

# 2021 Business Plan & Budget

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Approved by the Benchers, December 3, 2020

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## Introduction

The Business Plan and Budget<sup>1</sup> contained in this document represents management's plan and funding proposal to carry out the second year of the 2020 - 2024 Strategic Plan. The activities described within the Business Plan and resources required within the 2021 Budget aligns us well towards accomplishing the work in the Strategic Plan.

While COVID-19 presented unprecedented circumstances in 2020, the Law Society continues to be in a strong position organizationally and financially to meet the objectives of the Strategic Plan.

The budget finds a balance between considering the current economic climate as well as ensuring that the Law Society can continue to meet operational and strategic objectives. In addition, the budget allows the organization to balance protecting the public interest against being considerate of the current challenges in the economy.

It is important to note that while the 2021 budget proposes a reduction in expenses of almost 4% (or \$1.2 million) compared to the prior fiscal year's budget, the reduction is considered a one-time cost savings for 2021. This is because the reduction in expenses directly relates to Management's decision to freeze compensation levels as well as assume that travel restrictions will continue until mid-2021. This is consistent with what Management is seeing in other organizations and professional regulators.

Through the lens of the Strategic Plan, we have determined that in order to achieve all the strategic goals, some re-organization of the Law Society is required.

Specifically, we have collapsed the Professionalism and Policy Division, moved the departments supporting professionalism (Practice Management, Early Intervention and Practice Advisors) to report to the General Counsel and Director, Regulation, and created an Education department reporting to the Deputy Executive Director and Director, Policy and Education. In addition, we have moved the Trust Safety Department into the Finance & Accounting Department, reporting to the Chief Financial Officer. These organizational changes are a reflection of the evolution of our proactive approach to Law Society work and are possible due to the internal depth amongst our Manager group.

This Business Plan and Budget reflects those organizational changes and the staffing and other budgetary requirements needed to support the work.

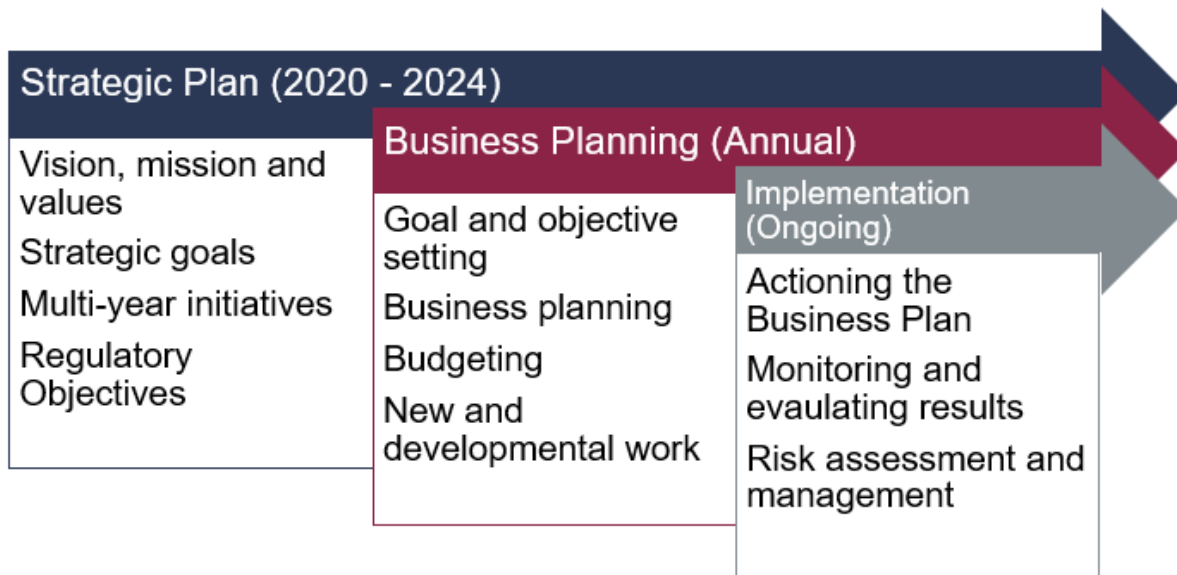
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<sup>1</sup> This plan does not include the indemnity program. The 2021 business plans and budgets for Alberta Lawyers Indemnity Association (ALIA) will be approved by the ALIA Board.

## Business Plan

The Business Plan is the vehicle through which the Strategic goals are converted into practical work by turning them into concrete plans to be implemented, which in turn form the foundation for the budget.

## Law Society Planning Cycle



The Business Plan describes the proposed new or developmental work to be carried out in 2021, in addition to the continuing work of delivering all our core programs. It is designed to give us the ability to respond to emergent situations as they arise.

Four goals are identified within the Strategic Plan. There are several projects currently underway and planned for 2021 supporting these aspirational goals.

**1. Innovation & Proactive Regulation: The Law Society regulates the legal profession in a manner that is innovative, proactive, transparent and appropriate.**

- Review of Rules – This work is ongoing and remains in line with our drive to reduce complexity in our regulatory processes, rationalize our cost structure, enhance our responsiveness and to make decisions based on sound data. We continue to review Part 3, 4 and 6 of the Rules to identify processes that place too heavy of a regulatory burden on our stakeholders, are too complex, inhibit our ability to be responsive, and are too costly in terms of resources, time and reputation.
- Digital by 2022 - In line with our drive to reduce complexity in our processes, rationalize our cost structure, enhance our responsiveness and to make decisions based on sound data, we have set a goal to become a fully digital organization by 2022. During 2021 we will continue with technology and information management improvements including the streamlining of business processes and the provision enhanced on-line services to our stakeholders. Such improvements include, but are not limited to, the assessment and implementation of a virtual mailroom, implementation of an electronic accounts payable system as well as enhancements to telephone services and workflows.
- New *Legal Profession Act* – This continues to be an aspirational goal and we will work with the Government of Alberta and the new Minister of Justice wherever possible towards the goal of having a modern legal services statute, or amendments where possible.
- Encourage innovation - While legislative change is not on the immediate horizon, we will continue our work in 2021 to explore strategies to encourage innovation in the legal profession using the regulatory tools available to us. This work will include development of an incremental plan to expand the ways in which legal services can be delivered to the public.
- Support Regulatory Reform by identifying ways to reduce the regulatory burden on lawyers while regulating in the public interest.

**2. Competence & Wellness: The Law Society promotes a broad concept of competency and wellness in the legal profession.**

- Implementation of the CPLED Practice Readiness Education Program (PREP). The program was rolled out in 2020 and the budget assumes an increase in the annual student tuition subsidies. In response to the COVID-19 pandemic the subsidy was increased in 2020 from the original 2020 budget. While the funding increased in the proposed budget it is a reflection of the increase in the subsidy for the 2020-2021 class. We do not anticipate continuing that level of subsidy for the 2021-2022 PREP class.
- Indigenous Cultural Competence training – In 2020 the Law Society collaborated with NVision to add Alberta content to NVision’s indigenous cultural competence training program called “The Path”. This program will be rolled out to the legal profession in 2021 at no cost to lawyers.

- Creation of an Education Department – Guided by the Strategic Plan and in response to the Articling Program Assessment Survey (Articling Survey) considerable work was done in 2020 on developing a framework for improving our licensing processes (i.e. articling) as well as improving and evolving our Continuing Professional Development (CPD) program. In reflecting on how to operationalize these changes, the organizational design revisions mentioned above have been implemented resulting in the creation of an Education Department at the Law Society. This budget reflects the early stages of building that department including moderate increases in headcount, capital investment in programming and contractor costs.
- Wellness continues to be a focus of competence programming including in all proposed changes to articling and CPD. Additional strategies, such as enhanced collaboration with ASSIST will continue in 2021. In addition, the Law Society will participate in a national survey of lawyers on wellness in collaboration with the Federation of Law Societies of Canada.

**3. Access: The Law Society promotes affordability of legal services and removes regulatory barriers to access where reasonable and appropriate.**

- Lawyer Referral - In the midst of COVID-19 the Lawyer Referral Service (LRS) was transitioned from Calgary Legal Guidance to the Law Society. In 2021 we will conduct an evaluation of LRS with the goal of assessing the effectiveness of the program for the public. The evaluation could result in changes to the program in 2021 to better serve those members of the public seeking solutions to their legal problems.
- Our work on Legal Aid Governance will continue as will our expansion of Pro Bono through approved legal service providers.

**4. Equity, Diversity & Inclusion: The Law Society leads the profession to increase cultural competency and promotes a profession that is representative of the public it services.**

- Part-Time Fees – The financial impact of offering a part-time fee option is incorporated into the 2021 budget. Full reporting on the 18 month pilot is expected in Q3 2021.
- Response to Articling Survey – The Bencher Equity Diversity and Inclusion Committee (EDIC) as well as the Equity Diversity and Inclusion Advisory Committee (EDIAC) worked through 2020 on developing safe reporting practices for discrimination and harassment. This will continue in 2021.
- Articling Placement Program – the EDIC and EDIAC are developing a program to find replacement articles for students whose articles are dangerous or untenable due to discrimination and/or harassment. It is hoped this program will roll out in 2021.
- As part of our response to the 2019 Articling survey, and supported by the recent resurgence of the Black Lives Matter movement, the Law Society is seeking input from BIPOC (Black, Indigenous, People of Colour) lawyers on their experiences in the legal profession. The work of the EDIC and EDIAC in 2021 will include learning from these BIPOC lawyers' and assessing where the Law Society can meaningfully impact the reduction of systemic racism in the legal profession.
- Internationally Trained Lawyers (ITLs) – A conference planned for ITLs was cancelled in 2020 due to COVID-19. Virtual programming is planned for 2021 to provide information and support on getting called to the bar in Alberta.

## The Budget

The budget pursues the initiatives outlined above within the context of balancing our obligations to protect the public interest and being a model business.

In organizing the business plan, we broke down our work into two core areas of the Law Society including Operations and Organizational Support. The following is a brief overview:

### 1. Operations

Operations consists of our Investigations, Membership, Trust Safety, Counsel, Conduct, Custodianship, Practice Advisors, Practice Management, Early Intervention, Policy, Education and Governance teams.

- The Membership team deals with all aspects of applications for entry into the profession and for Professional Corporations and Limited Liability Partnerships. This team also deals with all changes in membership status and annual renewals.
- The Investigations, Counsel and Conduct teams work in concert to review, resolve (where possible), investigate complaints, and refer matters to Practice Management where appropriate.
- The Counsel team provides legal support to the Law Society and the Alberta Lawyers Indemnity Association (ALIA). In addition to dealing with lawyer conduct complaints, our investigative team supports our Early Intervention, Trust Safety and Membership departments. Investigators also support the examination of trust misappropriation claims under the Misappropriation Indemnity program administered through ALIA.
- The Custodianship unit protects members of the public in the event their lawyer is unable or not allowed to continue the practice of law.
- Practice Advisors provide confidential advice to Alberta lawyers with respect to ethical, practice management, and stress-of-practice issues.
- Practice Management and Early Intervention programs support the professional work of lawyers.
- Policy undertakes the policy work of the Law Society including maintenance of the policy development inventory which sets out the Benchers priorities on strategic goals, processes, and potential policy projects, maintenance of the administrative policy inventory which sets out administrative policy projects; and monitors local, national and international regulatory environment to identify potential policy issues to further the strategic goals of the Law Society.
- The new Education Department responsible for the development and enhancement of all competence programs of the Law Society including the evolution of the articling and continuing professional development programs. In addition, this department will focus on legal technology and mentorship through the creation of a manager role responsible for these areas. Equity, diversity and inclusion work along with the Law Society's response to the Truth and Reconciliation Commission Calls to Action fall under this area as does the strategic policy and regulatory reform work of our policy team.
- Governance includes our Secretariat and Governance teams designed to support the Benchers and the ALIA Board.

## **2. Organizational Support**

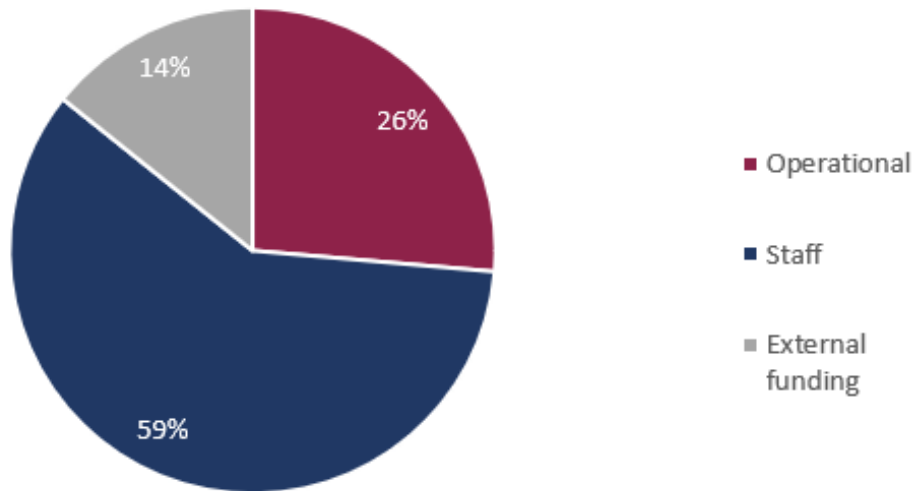
This core area provides the supports necessary to carry out all our operations work including Finance & Accounting, Communications, Customer & Office Services, Business Technology, Information Management, Human Resources, and the Tribunals Office. This area also provides support to ALIA and CPLED.

**Please refer to Appendix 2 for more information on the business units contained in each core area.**

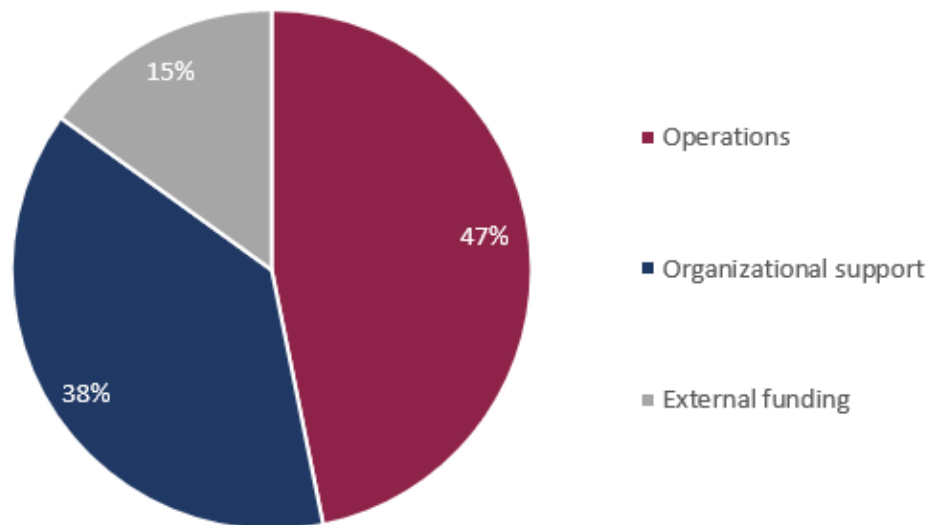


## Budget Resource Allocation

While we organize our work in the above areas, the following chart illustrates where our budget resources are focused.

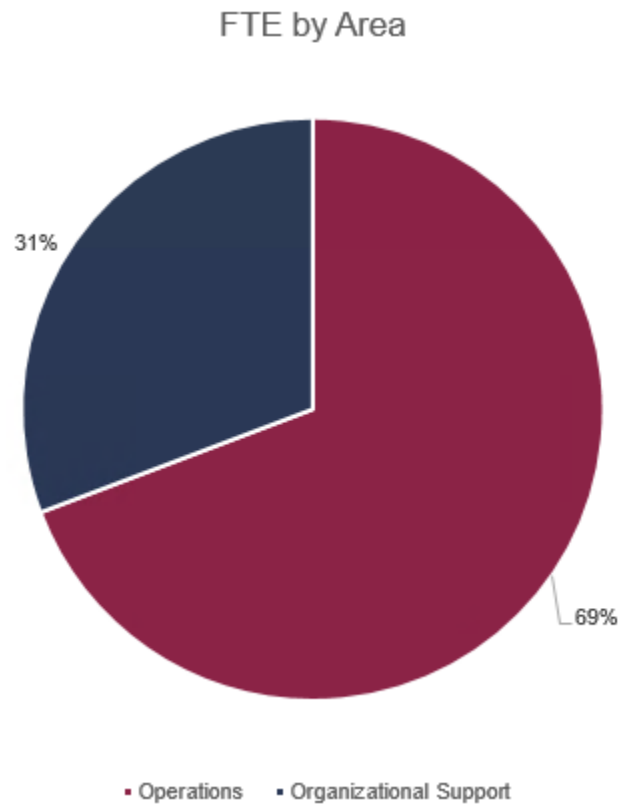


The following chart outlines the cost by organizational area.



## Staff Resource Allocation

The 2021 budget provides for 129.5 Full-Time Equivalent (FTE) staff relative to 126.5 in 2020.



## Budget

### Budget Structure

The Law Society budget includes three operating funds and a capital budget:

- The **General Fund**, which covers the general operating costs of the regulatory function and other work of the Law Society;
- The **Capital Budget**, which funds investments in assets with an economic life over one year including business technology items and improvements to leased premises.
- The **Assurance Fund**, which covers the costs of compensating clients and others who are the victims of trust defalcations occurring prior to July 1, 2014 (claims for trust defalcations occurring after July 1, 2014 are covered under the Misappropriation Indemnity program in ALIA);
- The **Viscount Bennett Fund**, a donated sum, the income from which funds scholarships for law graduates, articling students, and Alberta lawyers pursuing post-graduate legal studies; and

In discussing the budget structure, we refer to:

- **Budget 2021** - which means the fiscal year beginning January 1, 2021 and ending December 31, 2021; and
- **Budget 2020** - which means the fiscal year beginning January 1, 2020 and ending December 31, 2020; and
- **Forecast 2020** - which is our forecast of revenue and expenses for the fiscal year beginning January 1, 2020 and ending December 31, 2020 based on management's current estimate of anticipated results to December 31, 2020.

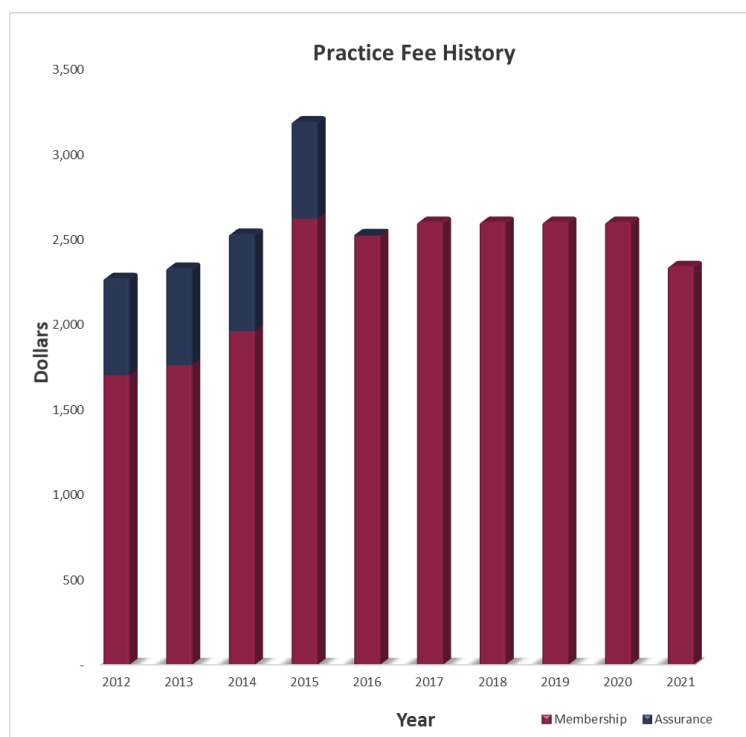
## 2021 General Fund Budget Highlights

The General Fund budget included in the following pages reflects a deficit of \$246,300.

Practice Fee revenue assumes the annual 2021 Practice Fee reduces by \$260 (10%) or from \$2,600 per active lawyer to \$2,340 per active lawyer. The reduced practice fee is a result of the one-time cost savings experienced in 2020 which will result in a contingency reserve near the maximum required based on the Law Society's Contingency Reserves Policy. Based on the Policy, the target minimum reserves is equal to 2 months of average annual budgeted operating costs and the maximum is equal to 3 months. Management is recommending a measured approach to how the Contingency Reserves Policy is managed given the unique circumstances of the pandemic, the manner in which the cost savings occurred and the long-standing goal of the Benchers to not have a practice fee that swings from year to year.

The Law Society's practice fee had remained the same over the last four years (2017-2020) and as a result of the savings identified in 2020, Management and as directed by the Benchers in the spring, is recommending a reduction in the 2021 practice fee. In an effort to assist the profession during these uncertain times, Law Society staff are also proceeding with implementation of an instalment plan for payment of the annual practice fee. Currently, the annual practice fee is due in March annually. However, a project team has begun work that will provide the option to lawyers to pay the practice fee in two instalments. The first instalment due in March and the second instalment due in September annually.

Considering the estimated Contingency Reserves at the end of 2021, the Law Society is in a position to reduce the fee and provide financial relief to the profession while ensuring the Law Society's financial position remains healthy. We believe it is particularly important for us to remain conservative in 2021 given the uncertainty surrounding the duration of the pandemic, restrictions and economic impacts.



## 2021 Budget Assumptions

Budgeting during a pandemic requires careful consideration of the short, medium and longer-term effects, balanced against the Law Society's commitment to achieving its strategic goals through proactive regulation. As a result, a number of assumptions are reflected in the budget which may impact overall results. The following is a summary of the assumptions:

- No increase in staff compensation levels in 2021.
- Due to ongoing health and safety concerns, the budget assumes no staff travel until mid-2021 which reduces overall operational costs.
- Due to the travel restrictions for the first half of 2021, the assumption is that staff will budget for local or on-line professional development.
- Reduced planned events.
- The budget assumes that the Law Society's office will be re-opened in 2021.
- The part time status will continue in 2021 as part of the 18 month pilot project.
- The Law Society closely monitored active membership growth during 2020 as the COVID-19 pandemic materialized and to date has not experienced a decrease. Therefore, the proposed budget is taking a conservative approach by assuming a growth in active lawyers of 1% based on the current membership numbers. The membership growth rate is depicted in Appendix 1.
- As approved by the Benchers in the Spring of 2021, the first six months of 2021 reflects the increase in CPLED student subsidy by \$1,000 to \$3,600 per student; however, for the July 2021 student intake the budget assumes a \$2,600 subsidy. In addition, the budget assumes no increase in the CPLED student numbers.
- Unrealized gains or losses on changes in the market value of investments related to the Assurance and Viscount Bennett funds have not been budgeted for as these amounts are not possible to predict and are non-cash items by nature. In addition, during the volatile times the budgeted investment income is very conservative.
- The Assurance Fund budget reflects no provision for claims. As we wind up the legacy Assurance Fund, it is unlikely that we will receive new claims for trust misappropriations that occurred prior to July 1, 2014. All existing claims have been provided for in previous years' provisions.

## Contingency Reserve

The Law Society approved a Contingency Reserves Policy in 2020 and its purpose is to establish consistent principles, standards and guidelines for the maintenance, management and accounting of the Contingency Reserves. The Policy, approved by the Benchers, ensures that the Reserves provides financial stability and mitigates risk, for unbudgeted operating revenue requirements and future capital projects that would otherwise cause fluctuations in the operating budget and subsequently the practice fee.

With the operating and capital budgets presented below, we forecast the Reserve will be just over \$7.5 million by the end of fiscal 2021.

Based on the Policy, the target minimum total Reserves is equal to two months of average annual budgeted operating costs and the maximum is equal to three months of average annual budgeted operating costs. The reserve target based on the average operating expenses is a minimum Reserves of \$5 million to a maximum of \$8 million. Based on the forecasted reserves balance at the end of 2021, management recommends decreasing the Practice Fee by \$260 to \$2,340 for 2021. This represents a practice fee decrease of 10% and will leave the reserve at \$7.5 million.

We believe it is particularly important for us to remain conservative in 2021 given the uncertainty surrounding the duration of the pandemic, restrictions and economic impacts.

## 2021 Management Fee

The General Fund budget includes management fee revenue totaling \$3,435,600. The management fee is intended to recover costs related to services provided to ALIA, the Assurance Fund and CPLED. An analysis of how the management fee is calculated relative to each of these organizations is included in Appendix 5.

### 1. ALIA - \$2,923,200 (2020 - \$3,151,200)

The Law Society provides several services and facilities to its wholly-owned subsidiary, ALIA, including office space, Accounting, Information Technology, Customer Service, Information Management, Human Resources and Governance support. The cost of these facilities and services are recovered through the management fee based on approximations of use of these services by ALIA. The fee also includes a provision for loss prevention services provided to the indemnity program through the Law Society's proactive Early Intervention and Practice Management programs. Management believes that based on a detailed analysis of services provided and associated costs the fee fairly represents the cost if services were sourced independently. The management fee is accounted for in the budgeted operating costs of ALIA and is factored into the determination of the annual levy paid by Alberta lawyers in private practice. The ALIA management fee has decreased from 2020 by \$228,000 (7%) due to a decrease in Law Society expenses as a result of assumptions made within this budget.

### 2. Assurance Fund - \$168,000 (2020 - \$168,000)

The cost of misappropriation claims and related activities is budgeted in the Assurance Fund. The cost of the Law Society's Investigations team is budgeted in the General Fund. A portion of that team's time is spent investigating trust misappropriation claims. Consequently, the General Fund budget includes management fee revenue charged to the Assurance Fund to recover the estimated portion of investigation costs dedicated to misappropriation claims. A corresponding amount is reflected in the Assurance Fund operating expense budget entitled "Administration". While we have worked diligently over the last few years to wind down the Assurance Fund claims, the requirement to maintain an Assurance Fund comes from the *Legal Profession Act* and so it will continue to exist until we have a new statute.

### 3. CPLED - \$344,400 (2020 - \$312,000)

The Law Society provides several services and facilities to CPLED including office space, accounting, information technology, human resources and customer service support. The cost of these facilities and services are recovered through the management fee based on approximations of actual use of these services by CPLED. Cost recovery of services provided to CPLED was new in 2020 with implementation of the PREP program. The CPLED management fee has increased from 2020 by \$32,400 (10%) due to an increase in services required.

## 2020 Forecast

The overall surplus for 2020 is forecasted to be \$3,185,500 and it is important to understand the components of the variance to the budgeted surplus of \$354,510.

Forecasted expenses for 2020 are expected to be under budget by approximately \$2,703,290, which reflects an overall 8.5% under spending compared to the 2020 expenditure budget of \$31,981,390. Revenue is expected to be over budget by \$127,700 which reflects an overall increase in revenue of 0.39%. Revenue is over budget mainly due to higher than expected investment income and higher active membership numbers.

While management endeavours each year to set a reasonable expenditure budget, there were unforeseen circumstances in 2020 that impacted overall spending. The savings identified in 2020 are mostly one-time cost savings related to the COVID-19 pandemic. Travel, training, and events were cancelled due to travel restrictions and social distancing requirements, and more importantly a decision to cancel travel and events was taken for the health and safety of staff, Benchers, and volunteers. The closure of the Law Society office results in a direct savings for office related costs. In addition, the Law Society was in a position to reduce external contractor requirements of which some are one-time cost savings due to re-prioritization of initiatives in 2020 while working remotely. Savings from the Trust Safety department is based on a strategic decision to bring the field audit work in-house which results in annual savings and improvements to the delivery of the Trust Safety program. The 2021 budget, while thoughtful considering the on-going pandemic and economic conditions, assumes that the office will be re-opened in 2021 and that normal office expenses, such as staff, board & volunteer travel will resume during the second half of the year. However, it is important to understand that certain assumptions are made for 2021 while the duration and results of the pandemic continues to be unknown. Please refer to the 2021 Assumptions.

Based on the one-time cost savings in 2020 and the one-time reduced operational costs in 2021, the Law Society's Contingency Reserves increased, positioning the organization to reduce the practice fee in 2021.

Summary budgets for the General, Assurance and Viscount Bennett Funds are included below.



## General Fund Budget

	2021 Budget	2020 Forecast	2020 Budget	Variance 2021 Budget to 2020 Budget	Variance 2021 Budget to 2020 Forecast	Variance 2020 Forecast to 2020 Budget
<b>Revenue</b>						
Practice fees	26,755,000	28,460,000	28,190,000	(1,435,000)	(1,705,000)	270,000
Management fees	3,435,600	3,492,900	3,631,200	(195,600)	(57,300)	(138,300)
Investment income	140,000	220,000	170,000	(30,000)	(80,000)	50,000
Recovered costs	73,200	71,500	126,000	(52,800)	1,700	(54,500)
Other	152,700	219,200	218,700	(66,000)	(66,500)	500
<b>Total revenue</b>	<b>30,556,500</b>	<b>32,463,600</b>	<b>32,335,900</b>	<b>(1,779,400)</b>	<b>(1,907,100)</b>	<b>127,700</b>
<b>Expenses</b>						
Operations	14,369,300	13,560,600	15,916,740	(1,547,440)	808,700	(2,356,140)
Organizational support	11,750,800	11,688,400	12,234,000	(483,200)	62,400	(545,600)
External funding	4,682,700	4,029,100	3,830,650	852,050	653,600	198,450
<b>Total expenses</b>	<b>30,802,800</b>	<b>29,278,100</b>	<b>31,981,390</b>	<b>(1,178,590)</b>	<b>1,524,700</b>	<b>(2,703,290)</b>
<b>Net Income (loss)</b>	<b>(246,300)</b>	<b>3,185,500</b>	<b>354,510</b>	<b>(600,810)</b>	<b>(3,431,800)</b>	<b>2,830,990</b>

## Assurance Fund Budget

	2021 Budget	2020 Forecast	2020 Budget	Variance 2021 Budget to 2020 Budget	Variance 2021 Budget to 2020 Forecast	Variance 2020 Forecast to 2020 Budget
<b>Revenue</b>						
Investment income	210,000	505,000	375,000	-165,000	-295,000	130,000
<b>Expenses</b>						
Organizational support	38,800	39,100	42,800	-4,000	-300	-3,700
Administration	168,000	168,000	168,000			
Total expenses	206,800	207,100	210,800	-4,000	-300	-3,700
<b>Net Income (loss)</b>	3,200	297,900	164,200	-161,000	-294,700	133,700

## Viscount Bennett Fund Budget

	2021 Budget	2020 Forecast	2020 Budget	Variance 2021 Budget to 2020 Budget	Variance 2021 Budget to 2020 Forecast	Variance 2020 Forecast to 2020 Budget
<b>Revenue</b>						
Investment income	67,000	92,000	88,500	-21,500	-25,000	3,500
<b>Expenses</b>						
Organizational support	5,200	5,100	5,300	-100	100	-200
Scholarships	60,000	40,000	60,000		20,000	-20,000
Total expenses	65,200	45,100	65,300	-100	20,100	-20,200
<b>Net Income (loss)</b>	1,800	46,900	23,200	-21,400	-45,100	23,700

## Capital Budget

The 2021 capital budget and a brief description of planned spending in specific areas is provided below. The fees proposed in this budget also fund the annual capital budget. The cost of capital assets (items such as computer equipment, improvements to our leased premises) are written off (or amortized) to operating expenses over the useful life of the asset category. For example, leased premises improvements are expensed evenly over the term of the applicable premises lease. The capital assets of the Law Society also support the operations of ALIA and CPLED including housing the ALIA and CPLED staff. The Law Society charges ALIA and CPLED a management fee to recover a portion of the amortized cost of such assets as well as a portion of rent and other overhead costs.

The proposed 2021 Capital Budget is outlined in the table below:

	<u>Budget 2021</u>	<u>Forecast 2020</u>	<u>Budget 2020</u>
<b>Business systems and technology</b>			
E-Business	150,000	150,000	150,000
Enterprise Content Management	200,000	200,000	200,000
Equipment refresh and upgrades	75,000	75,000	75,000
Business continuity and security	125,000	125,000	125,000
	<u>550,000</u>	<u>550,000</u>	<u>550,000</u>
<b>CPD and Articling program</b>			
Program development	150,000	-	-
	<u>150,000</u>	<u>-</u>	<u>-</u>
<b>Adjudicator training program</b>			
Additional video content for materials	30,000	30,000	40,000
	<u>30,000</u>	<u>30,000</u>	<u>40,000</u>
	<u>\$ 730,000</u>	<u>\$ 580,000</u>	<u>\$ 590,000</u>



## Appendix I – Membership Growth Analysis



## Appendix 2 – Business Unit Descriptions

### Operations

Business unit	2021 FTE's	2020 FTE's	Core activities
Investigations	9	9.5	<ul style="list-style-type: none"> <li>Provides investigative services to Counsel/Conduct, Membership (new applicants and principals), Early Intervention, and Trust Safety departments.</li> <li>Investigates Misappropriation Indemnity claims in the ALIA program.</li> </ul>
Membership	11	11	<ul style="list-style-type: none"> <li>Administers applications for student-at-law, enrolment and reinstatement of lawyers, inter-jurisdictional transfers, professional corporations and limited liability partnerships.</li> <li>Provides customer service including inquiries regarding lawyer status, address changes, certificates of standing, and membership renewals.</li> <li>Processes annual membership and indemnity renewals for about 10,200 active, 2,000 inactive, and 6,800 indemnified lawyers.</li> <li>Provides support to ALIA and CPLED</li> </ul>
Trust Safety	11	7	<ul style="list-style-type: none"> <li>Supports lawyers in the proper management of client trust accounts.</li> <li>Administers, reviews, and analyses annual trust filings from Responsible Lawyers.</li> <li>Through an outsourced service provider (PwC), analyzes trust transaction data and conducts trust audits as required.</li> <li>Approves and administers the designation of Responsible Lawyers and provides ongoing education and training opportunities for Responsible Lawyers.</li> </ul>
Counsel	8.3	10.3	<ul style="list-style-type: none"> <li>The Counsel team provides corporate counsel support to the Law Society.</li> </ul>
Conduct	9	9	<ul style="list-style-type: none"> <li>Review, resolve (where possible), and investigate complaints, refer matters to Practice Management where appropriate, and prosecute when necessary.</li> </ul>



Business unit	2021 FTE's	2020 FTE's	Core activities
Custodianships	4	3	<ul style="list-style-type: none"> <li>• Protects members of the public in the event their lawyer is unable or not allowed to continue the practice of law.</li> <li>• Engages contract custodians to assume control of lawyers' practices when required.</li> <li>• Conducts simple custodianships.</li> <li>• Retains and manages the records and client files of lawyers' practices subject to custodianships.</li> </ul>
Practice Management	5.15	7	<ul style="list-style-type: none"> <li>• Delivers proactive early intervention programs through initiatives such as the Responsible Lawyer program.</li> <li>• Conducts practice assessments as directed through the conduct process.</li> <li>• Directly supports loss prevention initiatives undertaken by ALIA.</li> </ul>
Early Intervention	11	11	<ul style="list-style-type: none"> <li>• Manages intake and triage of complaints to ensure matters are directed appropriately to conduct where necessary and that proper and proportionate resources are applied to each complaint.</li> <li>• Develops and delivers programs that identify practitioners in risky situations and streams them into remedial programs before more serious conduct situations arise.</li> <li>• Directly supports loss prevention initiatives undertaken by ALIA.</li> </ul>
Practice Advisors	4	4	<ul style="list-style-type: none"> <li>• Provides confidential advice to Alberta lawyers with respect to ethical, practice management, and stress-of-practice issues.</li> </ul>
Policy	4.3	5.3	<ul style="list-style-type: none"> <li>• Undertakes the policy work of the Law Society including maintenance of the policy development inventory which sets out the Benchers priorities on strategic goals, processes, and potential policy projects, maintenance of the administrative policy inventory which sets out administrative policy projects; and monitoring of the local, national, and international regulatory environment to identify potential policy issues, questions, and future policy projects to further the strategic goals of the Law Society.</li> </ul>
Education	6	1.5	<ul style="list-style-type: none"> <li>• Development of the new Continuing Professional Development program and improvements to articling.</li> <li>• Focus on enhancing mentorship opportunities within the profession and enhancing expertise on legal technology.</li> <li>• Includes the office of the Indigenous Initiatives Liaison and Equity Diversity and Inclusion.</li> </ul>



Business unit	2021 FTE's	2020 FTE's	Core activities
Governance	7	7	<ul style="list-style-type: none"> <li>Contains the offices of the Executive Director and the Director, Regulation and Deputy Executive Director.</li> <li>Provides governance support and services to the Benchers, the ALIA Board and the committees of both boards.</li> </ul>

### Organizational Support<sup>2</sup>

Business unit	2021 FTE's	2020 FTE's	Core activities
Human Resources	3	3	<ul style="list-style-type: none"> <li>Provides advice and guidance in the effective recruitment and retention of employees who ultimately possess the necessary skills, characteristics, and qualifications needed to achieve strategic and operational objectives.</li> <li>Provides support to ALIA and CPLED</li> </ul>
Customer & Office Services	9.8	8.6	<ul style="list-style-type: none"> <li>A centralized customer service function was introduced in 2018 to provide “one stop,” user-friendly and high-quality customer service. The customer service group strives for efficient resolution of most frontline contacts allowing for overall improvements in operational effectiveness and efficiency.</li> <li>Manages our office premises, including our meeting facilities.</li> <li>Operates our document production facility that provides information materials, particularly for our regulatory and adjudication activities.</li> <li>Provides support to ALIA and CPLED</li> </ul>
Information Management	5	6	<ul style="list-style-type: none"> <li>Securely manages all the information, in physical and electronic form, that is collected and generated by the organization, including internally-generated records and records collected from lawyers through our regulatory processes.</li> <li>Provides support to ALIA and CPLED</li> </ul>
Finance & Accounting	7.5	8	<ul style="list-style-type: none"> <li>Provides financial management, reporting, budgeting, payroll, and cash management services to the Law Society, ALIA and CPLED.</li> </ul>
Business Technology	4.5	5	<ul style="list-style-type: none"> <li>Designs and maintains the information technology infrastructure required to carry out the regulatory work of the Law Society and ALIA including our membership and financial business applications, remote access, electronic collaboration tools, computer hardware, and overall systems security.</li> </ul>

<sup>2</sup> Except for the Tribunal Office, all the Organizational Support business units provide services to the Law Society and ALIA.





<b>Business unit</b>	<b>2021 FTE's</b>	<b>2020 FTE's</b>	<b>Core activities</b>
			<ul style="list-style-type: none"><li>• Provides project management and business process expertise to the many change projects currently underway.</li><li>• Provides support to ALIA and CPLED</li></ul>
Tribunal Office	5	5	<ul style="list-style-type: none"><li>• Coordinates and supports adjudication proceedings.</li><li>• Designs and delivers adjudicator training.</li><li>• Manages privacy.</li></ul>
Communications	5	5.5	<ul style="list-style-type: none"><li>• Develops communications tools and techniques to inform key external and internal stakeholders.</li><li>• Provides strategic communications advice to the Benchers and Law Society management.</li></ul>

The Law Society's total planned FTE count for 2021 is 129.5.

## Appendix 3 – Detailed 2021 Fee Schedule

	2021 Fee	2020 Fee
<b>Professional Corporation Fees</b>		
Professional Corporation application fee	420.00	420.00
Professional Corporation annual renewal fee	210.00	210.00
<b>Limited Liability Partnership Fees</b>		
Limited Liability Partnership (LLP) registration fee (per partner)	140.00	140.00
Limited Liability Partnership (LLP) renewal fee (per partner)	80.00	80.00
<b>Student Fees</b>		
Student application fee (Section 40)	200.00	200.00
Student admission fee (Section 40)	450.00	450.00
<b>Transfer Fees</b>		
Transfer application fee	200.00	200.00
Transfer admission fee	1,160.00	1,160.00
<b>Reinstatement Fees</b>		
Reinstatement, disciplinary suspension	850.00	830.00
Reinstatement, retired Judge	620.00	610.00
Reinstatement, suspension transaction fee <small>(returning active)</small>	230.00	230.00
Reinstatement, suspension transaction fee <small>(returning inactive)</small>	100.00	100.00
Reinstatement, inactive member with matters open	850.00	830.00
Reinstatement, inactive member with no matters open	430.00	420.00
Reinstatement, resigned member	1,670.00	1,650.00
Application for reinstatement, disbarred member	10,600.00	10,400.00
<b>Trust Safety Late Filing Fee</b>		
Late filing fee - April	250.00	250.00
Late filing fee - May	500.00	500.00
Late filing fee - June	750.00	750.00
<b>Foreign Legal Consultant Fees</b>		
Foreign Legal Consultants initial permit	820.00	810.00
Foreign Legal Consultants annual renewal	170.00	160.00
<b>Document Fees</b>		
Issuing a document	70.00	70.00
Non-negotiable items returned by the bank	60.00	60.00
Certificate of Standing	130.00	130.00
Notarial Certificates	40.00	40.00
<b>Annual Fees (effective March 15, 2021)</b>		
Annual fee, active member	2,340.00	2,600.00
Annual fee, active member practising in Lloydminster, AB and SK	1,170.00	1,300.00
Annual fee, part-time member	1,170.00	1,300.00
Annual fee, active member for pro bono services only	200.00	220.00
<b>Inactive fee (effective March 15, 2021)</b>		
Annual fee, inactive	220.00	220.00

*\*All fees are exclusive of GST*