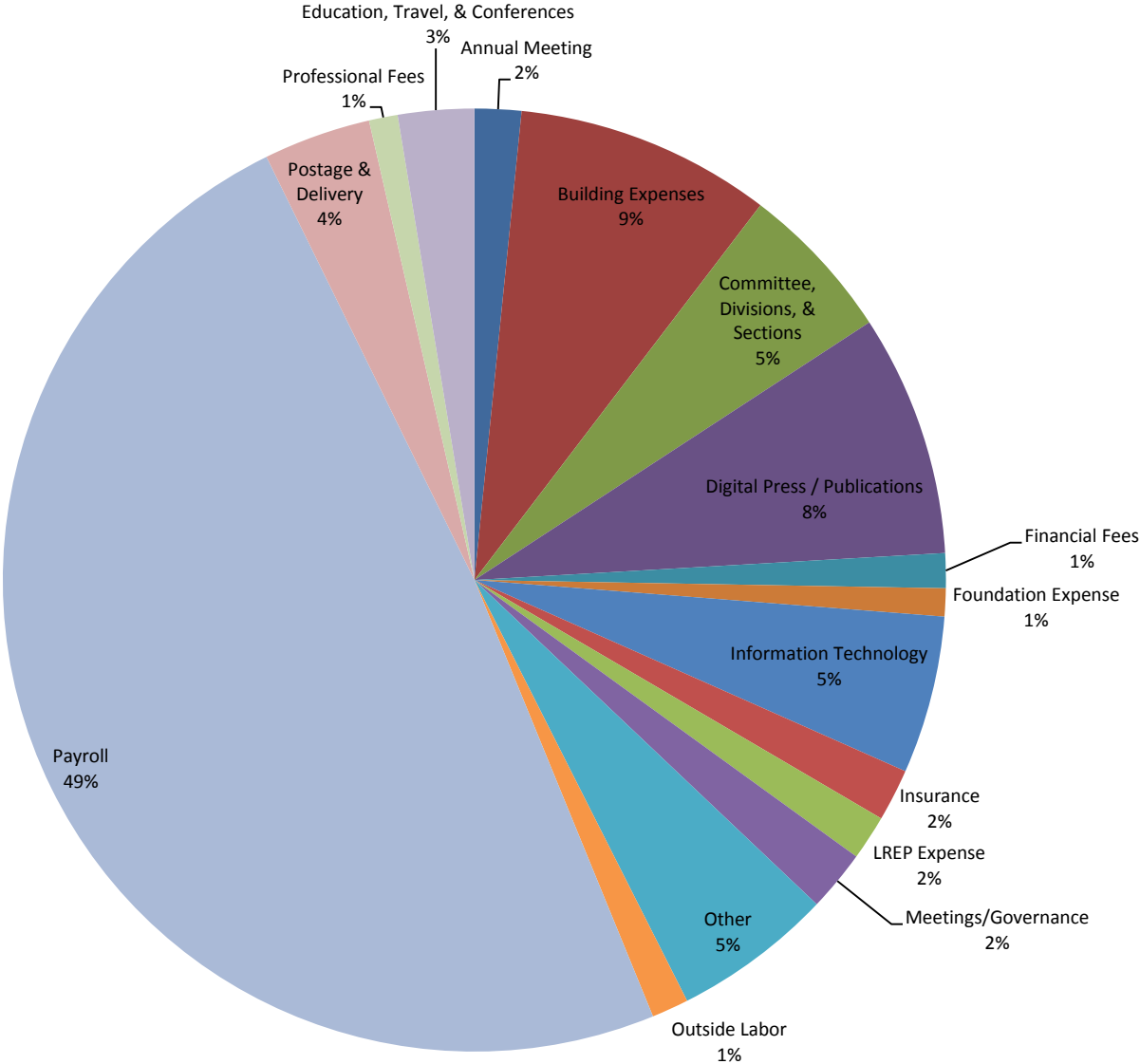
**State Bar of New Mexico**  
**Budget Disclosure**  
**Year Ending December 31, 2012**

	<b>Total Expenses</b>	<b>Non-Dues Funds</b>	<b>Net Amounts Funded</b>
<b>I. State Bar Governance, Administration and Organization</b>			
A. Board of Bar Commissioners	96,435	-	96,435
B. Capital Outlay	13,000	-	13,000
<b>C. Litigation</b>			
1. General Litigation	100	-	100
2. Popejoy/Keller Challenge Procedure	4,000	-	4,000
<b>II. State Bar Organization</b>			
A. Administration Dept.	445,616	55,178	390,438
B. Accounting/Finance Dept.	194,700	114,273	80,427
C. Facilities	283,564	173,356	110,208
D. General Counsel	216,531	57,835	158,696
13a. Human Resources	16,620	-	16,620
14a. Lawyers Assistance Program	101,377	-	101,377
E. Membership and Communication Dept.	369,987	53,700	316,287
2. Bar Bulletin	265,869	236,255	29,614
3. Bench and Bar Directory	59,100	99,453	(40,353)
4. New Mexico Lawyer	3,865	8,200	(4,335)
5. Annual Meeting	40,000	40,000	-
6. Committees and Divisions	73,700	-	73,700
7. Sections	61,500	60,300	1,200
8. Video Conference	47,800	-	47,800
F. Operations	204,438	8,600	195,838
2. Digital Print Center	79,837	15,000	64,837
3. Online Legal Research	26,000	6,480	19,520
<b>III. Legislative Activity</b>	-	-	-
	<b>\$ 2,604,039</b>	<b>\$ 928,630</b>	<b>\$ 1,675,409</b>

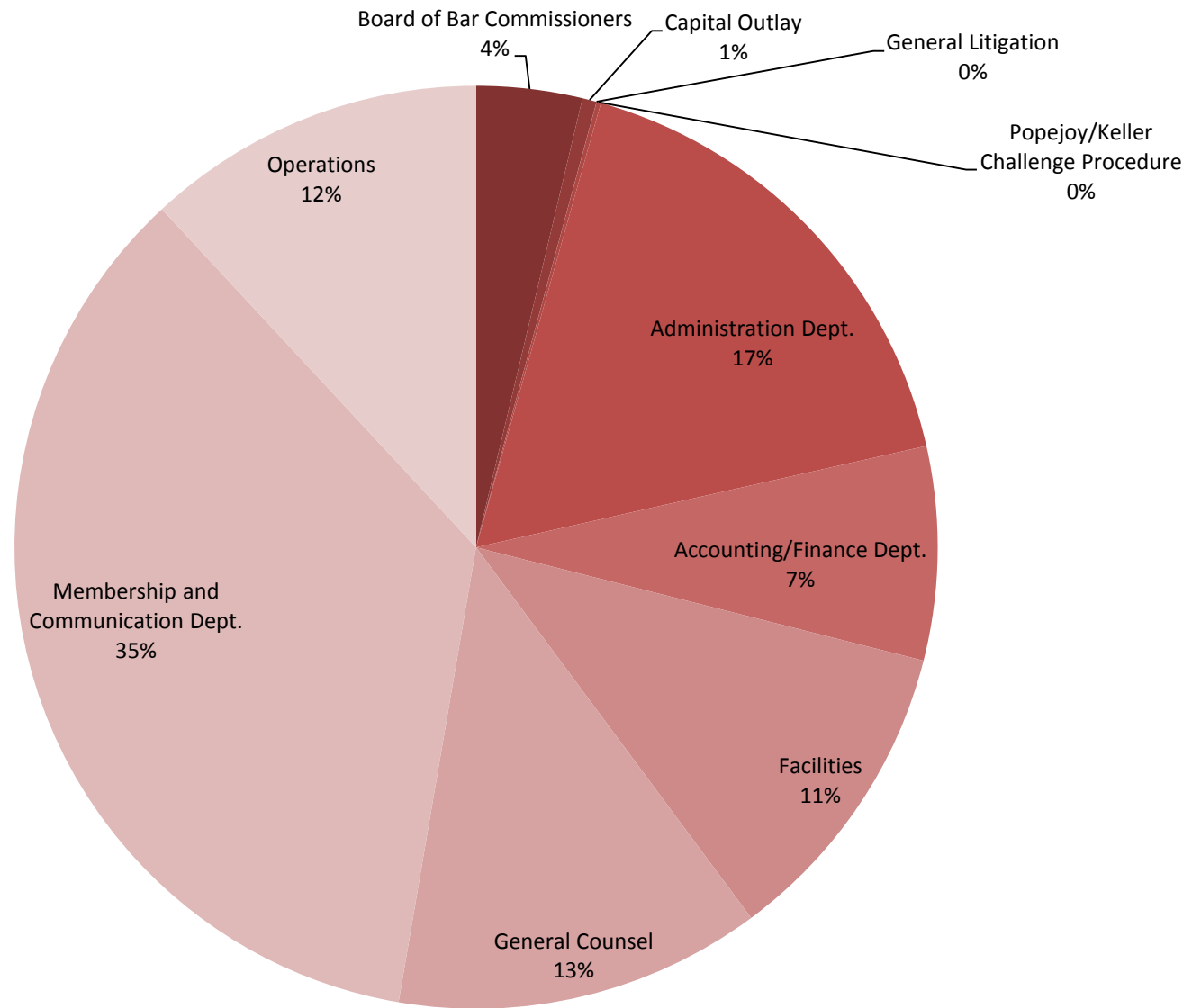
# Income



# Expenses by Major Categories



## Expenses by Department



## **Summary of Significant Assumption and Accounting Policies Year Ending December 31, 2012**

### **Nature of Business**

The State Bar of New Mexico (State Bar) was incorporated under the laws of the State of New Mexico in 1978. Prior to 1978, the State Bar operated as an agency of the Supreme Court of the State of New Mexico, established by state statute, dated March 17, 1925. The purposes of the State Bar are to aid the courts in the administration of justice, to preserve the rule of law and to foster a high standard of integrity and competence within the legal profession. The State Bar's activities include collection of dues; publication of the *Bar Bulletin*, the *New Mexico Lawyer*, and the *Bench and Bar Directory*; and development and promotion of programs such as legal research, membership programs, legal services to the public, public education and information, client protection, and law practice management and technology.

### **Nature of Presentation**

This budget presents, to the best of management's knowledge and belief, the State Bar's expected statement of chargeable and non-chargeable expenses/expenditures by functional category. Accordingly, the budget presents management's judgment of the expected conditions and expected course of action as of the date of this budget, November 3, 2011. Management does not intend to update this budget. The assumptions disclosed herein are those that management believes are significant to the budget and may not be all-inclusive. There will usually be differences between budgeted and actual results because events and circumstances frequently do not occur as expected. Those differences may or may not be material.

The budget document has been designed to provide to all members of the State Bar the anticipated cost, by functional category, of the 2012 activities which will be funded by mandatory dues. Accordingly, this document may not be useful for other purposes.

### **Deferred Revenues**

Dues, subscriptions, and advertising are recognized as revenue in the period to which they relate. Amounts collected in advance are recorded as liabilities until earned.

### **Pledges and Contributions**

In 1991, the State Bar formed a 501(c)(3) corporation, the State Bar of New Mexico Special Projects, Inc. (Special Projects) for the purpose of receiving grant awards from other 501(c)(3) entities for programs approved by the Board of Bar Commissioners and for accepting contributions to construct a general office building (State Bar Center). In 2003, the New Mexico State Bar Foundation was dissolved as a corporation and Special Projects was renamed the New Mexico State Bar Foundation (Bar Foundation). The two corporations, the State Bar and the Bar Foundation, have interlocking boards.

State Bar Center expenses are split between the two corporations based on the projected portion of ownership of the building. Due to the potential uncertainty of collection, a donor pledge is considered revenue when restrictions, if any, have been met and the pledge has been collected.

## **Property and Equipment**

Property and equipment are recorded at cost for purchased items and fair market value at the date of contribution for donated items.

## **Depreciation/Amortization**

This statement has been prepared without regard to depreciation or amortization since the issues of chargeable and non-chargeable are considered in the year of purchase or, in the event of debt-financed acquisitions, the period in which the commitment to make principal payments has been made.

## **Income Taxes**

The State Bar is exempt from income taxes under Section 501(c)(6) of the Internal Revenue Code.

## **Basis of Presentation**

To ensure observance of limitations and restrictions placed on the use of resources available to the State Bar, accounts are maintained in accordance with the principles of the Accounting Standards Codification Section, "Financial Statements of Not-for-Profit Organizations." Under these standards, the State Bar is required to report information regarding its financial position and accounting activities under three classes of net assets. This budget covers all three classes of assets. In addition, the State Bar's accounts are maintained on a functional basis, which retains activity detail on a program-by-program basis.

## **Presentation Purpose**

The statement identifies the major functional categories of the State Bar and includes amounts for activities that are germane to advancing the State Bar's regulatory functions and improving legal services (chargeable), as well as that portion of the expenses considered not to be reasonably related to regulating the profession or improving the quality of legal services (non-chargeable).

## **Building Occupancy Costs**

In August 1996, the State Bar moved into the newly constructed State Bar Center. As joint owner of the State Bar Center with the Bar Foundation, the State Bar is responsible for its portion of the expenses incurred in operating and maintaining the building.

---

## Description of Categories

---

### I. State Bar Governance, Administration and Organization

#### A. Board of Bar Commissioners

The Board of Bar Commissioners (Board) is established by Supreme Court Rule 24-101C as the governing board of the State Bar. The Board is responsible for overseeing the executive director, sections, committees, commissions, divisions, and task forces and makes decisions to fulfill the mission of improving the quality of legal services to the citizens of New Mexico. The Board meets four to eight times a year; and in 2012, there will be seven regularly scheduled meetings. While Board members receive no compensation, they do receive mileage and per diem allowances for travel in accordance with the State of New Mexico travel policies.

The expenses for Board meetings are based on the assumption that during 2012, four Board meetings will be held in Albuquerque, one will be held in Santa Fe, one in Cloudcroft, and one will be in connection with the annual meeting in Bernalillo. Board committees also conduct business by video conference and teleconference throughout the year.

In-state travel expenses for the president will cover attendance of certain Board committee meetings and other State Bar business. Included within this item is travel for officers to attend various State Bar-related activities, conferences and training programs. The 2012 travel for the officers is based on the assumption that the president and president-elect will attend the National Conference of Bar Presidents in New Orleans, Louisiana (mid-year) and the annual meeting in Chicago, Illinois; the president and president-elect will attend the Western States Bar Conference in Las Vegas, Nevada; the president will attend the annual meetings of the state bars of Texas, Oklahoma, Utah and Arizona; and the president-elect, vice president and secretary-treasurer will attend the Bar Leadership Institute in Chicago, Illinois. In a continuing effort to prioritize the philosophical and programming decisions of the State Bar, the officers will hold a strategic planning session with the directors in the fall of 2012. At this meeting, the officers will evaluate the State Bar's progress in meeting its mission, goals and objectives, and will continue strategic planning for the State Bar's future priorities and programs.

Awards are presented to recognize those who have distinguished themselves or who have made exemplary contributions to the State Bar.

#### 1. Board Expenses

Awards	\$ 1,800
Meetings/Governance	54,185
Mock Trial	7,500
Outreach	7,500
Travel & Conference	<u>25,450</u>
Total Expenses	<u>\$ 96,435</u>

#### B. Capital Outlay

During 2012, the State Bar intends to make the following asset acquisitions.

#### 1. Expenditures

Tabbing Machine	\$ 5,000
Electronic Cutter	<u>8,000</u>
Total Expenses	<u>\$ 13,000</u>

#### C. Litigation

#### 1. General Litigation

The State Bar does not anticipate any litigation expenses in 2012 beyond what is covered under the State Bar's insurance policy. A minimal amount of \$100 is budgeted for any miscellaneous matters that may require direct staff labor charges.

**a) Expenses**

Direct Expenses	\$ 100
Total Expenses	<u>\$ 100</u>

**2. Popejoy/Keller Challenge Procedure**

In order to comply with the challenge procedures and timekeeping requirements under *Keller v. State Bar of California*, 496 U.S. 1 (1989), and *Popejoy et. al. v. New Mexico Board of Bar Commissioners*, No. Civ. 92-1462 LH/LFG, the State Bar anticipates that the following expenses may be incurred:

**a) Expenses**

Accounting/Budget Audit	\$ 4,000
Total Expenses	<u>\$ 4,000</u>

**II. State Bar Organization**

**A. Administration Department**

General administration includes the Executive Office, Intake, and Reception. The Executive Office has the administrative responsibilities related to the management, policies, and mission of the State Bar and the Bar Foundation, including administrative responsibilities related to the Board of Bar Commissioners, the Client Protection Commission, and the Commission on Professionalism. The State Bar charges the Bar Foundation an administrative fee to reimburse any labor expenses.

Intake gathers basic information and directs callers to the appropriate referral program. The referral program offers 30-minute consultation/case assessments with a private attorney for a cost of \$30. Reception answers phones, directs calls, and assists visitors.

**1. Revenue**

Administrative Fee	\$ 15,178
Lawyers Referral	40,000
Total Revenue	<u>\$ 55,178</u>

**2. Expenses**

Auto Expense / Insurance	\$ 5,400
Dues/Subscriptions	2,410
Duplicating Expense	10,280
Foundation Expense	25,000
Insurance	31,994
Interest Expense	604
LREP Expense	40,000
Mileage	600
Miscellaneous	900
Office Supplies	2,000
Paper Shredding	1,730
Payroll	309,648
Postage & Delivery	3,050
Staff Education & Travel	12,000
Total Expenses	<u>\$ 445,616</u>

**B. Accounting/Finance**

The Finance Department collects membership fees, processes membership status changes, and addresses membership questions. The department keeps the State Bar compliant with policies, procedures, practices, and the law with regard to finances and generally accepted accounting principles (GAAP). Accounting functions are performed for the State Bar as well as associated law-related entities such as the Client Protection Fund. The State Bar is reimbursed by these entities to prepare monthly financial statements, conduct an annual audit and collect dues.

### 1. Revenue

Administrative Fees	\$	51,323
Interest on Investments		1,500
Late Fees		60,200
Miscellaneous		1,000
NSF Fees		250
Total Revenue	\$	<u>114,273</u>

### 2. Expenses

Dues/Subscriptions	\$	2,000
Duplicating Expense		3,900
Financial / Bank Fees		31,000
Information Technology		5,750
Office Supplies		2,000
Payroll		119,300
Payroll Processing Fee		1,200
Postage & Delivery		3,050
Professional Fees (annual audit)		21,000
Staff Education & Travel		5,500
Total Expenses	\$	<u>194,700</u>

## C. Facilities

The State Bar's Professional Development Center (consisting of three classrooms and seven conference rooms) is available for rent to outside groups and continuing legal education providers and to law-related entities (including government agencies, Supreme Court committees, voluntary bars and non-profit organizations) at no cost or a minimal fee. The State Bar Center offers the rooms listed above as a service to members of the State Bar.

The Facilities Department is also responsible for building maintenance and security.

### 1. Revenue

Administrative Fees	\$	4,605
PDC Rentals		120,000
Rent		48,751
Total Revenue	\$	<u>173,356</u>

### 2. Expenses

Interest Expense (mortgage)	\$	37,283
Janitorial & Supplies		28,000
Landscape Maintenance		6,000
Payroll		54,981
Real Estate Taxes		22,300
Repairs and Maintenance		50,000
Utilities		85,000
Total Expenses	\$	<u>283,564</u>

## D. General Counsel

The Office of General Counsel is a professional office that assists the State Bar and the Bar Foundation with policy and regulatory functions of an integrated bar. Specifically, its functions are to protect the legal and policy interests of the State Bar; assist in governance and regulatory functions; provide a professional legal resource for leadership, volunteers and staff; assist with outreach to the judiciary; and advise in the areas of legislative, executive and judicial processes. In addition to the internal support provided to the State Bar as noted above, the Office of General Counsel advises, provides legal support, and administers the following programs:

### a) Revenue

Administrative Fees	\$	57,835
Total Revenue	\$	<u>57,835</u>

**b) Expenses**

Advertising/Marketing	\$	1,000
Dues/Subscriptions		2,000
Duplicating Expense		1,000
Insurance		2,695
Office Supplies		1,780
Payroll		196,256
Postage & Delivery		1,000
Professional Fees		600
Risk Management		5,700
Staff Education & Travel		4,500
Total Expenses	\$	<u>216,531</u>

**2. Attorney Helpline (Member and Non-admitted)**

Provides members of the State Bar and non-admitted attorneys information and referrals in areas of attorney regulation, registrations, rules and practice.

**3. Client Assistance Information**

Provides members of the public information pamphlets concerning their relationship with their attorney, including advising on issues such as communication, billing, client files and fee disputes.

**4. Client Protection Fund**

Administers the Client Protection Fund Commission which investigates claims against lawyers on issues regarding reimbursable losses caused by a lawyer's misappropriation of client funds or other dishonest conduct.

**5. Ethics Assistance for Attorneys includes the following:**

Advisory Helpline provides answers to questions regarding ethics posed to the ethics helpline at 1-800-326-8155.

**a) Ethics Advisory Opinions**

Are archived and searchable by date of issue or by topical index on the State Bar's website at [www.nmbar.org](http://www.nmbar.org).

**b) Ethics Advisory Committee**

Assists lawyers with questions regarding one's own conduct in relation to the New Mexico Rules of Professional Conduct. The committee provides written formal and informal responses to inquiries from the membership.

**6. Committee on the Judiciary:**

The Board of Bar Commissioners voted to appoint a Committee on the Judiciary to address issues the membership identified in the latest member survey, including the independence of the judiciary, educating the public on judicial matters, monitoring and responding to criticisms of judges, reviewing judicial campaign activities and partisan judicial races, and judicial compensation. The Fair Judicial Elections Committee, to be established in late 2011 and early 2012, will merge into this newly formed committee.

**7. Fee Arbitration Program**

Provides fee arbitration to resolve fee disputes between attorneys and their clients or disputes between attorneys. This free program is designed to provide an efficient and confidential alternative to litigation.

**8. Lawyers Professional Liability and Insurance Committee**

Advises the State Bar regarding risk management activities and provides information on professional malpractice insurance for members.

**9. Pro Hac Vice**

Manages registrations for non-admitted lawyers wishing to appear before a New Mexico court in a civil matter. The Office of the General Counsel receives and tracks all registration certificates and provides information. Fees collected under the Pro Hac Vice Rule are used to support the delivery of civil legal services to the poor in New Mexico.

## 10. Human Resources

Functions include personnel hiring, monitoring employee benefits, and staff trainings.

### a) Expenses

Advertising/Marketing	\$	760
Meetings/Governance		360
Staff Education & Travel		9,000
Staff Morale Fund & Retreat		6,500
Total Expenses	\$	<u>16,620</u>

## 11. Lawyers Assistance Program

The Lawyers Assistance Program provides professional and peer assistance to State Bar members in need of assistance for substance abuse, addictions, and depression. Direct costs are paid for counseling fees.

### a) Expenses

Committee Activity	\$	6,000
Dues/Subscriptions		500
Insurance		2,900
Office Supplies		1,000
Payroll		87,877
Staff Education & Travel		3,100
Total Expenses	\$	<u>101,377</u>

## E. Membership and Communications Department

Services provided by the Membership and Communications Department include assistance to sections, committees, and divisions; writing, editing and designing State Bar publications; dissemination of media releases and responding to media requests; administration of association agreements for discounts on products and services provided by third-party vendors; and management of State Bar membership programs and video conferencing.

### a) Revenue

Member Benefits Program	\$	2,000
ENews		3,600
Exhibit Table Sales		600
Leadership Training		10,000
Mentor Program		37,500
Total Revenue	\$	<u>53,700</u>

### b) Expenses

Advertising/Marketing	\$	3,700
Annual Meeting		1,600
Dues/Subscriptions		4,050
Duplicating Expense		600
Equipment		400
Insurance		9,055
Information Technology		1,750
Law Day		1,800
Leadership Training		10,000
Miscellaneous		100
Office Supplies		2,000
Outreach		8,135
Payroll		307,697
Postage & Delivery		200
Staff Education & Travel		4,000
Survey		15,000
Total Expenses	\$	<u>369,987</u>

## 2. Bar Bulletin

The *Bar Bulletin* is a weekly publication containing advance opinions of the New Mexico Supreme Court and the Court of Appeals as well as rules, notices, announcements, and classified advertising.

### a) Revenue

Advertising	\$	229,637
Subscriptions		6,618
Total Revenue	\$	<u>236,255</u>

### b) Expenses

Digital Press (Printing Expense)	\$	110,448
Direct Material		51,411
Outside Labor		32,960
Postage & Delivery		71,050
Total Expenses	\$	<u>265,869</u>

## 3. Bench and Bar Directory

The *Bench and Bar Directory* lists the membership of the State Bar including addresses, telephone and fax numbers, e-mail addresses and employer/firm names. The directory also lists State Bar-related entities; rules relevant to the practice of law; State Bar sections, committees, and divisions; the judiciary; the Board of Bar Commissioners; other State Bar-related information; government offices; and tribal courts.

### a) Revenue

Advertising	\$	39,453
Subscriptions		60,000
Total Revenue	\$	<u>99,453</u>

### b) Expenses

Digital Press (outsource printing service)	\$	43,000
Postage & Delivery		16,100
Total Expenses	\$	<u>59,100</u>

## 4. New Mexico Lawyer

The *New Mexico Lawyer* is a special quarterly insert in the *Bar Bulletin*. It is produced by groups within the State Bar and edited by the Board of Editors. The goal of each issue is to present articles and essays which explore a current topic that is of interest to a broad segment of the legal community.

### a) Revenue

Advertising	\$	8,200
Total Revenue	\$	<u>8,200</u>

### b) Expenses

Digital Press (Printing Expense)	\$	2,500
Postage & Delivery		1,365
Total Expenses	\$	<u>3,865</u>

## 5. Annual Meeting

The State Bar and Center for Legal Education will collaborate on producing the 2012 annual meeting at the Hyatt Regency Tamaya in Bernalillo, New Mexico. The State Bar will solicit sponsorships, plan receptions and other social events, and present the annual State Bar service awards.

<b>a) Revenue</b>	
Annual Meeting	\$ 40,000
Total Revenue	<u>\$ 40,000</u>

<b>b) Expenses</b>	
Annual Meeting	\$ 40,000
Total Expenses	<u>\$ 40,000</u>

## 6. Committees, and Divisions

Direct expenses are charged to the Senior Lawyers Division, the Young Lawyers Division, and committees. The total budget for committees does not exceed the gross budget approved by the Board. The direct expenses of sections have been projected to equal forecasted revenues.

<b>a) Expenses</b>	
Committee Activity	\$ 20,500
Division Activity	53,200
Total Expenses	<u>\$ 73,700</u>

## 7. Sections

The State Bar encourages attorneys to become actively involved in programs that explore substantive issues related to specific practice areas. Members may join sections specifically devoted to these issues by paying dues. Separate accounts are maintained for the operations of each section. Section revenue is derived from voluntary fees paid by members requesting to join particular sections.

<b>a) Revenue</b>	
Section Dues	\$ 60,300
Total Revenue	<u>\$ 60,300</u>

<b>a) Expenses</b>	
Section Activities	\$ 61,500
Total Expenses	<u>\$ 61,500</u>

## 8. Video Conference

<b>a) Expenses</b>	
Information Technology	\$ 47,800
Total Expenses	<u>\$ 47,800</u>

## F. Operations

Operations consists of information technology (IT) expenses and general operations expenses incurred to provide staff and operational support for all programs and activities of the State Bar including data management, printing, purchasing, membership records, mail, coordination of online legal research services, and scheduling of all print/production/mail projects.

IT serves departments through a series of services that includes integrating computer systems, coordinating and providing training, negotiating and managing information technology-related contracts, and technology assistance and support. Software and technical support is provided to evaluate, procure, develop or modify software programs to the specified needs of the various departments and/or evaluate emerging technologies to better serve the organization. IT enables staff to quickly access vital information using the most efficient and cost effective system hardware and software. IT is responsible for system security and backup, telecommunications and data-sharing network, and wireless network. IT is also responsible for management, maintenance and accuracy of the State Bar's relational database and integration with its website. IT provides services to departments, local and voluntary bar association, organizations, lawyers and law firms who request reports, data extracts, membership data lists or email services per it Membership Data/Email Service policy available at [www.nmbar.org](http://www.nmbar.org).

<b>a) Revenue</b>		
Administrative Fees	\$	3,600
Membership data list		5,000
Total Revenue	\$	<u>8,600</u>

<b>b) Expenses</b>		
Advertising/Marketing	\$	500
Dues/Subscription		50
Equipment		12,000
Information Technology		59,550
Miscellaneous		200
Office Supplies		1,030
Payroll		126,688
Staff Education & Travel		4,420
Total Expenses	\$	<u>204,438</u>

## 2. Digital Print Center

The Digital Print Center is responsible for printing the *Bar Bulletin*, inserts, booklets, letterhead, brochures, newsletters and a variety of publications for State Bar departments, the Center for Legal Education, sections, divisions, and committees. In addition, mailing services are performed for the weekly *Bar Bulletin* and publications for internal entities. Outside production includes digital printing, editing, CD-DVD duplication, and design/page composition. Services are provided to law-related entities, Court Regulated Programs, the Disciplinary Board, the Bar Foundation, lawyers and law firms. Four-color printing is offered in addition to variable data services, addressing and mail services.

<b>a) Revenue</b>		
Digital Print Center	\$	15,000
Total Revenue	\$	<u>15,000</u>

<b>b) Expenses</b>		
Digital Press	\$	7,500
Direct Material		1,000
Equipment		1,250
Payroll		70,087
Total Expenses	\$	<u>79,837</u>

## 3. Online Legal Research

The Board of Bar Commissioners has entered into a contract with Fastcase to provide free online legal research for State Bar members. Fastcase provides research for case law, statutes, court rules, regulations, attorney general opinions, etc. Fastcase has databases covering New Mexico, all state libraries, and all federal and bankruptcy jurisdictions. Fastcase is available to all active licensed New Mexico attorneys and Paralegal Division members. Annual subscriptions are available to inactive members.

<b>a) Revenue</b>		
Administrative Fees	\$	5,280
Online Legal Research		1,200
Total Revenue	\$	<u>6,480</u>

<b>b) Expenses</b>		
Information Technology	\$	26,000
Total Expenses	\$	<u>26,000</u>

### **III. Legislative Activity**

#### **A. Lobbying Approved by the Board of Bar Commissioners**

The Board has determined that it may undertake necessary lobbying activities with the State Legislature in 2012; however, specific efforts will be reported to the membership if and when lobbying activities are approved by the Board, consistent with Bylaws, Article XI. No mandatory dues have been allocated for lobbying activities in 2012 and no specific lobbying activities have been approved. In the event that lobbying activities are approved and subsequently reported to the membership in 2012, lobbying efforts will be conducted by volunteers or will be paid from voluntary contributions received in prior years and previously set aside for lobbying. As in the past, the Board may also write to the congressional delegation in support of legal services funding. A copy of the bylaws regarding lobbying is available on request.

#### **B. Sections Lobbying Activities**

Sections are funded by voluntary dues. Sections may engage in lobbying activities within the area of the legal expertise of the section. The activity may include content-neutral assistance or lobbying for or against legislation. State Bar Bylaw, Article XI, 11.7(b) requires that prior to lobbying, the section must obtain a two-thirds vote of the section's board of directors after giving reasonable notice to the section membership and the Board of Bar Commissioners. The Board can disapprove requests for section lobbying only if the section did not follow the procedures for giving notice to the section members and voting by the section directors. When a section lobbies, its views are not represented as those of the State Bar, and the representatives are required to identify their position as those of the section and not of the State Bar. The only staff support given to section lobbying is to ensure that the procedures are followed. Because the Board does not consider this staff activity to be lobbying, neither staff time nor overhead associated with these activities are identified in the budget.

### **IV. 2010 Non-Budgeted Expenditures**

There were no material non-budgeted expenditures incurred in 2010.

### **V. 2011 Non-Budgeted Expenditures**

Any material 2011 non-budgeted expenditures approved by the Board will be reported in the 2012 Budget Disclosure document. At that time, any such expenditure will have been audited as part of the 2010 annual audited financial statements.

