



The State Bar *of California*

180 Howard Street, San Francisco, CA 94105

Title of Report: 2019 Adopted Final Budget
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The State Bar of California has submitted a report to the Legislature in accordance with Business and Professions Code section 6140.1, which requires the Bar to submit an adopted final budget to the Legislature by February 28 of each year. This summary is provided pursuant to Government Code section 9795.

The 2019 Adopted Final Budget reflects the impact of transformative changes to the State Bar that have placed new financial pressures on the organization, which is entering its 21st year without a licensing fee increase. The Bar's ability to continue to advance its reform agenda, improve the performance of its discipline system, and support foundationally critical investments in information technology and capital infrastructure, are becoming increasingly jeopardized by a static licensing fee that has not even kept up with the pace of inflation. Nonetheless, the State Bar has made significant progress toward the goals outlined in its 2017-2022 Strategic Plan, including the adoption of performance metrics that are included for the first time in this final 2019 budget submission. These metrics, which address every functional area of the Bar, and reflect outcomes, not just outputs, will allow the Bar to be held accountable in a holistic and comprehensive fashion.

2019 General Fund expenses, which are supported by mandatory licensing fees, total \$86.9 million. This represents an increase of 1.5 percent from 2018 budgeted expense levels, and compares to \$76.5 million in 2019 projected revenue. Most of the \$10.4 million in budgeted reserve spending is to fund on-going operations. There are several planned non-recurring expenses:

- \$1.6 million for an upgrade of the Bar's outdated and unsupported enterprise resource management system (finance & human resources);
- \$0.9 million for post go-live discipline case management system support;
- \$0.2 million for a California Justice Gap Study;
- \$0.1 million for a study of the use of technology to increase access to legal services; and
- \$0.1 million for grant writing and strategic communications.

The 2019 Adopted Final Budget can be accessed at: <http://www.calbar.ca.gov/About-Us/Our-Mission/Protecting-the-Public/Reports>. A printed copy of the report may be obtained by calling 415-538-2352.

2019 STATE BAR FINAL BUDGET



THE STATE BAR OF CALIFORNIA
FEBRUARY 28, 2019

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EXECUTIVE DIRECTOR'S BUDGET MESSAGE

The final 2019 budget reflects the impact of transformative changes to the State Bar. One key manifestation of these changes is the State Bar's (Bar) adoption of performance metrics, which are included for the first time in this final 2019 budget submission. These metrics, which address every functional area of the Bar, and reflect outcomes, not just outputs, were completed pursuant to the State Bar's 2017-2022 Strategic Plan, and will allow the Bar to be held accountable in a holistic and comprehensive fashion.¹ As outlined below, the Bar has made significant progress in achieving Strategic Plan goals over the course of the last year. That progress reflects the new State Bar, an organization where the Board of Trustees (Board) sets policy as manifested in a publicly available strategic plan, and staff is held accountable for achieving plan goals through focused Board oversight. As the Bar enters its 21st year without a licensing fee increase, this work is being done against a backdrop of an increasingly dire financial condition. The old Bar might have faced such a challenge with insufficient planning, an unclear articulation of need, failure to adhere to an adopted strategic plan, and a cautious retreat from activities central to our mission. The new Bar has however reengineered and reduced costs well in advance of the pending crisis we find ourselves in. These measures include:

- Significant reductions in catering, temporary help, non-IT professional services expenditures;
- Requiring executive staff and State Bar Court judges to contribute to benefit costs for the first time on par with non-executive personnel;
- Transitioning to CalPERS health, a decision which both reduced annual required contribution payments and the State Bar's unfunded post-employment benefits liability;
- Implementing electronic annual licensee billing and payment and ceasing the practice of sending out plastic bar cards to all licensees; and
- Deploying a new discipline system case management system, including an online complaint module, the first step towards a paperless State Bar.

These reengineering efforts reflect a new culture of innovation and mission focus at the Bar – in fact, many of our efforts have both made us both more efficient *and* advanced mission-critical objectives including increased access and services to the public – the introduction of electronic billing and payment and the launch of a mechanism for submitting online complaints for example. This nexus between increased efficiency and mission advancement demonstrates the fact that, even in a time of great financial challenge, the State Bar is doubling down on its mission, including the new statutory components of that mission – access, diversity and inclusion.

¹ The 2019 budget includes limited workload (input and output) measures for State Bar Offices reflecting 2018 data. In addition, the new performance metrics, which will be reported for each Office beginning in 2019, are included in each respective section of the budget.

These important efforts are occurring in a context where the State Bar entering its 21st year without a licensing fee increase. The Bar's ability to continue to advance a vitally needed reform agenda, improve the performance of its discipline system, and support foundationally critical investments in information technology and capital infrastructure, are becoming increasingly jeopardized by a static licensing fee that has not even kept up with the pace of inflation. The Bar has completed an important effort designed to quantify our need for a fee increase, one encapsulated by a detailed five-year projection that outlines the amount of increased funding needed to both address the ongoing structural deficit and to support important new efforts, including increased staffing for the Office of the Chief Trial Counsel (OCTC) and full funding for employee retiree health benefits. This projection, which is detailed on page 20 of 183 is currently being reviewed by the California State Auditor and the Legislative Analyst's Office, and should form the basis for a meaningful fee increase to go into effect January 1, 2020.

Notwithstanding the serious fiscal challenges the Bar faces and the immediate term need for a licensing fee increase, the 2019 budget maintains investments in the attorney discipline system, particularly in the Office of the Chief Trial Counsel, as well as measures to increase accountability and good governance at levels that were set in 2018. The budget also includes funding to support organization-wide professional language access services, reflecting the Bar's commitment to serving *all* of the public.

2019 General Fund expenditures, which are supported by mandatory licensing fees, total \$86.9 million. This represents an increase of 1.5 percent from 2018 budgeted expense levels, and compares to \$76.5 million in budgeted 2019 revenue. Most of the \$10.4 million in budgeted reserve spending is to fund on-going operations. There are several planned non-recurring expenses:

- \$1.6 million for an upgrade of the Bar's outdated and unsupported enterprise resource management system;
- \$0.9 million for post go-live discipline case management system support;
- \$0.2 million for a California Justice Gap Study;
- \$0.1 million for a study of the use of technology to increase access to legal services; and
- \$0.1 million for grant writing and strategic communications.

The General Fund budget also includes the modest ongoing augmentation for the Office of the Chief Trial Counsel authorized in 2018, which has been prioritized for increased funding even given fiscal pressures facing the State Bar. Lastly, the 2019 budget reflects an organization wide budget for translation and interpretation services, first introduced in 2018.

With respect to Other (non-General) Funds, the 2019 budget reflects \$91.4 million in revenue and \$101.9 million in expenses. Planned reserve spending, primarily stemming from the draw-down of nearly \$9.6 million in Bank Settlement Fund revenue to support legal services grants, accounts for the variance between revenue and expenses outside of the General Fund. This \$9.6 million, in addition to increased IOLTA and Equal Access Fund allocations, will result in a meaningful increase in funding to support critical access to justice efforts throughout the state in 2019.

Accounting for budgeted reserve spending in 2019, the State Bar anticipates reducing its various Fund balances over the course of the year. Even with these reductions the Bar projects remaining compliant with a 2016 Board of Trustees adopted minimum reserve policy for all but one, the General Fund as of December 31, 2019. As a result of stagnant licensing fees for over 20 years, General Fund operating revenues are not adequate to address operating needs. Even with continued deferrals of capital maintenance and information technology investment, absent a fee increase significant reductions in operating and programming costs will need to occur effective January 1, 2020.

FISCAL YEAR 2018 ACCOMPLISHMENTS

In January 2017, the Board of Trustees (Board) of the State Bar of California (Bar) adopted a five-year State Bar Strategic Plan. The Strategic Plan sets forth ambitious goals for 2017-2022 as follows:

Goal 1. Successfully transition to the “new State Bar” – an agency focused on public protection, regulating the legal profession, and promoting access to justice.

Goal 2. Ensure a timely, fair, and appropriately resourced admissions, discipline, and regulatory system for the more than 250,000 lawyers licensed in California.

Goal 3. Improve the fiscal and operational management of the State Bar, emphasizing integrity, transparency, accountability, and excellence.

Goal 4. Support access to justice for all California residents and improvements to the state’s justice system.

Goal 5. Proactively inform and educate all stakeholders, but particularly the public, about the State Bar’s responsibilities, initiatives, and resources.

The Board also adopted objectives describing specific activities the Bar would undertake to achieve these goals over the course of the Strategic Plan period.

The Bar made significant progress on the Strategic Plan during 2018, as described below.

Goal 1: Successfully transition to the “new State Bar” – an agency focused on public protection, regulating the legal profession, and promoting access to justice.

- Transformative Review of State Bar Sub-Entities Completed - In 2018 the Bar made significant progress on a review of most of its committees, commissions, and boards (together known as sub-entities) designed to ensure that the Bar’s structure is aligned with best practices in organizational design. The review focused on five areas and resulted in recommendations for reform specific to individual sub-entities as well as global recommendations applicable to all.

Goal 2. Ensure a timely, fair, and appropriately resourced admissions, discipline, and regulatory system for the more than 250,000 lawyers licensed in California.

- Conducted Studies of the California Bar Exam - The Bar completed the Law School Performance Study in 2018. This study examined the relationship between individual student characteristics, including law school GPA and LSAT scores, and the declining California Bar Exam pass rate.
- Deployed the Odyssey Case Management System - A soft launch was initiated in October 2018. Full go-live occurred in early February 2019. Odyssey will both streamline many of the administrative aspects of discipline case processing as well as increase public access.
- Completed a Discipline System Workload Study - The Workload Study was completed in the fall of 2018. It represents the Bar's first comprehensive effort to use time study data to generate workload standards tied to desired case processing timelines for discipline system staff.
- Developed Discipline System Metrics - The Board of Trustees adopted new metrics for the State Bar discipline system enabling the Bar to communicate about the performance of this aspect of its operations in a comprehensive and holistic fashion.
- Implemented New Attorney MCLE Requirements - The State Bar launched the New Attorney MCLE initiative which comprises a mandatory 10-hour course for attorneys within their first year of licensure.
- Completed Statutorily Mandated Report on the Client Security Fund - This report, which was submitted to the Legislature in March, 2018, identified current and future resource needs for the Client Security Fund and identified a number of options for addressing those needs.
- Fully Implemented Case Prioritization in OCTC - The Chief Trial Counsel developed and implemented a new case prioritization strategy to meaningfully prioritize those cases that present the most risk of harm to the public.
- Increased Partnerships with Law Enforcement Agencies - The Office of the Chief Trial Counsel established new relationships with District Attorneys' Offices throughout California as part of enhanced efforts to increase prosecution of unauthorized practice of law referrals.
- Launched the California Attorney Practice Analysis - The California Attorney Practice Analysis will identify the content knowledge and skills that California attorneys need to know/have within their first five years of practice. This study will serve as the basis for future Bar Exam efforts including content validation and cut score analyses.

- Advanced Changes to Special Admissions Rules to Increase Access - In 2018 the State Bar initiated a number of admissions rule changes designed to increase access. These changes included the adoption of a military spouse rule, which, for the first time will ensure that attorney spouses and domestic partners of active duty military personnel stationed in California have a clear pathway for practicing law during the deployment period.

Goal 3. Improve the fiscal and operational management of the State Bar, emphasizing integrity, transparency, accountability, and excellence.

- Implemented a Training & Development Program - The Training & Development Program allows staff to gain experience in new lateral or promotional positions on a trial basis, fostering engagement and creating growth opportunities throughout the organization.
- Developed a Communications Strategy Plan - The Plan, which focuses on timely, transparent, and effective internal and external communication, was adopted in July 2018.
- Identified Mechanisms to Increase State Bar Collections - After several years of concerted efforts to increase the rate of collection of outstanding debt pursuant to existing available avenues, the State Bar introduced legislative changes in 2018 enabling enhanced collection of State Bar debt by the Franchise Tax Board.
- Developed Performance Metrics for All Areas of Bar - In addition to the Discipline System Metrics highlighted above, performance metrics for all non-discipline areas of the Bar were developed in 2018. Reporting on all of the new metrics will begin in early 2019, and will allow the Board of Trustees and other stakeholders to hold the Bar accountable for meeting articulated goals spanning the entirety of the organization.

Goal 4. Support access to justice for all California residents and improvements to the state's justice system.

- Increased Funding for Legal Services - As a result of a combination of an intensive State Bar effort to recertify banks' compliance with the IOLTA statute which requires that they pay comparable rates for IOLTA accounts, and rising interest rates, IOLTA revenue grew by 169.7% between 2017 and 2018 and 20.4% between 2018 and 2019.
- Modernized Lawyer Referral Service Rules - The State Bar promulgated revised rules which will allow for automated matching of members of the public needing legal services and attorney members of Lawyer Referral Service panels.
- Launched the Taskforce on Access Through Innovation of Legal Services (ATILS) - This Taskforce will study existing rules of professional conduct and other aspects of the State Bar's regulatory structure to determine if changes can be made to promote the use of technology to increase access to legal services while continuing to protect the public.

Goal 5. Proactively inform and educate all stakeholders, but particularly the public, about the State Bar’s responsibilities, initiatives, and resources.

- Improved Stakeholder Communication - The Bar developed and disseminated legislative newsletters designed to provide legislators with information about State Bar activity in their districts, and continued efforts to proactively pitch media stories highlighting the good work of the State Bar. In addition, in 2018 the State Bar expanded this effort by building a robust social media presence, ensuring wide outreach to users of the most popular social media sites.
- Improved Public Information - In response to wildfires in Northern and Southern California, the Bar developed consumer fraud alerts in multiple languages warning the public to watch out for and report potential fraud perpetrated by those posing as lawyers or lawyers taking advantage of vulnerable victims. In addition, the Bar issued alerts targeting immigrant communities focused on increased reports of fraud stemming from federal family separation policies and the increased incidence of immigration raids.

OUTLINE OF KEY 2019 INITIATIVES

The Board of Trustees received regular updates regarding Strategic Plan progress during the course of 2018. At its January 24, 2019, planning session, the Board formally revisited the Plan, with a particular focus on the need to add diversity and inclusion objectives. The following key objectives for 2019 have been identified pursuant to Board feedback during 2018 and the outcomes of the 2019 planning session.

- Successfully Advocate for a Licensing Fee Increase and a Multi-Year Fee Bill - The State Bar has not had a licensing fee increase in over 20 years. If no increase is afforded the Bar will need to cut operations and programming no later than January 2021.
- Implement Outstanding Sub-Entity Review Recommendations - The Bar will implement most recommendations by the end of 2019.
- Launch the Admissions Case Management System - The system will be deployed in early 2019.
- Launch the Oracle ERP Upgrade - Upgrades to the Human Resources, Finance, and Procurement modules will be completed by the end of 2019.
- Complete the California Attorney Practice Analysis – The Practice Analysis, which will identify the skills and abilities that new California attorneys need, will be completed by the end of 2019.
- Complete the Work of ATILS and Submit Related Recommendations to the Board of Trustees

- Evaluate Case Prioritization - OCTC has implemented a new case prioritization system. Both the fidelity of the implementation and outcomes will be evaluated in 2019.
- Improve Bar Employee Engagement and Development Opportunities. The Bar will continue to invest in employee engagement efforts including through expanded professional development opportunities and efforts to modernize and make more flexible the State Bar working environment.
- Complete the California Justice Gap Study – The Study will identify the gap between the need for legal services and the availability of those services in California, as well as the impact of law school student loan debt on attorneys choosing careers in legal services.
- Advance Key Diversity and Inclusion Initiatives - The State Bar will advance new Strategic Plan objectives including analyzing career advancement and retention survey data being provided by tens of thousands of State Bar licensees, working with the law schools to address high law school dropout rates, and relaunching the bar passage initiative first deployed for the July 2018 Bar Exam.

STATE BAR BACKGROUND

The California State Bar is a public protection organization committed to transparency, accountability, excellence through lawyer regulation, education and discipline, and support for improvements to the legal justice system. In its capacity as a judicial branch agency, the Bar operates to ensure that the legal profession serves the people of the state in a manner consistent with the highest standards of professional competence, care, and ethical conduct. It also serves as an administrative adjunct to the California Supreme Court on all matters pertaining to the admission, discipline, and regulation of California's active lawyers.

HISTORY

The California Legislature created the State Bar of California as a public corporation in the 1927 State Bar Act. The State Bar Act authorized the State Bar, subject to approval by the California Supreme Court, to fix the qualifications for admission to practice law, adopt Rules of Professional Conduct and conduct disciplinary proceedings. The State Bar Act also authorized the State Bar to aid in the administration of justice. In 1960, the electorate added the State Bar to the California Constitution. That provision, as amended in 1966, provides: "The State Bar of California is a public corporation. Every person admitted and licensed to practice law in this State is and shall be a member of the State Bar except while holding office as a judge of a court of record." The State Bar serves as an arm of the California Supreme Court in all of its regulatory duties.

In 2011, the California Legislature amended the State Bar Act to make public protection "the highest priority for the State Bar of California and the board of trustees in exercising their licensing, regulatory, and disciplinary functions." (Business and Professions Code section 6001.1) Consistent with a statutory change effective January 1, 2018, functions and activities outside of the core mission of the Bar were transferred to a new, private, nonprofit corporation (See Stats. 2017, ch. 422.). The sole focus of the State Bar is now on its regulatory function. Consistent with this shift in focus and priorities, the Board of Trustees adopted a new State Bar Mission Statement, which reads:

"The State Bar of California's mission is to protect the public and includes the primary functions of licensing, regulation and discipline of attorneys; the advancement of the ethical and competent practice of law; and support of efforts for greater access to, and inclusion in, the legal system."

BOARD OF TRUSTEES

The State Bar's governing board, the Board of Trustees, meets regularly to consider organizational, policy and regulatory matters.

The board is made up of 13 trustees, including:

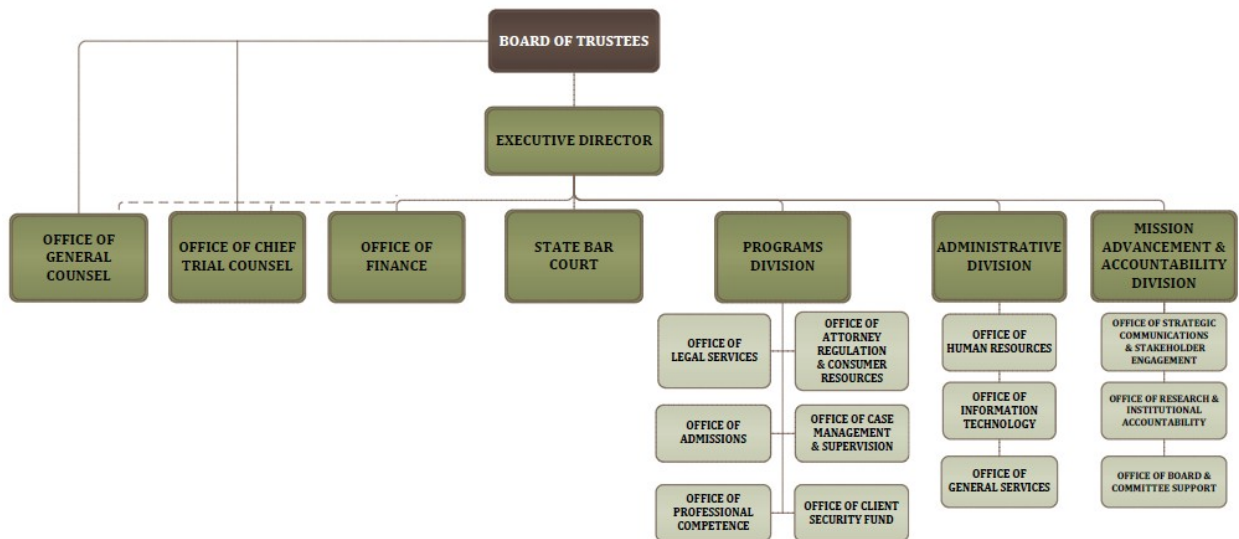
- Five attorneys appointed by the California Supreme Court, who will serve four year terms;

- Two attorneys appointed by the Legislature, one by the Senate Committee on Rules and one by the Speaker of the Assembly; and
- Six “public” or non-attorney members, four appointed by the governor, one by the Senate Committee on Rules and one by the Speaker of the Assembly

ORGANIZATIONAL STRUCTURE

The Board of Trustees guides policymaking for the State Bar. The Bar’s Executive Director, Chief Trial Counsel, and General Counsel report directly to the Board of Trustees. The Executive Director, through and with the Bar’s Leadership Team¹ is responsible for ensuring that the organization fulfills its mission and achieves the specific goals outlined in the Bar’s strategic plan.

The organizational chart illustrates the Bar’s oversight structure:



¹ In addition to the Executive Director, the Leadership Team is comprised of the General Counsel, Chief Trial Counsel, Chief Court Counsel/Administrator, Chief of Programs, Chief Financial Officer, Chief Administrative Officer, and Chief of Mission Advancement and Accountability.

LICENSEES

With over 267,000 attorneys the State Bar of California is the largest State Bar in the country. To practice law in California attorneys must pass the California Bar Examination, meet moral character requirements, and pay annual licensing fees to the State Bar.

FISCAL 2019 BUDGET OVERVIEW

SOURCES OF FUNDS

The State Bar's 2019 Adopted Budget reflects \$167.9 million in total revenue and \$188.9 million in total expenses. The graphs and tables below report the major revenues and expenses expected in 2019. Variances in budgeted amounts compared to the prior year are discussed below.

Figure 1 reports anticipated sources of funding for 2019. Mandatory fees are the largest source of revenue for the State Bar.

Figure 1: Revenues, 2019

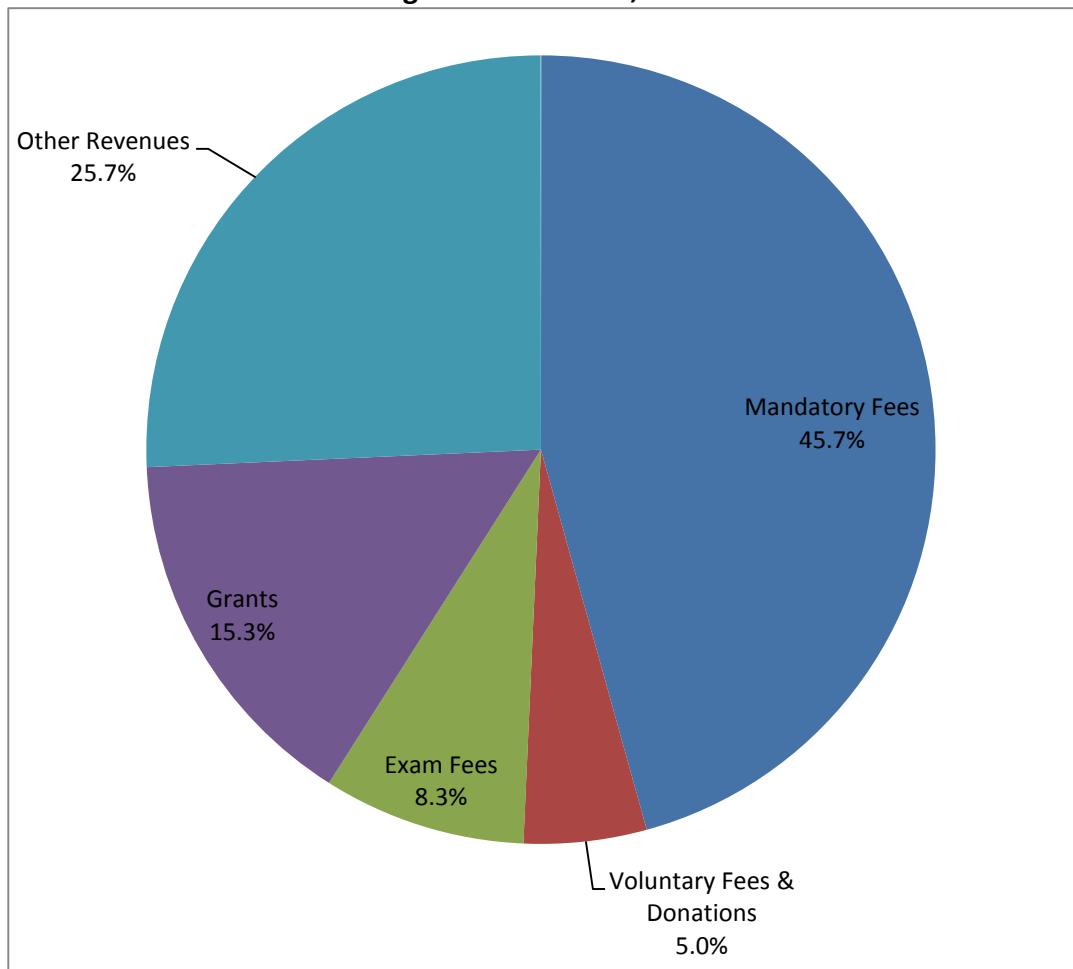


Table 1 provides a detailed breakdown of 2018 and 2019 budget revenues by funding source. It also outlines budget variance by dollar amount and percent change from previous year.

Table 1: Revenues, 2019

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|----------------------------|------------------------|------------------------|--------------------------|
| Mandatory Fees | \$75,617,300 | \$76,567,300 | \$77,575,300 |
| Voluntary Fees & Donations | 8,745,000 | 8,428,200 | 8,681,000 |
| Exam Fees | 14,985,400 | 13,935,300 | 14,353,600 |
| Grants | 25,616,300 | 25,857,400 | 26,367,900 |
| Other Revenues | 25,307,500 | 43,114,800 | 45,038,400 |
| Total Fund Sources | \$150,271,500 | \$167,903,000 | \$172,016,200 |

Mandatory Fees

Mandatory fee revenues include the attorney licensing fee, \$25 discipline fee, \$40 Client Security Fund fee, and the \$10 Lawyer Assistance Program fee. The attorney licensing fee is set by the Legislature annually. The adopted budget represents a 1.3% increase from the prior year's mandatory fee revenues, resulting from projected growth in the number of licensees of 1.4%.

Grants

Grants include revenues received by the State Bar from a variety of granting agencies and other sources. These are administered through Equal Access Fund, a source of funds aimed at helping Californians who need legal services, but can't afford to hire a lawyer. The adopted budget represents a 0.9% increase from the prior year's grants revenues, resulting from a grant funding source increase.

Exam Fees

Exam fees include revenues from the First-Year Law Students' Examination and the California Bar Examination, which are housed in the Bar's Admissions Fund. The adopted budget represents a 7.0% decrease from the prior year's exam fees revenues, resulting primarily from an expected 5.0% decrease in the number of applicants from 2018 to 2019.

Voluntary Fees and Donations

The Bar also generates revenue through voluntary fees from licensees and donations. Voluntary fees and donations fund specific program areas including the Elimination of Bias and Legislative Activities. The adopted budget represents a 3.6% decrease from the prior year's voluntary fees and donations revenues, resulting primarily from a 9.6% decrease in Legal Services Trust Fund revenue offset by a 36.9% increase in Justice Gap Revenue. Based on recent trends, the Office predicts an increase of \$0.3 million in Justice Gap donations.

Other Revenues

In addition to the funding sources outlined above, the State Bar generates revenue in from a host of other sources and services provided, including student registration fees, law school accreditation, penalty and late fee assessments, the Interest on Lawyers' Trust Account program, certificates of standing, moral character fees, insurance commissions, lease revenues, and interest income.

USE OF FUNDS

State Bar Divisions and Offices are responsible for implementing the Bar's Strategic Plan. They include: The Office of the Executive Director; the Office of the General Counsel; the Office of the Chief Trial Counsel; State Bar Court; the Mission Advancement and Accountability Division, which includes the Office of Board and Committee Support, the Office of Communications and Stakeholder Engagement, and the Office of Research and Institutional Accountability; the Programs Division, which includes the Office of Admissions, the Office of Attorney Regulation & Consumer Resources, the Office of Case Management and Supervision which includes the Lawyer Assistance Program and the Office of Probation, the Office of the Client Security Fund, the Office of Access & Inclusion, and the Office of Professional Competence; and the Administrative Division, which includes the Office of General Services, the Office of Human Resources, and the Office of Information Technology; and the Office of Finance.

A brief overview of each, along with key specific revenue, expense, and personnel data, is provided in the State Bar Operations Budget Detail section of this document.

Table 2 below outlines the operating budget by expense type for 2019 and 2020 forecast.

Table 2: Bar Expenses by Cost Type

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|------------------------|------------------------|------------------------|--------------------------|
| Personnel Expenses | \$84,558,200 | \$86,084,300 | \$91,534,100 |
| Leases and Rent | 7,473,000 | 7,986,700 | 8,231,700 |
| Services | 10,953,400 | 11,571,900 | 10,388,600 |
| Legal Services Grants | 50,227,700 | 62,670,700 | 64,550,900 |
| Supplies and Equipment | 14,840,400 | 11,842,100 | 10,686,200 |
| Other Expenses | 1,759,600 | 2,255,200 | 2,276,200 |
| Debt Service | 1,162,100 | 1,035,100 | 922,000 |
| CSF Payments | 6,600,000 | 6,900,000 | 6,000,000 |
| CSF Reimbursements | (1,540,000) | (1,485,000) | (1,529,500) |
| Total Expenses | \$176,034,400 | \$188,861,000 | \$193,060,200 |

Personnel Expenses

Personnel expenses include salary and benefits, supplemental staffing, severance expenses, and retiree medical funding. These expenses total \$86.1 million of the Bar's 2019 budget. The adopted budget represents a 1.8% increase from the prior year. Changes in personnel costs reflect merit increases offset by a decline in the number of budgeted employees from 587.5 last year to 582.8 in 2019. The decrease is due in part to the elimination of eight California Lawyers' Association support positions, offset by smaller increases and decreases within other offices.

Leases and Rent

Leases and rent expenses include occupancy costs and exam room rentals. Leases and rent account for \$8.0 million of the Bar's 2019 budget. The adopted budget represents a 6.9% increase from the prior year's leases and rent expenses. The increase reflects inflationary costs for building maintenance, Information Technology infrastructure maintenance, along with a \$0.1 million annual lease for LAP, which moved to an offsite location in 2018.

Services

Services expenses include professional services, other outside services, exam graders, and exam proctors. Services account for \$11.6 million of the Bar's 2019 Budget. The adopted budget represents a 5.6% increase from the prior year's services expenses, resulting primarily from one-time expenses such as Case Management System (CMS) post go live (\$0.9 million) and California State Auditor fees (\$0.5 million).

Legal Services Grants

Legal Services grants represent distribution of grants generated through the Interest on Lawyers' Trust Accounts program, Equal Access Fund, and bank settlements. Legal Services Grants account for \$62.7 million of the Bar's 2019 Budget. These expenses represent a 24.8% increase in 2019 compared to the prior year primarily due to increases in the Legal Services Trust Fund (\$13.6 million), offset by decreases in the Equal Access Fund (\$0.4 million) and the Bank Settlement Fund (\$0.5 million).

Supplies and Equipment

Supplies and equipment expenses include exam and software licensing, supplies and postage, computers and software, buildings and equipment, and telecommunications. Supplies account for \$11.8 million of the Bar's 2019 budget. The adopted budget represents a 20.2% decrease from the prior year's services budget, resulting from a decrease of \$2.4 million in technology projects and a \$0.9 million decrease in budgeted expenses to ensure that the Howard Street building operates safely, efficiently, and in compliance with building codes.

Debt Service

In 2012 the State Bar acquired a real property located at 845 South Figueroa Street in Los Angeles and entered into a 15- year loan agreement in the amount of \$25.5 million with Bank of America. The annual interest rate on this loan is 4.26% and the outstanding loan balance as of December 2018 is approximately \$17.1 million.

In 2016, the State Bar entered into a 10-year loan agreement with Bank of America for \$10 million for the purpose of refinancing the costs of tenant improvements of its 180 Howard Street building in San Francisco. These improvements are needed in order to restore vacant floors to lease-ready status. The annual interest rate on this loan is 4.26% and the outstanding balance as of December 2018 is approximately \$7.8 million.

Annual interest expense for these loans is approximately \$1.0 million for 2019; the costs are charged to individual program funds through indirect cost allocation based on space occupancy.

Depreciation

Depreciation is not shown as part of the operating budget. Starting in 2018, depreciation is recorded on capital projects and investments at the end of the fiscal year.

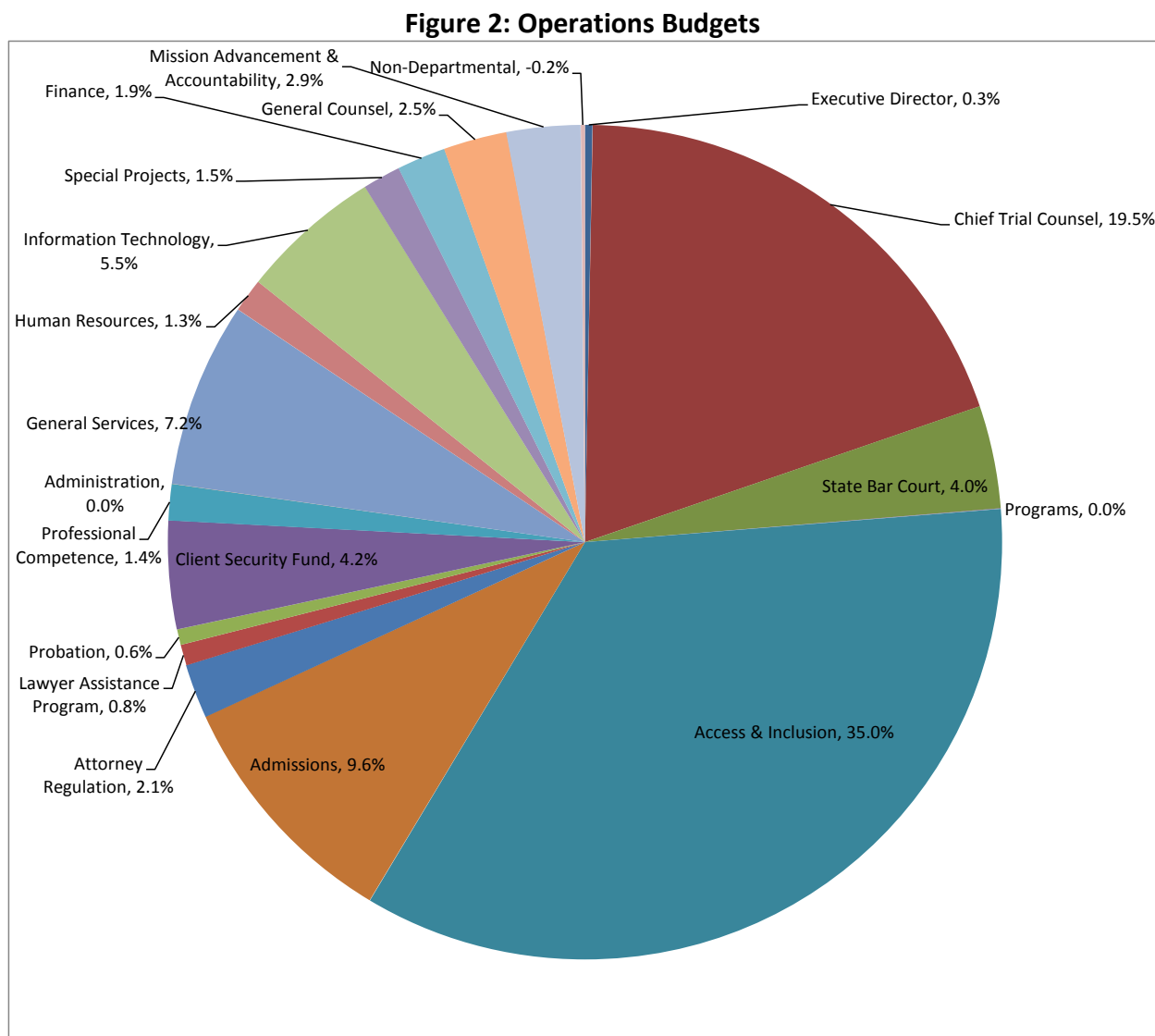
Other Expenses & Client Security

Other expenses primarily consist of Client Security Fund payments, partially offset by reimbursements, followed by travel and training. These expenses account for \$7.7 million of the Bar's 2019 budget. The adopted budget represents a 12.5% increase from the prior year's costs, resulting from an increase in training expenses of \$0.3 million and an increase in Client Security Fund payouts of \$0.3 million.

Total Operating Budget

In most fiscal years, the Office of the Chief Trial Counsel assumes the largest portion of the Bar's budget, followed by Access & Inclusion and Admissions. Due to a near doubling of IOLTA income combined with the planned spend down of a large bank settlement grant, the Office of Access & Inclusion comprises the largest portion of the Bar's 2019 budget, as shown below.

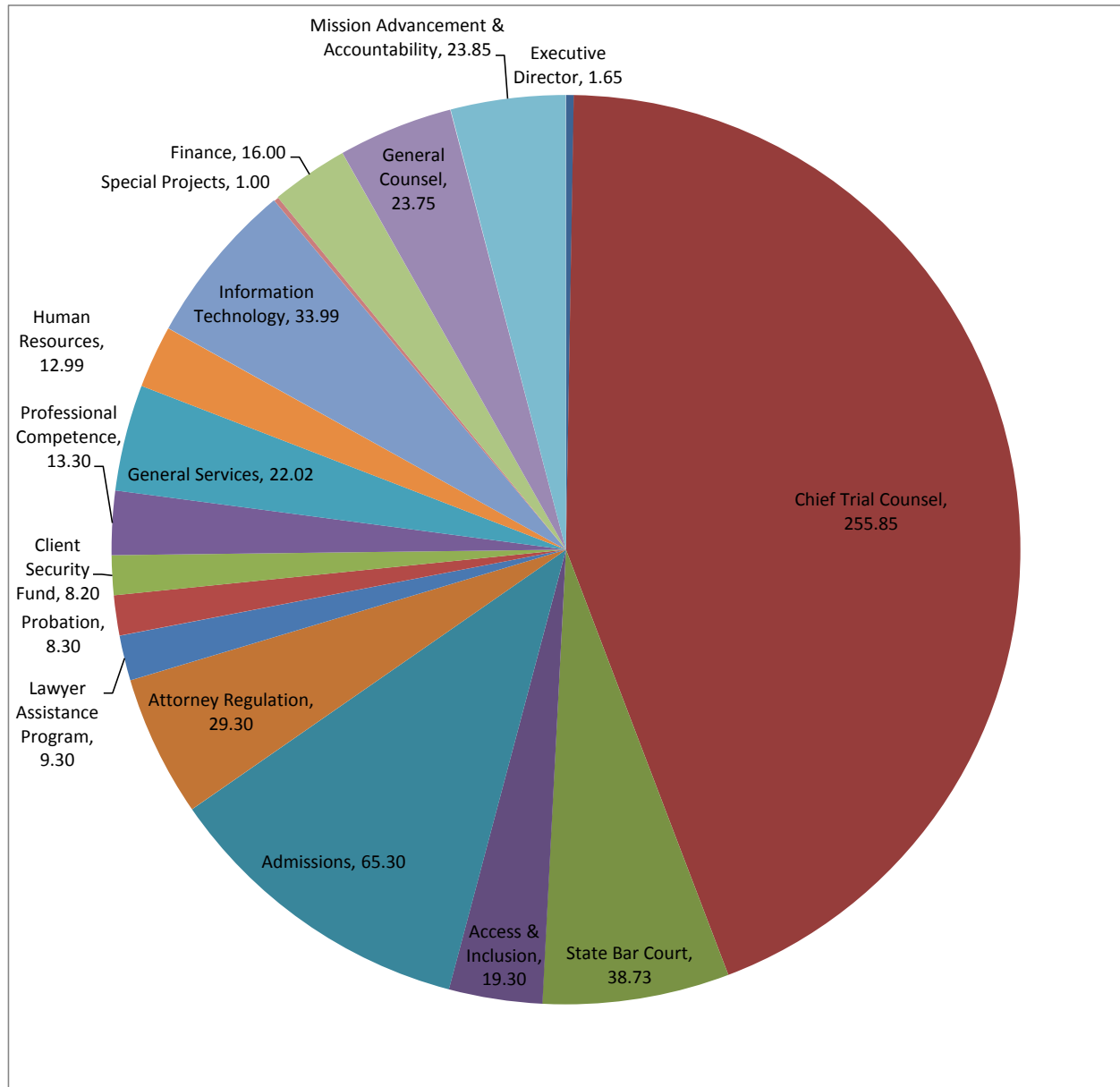
Figure 2 below shows operating budget by function for 2019.



Total Staffing for 2019

The 2019 adopted budget funds 582.83 full-time equivalent positions compared to 587.50 budgeted for 2018. **Figure 3** below illustrates the distribution of FTEs across the Bar. Details are provided in the State Bar Operations Budget Detail section of this document.

Figure 3: Department Distribution of Full Time Employees



Staffing History

The table below shows a three year history of staffing. The 2019 budget has a reduction of 4.7 FTE's and an increase of 2.5 FTE's in the Office of Chief Trial Counsel.

Table 3: Three Year Staffing History

| Department | 2018 | 2019 | 2020 |
|--------------------------------------|--------------|---------------|---------------|
| Executive Director | 10.00 | 1.65 | 1.65 |
| Chief Trial Counsel | 253.35 | 255.85 | 255.85 |
| State Bar Court | 42.85 | 38.73 | 38.73 |
| Access & Inclusion | 18.95 | 19.30 | 19.30 |
| Admissions | 69.15 | 65.30 | 65.30 |
| Attorney Regulation | 24.35 | 29.30 | 29.30 |
| Lawyer Assistance Program | 9.15 | 9.30 | 7.30 |
| Probation | 7.85 | 8.30 | 8.30 |
| Client Security Fund | 9.10 | 8.20 | 8.20 |
| Professional Competence | 11.15 | 13.30 | 13.30 |
| General Services | 21.68 | 22.02 | 22.02 |
| Human Resources | 12.66 | 12.99 | 12.99 |
| Information Technology | 30.96 | 33.99 | 33.99 |
| Special Projects | 6.55 | 1.00 | 1.00 |
| Finance | 16.00 | 16.00 | 16.00 |
| General Counsel | 23.00 | 23.75 | 23.75 |
| Mission Advancement & Accountability | 20.75 | 23.85 | 22.35 |
| Total FTE | 587.5 | 582.83 | 579.33 |

BUDGET ASSUMPTIONS

The 2019 budget reflects the following significant assumptions:

Mandatory Licensee Fees & Voluntary Donations

The 2019 budget assumes 1.4 % projected growth in the number of licensees based on historical averages. Budgeted licensee fees and voluntary donations, excluding late penalties, total \$85.0 million, reflecting a \$0.6 million increase as compared to \$84.4 million in the 2018 adopted budget. This increase reflects an increase of \$1.0 million in mandatory fees resulting from the projected licensee base increase, offset by a reduction of \$0.3 million in Legal Services voluntary contributions.

Personnel Expenses

Personnel expenses are the largest single driver of the State Bar's costs. The 2019 personnel expenses budget increased by \$1.5 million or 1.8%, from \$84.6 million in 2018 to \$86.1 million in 2019. The increase is due primarily salary increases offset by the net reduction of 5 FTE.

Affinity and Insurance Program Revenues

The 2018 Fee Bill redirected virtually all of the State Bar's affinity and insurance program revenue. Beginning in 2019, 50% of affinity program revenue will be remitted to ChangeLawyers.org, formerly the California Bar Foundation, and 50% to qualified Legal Services projects. Revenue received from insurance programs will be split as follows: 25% to the ChangeLawyers.org, 25% to qualified legal services projects and support centers, and 50% to support discipline functions of the State Bar or the Client Security Fund.

Professional Services, Temporary Help and Meeting Expense

Zero-based budgeting continues in 2019 for professional services, temporary help and meeting expense line items. Professional services expenses are budgeted at \$5.5 million, up slightly from last year's budget of \$5.4 million. Temporary help expenses are budgeted at \$1.4 million, an increase from last year's budget of \$1.2 million. Meeting expenses are budgeted at \$0.1 million, consistent with last year's budget.

Legal Specialization Fund

The 2018 budget reflected a \$1 million loan from the Legal Specialization Fund to the Admissions Fund to finance a portion of the Admissions Information Management System (AIMS). The \$1 million loan is being repaid to the Legal Specialization Fund in equal installments of \$0.1 million over 10 years, beginning in 2018. The second installment is in the 2019 budget.

Attorney Fingerprinting

The California Supreme Court has directed the State Bar to require active licensed attorneys to resubmit fingerprints no later than December 2019 so that the Bar can enter into a subsequent arrest notification contract with the California Department of Justice. The State Bar has increased staffing to effectuate this requirement. The number and timing of new staffing needs is dependent on many factors including the number of attorneys charged and convicted of crimes, the number of these cases that have gone unreported, the severity of the crimes, the number of attorneys who fail to comply with the new mandate, and the number of attorneys who contact the Bar to inquire about the policy or request an accommodation. Despite the initial estimate that staffing needs include a minimum of nine positions spread throughout various Bar offices, due to the unknown implementation start date, the as yet unknown schedule for implementation of the new requirement and other budget needs, the 2018 budget assumed only four new staff positions for the fingerprinting effort, with one added for 2019.

Capital Maintenance

The Bar has a multi-year capital improvement program in place to ensure that its 180 Howard Street headquarters building operates safely and efficiently and complies with updated building codes. Improvement budgeted in 2019 totals \$3.0 million and includes the upgrade, replacement or new installation of components of heating, ventilation and air conditioning systems, fire and life safety systems, and the emergency generator.

Indirect Cost Allocation

Direct costs are those that can be specifically identified with a particular operational areas objective. For the State Bar, this include functions such as Executive Director, Chief Trial Counsel, State Bar Court, the Mission Advancement and Accountability Division, Admissions, Attorney Regulation and Consumer Resources, Access & Inclusion, Professional Competence, Lawyer Assistance Program, Probation, Client Security Fund, and General Services. Indirect costs are not readily identifiable with a specific direct operating program, but rather, are incurred for a joint purpose that benefits more than one operational area. Common examples of indirect costs include finance, human resources, information technology, insurance and building maintenance. Although indirect costs are generally not readily identifiable with direct cost programs, their cost are included in order to assess the total cost of delivering specific services. In the State Bar's budget, indirect costs are captured in the General Fund and allocated out to Offices and programs based on an indirect cost allocation methodology approved by the Board of Trustees. The total amount of the 2019 indirect cost pool is \$35.6 million compared to \$32.8 million in the 2018 amended budget.

| | 2018 Budget | 2019 Budget | 2018 vs 2019 |
|------------------------------------|--------------------|--------------------|---------------------|
| <u>Fund</u> | | | |
| General Fund | 24,244,018 | 27,283,848 | 3,039,830 |
| Admissions | 5,257,375 | 5,420,686 | 163,311 |
| Legislative Activities | 127,583 | 135,562 | 7,979 |
| EOB/Bar Relations | 53,379 | 58,105 | 4,726 |
| Lawyers Assistance Program | 552,153 | 483,430 | (68,723) |
| Legal Specialization | 896,699 | 743,259 | (153,440) |
| Client Security | 770,160 | 581,746 | (188,414) |
| Legal Service Trust Fund | 826,468 | 845,651 | 19,183 |
| Equal Access Fund | 14,748 | 16,837 | 2,089 |
| Justice GAP | 7,631 | 6,965 | (666) |
| Bank Settlement Fund | 29,102 | 31,801 | 2,699 |
| Indirect Cost Pool: | 32,779,316 | 35,607,890 | 2,828,574 |
| <u>Indirect Cost Pool:</u> | | | |
| General Counsel | 4,182,393 | 4,544,739 | 362,346 |
| Finance | 2,590,130 | 3,147,233 | 557,103 |
| Licensee Billing | 739,293 | 425,611 | (313,682) |
| Human Resources | 1,784,711 | 2,453,232 | 668,521 |
| General Services LA | 3,975,129 | 3,975,105 | (24) |
| General Services SF | 5,675,627 | 5,601,811 | (73,816) |
| Building - Capital improvement | 2,287,845 | 2,743,980 | 456,135 |
| Information Technology | 7,967,773 | 9,167,692 | 1,199,919 |
| Executive Direct/BOT/Election, etc | 3,303,015 | 3,533,071 | 230,056 |
| Non Departmental | 273,400 | 15,416 | (257,984) |
| | 32,779,316 | 35,607,890 | 2,828,574 |

Information Technology Projects

2019 information technology projects include various implementation efforts, including the Oracle financial software upgrade (ERP System), and post go live costs related to Odyssey Case Management System (CMS), and the Admissions Information Management System (AIMS).

Lawyers Assistance Program

Budgeted expenses in the Lawyers' Assistance Program (LAP) decreased to \$2.0 million in 2019 from the \$2.2 million budgeted in 2018; budgeted revenue remains the same at \$2.1 million. The 2019 budget reflects the reduction of \$0.3 million in one-time services that were allocated to implement the LAP Strategic Plan adopted in March 2017. This year over year reduction is offset by an increase of \$0.1 million rental expenses for the lease of offsite office space.

Use of Reserves

Budgeted revenues are \$167.9 million, with \$20.9 million funded from reserves. The \$20.9 million assumed reserve funding is composed of \$10.5 million of non-General Fund amounts collected in prior years that will be spent in 2019, and \$6.4 million for certain non-recurring expenses that staff recommends be financed from General Fund reserves, with \$4.0 million of ongoing General Fund expenses also funded from reserves. Following is a description of the use of reserves related to the funds that are primarily affected:

| <u><i>Fund</i></u> | <u><i>Use of Reserves</i></u> |
|----------------------|-------------------------------|
| General Fund | \$10.4 million |
| Bank Settlement Fund | \$9.6 million |

The 2019 General Fund reserve fund spending of \$10.4 million primarily represent expenses that are one-time in nature (\$6.4 million) and intended to advance the Bar's mission and objectives, as follows.

1. Enterprise Resource Planning (ERP): \$1.6 million budgeted in 2019.
2. Capital Maintenance, Howard Street: \$3.1 million budgeted in 2019.
3. Brokerage commissions for renewals on floors 1, 2, 11, 12, and the ground level, \$0.4 million.
4. Case Management Post Go Live Expenses, \$0.9 million.
5. California Justice Gap Study, \$0.2 million.
6. Study of Online Legal Services Delivery Models, \$0.1 million.
7. Grant Writing & eCivis Subscription and Strategic Communications, \$0.1 million.

The Bar received \$44.7 million in bank settlement funds in 2016. In 2019, \$9.6 million is budgeted to be spent from these funds to support legal services initiatives focused on foreclosure prevention and community economic development.

2020-2024 General Fund Forecast

Long term financial planning is critical to the success of any organization and is considered a best practice. Over the past year, staff has been working on a Five Year Forecast (Forecast) for the General Fund, which it completed in early October. The Forecast reflects a comprehensive assessment of the State Bar's funding needs from 2020 to 2024. The forecast started with the 2018 Adopted Budget as its baseline; the baseline was adjusted to reflect historical trends, non-recurring items both past and present, key strategic plan initiatives, incorporation of the five year capital plan, and certain growth assumptions. A summary of the Forecast is provided below.

| | 2020 Projection | 2021 Projection | 2022 Projection | 2023 Projection | 2024 Projection |
|--|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Revenues | | | | | |
| Mandatory Licensee Fees | 67,442,000 | 68,375,000 | 69,320,000 | 70,280,000 | 71,255,000 |
| Other Revenues | 12,349,776 | 12,617,066 | 12,890,507 | 13,184,097 | 13,513,837 |
| Total Revenues: | 79,791,776 | 80,992,066 | 82,210,507 | 83,464,097 | 84,768,837 |
| Expenditures | | | | | |
| Personnel | 89,081,000 | 94,042,000 | 98,083,000 | 101,204,000 | 103,758,000 |
| Building Operations | 5,762,000 | 5,937,000 | 6,116,000 | 6,300,000 | 6,490,000 |
| Services | 4,892,000 | 5,026,000 | 4,940,000 | 5,087,000 | 5,407,000 |
| Supplies & Equipment (inc. CIP) | 18,452,000 | 14,922,000 | 10,355,000 | 10,286,000 | 25,055,000 |
| Other Expenses | 1,798,000 | 2,577,000 | 2,616,000 | 2,656,000 | 2,696,000 |
| Indirect Costs/Chargebacks | (8,262,000) | (8,510,000) | (8,766,000) | (9,030,000) | (9,301,000) |
| Total Expenses: | 111,723,000 | 113,994,000 | 113,344,000 | 116,503,000 | 134,105,000 |
| Projected excess of revenues over (under) expenses: | <u>\$(31,931,224)</u> | <u>\$(33,001,934)</u> | <u>\$(31,133,493)</u> | <u>\$(33,038,903)</u> | <u>\$(49,336,163)</u> |

The General Fund October 2018 Forecast includes the following key assumptions:

1. Mandatory Fee revenue to grow by 1.4% annually.
2. Rental Income to increase by \$1.5 million in 2020, which includes ~ \$0.9 million from leasing of floor three at 180 Howard St.
3. Personnel expenses include:
 - a. An additional 58 positions in OCTC beginning in 2020 based on the 2018 Workload Study and designed to ensure that the State Bar is able to meet statutory case processing timelines, estimated at \$7.8 million.
 - b. Per a negotiated labor agreement, SEIU salary adjustment of 3.5% in 2020, retroactive to 2019, estimated at \$2.7 million.
 - c. Providing parity for retiree health benefits for all employees (currently non-executive staff receive only \$133 per month in retiree health benefits, at most, while executive staff get between 80% and 100% of post-retiree health care costs covered after 15 years of service), increasing costs by \$3.2 million.
 - d. No other staffing increases.
4. Traditional On-Going Expenses (Utilities, Maintenance, etc.) to grow at a 3.0%.
5. New technology investments designed to increase transparency, public access, and

customer service of \$16.0 million over five years, including \$5.2 million in computer hardware & equipment and \$2.5 million on a new License Information Management System (LIMS).

6. Implementation of the Five Year Capital Plan addressing structurally under-funded and longstanding capital maintenance needs, with an investment of \$26.7 million.

The Five Year Forecast is based on the needs of the State Bar and reflects an overall deficit of \$31.9 million in 2020 and increasing each year. The State Bar funding need based on the Forecast is:

- 1. \$100 increase to the annual license fee**
- 2. \$250 one-time special assessment for capital and technology investments**

2020 Projected Budget

The State Bar is required to submit a 2 year budget; as a result, the Board approved the 2020 Projected Budget. As opposed to the Forecast, the 2020 Projected Budget for the General Fund does not reflect State Bar's need. Instead, staff recommended a "bare bones" budget reflecting an emergency measures budget that the Board may have to adopt should a licensing fee increase not be approved for 2020. For the 2020 Projected Budget, the only significant Forecast element is the full implementation of the SEIU Salary adjustment of 3.5% in 2020, retroactive to 2019, which was negotiated in 2018. The Projected 2020 Budget does not fully fund the Bar's public protection mission.

BUDGET DEVELOPMENT PROCESS

BUDGET CALENDAR

The State Bar's budget process begins in August with preliminary revenue and expense projections for the upcoming budget year. In September, under the direction of the Chief Financial Officer (CFO), the Office of Finance issues budget instructions that contain detailed guidance on the preparation of budget requests. Offices then prepare their budget requests and submit to the Office of Finance for review in October. The Office of Finance reviews the budget requests, compares against projected revenues and prepares the budget document. With the approval of the Executive Director, the State Bar's preliminary budget is presented and adopted by the Board of Trustees in November of each year, followed by the final budget in January. Upon the Board's adoption of the preliminary and final budgets, the Office of Finance is responsible for preparing and submitting each version to the Legislature by November 15 and February 28, respectively. Beginning in 2019, the Office of Finance will submit only the final version to the Legislature by February 28. This change was part of the 2019 fee bill.

BUDGET DEVELOPMENT

Each year, the State Bar budget is prepared in accordance with Business and Professional Code section 6140.1. The State Bar's Budget Policies and Procedures Manual documents in detail budget preparation, formulation, submission and approval processes. The budget expresses, in terms of dollars, the funded programs and plans of the State Bar for the budget year and the estimated income by sources necessary to finance these programs and plans. The budget is the primary instrument of fiscal control and, accordingly, contains all income and expenses of the State Bar. The State Bar's strategic plan provides the framework for the annual budget formulation and process.

Revenue amounts included in the annual budget are estimates. Unlike expense accounts, revenue accounts are not budgets subject to adoption. Revenue estimates may be adjusted from time to time to reflect additional information as it becomes available or to correct technical or clerical errors.

The Office of Finance is responsible for the development and monitoring of the State Bar's annual operating budgets. It prepares the annual budget submission to the Board of Trustees and Legislature; fulfills internal and external budgeting reporting requirements; processes budget transfers and funding requests for new initiatives; reviews and monitors capital budget requests; and provides financial analyses for Offices and the Board.

BUDGET MANAGEMENT

The Office of Finance is responsible for monitoring budget spending on a monthly basis. It conducts analytical studies to support the planning and budget development processes and produces management information related to the State Bar's operations. The Office of Finance strives to provide efficient and productive methods of budget preparation, using sound budget and management practices, financial planning that supports management decision making, developing innovative solutions to challenging problems, and ensuring that the State Bar's budget is linked to the Bar's Strategic Plan.

All the State Bar's basic financial statements are prepared in accordance with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board.

BUDGET VARIANCES AND ADJUSTMENTS

The State Bar's Board Book and Budget Policies and Procedures Manual set guidance for budget control and amendment. Quarterly financial report, mid-year forecasting and budget-to-actual variance reports are required to be presented to the Board of Trustees for review. A significant variance is defined in the Board Book policy as a year-to-date budget-to-actual variance that is greater than \$100,000 over the budgeted line item. When significant variances arise, the Office of Finance is responsible for investigating and identifying unusual items and activities. Corrective actions and reporting to the Board of Trustees are necessary depending on the extent to which the variances impact overall expenditure authority.

WORKLOAD MEASURES AND PERFORMANCE METRICS

In 2019, the State Bar is implementing new Performance Metrics throughout the organization. Performance measurement provides a quantifiable way, via specific performance metrics, for organizational leaders to recognize successes and areas needing improvement. It allows policymakers, management, staff, stakeholders, and the public to build trust in leadership and see the results of ongoing efforts. Effective performance measures can also help streamline existing processes, encourage collaboration across offices, and allow organizational leaders to better manage limited resources in order to increase impact and plan for future growth.

Workload measures, reflecting the volume of work performed by an Office or functional area of the Bar, will continue to be important data points to capture as part of both annual reporting and budget processes. Workload measures were most recently introduced in the 2017 budget. After the performance metrics were completed the workload measures were reviewed to assess continued relevancy in a "performance metrics" environment; only a limited number of workload measures will be reported.

FUND STRUCTURE AND FINANCIAL POLICIES

The State Bar's financial policies and fund structure are designed to manage financial risk and ensure that the Bar is funded in the event of revenue changes. This section describes fund structures and significant financial policies.

FUND STRUCTURE

The State Bar's budget represents a complex mix of 23 funding sources supporting over 40 distinct functions within the organization. Pursuant to Board action in 2015, each of these sources is categorized into one of three Fund types:

- General Fund (renamed from Consolidated General Fund in June 2017): This Fund accounts for spendable financial resources that can generally be used to support most aspects of the Bar's operations.

- **Restricted Fund Group:** These funds account for activities and financial resources that can only be used for specific purposes or when constraints are placed on the use of resources imposed externally through legislation or similar external restrictions. The State Bar has ten funds in this group:
 - Legislative Activities Fund
 - Elimination of Bias Fund
 - Lawyer Assistance Program Fund
 - Legal Specialization Fund
 - Client Security Fund
 - Legal Services Trust Fund
 - Equal Access Fund
 - Justice GAP Fund
 - Bank Settlement Fund

- **Special Revenue Fund Group:** These funds account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes. The State Bar has two funds in this group:
 - Admissions Fund
 - Grant Fund

The primary source of funding for the General Fund is the fees paid by licensees of the State Bar, as authorized annually by Business and Professions Code section 6041. Accordingly, the Bar's discipline system, and the majority of the administrative functions supporting that system, are funded by the General Fund.

Restricted Funds are primarily generated outside of the fee bill process, through either separate statutory authority (for example, the Client Security and Lawyer Assistance Program Funds), or grant or settlement sources. However the Legislative Activities Fund is dependent on fee bill authorization. Special Revenue Funds are self-sustained by fees paid by licensees or applicants. While Restricted and Special Revenue Funds differ in their underlying revenue sources, neither is used to support General Fund activity, other than as charged for administrative support services through the allocation of indirect costs.

ACCRUAL BASIS ACCOUNTING

The State Bar utilizes the accrual basis of accounting for its Enterprise Fund, which reports all business-type activities in the General Fund, the Restricted Fund Group and the Special Revenue Fund Group. Under the accrual basis of accounting, licensee fee revenues and other fees are recognized in the period earned rather than when collected. Expenses are matched with the related revenues and are recognized in the period that the liability is incurred, regardless of the timing of the related cash flows.

Basis of budgeting refers to the method used for recognizing revenues and expenditures in budget. For budgetary purposes, the State Bar utilizes the modified accrual basis of accounting for all program funds, with budgetary control set at the cost center and expenditure category levels within each Office budget. The modified accrual basis of accounting is different from the accrual basis of accounting accepted under the GAAP. Depreciation expense is not included as a budgeted expense since it does not use spendable resources. Debt principal and capital outlay are also expensed under the modified accrual basis which is not in accordance with GAAP.

RESERVES

The State Bar adopted a new fund structure in 2015 and revised its Reserve Policy the following year. The fund structure, which utilizes the concept of “fund balance” for Enterprise Funds under GAAP and the Governmental Accounting Standards Board Statement No. 54, establishes a fundamental framework for the Reserve Policy in defining the classification of reserves in each program fund. Under the Reserve Policy, the State Bar is required to maintain a net minimum reserve balance that equates to two months or a level of 17% of operating expenses for all non-grant funds. Funds subject to the policy are the General Fund, Legislative Activities Fund, Elimination of Bias Fund, Lawyer Assistance Program Fund, Legal Specialization Fund, and Admissions Fund. Whenever reserve levels surpass 30%, for a consecutive six-month period, a reserve spend-down plan shall occur in accordance with the principles stated in the Reserve Policy.

Excluded Minimum Target Reserve Funds include all grant-related Funds, specifically the Grant, Legal Services Trust, Equal Access, Justice Gap, and Bank Settlement Funds.

For purposes of the Minimum Reserve Target, operating expenses of the Client Security Fund shall exclude application payouts.

PROCUREMENT

Purchase of goods and services are managed under a procurement system utilizing purchase requisition and purchase order. The State Bar does not use encumbrance accounting. As a result, unfilled purchase orders and outstanding contractual obligations at year-end are not classified as commitments for financial statement presentation. Budget control is set at the cost center and expenditure category levels. Unspent budget appropriations lapse at each fiscal year-end.

INVESTMENT POLICY

It is the policy of the State Bar of California to invest public funds in a manner which will provide the maximum security with best investment return, while meeting the daily cash flow demands of the Bar and conforming to all State statutes governing the investment of public funds and all resolutions of the Board of Trustees. The Bar’s investment policy applies to all financial assets under direct control of the State Bar, including all funds accounted for in the State Bar quarterly report to the Board and include the General Fund, Restricted Funds, and other funds that may be created from time to time. The State Bar holds no pension trust funds for which it is accountable. The State Bar utilizes an independent third party custodian to provide custodial services on all its investments.

Under the investment policy, the State Bar's investment portfolio will remain sufficiently liquid to enable the State Bar to meet all operating requirements that might be reasonably anticipated. The State Bar's investment policy is designed to attain a market rate of return throughout budgetary and economic cycles, commensurate with the State Bar's investment risk constraints and the cash flow characteristics of the portfolio. Investments are made with the intent to hold to maturity unless the liquidity needs of the portfolio require that the security be sold or a capital gain be realized in a manner that better positions the overall portfolio in achieving investment policy goals.

The CFO is designated as the official with responsibility for authorizing the sale or liquidation of investments in advance of their scheduled maturity dates. The CFO makes quarterly reports to the Board of Trustees on the status of the State Bar's investment portfolio. These reports include information as to the type of investment, the amount of money invested with various institutions, market value for securities with a maturity of more than 12 months, purchase and maturity dates, rate of interest, and statement of portfolio liquidity, as required by California state law.

Under the policy, investment officials and employees shall disclose any financial interests as required by the Conflict of Interest Code for Designated Employees of the State Bar of California and the Conflict of Interest Code for the State Bar Board of Trustees. All persons authorized to place or approve investments shall report annually on Form 700 of the California Fair Political Practices Commission all required economic interests for that year.

CASH RECEIPTS POLICY

The State Bar's Cash Receipts Policy provides uniform procedures and guidelines for the collection, custody, reporting and deposit of cash receipts. The procedures have been established to encourage an effective administration and internal control of cash handling operations to meet the State Bar's objectives: to deposit cash timely, record cash collections accurately and consistently, and minimize cash delivered directly to State Bar.

STATE BAR OPERATIONS BUDGET DETAIL

This section provides a detailed description of each operating area of the State Bar of California. The profiles include:

- Overview
- Division objectives
- Organizational structure
- 2018 accomplishments
- 2019 objectives
- Workload and Performance Metrics
- Adopted budget expenditures by cost type¹
- Staffing requirements
- Significant budget changes

OPERATING AREA PROFILES

The table below compares expenses of the proposed 2019 budget to 2017 actuals, 2018 budget, and the 2020 Forecast by operating area, and outlines budget variance by dollar amount.

Bar Expenses by Operating Area

| Expenses | 2018 Budget | 2019 Budget | 2020 Forecast |
|--------------------------------------|----------------------|----------------------|----------------------|
| Executive Director | \$1,838,300 | \$544,700 | \$555,800 |
| Chief Trial Counsel | 34,835,400 | 36,839,000 | 39,888,900 |
| State Bar Court | 7,988,400 | 7,524,600 | 7,914,600 |
| Programs | 0 | 32,900 | 33,900 |
| Access & Inclusion | 53,382,800 | 66,109,900 | 68,221,700 |
| Admissions | 20,205,600 | 18,047,000 | 18,548,700 |
| Attorney Regulation | 3,481,500 | 3,958,900 | 4,231,300 |
| Lawyer Assistance Program | 1,707,400 | 1,533,500 | 1,365,500 |
| Probation | 996,200 | 1,146,600 | 1,213,900 |
| Client Security Fund | 7,456,300 | 7,925,900 | 7,090,000 |
| Professional Competence | 1,886,200 | 2,656,900 | 2,826,600 |
| Administration | 0 | 15,500 | 15,900 |
| General Services | 13,582,700 | 13,568,900 | 13,374,800 |
| Human Resources | 2,202,000 | 2,453,900 | 2,611,700 |
| Information Technology | 7,967,600 | 10,384,800 | 10,676,200 |
| Special Projects | 5,630,200 | 2,781,200 | 1,212,000 |
| Finance | 3,329,400 | 3,574,000 | 3,255,000 |
| General Counsel | 4,182,400 | 4,647,000 | 4,970,900 |
| Mission Advancement & Accountability | 4,624,500 | 5,415,800 | 5,361,800 |
| Non-Departmental | 737,500 | (300,000) | (309,000) |
| Total Expenses | \$176,034,400 | \$188,861,000 | \$193,060,200 |

OFFICE OF THE EXECUTIVE DIRECTOR

OVERVIEW

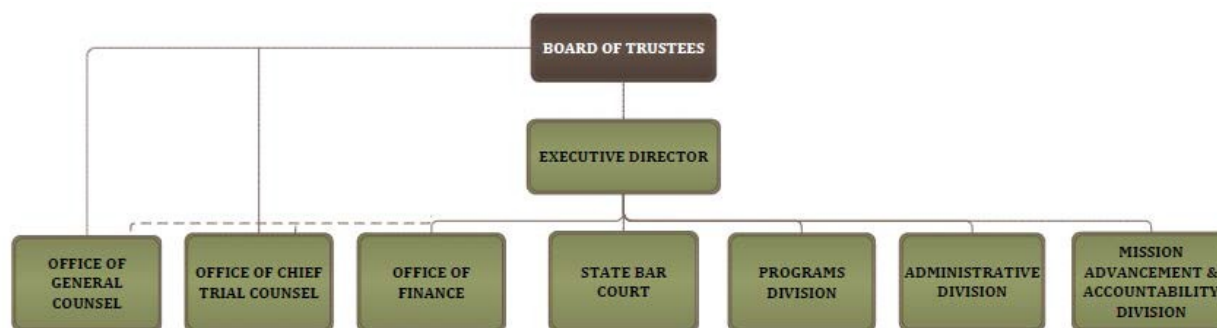
The Office of the Executive Director (OED) is responsible for ensuring that the State Bar achieves the goals and objectives outlined in the Bar's Strategic Plan; the OED is responsible for supporting the Board of Trustees and overseeing Bar staff to this end.

The OED provides support and direction regarding personnel administration, budget, facilities, and all other management related matters. In its leadership role, the OED establishes and effectuates operational and programmatic oversight. The OED establishes Bar-wide operating policies and procedures and communicates and reinforces those policies and procedures with all staff. The OED leads the State Bar's efforts to ensure accountability for the use of resources and compliance with mandates, statutes, rules and other requirements.

Office Objectives

- Ensure that the State Bar achieves the goals and objectives outlined in its Strategic Plan.
- Ensure that the State Bar is an accountable and transparent organization.
- Ensure the responsible use of funds.

Organizational Chart



Fiscal Year 2018 Accomplishments

Significant progress on implementation of the Bar's 2017-2022 Strategic Plan including:

- Separation of the State Bar Sections.
- Completion of a review of the Bar's committees, councils, boards, and commissions (sub-entity review) which will result in a reduced number of sub-entities, reduced numbers of volunteers, and increased operational effectiveness.
- Articulation of licensing fee increase needed to achieve organizational mission; and
- Amendments to the State Bar's statutory mission reflecting the importance of access and diversity in the State Bar's work.

Fiscal Year 2019 Projects and Objectives

- Successfully secure a licensing fee increase to go into effect January 1, 2020.
- Improved collections resulting from new partnerships with the Franchise Tax Board.

- Institutionalize improved communications with State Bar staff, key stakeholders, and the public.

2019 Budgeted Revenue

The 2018 budget of \$1.6 million consisted of \$1.1 million rental income from CLA for staff support, and \$475,000 from Insurance. The rental of CLA staff was for a one year transition period, with the associated income discontinued in 2019. Furthermore, the Insurance Income retained by the Bar will be captured in the respective Discipline (Chief Trial Counsel) and Legal Services Trust Fund (Access& Inclusion) cost centers.

Table 1: Source of Revenue by Fund

| Fund | 2018 Budget | 2019 Budget | 2020 Forecast |
|--------------------|------------------------|------------------------|--------------------------|
| General Fund | | | |
| Other Revenues | \$1,556,300 | \$0 | \$0 |
| General Fund Total | \$1,556,300 | \$0 | \$0 |
| Total Funds | \$1,556,300 | \$0 | \$0 |

2019 Budget by Expense Category

The Office of Executive Director's total budget for 2019 is \$0.5 million. Table 2 provides detailed and comparative information regarding the Office of Executive Director budgeted 2019 expenses. The \$1.1 million reduction in personnel expenses reflects the elimination of 8 positions that were rented by California Lawyers' Association for one year.

Table 2: Expenses

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|------------------------|------------------------|------------------------|--------------------------|
| Personnel Expenses | \$1,559,900 | \$471,500 | \$480,200 |
| Services | 158,400 | 3,500 | 3,600 |
| Supplies and Equipment | 27,000 | 22,500 | 23,300 |
| Other Expenses | 93,000 | 47,200 | 48,700 |
| Total Expenses | \$1,838,300 | \$544,700 | \$555,800 |

2019 Interfund Transactions

Table 3 below provides comparative information regarding the amount of indirect costs allocated to or from the Office of Executive Director and the amount of transfers to or from other operations areas. The 2018 indirect costs were related to direct expenses in the insurance program.

Table 3: Interfund Transactions

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|-------------------------------------|------------------------|------------------------|--------------------------|
| Indirect Costs | \$7,200 | \$0 | \$0 |
| Total Interfund Transactions | \$7,200 | \$0 | \$0 |

Personnel

The Office of Executive Director has 1.65 full-time equivalents allocated to the office. Table 4 provides prior and current year staffing information for the Office of Executive Director. Full time equivalent went from 10.00 to 1.65 due to the elimination of 8 support positions that were rented to California Lawyers' Association. Furthermore, a combined 0.35 FTE between the Executive Director and her Executive Assistant are now captured under Legislative Activities, due to the portion of their time that is spent related to lobbying.

Table 4: Staffing

| Regular Status Fulltime Employees | Positions | | | Salaries | |
|-----------------------------------|-------------------|-------------------|---------------------|------------------|------------------|
| | FY 2018 Budget | FY 2019 Budget | FY 2020 Forecast | 2019 Budget | 2020 Forecast |
| Executive Director | 1.00 | 0.90 | 0.90 | \$240,750 | \$240,750 |
| Program Director I | 1.00 | | | | |
| Program Coordinator | 3.00 | 0.75 | 0.75 | 69,104 | 71,917 |
| Program Specialist | 2.00 | | | | |
| Senior Administrative Assistant | 2.00 | | | | |
| Administrative Assistant II | 1.00 | | | | |
| Total FTE | 10.00 | 1.65 | 1.65 | \$309,854 | \$312,667 |

OFFICE OF THE GENERAL COUNSEL

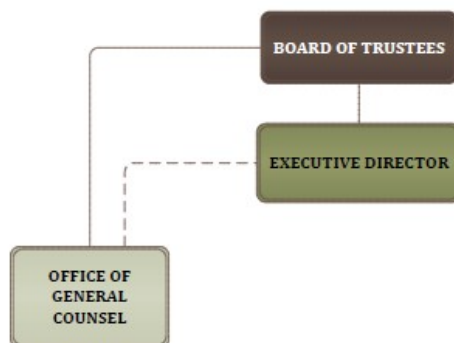
OVERVIEW

The Office of the General Counsel (OGC) functions as the State Bar's lawyer, and is responsible for providing legal advice and representation to the State Bar, its Board of Trustees, and all sub-entities and programmatic clients.

Office Objectives

To provide legal advice to the State Bar's Board of Trustees, executive staff and subentities, and represents them in trial and appellate administrative and civil litigation. OGC provides advice and representation in various practice areas including admissions and discipline, governance, labor and employment, intellectual property, contracts, bankruptcy, collections, professional responsibility and ethics, antitrust, Bagley-Keene Open Meeting Act, California Public Records Act, legislation, rules, regulation, privacy, public accommodation, real property, Rule 2201 Administration, and the Complaint Review Unit ("CRU"), which handles requests for a "second look" from complainants who have had their matters closed by the Office of the Chief Trial Counsel."

Organizational Chart



Fiscal Year 2018 Accomplishments

- The Complaint Review Unit reduced the turnaround time for completion of "second-look" review of OCTC closed cases from over one year to typically under 90 days, while still keeping the number of Walker petitions at or below the historical average.²
- Development of niche expertise within OGC in various areas such as antitrust, bankruptcy, ethics and privacy;
- Development of outside counsel retention guidelines for efficiency;
- Updated contracts handling standards and procedures;
- Reduced expenditures in telephone services by hundreds of dollars each month;

² The second-look process was transferred to OGC in July 2016. In the two full years preceding the transfer (years 2014 and 2015), the A&R turnaround time for completion was 217 days and 85 days respectively, and the number of Walker petitions filed was 67 and 95, respectively. In 2018, the OGC/CRU turnaround time for completion was 70 days, and the number of Walker petitions filed was 77.

- Stricter oversight of travel to adhere to state rates and use of ride share services to reduce costs.
- Coordination and supervision of counsel handling 2201 conflict cases: In any case involving potential conflicts with the State Bar, the inquiry or complaint is referred to outside counsel. OGC prepares the contracts for the panel of approximately 20 outside counsel known as Special Deputy Trial Counsel (SDTC), and coordinates with the SDTC Administrator on procedural matters such as processing invoices and expense reports, reporting data to the State Bar, reporting to RAD regarding the status of the cases, obtaining approval to retain new SDTC, setting up training, following procedures such as assigning priority codes, issuing closing letters with closing codes, and providing other support or resources as needed. In 2018, 223 complaints were referred by the Chief Trial Counsel to the SDTC Administrator, an increase from the 187 complaints that were referred in 2017 and 108 complaints that were referred in 2016.

Fiscal Year 2018 & 2019 Workload Measures and Performance Metrics

Workload Measures

| | 2016 | 2017 | 2018 |
|-------------------------------------|------|--------|--------|
| # of CRU requests received annually | N/A | 40,339 | 42,112 |

Performance Metrics

- Complete/resolve an average of 60 CRU cases per month.
- Have 90% of clients report a high level of overall satisfaction with OGC services.
- Staff 100% of the attorney positions in the Office of General Counsel.

2019 Budget by Expense Category

The Office of General Counsel's total budget for 2019 is \$4.6 million. Table 1 provides detailed and comparative information regarding the Office of General Counsel budgeted 2019 expenses. The increase in salaries is the result of merit increases combined with several attorney promotions.

Table 1: Expenses

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|------------------------|--------------------|--------------------|--------------------|
| Personnel Expenses | \$3,937,300 | \$4,310,100 | \$4,623,800 |
| Services | 148,600 | 189,500 | 195,200 |
| Supplies and Equipment | 55,500 | 61,000 | 62,900 |
| Other Expenses | 41,000 | 86,400 | 89,000 |
| Total Expenses | \$4,182,400 | \$4,647,000 | \$4,970,900 |

Personnel

The Office of General Counsel employs 23.75 full-time employees. Table 2 provides prior and current year staffing information for the Office of General Counsel. There were no significant changes from 2018 to 2019 besides a shift in the mix of attorneys that overall are at a more senior level.

Table 2: Staffing

| Regular Status Fulltime Employees | Positions | | | Salaries | |
|-----------------------------------|-------------------|-------------------|---------------------|--------------------|--------------------|
| | FY 2018 Budget | FY 2019 Budget | FY 2020 Forecast | 2019 Budget | 2020 Forecast |
| General Counsel | 1.00 | 1.00 | 1.00 | \$238,859 | \$250,802 |
| Deputy General Counsel | 1.00 | 1.00 | 1.00 | 196,678 | 206,512 |
| Attorney IV | 2.00 | 4.00 | 4.00 | 634,786 | 689,298 |
| Attorney III | 9.00 | 6.75 | 6.75 | 1,100,669 | 1,158,387 |
| Attorney II | 1.00 | 2.00 | 2.00 | 245,714 | 266,831 |
| Attorney I | 1.00 | 1.00 | 1.00 | 102,954 | 111,729 |
| Administrative Supervisor | 1.00 | 1.00 | 1.00 | 97,902 | 101,329 |
| Legal Secretary III | | 1.00 | 1.00 | 78,897 | 81,690 |
| Paralegal | 1.00 | 2.00 | 2.00 | 154,441 | 163,403 |
| Administrative Assistant II | 3.00 | 3.00 | 3.00 | 206,875 | 222,008 |
| Legal Secretary I | | 1.00 | 1.00 | 61,500 | 66,728 |
| Legal Secretary | 2.00 | | | | |
| Program Assistant II | 1.00 | | | | |
| Total FTE | 23.00 | 23.75 | 23.75 | \$3,119,275 | \$3,318,715 |

OFFICE OF THE CHIEF TRIAL COUNSEL

OVERVIEW

The Office of the Chief Trial Counsel (OCTC) is the prosecutorial arm of the State Bar, responsible for investigating and prosecuting attorneys for violations of the Rules of Professional Conduct and the State Bar Act. In addition to its core attorney discipline functions, OCTC is responsible for regulatory proceedings before the State Bar Court, such as representing the Committee of Bar Examiners in moral character appeals and representing the Board of Legal Specialization in specialization certification appeals. OCTC is also responsible for ancillary proceedings such as superior court proceedings involving the assumption of a law practice and the pursuit of civil penalties against those involved in the unauthorized practice of law.

OCTC is staffed with attorney and non-attorney staff. Together, OCTC's staff comprise 41% of the Bar's workforce.

Office Objectives

- To protect the public by fairly, efficiently, and aggressively investigating and prosecuting misconduct and ethics violations committed by California-licensed attorneys and by working proactively to prevent attorney misconduct.
- Aggressively seek to respond to the unauthorized practice of law by non-attorneys, coordinate with law enforcement partners to do so, and focus on protecting those victims who are the most vulnerable to harm;
- Fully implement our new case prioritization system that is centered on public protection by prioritizing complaints which put the client or the general public, at the most significant risk, and addressing as many complaints of misconduct as quickly, completely, and capably as possible;
- Fully implement the Expeditor Program in conjunction with the case prioritization system;
- Ensure appropriate allocation of resources to address high priority cases;
- Continue to customize the new Odyssey case management system and adapt internal processes to leverage the enhanced capabilities of a modern case management system;
- Continue to assess existing policies and procedures and develop new policies and procedures that maximize efficiency and operational effectiveness in public protection;
- Provide the Board of Trustees with necessary and appropriate information and reports (e.g. productivity and performance reports, age of case reports, etc.) needed for appropriate management and oversight;
- Maintain OCTC operations within annual budget.

Organizational Chart



Fiscal Year 2018 Accomplishments

- Developed and began implementing a new case prioritization system designed to protect vulnerable victims from attorney misconduct;
- Participated in a workload study and identified additional opportunities for business process improvement;
- Implemented new protocols to improve the likelihood that victims of attorney misconduct will receive restitution;
- Increased attorney and investigator staffing;
- Began developing metrics by which to measure OCTC's performance and to hold the Office and its staff accountable;
- Issued fraud alerts for the public following the California fires and after high profile reports of raids on immigrants;
- The Chief Trial Counsel and the Special Assistant to the Chief Trial Counsel successfully began addressing long-standing morale challenges in the Office.

Fiscal Year 2019 Projects and Objectives

- Fully implement and fine-tune the case prioritization system that is centered on public protection by prioritizing complaints that put the client or the general public at the most significant risk, and addressing as many complaints of misconduct as quickly, completely, and capably as possible;
- Continue to customize the new Odyssey case management system and adapt internal processes to leverage the enhanced capabilities of a modern case management system;
- Leverage lessons learned from bi-annual audits, appeals, stipulations, and other sources to reduce errors and increase compliance with policy;

Fiscal Year 2018 & 2019 Workload Measures and Performance Metrics

Based on various criteria evaluating the nature of the cases, P1 cases are considered having the potential of causing serious harms to the public. P2 cases are deemed to have certain characteristics that are amenable to expedited processing in order to bring them to closure or to move them to the next stage.

Workload Measures

| | 2017 | 2018 |
|--|--------------|--------------|
| Active Cases | | |
| P1 Cases | 314 | 206 |
| P2 Cases | 38 | 21 |
| Total | 352 | 227 |
| Case disposition time at median* | 185 | 196 |
| Case disposition time at 90th percentile* | 470 | 524 |
| Case inventory at year end, 12/31 | 5,095 | 5,803 |
| *Enforcement only, excluding intake cases | | |

Performance Metrics

- Decrease number of P-1 and P-2 cases in backlog
- Maintain current level of CRU reopens for reasons other than new evidence; maintain current level of Walker reopens; decrease the number of random audit reopens for substantive reasons. A Walker petition provides that a member of the public may challenge a decision by the State Bar to close a complaint by filing a petition in the Supreme Court. For a petition to be granted, the complainant must demonstrate that the State Bar has arbitrarily failed or refused to grant a hearing on colorable charges.

2019 Budgeted Revenue

The Office of Chief Trial Counsel's total revenue budget for 2019 is \$1.0 million. Table 1 provides detailed and comparative information regarding the Office of Chief Trial Counsel budgeted 2019 revenue. 2019 revenue derives from Insurance income allocated to Discipline (\$925,000), with the reset from Ethics School Class Fees.

Table 1: Source of Revenue by Fund

| Fund | 2018 Budget | 2019 Budget | 2020 Forecast |
|--------------------|--------------------|--------------------|----------------------|
| General Fund | | | |
| Other Revenues | \$60,500 | \$983,300 | \$1,012,700 |
| General Fund Total | \$60,500 | \$983,300 | \$1,012,700 |
| Total Funds | \$60,500 | \$983,300 | \$1,012,700 |

2019 Budget by Expense Category

The Office of Chief Trial Counsel's total budget for 2019 is \$36.8 million. Table 2 provides detailed and comparative information regarding the Office of Chief Trial Counsel budgeted 2019 expenses. The \$1.6 million increase in personnel is due to merit increases. The \$0.3 million increase in services reflects \$0.1 million in the Strategic Plan for Grant Writing & eCivis Subscription, \$0.1 million for an Outside Examiner/Expert Witness, and \$0.1 million for Outside Counsel under Rule 2201.

Table 2: Expenses

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|------------------------|------------------------|------------------------|--------------------------|
| Personnel Expenses | \$34,863,600 | \$36,495,000 | \$39,534,700 |
| Services | 328,600 | 614,200 | 632,500 |
| Supplies and Equipment | 489,200 | 537,600 | 553,700 |
| Other Expenses | 154,000 | 192,200 | 198,000 |
| CSF Reimbursements | (1,000,000) | (1,000,000) | (1,030,000) |
| Total Expenses | \$34,835,400 | \$36,839,000 | \$39,888,900 |

2019 Interfund Transactions

Table 3 below provides comparative information regarding the amount of indirect costs allocated to or from the Office of Chief Trial Counsel and the amount of transfers to or from other operation areas.

Table 3: Interfund Transactions

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|-------------------------------------|------------------------|------------------------|--------------------------|
| Indirect Costs | \$14,042,200 | \$16,235,400 | \$16,722,500 |
| Total Interfund Transactions | \$14,042,200 | \$16,235,400 | \$16,722,500 |

Personnel

The Office of Chief Trial Counsel employs 255.85 full-time employees. Table 4 provides prior and current year staffing information for the Office of Chief Trial Counsel. There were no significant changes from year to year.

Table 4: Staffing

| Regular Status Fulltime Employees | Positions | | | Salaries | |
|-----------------------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| | FY 2018 Budget | FY 2019 Budget | FY 2020 Forecast | 2019 Budget | 2020 Forecast |
| Interim Chief Trial Counsel | | 1.00 | 1.00 | \$248,063 | \$260,210 |
| Chief Trial Counsel | 1.00 | | | | |
| Special Assistant Chief Trial | | 1.00 | 1.00 | 239,539 | 244,530 |
| Deputy Chief Trial Counsel | 2.00 | 1.00 | 1.00 | 203,922 | 214,118 |
| Assistant Chief Trial Counsel | 6.00 | 6.00 | 6.00 | 1,129,493 | 1,185,967 |
| Program Manager III | 1.00 | 1.00 | 1.00 | 141,828 | 148,919 |
| Attorney III | 0.25 | 0.25 | 0.25 | 44,112 | 45,655 |
| Supervising Attorney | 17.00 | 13.00 | 13.00 | 2,320,327 | 2,440,699 |
| Senior Attorney | 25.30 | 32.80 | 32.80 | 4,803,533 | 5,125,787 |
| Attorney | 42.80 | 39.80 | 39.80 | 4,351,298 | 4,709,473 |
| Investigator III | 4.00 | 4.00 | 4.00 | 444,167 | 463,290 |
| Investigator I | 17.00 | 17.00 | 17.00 | 1,450,932 | 1,537,645 |
| Investigator II | 46.00 | 48.00 | 48.00 | 4,445,360 | 4,729,295 |
| Translator - Interpreter | 2.00 | 2.00 | 2.00 | 165,379 | 176,357 |
| Administrative Supervisor | 4.00 | 5.00 | 5.00 | 446,087 | 469,643 |
| Senior Administrative Assistant | 5.00 | 5.00 | 5.00 | 410,520 | 430,404 |
| Paralegal | 18.00 | 17.00 | 17.00 | 1,398,163 | 1,453,977 |
| Administrative Assistant II | 21.00 | 20.00 | 20.00 | 1,422,263 | 1,516,860 |
| Legal Secretary II | | 16.00 | 16.00 | 1,148,866 | 1,216,126 |
| Legal Secretary I | | 1.00 | 1.00 | 61,500 | 66,728 |
| Administrative Assistant I | 2.00 | 1.00 | 1.00 | 56,613 | 61,470 |
| Legal Secretary | 16.00 | | | | |
| Program Assistant II | 20.00 | 20.00 | 20.00 | 1,262,224 | 1,328,993 |
| Office Assistant II | 3.00 | 4.00 | 4.00 | 214,057 | 231,784 |
| Total FTE | 253.35 | 255.85 | 255.85 | \$26,408,243 | \$28,057,930 |

STATE BAR COURT

OVERVIEW

The California State Bar is the only state bar in the United States with independent professional judges dedicated to ruling on attorney disciplinary and regulatory cases. The independent State Bar Court adjudicates matters filed by OCTC, and has the power to recommend that the California Supreme Court suspend or disbar those attorneys found to have committed acts of professional misconduct or to have been convicted of serious crimes. For lesser offenses, public or private reprimands may be issued. In regulatory matters, the State Bar Court adjudicates attorney reinstatements and matters where applicants for admission are challenging an adverse moral character determination.

HEARING DEPARTMENT

The Hearing Department of the State Bar Court hears disciplinary cases brought by the Office of the Chief Trial Counsel, regulatory matters brought by petitioners, motions for modification and revocation of attorney probation, and other matters.

REVIEW DEPARTMENT

The Review Department of the State Bar Court decides disciplinary and regulatory cases on appeal, exercises suspension and other powers delegated pursuant to California Rule of Court rule 9.10, and conducts interlocutory review on issues materially affecting the outcome of Hearing Department cases. The Review Department reviews resignations with charges pending

and examines criminal convictions, issuing interim suspensions, and refers conviction matters to the Hearing Department.

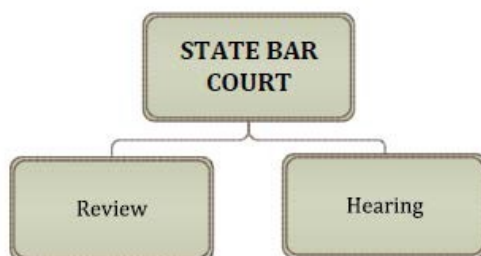
EFFECTUATIONS UNIT

The Effectuations Unit of the State Bar Court transmits cases to the California Supreme Court and processes all other cases not requiring Supreme Court action, including, for example, resignations without charges pending.

State Bar Court Objectives

- To hear and decide cases fairly, correctly and efficiently for the protection of the public, the courts and the legal profession.
- To meet identified Court Performance Standards including:
- Achieve a caseload clearance ratio of 1:1 meaning the total number of cases completed each year is equivalent to the total number of cases filed.
- Achieve “on time” case processing of 90% for Hearing and Review Department matters and 100% for the Effectuations Unit, thus ensuring that respondents are given timely due process and the public is protected from any attorney misconduct as rapidly as possible.
- Ensure that no more than 10% of Hearing or Review matters are in backlog status and that 0% of Effectuation matters are in that status.

Organizational Chart



Fiscal Year 2018 Accomplishments

As filings remained low, the State Bar Court used the opportunity to do a staffing assessment, which resulted in the elimination of three attorney positions. Additionally, the proposed revisions to the Rules of Procedure were sent out for public comment, and then presented to the Board of Trustees for adoption. These Rule revisions included integrating most Rules of Practice into the Rules of Procedure, and the creation of new Rules to implement legislative mandates, such as the expansion of grounds for interim suspensions based on criminal convictions, and implementing rules to allow for the assessment of monetary sanctions, payable to the Client Security Fund.

Fiscal Year 2019 Projects and Objectives

- Continue to meet and improve stated case processing goals for all case and matter types.

- Implement the Odyssey Case Management System.
- Continue implementing a training plan for all new State Bar Court judges.
- Develop back office standards, practices and needed Rules of Practice for the Court to support implementation of e-filing and a transition to an electronic environment.

Fiscal Year 2018 & 2019 Workload Measures and Performance Metrics

Workload Measures

| Number of Filings | 2016 | 2017 | 2018 |
|---|-------------|-------------|-------------|
| Hearing Department cases | 490 | 372 | 445 |
| Review Department cases (convictions, resignations with charges) | 132 | 148 | 119 |
| Review Department plenary review cases | 35 | 44 | 46 |
| Review Department interlocutory review cases | 20 | 25 | 32 |
| Effectuations cases (resignations without charges) | 423 | 342 | 536 |

Performance Metrics

- Maintain a caseload clearance rate of at least 1.0 or above.
- Hearing and Review: 90% of cases reach final outcome within timelines. All cases final outcome within 150% of timelines.
- Effectuations: 100% of cases processed within established timeframes.
- Track number of appeals filed; maintain current level of reversals and remands.

2019 Budgeted Revenue

The State Bar Court's total revenue budget for 2019 is \$12,700. Table 1 provides detailed and comparative information regarding the Office of State Bar Court budgeted 2019 revenue. The revenue is comprised of State Bar Court Reporter subscriptions, along with CD sales, rules booklet sales, certification fees, and photocopies.

Table 1: Source of Revenue by Fund

| Fund | 2018 Budget | 2019 Budget | 2020 Forecast |
|--------------------|------------------------|------------------------|--------------------------|
| General Fund | | | |
| Other Revenues | \$22,600 | \$12,700 | \$13,100 |
| General Fund Total | \$22,600 | \$12,700 | \$13,100 |
| Total Funds | \$22,600 | \$12,700 | \$13,100 |

2019 Budget by Expense Category

State Bar Court's total budget for 2019 is \$7.5 million. Table 2 provides detailed and comparative information regarding State Bar Court budgeted 2019 expenses. Expenses were reduced due to the reduction of four positions achieved through attrition and transfers to other offices.

Table 2: Expenses

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|------------------------|------------------------|------------------------|--------------------------|
| Personnel Expenses | \$7,598,900 | \$7,114,400 | \$7,492,200 |
| Leases and Rent | 23,200 | 23,200 | 23,900 |
| Services | 59,400 | 48,900 | 50,200 |
| Supplies and Equipment | 184,500 | 172,400 | 177,500 |
| Other Expenses | 122,400 | 165,700 | 170,800 |
| Total Expenses | \$7,988,400 | \$7,524,600 | \$7,914,600 |

2019 Interfund Transactions

Table 3 below provides comparative information regarding the amount of indirect costs allocated to or from State Bar Court and the amount of transfers to or from other operation areas. There were no significant changes from year to year.

Table 3: Interfund Transactions

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|-------------------------------------|--------------------|--------------------|--------------------|
| Indirect Costs | \$5,105,000 | \$5,253,100 | \$5,410,700 |
| Total Interfund Transactions | \$5,105,000 | \$5,253,100 | \$5,410,700 |

Personnel

State Bar Court employs 38.73 full-time employees. Table 4 provides prior and current year staffing information for State Bar Court. Four positions were reduced through attrition and transfers to other offices.

Table 4: Staffing

| | Positions | | | Salaries | |
|--|-------------------|-------------------|---------------------|--------------------|--------------------|
| | FY 2018 Budget | FY 2019 Budget | FY 2020 Forecast | 2019 Budget | 2020 Forecast |
| Regular Status Fulltime Employees | | | | | |
| Presiding Judge | 1.00 | 1.00 | 1.00 | \$211,571 | \$220,034 |
| Review Judge | 2.00 | 2.00 | 2.00 | 423,143 | 440,069 |
| Hearing Judge | 5.00 | 5.00 | 5.00 | 966,057 | 1,004,700 |
| Chief Court Counsel | 1.00 | 1.00 | 1.00 | 222,750 | 233,888 |
| Assistant Chief Court Counsel | 2.00 | 1.00 | 1.00 | 182,839 | 191,981 |
| Program Manager II | 1.65 | 2.00 | 2.00 | 308,250 | 308,250 |
| Supervising Attorney | | 1.00 | 1.00 | 156,282 | 169,566 |
| Senior Attorney | 8.00 | 5.00 | 5.00 | 788,310 | 831,096 |
| Senior Program Analyst | 1.00 | | | | |
| Program Analyst | | 1.00 | 1.00 | 82,973 | 90,170 |
| Program Specialist | 1.00 | | | | |
| Court Specialist | 13.00 | 13.00 | 13.00 | 1,198,125 | 1,246,021 |
| IT Support Technician II | 1.00 | | | | |
| Senior Administrative Assistant | 4.40 | 5.00 | 5.00 | 365,081 | 387,714 |
| Legal Secretary II | | 1.73 | 1.73 | 124,294 | 131,028 |
| Legal Secretary | 1.80 | | | | |
| Total FTE | 42.85 | 38.73 | 38.73 | \$5,029,675 | \$5,254,517 |

MISSION ADVANCEMENT AND ACCOUNTABILITY DIVISION

OVERVIEW

The Mission Advancement and Accountability Division (MAAD) is responsible for ensuring the implementation of the mission and long-term vision of the State Bar in coordination with the Board of Trustees, Bar leadership and staff, stakeholders, and other interested parties. The Division is responsible for:

- Compliance – developing inventories of legal, rule, and policy requirements of the State Bar, identifying responsible divisions and individuals within the Bar, and documenting and tracking Bar compliance with these statutory, rule, policy, and procedural mandates. In collaboration with the Audit Committee of the Board of Trustees, identifying high-risk issues in the inventory and conducting performance audits to mitigate the risk. Included in MAAD's compliance tracking is responsibility for updating the Strategic Plan and monitoring Bar activities in support of accomplishment of the Plan's goals and objectives;
- Legislative Liaison – tracking legislation that may affect the Bar and working with Bar staff to identify legislative changes that will improve the efficiency and effectiveness of operations, communicating with the Legislature and Governor's office on matters of interest to the Bar, the Legislature and Governor's office. In collaboration with the Executive Committee of the Board of Trustees, securing consensus on policy priorities and items to include on an annual list of priorities for the Bar to pursue in the Legislative session;
- Board and Sub-entity support – providing direct support and staffing to the Board and numerous Board Committees and subentities – RAD, Programs, Audit, Executive Committee, JNE and RJNE, and AENC. Direct support involves all phases of administrative support for the the Board of Trustees and these Committees and subentities including agenda development, compliance with open-meeting rules, orientation and on-boarding of members, posting of agendas, and logistics for holding meetings and, in the case of JNE, serving as liaison between the JNE commission and the Office of the Governor. MAAD staff also provide indirect support for the remaining Board Committee – Finance & Planning – and other subentities – CBE, COPRAC, CSF, CBLS – related to the recruitment of members, establishment of deadlines and transfer of applications for review to sub-entity chairs and to Board Liaisons for consideration and selection;
- Data Management and Research – overseeing the design and implementation of research projects, managing the contracts of external researchers, and producing reports on the operation of the Bar.

MAAD is made up of the Offices of Strategic Communications and Stakeholder Engagement; Secretariat (formerly known as Board and Committee Support); Legislative Liaison, and; Research and Institutional Accountability.

OFFICE OF STRATEGIC COMMUNICATION AND STAKEHOLDER ENGAGEMENT

The Secretariat provides direct support to the Board of Trustees, most of the Board's standing committees – RAD, Programs, Audit, Executive Committee – and a number of subentities and external entities for which the Bar is responsible – the JNE Commission, RJNE, and Applicant Evaluation and Nominations Committee (AENC). Direct support involves all phases of organizing and managing meetings of the Board of Trustees and its Standing Committees, subentities, and external entities. Secretariat staff also provide indirect, infrastructural / administrative support for the management of all other subentities including management of the appointment process, establishment of standards and procedures for meetings of subentities, supporting the circulation of proposed rule changes for public comment. Additional work related to Board meeting organization and management includes the coordination of agendas of the various committees of the Board with the Board agenda, ensuring that Board Committees have vetted proposals before they are brought to the full Board, tracking the development and implementation of Committee Work Plans, posting agendas and meeting notices in compliance with Bagley-Keene Open Meeting requirements, coordinating the production and uploading of reports to the online agendas, arranging travel, lodging and reimbursement for Trustees, and also coordinating the web casting, and documenting the results of Board meetings.

SECRETARIAT (FORMERLY KNOWN AS OFFICE OF BOARD AND COMMITTEE SUPPORT)

Secretariat organizes and manages meetings of the Board of Trustees and its committees. In addition to serving as Secretary to the Board of Trustees, Secretariat also staffs the JNE and RJNE commissions, staffs the Trustee Nominating Committee, the Applicant Evaluation and Nomination Committee, and manages appointments to the State Bar sub-entities. Board meeting organization and management involves coordination of agendas of the various committees of the Board with the Board agenda, ensuring that Board Committees have vetted proposals before they are brought to the full Board, tracking the development and implementation of committee work plans, posting agendas and meeting notices in compliance with Bagley-Keene Open Meeting requirements, coordinating the production and uploading of reports to the online agendas, arranging travel, lodging and reimbursement for Trustees, and also coordinating the web casting, and documenting the results of Board meetings.

OFFICE OF RESEARCH AND INSTITUTIONAL ACCOUNTABILITY

The Office of Research and Institutional Accountability (ORIA) conducts research and evaluation in support of the State Bar's mission and serves as a project management office for major, multi-divisional initiatives including the implementation of the new case management system for OCTC, the State Bar Court, and Probation, the new case management system for the Office of Admissions, and the upgrade of the Enterprise Resource Planning software. ORIA also provides project management, data collection, and analysis for technically complex projects and generates reports for both external and internal audiences. The Annual Discipline Report is produced by ORIA, as are the monthly Discipline System Statistical Reports, and weekly management reports produced for the Office of the Chief Trial Counsel and a range of other metrics that the State Bar uses to hold itself accountable. ORIA staff also serve as coordinators for Board committees and ad hoc working groups.

LEGISLATIVE LIAISON

MAAD is responsible for maintaining relations with the Legislature. In that capacity, MAAD manages the contract with the Bar's lobbyist in Sacramento and serves as staff to the Board's legislative liaisons.

Division Objectives

- Ensure that the State Bar is compliant with statutory and rule mandates through oversight of an operational and policy compliance function;
- Ensure that the State Bar uses best practices in data analytics and outcome evaluation to monitor, evaluate, and report on its performance.
- Provide effective staff support to the Board of Trustees and support continuous improvement in the Board's operations and governance.
- Develop, maintain and implement effective internal and external communication plans.
- Provide independent, comprehensive, accurate, and fair evaluations of candidates for judicial appointment and nomination.
- Conduct a volunteer application and appointment process that is timely, accurate, complies with existing Board policies and statutory requirements, and produces an applicant pool that is broadly diverse and representative of the state's population.

Organizational Chart



Fiscal Year 2018 Accomplishments

- Developed criteria for taking positions on legislation and approval by Board of Trustees;
- Developed list of 2018 legislative priorities and approval by the Board of Trustees;
- Hired attorney to:
 - Track legislative work and work on compliance issues;
 - Develop inventory of State Bar compliance requirements, identify responsible divisions and individuals, validate, and develop plan for performance audit of high-risk mandates;
- Completely rewrote the Board Book, revised the manual to be provided to all Trustees, documenting the rules and procedures, and policies of the Board of Trustees;
- Developed draft Administrative manual and reference materials for Board Committee Coordinators to standardize and simplify the Board meeting process;
- Monitored implementation of Board Committee Work Plans at Board Committee and Board meetings;

- Revised 2017-2022 Strategic Plan to include new Objectives related to access to legal services;
- Selected vendor for Enterprise Resource Planning software upgrade;
- Final report on details of implementation of Governance in the Public Interest Task Force, Appendix I sub-entity review and recommendations to the Board of Trustees;
- Launched and staffed the Malpractice Insurance Working Group;
- Staffed the six JNE Commission Meetings, one RJNE Commission meeting, completed evaluation of 240 applicants to judgeships and reviewed of an additional 8 candidates by RJNE;
- Staffed the Applicant Evaluation and Nominations Committee resulting in the selection of two State Bar Court judges; launch of new AENC process to begin replacement of vacant positions;
- Staffing and meeting management for 10 meetings of the Board of Trustees;
- Staffing and meeting management for seven meetings of the Committee on Regulation and Discipline; staffing and meeting management for six meetings of the Programs Committee; staffing and meeting management for Audit committee, Finance and Planning, and Executive Committee beginning in the summer of 2018; staffing of bi-weekly conference calls with Chair and Vice-Chair of RAD, Programs, and Executive Committee;
- Finalized rules, policies and procedures related to the implementation of new requirements for re-fingerprinting attorneys.
- Provided data support for Diversity Summit and begin production of Data Briefs and Fact Sheets related to State Bar initiatives designed to make the profession more diverse and inclusive.

Fiscal Year 2019 Projects and Objectives

- Revise Strategic Plan to take into account new statutory language regarding diversity and inclusion;
- Continue supporting active communication with Trustees through staffing of bi-weekly calls with Chair and Vice-Chair of selected Board Committees and liaisons to specific functions including – RAD, Programs, Executive Committee, Legislative Liaisons;
- Finalize a Staff Administrative Manual and related Intranet content to supplement the Administrative Manual;
- Finalize Board Book revisions;
- Finalize the standardization of all materials related to management and operations of subentities following global recommendations contained in Appendix I recommendations approved by Board of Trustees on September 12, 2018 and further refined on November 15;
- Continue to monitor fingerprinting implementation;
- Produce statutorily required reports;
- Produce reports reflecting new State Bar metrics;
- Hard launch of Odyssey Case Management system for Office of Chief Trial Counsel, State Bar Court, and Office of Probation;
- Finalize document back-scanning project for Odyssey implementation;

- Complete California Attorney Practice Analysis;
- Identify legislative priorities for 2019 legislative session;

Fiscal Year 2018 & 2019 Workload Measures and Performance Metrics

Workload Measures

| | 2016 | 2017 | 2018 |
|--|------|------|------|
| # of JNE candidates processed annually | | | 248 |

Performance Metrics

Strategic Communications and Stakeholder Engagement

- Increase positive narrative about the State Bar by distributing 3-5 news stories about core work and priorities to targeted news sources, monthly
- 90% of stakeholders report a high level of overall satisfaction with quality of internal communications

Board Support JNE Commission and Appointments

- 90% of stakeholders report a high level of overall satisfaction with quality of operational support provided
- Ensure diversity of Board and committee applicant pool
- Develop standardized on-boarding process for all state bar sub-entities
- Ensure 90% utilization of a standardized on-boarding process by all State Bar sub-entities
- Ensure that all Board committee and sub-entity coordinators are trained and oriented on standardized meeting management procedures

Research and Institutional Accountability

- 90% of all ORIA projects meet project milestones
- 90% of all ORIA reports meet compliance requirements (ie. comprehensive, timely, accurate)
- 95% on time distribution of Discipline Reports from ODY

2019 Budgeted Revenue

Mission Advancement and Accountability Division's total revenue budget for 2019 is \$1.2 million. Table 1 provides detailed and comparative information regarding the Mission Advancement and Accountability Division's budgeted 2019 revenue. Revenue derives primarily from voluntary fees to Legislative Activities paid through the fee statement, followed by MCLE Self Study Test. In 2019, there is additional funding from the AccessLex Grant of \$257,500.

Table 1: Source of Revenue by Fund

| Fund | 2018 Budget | 2019 Budget | 2020 Forecast |
|-----------------------------------|------------------------|------------------------|--------------------------|
| General Fund | | | |
| Other Revenues | \$135,000 | \$135,000 | \$139,000 |
| General Fund Total | \$135,000 | \$135,000 | \$139,000 |
| Grants Fund | | | |
| Grants | \$0 | \$257,500 | \$0 |
| Grants Fund Total | \$0 | \$257,500 | \$0 |
| Legislative Activities Fund | | | |
| Voluntary Fees & Donations | \$775,000 | \$775,000 | \$798,200 |
| Other Revenues | 2,400 | 2,400 | 2,500 |
| Legislative Activities Fund Total | \$777,400 | \$777,400 | \$800,700 |
| Total Funds | \$912,400 | \$1,169,900 | \$939,700 |

2019 revenue recognized in the Division of Mission Advancement and Accountability derives primarily from voluntary fees to Legislative Activities paid through the fee statement, followed by MCLE Self Study Test. In 2019, there is additional funding from the AccessLex Grant of \$257,500.

2019 Budget by Expense Category

Mission Advancement and Accountability Division's total budget for 2019 is \$5.4 million. Table 2 provides detailed and comparative information regarding Mission Advancement and Accountability Division budgeted 2019 expenses. Personnel costs are up by \$750,000 due to the increase of four staff, which includes 1.5 FTE in term positions for the AccessLex grant.

Table 2: Expenses

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|------------------------|------------------------|------------------------|--------------------------|
| Personnel Expenses | \$3,395,600 | \$4,051,700 | \$4,080,500 |
| Leases and Rent | 800 | 4,200 | 4,300 |
| Services | 517,600 | 565,100 | 504,900 |
| Supplies and Equipment | 351,500 | 352,200 | 362,600 |
| Other Expenses | 359,000 | 442,600 | 409,500 |
| Total Expenses | \$4,624,500 | \$5,415,800 | \$5,361,800 |

2019 Interfund Transactions

Table 3 below provides comparative information regarding the amount of indirect costs allocated to or from Mission Advancement and Accountability Division and the amount of transfers to or from other operation areas.

Table 3: Interfund Transactions

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|-------------------------------------|------------------------|------------------------|--------------------------|
| Indirect Costs | \$783,600 | \$460,200 | \$474,100 |
| Total Interfund Transactions | \$783,600 | \$460,200 | \$474,100 |

Personnel

Mission Advancement and Accountability Division employs 24.85 full-time employees. Table 4 provides prior and current year staffing information for Mission Advancement and Accountability Division. Staffing has increased by four compared to 2018, which includes 1.5 FTE in term positions for the AccessLex grant.

Table 4: Staffing

| Regular Status Fulltime Employees | Positions | | | Salaries | |
|-----------------------------------|-------------------|-------------------|---------------------|--------------------|--------------------|
| | FY 2018 Budget | FY 2019 Budget | FY 2020 Forecast | 2019 Budget | 2020 Forecast |
| Chief Mission Officer | 1.00 | 1.00 | 1.00 | \$212,625 | \$223,256 |
| Director (SCSE) | | | | | |
| Director (ORIA) | | | | | |
| Program Director II | 2.00 | 1.00 | 1.00 | 167,063 | 175,416 |
| Managing Dir Comm & Info Services | | | | | |
| Principal Analyst (ORIA) | | | | | |
| Principal Program Analyst | 4.00 | 4.00 | 4.00 | 563,997 | 569,790 |
| Executive Director | | 0.10 | 0.10 | 26,750 | 26,750 |
| Program Supervisor | | 1.00 | 1.00 | 127,500 | 131,963 |
| Attorney IV | 1.00 | 1.00 | 1.00 | 186,359 | 193,999 |
| Attorney II | | 1.00 | 1.00 | 143,461 | 152,021 |
| Attorney III | 0.75 | | | | |
| Senior Program Analyst | | 4.00 | 3.00 | 407,126 | 331,851 |
| IT Analyst II | 1.00 | 1.00 | 1.00 | 94,654 | 102,818 |
| Program Analyst | 5.00 | 3.00 | 3.00 | 295,784 | 314,802 |
| Program Coordinator | | 0.25 | 0.25 | 23,035 | 23,972 |
| Senior Administrative Assistant | 2.00 | 1.50 | 1.00 | 122,739 | 90,275 |
| Paralegal | | 1.00 | 1.00 | 73,633 | 79,766 |
| Administrative Assistant II | 2.00 | 2.00 | 2.00 | 151,263 | 158,146 |
| Lead Data Analyst | | | | | |
| Web Administrator | | | | | |
| Program/Court Systems Analyst | | | | | |
| Public Information Officer | 2.00 | 3.00 | 3.00 | 285,025 | 306,438 |
| Web Editor | | | | | |
| Budget & Perf Analyst | | | | | |
| Executive Secretary Conf | | | | | |
| Administrative Specialist I | | | | | |
| Total FTE | 20.75 | 24.85 | 23.35 | \$2,881,013 | \$2,881,262 |

PROGRAMS DIVISION

OVERVIEW

The Programs Division comprises the Office of Admissions, the Office of Attorney Regulation and Consumer Resources, the Office of Case Management and Supervision (Lawyer Assistance Program and Probation), the Office of the Client Security Fund, the Office of Access & Inclusion, and the Office of Professional Competence.

OFFICE OF ADMISSIONS

The Office of Admissions is responsible for all activities pertaining to the admission of attorneys to the practice of law in California. Its principal activities include developing, administering and grading the Bar Examination and the First-Year Law Students' Examination, as well as conducting moral character investigations. The Office also carries out responsibilities for accreditation and registration of California law schools. Finally, Admissions administers programs to allow non-members to practice in certain defined, limited areas, as well as programs to certify specialists in areas of legal practice.

EXAMINATIONS

Staff in this area is responsible for the acquisition, development, editing, and production of examination questions. This unit also processes petitions and determines reasonable testing accommodations for applicants with disabilities, and coordinates the ordering and production of Admission Wall Certificates for new bar admittees.

OPERATIONS AND MANAGEMENT

Staff in this area is responsible for the receipt and processing of applications for registration for the First-Year Law Students' Examination and the California Bar Examination, applicant eligibility determinations, admission ceremonies, the Multi-Jurisdictional Practice and Foreign Legal Consultant programs, and administering examinations.

EXAMINATION GRADING

Staff in this area is responsible for ensuring that examinations are graded according to standards and protocols and that the results provided to applicants are error free and on time.

MORAL CHARACTER DETERMINATIONS

Staff in this area is responsible for processing the receipt of moral character applications from applicants seeking admission to practice law in California, completing the moral character investigations of applicants and scheduling and coordinating informal conferences for applicants when appropriate.

EDUCATIONAL STANDARDS

Staff in this area is responsible for the registration of unaccredited law schools and the accreditation of law schools in California. The workload of this unit includes monitoring applications received, reviewing annual reports, conducting law school monitoring visits and reporting findings and recommendations.

SPECIAL ADMISSIONS

Staff in this area process applications for Pro Hac Vice and Out-of-State Attorney Arbitration Counsel; for foreign legal consultants, registered in-house counsel, and registered legal aid attorneys. These programs enable attorneys from other jurisdictions to practice law in California in limited ways. Beginning in 2019, staff will also provide registration for attorneys who are married to members of the military deployed in California, to provide them limited ability to practice without having to take the California Bar examination. Staff also process applications from law students who wish to enhance their legal training by participating in the Practical Training of Law Students Program.

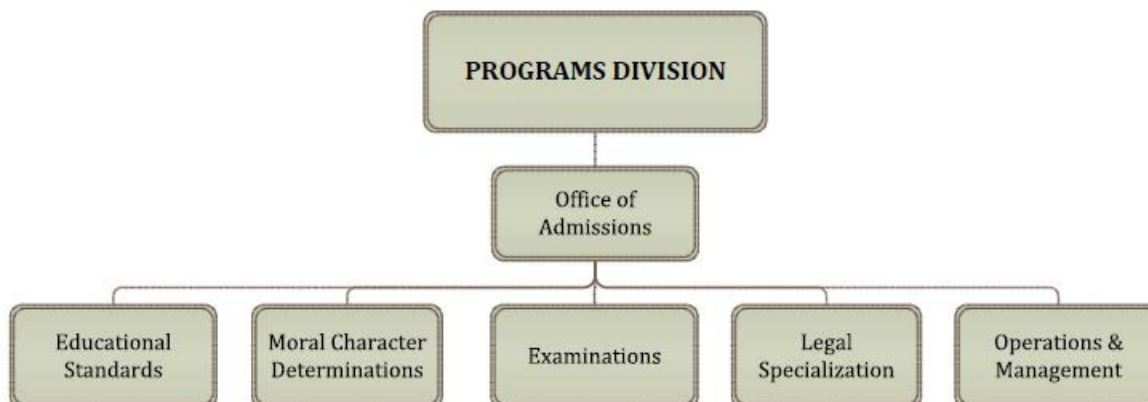
LEGAL SPECIALIZATION

Staff in this area process applications for certification and recertification of attorneys as specialists; this program enables attorneys to earn the designation of certified specialist in particular areas of law. Staff also process applications from outside entities seeking permission to certify specialists in California and applications from educational providers seeking to offer legal specialist education credit for their courses. Staff also coordinate the examination consultants and subject matter experts who create and grade legal specialist examinations.

Division Objectives

- Certify to the State Supreme Court the applicants who have demonstrated minimum competence, legal training and good moral character required for admission to the practice of law.
- Prepare, administer, grade and release results from two administrations of the California Bar Examination, two administrations of the First-Year Law Students' Examination and one administration of the Legal Specialization Examination in accordance with best practices in the development and administration of licensing exams.
- Determine that applicants possess the good moral character required for admission.
- Ensure that accredited and registered unaccredited law schools adhere to established legal education standards and rules.
- Certify as certified specialists in specialized areas of practice attorneys who have satisfied established standards of experience, training and competence, including passing a specialization examination.
- Provide a mechanism for attorneys not admitted to the active practice of law in California and law students to engage in alternative limited practice in certain areas under the supervision of an attorney licensed in California.

Organizational Chart



Fiscal Year 2018 Accomplishments

- Implemented the licensee fingerprint initiative, including taking responsibility for processing all fingerprint cards from bar applicants and existing licensees, and for handling correspondence and tracking of unsuccessful fingerprinting for all applicants and licensees.
- Reviewed and revised the Special Admissions Rules of Court and State Bar Rules, including development of new rules for special admission for Military Spouses.
- Provided training to the Committee of Bar Examiners on conducting informal conferences and additional training on the work of the Lawyer Assistance Program. Prepared guidelines for the Committee of Bar Examiners for consideration of UPL issues at informal conferences.
- Implemented Legal Specialization Examination Development and Drafting Team (LSEDG) and transitioned the function from the volunteer Legal Specialization Advisory Committees to paid professionals.
- Conducted approximately 200 informal conferences and assisted the Committee of Bar Examiners in rendering determinations with respect to moral character applications.
- Actively participated with the development, creation and testing of the new Admissions Information Management Systems (AIMS).
- Created the content for the Legal Specialization examination bank including the addition of several thousand new questions.
- Released results for the Legal Specialization Examination.
- Redesigned law school disclosure forms to improve clarity for consumers and incorporate the five-year cumulative bar passage rate.
- Inspected five law schools and created new site inspection tools.
- Accepted termination of registration from a non-performing law school.
- Sent letters of noncompliance to law schools not substantially complying with accreditation or registration requirements.

Fiscal Year 2019 Projects and Objectives

- Implement changes to the structure and operations of the Committee of Bar Examiners, the California Board of Legal Specialization, and staff roles resulting from the adoption by the Board of Trustees of changes to the governance structure, including:
 - Pursue necessary statutory and rule changes.
 - Transition moral character informal conferences to staff; develop guidelines for greater transparency and consistency in the application of moral character determinations.
 - Revise rules for accreditation of California law schools based on a review of best practices for accreditation; implement accreditation of online schools; develop rules for recognition of non-ABA law schools with regional or national accreditation, and identify California specific requirements.
 - Evaluate the grading process for the California Bar Examination, First Year Law Students Examination, and Legal Specialization examinations and revise processes.
 - Transition decisions on petitions for exams and eligibility to staff.
 - Transition evaluation of applications for certification as a legal specialist to staff.
- Develop and implement policy and procedure changes necessitated by the transition to the Admissions Information Management System; work on AIMS Phase II updates.
- Revise policies and procedures to implement adopted changes to the rules regarding special admissions, including the new category of special admissions for military spouses. Train staff, revise forms, publicize the changes as appropriate.

Fiscal Year 2018 & 2019 Workload Measures and Performance Metrics

Workload Measures

| | 2017 | 2018 |
|--|--------|--------|
| # of Moral Character applications received and processed annually | 6,462 | 6,806 |
| # of CA bar exam and first year law school exam applications received annually | 17,054 | 16,258 |
| # of testing accommodation requests received | 1,579 | 1,575 |

Performance Metrics

- Implement 100% of September 2018 BOT adopted reforms.
- Advance 80% of Moral Character applications from “received” to “filed” status within 60 days.
- Reduce exam costs by 5%.
- Reduce time to grade bar exams from 11 weeks to 9 weeks.

2019 Budgeted Revenue

The Office of Admissions' total revenue budget for 2019 is \$22.9 million. Table 1 provides detailed and comparative information regarding the Office of Admissions budgeted 2019 revenue. Revenue derives primarily from Examination Fees followed by Other Revenues. In the Admissions Fund, the \$1.2 million decline in Exam Fees compared to 2018 reflects the anticipated 5% decline in the number of applicants from 2018 to 2019. The \$7.2 million in Other Revenues reflects a slight increase compared to 2018. Other revenues consist primarily of Moral Character Determination Fees (\$4.0 million) and Student Registration Fees (\$1.2 million) MJP Fees (\$0.7 million). The increase in Legal Specialization Exam Fees are from the exam that is administered every other year. Other revenues declined by \$0.2 million due to a decline in renewals.

Table 1: Source of Revenue by Fund

| Fund | 2018 Budget | 2019 Budget | 2020 Forecast |
|---------------------------------|------------------------|------------------------|--------------------------|
| Admissions Fund | | | |
| Exam Fees | \$14,937,400 | \$13,690,600 | \$14,101,500 |
| Other Revenues | 7,123,900 | 7,251,100 | 7,468,600 |
| Admissions Fund Total | \$22,061,300 | \$20,941,700 | \$21,570,100 |
| Legal Specialization Fund | | | |
| Exam Fees | \$48,000 | \$244,700 | \$252,100 |
| Other Revenues | 1,984,500 | 1,729,500 | 1,781,400 |
| Legal Specialization Fund Total | \$2,032,500 | \$1,974,200 | \$2,033,500 |
| Total Funds | \$24,093,800 | \$22,915,900 | \$23,603,600 |

2019 Budget by Expense Category

The Office of Admissions' total budget for 2019 is \$18.0 million. Table 2 provides detailed and comparative information regarding the Office of Admissions budgeted 2019 expenses. Personnel expenses declined \$0.4 million due to a reduction of four positions. The \$1.3 million reduction in Services reflects the elimination of one time Legal Specialization expenses in 2018 for Exam Writers under the Spend Down. The \$0.5 is primarily due to reduced software purchases in Legal Spec related to document management for the AIMS system.

Table 2: Expenses

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|------------------------|------------------------|------------------------|--------------------------|
| Personnel Expenses | \$8,620,200 | \$8,184,100 | \$8,750,100 |
| Leases and Rent | 1,914,900 | 2,008,500 | 2,068,700 |
| Services | 6,193,900 | 4,942,800 | 5,091,400 |
| Supplies and Equipment | 2,875,900 | 2,340,700 | 2,050,500 |
| Other Expenses | 600,700 | 570,900 | 588,000 |
| Total Expenses | \$20,205,600 | \$18,047,000 | \$18,548,700 |

2019 Interfund Transactions

Table 3 below provides comparative information regarding the amount of indirect costs allocated to or from the Office of Admissions and the amount of transfers to or from other operation areas.

Table 3: Interfund Transactions

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|-------------------------------------|--------------------|--------------------|--------------------|
| Indirect Costs | \$5,880,600 | \$6,163,900 | \$6,349,000 |
| Interfund Transfers Out | 2,100,000 | 100,000 | 100,000 |
| Interfund Transfers In | (1,100,000) | (100,000) | (100,000) |
| Total Interfund Transactions | \$6,880,600 | \$6,163,900 | \$6,349,000 |

Personnel

The Office of Admissions employs 65.30 full-time employees. Table 4 provides prior and current year staffing information for the Office of Admissions. Four positions were eliminated between 2018 and 2019.

Table 4: Staffing

| Regular Status Fulltime Employees | Positions | | | Salaries | |
|-----------------------------------|-------------------|-------------------|---------------------|--------------------|--------------------|
| | FY 2018 Budget | FY 2019 Budget | FY 2020 Forecast | 2019 Budget | 2020 Forecast |
| Chief Programs Officer | 0.15 | 0.15 | 0.15 | \$32,653 | \$34,286 |
| Program Director III | 1.00 | 1.00 | 1.00 | 192,204 | 201,814 |
| Program Director I | 1.00 | 1.00 | 1.00 | 179,169 | 181,536 |
| Program Manager III | 4.00 | 2.00 | 2.00 | 321,739 | 324,168 |
| Program Manager II | 1.00 | | | | |
| Principal Program Analyst | | 1.00 | 1.00 | 158,845 | 164,405 |
| Program Manager I | 1.00 | 2.00 | 2.00 | 245,400 | 257,670 |
| Special Projects Liaison | | 0.15 | 0.15 | 23,827 | 24,661 |
| Program Supervisor | 8.00 | 7.00 | 7.00 | 764,146 | 828,874 |
| IT Analyst II | 1.00 | | | | |
| Program Analyst | | 1.00 | 1.00 | 92,202 | 100,039 |
| Investigator II | 9.00 | 8.00 | 8.00 | 690,918 | 749,318 |
| Program Coordinator | 1.00 | 3.00 | 3.00 | 235,501 | 255,215 |
| Investigator I | | 1.00 | 1.00 | 74,037 | 80,372 |
| Administrative Supervisor | 1.00 | 1.00 | 1.00 | 89,292 | 92,417 |
| Program Specialist | 5.00 | 6.00 | 6.00 | 436,705 | 469,184 |
| Fiscal Services Specialist | 1.00 | 1.00 | 1.00 | 74,537 | 80,967 |
| Senior Administrative Assistant | 2.00 | 2.00 | 2.00 | 137,985 | 149,824 |
| Administrative Assistant II | 7.00 | 5.00 | 5.00 | 379,144 | 397,183 |
| Program Assistant III | 7.00 | 6.00 | 6.00 | 450,849 | 469,987 |
| Administrative Assistant I | 4.00 | 3.00 | 3.00 | 181,318 | 193,377 |
| Office Assistant III | 1.00 | 1.00 | 1.00 | 74,704 | 77,319 |
| Program Assistant II | 10.00 | 9.00 | 9.00 | 537,608 | 574,038 |
| Office Assistant II | 4.00 | 4.00 | 4.00 | 213,986 | 232,041 |
| Total FTE | 69.15 | 65.30 | 65.30 | \$5,586,769 | \$5,938,694 |

PROGRAMS DIVISION

OFFICE OF ATTORNEY REGULATION & CONSUMER RESOURCES

Overview

The Office of Attorney Regulation and Consumer Resources (ARCR) maintains, on behalf of the Supreme Court, the official “Roll of Attorneys” - the list of all attorneys who are licensed to practice in California. ARCR also manages the registration of law corporations and limited law partnerships and is responsible for ensuring the compliance of all licensees with the requirements for mandatory continuing legal education. The office also operates the State Bar’s call center, handling calls from those wishing to make a complaint against an attorney, attorneys with questions about their fees or MCLE requirements, applicants inquiring about registering for the Bar examination, and other calls.

Office Objectives

To maintain the official Attorney Roll, as delegated by the Supreme Court, with diligence and accuracy; to provide excellent service while operating the State Bar Resource Center in order to facilitate the public's ease of access to information and State Bar resources; and to efficiently administer programs and functions including all billing related to annual license renewal, Minimum Continuing Legal Education regulation, and Law Corporation and Limited Liability Partnership certification.

Organizational Chart



Fiscal Year 2018 Accomplishments

- Successfully transitioned from paper statements and implemented an enhanced electronic billing system, resulting in savings for the Bar and increased efficiency for system users.
- Implemented new fingerprinting requirements for active attorneys and attorneys transitioning from inactive to active status.

- Implemented a successful Agency Billing system, which allows firms and agencies to pay fees for multiple attorneys in one batch.
- Transitioned more incoming calls to the State Bar Resource Center (call center), such that ARCR now handles most public calls, increasing the quality and consistency of State Bar customer service.
- Participated in the development of New Attorney 10-Hour MCLE, deployed February 1, 2018.
- Transitioned the renewal process for LLPs to an online system.

Fiscal Year 2019 Projects and Objectives

- Implement a reporting and compliance tracking system for the New Attorney 10-Hour MCLE program.
- Deploy an online renewal system for Law Corporations.
- Work with the Office of Information Technology to continue the development of an online system for MCLE providers to report attendance, making annual MCLE compliance determination easier, improving audit capabilities, and helping to ensure that attorneys complete MCLE as required.

Fiscal Year 2018 & 2019 Workload Measures and Performance Metrics

Workload Measures

| | 2016 | 2017 | 2018 |
|--|---------------|----------------|----------------|
| # of incoming calls | 64,000 | 123,000 | 156,000 |
| # of MCLE applications received | 1,853 | 1,448 | 1,728 |
| # of initial and renewal LLP applications received | 2,724 | 2,824 | 2,735 |
| # of initial and renewal LLC applications received | 9,510 | 9,828 | 8,459 |
| # of requests for certificates of standing received | 8,632 | 8,731 | 9,303 |

Performance Metrics

- Demonstrate full centralization of State Bar workload related to incoming calls within the Attorney Regulation Call Center.
- Process 75% of MCLE Activity Applications. (Currently, review is being completed within 6 weeks) Continue implementation of LLP online renewal with a goal of 90% LLPs completing online.
- Convert 60% of LLPs to a strictly online renewal process.

2019 Budgeted Revenue

The Office of Attorney Regulation and Consumer Resources' total revenue budget for 2019 is \$1.0 million. Revenue is made up of MCLE fees and Certificates of Standing.

Table 1: Source of Revenue by Fund

| Fund | 2018 Budget | 2019 Budget | 2020 Forecast |
|--------------------|------------------------|------------------------|--------------------------|
| General Fund | | | |
| Other Revenues | \$983,200 | \$1,029,900 | \$1,061,000 |
| General Fund Total | \$983,200 | \$1,029,900 | \$1,061,000 |
| Total Funds | \$983,200 | \$1,029,900 | \$1,061,000 |

2019 Budget by Expense Category

The Office of Attorney Regulation and Consumer Resources' total budget for 2019 is \$4.0 million. Table 2 provides detailed and comparative information regarding the Office of Attorney Regulation and Consumer Resources budgeted 2019 expenses. Personnel expenses had an annual net increase of \$450,000 due to the increase of seven staff positions, mostly in Call Center support. This was offset by two positions transferring to the Office of Professional Competence.

Table 2: Expenses

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|------------------------|------------------------|------------------------|--------------------------|
| Personnel Expenses | \$3,012,100 | \$3,476,700 | \$3,735,200 |
| Services | 233,200 | 201,900 | 207,700 |
| Supplies and Equipment | 191,000 | 233,100 | 240,000 |
| Other Expenses | 45,200 | 47,200 | 48,400 |
| Total Expenses | \$3,481,500 | \$3,958,900 | \$4,231,300 |

2019 Interfund Transactions

Table 3 below provides comparative information regarding the amount of indirect costs allocated to or from the Office of Attorney Regulation and Consumer Resources and the amount of transfers to or from other operation areas.

Table 3: Interfund Transactions

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|-------------------------------------|------------------------|------------------------|--------------------------|
| Indirect Costs | \$1,656,200 | \$2,265,700 | \$2,333,700 |
| Total Interfund Transactions | \$1,656,200 | \$2,265,700 | \$2,333,700 |

Personnel

The Office of Attorney Regulation and Consumer Resources employs 29.30 full-time employees. Table 4 provides prior and current year staffing information for the Office of Attorney Regulation and Consumer Resources. Staffing had a net increase of five positions, mostly in Call Center support. Seven positions were added, offset by two positions transferring to the Office of Professional Competence.

Table 4: Staffing

| Regular Status Fulltime Employees | Positions | | | Salaries | |
|-----------------------------------|-------------------|-------------------|---------------------|--------------------|--------------------|
| | FY 2018 Budget | FY 2019 Budget | FY 2020 Forecast | 2019 Budget | 2020 Forecast |
| Chief Programs Officer | 0.15 | 0.15 | 0.15 | \$32,653 | \$34,286 |
| Program Director II | 1.00 | 1.00 | 1.00 | 167,063 | 175,416 |
| Program Manager II | 1.00 | 2.00 | 2.00 | 258,503 | 271,428 |
| Program Manager I | 0.20 | | | | |
| Attorney | 1.00 | | | | |
| Special Projects Liaison | | 0.15 | 0.15 | 23,827 | 24,661 |
| Program Supervisor | 4.00 | 4.00 | 4.00 | 428,817 | 465,551 |
| Senior Program Analyst | 1.00 | | | | |
| Program Analyst | | 1.00 | 1.00 | 86,245 | 93,695 |
| Program Coordinator | 3.00 | 3.00 | 3.00 | 243,093 | 263,710 |
| Program Specialist | 2.00 | 2.00 | 2.00 | 157,192 | 168,525 |
| Administrative Assistant II | 1.00 | | | | |
| Program Assistant III | 2.00 | 5.00 | 5.00 | 368,916 | 385,553 |
| Public Service Representative III | | 4.00 | 4.00 | 236,594 | 254,615 |
| Program Assistant II | 8.00 | 4.00 | 4.00 | 245,282 | 262,754 |
| Public Service Representative II | | 3.00 | 3.00 | 185,662 | 197,778 |
| Total FTE | 24.35 | 29.30 | 29.30 | \$2,433,846 | \$2,597,970 |

PROGRAMS DIVISION

OFFICE OF ACCESS & INCLUSION

Overview

The Office of Access & Inclusion (OA&I) operates several programs intended to ensure that all Californians have appropriate access to the legal system, regardless of income. The programs administered by the Office are supported by a mix of General Fund and grants.

Access to Justice

OA&I works to expand, support, and improve the delivery of legal services to low and moderate income Californians, and develops and administers a range of programs that support and promote the direct delivery of legal services to low and middle income Californians. This work includes the development of policy initiatives and other programs in collaboration with institutions working to expand access to justice for low income Californians. These efforts also include encouraging increased pro bono participation; designing and facilitating free high-quality substantive and skill-based training for legal services lawyers, pro bono counsel, law students, and other advocates on a variety of topics; and administering the Lawyer Referral Service (LRS) certification program. OA&I also coordinates a statewide Disaster Legal Services Response network and hosts the Pathways to Justice Conference, a comprehensive, statewide legal services conference held every three years.

Legal Services Funding

OA&I focuses on attorney and bank compliance with Interest on Lawyers' Trust Accounts (IOLTA) requirements, including ensuring banks are paying comparable rates, and that attorneys are meeting their ethical obligations to segregate client and third party funds in an IOLTA account when those funds cannot earn interest for the benefit of that client or third party. In addition, staff in this area are responsible for the administration and distribution of grants generated through IOLTA, the Equal Access Fund, the Justice Gap Fund, and other revenue sources, including national settlements with banks relating to foreclosures. These grants fund the provision of free legal services to low income Californians through several programs – some of which distribute funds according to a statutory formula and some of which are discretionary subject to programmatic guidelines.

Diversity and Inclusion

OA&I works on programs and initiatives designed to diversify the legal profession and to eliminate bias along the pipeline and in the practice of law. The activity in this area is funded primarily through voluntary contributions to the State Bar. Staff conducts outreach, makes presentations, compiles and disseminates demographic information and other resource materials, and provides support to the State Bar's Council on Access and Fairness (COAF).

Office Objectives

The promotion of greater access to, and inclusion in, the legal system.

Organizational Chart



Fiscal Year 2018 Accomplishments

- Restructured the newly named Office of Access & Inclusion to better integrate the office's access, grant making, and diversity and inclusion work so that policy informs grantmaking and grantmaking informs policy.
- Worked with partners to successfully secure an increase in Equal Access Funds for 2019.
- Recertified banks with the largest IOLTA accounts, increasing revenue for 2019 IOLTA grants by 97%.
- Convened and coordinated with local legal aid providers, FEMA, and ABA Disaster Legal Services Program and other stakeholders in response to wildfires throughout the state.
- Convened 8th Annual Law Academy Summer Institute, a two day training focusing on the California Partnership Academies in high schools and 2+2+3 Pathway to Law programming.
- Presented Judicial Appointments Workshop and coordinated Annual Bias Training for JNE Commission.
- Produced a study of veterans legal services needs and opportunities following a survey of veterans legal services providers a roundtable meeting to discuss status of veterans legal services network in the state.
- Developed substantive revisions to the rules governing certification of Lawyer Referral Services to achieve greater access to legal services

Fiscal Year 2019 Projects and Objectives

- Complete and distribute Impact Report on social and economic benefits of legal services in California.
- Complete a California Justice Gap Study.
- Implement diversity and inclusion objectives adopted by the Board of Trustees and report to the Legislature on the State Bar's diversity and inclusion plan.
- Identify opportunities for coordination and collaboration to improve the delivery of legal services to veterans in California.
- Draft and release new Bank Grant RFP for foreclosure prevention and community redevelopment projects and award grants to legal services programs.
- Plan and hold 2019 Pathways to Justice Conference, which will provide substantive programming for legal services, self-help, and other stakeholders.
- Develop an online portal for Lawyer Referral Service applications for certification.
- Participate in efforts to increase funding for legal services.
- Transition the California Commission on Access to Justice.
- Implement the governance reforms adopted related to the Legal Services Trust Fund Commission, including the adoption of new rules and guidelines to bring greater transparency and consistency to the grant making and grant administration process.
- Finalize re-certification of banks; continue to monitor interest rates to ensure interest rates paid on IOLTA accounts is at least the minimum required by statute; reinstitute Leadership Bank or similar program to recognize and encourage banks to pay higher interest rates on IOLTA accounts.

Fiscal Year 2018 & 2019 Workload Measures and Performance Metrics

Workload Measures

| | 2017 | 2018 |
|--|------|------|
| # of banks providing interest rates above minimum required | NA | 49 |

Performance Metrics

- Demonstrate full integration of grant- making, diversity, and legal services policy work by Q2 2019
- Implement 90% of changes identified in Legal Services Trust Fund & Access Commission Stakeholder Processes, by Q3 2019
- Identify 3-5 key improvement opportunities in data reporting and collection from the 2017 Main Benefits Report by Q1 2019
- Implement 80% of identified data collection and reporting improvements by Q2 2019

2019 Budgeted Revenue

The Office of Access & Inclusion's total revenue budget for 2019 is \$57.4 million. Table 1 provides detailed and comparative information regarding Access & Inclusion budgeted 2019 revenue. The \$16.2 million increase compared to 2018 is driven primarily by IOLTA income, the result of rising interest rates. Also included is \$0.5 million of insurance income for Legal Services projects. Based on recent trends, the Office predicts an increase of \$0.3 million in Justice Gap donations.

Table 1: Source of Revenue by Fund

| Fund | 2018 Budget | 2019 Budget | 2020 Forecast |
|---------------------------------|------------------------|------------------------|--------------------------|
| Elimination of Bias Fund | | | |
| Voluntary Fees & Donations | \$320,000 | \$320,000 | \$329,600 |
| Other Revenues | 10,100 | 100 | 100 |
| Elimination of Bias Fund Total | \$330,100 | \$320,100 | \$329,700 |
| Equal Access Fund | | | |
| Grants | \$25,599,900 | \$25,599,900 | \$26,367,900 |
| Other Revenues | 508,200 | 490,000 | 504,700 |
| Equal Access Fund Total | \$26,108,100 | \$26,089,900 | \$26,872,600 |
| General Fund | | | |
| Other Revenues | \$60,000 | \$92,000 | \$94,800 |
| General Fund Total | \$60,000 | \$92,000 | \$94,800 |
| Grants Fund | | | |
| Grants | \$16,400 | \$0 | \$0 |
| Grants Fund Total | \$16,400 | \$0 | \$0 |
| Justice Gap Fund | | | |
| Voluntary Fees & Donations | \$900,000 | \$1,232,000 | \$1,269,000 |
| Other Revenues | 11,100 | 17,100 | 17,600 |
| Justice Gap Fund Total | \$911,100 | \$1,249,100 | \$1,286,600 |
| Bank Settlement Fund | | | |
| Other Revenues | \$150,000 | \$50,000 | \$51,500 |
| Bank Settlement Fund Total | \$150,000 | \$50,000 | \$51,500 |
| Legal Services Trust Fund | | | |
| Voluntary Fees & Donations | \$6,750,000 | \$6,101,200 | \$6,284,200 |
| Other Revenues | 6,835,000 | 23,472,900 | 24,177,100 |
| Legal Services Trust Fund Total | \$13,585,000 | \$29,574,100 | \$30,461,300 |
| Total Funds | \$41,160,700 | \$57,375,200 | \$59,096,500 |

2019 Budget by Expense Category

The Office of Access & Inclusion's total budget for 2019 is \$66.1 million. Table 2 provides detailed and comparative information regarding Access & Inclusion budgeted 2019 expenses. Expenses exceed revenue due to planned spending of prior year revenue from the Bank Settlement Fund (\$9.6 million). The \$12.7 million increase compared to 2018 is driven primarily by the increased amount of IOLTA income to disburse for Legal Services grants, the result of rising interest rates.

Table 2: Expenses

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|------------------------|------------------------|------------------------|--------------------------|
| Personnel Expenses | \$2,688,000 | \$2,802,600 | \$3,015,100 |
| Services | 248,600 | 423,200 | 435,900 |
| Legal Services Grants | 50,227,700 | 62,670,700 | 64,550,900 |
| Supplies and Equipment | 130,200 | 89,300 | 92,000 |
| Other Expenses | 88,300 | 124,100 | 127,800 |
| Total Expenses | \$53,382,800 | \$66,109,900 | \$68,221,700 |

2019 Interfund Transactions

Table 3 below provides comparative information regarding the amount of indirect costs allocated to or from Access & Inclusion and the amount of transfers to or from other operation areas.

Table 3: Interfund Transactions

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|-------------------------------------|------------------------|------------------------|--------------------------|
| Indirect Costs | \$1,546,400 | \$1,500,900 | \$1,546,100 |
| Total Interfund Transactions | \$1,546,400 | \$1,500,900 | \$1,546,100 |

Personnel

The Office of Access & Inclusion employs 19.30 full-time employees. Table 4 provides prior and current year staffing information for Access & Inclusion. There are no significant changes from the 2018 budgeted personnel.

Table 4: Staffing

| | Positions | | | Salaries | |
|--|---------------------------|---------------------------|-----------------------------|------------------------|--------------------------|
| | FY 2018 Budget | FY 2019 Budget | FY 2020 Forecast | 2019 Budget | 2020 Forecast |
| Regular Status Fulltime Employees | | | | | |
| Chief Programs Officer | 0.15 | 0.15 | 0.15 | \$32,653 | \$34,286 |
| Program Director II | 1.00 | 1.00 | 1.00 | 174,732 | 183,469 |
| Program Manager III | 1.00 | | | | |
| Program Manager I | 0.80 | | | | |
| Special Projects Liaison | | 0.15 | 0.15 | 23,827 | 24,661 |
| Program Supervisor | 1.00 | 3.00 | 3.00 | 354,514 | 373,880 |
| Senior Financial Analyst | 2.00 | 1.00 | 1.00 | 106,871 | 114,605 |
| Senior Program Analyst | 7.00 | 9.00 | 9.00 | 919,146 | 986,769 |
| Program Analyst | 2.00 | 2.00 | 2.00 | 170,797 | 185,490 |
| Program Coordinator | 2.00 | 1.00 | 1.00 | 81,084 | 87,976 |
| Program Specialist | 2.00 | 2.00 | 2.00 | 161,977 | 170,391 |
| Total FTE | 18.95 | 19.30 | 19.30 | \$2,025,601 | \$2,161,527 |

PROGRAMS DIVISION

OFFICE OF PROFESSIONAL COMPETENCE

Overview

The Office of Professional Competence (OPC) administers the State Bar's attorney professional responsibility programs and resources. These activities facilitate awareness of and compliance with disciplinary standards and other attorney conduct duties.

Ethics Hotline

The Ethics Hotline is a confidential legal research service that promotes the competent practice of the law by providing a resource that identifies and analyzes professional responsibility issues. Although legal advice is not provided, the research assistance protects clients by mitigating the incidence of unintentional misconduct in areas such as: conflicts of interest; commingling and misappropriation of client funds; deceptive advertising; and the unauthorized practice of law.

Board of Trustees and Committee Support

As needed, Professional Competence staff provides a full range of staffing support to the Board of Trustees for issues related to attorney professional responsibility. Similarly, as assigned, staff provides support to other special task forces and ad hoc committees, such as the Rules Revision Commission (RRC), and the new Task Force on Access Through Innovation of Legal Services (ATILS) appointed by the Board in September 2018. As a regular responsibility, staff provides support for the Standing Committee on Professional Responsibility and Conduct (COPRAC).

Outreach & Education

Staff participates in and coordinates outreach and educational activities that raise awareness of professional responsibility compliance issues, including issues arising from the new Rules of Professional Conduct. Awareness of legal ethics compliance issues contributes to competent representation of clients. These outreach and educational activities include preparing and presenting the State Bar's Annual Ethics Symposium. In addition, staff oversees the Bar's e-learning educational initiatives, including the New Attorney Training Program, training on the new rules of professional conduct (in development), training for probationers (in development), and other trainings to be developed in 2019 and future years.

Mandatory Fee Arbitration

Beginning in 2019, OPC will coordinate the Mandatory Fee Arbitration Program, which manages arbitration cases of attorney-client disputes over legal fees pursuant to Business and Professions Code section 6200 and assists county fee arbitration programs in training, development of rules and fee schedules, and educational content. The program also assists clients in enforcing those awards where an attorney has been ordered to return unearned fees to the client, but fails to do so.

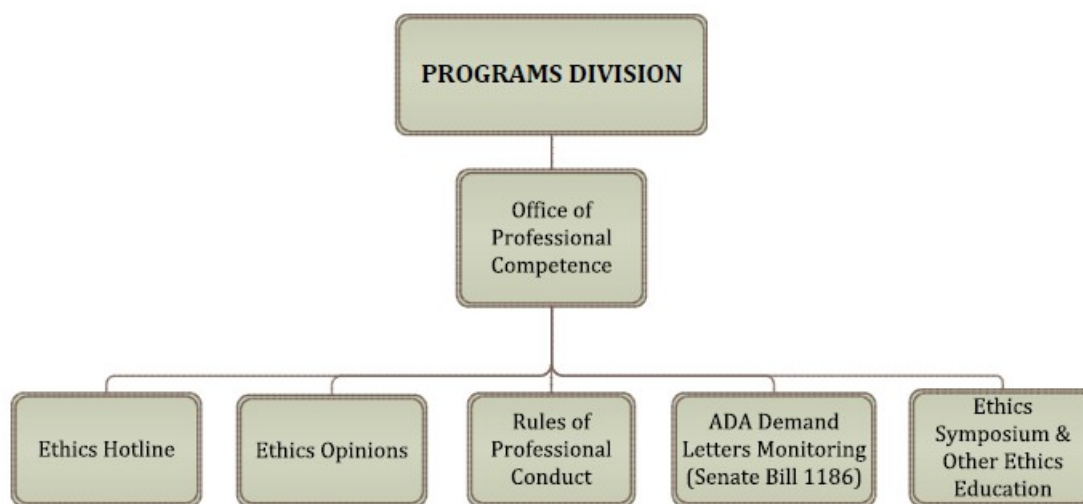
Publications

OPC staff produce and update the following professional responsibility publications: The California Compendium on Professional Responsibility; and The California Rules of Professional Conduct, The State Bar Act and Related Statutes (this one is also offered as an e-book). The most frequently updated publications are the extensive online professional responsibility resources on topics such as: ethics and technology; judicial ethics; civility and professionalism; and senior lawyer issues. This includes an online version of The Handbook on Client Trust Accounting for California Attorneys.

Office of Professional Competence Objectives

- Facilitate the competent practice of the law by providing research information and resources on professional responsibility issues through the Ethics Hotline, ethics opinions and other activities.
- Set and maintain high standards of professional responsibility by assisting the Board of Trustees and Supreme Court in considering proposed amendments to the Rules of Professional Conduct and other laws governing lawyers.
- Help protect against abusive activities in ADA construction-related accessibility claims by monitoring demand letters sent by plaintiff attorneys pursuant to statute (Senate Bill No. 1186).
- Ensure the effective operation of the Mandatory Fee Arbitration Program.

Organizational Chart



Fiscal Year 2018 Accomplishments

- Implemented the New Attorney Training Program requiring all new admittees, , to complete 10 hours of e-learning in 9 interactive e-learning courses in subjects including legal ethics and elimination of bias.
- In response to the Supreme Court's May 2018 order approving comprehensive amendments to the Rules of Professional Conduct, staff carried out implementation and outreach activities.

- Significantly increased Ethics Symposium attendance, doubling the number of paid registrants from prior years. This was due in part to OPC’s outreach strategies and a new option for registrants to access the event via an online webcast.

Fiscal Year 2019 Projects and Objectives

- Provide primary staffing support for the new Task Force on Access Through Innovation of Legal Services, and assist in the development of recommendations for the Board by the end of 2019.
- Manage the State Bar’s production of e-learning courses on subjects such as: elimination of bias, competency, and mandatory fee arbitration issues.
- Monitor the impact of the new Rules of Professional Conduct with a view towards considering additional tools for fostering compliance.
- Implement enhancements to the Ethics Hotline call center system.
- Fully integrate the Mandatory Fee Arbitration Program into the Office of Professional Competence, implement changes adopted by the Board of Trustees as part of the State Bar’s governance reforms, identify operational efficiencies, and transition of the development of the Fee Arbitration Program Arbitrator Advisories from the Committee on Mandatory Fee Arbitration to COPRAC.

Fiscal Year 2018 & 2019 Workload Measures and Performance Metrics

Workload Measures

| | 2016 | 2017 | 2018 |
|--|---------------|---------------|---------------|
| # of Ethics Hotline Calls Annually (The Ethics Hotline is an outbound call center and this figure represents the total aggregate outgoing calls made by the Ethics Hotline staff.) | 17,186 | 16,462 | 16,852 |

Performance Metrics

- Ethics Hotline: Maintain historical benchmark of a ratio of 60% new callers to 40% returning callers within a 10% variance
- Rules of Professional Conduct: Increase attorney awareness of the new Rules of Professional Conduct, effective November 1, 2018.
- E-learning courses: 85% of participants completing evaluation report that courses met their expectations and contained significant relevant content with a “4” or above rating (on a scale of 1 to 5, with 5 being the highest rating) on course feedback

2019 Budgeted Revenue

The Office of Professional Competence's total revenue budget for 2019 is less than \$0.1 million. Table 1 provides detailed and comparative information regarding Office of Professional Competence budgeted 2019 revenue. Revenues are from Ethics Symposiums and Publication Sales.

Table 1: Source of Revenue by Fund

| Fund | 2018 Budget | 2019 Budget | 2020 Forecast |
|--------------------|------------------------|------------------------|--------------------------|
| General Fund | | | |
| Other Revenues | \$38,700 | \$45,300 | \$46,700 |
| General Fund Total | \$38,700 | \$45,300 | \$46,700 |
| Total Funds | \$38,700 | \$45,300 | \$46,700 |

2019 Budget by Expense Category

The Office of Professional Competence's total budget for 2019 is \$2.7 million. Table 2 provides detailed and comparative information regarding the Office of Professional Competence budgeted 2019 expenses. Personnel expenses increased by \$0.6 million compared to 2018. There was a net increase of two FTE filled combined with Class and Comp increases that exceeded the annual merit amount. Furthermore, the \$0.2 million increase in services includes \$0.1 million for the Study of Online Legal Services Delivery under the Strategic Plan.

Table 2: Expenses

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|------------------------|------------------------|------------------------|--------------------------|
| Personnel Expenses | \$1,554,800 | \$2,128,000 | \$2,282,000 |
| Leases and Rent | 2,800 | 200 | 200 |
| Services | 221,700 | 428,400 | 441,300 |
| Supplies and Equipment | 50,500 | 50,400 | 51,800 |
| Other Expenses | 56,400 | 49,900 | 51,300 |
| Total Expenses | \$1,886,200 | \$2,656,900 | \$2,826,600 |

2019 Interfund Transactions

Table 3 below provides comparative information regarding the amount of indirect costs allocated to or from the Office of Professional Competence and the amount of transfers to or from other operation areas.

Table 3: Interfund Transactions

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|-------------------------------------|------------------------|------------------------|--------------------------|
| Indirect Costs | \$937,800 | \$1,038,400 | \$1,069,500 |
| Total Interfund Transactions | \$937,800 | \$1,038,400 | \$1,069,500 |

Personnel

The Office of Professional Competence employs 13.30 full-time employees. Table 4 provides prior and current year staffing information for the Office of Professional Competence. Compared to 2018, staffing has a net increase of two.

Table 4: Staffing

| Regular Status Fulltime Employees | Positions | | | Salaries | |
|-----------------------------------|-------------------|-------------------|---------------------|--------------------|--------------------|
| | FY 2018 Budget | FY 2019 Budget | FY 2020 Forecast | 2019 Budget | 2020 Forecast |
| Chief Programs Officer | 0.15 | 0.15 | 0.15 | \$32,653 | \$34,286 |
| Program Manager III | 1.00 | 1.00 | 1.00 | 171,983 | 171,983 |
| Senior Program Analyst | 3.00 | 7.00 | 7.00 | 751,801 | 814,432 |
| Attorney | 1.00 | 2.00 | 2.00 | 231,633 | 251,593 |
| Special Projects Liaison | | 0.15 | 0.15 | 23,827 | 24,661 |
| Program Supervisor | 1.00 | 1.00 | 1.00 | 126,452 | 131,381 |
| IT Analyst II | 1.00 | | | | |
| Senior Administrative Assistant | 1.00 | 1.00 | 1.00 | 79,376 | 83,958 |
| Paralegal | 2.00 | | | | |
| Public Service Representative II | 1.00 | 1.00 | 1.00 | 62,904 | 65,106 |
| Total FTE | 11.15 | 13.30 | 13.30 | \$1,480,628 | \$1,577,400 |

PROGRAMS DIVISION

OFFICE OF CASE MANAGEMENT AND SUPERVISION

Overview

The Office of Case Management and Supervision (OCMS) consists of the Lawyer Assistance Program and the Office of Probation. Together these two areas of the Bar are responsible for providing case management and supervision services to licensed attorneys, former attorneys, and prospective attorneys. Many of these attorneys have pending or completed disciplinary proceedings, however OCMS clients also include law students and attorneys with no pending discipline.

Lawyer Assistance Program

The Lawyer Assistance Program (LAP) provides substance abuse and mental health support services to current and former attorneys, law students, and applicants for admission to the California State Bar through a range of services that are tailored to the circumstances of each participant. The goal of the LAP is to protect the public through outreach and education to the legal community about the dangers of substance use and mental illness and to assist in the rehabilitation of those who struggle with these issues (see Business and Professions Code section 6230).

Orientation and Assessment

Attorneys, former attorneys, students and applicants are eligible to receive a free professional mental health assessment by a licensed clinician without making a longer-term commitment to participate in the program. Participants are also entitled to attend up to three free sessions of an LAP group support without obligation to continue further.

Monitored LAP

Monitored LAP is for attorneys and applicants who must satisfy a specific monitoring or verification requirement imposed by an employer, the Office of Chief Trial Counsel, State Bar Court, the Committee of Bar Examiners, or another entity. Monitored LAP is also available to attorneys and applicants seeking help independently. The program offers long-term structure and the support of a professional Clinical Rehabilitation Coordinator. Attendance at LAP group meetings and lab testing are typically required as conditions of participating in Monitored LAP.

Support LAP

Support LAP is for attorneys and applicants who are interested in participating in a weekly group meeting with other lawyers and would like the support of a qualified mental health professional.

Transition Assistance Services

The LAP also offers short term counseling and career counseling at no cost to the law student, Bar applicant or attorney. Short-term counseling provides up to two sessions of counseling with a local therapist who specializes in working with legal professionals. This counseling service addresses common problems such as stress, burnout, relationship conflicts and career concerns, and is intended to identify and treat potential problems at the earliest possible stage. Career counseling provides up to two sessions of consultation with a local career counselor who is experienced in helping legal professionals through important career transitions.

Program Objectives

To support recovering attorneys in their rehabilitation from substance use issues and offer support and treatment for those with mental health issues to enhance public protection and maintain the integrity of the legal profession.

Organizational Chart



Fiscal Year 2018 Accomplishments

- Began to develop comprehensive outreach and education program for law schools, law firms and in accordance with the LAP Strategic Plan.
- Eliminated LAP Evaluation Committee and in favor of equally effective, but more efficient and flexible Clinical Review Team process.
- Moved into new LAP suite to respond to attorney concerns about confidentiality.
- Expanded the financial assistance program to provide financial assistance for LAP services to law students, applicants to the Bar and former attorneys.
- Accepted 148 new applicants into the program; served 246 participants.
- Delivered 34 educational presentations to law schools, law firms and/or bar associations.
- Implemented a new client satisfaction survey to be administered quarterly. For the last quarter of 2018 (1st time the survey was administered), 88% of respondents reported overall satisfaction with their LAP experience, and 90% of respondents reported the

information and services provided by LAP effectively and appropriately addressed their goals.

- Implemented the requirement of a Brief Symptom Inventory, to be administered quarterly, to track the overall success rate / progress of LAP participants.
- Streamlined processes, including the elimination of the evaluation plan and streamlining the intake paper processes.

Fiscal Year 2019 Projects and Objectives

- Conduct outreach to solo practitioners.
- Deliver at least 20 educational and outreach presentations to law schools and at least 10 to law firms and/or bar associations.
- Research the feasibility of using existing applications or other technological solutions to provide services.
- Develop and maintain approved list of treatment providers and vetted resources.
- Lead the implementation of procedural and structural changes that emerge from the review of the directed by the Board of Trustees pursuant to recommendations of the 2017 Governance in the Public Interest Task Force, including pursuing the separation of the “voluntary” or self-referral part of the program to a new entity or contractor.

Fiscal Year 2018 & 2019 Workload Measures and Performance Metrics

Workload Measures

| | 2017 | 2018 |
|--|-------------|---------------------------------|
| # of intakes | 143 | 148 |
| # of requests for educational presentations | | Begin collecting in 2019 |
| # of presentations completed | | *pending |
| # of clients served | 277 | 276 |

Performance Metrics

- Increase intakes by 10% by Q4 2019
- 70% of appropriate intakes successfully complete program requirements upon closing by Q1 2019
- Respond to 100% of requests for presentations within 2 business days by Q1 2019
- Fulfill 90% of appropriate presentation requests by Q1 2019Track successful completion rates for ADP cases by Q2 2019
- Increase number of law school presentations from 0 to 8 by end of 2018

2019 Budget by Revenue Category

The Lawyer Assistance Program's total revenue budget for 2019 is \$2.1 million. Table 1 provides detailed and comparative information regarding Lawyer Assistance Program budgeted 2019 revenue. The revenue is comprised almost entirely of mandatory licensing fees, with no change compared to 2018.

Table 1: Source of Revenue by Fund

| Fund | 2018 Budget | 2019 Budget | 2020 Forecast |
|--------------------------------------|------------------------|------------------------|--------------------------|
| Lawyer Assistance Program Fund | | | |
| Mandatory Fees | \$2,107,000 | \$2,107,000 | \$2,107,200 |
| Other Revenues | 20,000 | 20,000 | 20,600 |
| Lawyer Assistance Program Fund Total | \$2,127,000 | \$2,127,000 | \$2,127,800 |
| Total Funds | \$2,127,000 | \$2,127,000 | \$2,127,800 |

2019 Budget by Expense Category

The Lawyer Assistance Program's total budget for 2019 is \$1.5 million. Table 2 provides detailed and comparative information regarding Lawyer Assistance Program budgeted 2019 expenses. In 2018, the Lawyer Assistance Program relocated to an offsite office in Los Angeles, resulting in annual rental expenses of \$0.1 million. In 2018, there were one time expenses under Services for consultant recommendations and online curriculum development, accounting for the \$0.2 million reduction in 2019.

Table 2: Expenses

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|------------------------|------------------------|------------------------|--------------------------|
| Personnel Expenses | \$1,260,200 | \$1,249,700 | \$1,073,300 |
| Leases and Rent | 3,300 | 104,300 | 107,400 |
| Services | 340,000 | 71,100 | 73,100 |
| Supplies and Equipment | 22,800 | 26,300 | 27,100 |
| Other Expenses | 81,100 | 82,100 | 84,600 |
| Total Expenses | \$1,707,400 | \$1,533,500 | \$1,365,500 |

2019 Interfund Transactions

Table 3 below provides comparative information regarding the amount of indirect costs allocated to or from Lawyer Assistance Program and the amount of transfers to or from other operation areas.

Table 3: Interfund Transactions

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|-------------------------------------|------------------------|------------------------|--------------------------|
| Indirect Costs | \$530,000 | \$483,400 | \$497,900 |
| Total Interfund Transactions | \$530,000 | \$483,400 | \$497,900 |

Personnel

Lawyer Assistance Program employs 9.3 full-time employees. Table 4 provides prior and current year staffing information for Case Management & Supervision. There were no significant changes compared to 2018. In 2020, contracting out voluntary LAP services is expected to result in a reduction of two positions.

Table 4: Staffing

| Regular Status Fulltime Employees | Positions | | | Salaries | |
|-----------------------------------|-------------------|-------------------|---------------------|------------------|------------------|
| | FY 2018 Budget | FY 2019 Budget | FY 2020 Forecast | 2019 Budget | 2020 Forecast |
| Chief Programs Officer | 0.15 | 0.15 | 0.15 | \$32,653 | \$34,286 |
| Program Manager II | 1.00 | | | | |
| Special Projects Liaison | | 0.15 | 0.15 | 23,827 | 24,661 |
| Program Supervisor | | 1.00 | 1.00 | 119,110 | 126,823 |
| Senior Program Analyst | 2.00 | 2.00 | 1.00 | 203,292 | 110,571 |
| Clinical Rehab Coordinator | | 4.00 | 4.00 | 363,909 | 384,670 |
| Clinical Case Coordinator | 4.00 | | | | |
| Administrative Assistant II | 2.00 | 2.00 | 1.00 | 163,239 | 89,684 |
| Total FTE | 9.15 | 9.30 | 7.30 | \$906,029 | \$770,694 |

PROGRAMS DIVISION

OFFICE OF PROBATION

Overview

The Office of Probation (OP) monitors disciplined attorneys who have been ordered to comply with probation or reprobation conditions pursuant to orders issued by the California Supreme Court and/or the State Bar Court. Once these orders become effective, the OP establishes its own case files to monitor the compliance or non-compliance of each attorney.

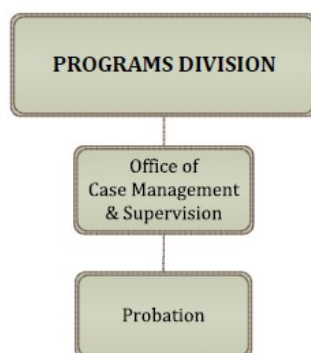
Probation Office

OP monitoring requires staff to contact the attorney being monitored and third parties such as former clients, service providers, and other office within the State Bar. OP staff provide timely information to the attorney, the Office of Chief Trial Counsel, and State Bar Court regarding non-compliance; OP staff are available to testify under oath in Court.

Office Objectives

- Facilitate self-rehabilitation of disciplined attorneys by supporting compliance with ordered conditions of probation.
- Accurately monitor disciplined attorneys to facilitate their rehabilitation as well as support public protection.
- Support public protection by timely notifying OCTC or State Bar Court of non-compliance by disciplined attorneys with ordered conditions.

Organizational Chart



Fiscal Year 2018 Accomplishments

- Participated in Workload Study and implemented Workforce Planning recommendations.
- Participated in training regarding Evidence Based Practices in criminal probation, including Motivational Interview techniques, to augment current monitoring modalities.

Fiscal Year 2019 Projects and Objectives

- With ORIA and IT, continue to implement the new Case Management System, including possible interfaces such as a portal, while working toward a paperless department.
- Further implement Evidence Based Practices through additional training and procedural or structural changes.

Fiscal Year 2018 & 2019 Workload Measures and Performance Metrics

Workload Measures

| | 2016 | 2017 | 2018 |
|--|-------|------|------|
| # of new probation cases opened | 983 | 539 | 410 |
| Annual probation caseload | 808 | 631 | 525 |
| # of probation cases closed /or # of motions to revoke or # of referrals to OCTC | 1,280 | 831 | 615 |

Performance Metrics

- Track successful completion rates
- Track rates of successful satisfaction of restitution orders

2019 Budget by Expense Category

The Office of Probation's total budget for 2019 is \$1.1 million. Table 1 provides detailed and comparative information regarding the Office of Probation budgeted 2019 expenses. The increase in personnel costs is driven primarily by the impact of Class and Compensation for a small number of represented staff.

Table 1: Expenses

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|------------------------|------------------|--------------------|--------------------|
| Personnel Expenses | \$975,600 | \$1,126,000 | \$1,192,700 |
| Services | 600 | 600 | 600 |
| Supplies and Equipment | 18,700 | 18,700 | 19,300 |
| Other Expenses | 1,300 | 1,300 | 1,300 |
| Total Expenses | \$996,200 | \$1,146,600 | \$1,213,900 |

2019 Interfund Transactions

Table 2 below provides comparative information regarding the amount of indirect costs allocated to or from the Office of Probation and the amount of transfers to or from other operation areas.

Table 2: Interfund Transactions

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|-------------------------------------|------------------------|------------------------|--------------------------|
| Indirect Costs | \$432,400 | \$508,400 | \$523,600 |
| Total Interfund Transactions | \$432,400 | \$508,400 | \$523,600 |

Personnel

The Office of Probation employs 8.3 full-time employees. Table 3 provides prior and current year staffing information for the Office of Probation. The 0.5 FTE increase from 2018 reflects the full time reassignment to the program of one Subject Matter Expert who worked part time on the Case Management System, and the partial assignment of one staff within the Programs Division.

Table 3: Staffing

| | Positions | | | Salaries | |
|--|---------------------------|---------------------------|-----------------------------|------------------------|--------------------------|
| | FY 2018 Budget | FY 2019 Budget | FY 2020 Forecast | 2019 Budget | 2020 Forecast |
| Regular Status Fulltime Employees | | | | | |
| Chief Programs Officer | 0.15 | 0.15 | 0.15 | \$32,653 | \$34,286 |
| Supervising Attorney | 0.70 | 1.00 | 1.00 | 182,457 | 193,862 |
| Special Projects Liaison | | 0.15 | 0.15 | 23,827 | 24,661 |
| Probation Case Specialist | 5.00 | 6.00 | 6.00 | 483,870 | 507,722 |
| Court Specialist | 1.00 | | | | |
| Administrative Assistant II | 1.00 | 1.00 | 1.00 | 77,316 | 80,022 |
| Total FTE | 7.85 | 8.30 | 8.30 | \$800,123 | \$840,553 |

PROGRAMS DIVISION

OFFICE OF THE CLIENT SECURITY FUND

Overview

The main purpose of the Office of the Client Security Fund (CSF) is to protect the public and maintain confidence in the legal profession by reimbursing victims of attorney theft. There are four main areas that encompass the work of the CSF: (a) legal case processing; (b) support for the CSF Commission and the Board of Trustees; (c) financial management; and (d) administration. CSF funding is derived from a statutorily mandated \$40 fee paid as part of the annual attorney licensing process.

Office Objectives

Protect the public and maintain public confidence in the legal profession by reimbursing clients who have lost money or property due to theft by a California lawyer. The CSF achieves this objective by:

- Making legal decisions on applications in a fair, efficient and effective manner;
- Ensuring that the CSF system is user-friendly and accessible;
- Staffing the CSF Commission to ensure appropriate decisions are made; and
- Monitoring the fiscal integrity of the CSF Fund to ensure its viability.

Organizational Chart



Fiscal Year 2018 Accomplishments

- Developed for Board approval and submission to the Legislature the statutorily mandated report on the CSF, including options for increasing revenue to the CSF and decreasing time to payout.
- Distributed 100% of amount budgeted for payouts even with increase in budgeted amount due to funds transferred from LAP and decrease in the amount held in the CSF reserve.
- Increased communications with applicants regarding status of applications. Provided two mass status updates to applicants and continued to increase use of email communication to update applicants on status as requested.
- Re-assessed CSF staffing needs and incorporated new Attorney position and new Investigator position to help increase efficiency and effectiveness.

Fiscal Year 2019 Projects and Objectives

- Increase and further automate applicant communication regarding application status.
- Coordinate the implementation of procedural and structural changes adopted by the Board of Trustees pursuant to recommendations of the 2017 Governance in the Public Interest Task.
- Decrease the time to payout for eligible applications.

Fiscal Year 2018 & 2019 Workload Measures and Performance Metrics

Workload Measures

| | 2017 | 2018 |
|-------------------------------|-------|-------|
| # of applications filed | 936 | 1,000 |
| # of applications paid | 909 | 900 |
| Pending inventory at year-end | 3,431 | 3,000 |

Performance Metrics

- Provide status update to 100% of applicants at least twice a year
- Ensure timely, accurate budget allocations for reimbursements
- Monitor caseload clearance rate (number in and number out) and case inventory and amount of time to resolve with goal of moving to resolving applications within 12 months of jurisdiction as resources allow

2019 Budget by Revenue Category

The Client Security Fund's total revenue budget for 2019 is \$8.0 million. Table 1 provides detailed and comparative information regarding Client Security Fund budgeted 2019 revenue. The revenue is comprised almost entirely of mandatory licensing fees, with no change compared to 2018.

Table 1: Source of Revenue by Fund

| Fund | 2018 Budget | 2019 Budget | 2020 Forecast |
|----------------------------|------------------------|------------------------|--------------------------|
| Client Security Fund | | | |
| Mandatory Fees | \$7,927,300 | \$7,927,300 | \$8,028,100 |
| Other Revenues | 49,400 | 49,400 | 50,800 |
| Client Security Fund Total | \$7,976,700 | \$7,976,700 | \$8,078,900 |
| Total Funds | \$7,976,700 | \$7,976,700 | \$8,078,900 |

2019 Budget by Expense Category

The Office of the Client Security Fund's total budget for 2019 is \$7.9 million. Table 2 provides detailed and comparative information regarding the Office of the Client Security Fund budgeted 2019 expenses. The \$0.5 million increase compared to 2018 is driven by a \$0.3 million increase in payments and a \$0.2 million decrease in reimbursements.

Table 2: Expenses

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|------------------------|------------------------|------------------------|--------------------------|
| Personnel Expenses | \$1,491,700 | \$1,456,900 | \$1,534,000 |
| Services | 11,500 | 10,900 | 11,200 |
| Supplies and Equipment | 29,400 | 30,000 | 30,900 |
| Other Expenses | (136,300) | 13,100 | 13,400 |
| CSF Payments | 6,600,000 | 6,900,000 | 6,000,000 |
| CSF Reimbursements | (540,000) | (485,000) | (499,500) |
| Total Expenses | \$7,456,300 | \$7,925,900 | \$7,090,000 |

2019 Interfund Transactions

Table 3 below provides comparative information regarding the amount of indirect costs allocated to or from the Office of the Client Security Fund and the amount of transfers to or from other operation areas.

Table 3: Interfund Transactions

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|-------------------------------------|------------------------|------------------------|--------------------------|
| Indirect Costs | \$585,400 | \$581,800 | \$599,200 |
| Total Interfund Transactions | \$585,400 | \$581,800 | \$599,200 |

Personnel

The Office of the Client Security Fund employs 8.20 full-time employees. Table 4 provides prior and current year staffing information for the Office of the Client Security Fund. Compared to 2018, staffing was reduced by one FTE.

Table 4: Staffing

| Regular Status Fulltime Employees | Positions | | | Salaries | |
|-----------------------------------|-------------------|-------------------|---------------------|--------------------|--------------------|
| | FY 2018 Budget | FY 2019 Budget | FY 2020 Forecast | 2019 Budget | 2020 Forecast |
| Chief Programs Officer | 0.10 | 0.10 | 0.10 | \$21,769 | \$22,857 |
| Program Manager III | 1.00 | 1.00 | 1.00 | 171,983 | 171,983 |
| Senior Attorney | 2.00 | 2.00 | 2.00 | 340,872 | 352,803 |
| Attorney | 1.00 | 1.00 | 1.00 | 107,243 | 116,532 |
| Special Projects Liaison | | 0.10 | 0.10 | 15,885 | 16,440 |
| Program Supervisor | 1.00 | 1.00 | 1.00 | 117,440 | 125,963 |
| Investigator II | | 1.00 | 1.00 | 99,322 | 103,167 |
| Program Coordinator | 1.00 | 1.00 | 1.00 | 83,971 | 90,662 |
| Senior Administrative Assistant | 2.00 | 1.00 | 1.00 | 79,794 | 83,973 |
| Paralegal | 1.00 | | | | |
| Total FTE | 9.10 | 8.20 | 8.20 | \$1,038,279 | \$1,084,380 |

ADMINISTRATIVE DIVISION

OVERVIEW

The Administrative Division comprises the core support Offices of General Services, Human Resources and Information Technology. The Administrative Division develops policies and strategies for these support functions, ensuring that they are coordinated, aligned with the Bar's strategic goals and objectives, and effectively supporting the Bar's mission-critical programs.

OFFICE OF GENERAL SERVICES

The Office of General Services provides a comprehensive range of facilities, administrative, and procurement services that support the work of all State Bar departments. General Services manages over 350,000 square feet of office space for Bar staff and tenants, overseeing landlord/tenant relations; space planning and use; engineering and janitorial services; construction and capital improvements; safety and security programs; parking; and recycling programs. General Services also manages administrative support services, including document imaging and printing; mail and courier services; offsite file storage; meeting and conference support; and travel services. Finally, General Services manages the Bar's procurement and contracting process, ensuring compliance with competitive bidding requirements and other policies.

OFFICE OF HUMAN RESOURCES

The Office of Human Resources (HR) provides the full range of human resource services to the State Bar. Its primary functions include personnel policy administration; recruitment and retention; Equal Employment Opportunity (EEO) and non-discrimination policy administration; classification and compensation analysis; benefits administration; and labor relations. HR also includes a Talent Engagement & Development Unit (TED), which offers classroom and web-based training in a wide range of topics, and provides programs and services to foster the professional development of Bar staff.

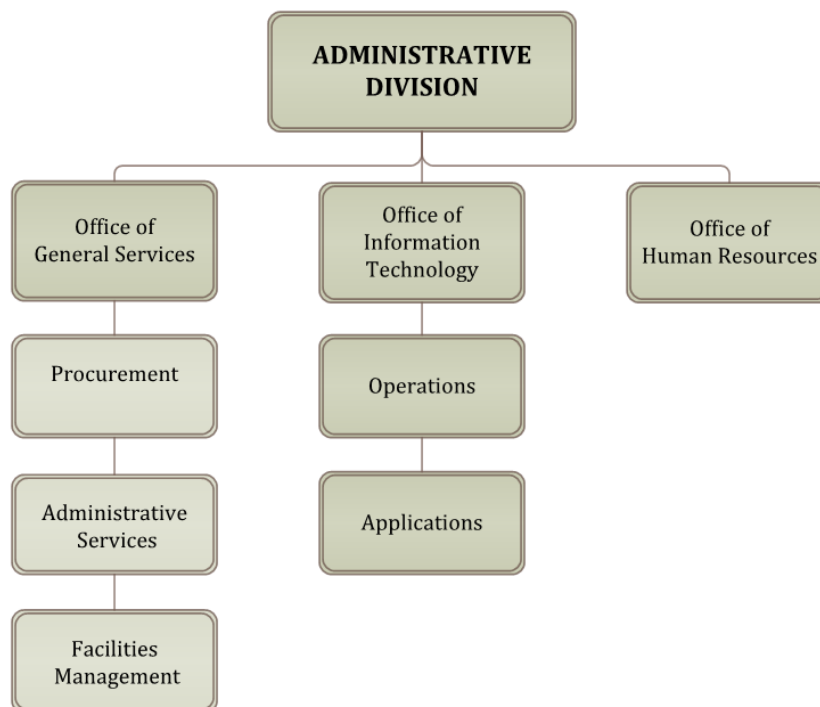
OFFICE OF INFORMATION TECHNOLOGY

The Office of Information Technology (IT) provides the technology tools that support the Bar's operations and programs. IT provides helpdesk, desktop, and meeting support, and maintains and enhances the Bar's IT systems and network infrastructure. IT is also responsible for custom software development, and for enhancing, maintaining, and administering the Bar's on-premise and public-facing applications.

Division Objectives

- Maximize the value and efficiency of the Bar's facilities through continued implementation of a capital improvement plan, space utilization plan and management of leased space.
- Provide efficient, customer-service-focused administrative services that support the Bar's operations and programs.
- Provide efficient processes to procure necessary goods and services and ensure policy compliance.
- Effectively recruit, manage, develop and retain the Bar's employees to ensure an engaged, motivated and efficient workforce.
- Maintain a modern and secure information technology infrastructure that effectively supports the Bar's operations and programs, with a focus on technology solutions that result in operational efficiency and cost savings.

Organizational Chart



Fiscal Year 2018 Accomplishments

- Continued progress on major capital improvement projects in the Bar's San Francisco building related to HVAC and Fire/Life Safety systems.
- Leased two vacant floors in the San Francisco building.
- Reconfigured office space in Los Angeles and San Francisco to allow for the expansion of the Office of the Chief Trial Counsel.
- Relocated Lawyer Assistance Program in Los Angeles to an offsite location.
- Completed first phase of procurement process enhancements for greater efficiency and compliance.
- Implemented a new classification and compensation system for bargaining unit staff.
- Implemented a new Training & Development Assignment Program.
- Created a new training curriculum for supervisors and managers.
- Transitioned medical insurance coverage to CalPERS healthcare.
- Successfully supported new technology initiatives including: fingerprinting compliance system; firm/agency billing; conflict of interest tracking; eSignature; Discipline Case Management System; and launch of Admissions Information Management System.
- Implemented upgrades to technical infrastructure including web portal performance upgrades; web application firewall; and file and database load balancing.
- Continued to support the launch of the new California Lawyers Association.

Fiscal Year 2019 Projects and Objectives

- Continue implementing 180 Howard Street capital improvement plan, focusing on major infrastructure improvements to HVAC and Fire/Life Safety systems.
- Replace the fleet of multi-function network copiers.
- Make additional enhancements to the Bar's procurement process for greater efficiency and compliance, as reflected in an updated Procurement Manual.
- Continue developing a Talent Acquisition, Management and Retention Plan to include a modern recruitment process; professional development; career planning; performance planning; and performance management.
- Develop a comprehensive Continuity of Operations Plan for the organization.
- Continue implementing technology initiatives of the Bar's strategic plan, including the Enterprise Resource Planning (ERP) System upgrade for HR, Finance and Procurement.
- Application Security Assessment

ADMINISTRATIVE DIVISION

OFFICE OF GENERAL SERVICES

Fiscal Year 2018 & 2019 Workload Measures and Performance Metrics

Workload Measures

| | 2017 | 2018 |
|---|-------|-------|
| # of procurement requisitions processed | 651 | 587 |
| # of facilities requests processed | 1,330 | 1,699 |

Performance Metrics

- Process 90% Procurement Requisitions with 100% accuracy within 3 days (from yearly average of 70%)
- Process 85% of all facilities requests (not requiring parts/equipment ordering) within three business days or less
- Process 95% of capital improvement projects on time
- Process all capital improvement projects with 100% accuracy

2019 Budget by Revenue Category

The Office of General Services' total revenue budget for 2019 is \$3.3 million. Table 1 provides detailed and comparative information regarding the Office of General Services budgeted 2019 revenue. Rental Income is the primary source of income followed by interest income. The \$1.1 million increase in rental income from 2019 to 2020 is due to rental of eleventh floor space in San Francisco combined with expanded rental space for an existing tenant. The 2020 forecast reflects the additional rental of the first floor.

Table 1: Source of Revenue by Fund

| Fund | 2018 Budget | 2019 Budget | 2020 Forecast |
|----------------------------------|--------------------|--------------------|--------------------|
| General Fund | | | |
| Mandatory Fees | \$3,000 | \$3,000 | \$3,100 |
| Other Revenues | 2,190,600 | 3,318,100 | 4,047,800 |
| General Fund Total | \$2,193,600 | \$3,321,100 | \$4,050,900 |
| SF Tenant Improvement Fund | | | |
| Other Revenues | \$50,000 | \$50,000 | \$51,500 |
| SF Tenant Improvement Fund Total | \$50,000 | \$50,000 | \$51,500 |
| Total Funds | \$2,243,600 | \$3,371,100 | \$4,102,400 |

2019 Budget by Expense Category

The Office of General Services' total budget for 2019 is \$13.6 million. Table 2 provides detailed and comparative information regarding the Office of General Services budgeted 2019 expenses. The increase of \$0.5 million in Services compared to 2018 is the result of one time costs for commissions related to new leases.

Table 2: Expenses

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|------------------------|---------------------|---------------------|---------------------|
| Personnel Expenses | \$2,370,000 | \$2,524,600 | \$2,711,200 |
| Leases and Rent | 5,103,200 | 5,293,400 | 5,452,200 |
| Services | 650,400 | 1,174,400 | 693,900 |
| Supplies and Equipment | 4,275,200 | 3,513,200 | 3,566,500 |
| Other Expenses | 21,800 | 28,200 | 29,000 |
| Debt Service | 1,162,100 | 1,035,100 | 922,000 |
| Total Expenses | \$13,582,700 | \$13,568,900 | \$13,374,800 |

2019 Interfund Transactions

Table 3 below provides comparative information regarding the amount of indirect costs allocated to or from the Office of General Services and the amount of transfers to or from other operation areas.

Table 3: Interfund Transactions

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|-------------------------------------|----------------------|----------------------|----------------------|
| Indirect Costs | (\$3,049,900) | (\$3,439,100) | (\$3,542,300) |
| Total Interfund Transactions | (\$3,049,900) | (\$3,439,100) | (\$3,542,300) |

Personnel

The Office of General Services employs 22.02 full-time employees. Table 4 provides prior and current year staffing information for the Office of General Services. There are no significant changes compared to 2018.

Table 4: Staffing

| | Positions | | | Salaries | |
|--|-------------------|-------------------|---------------------|--------------------|--------------------|
| | FY 2018 Budget | FY 2019 Budget | FY 2020 Forecast | 2019 Budget | 2020 Forecast |
| Regular Status Fulltime Employees | | | | | |
| Chief Administrative Officer | 0.34 | 0.34 | 0.34 | \$72,293 | \$75,907 |
| Director, General Services | 1.00 | 1.00 | 1.00 | 167,063 | 175,416 |
| Senior Program Analyst | 0.34 | 1.68 | 1.68 | 183,493 | 193,916 |
| Program Analyst | 3.00 | 2.00 | 2.00 | 185,966 | 201,400 |
| Administrative Supervisor | 2.00 | 2.00 | 2.00 | 184,759 | 192,278 |
| General Services Specialist III | 4.00 | 4.00 | 4.00 | 283,709 | 303,885 |
| General Services Specialist II | 10.00 | 11.00 | 11.00 | 706,062 | 758,935 |
| General Services Specialist I | 1.00 | | | | |
| Total FTE | 21.68 | 22.02 | 22.02 | \$1,783,343 | \$1,901,737 |

ADMINISTRATIVE DIVISION

OFFICE OF HUMAN RESOURCES

Fiscal Year 2019 Performance Metrics

Performance Metrics

- Reduce average time to hire to 60 days.
- Process performance evaluations within 30 days of due date.
- 90% of new hires report being properly prepared for their job as a result of their onboarding experience .
- Increase % of internal hires as compared to % of external hires. 90% participants report a high level of overall Satisfaction with the TED Assignment and Career Development programs, respectively, in annual participant survey.
Increase attraction/retention of key positions (ie. investigator positions).

2019 Budget by Expense Category

The Office of Human Resources' total budget for 2019 is \$2.5 million. Table 1 provides detailed and comparative information regarding the Office of Human Resources budgeted 2019 expenses. The \$0.2 million increase in personnel expenses is the result of merit increases and increased temporary help expenses.

Table 1: Expenses

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|------------------------|------------------------|------------------------|--------------------------|
| Personnel Expenses | \$1,798,900 | \$2,002,500 | \$2,146,800 |
| Services | 161,000 | 136,000 | 140,100 |
| Supplies and Equipment | 75,600 | 75,900 | 78,200 |
| Other Expenses | 166,500 | 239,500 | 246,600 |
| Total Expenses | \$2,202,000 | \$2,453,900 | \$2,611,700 |

Personnel

The Office of Human Resources employs 12.99 full-time employees. Table 2 provides prior and current year staffing information for the Office of Human Resources. There were no significant changes from 2018 to 2019.

Table 2: Staffing

| Regular Status Fulltime Employees | Positions | | | Salaries | |
|-----------------------------------|-------------------|-------------------|---------------------|--------------------|--------------------|
| | FY 2018 Budget | FY 2019 Budget | FY 2020 Forecast | 2019 Budget | 2020 Forecast |
| Chief Administrative Officer | 0.33 | 0.33 | 0.33 | \$70,166 | \$73,675 |
| Director, Human Resources | 1.00 | 1.00 | 1.00 | 174,732 | 183,469 |
| Senior Human Resources Analyst | 4.00 | 4.00 | 4.00 | 426,003 | 454,890 |
| Senior Program Analyst | 0.33 | 0.66 | 0.66 | 66,159 | 71,784 |
| Human Resources Analyst | 3.00 | 3.00 | 3.00 | 277,420 | 295,990 |
| Human Resources Specialist | 3.00 | 3.00 | 3.00 | 227,882 | 247,434 |
| Human Resources Coordinator | 1.00 | 1.00 | 1.00 | 90,784 | 95,587 |
| Total FTE | 12.66 | 12.99 | 12.99 | \$1,333,145 | \$1,422,828 |

ADMINISTRATIVE DIVISION

OFFICE OF INFORMATION TECHNOLOGY

Fiscal Year 2018 & 2019 Workload Measures and Performance Metrics

Workload Measures

| | 2017 | 2018 |
|------------------------------------|-------|-------|
| # of IT service requests processed | 6,270 | 7,552 |

Performance Metrics

- 90% of stakeholders report a high level of overall satisfaction with use of new technologies
- 90% of end users report that technologies meet functionality requirements
- 90% of stakeholders report that use of new technologies meet desired security requirements

2019 Budget by Expense Category

The Office of Information Technology's total budget for 2019 is \$10.4 million. Table 1 provides detailed and comparative information regarding the Office of Information Technology budgeted 2019 expenses.

Table 1: Expenses

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|------------------------|--------------------|---------------------|---------------------|
| Personnel Expenses | \$5,069,500 | \$6,046,700 | \$6,065,600 |
| Leases and Rent | 424,800 | 552,900 | 575,000 |
| Services | 190,600 | 767,000 | 377,200 |
| Supplies and Equipment | 2,226,600 | 2,927,100 | 3,564,500 |
| Other Expenses | 56,100 | 91,100 | 93,900 |
| Total Expenses | \$7,967,600 | \$10,384,800 | \$10,676,200 |

Personnel

The Office of Information Technology employs 33.99 full-time employees. Table 2 provides prior and current year staffing information for the Office of Information Technology. The increase of three FTE is mostly the result of transferring staff back from the Case Management System.

Table 2: Staffing

| Regular Status Fulltime Employees | Positions | | | Salaries | |
|------------------------------------|-------------------|-------------------|---------------------|--------------------|--------------------|
| | FY 2018 Budget | FY 2019 Budget | FY 2020 Forecast | 2019 Budget | 2020 Forecast |
| Chief Administrative Officer | 0.33 | 0.33 | 0.33 | \$70,166 | \$73,675 |
| IT Director | 1.00 | 1.00 | 1.00 | 207,782 | 216,523 |
| IT Manager III | 2.00 | 2.00 | 2.00 | 320,415 | 324,168 |
| IT Manager I | 2.00 | 2.00 | 2.00 | 277,695 | 280,512 |
| Senior Program Analyst | 0.33 | 0.66 | 0.66 | 66,159 | 71,784 |
| Senior IT Analyst | 6.00 | 6.00 | 6.00 | 765,587 | 792,383 |
| Senior IT Business Systems Analyst | 1.30 | 1.00 | 1.00 | 115,257 | 119,291 |
| IT Business Systems Analyst II | | 2.00 | 2.00 | 215,774 | 225,144 |
| IT Analyst II | 12.00 | 12.00 | 12.00 | 1,368,132 | 1,424,321 |
| IT Analyst I | 4.00 | 5.00 | 5.00 | 506,450 | 527,791 |
| IT Support Technician II | 1.00 | | | | |
| Senior Administrative Assistant | 1.00 | 1.00 | 1.00 | 92,009 | 95,229 |
| IT Support Technician I | | 1.00 | 1.00 | 72,076 | 76,719 |
| Total FTE | 30.96 | 33.99 | 33.99 | \$4,077,503 | \$4,227,540 |

OFFICE OF FINANCE

OVERVIEW

The Office of Finance is responsible for financial reporting and analysis, budget development and oversight, accounts payable, accounts receivable, general ledger; and processing licensee and other fee payments for the State Bar.

Financial Reporting, Budgeting, and Analysis

This service area is responsible for budgeting, financial planning, financial analysis and accounting, payroll, accounts receivable and payable, and for implementing related procedures and internal controls. The Office also works closely with the Bar's external auditors and the California Bureau of State Audits to ensure the implementation of sound financial controls and public accountability.

Licensee Billing

Licensee Billing is responsible for ensuring attorneys' annual fees and other payments are properly processed. The primary task for Licensee Billing staff is the treasury function of depositing and posting annual licensing fees, discipline costs, and CSF payments in the billing system. In addition, staff responds to billing inquiries, assists in the annual suspension process, and assists in the status change process.

Office Objectives

- **Accurate Record Keeping.** Finance maintains accurate financial records for all the State Bar's financial activities, including related written policies and procedures. Coordinate external audits to verify accuracy, prevent fraud, and identify opportunities for improvement.
- **Transaction Processing.** Finance pays employees and vendors accurately and timely.
- **Strategic Budgeting.** Finance creates and monitors the State Bar's budget. This includes working with all levels of State Bar management to forecast revenues and expenses, strategically allocate resources, and track budget variances.
- **Cost Containment.** Finance ensures that operating units do not spend more than approved.
- **Promote Transparency.** Finance strives for transparency of the State Bar's financial operations so that stakeholders know they can trust information we provide.
- **Continuous Process Improvement.** Finance coordinates with all operating units of the State Bar to continually improve the business processes, including payroll, payables, billing, receivables, grants, financial reporting and budgeting.

Organizational Chart



Fiscal Year 2018 Accomplishments

- Completed a 5 Year internal control audit.
- Streamlined processes within billing to accommodate transition to online delivery of fee statements.
- Integrated new tools to support payment processing.
- Made process improvements to reduce the number of licensee fee check payments that have to be manually processed.

Fiscal Year 2019 Projects and Objectives

- Implement Oracle ERP upgrade.
- Implement five-year internal control audit recommendations.

Fiscal Year 2018 & 2019 Workload Measures and Performance Metrics

Workload Measures

| | 2017 | 2018 |
|-------------------------|--------|-------|
| # of invoices processed | 11,000 | 8,900 |

Performance Metrics

- Provide accurate, timely and informed budget projections to enable efficient financial planning by client departments and the Executive Director
- Reduce number of billing-related phone calls from attorneys to ARCR by 10% by Q1 2019
- Pay 90% of vendor invoices within 30 days of receipt by Q1 2019
- Process 100% monthly financial statements accurately and on time within 20 days of the close of the Month
- 90% of internal clients report a high level of overall satisfaction with finance services

2019 Budget by Expense Category

The Office of Finance's total budget for 2019 is \$3.6 million. Table 1 provides detailed and comparative information regarding the Office of Finance budgeted 2019 expenses. There are no significant increases anticipated in 2019 in comparison to 2018. Professional Services are projected to be reduced in 2020 based on the completion of the bi-annual State Audit at a reduction of \$500,000.

Table 1: Expenses

| | 2018 Budget | 2019 Budget | 2020 Forecast |
|------------------------|------------------------|------------------------|--------------------------|
| Personnel Expenses | \$2,244,900 | \$2,441,600 | \$2,603,700 |
| Services | 989,300 | 1,014,300 | 529,700 |
| Supplies and Equipment | 86,100 | 88,400 | 91,000 |
| Other Expenses | 9,100 | 29,700 | 30,600 |
| Total Expenses | \$3,329,400 | \$3,574,000 | \$3,255,000 |

Personnel

The Office of Finance employs 16.00 full-time employees. Table 2 provides prior and current year staffing information for the Office of Finance. There were no changes in budgeted staffing levels from 2018 to 2019.

Table 2: Staffing

| | Positions | | | Salaries | |
|--|---------------------------|---------------------------|-----------------------------|------------------------|--------------------------|
| | FY 2018 Budget | FY 2019 Budget | FY 2020 Forecast | 2019 Budget | 2020 Forecast |
| Regular Status Fulltime Employees | | | | | |
| Chief Financial Officer | 1.00 | 1.00 | 1.00 | \$224,310 | \$235,526 |
| Program Director II | 1.00 | | | | |
| Finance Manager | 1.00 | 2.00 | 2.00 | 264,831 | 278,072 |
| Senior Financial Analyst | 5.00 | 5.00 | 5.00 | 558,251 | 585,664 |
| Financial Analyst | 1.00 | 1.00 | 1.00 | 84,828 | 92,104 |
| Fiscal Services Specialist | 7.00 | 6.00 | 6.00 | 443,135 | 478,202 |
| Administrative Assistant II | | 1.00 | 1.00 | 67,650 | 73,400 |
| Total FTE | 16.00 | 16.00 | 16.00 | \$1,643,004 | \$1,742,968 |

STATE BAR
Operating Statements by Cost Center

| EXECUTIVE DIRECTOR | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 10001 Executive Director | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$998,600) | (\$437,400) | (\$491,700) | (\$471,500) | (\$480,200) |
| Leases and Rent | (1,600) | 0 | 0 | 0 | \$0 |
| Services | (113,200) | (103,600) | (103,500) | (3,500) | (\$3,600) |
| Supplies and Equipment | (27,600) | (25,400) | (21,200) | (22,500) | (\$23,300) |
| Other Expenses | (57,600) | (48,200) | (48,200) | (47,200) | (\$48,700) |
| Expenses Total | (\$1,198,600) | (\$614,600) | (\$664,600) | (\$544,700) | (\$555,800) |
| Interfund Transfers | | | | | |
| Interfund Transfers Out | (\$100) | (\$600) | \$0 | \$0 | \$0 |
| Interfund Transfers Total | (\$100) | (\$600) | \$0 | \$0 | \$0 |
| 10001 Executive Director Surplus/(Deficit) | (\$1,198,700) | (\$615,200) | (\$664,600) | (\$544,700) | (\$555,800) |
| 18 Affinity & Insurance Fund | | | | | |
| Revenues | | | | | |
| Other Revenues | \$61,100 | \$17,800 | \$0 | \$0 | \$0 |
| Revenues Total | \$61,100 | \$17,800 | \$0 | \$0 | \$0 |
| Interfund Transfers | | | | | |
| Indirect Costs | (\$88,600) | \$0 | \$0 | \$0 | \$0 |
| Interfund Transfers Total | (\$88,600) | \$0 | \$0 | \$0 | \$0 |
| 18 Affinity & Insurance Fund Surplus/(Deficit) | (\$27,500) | \$17,800 | \$0 | \$0 | \$0 |

STATE BAR
Operating Statements by Cost Center

| <u>EXECUTIVE DIRECTOR</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 18001 Group Insurance Programs | | | | | |
| Revenues | | | | | |
| Other Revenues | \$970,200 | \$0 | \$225,000 | \$0 | \$0 |
| Revenues Total | \$970,200 | \$0 | \$225,000 | \$0 | \$0 |
| Expenses | | | | | |
| Services | (\$302,400) | \$78,600 | (\$100) | \$0 | \$0 |
| Supplies and Equipment | 0 | (1,900) | (1,900) | 0 | \$0 |
| Other Expenses | (6,200) | (16,900) | (16,900) | 0 | \$0 |
| Expenses Total | (\$308,600) | \$59,800 | (\$18,900) | \$0 | \$0 |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$1,300) | (\$1,300) | \$0 | \$0 |
| Interfund Transfers Total | \$0 | (\$1,300) | (\$1,300) | \$0 | \$0 |
| 18001 Group Insurance Programs Surplus/(Deficit) | \$661,600 | \$58,500 | \$204,800 | \$0 | \$0 |

STATE BAR
Operating Statements by Cost Center

| <u>EXECUTIVE DIRECTOR</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 18002 Professional Liab Insurance | | | | | |
| Revenues | | | | | |
| Other Revenues | \$873,000 | \$0 | \$250,000 | \$0 | \$0 |
| Revenues Total | \$873,000 | \$0 | \$250,000 | \$0 | \$0 |
| Expenses | | | | | |
| Personnel Expenses | (\$116,400) | \$0 | \$0 | \$0 | \$0 |
| Services | (1,200) | (11,000) | (11,000) | 0 | \$0 |
| Supplies and Equipment | (2,000) | (2,200) | (2,200) | 0 | \$0 |
| Other Expenses | (9,200) | (25,400) | (25,400) | 0 | \$0 |
| Expenses Total | (\$128,800) | (\$38,600) | (\$38,600) | \$0 | \$0 |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$2,600) | (\$2,600) | \$0 | \$0 |
| Interfund Transfers Total | \$0 | (\$2,600) | (\$2,600) | \$0 | \$0 |
| 18002 Professional Liab Insurance Surplus/(Deficit) | \$744,200 | (\$41,200) | \$208,800 | \$0 | \$0 |

STATE BAR
Operating Statements by Cost Center

| EXECUTIVE DIRECTOR | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 18004 Affinity Programs | | | | | |
| Revenues | | | | | |
| Other Revenues | \$25,000 | \$1,700 | \$0 | \$0 | \$0 |
| Revenues Total | \$25,000 | \$1,700 | \$0 | \$0 | \$0 |
| Expenses | | | | | |
| Services | (\$24,900) | (\$43,800) | (\$43,800) | \$0 | \$0 |
| Supplies and Equipment | (100) | (1,700) | (1,700) | 0 | \$0 |
| Other Expenses | (1,000) | (2,500) | (2,500) | 0 | \$0 |
| Expenses Total | (\$26,000) | (\$48,000) | (\$48,000) | \$0 | \$0 |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$3,200) | (\$3,300) | \$0 | \$0 |
| Interfund Transfers Total | \$0 | (\$3,200) | (\$3,300) | \$0 | \$0 |
| 18004 Affinity Programs Surplus/(Deficit) | (\$1,000) | (\$49,500) | (\$51,300) | \$0 | \$0 |
| 23009 CLA Support | | | | | |
| Revenues | | | | | |
| Other Revenues | \$0 | \$1,108,600 | \$1,081,300 | \$0 | \$0 |
| Revenues Total | \$0 | \$1,108,600 | \$1,081,300 | \$0 | \$0 |
| Expenses | | | | | |
| Personnel Expenses | \$0 | (\$601,700) | (\$1,068,200) | \$0 | \$0 |
| Services | 0 | (1,200) | 0 | 0 | \$0 |
| Supplies and Equipment | 0 | (20,200) | 0 | 0 | \$0 |
| Other Expenses | 0 | (4,100) | 0 | 0 | \$0 |
| Expenses Total | \$0 | (\$627,200) | (\$1,068,200) | \$0 | \$0 |
| 23009 CLA Support Surplus/(Deficit) | \$0 | \$481,400 | \$13,100 | \$0 | \$0 |

STATE BAR
Operating Statements by Cost Center

| <u>EXECUTIVE DIRECTOR</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| EXECUTIVE DIRECTOR Surplus/(Deficit) | \$178,600 | (\$148,200) | (\$289,200) | (\$544,700) | (\$555,800) |

STATE BAR
Operating Statements by Cost Center

| <u>CHIEF TRIAL COUNSEL</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 10310 Chief Trial Counsel | | | | | |
| Revenues | | | | | |
| Other Revenues | \$64,700 | \$557,500 | \$60,500 | \$983,300 | \$1,012,700 |
| Revenues Total | \$64,700 | \$557,500 | \$60,500 | \$983,300 | \$1,012,700 |
| Expenses | | | | | |
| Personnel Expenses | (\$27,990,700) | (\$31,304,000) | (\$34,805,500) | (\$36,434,600) | (\$39,471,600) |
| Services | (373,100) | (409,300) | (328,300) | (488,900) | (\$503,400) |
| Supplies and Equipment | (471,600) | (557,700) | (489,000) | (537,400) | (\$553,500) |
| Other Expenses | (96,600) | (166,000) | (152,200) | (189,200) | (\$194,900) |
| CSF Reimbursements | 927,300 | 745,300 | 1,000,000 | 1,000,000 | \$1,030,000 |
| Expenses Total | (\$28,004,700) | (\$31,691,700) | (\$34,775,000) | (\$36,650,100) | (\$39,693,400) |
| Interfund Transfers | | | | | |
| Indirect Costs | (\$12,718,900) | (\$13,953,700) | (\$14,022,800) | (\$16,202,700) | (\$16,688,800) |
| Interfund Transfers Out | (35,600) | (34,600) | 0 | 0 | \$0 |
| Interfund Transfers Total | (\$12,754,500) | (\$13,988,300) | (\$14,022,800) | (\$16,202,700) | (\$16,688,800) |
| 10310 Chief Trial Counsel Surplus/(Deficit) | (\$40,694,500) | (\$45,122,500) | (\$48,737,300) | (\$51,869,500) | (\$55,369,500) |

STATE BAR
Operating Statements by Cost Center

| <u>CHIEF TRIAL COUNSEL</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 10316 Rule 2201 Conflict Cases | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$57,900) | (\$96,300) | (\$58,100) | (\$60,400) | (\$63,100) |
| Services | (123,400) | (216,300) | (300) | (125,300) | (\$129,100) |
| Supplies and Equipment | (200) | (200) | (200) | (200) | (\$200) |
| Other Expenses | (2,100) | (3,000) | (1,800) | (3,000) | (\$3,100) |
| Expenses Total | (\$183,600) | (\$315,800) | (\$60,400) | (\$188,900) | (\$195,500) |
| Interfund Transfers | | | | | |
| Indirect Costs | (\$24,500) | (\$19,300) | (\$19,400) | (\$32,700) | (\$33,700) |
| Interfund Transfers Out | (100) | 0 | 0 | 0 | \$0 |
| Interfund Transfers Total | (\$24,600) | (\$19,300) | (\$19,400) | (\$32,700) | (\$33,700) |
| 10316 Rule 2201 Conflict Cases Surplus/(Deficit) | (\$208,200) | (\$335,100) | (\$79,800) | (\$221,600) | (\$229,200) |
| CHIEF TRIAL COUNSEL Surplus/(Deficit) | (\$40,902,700) | (\$45,457,600) | (\$48,817,100) | (\$52,091,100) | (\$55,598,700) |

STATE BAR
Operating Statements by Cost Center

| STATE BAR COURT | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 10401 Chief Court Counsel | | | | | |
| Revenues | | | | | |
| Other Revenues | \$12,400 | \$10,600 | \$10,600 | \$600 | \$600 |
| Revenues Total | \$12,400 | \$10,600 | \$10,600 | \$600 | \$600 |
| Expenses | | | | | |
| Personnel Expenses | (\$499,100) | (\$381,700) | (\$443,900) | (\$368,600) | (\$390,900) |
| Services | (9,100) | (26,300) | (26,300) | (12,300) | (\$12,700) |
| Supplies and Equipment | (49,700) | (86,600) | (55,900) | (43,800) | (\$45,100) |
| Other Expenses | (14,000) | (26,200) | (22,200) | (16,100) | (\$16,600) |
| Expenses Total | (\$571,900) | (\$520,800) | (\$548,300) | (\$440,800) | (\$465,300) |
| Interfund Transfers | | | | | |
| Indirect Costs | (\$429,300) | (\$283,800) | (\$284,800) | (\$301,600) | (\$310,600) |
| Interfund Transfers Out | (2,100) | (700) | 0 | 0 | \$0 |
| Interfund Transfers Total | (\$431,400) | (\$284,500) | (\$284,800) | (\$301,600) | (\$310,600) |
| 10401 Chief Court Counsel Surplus/(Deficit) | (\$990,900) | (\$794,700) | (\$822,500) | (\$741,800) | (\$775,300) |

STATE BAR
Operating Statements by Cost Center

| STATE BAR COURT | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 10402 Hearing Admininstration SF | | | | | |
| Revenues | | | | | |
| Other Revenues | \$0 | \$200 | \$0 | \$100 | \$100 |
| Revenues Total | \$0 | \$200 | \$0 | \$100 | \$100 |
| Expenses | | | | | |
| Personnel Expenses | (\$1,025,900) | (\$893,000) | (\$998,200) | (\$994,400) | (\$1,040,700) |
| Leases and Rent | (15,000) | (32,800) | (16,000) | (16,000) | (\$16,500) |
| Services | (3,200) | (3,500) | (2,000) | (1,000) | (\$1,000) |
| Supplies and Equipment | (25,900) | (27,700) | (27,000) | (27,000) | (\$27,800) |
| Other Expenses | (14,700) | (14,300) | (13,900) | (16,400) | (\$16,900) |
| Expenses Total | (\$1,084,700) | (\$971,300) | (\$1,057,100) | (\$1,054,800) | (\$1,102,900) |
| Interfund Transfers | | | | | |
| Interfund Transfers In | \$100 | \$700 | \$0 | \$0 | \$0 |
| Indirect Costs | (793,100) | (1,158,000) | (1,159,900) | (1,325,100) | (\$1,364,800) |
| Interfund Transfers Total | (\$793,000) | (\$1,157,300) | (\$1,159,900) | (\$1,325,100) | (\$1,364,800) |
| 10402 Hearing Admininstration SF Surplus/(Deficit) | (\$1,877,700) | (\$2,128,400) | (\$2,217,000) | (\$2,379,800) | (\$2,467,600) |

STATE BAR
Operating Statements by Cost Center

| STATE BAR COURT | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 10403 Hearing Counsel LA/SF | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$1,326,300) | (\$1,216,100) | (\$1,406,900) | (\$1,334,900) | (\$1,408,300) |
| Services | (100) | (100) | 0 | 0 | \$0 |
| Supplies and Equipment | (9,300) | (10,900) | (10,900) | (10,900) | (\$11,200) |
| Other Expenses | (3,200) | (6,500) | (6,500) | (10,700) | (\$11,000) |
| Expenses Total | (\$1,338,900) | (\$1,233,600) | (\$1,424,300) | (\$1,356,500) | (\$1,430,500) |
| Interfund Transfers | | | | | |
| Indirect Costs | (\$724,100) | (\$775,800) | (\$778,600) | (\$711,100) | (\$732,500) |
| Interfund Transfers Out | (2,200) | (1,900) | 0 | 0 | \$0 |
| Interfund Transfers Total | (\$726,300) | (\$777,700) | (\$778,600) | (\$711,100) | (\$732,500) |
| 10403 Hearing Counsel LA/SF Surplus/(Deficit) | (\$2,065,200) | (\$2,011,300) | (\$2,202,900) | (\$2,067,600) | (\$2,163,000) |
| 10404 Hearing Judges | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$1,242,000) | (\$1,296,600) | (\$1,276,800) | (\$1,323,000) | (\$1,388,700) |
| Services | (22,800) | (26,800) | (25,000) | (29,500) | (\$30,300) |
| Supplies and Equipment | (15,700) | (30,300) | (30,300) | (30,300) | (\$31,200) |
| Other Expenses | (39,500) | (43,200) | (37,100) | (52,100) | (\$53,700) |
| Expenses Total | (\$1,320,000) | (\$1,396,900) | (\$1,369,200) | (\$1,434,900) | (\$1,503,900) |
| Interfund Transfers | | | | | |
| Indirect Costs | (\$551,300) | (\$615,600) | (\$618,200) | (\$725,600) | (\$747,300) |
| Interfund Transfers Out | (600) | (500) | 0 | 0 | \$0 |
| Interfund Transfers Total | (\$551,900) | (\$616,100) | (\$618,200) | (\$725,600) | (\$747,300) |
| 10404 Hearing Judges Surplus/(Deficit) | (\$1,871,900) | (\$2,013,000) | (\$1,987,400) | (\$2,160,500) | (\$2,251,200) |

STATE BAR
Operating Statements by Cost Center

| STATE BAR COURT | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 10405 Hearing/Effec/Admin LA | | | | | |
| Revenues | | | | | |
| Other Revenues | \$8,300 | \$12,000 | \$12,000 | \$12,000 | \$12,400 |
| Revenues Total | \$8,300 | \$12,000 | \$12,000 | \$12,000 | \$12,400 |
| Expenses | | | | | |
| Personnel Expenses | (\$1,343,100) | (\$1,222,100) | (\$1,380,100) | (\$1,453,600) | (\$1,521,600) |
| Leases and Rent | (5,100) | (7,200) | (7,200) | (7,200) | (\$7,400) |
| Services | (3,800) | (4,400) | (4,400) | (4,400) | (\$4,500) |
| Supplies and Equipment | (37,400) | (44,000) | (43,700) | (43,700) | (\$45,000) |
| Other Expenses | (2,100) | (3,800) | (3,800) | (9,100) | (\$9,400) |
| Expenses Total | (\$1,391,500) | (\$1,281,500) | (\$1,439,200) | (\$1,518,000) | (\$1,587,900) |
| Interfund Transfers | | | | | |
| Interfund Transfers In | \$2,100 | \$1,800 | \$0 | \$0 | \$0 |
| Indirect Costs | (1,017,100) | (916,000) | (918,700) | (1,054,200) | (\$1,085,900) |
| Interfund Transfers Total | (\$1,015,000) | (\$914,200) | (\$918,700) | (\$1,054,200) | (\$1,085,900) |
| 10405 Hearing/Effec/Admin LA Surplus/(Deficit) | (\$2,398,200) | (\$2,183,700) | (\$2,345,900) | (\$2,560,200) | (\$2,661,400) |

STATE BAR
Operating Statements by Cost Center

| STATE BAR COURT | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 10407 Presiding/Review Judges | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$816,500) | (\$839,700) | (\$838,200) | (\$868,500) | (\$911,600) |
| Services | (600) | (500) | (300) | (300) | (\$300) |
| Supplies and Equipment | (7,300) | (7,800) | (7,800) | (7,800) | (\$8,000) |
| Other Expenses | (37,800) | (49,600) | (35,600) | (51,700) | (\$53,300) |
| Expenses Total | (\$862,200) | (\$897,600) | (\$881,900) | (\$928,300) | (\$973,200) |
| Interfund Transfers | | | | | |
| Indirect Costs | (\$331,400) | (\$361,100) | (\$362,800) | (\$422,400) | (\$435,100) |
| Interfund Transfers Out | (300) | (300) | 0 | 0 | \$0 |
| Interfund Transfers Total | (\$331,700) | (\$361,400) | (\$362,800) | (\$422,400) | (\$435,100) |
| 10407 Presiding/Review Judges Surplus/(Deficit) | (\$1,193,900) | (\$1,259,000) | (\$1,244,700) | (\$1,350,700) | (\$1,408,300) |
| 10408 Review Counsel/Clerk | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$1,091,800) | (\$983,400) | (\$1,254,800) | (\$771,400) | (\$830,400) |
| Services | (1,400) | (1,400) | (1,400) | (1,400) | (\$1,400) |
| Supplies and Equipment | (6,500) | (8,900) | (8,900) | (8,900) | (\$9,200) |
| Other Expenses | (700) | (3,300) | (3,300) | (9,600) | (\$9,900) |
| Expenses Total | (\$1,100,400) | (\$997,000) | (\$1,268,400) | (\$791,300) | (\$850,900) |
| Interfund Transfers | | | | | |
| Indirect Costs | (\$659,600) | (\$979,600) | (\$982,000) | (\$713,100) | (\$734,500) |
| Interfund Transfers Out | (1,500) | (1,100) | 0 | 0 | \$0 |
| Interfund Transfers Total | (\$661,100) | (\$980,700) | (\$982,000) | (\$713,100) | (\$734,500) |
| 10408 Review Counsel/Clerk Surplus/(Deficit) | (\$1,761,500) | (\$1,977,700) | (\$2,250,400) | (\$1,504,400) | (\$1,585,400) |

STATE BAR
Operating Statements by Cost Center

| STATE BAR COURT | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| STATE BAR COURT Surplus/(Deficit) | (\$12,159,300) | (\$12,367,800) | (\$13,070,800) | (\$12,765,000) | (\$13,312,200) |

| PROGRAMS | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 10015 Programs | | | | | |
| Expenses | | | | | |
| Personnel Expenses | \$0 | (\$900) | \$0 | (\$500) | (\$500) |
| Services | 0 | (100) | 0 | (100) | (\$100) |
| Supplies and Equipment | 0 | (300) | 0 | (2,300) | (\$2,400) |
| Other Expenses | 0 | (11,600) | 0 | (30,000) | (\$30,900) |
| Expenses Total | \$0 | (\$12,900) | \$0 | (\$32,900) | (\$33,900) |
| 10015 Programs Surplus/(Deficit) | \$0 | (\$12,900) | \$0 | (\$32,900) | (\$33,900) |
| PROGRAMS Surplus/(Deficit) | \$0 | (\$12,900) | \$0 | (\$32,900) | (\$33,900) |

STATE BAR
Operating Statements by Cost Center

| ACCESS & INCLUSION | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 10901 Commission on Access to Justic | | | | | |
| Expenses | | | | | |
| Services | (\$100) | (\$100) | (\$100) | (\$100) | (\$100) |
| Supplies and Equipment | (3,500) | (5,700) | (5,200) | (5,200) | (\$5,400) |
| Other Expenses | (7,600) | (11,300) | (11,300) | (10,700) | (\$11,100) |
| Expenses Total | (\$11,200) | (\$17,100) | (\$16,600) | (\$16,000) | (\$16,600) |
| Interfund Transfers | | | | | |
| Indirect Costs | (\$3,500) | (\$10,600) | (\$10,700) | (\$1,300) | (\$1,400) |
| Interfund Transfers Total | (\$3,500) | (\$10,600) | (\$10,700) | (\$1,300) | (\$1,400) |
| 10901 Commission on Access to Justic Surplus/(Deficit) | (\$14,700) | (\$27,700) | (\$27,300) | (\$17,300) | (\$18,000) |
| 10905 Access & Inclusion | | | | | |
| Revenues | | | | | |
| Other Revenues | \$71,600 | \$68,600 | \$60,000 | \$60,000 | \$61,800 |
| Revenues Total | \$71,600 | \$68,600 | \$60,000 | \$60,000 | \$61,800 |
| Expenses | | | | | |
| Personnel Expenses | (\$915,000) | (\$621,100) | (\$940,900) | (\$1,094,400) | (\$1,184,700) |
| Services | (1,000) | (3,900) | (3,900) | (153,900) | (\$158,500) |
| Supplies and Equipment | (16,400) | (15,300) | (13,400) | (13,400) | (\$13,800) |
| Other Expenses | (21,500) | (38,700) | (26,700) | (29,300) | (\$30,100) |
| Expenses Total | (\$953,900) | (\$679,000) | (\$984,900) | (\$1,291,000) | (\$1,387,100) |
| Interfund Transfers | | | | | |
| Indirect Costs | (\$603,400) | (\$650,300) | (\$652,100) | (\$537,800) | (\$553,900) |
| Interfund Transfers Out | (1,700) | (700) | 0 | 0 | \$0 |
| Interfund Transfers Total | (\$605,100) | (\$651,000) | (\$652,100) | (\$537,800) | (\$553,900) |
| 10905 Access & Inclusion Surplus/(Deficit) | (\$1,487,400) | (\$1,261,400) | (\$1,577,000) | (\$1,768,800) | (\$1,879,200) |

STATE BAR
Operating Statements by Cost Center

| ACCESS & INCLUSION | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 11947 Pgrm. Dev.-Project | | | | | |
| Revenues | | | | | |
| Other Revenues | \$0 | \$0 | \$0 | \$32,000 | \$33,000 |
| Revenues Total | \$0 | \$0 | \$0 | \$32,000 | \$33,000 |
| Expenses | | | | | |
| Services | \$0 | \$0 | \$0 | (\$2,700) | (\$2,800) |
| Supplies and Equipment | (900) | (2,000) | (2,000) | (6,300) | (\$6,500) |
| Other Expenses | 0 | 0 | 0 | (23,000) | (\$23,700) |
| Expenses Total | (\$900) | (\$2,000) | (\$2,000) | (\$32,000) | (\$33,000) |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$100) | (\$100) | (\$2,600) | (\$2,700) |
| Interfund Transfers Total | \$0 | (\$100) | (\$100) | (\$2,600) | (\$2,700) |
| 11947 Pgrm. Dev.-Project Surplus/(Deficit) | (\$900) | (\$2,100) | (\$2,100) | (\$2,600) | (\$2,700) |
| 12441 10th Anniversary Programs | | | | | |
| Revenues | | | | | |
| Other Revenues | \$3,500 | (\$14,600) | \$0 | \$0 | \$0 |
| Revenues Total | \$3,500 | (\$14,600) | \$0 | \$0 | \$0 |
| Expenses | | | | | |
| Personnel Expenses | (\$2,200) | (\$2,700) | (\$2,200) | \$0 | \$0 |
| Services | 0 | (300) | 0 | 0 | \$0 |
| Expenses Total | (\$2,200) | (\$3,000) | (\$2,200) | \$0 | \$0 |
| 12441 10th Anniversary Programs Surplus/(Deficit) | \$1,300 | (\$17,600) | (\$2,200) | \$0 | \$0 |

STATE BAR
Operating Statements by Cost Center

| ACCESS & INCLUSION | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|-------------------------------|------------------------|----------------------------|------------------------|------------------------|--------------------------|
|-------------------------------|------------------------|----------------------------|------------------------|------------------------|--------------------------|

12445 Incubator/Modest Means Project

Revenues

| | | | | | |
|-----------------------|------------|----------------|----------------|------------|------------|
| Grants | \$0 | \$6,400 | \$6,400 | \$0 | \$0 |
| Revenues Total | \$0 | \$6,400 | \$6,400 | \$0 | \$0 |

Expenses

| | | | | | |
|------------------------|-------------------|-------------------|-------------------|------------|------------|
| Legal Services Grants | (\$30,000) | (\$20,000) | (\$20,000) | \$0 | \$0 |
| Supplies and Equipment | (700) | (700) | (700) | 0 | \$0 |
| Other Expenses | (800) | (5,700) | (5,700) | 0 | \$0 |
| Expenses Total | (\$31,500) | (\$26,400) | (\$26,400) | \$0 | \$0 |

| | | | | | |
|---|-------------------|-------------------|-------------------|------------|------------|
| 12445 Incubator/Modest Means Project Surplus/(Deficit) | (\$31,500) | (\$20,000) | (\$20,000) | \$0 | \$0 |
|---|-------------------|-------------------|-------------------|------------|------------|

12446 Science of Success Project

Expenses

| | | | | | |
|-----------------------|------------------|------------|------------|------------|------------|
| Services | (\$9,500) | \$0 | \$0 | \$0 | \$0 |
| Expenses Total | (\$9,500) | \$0 | \$0 | \$0 | \$0 |

| | | | | | |
|---|------------------|------------|------------|------------|------------|
| 12446 Science of Success Project Surplus/(Deficit) | (\$9,500) | \$0 | \$0 | \$0 | \$0 |
|---|------------------|------------|------------|------------|------------|

STATE BAR
Operating Statements by Cost Center

| ACCESS & INCLUSION | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 12447 Effective Lawyering Curriculum | | | | | |
| Revenues | | | | | |
| Grants | \$10,000 | \$10,000 | \$10,000 | \$0 | \$0 |
| Revenues Total | \$10,000 | \$10,000 | \$10,000 | \$0 | \$0 |
| Expenses | | | | | |
| Other Expenses | \$0 | (\$5,000) | (\$5,000) | \$0 | \$0 |
| Expenses Total | \$0 | (\$5,000) | (\$5,000) | \$0 | \$0 |
| 12447 Effective Lawyering Curriculum Surplus/(Deficit) | \$10,000 | \$5,000 | \$5,000 | \$0 | \$0 |
| 17 EOB & Bar Relations | | | | | |
| Revenues | | | | | |
| Voluntary Fees & Donations | \$93,000 | \$320,000 | \$320,000 | \$320,000 | \$329,600 |
| Other Revenues | 1,900 | 100 | 0 | 100 | \$100 |
| Revenues Total | \$94,900 | \$320,100 | \$320,000 | \$320,100 | \$329,700 |
| Expenses | | | | | |
| Personnel Expenses | (\$138,600) | (\$17,300) | (\$17,300) | \$0 | \$0 |
| Expenses Total | (\$138,600) | (\$17,300) | (\$17,300) | \$0 | \$0 |
| Interfund Transfers | | | | | |
| Indirect Costs | (\$105,400) | (\$3,700) | (\$3,700) | (\$1,500) | (\$1,600) |
| Interfund Transfers Total | (\$105,400) | (\$3,700) | (\$3,700) | (\$1,500) | (\$1,600) |
| 17 EOB & Bar Relations Surplus/(Deficit) | (\$149,100) | \$299,100 | \$299,000 | \$318,600 | \$328,100 |

STATE BAR
Operating Statements by Cost Center

| <u>ACCESS & INCLUSION</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 17001 Voluntary Bar Support | | | | | |
| Revenues | | | | | |
| Other Revenues | \$0 | \$1,300 | \$0 | \$0 | \$0 |
| Revenues Total | \$0 | \$1,300 | \$0 | \$0 | \$0 |
| Expenses | | | | | |
| Personnel Expenses | (\$24,600) | \$0 | \$0 | \$0 | \$0 |
| Leases and Rent | (800) | 0 | 0 | 0 | \$0 |
| Services | 100 | 0 | 0 | 0 | \$0 |
| Supplies and Equipment | (1,400) | 0 | 0 | 0 | \$0 |
| Other Expenses | (400) | (3,500) | 0 | 0 | \$0 |
| Expenses Total | (\$27,100) | (\$3,500) | \$0 | \$0 | \$0 |
| 17001 Voluntary Bar Support Surplus/(Deficit) | (\$27,100) | (\$2,200) | \$0 | \$0 | \$0 |

STATE BAR
Operating Statements by Cost Center

| ACCESS & INCLUSION | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 17007 Center for Access & Fairness | | | | | |
| Revenues | | | | | |
| Other Revenues | \$6,900 | \$7,300 | \$5,800 | \$0 | \$0 |
| Revenues Total | \$6,900 | \$7,300 | \$5,800 | \$0 | \$0 |
| Expenses | | | | | |
| Personnel Expenses | (\$219,700) | (\$117,700) | (\$152,700) | (\$200,000) | (\$200,000) |
| Leases and Rent | (900) | (1,300) | 0 | 0 | \$0 |
| Services | (3,000) | (600) | 0 | (14,000) | (\$14,400) |
| Supplies and Equipment | (8,200) | (12,100) | 0 | (13,000) | (\$13,400) |
| Other Expenses | (12,900) | (13,100) | 0 | (9,000) | (\$9,300) |
| Expenses Total | (\$244,700) | (\$144,800) | (\$152,700) | (\$236,000) | (\$237,100) |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$37,400) | (\$37,600) | (\$55,000) | (\$56,700) |
| Interfund Transfers Total | \$0 | (\$37,400) | (\$37,600) | (\$55,000) | (\$56,700) |
| 17007 Center for Access & Fairness Surplus/(Deficit) | (\$237,800) | (\$174,900) | (\$184,500) | (\$291,000) | (\$293,800) |
| 17008 Stakeholder Outreach | | | | | |
| Expenses | | | | | |
| Other Expenses | \$0 | \$0 | \$0 | (\$4,100) | (\$4,200) |
| Expenses Total | \$0 | \$0 | \$0 | (\$4,100) | (\$4,200) |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | \$0 | \$0 | (\$300) | (\$300) |
| Interfund Transfers Total | \$0 | \$0 | \$0 | (\$300) | (\$300) |
| 17008 Stakeholder Outreach Surplus/(Deficit) | \$0 | \$0 | \$0 | (\$4,400) | (\$4,500) |

STATE BAR
Operating Statements by Cost Center

| ACCESS & INCLUSION | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 17009 Bar Leaders Conference | | | | | |
| Expenses | | | | | |
| Supplies and Equipment | (\$100) | \$0 | \$0 | \$0 | \$0 |
| Expenses Total | (\$100) | \$0 | \$0 | \$0 | \$0 |
| 17009 Bar Leaders Conference Surplus/(Deficit) | (\$100) | \$0 | \$0 | \$0 | \$0 |
| 17012 Council on Access & Fairness | | | | | |
| Revenues | | | | | |
| Other Revenues | \$4,300 | \$4,300 | \$4,300 | \$0 | \$0 |
| Revenues Total | \$4,300 | \$4,300 | \$4,300 | \$0 | \$0 |
| Expenses | | | | | |
| Personnel Expenses | (\$100) | \$0 | \$0 | \$0 | \$0 |
| Leases and Rent | (2,000) | (1,400) | 0 | 0 | \$0 |
| Services | (8,300) | (400) | 0 | 0 | \$0 |
| Supplies and Equipment | (4,600) | (300) | 0 | 0 | \$0 |
| Other Expenses | (13,200) | (12,300) | (10,000) | (14,300) | (\$14,800) |
| Expenses Total | (\$28,200) | (\$14,400) | (\$10,000) | (\$14,300) | (\$14,800) |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$9,400) | (\$9,400) | (\$1,200) | (\$1,200) |
| Interfund Transfers Total | \$0 | (\$9,400) | (\$9,400) | (\$1,200) | (\$1,200) |
| 17012 Council on Access & Fairness Surplus/(Deficit) | (\$23,900) | (\$19,500) | (\$15,100) | (\$15,500) | (\$16,000) |

STATE BAR
Operating Statements by Cost Center

| ACCESS & INCLUSION | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 17020 Bar-Wide Charges | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$24,600) | \$0 | \$0 | \$0 | \$0 |
| Expenses Total | (\$24,600) | \$0 | \$0 | \$0 | \$0 |
| 17020 Bar-Wide Charges Surplus/(Deficit) | (\$24,600) | \$0 | \$0 | \$0 | \$0 |
| 28 LSTF Asset BU | | | | | |
| Revenues | | | | | |
| Voluntary Fees & Donations | \$6,863,000 | \$6,750,000 | \$6,750,000 | \$6,101,200 | \$6,284,200 |
| Other Revenues | 119,600 | 83,500 | 75,000 | 100,000 | \$103,000 |
| Revenues Total | \$6,982,600 | \$6,833,500 | \$6,825,000 | \$6,201,200 | \$6,387,200 |
| Expenses | | | | | |
| Personnel Expenses | (\$100,700) | (\$50,000) | (\$41,300) | \$0 | \$0 |
| Expenses Total | (\$100,700) | (\$50,000) | (\$41,300) | \$0 | \$0 |
| Interfund Transfers | | | | | |
| Indirect Costs | (\$749,700) | (\$56,800) | (\$56,900) | (\$29,500) | (\$30,400) |
| Interfund Transfers Total | (\$749,700) | (\$56,800) | (\$56,900) | (\$29,500) | (\$30,400) |
| 28 LSTF Asset BU Surplus/(Deficit) | \$6,132,200 | \$6,726,700 | \$6,726,800 | \$6,171,700 | \$6,356,800 |

STATE BAR
Operating Statements by Cost Center

| ACCESS & INCLUSION | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 28002 LSTF Grants | | | | | |
| Revenues | | | | | |
| Other Revenues | \$7,113,500 | \$7,260,000 | \$6,760,000 | \$23,372,900 | \$24,074,100 |
| Revenues Total | \$7,113,500 | \$7,260,000 | \$6,760,000 | \$23,372,900 | \$24,074,100 |
| Expenses | | | | | |
| Legal Services Grants | (\$11,035,500) | (\$14,009,400) | (\$14,009,400) | (\$27,603,000) | (\$28,431,100) |
| Expenses Total | (\$11,035,500) | (\$14,009,400) | (\$14,009,400) | (\$27,603,000) | (\$28,431,100) |
| 28002 LSTF Grants Surplus/(Deficit) | (\$3,922,000) | (\$6,749,400) | (\$7,249,400) | (\$4,230,100) | (\$4,357,000) |
| 28005 LSTF Administration | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$1,140,700) | (\$1,227,500) | (\$1,475,000) | (\$1,408,200) | (\$1,530,400) |
| Services | (25,600) | (56,500) | (34,600) | (42,500) | (\$43,800) |
| Supplies and Equipment | (18,400) | (93,600) | (92,600) | (37,600) | (\$38,700) |
| Other Expenses | 410,700 | (29,600) | (24,700) | (29,200) | (\$30,000) |
| Expenses Total | (\$774,000) | (\$1,407,200) | (\$1,626,900) | (\$1,517,500) | (\$1,642,900) |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$724,300) | (\$726,800) | (\$816,100) | (\$840,600) |
| Interfund Transfers Out | (100) | (100) | 0 | 0 | \$0 |
| Interfund Transfers Total | (\$100) | (\$724,400) | (\$726,800) | (\$816,100) | (\$840,600) |
| 28005 LSTF Administration Surplus/(Deficit) | (\$774,100) | (\$2,131,600) | (\$2,353,700) | (\$2,333,600) | (\$2,483,500) |

STATE BAR
Operating Statements by Cost Center

| ACCESS & INCLUSION | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 28006 LSTF Grants-BoA Settlement | | | | | |
| Expenses | | | | | |
| Legal Services Grants | (\$231,300) | (\$231,000) | (\$231,000) | \$0 | \$0 |
| Expenses Total | (\$231,300) | (\$231,000) | (\$231,000) | \$0 | \$0 |
| 28006 LSTF Grants-BoA Settlement Surplus/(Deficit) | (\$231,300) | (\$231,000) | (\$231,000) | \$0 | \$0 |
| 28007 LSTF Grants-Citi Settlement | | | | | |
| Expenses | | | | | |
| Legal Services Grants | (\$1,721,100) | \$0 | \$0 | \$0 | \$0 |
| Expenses Total | (\$1,721,100) | \$0 | \$0 | \$0 | \$0 |
| 28007 LSTF Grants-Citi Settlement Surplus/(Deficit) | (\$1,721,100) | \$0 | \$0 | \$0 | \$0 |
| 28009 LSTF Grants-Blue Shield | | | | | |
| Revenues | | | | | |
| Grants | \$30,000 | \$0 | \$0 | \$0 | \$0 |
| Revenues Total | \$30,000 | \$0 | \$0 | \$0 | \$0 |
| Expenses | | | | | |
| Legal Services Grants | (\$20,000) | \$0 | \$0 | \$0 | \$0 |
| Other Expenses | 0 | (1,800) | 0 | 0 | \$0 |
| Expenses Total | (\$20,000) | (\$1,800) | \$0 | \$0 | \$0 |
| 28009 LSTF Grants-Blue Shield Surplus/(Deficit) | \$10,000 | (\$1,800) | \$0 | \$0 | \$0 |

STATE BAR
Operating Statements by Cost Center

| ACCESS & INCLUSION | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 29 Equal Access -Asset BU | | | | | |
| Interfund Transfers | | | | | |
| Indirect Costs | (\$16,100) | \$0 | \$0 | \$0 | \$0 |
| Interfund Transfers Total | (\$16,100) | \$0 | \$0 | \$0 | \$0 |
| 29 Equal Access -Asset BU Surplus/(Deficit) | (\$16,100) | \$0 | \$0 | \$0 | \$0 |
| 29001 Equal Access -Admin | | | | | |
| Expenses | | | | | |
| Services | (\$197,700) | (\$210,000) | (\$210,000) | (\$210,000) | (\$216,300) |
| Supplies and Equipment | (200) | 0 | 0 | 0 | \$0 |
| Other Expenses | (321,900) | 0 | 0 | 0 | \$0 |
| Expenses Total | (\$519,800) | (\$210,000) | (\$210,000) | (\$210,000) | (\$216,300) |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$13,900) | (\$14,300) | (\$16,800) | (\$17,300) |
| Interfund Transfers Total | \$0 | (\$13,900) | (\$14,300) | (\$16,800) | (\$17,300) |
| 29001 Equal Access -Admin Surplus/(Deficit) | (\$519,800) | (\$223,900) | (\$224,300) | (\$226,800) | (\$233,600) |

STATE BAR
Operating Statements by Cost Center

| ACCESS & INCLUSION | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 29002 Equal Access -Grants | | | | | |
| Revenues | | | | | |
| Grants | \$22,075,600 | \$25,693,700 | \$25,599,900 | \$25,599,900 | \$26,367,900 |
| Other Revenues | 560,700 | 512,500 | 508,200 | 490,000 | \$504,700 |
| Revenues Total | \$22,636,300 | \$26,206,200 | \$26,108,100 | \$26,089,900 | \$26,872,600 |
| Expenses | | | | | |
| Legal Services Grants | (\$20,804,600) | (\$26,009,400) | (\$26,009,400) | (\$25,614,900) | (\$26,383,400) |
| Expenses Total | (\$20,804,600) | (\$26,009,400) | (\$26,009,400) | (\$25,614,900) | (\$26,383,400) |
| 29002 Equal Access -Grants Surplus/(Deficit) | \$1,831,700 | \$196,800 | \$98,700 | \$475,000 | \$489,200 |
| 32 Justice Gap Fund - BU | | | | | |
| Revenues | | | | | |
| Voluntary Fees & Donations | \$1,409,300 | \$1,392,900 | \$900,000 | \$1,232,000 | \$1,269,000 |
| Other Revenues | 17,100 | 11,100 | 11,100 | 17,100 | \$17,600 |
| Revenues Total | \$1,426,400 | \$1,404,000 | \$911,100 | \$1,249,100 | \$1,286,600 |
| Interfund Transfers | | | | | |
| Indirect Costs | (\$9,200) | (\$7,200) | (\$7,200) | (\$7,000) | (\$7,200) |
| Interfund Transfers Total | (\$9,200) | (\$7,200) | (\$7,200) | (\$7,000) | (\$7,200) |
| 32 Justice Gap Fund - BU Surplus/(Deficit) | \$1,417,200 | \$1,396,800 | \$903,900 | \$1,242,100 | \$1,279,400 |

STATE BAR
Operating Statements by Cost Center

| ACCESS & INCLUSION | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 37 Bank Settlement Fund | | | | | |
| Revenues | | | | | |
| Other Revenues | \$287,000 | \$150,000 | \$150,000 | \$50,000 | \$51,500 |
| Revenues Total | \$287,000 | \$150,000 | \$150,000 | \$50,000 | \$51,500 |
| Interfund Transfers | | | | | |
| Indirect Costs | (\$31,200) | \$0 | \$0 | \$0 | \$0 |
| Interfund Transfers Total | (\$31,200) | \$0 | \$0 | \$0 | \$0 |
| 37 Bank Settlement Fund Surplus/(Deficit) | \$255,800 | \$150,000 | \$150,000 | \$50,000 | \$51,500 |
| 37001 B of A-Second Settlement | | | | | |
| Revenues | | | | | |
| Grants | \$9,000 | \$0 | \$0 | \$0 | \$0 |
| Other Revenues | 7,000 | 0 | 0 | 0 | \$0 |
| Revenues Total | \$16,000 | \$0 | \$0 | \$0 | \$0 |
| Expenses | | | | | |
| Personnel Expenses | (\$2,200) | (\$3,100) | (\$58,600) | (\$100,000) | (\$100,000) |
| Legal Services Grants | (5,117,500) | (9,957,900) | (9,957,900) | (9,452,800) | (\$9,736,400) |
| Supplies and Equipment | 0 | (16,300) | (16,300) | (13,800) | (\$14,200) |
| Other Expenses | (112,300) | (4,900) | (4,900) | (4,500) | (\$4,600) |
| Expenses Total | (\$5,232,000) | (\$9,982,200) | (\$10,037,700) | (\$9,571,100) | (\$9,855,200) |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$27,500) | (\$27,600) | (\$31,800) | (\$32,800) |
| Interfund Transfers Total | \$0 | (\$27,500) | (\$27,600) | (\$31,800) | (\$32,800) |
| 37001 B of A-Second Settlement Surplus/(Deficit) | (\$5,216,000) | (\$10,009,700) | (\$10,065,300) | (\$9,602,900) | (\$9,888,000) |

STATE BAR
Operating Statements by Cost Center

| <u>ACCESS & INCLUSION</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| ACCESS & INCLUSION Surplus/(Deficit) | (\$4,748,800) | (\$12,098,400) | (\$13,768,500) | (\$10,235,600) | (\$10,671,300) |

STATE BAR
Operating Statements by Cost Center

| <u>ADMISSIONS</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 20 Admissions Assets BU | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$350,300) | (\$118,200) | (\$118,200) | \$0 | \$0 |
| Supplies and Equipment | 0 | (1,000) | (1,000) | (1,000) | (\$1,000) |
| Expenses Total | (\$350,300) | (\$119,200) | (\$119,200) | (\$1,000) | (\$1,000) |
| Interfund Transfers | | | | | |
| Interfund Transfers In | \$0 | \$1,000,000 | \$1,000,000 | \$0 | \$0 |
| Indirect Costs | (4,901,400) | (609,200) | (609,400) | (100) | (\$100) |
| Interfund Transfers Out | 0 | (1,100,000) | (1,100,000) | (100,000) | (\$100,000) |
| Interfund Transfers Total | (\$4,901,400) | (\$709,200) | (\$709,400) | (\$100,100) | (\$100,100) |
| 20 Admissions Assets BU Surplus/(Deficit) | (\$5,251,700) | (\$828,400) | (\$828,600) | (\$101,100) | (\$101,100) |
| 20001 Admissions Overhead | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$628,600) | (\$539,700) | (\$765,000) | (\$855,400) | (\$894,400) |
| Leases and Rent | 12,900 | (5,800) | (5,800) | (5,800) | (\$6,000) |
| Services | (208,600) | (340,500) | (333,900) | (123,900) | (\$127,600) |
| Supplies and Equipment | (14,600) | (21,500) | (21,500) | (21,500) | (\$22,200) |
| Other Expenses | (160,900) | (148,700) | (148,600) | (108,700) | (\$111,900) |
| Expenses Total | (\$999,800) | (\$1,056,200) | (\$1,274,800) | (\$1,115,300) | (\$1,162,100) |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$389,600) | (\$391,600) | (\$383,300) | (\$394,800) |
| Interfund Transfers Total | \$0 | (\$389,600) | (\$391,600) | (\$383,300) | (\$394,800) |
| 20001 Admissions Overhead Surplus/(Deficit) | (\$999,800) | (\$1,445,800) | (\$1,666,400) | (\$1,498,600) | (\$1,556,900) |

STATE BAR
Operating Statements by Cost Center

| <u>ADMISSIONS</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 20002 Admission Operations | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$2,671,100) | (\$2,620,700) | (\$2,873,300) | (\$2,760,200) | (\$2,958,700) |
| Leases and Rent | (2,051,100) | (1,866,000) | (1,815,700) | (1,877,800) | (\$1,934,000) |
| Services | (3,155,500) | (2,915,300) | (2,503,700) | (2,538,300) | (\$2,614,400) |
| Supplies and Equipment | (951,300) | (1,011,900) | (997,900) | (933,600) | (\$961,600) |
| Other Expenses | (148,900) | (164,600) | (158,500) | (158,700) | (\$163,500) |
| Expenses Total | (\$8,977,900) | (\$8,578,500) | (\$8,349,100) | (\$8,268,600) | (\$8,632,200) |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$1,232,800) | (\$1,245,300) | (\$1,923,900) | (\$1,981,600) |
| Interfund Transfers Total | \$0 | (\$1,232,800) | (\$1,245,300) | (\$1,923,900) | (\$1,981,600) |
| 20002 Admission Operations Surplus/(Deficit) | (\$8,977,900) | (\$9,811,300) | (\$9,594,400) | (\$10,192,500) | (\$10,613,800) |
| 20004 Admissions Administration | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$426,900) | (\$404,900) | (\$623,300) | (\$657,200) | (\$707,900) |
| Leases and Rent | (1,100) | (1,500) | (1,500) | (1,500) | (\$1,500) |
| Services | (282,000) | (295,100) | (289,700) | (308,900) | (\$318,300) |
| Supplies and Equipment | (117,000) | (106,300) | (106,100) | (81,800) | (\$84,300) |
| Other Expenses | 0 | (500) | (500) | (500) | (\$500) |
| Expenses Total | (\$827,000) | (\$808,300) | (\$1,021,100) | (\$1,049,900) | (\$1,112,500) |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$515,300) | (\$516,700) | (\$609,000) | (\$627,300) |
| Interfund Transfers Total | \$0 | (\$515,300) | (\$516,700) | (\$609,000) | (\$627,300) |
| 20004 Admissions Administration Surplus/(Deficit) | (\$827,000) | (\$1,323,600) | (\$1,537,800) | (\$1,658,900) | (\$1,739,800) |

STATE BAR
Operating Statements by Cost Center

| <u>ADMISSIONS</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 20006 Comm. Bar Examiners | | | | | |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$5,400) | (\$5,400) | \$0 | \$0 |
| Interfund Transfers Total | \$0 | (\$5,400) | (\$5,400) | \$0 | \$0 |
| 20006 Comm. Bar Examiners Surplus/(Deficit) | \$0 | (\$5,400) | (\$5,400) | \$0 | \$0 |
| 20007 Law School Regulation | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$311,800) | (\$397,200) | (\$309,700) | (\$343,500) | (\$365,100) |
| Services | (27,100) | (40,900) | (35,200) | (70,200) | (\$72,300) |
| Supplies and Equipment | (3,300) | (5,100) | (3,600) | (5,100) | (\$5,300) |
| Other Expenses | (9,600) | (15,000) | (15,000) | (30,000) | (\$30,900) |
| Expenses Total | (\$351,800) | (\$458,200) | (\$363,500) | (\$448,800) | (\$473,600) |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$173,300) | (\$173,900) | (\$216,200) | (\$222,700) |
| Interfund Transfers Out | (400) | (400) | 0 | 0 | \$0 |
| Interfund Transfers Total | (\$400) | (\$173,700) | (\$173,900) | (\$216,200) | (\$222,700) |
| 20007 Law School Regulation Surplus/(Deficit) | (\$352,200) | (\$631,900) | (\$537,400) | (\$665,000) | (\$696,300) |

STATE BAR
Operating Statements by Cost Center

| <u>ADMISSIONS</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 20009 Admissions Revenue | | | | | |
| Revenues | | | | | |
| Exam Fees | \$14,275,500 | \$13,690,600 | \$14,937,400 | \$13,690,600 | \$14,101,500 |
| Other Revenues | 7,281,500 | 7,251,100 | 7,123,900 | 7,251,100 | \$7,468,600 |
| Revenues Total | \$21,557,000 | \$20,941,700 | \$22,061,300 | \$20,941,700 | \$21,570,100 |
| Expenses | | | | | |
| Services | \$0 | \$176,200 | \$0 | \$0 | \$0 |
| Expenses Total | \$0 | \$176,200 | \$0 | \$0 | \$0 |
| Interfund Transfers | | | | | |
| Interfund Transfers In | \$900 | \$0 | \$0 | \$0 | \$0 |
| Indirect Costs | 0 | (4,200) | (4,200) | (2,700) | (\$2,800) |
| Interfund Transfers Total | \$900 | (\$4,200) | (\$4,200) | (\$2,700) | (\$2,800) |
| 20009 Admissions Revenue Surplus/(Deficit) | \$21,557,900 | \$21,113,700 | \$22,057,100 | \$20,939,000 | \$21,567,300 |

STATE BAR
Operating Statements by Cost Center

| <u>ADMISSIONS</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 20011 Examination Development | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$305,000) | (\$379,700) | (\$347,000) | (\$375,100) | (\$386,600) |
| Leases and Rent | 0 | (2,500) | (2,500) | (2,500) | (\$2,600) |
| Services | (478,600) | (562,100) | (540,000) | (563,100) | (\$580,000) |
| Supplies and Equipment | (2,600) | (4,500) | (4,400) | (4,500) | (\$4,600) |
| Other Expenses | (11,200) | (18,500) | (15,100) | (15,100) | (\$15,500) |
| Expenses Total | (\$797,400) | (\$967,300) | (\$909,000) | (\$960,300) | (\$989,300) |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$209,500) | (\$211,000) | (\$253,800) | (\$261,500) |
| Interfund Transfers Out | (400) | (400) | 0 | 0 | \$0 |
| Interfund Transfers Total | (\$400) | (\$209,900) | (\$211,000) | (\$253,800) | (\$261,500) |
| 20011 Examination Development Surplus/(Deficit) | (\$797,800) | (\$1,177,200) | (\$1,120,000) | (\$1,214,100) | (\$1,250,800) |
| 20013 Examination Grading | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$590,800) | (\$788,000) | (\$799,100) | (\$654,100) | (\$703,600) |
| Leases and Rent | (5,200) | (14,400) | (14,400) | (14,900) | (\$15,400) |
| Services | (594,500) | (734,100) | (727,800) | (871,100) | (\$897,300) |
| Supplies and Equipment | (875,800) | (915,900) | (845,000) | (791,000) | (\$814,600) |
| Other Expenses | (78,400) | (93,200) | (90,000) | (85,400) | (\$88,100) |
| Expenses Total | (\$2,144,700) | (\$2,545,600) | (\$2,476,300) | (\$2,416,500) | (\$2,519,000) |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$611,800) | (\$615,900) | (\$620,700) | (\$639,300) |
| Interfund Transfers Total | \$0 | (\$611,800) | (\$615,900) | (\$620,700) | (\$639,300) |
| 20013 Examination Grading Surplus/(Deficit) | (\$2,144,700) | (\$3,157,400) | (\$3,092,200) | (\$3,037,200) | (\$3,158,300) |

STATE BAR
Operating Statements by Cost Center

| <u>ADMISSIONS</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 20019 Moral Character Determinations | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$1,309,600) | (\$1,464,600) | (\$1,699,500) | (\$1,777,700) | (\$1,913,500) |
| Leases and Rent | (500) | 0 | 0 | 0 | \$0 |
| Services | (24,900) | (65,300) | (63,400) | (64,900) | (\$67,000) |
| Supplies and Equipment | (18,800) | (20,000) | (19,300) | (19,400) | (\$20,000) |
| Other Expenses | (11,600) | (19,800) | (10,200) | (11,300) | (\$11,600) |
| Expenses Total | (\$1,365,400) | (\$1,569,700) | (\$1,792,400) | (\$1,873,300) | (\$2,012,100) |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$1,088,300) | (\$1,090,800) | (\$1,184,700) | (\$1,220,300) |
| Interfund Transfers Out | 0 | (600) | 0 | 0 | \$0 |
| Interfund Transfers Total | \$0 | (\$1,088,900) | (\$1,090,800) | (\$1,184,700) | (\$1,220,300) |
| 20019 Moral Character Determinations Surplus/(Deficit) | (\$1,365,400) | (\$2,658,600) | (\$2,883,200) | (\$3,058,000) | (\$3,232,400) |
| 20022 MCLE Provider Certification | | | | | |
| Expenses | | | | | |
| Supplies and Equipment | \$0 | (\$300) | (\$300) | \$0 | \$0 |
| Expenses Total | \$0 | (\$300) | (\$300) | \$0 | \$0 |
| 20022 MCLE Provider Certification Surplus/(Deficit) | \$0 | (\$300) | (\$300) | \$0 | \$0 |

STATE BAR
Operating Statements by Cost Center

| <u>ADMISSIONS</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 20023 Special Admissions | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$194,300) | (\$211,400) | (\$198,300) | (\$204,400) | (\$213,300) |
| Services | 0 | (200) | 0 | (200) | (\$200) |
| Supplies and Equipment | (2,400) | (2,700) | (2,700) | (2,700) | (\$2,800) |
| Other Expenses | (200) | 0 | 0 | 0 | \$0 |
| Expenses Total | (\$196,900) | (\$214,300) | (\$201,000) | (\$207,300) | (\$216,300) |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$162,500) | (\$162,800) | (\$226,200) | (\$233,000) |
| Interfund Transfers Total | \$0 | (\$162,500) | (\$162,800) | (\$226,200) | (\$233,000) |
| 20023 Special Admissions Surplus/(Deficit) | (\$196,900) | (\$376,800) | (\$363,800) | (\$433,500) | (\$449,300) |
| 24 Legal Specialization -Asset BU | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$17,900) | (\$13,600) | (\$13,600) | \$0 | \$0 |
| Expenses Total | (\$17,900) | (\$13,600) | (\$13,600) | \$0 | \$0 |
| Interfund Transfers | | | | | |
| Interfund Transfers In | \$0 | \$100,000 | \$100,000 | \$100,000 | \$100,000 |
| Indirect Costs | (802,300) | (900) | (900) | 0 | \$0 |
| Interfund Transfers Out | 0 | (1,000,000) | (1,000,000) | 0 | \$0 |
| Interfund Transfers Total | (\$802,300) | (\$900,900) | (\$900,900) | \$100,000 | \$100,000 |
| 24 Legal Specialization -Asset BU Surplus/(Deficit) | (\$820,200) | (\$914,500) | (\$914,500) | \$100,000 | \$100,000 |

STATE BAR
Operating Statements by Cost Center

| <u>ADMISSIONS</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 24001 Legal Specialization | | | | | |
| Revenues | | | | | |
| Exam Fees | \$261,100 | \$96,700 | \$48,000 | \$244,700 | \$252,100 |
| Other Revenues | 347,400 | 2,216,100 | 1,984,500 | 1,729,500 | \$1,781,400 |
| Revenues Total | \$608,500 | \$2,312,800 | \$2,032,500 | \$1,974,200 | \$2,033,500 |
| Expenses | | | | | |
| Personnel Expenses | (\$744,000) | (\$890,900) | (\$873,200) | (\$556,500) | (\$607,000) |
| Leases and Rent | (96,100) | (75,000) | (75,000) | (106,000) | (\$109,200) |
| Services | (177,100) | (1,708,500) | (1,700,200) | (402,200) | (\$414,300) |
| Supplies and Equipment | (92,900) | (891,600) | (874,100) | (480,100) | (\$134,100) |
| Other Expenses | (144,500) | (162,800) | (162,800) | (161,200) | (\$166,000) |
| Expenses Total | (\$1,254,600) | (\$3,728,800) | (\$3,685,300) | (\$1,706,000) | (\$1,430,600) |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$846,600) | (\$852,700) | (\$743,300) | (\$765,600) |
| Interfund Transfers Out | (400) | (500) | 0 | 0 | \$0 |
| Interfund Transfers Total | (\$400) | (\$847,100) | (\$852,700) | (\$743,300) | (\$765,600) |
| 24001 Legal Specialization Surplus/(Deficit) | (\$646,500) | (\$2,263,100) | (\$2,505,500) | (\$475,100) | (\$162,700) |
| ADMISSIONS Surplus/(Deficit) | (\$822,200) | (\$3,480,600) | (\$2,992,400) | (\$1,295,000) | (\$1,294,100) |

STATE BAR
Operating Statements by Cost Center

| ATTORNEY REGULATION & CON | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 10201 Child & Family Support | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$29,500) | (\$59,100) | (\$60,600) | (\$66,200) | (\$72,400) |
| Services | 0 | (2,700) | (2,700) | (2,700) | (\$2,800) |
| Supplies and Equipment | (1,300) | (1,600) | (1,300) | (1,400) | (\$1,400) |
| Expenses Total | (\$30,800) | (\$63,400) | (\$64,600) | (\$70,300) | (\$76,600) |
| Interfund Transfers | | | | | |
| Indirect Costs | (\$19,100) | (\$33,300) | (\$33,400) | (\$36,500) | (\$37,600) |
| Interfund Transfers Total | (\$19,100) | (\$33,300) | (\$33,400) | (\$36,500) | (\$37,600) |
| 10201 Child & Family Support Surplus/(Deficit) | (\$49,900) | (\$96,700) | (\$98,000) | (\$106,800) | (\$114,200) |
| 10202 Member Rec. & Cert. | | | | | |
| Revenues | | | | | |
| Other Revenues | \$500 | \$3,000 | \$3,000 | \$0 | \$0 |
| Revenues Total | \$500 | \$3,000 | \$3,000 | \$0 | \$0 |
| 10202 Member Rec. & Cert. Surplus/(Deficit) | \$500 | \$3,000 | \$3,000 | \$0 | \$0 |

STATE BAR
Operating Statements by Cost Center

| ATTORNEY REGULATION & CON | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--------------------------------------|------------------------|----------------------------|------------------------|------------------------|--------------------------|
|--------------------------------------|------------------------|----------------------------|------------------------|------------------------|--------------------------|

10251 Attorney Reg & Consumer Res

Revenues

| | | | | | |
|-----------------------|------------------|------------------|------------------|------------------|------------------|
| Other Revenues | \$255,400 | \$215,100 | \$207,300 | \$212,600 | \$219,000 |
| Revenues Total | \$255,400 | \$215,100 | \$207,300 | \$212,600 | \$219,000 |

Expenses

| | | | | | |
|------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Personnel Expenses | (\$2,114,600) | (\$3,417,200) | (\$2,948,800) | (\$3,408,000) | (\$3,660,200) |
| Services | (86,100) | (143,200) | (142,500) | (140,100) | (\$144,100) |
| Supplies and Equipment | (161,000) | (172,100) | (169,800) | (194,800) | (\$200,700) |
| Other Expenses | (10,500) | (14,200) | (14,200) | (19,200) | (\$19,800) |
| Expenses Total | (\$2,372,200) | (\$3,746,700) | (\$3,275,300) | (\$3,762,100) | (\$4,024,800) |

Interfund Transfers

| | | | | | |
|----------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Indirect Costs | (\$1,141,500) | (\$1,591,700) | (\$1,598,000) | (\$2,216,500) | (\$2,283,000) |
| Interfund Transfers Out | (300) | (400) | 0 | 0 | \$0 |
| Interfund Transfers Total | (\$1,141,800) | (\$1,592,100) | (\$1,598,000) | (\$2,216,500) | (\$2,283,000) |

| | | | | | |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| 10251 Attorney Reg & Consumer Res Surplus/(Deficit) | (\$3,258,600) | (\$5,123,700) | (\$4,666,000) | (\$5,766,000) | (\$6,088,800) |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|

10252 Transition Assistance Services

Expenses

| | | | | | |
|------------------------|-------------------|-------------------|-------------------|------------|------------|
| Services | (\$17,600) | (\$28,300) | (\$28,300) | \$0 | \$0 |
| Supplies and Equipment | (400) | (200) | (200) | 0 | \$0 |
| Expenses Total | (\$18,000) | (\$28,500) | (\$28,500) | \$0 | \$0 |

Interfund Transfers

| | | | | | |
|----------------------------------|------------------|------------------|------------------|------------|------------|
| Indirect Costs | (\$2,200) | (\$2,000) | (\$2,100) | \$0 | \$0 |
| Interfund Transfers Total | (\$2,200) | (\$2,000) | (\$2,100) | \$0 | \$0 |

| | | | | | |
|---|-------------------|-------------------|-------------------|------------|------------|
| 10252 Transition Assistance Services Surplus/(Deficit) | (\$20,200) | (\$30,500) | (\$30,600) | \$0 | \$0 |
|---|-------------------|-------------------|-------------------|------------|------------|

STATE BAR
Operating Statements by Cost Center

| ATTORNEY REGULATION & CON | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 10253 MCLE Regulation | | | | | |
| Revenues | | | | | |
| Other Revenues | \$602,600 | \$1,249,300 | \$728,900 | \$773,300 | \$796,700 |
| Revenues Total | \$602,600 | \$1,249,300 | \$728,900 | \$773,300 | \$796,700 |
| Expenses | | | | | |
| Personnel Expenses | (\$477,600) | (\$2,700) | (\$2,700) | (\$2,500) | (\$2,600) |
| Services | (1,100) | (600) | (600) | (600) | (\$600) |
| Supplies and Equipment | (900) | (48,500) | (4,000) | (21,000) | (\$21,600) |
| Other Expenses | 0 | (1,200) | (1,200) | (1,200) | (\$1,200) |
| Expenses Total | (\$479,600) | (\$53,000) | (\$8,500) | (\$25,300) | (\$26,000) |
| Interfund Transfers | | | | | |
| Indirect Costs | (\$264,200) | (\$4,300) | (\$4,300) | (\$4,400) | (\$4,500) |
| Interfund Transfers Total | (\$264,200) | (\$4,300) | (\$4,300) | (\$4,400) | (\$4,500) |
| 10253 MCLE Regulation Surplus/(Deficit) | (\$141,200) | \$1,192,000 | \$716,100 | \$743,600 | \$766,200 |
| 10503 Mandatory Fee Arb Committee | | | | | |
| Expenses | | | | | |
| Services | (\$700) | (\$1,100) | (\$1,100) | (\$1,100) | (\$1,100) |
| Supplies and Equipment | 0 | (2,200) | (2,000) | (2,200) | (\$2,200) |
| Other Expenses | (17,900) | (21,300) | (20,900) | (17,900) | (\$18,300) |
| Expenses Total | (\$18,600) | (\$24,600) | (\$24,000) | (\$21,200) | (\$21,600) |
| Interfund Transfers | | | | | |
| Indirect Costs | (\$1,800) | (\$1,700) | (\$1,800) | (\$1,700) | (\$1,800) |
| Interfund Transfers Total | (\$1,800) | (\$1,700) | (\$1,800) | (\$1,700) | (\$1,800) |
| 10503 Mandatory Fee Arb Committee Surplus/(Deficit) | (\$20,400) | (\$26,300) | (\$25,800) | (\$22,900) | (\$23,400) |

STATE BAR
Operating Statements by Cost Center

| ATTORNEY REGULATION & CON | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 10504 Mandatory Fee Arbitration | | | | | |
| Revenues | | | | | |
| Other Revenues | \$30,800 | \$44,000 | \$44,000 | \$44,000 | \$45,300 |
| Revenues Total | \$30,800 | \$44,000 | \$44,000 | \$44,000 | \$45,300 |
| Expenses | | | | | |
| Personnel Expenses | (\$353,500) | (\$121,800) | \$0 | \$0 | \$0 |
| Services | (41,200) | (58,000) | (58,000) | (57,400) | (\$59,100) |
| Supplies and Equipment | (8,400) | (13,700) | (13,700) | (13,700) | (\$14,100) |
| Other Expenses | (5,100) | (8,900) | (8,900) | (8,900) | (\$9,100) |
| Expenses Total | (\$408,200) | (\$202,400) | (\$80,600) | (\$80,000) | (\$82,300) |
| Interfund Transfers | | | | | |
| Indirect Costs | (\$218,600) | (\$16,400) | (\$16,600) | (\$6,600) | (\$6,800) |
| Interfund Transfers Total | (\$218,600) | (\$16,400) | (\$16,600) | (\$6,600) | (\$6,800) |
| 10504 Mandatory Fee Arbitration Surplus/(Deficit) | (\$596,000) | (\$174,800) | (\$53,200) | (\$42,600) | (\$43,800) |

STATE BAR
Operating Statements by Cost Center

| ATTORNEY REGULATION & CON | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 10601 Probation | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (915,400) | (1,004,200) | (975,600) | (1,126,000) | (\$1,192,700) |
| Services | (500) | (600) | (600) | (600) | (\$600) |
| Supplies and Equipment | (13,000) | (18,700) | (18,700) | (18,700) | (\$19,300) |
| Other Expenses | (100) | (1,300) | (1,300) | (1,300) | (\$1,300) |
| Expenses Total | (\$929,000) | (\$1,024,800) | (\$996,200) | (\$1,146,600) | (\$1,213,900) |
| Interfund Transfers | | | | | |
| Indirect Costs | (389,000) | (430,500) | (432,400) | (508,400) | (\$523,600) |
| Interfund Transfers Out | (400) | (400) | 0 | 0 | \$0 |
| Interfund Transfers Total | (\$389,400) | (\$430,900) | (\$432,400) | (\$508,400) | (\$523,600) |
| 10601 Probation Surplus/(Deficit) | (\$1,318,400) | (\$1,455,700) | (\$1,428,600) | (\$1,655,000) | (\$1,737,500) |

STATE BAR
Operating Statements by Cost Center

| ATTORNEY REGULATION & CON | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 21 Lawyer Assist Program-Asset BU | | | | | |
| Revenues | | | | | |
| Mandatory Fees | 2,064,200 | 2,108,500 | 2,107,000 | 2,107,000 | \$2,107,200 |
| Other Revenues | 29,200 | 20,000 | 20,000 | 20,000 | \$20,600 |
| Revenues Total | \$2,093,400 | \$2,128,500 | \$2,127,000 | \$2,127,000 | \$2,127,800 |
| Expenses | | | | | |
| Personnel Expenses | (57,700) | (18,200) | (18,200) | 0 | \$0 |
| Expenses Total | (\$57,700) | (\$18,200) | (\$18,200) | \$0 | \$0 |
| Interfund Transfers | | | | | |
| Interfund Transfers In | 1,200 | 1,200 | 0 | 0 | \$0 |
| Indirect Costs | (464,500) | (114,600) | (114,600) | (10,200) | (\$10,500) |
| Interfund Transfers Out | 0 | (250,000) | 0 | 0 | \$0 |
| Interfund Transfers Total | (\$463,300) | (\$363,400) | (\$114,600) | (\$10,200) | (\$10,500) |
| 21 Lawyer Assist Program-Asset BU Surplus/(Deficit) | \$1,572,400 | \$1,746,900 | \$1,994,200 | \$2,116,800 | \$2,117,300 |

STATE BAR
Operating Statements by Cost Center

| ATTORNEY REGULATION & CON | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 21000 Lawyer Assistance Program | | | | | |
| Revenues | | | | | |
| Other Revenues | 27,700 | 0 | 0 | 0 | \$0 |
| Revenues Total | \$27,700 | \$0 | \$0 | \$0 | \$0 |
| Expenses | | | | | |
| Personnel Expenses | (812,900) | (942,700) | (1,242,000) | (1,249,700) | (\$1,073,300) |
| Leases and Rent | (4,100) | (25,000) | (3,300) | (104,300) | (\$107,400) |
| Services | (80,900) | (355,000) | (340,000) | (71,100) | (\$73,100) |
| Supplies and Equipment | (17,400) | (116,800) | (22,800) | (26,300) | (\$27,100) |
| Other Expenses | (76,000) | (81,100) | (81,100) | (82,100) | (\$84,600) |
| Expenses Total | (\$991,300) | (\$1,520,600) | (\$1,689,200) | (\$1,533,500) | (\$1,365,500) |
| Interfund Transfers | | | | | |
| Indirect Costs | 0 | (412,600) | (415,400) | (473,200) | (\$487,400) |
| Interfund Transfers Total | \$0 | (\$412,600) | (\$415,400) | (\$473,200) | (\$487,400) |
| 21000 Lawyer Assistance Program Surplus/(Deficit) | (\$963,600) | (\$1,933,200) | (\$2,104,600) | (\$2,006,700) | (\$1,852,900) |
| ATTORNEY REGULATION & CONSUMER RESOURCES Surplus/(Deficit) | (\$4,795,400) | (\$5,899,000) | (\$5,693,500) | (\$6,739,600) | (\$6,977,100) |

STATE BAR
Operating Statements by Cost Center

| <u>CLIENT SECURITY FUND</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 27 Client Security -Asset BU | | | | | |
| Revenues | | | | | |
| Mandatory Fees | \$7,864,500 | \$7,930,100 | \$7,927,300 | \$7,927,300 | \$8,028,100 |
| Other Revenues | 61,200 | 49,400 | 49,400 | 49,400 | \$50,800 |
| Revenues Total | \$7,925,700 | \$7,979,500 | \$7,976,700 | \$7,976,700 | \$8,078,900 |
| Expenses | | | | | |
| Personnel Expenses | (\$99,800) | (\$25,100) | (\$24,500) | \$0 | \$0 |
| Expenses Total | (\$99,800) | (\$25,100) | (\$24,500) | \$0 | \$0 |
| Interfund Transfers | | | | | |
| Interfund Transfers In | \$1,604,900 | \$254,800 | \$0 | \$0 | \$0 |
| Indirect Costs | (580,200) | (185,500) | (185,500) | (38,400) | (\$39,500) |
| Interfund Transfers Total | \$1,024,700 | \$69,300 | (\$185,500) | (\$38,400) | (\$39,500) |
| 27 Client Security -Asset BU Surplus/(Deficit) | \$8,850,600 | \$8,023,700 | \$7,766,700 | \$7,938,300 | \$8,039,400 |

STATE BAR
Operating Statements by Cost Center

| CLIENT SECURITY FUND | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 27001 Client Security Fund | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$1,184,700) | (\$1,273,000) | (\$1,467,200) | (\$1,456,900) | (\$1,534,000) |
| Services | (6,700) | (11,500) | (11,500) | (10,900) | (\$11,200) |
| Supplies and Equipment | (23,700) | (30,300) | (29,100) | (29,700) | (\$30,600) |
| Other Expenses | 4,800 | 144,800 | 144,800 | (5,200) | (\$5,300) |
| CSF Payments | (6,339,400) | (8,900,000) | (6,600,000) | (6,900,000) | (\$6,000,000) |
| CSF Reimbursements | 355,100 | 391,400 | 540,000 | 485,000 | \$499,500 |
| Expenses Total | (\$7,194,600) | (\$9,678,600) | (\$7,423,000) | (\$7,917,700) | (\$7,081,600) |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$544,200) | (\$394,900) | (\$542,700) | (\$559,000) |
| Interfund Transfers Out | (1,100) | (1,600) | 0 | 0 | \$0 |
| Interfund Transfers Total | (\$1,100) | (\$545,800) | (\$394,900) | (\$542,700) | (\$559,000) |
| 27001 Client Security Fund Surplus/(Deficit) | (\$7,195,700) | (\$10,224,400) | (\$7,817,900) | (\$8,460,400) | (\$7,640,600) |
| 27002 CSF Commission | | | | | |
| Expenses | | | | | |
| Supplies and Equipment | (\$200) | (\$300) | (\$300) | (\$300) | (\$300) |
| Other Expenses | (8,000) | (8,500) | (8,500) | (7,900) | (\$8,100) |
| Expenses Total | (\$8,200) | (\$8,800) | (\$8,800) | (\$8,200) | (\$8,400) |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$4,900) | (\$5,000) | (\$700) | (\$700) |
| Interfund Transfers Total | \$0 | (\$4,900) | (\$5,000) | (\$700) | (\$700) |
| 27002 CSF Commission Surplus/(Deficit) | (\$8,200) | (\$13,700) | (\$13,800) | (\$8,900) | (\$9,100) |
| CLIENT SECURITY FUND Surplus/(Deficit) | \$1,646,700 | (\$2,214,400) | (\$65,000) | (\$531,000) | \$389,700 |

STATE BAR
Operating Statements by Cost Center

| PROFESSIONAL COMPETENCE | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---------------------------------------|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 10702 COPRAC | | | | | |
| Revenues | | | | | |
| Other Revenues | \$5,600 | \$15,200 | \$5,600 | \$15,200 | \$15,700 |
| Revenues Total | \$5,600 | \$15,200 | \$5,600 | \$15,200 | \$15,700 |
| Expenses | | | | | |
| Leases and Rent | \$0 | (\$1,500) | \$0 | (\$200) | (\$200) |
| Services | (500) | (2,500) | (2,500) | (3,000) | (\$3,100) |
| Supplies and Equipment | (1,300) | (3,800) | (3,800) | (1,800) | (\$1,800) |
| Other Expenses | (31,600) | (39,700) | (39,200) | (45,600) | (\$46,900) |
| Expenses Total | (\$33,400) | (\$47,500) | (\$45,500) | (\$50,600) | (\$52,000) |
| Interfund Transfers | | | | | |
| Indirect Costs | (\$5,600) | (\$11,500) | (\$11,600) | (\$4,200) | (\$4,300) |
| Interfund Transfers Total | (\$5,600) | (\$11,500) | (\$11,600) | (\$4,200) | (\$4,300) |
| 10702 COPRAC Surplus/(Deficit) | (\$33,400) | (\$43,800) | (\$51,500) | (\$39,600) | (\$40,600) |

STATE BAR
Operating Statements by Cost Center

| PROFESSIONAL COMPETENCE | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 10706 Professional Competence | | | | | |
| Revenues | | | | | |
| Other Revenues | \$20,900 | \$20,900 | \$20,900 | \$20,900 | \$21,500 |
| Revenues Total | \$20,900 | \$20,900 | \$20,900 | \$20,900 | \$21,500 |
| Expenses | | | | | |
| Personnel Expenses | (\$1,310,500) | (\$1,533,200) | (\$1,554,800) | (\$2,128,000) | (\$2,282,000) |
| Services | (175,000) | (201,000) | (201,000) | (410,600) | (\$422,900) |
| Supplies and Equipment | (29,600) | (33,700) | (33,300) | (38,900) | (\$40,000) |
| Other Expenses | (6,500) | (6,400) | (6,400) | (4,300) | (\$4,400) |
| Expenses Total | (\$1,521,600) | (\$1,774,300) | (\$1,795,500) | (\$2,581,800) | (\$2,749,300) |
| Interfund Transfers | | | | | |
| Indirect Costs | (\$807,800) | (\$919,400) | (\$922,800) | (\$1,032,200) | (\$1,063,100) |
| Interfund Transfers Out | (700) | (800) | 0 | 0 | \$0 |
| Interfund Transfers Total | (\$808,500) | (\$920,200) | (\$922,800) | (\$1,032,200) | (\$1,063,100) |
| 10706 Professional Competence Surplus/(Deficit) | (\$2,309,200) | (\$2,673,600) | (\$2,697,400) | (\$3,593,100) | (\$3,790,900) |

STATE BAR
Operating Statements by Cost Center

| PROFESSIONAL COMPETENCE | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 10708 Rules Revision Commission | | | | | |
| Expenses | | | | | |
| Leases and Rent | \$0 | (\$2,800) | (\$2,800) | \$0 | \$0 |
| Services | (22,800) | (2,400) | (2,400) | 0 | \$0 |
| Supplies and Equipment | (2,100) | (17,000) | (4,800) | 0 | \$0 |
| Other Expenses | (24,400) | (9,800) | (9,800) | 0 | \$0 |
| Expenses Total | (\$49,300) | (\$32,000) | (\$19,800) | \$0 | \$0 |
| Interfund Transfers | | | | | |
| Indirect Costs | (\$6,800) | (\$1,400) | (\$1,500) | \$0 | \$0 |
| Interfund Transfers Total | (\$6,800) | (\$1,400) | (\$1,500) | \$0 | \$0 |
| 10708 Rules Revision Commission Surplus/(Deficit) | (\$56,100) | (\$33,400) | (\$21,300) | \$0 | \$0 |
| 10709 OPC Publications | | | | | |
| Revenues | | | | | |
| Other Revenues | \$3,800 | \$32,700 | \$12,200 | \$9,200 | \$9,500 |
| Revenues Total | \$3,800 | \$32,700 | \$12,200 | \$9,200 | \$9,500 |
| Expenses | | | | | |
| Services | (\$600) | (\$15,800) | (\$15,800) | (\$14,800) | (\$15,300) |
| Supplies and Equipment | (1,000) | (9,100) | (8,600) | (9,700) | (\$10,000) |
| Other Expenses | (1,000) | (1,000) | (1,000) | 0 | \$0 |
| Expenses Total | (\$2,600) | (\$25,900) | (\$25,400) | (\$24,500) | (\$25,300) |
| Interfund Transfers | | | | | |
| Interfund Transfers In | \$5,200 | \$900 | \$0 | \$0 | \$0 |
| Indirect Costs | (1,900) | (1,800) | (1,900) | (2,000) | (\$2,100) |
| Interfund Transfers Total | \$3,300 | (\$900) | (\$1,900) | (\$2,000) | (\$2,100) |
| 10709 OPC Publications Surplus/(Deficit) | \$4,500 | \$5,900 | (\$15,100) | (\$17,300) | (\$17,900) |

STATE BAR
Operating Statements by Cost Center

| <u>PROFESSIONAL COMPETENCE</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| PROFESSIONAL COMPETENCE Surplus/(Deficit) | (\$2,394,200) | (\$2,744,900) | (\$2,785,300) | (\$3,650,000) | (\$3,849,400) |
| <hr/> | | | | | |
| <u>ADMINISTRATION</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
| <hr/> | | | | | |
| 23002 Administration | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$89,700) | (\$32,600) | \$0 | (\$500) | (\$500) |
| Services | 0 | (1,600) | 0 | 0 | \$0 |
| Supplies and Equipment | (200) | (900) | 0 | (1,000) | (\$1,000) |
| Other Expenses | (3,500) | (8,800) | 0 | (14,000) | (\$14,400) |
| Expenses Total | (\$93,400) | (\$43,900) | \$0 | (\$15,500) | (\$15,900) |
| <hr/> | | | | | |
| 23002 Administration Surplus/(Deficit) | (\$93,400) | (\$43,900) | \$0 | (\$15,500) | (\$15,900) |
| <hr/> | | | | | |
| ADMINISTRATION Surplus/(Deficit) | (\$93,400) | (\$43,900) | \$0 | (\$15,500) | (\$15,900) |
| <hr/> | | | | | |

STATE BAR
Operating Statements by Cost Center

| GENERAL SERVICES | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|-------------------------|------------------------|----------------------------|------------------------|------------------------|--------------------------|
|-------------------------|------------------------|----------------------------|------------------------|------------------------|--------------------------|

23310 General Services LA

Revenues

| | | | | | |
|-----------------------|------------|----------------|------------|----------------|----------------|
| Other Revenues | \$0 | \$3,400 | \$0 | \$3,400 | \$3,500 |
| Revenues Total | \$0 | \$3,400 | \$0 | \$3,400 | \$3,500 |

Expenses

| | | | | | |
|------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Personnel Expenses | (\$819,700) | (\$1,046,500) | (\$835,800) | (\$1,206,200) | (\$1,293,200) |
| Leases and Rent | (1,659,200) | (1,733,000) | (1,610,900) | (1,668,300) | (\$1,718,200) |
| Services | (124,900) | (153,300) | (152,500) | (148,300) | (\$152,800) |
| Supplies and Equipment | (70,800) | (427,200) | (181,500) | (286,400) | (\$294,900) |
| Other Expenses | (4,900) | (36,200) | (15,100) | (21,500) | (\$22,100) |
| Expenses Total | (\$2,679,500) | (\$3,396,200) | (\$2,795,800) | (\$3,330,700) | (\$3,481,200) |

| | | | | | |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| 23310 General Services LA Surplus/(Deficit) | (\$2,679,500) | (\$3,392,800) | (\$2,795,800) | (\$3,327,300) | (\$3,477,700) |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|

23321 Risk Management/Insurance

Expenses

| | | | | | |
|-----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Leases and Rent | (\$840,500) | (\$849,000) | (\$849,000) | (\$849,000) | (\$874,500) |
| Expenses Total | (\$840,500) | (\$849,000) | (\$849,000) | (\$849,000) | (\$874,500) |

| | | | | | |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| 23321 Risk Management/Insurance Surplus/(Deficit) | (\$840,500) | (\$849,000) | (\$849,000) | (\$849,000) | (\$874,500) |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|

STATE BAR
Operating Statements by Cost Center

| <u>GENERAL SERVICES</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 23350 General Services SF | | | | | |
| Revenues | | | | | |
| Other Revenues | \$4,500 | \$4,500 | \$4,500 | \$4,500 | \$4,600 |
| Revenues Total | \$4,500 | \$4,500 | \$4,500 | \$4,500 | \$4,600 |
| Expenses | | | | | |
| Personnel Expenses | (\$1,375,100) | (\$1,272,500) | (\$1,534,200) | (\$1,318,400) | (\$1,418,000) |
| Leases and Rent | (2,207,700) | (2,708,400) | (2,643,300) | (2,776,100) | (\$2,859,500) |
| Services | (538,200) | (533,100) | (497,900) | (452,600) | (\$466,100) |
| Supplies and Equipment | 12,800 | (218,100) | (149,100) | (156,800) | (\$161,600) |
| Other Expenses | (23,300) | (47,500) | (6,700) | (6,700) | (\$6,900) |
| Expenses Total | (\$4,131,500) | (\$4,779,600) | (\$4,831,200) | (\$4,710,600) | (\$4,912,100) |
| 23350 General Services SF Surplus/(Deficit) | (\$4,127,000) | (\$4,775,100) | (\$4,826,700) | (\$4,706,100) | (\$4,907,500) |

STATE BAR
Operating Statements by Cost Center

| GENERAL SERVICES | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 26 Building -Asset BU | | | | | |
| Revenues | | | | | |
| Mandatory Fees | \$1,800 | \$3,000 | \$3,000 | \$3,000 | \$3,100 |
| Other Revenues | 120,600 | 25,700 | 25,700 | 25,700 | \$26,500 |
| Revenues Total | \$122,400 | \$28,700 | \$28,700 | \$28,700 | \$29,600 |
| Expenses | | | | | |
| Services | (\$79,000) | \$0 | \$0 | (\$573,500) | (\$75,000) |
| Supplies and Equipment | (1,274,500) | (3,944,600) | (3,944,600) | (3,070,000) | (\$3,110,000) |
| Depreciation | (422,900) | 0 | 0 | 0 | \$0 |
| Expenses Total | (\$1,776,400) | (\$3,944,600) | (\$3,944,600) | (\$3,643,500) | (\$3,185,000) |
| Interfund Transfers | | | | | |
| Indirect Costs | \$1,235,400 | \$2,287,800 | \$2,287,800 | \$2,744,000 | \$2,826,300 |
| Interfund Transfers Total | \$1,235,400 | \$2,287,800 | \$2,287,800 | \$2,744,000 | \$2,826,300 |
| 26 Building -Asset BU Surplus/(Deficit) | (\$418,600) | (\$1,628,100) | (\$1,628,100) | (\$870,800) | (\$329,100) |
| 26101 SF Facilities Management | | | | | |
| Revenues | | | | | |
| Other Revenues | \$1,760,200 | \$2,119,900 | \$1,766,400 | \$2,889,500 | \$3,618,300 |
| Revenues Total | \$1,760,200 | \$2,119,900 | \$1,766,400 | \$2,889,500 | \$3,618,300 |
| 26101 SF Facilities Management Surplus/(Deficit) | \$1,760,200 | \$2,119,900 | \$1,766,400 | \$2,889,500 | \$3,618,300 |

STATE BAR
Operating Statements by Cost Center

| GENERAL SERVICES | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 35 LA Facility Fund | | | | | |
| Revenues | | | | | |
| Other Revenues | \$385,600 | \$411,900 | \$394,000 | \$395,000 | \$394,900 |
| Revenues Total | \$385,600 | \$411,900 | \$394,000 | \$395,000 | \$394,900 |
| Expenses | | | | | |
| Debt Service | (\$820,900) | (\$793,200) | (\$762,100) | (\$695,100) | (\$625,000) |
| Depreciation | (1,969,400) | 0 | 0 | 0 | \$0 |
| Expenses Total | (\$2,790,300) | (\$793,200) | (\$762,100) | (\$695,100) | (\$625,000) |
| Interfund Transfers | | | | | |
| Indirect Costs | \$2,300,000 | \$762,100 | \$762,100 | \$695,100 | \$716,000 |
| Interfund Transfers Total | \$2,300,000 | \$762,100 | \$762,100 | \$695,100 | \$716,000 |
| 35 LA Facility Fund Surplus/(Deficit) | (\$104,700) | \$380,800 | \$394,000 | \$395,000 | \$485,900 |
| 38 SF Tenant Improvement Fund | | | | | |
| Revenues | | | | | |
| Other Revenues | \$24,900 | \$50,000 | \$50,000 | \$50,000 | \$51,500 |
| Revenues Total | \$24,900 | \$50,000 | \$50,000 | \$50,000 | \$51,500 |
| Expenses | | | | | |
| Debt Service | \$0 | (\$400,000) | (\$400,000) | (\$340,000) | (\$297,000) |
| Expenses Total | \$0 | (\$400,000) | (\$400,000) | (\$340,000) | (\$297,000) |
| 38 SF Tenant Improvement Fund Surplus/(Deficit) | \$24,900 | (\$350,000) | (\$350,000) | (\$290,000) | (\$245,500) |
| GENERAL SERVICES Surplus/(Deficit) | (\$6,385,200) | (\$8,494,300) | (\$8,289,200) | (\$6,758,700) | (\$5,730,100) |

STATE BAR
Operating Statements by Cost Center

| <u>HUMAN RESOURCES</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 23206 Human Resources | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$1,417,600) | (\$2,047,700) | (\$1,524,600) | (\$2,002,500) | (\$2,146,800) |
| Services | (183,000) | (161,000) | (161,000) | (136,000) | (\$140,100) |
| Supplies and Equipment | (48,600) | (79,900) | (75,600) | (75,900) | (\$78,200) |
| Other Expenses | (134,600) | (52,200) | (23,500) | (239,500) | (\$246,600) |
| Expenses Total | (\$1,783,800) | (\$2,340,800) | (\$1,784,700) | (\$2,453,900) | (\$2,611,700) |
| 23206 Human Resources Surplus/(Deficit) | (\$1,783,800) | (\$2,340,800) | (\$1,784,700) | (\$2,453,900) | (\$2,611,700) |
| 23207 Talent Engagement & Develop | | | | | |
| Expenses | | | | | |
| Personnel Expenses | \$0 | (\$136,800) | (\$274,300) | \$0 | \$0 |
| Services | 0 | (600) | 0 | 0 | \$0 |
| Supplies and Equipment | 0 | (3,300) | 0 | 0 | \$0 |
| Other Expenses | (200) | (147,000) | (143,000) | 0 | \$0 |
| Expenses Total | (\$200) | (\$287,700) | (\$417,300) | \$0 | \$0 |
| 23207 Talent Engagement & Develop Surplus/(Deficit) | (\$200) | (\$287,700) | (\$417,300) | \$0 | \$0 |
| HUMAN RESOURCES Surplus/(Deficit) | (\$1,784,000) | (\$2,628,500) | (\$2,202,000) | (\$2,453,900) | (\$2,611,700) |

STATE BAR
Operating Statements by Cost Center

| <u>INFORMATION TECHNOLOGY</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 23600 Information Technology | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$4,538,400) | (\$5,518,700) | (\$5,069,500) | (\$6,046,700) | (\$6,065,600) |
| Leases and Rent | (240,300) | (424,900) | (424,800) | (552,900) | (\$575,000) |
| Services | (214,000) | (225,100) | (190,600) | (767,000) | (\$377,200) |
| Supplies and Equipment | (1,206,700) | (2,238,600) | (2,226,600) | (2,927,100) | (\$3,564,500) |
| Other Expenses | (27,300) | (114,900) | (56,100) | (91,100) | (\$93,900) |
| Expenses Total | (\$6,226,700) | (\$8,522,200) | (\$7,967,600) | (\$10,384,800) | (\$10,676,200) |
| 23600 Information Technology Surplus/(Deficit) | (\$6,226,700) | (\$8,522,200) | (\$7,967,600) | (\$10,384,800) | (\$10,676,200) |
| INFORMATION TECHNOLOGY Surplus/(Deficit) | (\$6,226,700) | (\$8,522,200) | (\$7,967,600) | (\$10,384,800) | (\$10,676,200) |

STATE BAR
Operating Statements by Cost Center

| <u>SPECIAL PROJECTS</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 19 Technology Improvemnt- Asset BU | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$35,700) | (\$56,400) | (\$56,400) | \$0 | \$0 |
| Supplies and Equipment | 2,006,600 | 0 | 0 | 0 | \$0 |
| Expenses Total | \$1,970,900 | (\$56,400) | (\$56,400) | \$0 | \$0 |
| Interfund Transfers | | | | | |
| Interfund Transfers In | \$0 | \$2,224,500 | \$2,217,000 | \$0 | \$0 |
| Indirect Costs | (119,000) | (84,400) | (84,500) | 0 | \$0 |
| Interfund Transfers Total | (\$119,000) | \$2,140,100 | \$2,132,500 | \$0 | \$0 |
| 19 Technology Improvemnt- Asset BU Surplus/(Deficit) | \$1,851,900 | \$2,083,700 | \$2,076,100 | \$0 | \$0 |
| 19018 Admission System | | | | | |
| Expenses | | | | | |
| Services | \$0 | (\$349,400) | \$0 | (\$50,000) | \$0 |
| Supplies and Equipment | 0 | (1,838,500) | (1,838,500) | 0 | \$0 |
| Other Expenses | 0 | (1,200) | 0 | 0 | \$0 |
| Expenses Total | \$0 | (\$2,189,100) | (\$1,838,500) | (\$50,000) | \$0 |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$122,000) | (\$125,300) | \$0 | \$0 |
| Interfund Transfers Total | \$0 | (\$122,000) | (\$125,300) | \$0 | \$0 |
| 19018 Admission System Surplus/(Deficit) | \$0 | (\$2,311,100) | (\$1,963,800) | (\$50,000) | \$0 |

STATE BAR
Operating Statements by Cost Center

| <u>SPECIAL PROJECTS</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 19026 SF Video Equipment | | | | | |
| Expenses | | | | | |
| Supplies and Equipment | \$0 | (\$100,000) | (\$100,000) | \$0 | \$0 |
| Expenses Total | \$0 | (\$100,000) | (\$100,000) | \$0 | \$0 |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$6,600) | (\$6,800) | \$0 | \$0 |
| Interfund Transfers Total | \$0 | (\$6,600) | (\$6,800) | \$0 | \$0 |
| 19026 SF Video Equipment Surplus/(Deficit) | \$0 | (\$106,600) | (\$106,800) | \$0 | \$0 |
| 19028 Case Management System | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$516,100) | (\$911,600) | (\$926,200) | \$0 | \$0 |
| Services | (712,000) | (674,000) | (500,000) | (930,000) | (\$1,000,000) |
| Supplies and Equipment | (673,500) | (1,408,200) | (1,582,200) | 0 | \$0 |
| Other Expenses | (600) | 0 | 0 | 0 | \$0 |
| Expenses Total | (\$1,902,200) | (\$2,993,800) | (\$3,008,400) | (\$930,000) | (\$1,000,000) |
| Interfund Transfers | | | | | |
| Interfund Transfers In | \$400,000 | \$0 | \$0 | \$0 | \$0 |
| Indirect Costs | 0 | (360,100) | (365,400) | (76,800) | (\$79,100) |
| Interfund Transfers Total | \$400,000 | (\$360,100) | (\$365,400) | (\$76,800) | (\$79,100) |
| 19028 Case Management System Surplus/(Deficit) | (\$1,502,200) | (\$3,353,900) | (\$3,373,800) | (\$1,006,800) | (\$1,079,100) |

STATE BAR
Operating Statements by Cost Center

| <u>SPECIAL PROJECTS</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 19029 Case Management System-SBC | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$104,300) | (\$531,800) | (\$151,900) | \$0 | \$0 |
| Expenses Total | (\$104,300) | (\$531,800) | (\$151,900) | \$0 | \$0 |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$73,000) | (\$73,300) | \$0 | \$0 |
| Interfund Transfers Total | \$0 | (\$73,000) | (\$73,300) | \$0 | \$0 |
| 19029 Case Management System-SBC Surplus/(Deficit) | (\$104,300) | (\$604,800) | (\$225,200) | \$0 | \$0 |
| 19030 ERP Upgrade | | | | | |
| Expenses | | | | | |
| Personnel Expenses | \$0 | \$0 | \$0 | (\$201,200) | (\$212,000) |
| Supplies and Equipment | (53,400) | (854,000) | (475,000) | (1,600,000) | \$0 |
| Expenses Total | (\$53,400) | (\$854,000) | (\$475,000) | (\$1,801,200) | (\$212,000) |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$31,500) | (\$32,400) | \$0 | \$0 |
| Interfund Transfers Total | \$0 | (\$31,500) | (\$32,400) | \$0 | \$0 |
| 19030 ERP Upgrade Surplus/(Deficit) | (\$53,400) | (\$885,500) | (\$507,400) | (\$1,801,200) | (\$212,000) |
| SPECIAL PROJECTS Surplus/(Deficit) | \$192,000 | (\$5,178,200) | (\$4,100,900) | (\$2,858,000) | (\$1,291,100) |

STATE BAR
Operating Statements by Cost Center

| FINANCE | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 23101 Finance | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$1,462,500) | (\$1,374,300) | (\$1,899,500) | (\$2,110,400) | (\$2,251,800) |
| Services | (1,135,400) | (871,100) | (653,700) | (978,700) | (\$493,000) |
| Supplies and Equipment | (23,400) | (41,200) | (32,100) | (34,400) | (\$35,400) |
| Other Expenses | (8,200) | (23,400) | (4,800) | (24,900) | (\$25,700) |
| Expenses Total | (\$2,629,500) | (\$2,310,000) | (\$2,590,100) | (\$3,148,400) | (\$2,805,900) |
| 23101 Finance Surplus/(Deficit) | (\$2,629,500) | (\$2,310,000) | (\$2,590,100) | (\$3,148,400) | (\$2,805,900) |
| 23103 Licensee Billing | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$403,200) | (\$312,100) | (\$345,400) | (\$331,200) | (\$351,900) |
| Services | (221,600) | (335,600) | (335,600) | (35,600) | (\$36,700) |
| Supplies and Equipment | (98,600) | (54,000) | (54,000) | (54,000) | (\$55,600) |
| Other Expenses | (3,800) | (4,300) | (4,300) | (4,800) | (\$4,900) |
| Expenses Total | (\$727,200) | (\$706,000) | (\$739,300) | (\$425,600) | (\$449,100) |
| Interfund Transfers | | | | | |
| Interfund Transfers Out | (\$400,000) | \$0 | \$0 | \$0 | \$0 |
| Interfund Transfers Total | (\$400,000) | \$0 | \$0 | \$0 | \$0 |
| 23103 Licensee Billing Surplus/(Deficit) | (\$1,127,200) | (\$706,000) | (\$739,300) | (\$425,600) | (\$449,100) |
| FINANCE Surplus/(Deficit) | (\$3,756,700) | (\$3,016,000) | (\$3,329,400) | (\$3,574,000) | (\$3,255,000) |

STATE BAR
Operating Statements by Cost Center

| <u>GENERAL COUNSEL</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 23001 General Counsel | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$3,477,800) | (\$3,338,200) | (\$3,937,300) | (\$4,310,100) | (\$4,623,800) |
| Services | (66,300) | (220,000) | (148,600) | (189,500) | (\$195,200) |
| Supplies and Equipment | (45,700) | (60,200) | (55,500) | (61,000) | (\$62,900) |
| Other Expenses | (43,400) | (48,000) | (41,000) | (86,400) | (\$89,000) |
| Expenses Total | (\$3,633,200) | (\$3,666,400) | (\$4,182,400) | (\$4,647,000) | (\$4,970,900) |
| Interfund Transfers | | | | | |
| Interfund Transfers Out | (\$5,800) | (\$5,700) | \$0 | \$0 | \$0 |
| Interfund Transfers Total | (\$5,800) | (\$5,700) | \$0 | \$0 | \$0 |
| 23001 General Counsel Surplus/(Deficit) | (\$3,639,000) | (\$3,672,100) | (\$4,182,400) | (\$4,647,000) | (\$4,970,900) |
| GENERAL COUNSEL Surplus/(Deficit) | (\$3,639,000) | (\$3,672,100) | (\$4,182,400) | (\$4,647,000) | (\$4,970,900) |

STATE BAR
Operating Statements by Cost Center

| MISSION ADVANCEMENT & ACC | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 10003 Board of Trustees | | | | | |
| Expenses | | | | | |
| Services | (\$119,500) | (\$21,200) | (\$21,000) | (\$21,000) | (\$21,600) |
| Supplies and Equipment | (3,800) | (3,900) | (3,900) | (3,900) | (\$3,900) |
| Other Expenses | (158,400) | (143,800) | (143,600) | (143,800) | (\$148,100) |
| Expenses Total | (\$281,700) | (\$168,900) | (\$168,500) | (\$168,700) | (\$173,600) |
| 10003 Board of Trustees Surplus/(Deficit) | (\$281,700) | (\$168,900) | (\$168,500) | (\$168,700) | (\$173,600) |
| 10005 Elections | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$8,300) | \$0 | \$0 | \$0 | \$0 |
| Services | (1,000) | 0 | 0 | 0 | \$0 |
| Expenses Total | (\$9,300) | \$0 | \$0 | \$0 | \$0 |
| 10005 Elections Surplus/(Deficit) | (\$9,300) | \$0 | \$0 | \$0 | \$0 |
| 10011 Class & Comp WF Planning | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$100) | \$0 | \$0 | \$0 | \$0 |
| Expenses Total | (\$100) | \$0 | \$0 | \$0 | \$0 |
| 10011 Class & Comp WF Planning Surplus/(Deficit) | (\$100) | \$0 | \$0 | \$0 | \$0 |

STATE BAR
Operating Statements by Cost Center

| MISSION ADVANCEMENT & ACC | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--------------------------------------|------------------------|----------------------------|------------------------|------------------------|--------------------------|
|--------------------------------------|------------------------|----------------------------|------------------------|------------------------|--------------------------|

10012 Research and Institutional Acct.

Revenues

| | | | | | |
|-----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Grants | \$50,000 | \$0 | \$0 | \$0 | \$0 |
| Other Revenues | 0 | 15,000 | 15,000 | 15,000 | \$15,400 |
| Revenues Total | \$50,000 | \$15,000 | \$15,000 | \$15,000 | \$15,400 |

Expenses

| | | | | | |
|------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Personnel Expenses | (\$1,351,500) | (\$1,302,200) | (\$1,376,100) | (\$1,578,700) | (\$1,726,500) |
| Services | (9,800) | (20,100) | (20,100) | (9,600) | (\$9,900) |
| Legal Services Grants | (50,000) | 0 | 0 | 0 | \$0 |
| Supplies and Equipment | (297,700) | (416,400) | (292,100) | (293,600) | (\$302,600) |
| Other Expenses | (13,900) | (94,600) | (8,100) | (30,500) | (\$31,400) |
| Expenses Total | (\$1,722,900) | (\$1,833,300) | (\$1,696,400) | (\$1,912,400) | (\$2,070,400) |

| | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| 10012 Research and Institutional Acct. Surplus/(Deficit) | (\$1,672,900) | (\$1,818,300) | (\$1,681,400) | (\$1,897,400) | (\$2,055,000) |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|

10013 ORIA - Collections

Expenses

| | | | | | |
|------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Personnel Expenses | (\$256,300) | (\$191,500) | (\$234,000) | (\$163,200) | (\$164,600) |
| Supplies and Equipment | 0 | (300) | 0 | (300) | (\$300) |
| Expenses Total | (\$256,300) | (\$191,800) | (\$234,000) | (\$163,500) | (\$164,900) |

Interfund Transfers

| | | | | | |
|----------------------------------|-------------------|--------------------|--------------------|-------------------|-------------------|
| Indirect Costs | (\$98,600) | (\$108,800) | (\$109,200) | (\$40,000) | (\$41,200) |
| Interfund Transfers Total | (\$98,600) | (\$108,800) | (\$109,200) | (\$40,000) | (\$41,200) |

| | | | | | |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| 10013 ORIA - Collections Surplus/(Deficit) | (\$354,900) | (\$300,600) | (\$343,200) | (\$203,500) | (\$206,100) |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|

STATE BAR
Operating Statements by Cost Center

| MISSION ADVANCEMENT & ACC | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--------------------------------------|------------------------|----------------------------|------------------------|------------------------|--------------------------|
|--------------------------------------|------------------------|----------------------------|------------------------|------------------------|--------------------------|

10014 Mission Advancement

Expenses

| | | | | | |
|------------------------|--------------------|--------------------|--------------------|--------------------|----------------------|
| Personnel Expenses | (\$333,200) | (\$388,900) | (\$771,700) | (\$957,500) | (\$1,015,800) |
| Services | 0 | (16,600) | (100) | (3,100) | (\$3,100) |
| Supplies and Equipment | (900) | (4,200) | (1,500) | (3,200) | (\$3,300) |
| Other Expenses | (9,500) | (5,900) | (100) | (5,700) | (\$5,900) |
| Expenses Total | (\$343,600) | (\$415,600) | (\$773,400) | (\$969,500) | (\$1,028,100) |

Interfund Transfers

| | | | | | |
|----------------------------------|------------|----------------|------------|------------|------------|
| Interfund Transfers Out | \$0 | (\$800) | \$0 | \$0 | \$0 |
| Interfund Transfers Total | \$0 | (\$800) | \$0 | \$0 | \$0 |

| | | | | | |
|--|--------------------|--------------------|--------------------|--------------------|----------------------|
| 10014 Mission Advancement Surplus/(Deficit) | (\$343,600) | (\$416,400) | (\$773,400) | (\$969,500) | (\$1,028,100) |
|--|--------------------|--------------------|--------------------|--------------------|----------------------|

10016 Malpractice Ins Wkg Group

Expenses

| | | | | | |
|------------------------|------------|------------------|------------|------------------|------------------|
| Supplies and Equipment | \$0 | \$0 | \$0 | (\$100) | (\$100) |
| Other Expenses | 0 | (6,000) | 0 | (5,900) | (\$6,100) |
| Expenses Total | \$0 | (\$6,000) | \$0 | (\$6,000) | (\$6,200) |

Interfund Transfers

| | | | | | |
|----------------------------------|------------|------------|------------|----------------|----------------|
| Indirect Costs | \$0 | \$0 | \$0 | (\$500) | (\$500) |
| Interfund Transfers Total | \$0 | \$0 | \$0 | (\$500) | (\$500) |

| | | | | | |
|--|------------|------------------|------------|------------------|------------------|
| 10016 Malpractice Ins Wkg Group Surplus/(Deficit) | \$0 | (\$6,000) | \$0 | (\$6,500) | (\$6,700) |
|--|------------|------------------|------------|------------------|------------------|

STATE BAR
Operating Statements by Cost Center

| MISSION ADVANCEMENT & ACC | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 10101 Judicial Evaluation | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$242,600) | (\$227,000) | (\$216,600) | (\$232,100) | (\$244,500) |
| Leases and Rent | (3,700) | (7,000) | (800) | (4,200) | (\$4,300) |
| Services | (8,000) | (10,200) | (10,100) | (10,100) | (\$10,500) |
| Supplies and Equipment | (20,200) | (22,800) | (22,800) | (22,800) | (\$23,500) |
| Other Expenses | (198,400) | (221,100) | (203,400) | (208,800) | (\$215,100) |
| Expenses Total | (\$472,900) | (\$488,100) | (\$453,700) | (\$478,000) | (\$497,900) |
| Interfund Transfers | | | | | |
| Indirect Costs | (\$204,100) | (\$254,000) | (\$254,800) | (\$39,500) | (\$40,700) |
| Interfund Transfers Total | (\$204,100) | (\$254,000) | (\$254,800) | (\$39,500) | (\$40,700) |
| 10101 Judicial Evaluation Surplus/(Deficit) | (\$677,000) | (\$742,100) | (\$708,500) | (\$517,500) | (\$538,600) |

STATE BAR
Operating Statements by Cost Center

| MISSION ADVANCEMENT & ACC | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 10801 Strategic Communications | | | | | |
| Revenues | | | | | |
| Other Revenues | \$127,000 | \$120,000 | \$120,000 | \$120,000 | \$123,600 |
| Revenues Total | \$127,000 | \$120,000 | \$120,000 | \$120,000 | \$123,600 |
| Expenses | | | | | |
| Personnel Expenses | (\$662,000) | (\$434,200) | (\$326,800) | (\$456,100) | (\$484,500) |
| Services | (62,900) | (304,000) | (304,000) | (279,000) | (\$287,400) |
| Supplies and Equipment | (19,900) | (23,700) | (20,500) | (17,600) | (\$18,000) |
| Other Expenses | (6,000) | (4,300) | (3,100) | (2,200) | (\$2,200) |
| Expenses Total | (\$750,800) | (\$766,200) | (\$654,400) | (\$754,900) | (\$792,100) |
| Interfund Transfers | | | | | |
| Indirect Costs | (\$322,700) | (\$296,700) | (\$297,900) | (\$244,700) | (\$252,000) |
| Interfund Transfers Total | (\$322,700) | (\$296,700) | (\$297,900) | (\$244,700) | (\$252,000) |
| 10801 Strategic Communications Surplus/(Deficit) | (\$946,500) | (\$942,900) | (\$832,300) | (\$879,600) | (\$920,500) |
| 12521 AccessLex | | | | | |
| Revenues | | | | | |
| Grants | \$0 | \$0 | \$0 | \$257,500 | \$0 |
| Revenues Total | \$0 | \$0 | \$0 | \$257,500 | \$0 |
| 12521 AccessLex Surplus/(Deficit) | \$0 | \$0 | \$0 | \$257,500 | \$0 |

STATE BAR
Operating Statements by Cost Center

| MISSION ADVANCEMENT & ACC | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|--|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 16 Leg. Activities -Assets BU | | | | | |
| Revenues | | | | | |
| Voluntary Fees & Donations | \$162,700 | \$775,000 | \$775,000 | \$775,000 | \$798,200 |
| Other Revenues | 3,700 | 2,400 | 2,400 | 2,400 | \$2,500 |
| Revenues Total | \$166,400 | \$777,400 | \$777,400 | \$777,400 | \$800,700 |
| Expenses | | | | | |
| Personnel Expenses | (\$2,700) | (\$2,700) | (\$2,700) | \$0 | \$0 |
| Expenses Total | (\$2,700) | (\$2,700) | (\$2,700) | \$0 | \$0 |
| Interfund Transfers | | | | | |
| Indirect Costs | (\$69,300) | (\$6,400) | (\$6,400) | (\$59,700) | (\$61,500) |
| Interfund Transfers Total | (\$69,300) | (\$6,400) | (\$6,400) | (\$59,700) | (\$61,500) |
| 16 Leg. Activities -Assets BU Surplus/(Deficit) | \$94,400 | \$768,300 | \$768,300 | \$717,700 | \$739,200 |
| 16001 Legislative Affairs | | | | | |
| Expenses | | | | | |
| Personnel Expenses | (\$182,200) | (\$478,000) | (\$467,700) | (\$419,800) | (\$444,600) |
| Services | (13,500) | 0 | 0 | (5,000) | (\$5,200) |
| Supplies and Equipment | (2,400) | (4,600) | (4,600) | (4,600) | (\$4,700) |
| Other Expenses | 0 | (400) | (400) | (400) | (\$400) |
| Expenses Total | (\$198,100) | (\$483,000) | (\$472,700) | (\$429,800) | (\$454,900) |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$103,000) | (\$103,800) | (\$61,900) | (\$63,800) |
| Interfund Transfers Total | \$0 | (\$103,000) | (\$103,800) | (\$61,900) | (\$63,800) |
| 16001 Legislative Affairs Surplus/(Deficit) | (\$198,100) | (\$586,000) | (\$576,500) | (\$491,700) | (\$518,700) |

STATE BAR
Operating Statements by Cost Center

| MISSION ADVANCEMENT & ACC | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 16002 Leg. Affairs & Activities | | | | | |
| Expenses | | | | | |
| Services | (\$148,500) | (\$162,300) | (\$162,300) | (\$162,300) | (\$167,200) |
| Supplies and Equipment | (600) | (6,100) | (6,100) | (6,100) | (\$6,200) |
| Other Expenses | (400) | (300) | (300) | (300) | (\$300) |
| Expenses Total | (\$149,500) | (\$168,700) | (\$168,700) | (\$168,700) | (\$173,700) |
| Interfund Transfers | | | | | |
| Indirect Costs | \$0 | (\$11,200) | (\$11,500) | (\$13,900) | (\$14,400) |
| Interfund Transfers Total | \$0 | (\$11,200) | (\$11,500) | (\$13,900) | (\$14,400) |
| 16002 Leg. Affairs & Activities Surplus/(Deficit) | (\$149,500) | (\$179,900) | (\$180,200) | (\$182,600) | (\$188,100) |
| 16007 Admin of Justice Comm. | | | | | |
| Expenses | | | | | |
| Other Expenses | (\$100) | \$0 | \$0 | \$0 | \$0 |
| Expenses Total | (\$100) | \$0 | \$0 | \$0 | \$0 |
| 16007 Admin of Justice Comm. Surplus/(Deficit) | (\$100) | \$0 | \$0 | \$0 | \$0 |
| MISSION ADVANCEMENT & ACCOUNTABILITY Surplus/(Deficit) | (\$4,539,300) | (\$4,392,800) | (\$4,495,700) | (\$4,341,800) | (\$4,896,200) |

STATE BAR
Operating Statements by Cost Center

| <u>NON-DEPARTMENTAL</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 10 Admin & Discipline Fund | | | | | |
| Revenues | | | | | |
| Mandatory Fees | \$63,894,600 | \$65,600,900 | \$65,580,000 | \$66,530,000 | \$67,436,900 |
| Other Revenues | 4,738,800 | 5,165,200 | 3,516,000 | 4,366,000 | \$4,496,900 |
| Revenues Total | \$68,633,400 | \$70,766,100 | \$69,096,000 | \$70,896,000 | \$71,933,800 |
| Expenses | | | | | |
| Personnel Expenses | (\$1,943,800) | (\$820,400) | (\$709,100) | \$0 | \$0 |
| Services | (2,200) | 0 | 0 | 0 | \$0 |
| Supplies and Equipment | 216,500 | 245,000 | 245,000 | 300,000 | \$309,000 |
| Other Expenses | (12,621,400) | 0 | 0 | 0 | \$0 |
| Expenses Total | (\$14,350,900) | (\$575,400) | (\$464,100) | \$300,000 | \$309,000 |
| Interfund Transfers | | | | | |
| Interfund Transfers In | \$39,300 | \$40,300 | \$0 | \$0 | \$0 |
| Indirect Costs | 2,456,500 | 2,718,300 | 2,718,300 | 2,493,400 | \$2,568,200 |
| Interfund Transfers Out | (1,600,000) | (17,700) | (21,000) | 0 | \$0 |
| Interfund Transfers Total | \$895,800 | \$2,740,900 | \$2,697,300 | \$2,493,400 | \$2,568,200 |
| 10 Admin & Discipline Fund Surplus/(Deficit) | \$55,178,300 | \$72,931,600 | \$71,329,200 | \$73,689,400 | \$74,811,000 |
| 15 Fixed Assets OH BU | | | | | |
| Expenses | | | | | |
| Depreciation | (\$456,700) | \$0 | \$0 | \$0 | \$0 |
| Expenses Total | (\$456,700) | \$0 | \$0 | \$0 | \$0 |
| 15 Fixed Assets OH BU Surplus/(Deficit) | (\$456,700) | \$0 | \$0 | \$0 | \$0 |

STATE BAR
Operating Statements by Cost Center

| <u>NON-DEPARTMENTAL</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 15010 Gen. Fund Fixed Assets | | | | | |
| Expenses | | | | | |
| Depreciation | (\$350,000) | \$0 | \$0 | \$0 | \$0 |
| Expenses Total | (\$350,000) | \$0 | \$0 | \$0 | \$0 |
| 15010 Gen. Fund Fixed Assets Surplus/(Deficit) | (\$350,000) | \$0 | \$0 | \$0 | \$0 |
| 15019 Tech. Fund Fixed Assets | | | | | |
| Expenses | | | | | |
| Depreciation | (\$339,200) | \$0 | \$0 | \$0 | \$0 |
| Expenses Total | (\$339,200) | \$0 | \$0 | \$0 | \$0 |
| 15019 Tech. Fund Fixed Assets Surplus/(Deficit) | (\$339,200) | \$0 | \$0 | \$0 | \$0 |
| 15023 Suppor Activities Fixed Assets | | | | | |
| Expenses | | | | | |
| Depreciation | (\$109,700) | \$0 | \$0 | \$0 | \$0 |
| Expenses Total | (\$109,700) | \$0 | \$0 | \$0 | \$0 |
| 15023 Suppor Activities Fixed Assets Surplus/(Deficit) | (\$109,700) | \$0 | \$0 | \$0 | \$0 |
| 15026 Building Fund Fixed Assets | | | | | |
| Expenses | | | | | |
| Depreciation | (\$169,600) | \$0 | \$0 | \$0 | \$0 |
| Expenses Total | (\$169,600) | \$0 | \$0 | \$0 | \$0 |
| 15026 Building Fund Fixed Assets Surplus/(Deficit) | (\$169,600) | \$0 | \$0 | \$0 | \$0 |

STATE BAR
Operating Statements by Cost Center

| <u>NON-DEPARTMENTAL</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 19 Technology Improvemnt- Asset BU | | | | | |
| Revenues | | | | | |
| Mandatory Fees | \$300 | \$800 | \$0 | \$0 | \$0 |
| Other Revenues | 25,300 | 5,600 | 0 | 0 | \$0 |
| Revenues Total | \$25,600 | \$6,400 | \$0 | \$0 | \$0 |
| 19 Technology Improvemnt- Asset BU Surplus/(Deficit) | \$25,600 | \$6,400 | \$0 | \$0 | \$0 |
| 23 Support & Admin.- Asset BU | | | | | |
| Revenues | | | | | |
| Other Revenues | (\$200) | \$100 | \$0 | \$0 | \$0 |
| Revenues Total | (\$200) | \$100 | \$0 | \$0 | \$0 |
| Expenses | | | | | |
| Personnel Expenses | (\$368,400) | (\$275,100) | (\$273,400) | \$0 | \$0 |
| Supplies and Equipment | 27,600 | 0 | 0 | 0 | \$0 |
| Expenses Total | (\$340,800) | (\$275,100) | (\$273,400) | \$0 | \$0 |
| Interfund Transfers | | | | | |
| Indirect Costs | \$25,021,400 | \$26,426,400 | \$26,426,400 | \$28,635,700 | \$29,494,800 |
| Interfund Transfers Total | \$25,021,400 | \$26,426,400 | \$26,426,400 | \$28,635,700 | \$29,494,800 |
| 23 Support & Admin.- Asset BU Surplus/(Deficit) | \$24,680,400 | \$26,151,400 | \$26,153,000 | \$28,635,700 | \$29,494,800 |

STATE BAR
Operating Statements by Cost Center

| <u>NON-DEPARTMENTAL</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---|------------------------|----------------------------|------------------------|------------------------|--------------------------|
| 25 Public Protection -Asset BU | | | | | |
| Revenues | | | | | |
| Other Revenues | \$13,600 | \$2,700 | \$0 | \$0 | \$0 |
| Revenues Total | \$13,600 | \$2,700 | \$0 | \$0 | \$0 |
| 25 Public Protection -Asset BU Surplus/(Deficit) | \$13,600 | \$2,700 | \$0 | \$0 | \$0 |
| 31 Info Tech Special Fund - BU | | | | | |
| Revenues | | | | | |
| Other Revenues | \$8,700 | (\$1,000) | \$0 | \$0 | \$0 |
| Revenues Total | \$8,700 | (\$1,000) | \$0 | \$0 | \$0 |
| Interfund Transfers | | | | | |
| Interfund Transfers Out | \$0 | (\$1,224,500) | (\$1,217,000) | \$0 | \$0 |
| Interfund Transfers Total | \$0 | (\$1,224,500) | (\$1,217,000) | \$0 | \$0 |
| 31 Info Tech Special Fund - BU Surplus/(Deficit) | \$8,700 | (\$1,225,500) | (\$1,217,000) | \$0 | \$0 |
| 34 Benefit Reverse Fund | | | | | |
| Revenues | | | | | |
| Other Revenues | (\$14,700) | \$2,200 | \$0 | \$0 | \$0 |
| Revenues Total | (\$14,700) | \$2,200 | \$0 | \$0 | \$0 |
| Expenses | | | | | |
| Personnel Expenses | \$273,500 | \$0 | \$0 | \$0 | \$0 |
| Expenses Total | \$273,500 | \$0 | \$0 | \$0 | \$0 |
| 34 Benefit Reverse Fund Surplus/(Deficit) | \$258,800 | \$2,200 | \$0 | \$0 | \$0 |

STATE BAR
Operating Statements by Cost Center

| <u>NON-DEPARTMENTAL</u> | 2017 Actual | 2018 Projection | 2018 Budget | 2019 Budget | 2020 Forecast |
|---------------------------------------|----------------|--------------------|----------------|----------------|------------------|
| NON-DEPARTMENTAL Surplus/(Deficit) | \$78,740,200 | \$97,868,800 | \$96,265,200 | \$102,325,100 | \$104,305,800 |

State Bar of California
Projected Reserve Balance by Fund
February 28, 2019

| | Projected Reserve Bal 12/31/18 | 2019 Budgeted Revenues | 2019 Budgeted Expenses | 2019 Budgeted Indirect Costs | 2019 Budgeted Expenses & Indirect Costs | Interfund Transfer | 2019 Budgeted Surplus/(Deficit) | Projected Reserve Bal 12/31/19 | Reserve Level (%) ** |
|---|--------------------------------------|------------------------------|------------------------------|---------------------------------|---|-----------------------|------------------------------------|--------------------------------------|----------------------------|
| General Fund | | | | | | | | | |
| Administration & Discipline (10) | 12,056,800 | 73,194,000 | (58,196,000) | (23,674,000) | (81,870,000) | - | (8,676,000) | 3,380,800 | |
| Fixed Assets Fund (15) | - | - | - | - | - | - | - | - | |
| Legal Education and Development Fund (18) | 9,296,000 | - | - | - | - | - | - | 9,296,000 | |
| Public Protection Fund (25) | 1,916,000 | - | - | - | - | - | - | 1,916,000 | |
| Benefit Reserve Fund (34) | (2,010,000) | - | - | - | - | - | - | (2,010,000) | |
| Technology Fund (19) | (3,105,000) | - | (2,781,000) | (77,000) | (2,858,000) | - | (2,858,000) | (5,963,000) | |
| Support and Administration Fund (23) | 1,313,000 | 8,000 | (29,966,000) | 28,636,000 | (1,330,000) | - | (1,322,000) | (9,000) | |
| Building Fund (26) | 6,548,000 | 2,918,000 | (3,644,000) | 2,744,000 | (900,000) | - | 2,018,000 | 8,566,000 | |
| LA Facility Fund (35) | (4,116,000) | 395,000 | (695,000) | 695,000 | - | - | 395,000 | (3,721,000) | |
| General Fund | 21,898,800 | 76,515,000 | (95,282,000) | 8,324,000 | (86,958,000) | - | (10,443,000) | 11,455,800 | 13.2% |
| Restricted Fund Group | | | | | | | | | |
| Legislative Activities Fund (16) | 295,000 | 777,000 | (598,000) | (136,000) | (734,000) | - | 43,000 | 338,000 | 46.0% |
| Elimination of Bias Fund (17) | 105,000 | 320,000 | (254,000) | (58,000) | (312,000) | - | 8,000 | 113,000 | 36.2% |
| Lawyer Assistance Program Fund (21) | 3,410,000 | 2,127,000 | (1,533,000) | (483,000) | (2,016,000) | - | 111,000 | 3,521,000 | 174.7% |
| Legal Specialization Fund (24) | 1,463,000 | 1,974,000 | (1,706,000) | (743,000) | (2,449,000) | 100,000 | (375,000) | 1,088,000 | 44.4% |
| Client Security Fund (27) | 868,000 | 7,977,000 | (7,926,000) | (582,000) | (8,508,000) | - | (531,000) | 337,000 | 21.0% |
| Legal Services Trust Fund (28) | 5,713,000 | 29,574,000 | (29,121,000) | (845,000) | (29,966,000) | - | (392,000) | 5,321,000 | NA |
| Equal Access Fund (29) | 3,025,000 | 26,090,000 | (25,825,000) | (17,000) | (25,842,000) | - | 248,000 | 3,273,000 | NA |
| Justice Gap Fund (32) | 4,474,000 | 1,249,000 | - | (7,000) | (7,000) | - | 1,242,000 | 5,716,000 | NA |
| IT Special Assessment Fund | - | - | - | - | - | - | - | - | NA |
| Bank Settlement Fund (37) | 29,283,000 | 50,000 | (9,571,000) | (32,000) | (9,603,000) | - | (9,553,000) | 19,730,000 | NA |
| Restricted Fund Group Total | 48,636,000 | 70,138,000 | (76,534,000) | (2,903,000) | (79,437,000) | 100,000 | (9,199,000) | 39,437,000 | |
| Special Revenue Fund Group | | | | | | | | | |
| Grants Fund (12) | 390,000 | 258,000 | (364,000) | - | (364,000) | - | (106,000) | 284,000 | NA |
| Annual Meeting Fund (14) | - | - | - | - | - | - | - | - | NA |
| Admissions Fund (20) | 4,690,000 | 20,942,000 | (16,341,000) | (5,421,000) | (21,762,000) | (100,000) | (920,000) | 3,770,000 | 17.3% |
| SF Tenant Improvement Fund (38) | 1,363,000 | 50,000 | (340,000) | - | (340,000) | - | (290,000) | 1,073,000 | |
| Sections Funds (70-89) | - | - | - | - | - | - | - | - | NA |
| Special Revenue Fund Group Total | 6,443,000 | 21,250,000 | (17,045,000) | (5,421,000) | (22,466,000) | (100,000) | (1,316,000) | 5,127,000 | |
| Grand Total: | 76,977,800 | 167,903,000 | (188,861,000) | - | (188,861,000) | - | (20,958,000) | 56,019,800 | |

Notes: ** Board Book policy, Article 1, Section 3C specifies that all grant-related Funds are excluded from the Minimum Target Reserve requirement:
The Excluded Minimum Target Reserve Funds include Grant, Legal Service Trust, Equal Access, Justice Gap, and Bank Settlement Funds.

STATE BAR TOTAL

Statements of Fund Condition

| | 2017 Actual | 2018 Budget ² | 2018 Projection | 2019 Budget | 2020 Forecast |
|--|----------------|-----------------------------|--------------------|----------------|------------------|
| Beginning Working Capital ¹ | \$118,793,900 | | \$107,805,800 | \$76,980,100 | \$56,022,300 |
| Revenues | | | | | |
| Mandatory Fees | \$73,825,400 | \$75,617,300 | \$75,643,300 | \$76,567,300 | \$77,575,300 |
| Voluntary Fees & Donations | 8,528,000 | 8,745,000 | 9,237,900 | 8,428,200 | 8,681,000 |
| Exam Fees | 14,536,600 | 14,985,400 | 13,787,300 | 13,935,300 | 14,353,600 |
| Grants | 22,174,600 | 25,616,300 | 25,710,100 | 25,857,400 | 26,367,900 |
| Other Revenues | 34,912,300 | 25,307,500 | 28,836,900 | 43,114,800 | 45,038,400 |
| Total Revenues | \$153,976,900 | \$150,271,500 | \$153,215,500 | \$167,903,000 | \$172,016,200 |
| Expenses | | | | | |
| Personnel Expenses | \$75,207,800 | \$84,558,200 | \$78,237,600 | \$86,084,300 | \$91,534,100 |
| Leases and Rent | 7,129,700 | 7,473,000 | 7,759,500 | 7,986,700 | 8,231,700 |
| Services | 11,754,500 | 10,953,400 | 12,409,200 | 11,571,900 | 10,388,600 |
| Legal Services Grants | 39,010,000 | 50,227,700 | 50,227,700 | 62,670,700 | 64,550,900 |
| Supplies and Equipment | 4,900,800 | 14,840,400 | 15,926,300 | 11,842,100 | 10,686,200 |
| Other Expenses | 17,267,000 | 1,759,600 | 10,522,500 | 2,255,200 | 2,276,200 |
| Debt Service | 820,900 | 1,162,100 | 1,193,200 | 1,035,100 | 922,000 |
| Depreciation | 3,817,500 | 0 | 0 | 0 | 0 |
| CSF Payments | 6,339,400 | 6,600,000 | 8,900,000 | 6,900,000 | 6,000,000 |
| CSF Reimbursements | (1,282,400) | (1,540,000) | (1,136,700) | (1,485,000) | (1,529,500) |
| Total Expenses | \$164,965,200 | \$176,034,400 | \$184,039,300 | \$188,861,000 | \$193,060,200 |
| Interfund Transactions | | | | | |
| Interfund Transfers In | \$2,275,200 | \$3,338,000 | \$3,641,900 | \$100,000 | \$100,000 |
| Indirect Costs | (100) | 100 | 500 | 200 | (100) |
| Interfund Transfers Out | (2,274,900) | (3,338,000) | (3,644,300) | (100,000) | (100,000) |
| Total Interfund Transactions | \$200 | \$100 | (\$1,900) | \$200 | (\$100) |

Change in Net Position (\$10,988,100) (\$25,762,800) (\$30,825,700) (\$20,957,800) (\$21,044,100)

¹ Beginning Working Capital represents Reserves available to support operations and is defined as Current Assets minus Current Liabilities as defined in the State Bar's Reserve Policy with a measurement date of 12/31/17.

² 2018 beginning and ending balances are based on projections, and thus shown in the 2018 Projection column instead of the 2018 Budget column.

| | 2017 Actual | 2018 Budget* | 2018 Projection | 2019 Budget | 2020 Forecast |
|----------------|------------------------|-------------------------|----------------------------|------------------------|--------------------------|
| Ending Balance | \$107,805,800 | | \$76,980,100 | \$56,022,300 | \$34,978,200 |

¹ Beginning Working Capital represents Reserves available to support operations and is defined as Current Assets minus Current Liabilities as defined in the State Bar's Reserve Policy with a measurement date of 12/31/17.

² 2018 beginning and ending balances are based on projections, and thus shown in the 2018 Projection column instead of the 2018 Budget column.

GENERAL FUND

Statements of Fund Condition

| | 2017 Actual | 2018 Budget ² | 2018 Projection | 2019 Budget | 2020 Forecast |
|--|----------------|-----------------------------|--------------------|----------------|------------------|
| Beginning Working Capital ¹ | \$35,617,300 | | \$26,141,800 | \$21,900,400 | \$11,458,800 |
| <u>Revenues</u> | | | | | |
| Mandatory Fees | \$63,896,700 | \$65,583,000 | \$65,604,700 | \$66,533,000 | \$67,440,000 |
| Grants | 50,000 | 0 | 0 | 0 | 0 |
| Other Revenues | 10,175,400 | 8,562,900 | 11,233,400 | 9,982,300 | 10,912,000 |
| Total Revenues | \$74,122,100 | \$74,145,900 | \$76,838,100 | \$76,515,300 | \$78,352,000 |
| <u>Expenses</u> | | | | | |
| Personnel Expenses | \$61,757,200 | \$70,968,600 | \$66,250,700 | \$72,821,300 | \$77,901,700 |
| Leases and Rent | 4,973,100 | 5,554,800 | 5,766,600 | 5,873,900 | 6,055,600 |
| Services | 4,804,500 | 4,001,100 | 5,126,800 | 6,038,300 | 4,766,000 |
| Legal Services Grants | 50,000 | 0 | 0 | 0 | 0 |
| Supplies and Equipment | 2,468,400 | 11,792,000 | 12,664,400 | 9,370,000 | 8,500,500 |
| Other Expenses | 13,692,400 | 1,163,100 | 1,537,600 | 1,482,300 | 1,526,600 |
| Debt Service | 820,900 | 762,100 | 793,200 | 695,100 | 625,000 |
| Depreciation | 3,817,500 | 0 | 0 | 0 | 0 |
| CSF Reimbursements | (927,300) | (1,000,000) | (745,300) | (1,000,000) | (1,030,000) |
| Total Expenses | \$91,456,700 | \$93,241,700 | \$91,394,000 | \$95,280,900 | \$98,345,400 |
| <u>Interfund Transactions</u> | | | | | |
| Interfund Transfers In | \$446,700 | \$2,217,000 | \$2,268,200 | \$0 | \$0 |
| Indirect Costs | 9,463,800 | 8,001,300 | 8,112,500 | 8,324,000 | 8,573,800 |
| Interfund Transfers Out | (2,051,400) | (21,000) | (66,200) | 0 | 0 |
| Total Interfund Transactions | \$7,859,100 | \$10,197,300 | \$10,314,500 | \$8,324,000 | \$8,573,800 |
| Change in Net Position | (\$9,475,500) | (\$8,898,500) | (\$4,241,400) | (\$10,441,600) | (\$11,419,600) |
| Ending Balance | \$26,141,800 | | \$21,900,400 | \$11,458,800 | \$39,200 |

¹ Beginning Working Capital represents Reserves available to support operations and is defined as Current Assets minus Current Liabilities as defined in the State Bar's Reserve Policy with a measurement date of 12/31/17.

² 2018 beginning and ending balances are based on projections, and thus shown in the 2018 Projection column instead of the 2018 Budget column.

Statements of Fund Condition

| Grants Fund | 2017 Actual | 2018 Budget ² | 2018 Projection | 2019 Budget | 2020 Forecast |
|--|----------------|-----------------------------|--------------------|----------------|------------------|
| Beginning Working Capital ¹ | \$451,700 | | \$422,000 | \$389,400 | \$282,600 |
| <u>Revenues</u> | | | | | |
| Grants | \$10,000 | \$16,400 | \$16,400 | \$257,500 | \$0 |
| Other Revenues | 3,500 | 0 | (14,600) | 0 | 0 |
| Total Revenues | \$13,500 | \$16,400 | \$1,800 | \$257,500 | \$0 |
| <u>Expenses</u> | | | | | |
| Personnel Expenses | \$2,200 | \$2,200 | \$2,700 | \$244,300 | \$0 |
| Services | 9,500 | 0 | 300 | 75,000 | 0 |
| Legal Services Grants | 30,000 | 20,000 | 20,000 | 0 | 0 |
| Supplies and Equipment | 700 | 700 | 700 | 0 | 0 |
| Other Expenses | 800 | 10,700 | 10,700 | 45,000 | 0 |
| Total Expenses | \$43,200 | \$33,600 | \$34,400 | \$364,300 | \$0 |
| Change in Net Position | (\$29,700) | (\$17,200) | (\$32,600) | (\$106,800) | \$0 |
| Ending Balance | \$422,000 | | \$389,400 | \$282,600 | \$282,600 |

¹ Beginning Working Capital represents Reserves available to support operations and is defined as Current Assets minus Current Liabilities as defined in the State Bar's Reserve Policy with a measurement date of 12/31/17.

² 2018 beginning and ending balances are based on projections, and thus shown in the 2018 Projection column instead of the 2018 Budget column.

| Annual Meeting Fund | 2017 Actual | 2018 Budget ² | 2018 Projection | 2019 Budget | 2020 Forecast |
|--|----------------|-----------------------------|--------------------|----------------|------------------|
| Beginning Working Capital ¹ | (\$83,300) | | (\$18,000) | (\$300) | (\$300) |
| <u>Revenues</u> | | | | | |
| Other Revenues | \$70,300 | \$0 | \$0 | \$0 | \$0 |
| Total Revenues | \$70,300 | \$0 | \$0 | \$0 | \$0 |
| <u>Expenses</u> | | | | | |
| Services | 5,000 | 0 | 0 | 0 | 0 |
| Total Expenses | \$5,000 | \$0 | \$0 | \$0 | \$0 |
| <u>Interfund Transactions</u> | | | | | |
| Interfund Transfers In | \$0 | \$21,000 | \$17,700 | \$0 | \$0 |
| Total Interfund Transactions | \$0 | \$21,000 | \$17,700 | \$0 | \$0 |
| Change in Net Position | \$65,300 | \$21,000 | \$17,700 | \$0 | \$0 |
| Ending Balance | (\$18,000) | | (\$300) | (\$300) | (\$300) |

¹ Beginning Working Capital represents Reserves available to support operations and is defined as Current Assets minus Current Liabilities as defined in the State Bar's Reserve Policy with a measurement date of 12/31/17.

² 2018 beginning and ending balances are based on projections, and thus shown in the 2018 Projection column instead of the 2018 Budget column.

| Legislative Activities Fund | 2017 Actual | 2018 Budget² | 2018 Projection | 2019 Budget | 2020 Forecast |
|--|------------------------|------------------------------------|----------------------------|------------------------|--------------------------|
| Beginning Working Capital ¹ | \$546,300 | | \$293,000 | \$295,400 | \$338,800 |
| Revenues | | | | | |
| Voluntary Fees & Donations | \$162,700 | \$775,000 | \$775,000 | \$775,000 | \$798,200 |
| Other Revenues | 3,700 | 2,400 | 2,400 | 2,400 | 2,500 |
| Total Revenues | \$166,400 | \$777,400 | \$777,400 | \$777,400 | \$800,700 |
| Expenses | | | | | |
| Personnel Expenses | \$184,900 | \$470,400 | \$480,700 | \$419,800 | \$444,600 |
| Services | 162,000 | 162,300 | 162,300 | 167,300 | 172,400 |
| Supplies and Equipment | 3,000 | 10,700 | 10,700 | 10,700 | 10,900 |
| Other Expenses | 500 | 700 | 700 | 700 | 700 |
| Total Expenses | \$350,400 | \$644,100 | \$654,400 | \$598,500 | \$628,600 |
| Interfund Transactions | | | | | |
| Indirect Costs | (\$69,300) | (\$121,700) | (\$120,600) | (\$135,500) | (\$139,700) |
| Total Interfund Transactions | (\$69,300) | (\$121,700) | (\$120,600) | (\$135,500) | (\$139,700) |
| Change in Net Position | (\$253,300) | \$11,600 | \$2,400 | \$43,400 | \$32,400 |
| Ending Balance | \$293,000 | | \$295,400 | \$338,800 | \$371,200 |

¹ Beginning Working Capital represents Reserves available to support operations and is defined as Current Assets minus Current Liabilities as defined in the State Bar's Reserve Policy with a measurement date of 12/31/17.

² 2018 beginning and ending balances are based on projections, and thus shown in the 2018 Projection column instead of the 2018 Budget column.

| Elimination of Bias Fund | 2017 Actual | 2018 Budget ² | 2018 Projection | 2019 Budget | 2020 Forecast |
|--|----------------|-----------------------------|--------------------|----------------|------------------|
| Beginning Working Capital ¹ | \$464,600 | | \$2,000 | \$104,500 | \$112,200 |
| <u>Revenues</u> | | | | | |
| Voluntary Fees & Donations | \$93,000 | \$320,000 | \$320,000 | \$320,000 | \$329,600 |
| Other Revenues | 13,100 | 10,100 | 13,000 | 100 | 100 |
| Total Revenues | \$106,100 | \$330,100 | \$333,000 | \$320,100 | \$329,700 |
| <u>Expenses</u> | | | | | |
| Personnel Expenses | \$407,600 | \$170,000 | \$135,000 | \$200,000 | \$200,000 |
| Leases and Rent | 3,700 | 0 | 2,700 | 0 | 0 |
| Services | 11,200 | 0 | 1,000 | 14,000 | 14,400 |
| Supplies and Equipment | 14,300 | 0 | 12,400 | 13,000 | 13,400 |
| Other Expenses | 26,500 | 10,000 | 28,900 | 27,400 | 28,300 |
| Total Expenses | \$463,300 | \$180,000 | \$180,000 | \$254,400 | \$256,100 |
| <u>Interfund Transactions</u> | | | | | |
| Indirect Costs | (105,400) | (50,700) | (50,500) | (58,000) | (59,800) |
| Total Interfund Transactions | (\$105,400) | (\$50,700) | (\$50,500) | (\$58,000) | (\$59,800) |
| Change in Net Position | (\$462,600) | \$99,400 | \$102,500 | \$7,700 | \$13,800 |
| Ending Balance | \$2,000 | | \$104,500 | \$112,200 | \$126,000 |

¹ Beginning Working Capital represents Reserves available to support operations and is defined as Current Assets minus Current Liabilities as defined in the State Bar's Reserve Policy with a measurement date of 12/31/17.

² 2018 beginning and ending balances are based on projections, and thus shown in the 2018 Projection column instead of the 2018 Budget column.

| Admissions Fund | 2017 Actual | 2018 Budget² | 2018 Projection | 2019 Budget | 2020 Forecast |
|--|------------------------|------------------------------------|----------------------------|------------------------|--------------------------|
| Beginning Working Capital ¹ | \$4,348,500 | | \$4,993,000 | \$4,690,000 | \$3,770,100 |
| Revenues | | | | | |
| Exam Fees | \$14,275,500 | \$14,937,400 | \$13,690,600 | \$13,690,600 | \$14,101,500 |
| Other Revenues | 7,281,500 | 7,123,900 | 7,251,100 | 7,251,100 | 7,468,600 |
| Total Revenues | \$21,557,000 | \$22,061,300 | \$20,941,700 | \$20,941,700 | \$21,570,100 |
| Expenses | | | | | |
| Personnel Expenses | \$6,788,400 | \$7,733,400 | \$6,924,400 | \$7,627,600 | \$8,143,100 |
| Leases and Rent | 2,045,000 | 1,839,900 | 1,890,200 | 1,902,500 | 1,959,500 |
| Services | 4,771,200 | 4,493,700 | 4,777,300 | 4,540,600 | 4,677,100 |
| Supplies and Equipment | 1,985,800 | 2,001,800 | 2,089,200 | 1,860,600 | 1,916,400 |
| Other Expenses | 420,800 | 437,900 | 460,300 | 409,700 | 422,000 |
| Total Expenses | \$16,011,200 | \$16,506,700 | \$16,141,400 | \$16,341,000 | \$17,118,100 |
| Interfund Transactions | | | | | |
| Interfund Transfers In | \$900 | \$1,000,000 | \$1,000,000 | \$0 | \$0 |
| Indirect Costs | (4,901,400) | (5,027,000) | (5,001,900) | (5,420,600) | (5,583,400) |
| Interfund Transfers Out | (800) | (1,100,000) | (1,101,400) | (100,000) | (100,000) |
| Total Interfund Transactions | (\$4,901,300) | (\$5,127,000) | (\$5,103,300) | (\$5,520,600) | (\$5,683,400) |
| Change in Net Position | \$644,500 | \$427,600 | (\$303,000) | (\$919,900) | (\$1,231,400) |
| Ending Balance | \$4,993,000 | | \$4,690,000 | \$3,770,100 | \$2,538,700 |

¹ Beginning Working Capital represents Reserves available to support operations and is defined as Current Assets minus Current Liabilities as defined in the State Bar's Reserve Policy with a measurement date of 12/31/17.

² 2018 beginning and ending balances are based on projections, and thus shown in the 2018 Projection column instead of the 2018 Budget column.

| Lawyer Assistance Program Fund | 2017 Actual | 2018 Budget ² | 2018 Projection | 2019 Budget | 2020 Forecast |
|--|----------------|-----------------------------|--------------------|----------------|------------------|
| Beginning Working Capital ¹ | \$2,986,200 | | \$3,595,000 | \$3,408,700 | \$3,518,800 |
| <u>Revenues</u> | | | | | |
| Mandatory Fees | \$2,064,200 | \$2,107,000 | \$2,108,500 | \$2,107,000 | \$2,107,200 |
| Other Revenues | 56,900 | 20,000 | 20,000 | 20,000 | 20,600 |
| Total Revenues | \$2,121,100 | \$2,127,000 | \$2,128,500 | \$2,127,000 | \$2,127,800 |
| <u>Expenses</u> | | | | | |
| Personnel Expenses | \$870,600 | \$1,260,200 | \$960,900 | \$1,249,700 | \$1,073,300 |
| Leases and Rent | 4,100 | 3,300 | 25,000 | 104,300 | 107,400 |
| Services | 80,900 | 340,000 | 355,000 | 71,100 | 73,100 |
| Supplies and Equipment | 17,400 | 22,800 | 116,800 | 26,300 | 27,100 |
| Other Expenses | 76,000 | 81,100 | 81,100 | 82,100 | 84,600 |
| Total Expenses | \$1,049,000 | \$1,707,400 | \$1,538,800 | \$1,533,500 | \$1,365,500 |
| <u>Interfund Transactions</u> | | | | | |
| Interfund Transfers In | \$1,200 | \$0 | \$1,200 | \$0 | \$0 |
| Indirect Costs | (464,500) | (530,000) | (527,200) | (483,400) | (497,900) |
| Interfund Transfers Out | 0 | 0 | (250,000) | 0 | 0 |
| Total Interfund Transactions | (\$463,300) | (\$530,000) | (\$776,000) | (\$483,400) | (\$497,900) |
| Change in Net Position | \$608,800 | (\$110,400) | (\$186,300) | \$110,100 | \$264,400 |
| Ending Balance | \$3,595,000 | | \$3,408,700 | \$3,518,800 | \$3,783,200 |

¹ Beginning Working Capital represents Reserves available to support operations and is defined as Current Assets minus Current Liabilities as defined in the State Bar's Reserve Policy with a measurement date of 12/31/17.

² 2018 beginning and ending balances are based on projections, and thus shown in the 2018 Projection column instead of the 2018 Budget column.

| Legal Specialization Fund | 2017 Actual | 2018 Budget² | 2018 Projection | 2019 Budget | 2020 Forecast |
|--|------------------------|------------------------------------|----------------------------|------------------------|--------------------------|
| Beginning Working Capital ¹ | \$6,106,700 | | \$4,640,000 | \$1,462,400 | \$1,087,300 |
| Revenues | | | | | |
| Exam Fees | \$261,100 | \$48,000 | \$96,700 | \$244,700 | \$252,100 |
| Other Revenues | 347,400 | 1,984,500 | 2,216,100 | 1,729,500 | 1,781,400 |
| Total Revenues | \$608,500 | \$2,032,500 | \$2,312,800 | \$1,974,200 | \$2,033,500 |
| Expenses | | | | | |
| Personnel Expenses | \$761,900 | \$886,800 | \$904,500 | \$556,500 | \$607,000 |
| Leases and Rent | 96,100 | 75,000 | 75,000 | 106,000 | 109,200 |
| Services | 177,100 | 1,700,200 | 1,708,500 | 402,200 | 414,300 |
| Supplies and Equipment | 92,900 | 874,100 | 891,600 | 480,100 | 134,100 |
| Other Expenses | 144,500 | 162,800 | 162,800 | 161,200 | 166,000 |
| Total Expenses | \$1,272,500 | \$3,698,900 | \$3,742,400 | \$1,706,000 | \$1,430,600 |
| Interfund Transactions | | | | | |
| Interfund Transfers In | \$0 | \$100,000 | \$100,000 | \$100,000 | \$100,000 |
| Indirect Costs | (802,300) | (853,600) | (847,500) | (743,300) | (765,600) |
| Interfund Transfers Out | (400) | (1,000,000) | (1,000,500) | 0 | 0 |
| Total Interfund Transactions | (\$802,700) | (\$1,753,600) | (\$1,748,000) | (\$643,300) | (\$665,600) |
| Change in Net Position | (\$1,466,700) | (\$3,420,000) | (\$3,177,600) | (\$375,100) | (\$62,700) |
| Ending Balance | \$4,640,000 | | \$1,462,400 | \$1,087,300 | \$1,024,600 |

¹ Beginning Working Capital represents Reserves available to support operations and is defined as Current Assets minus Current Liabilities as defined in the State Bar's Reserve Policy with a measurement date of 12/31/17.

² 2018 beginning and ending balances are based on projections, and thus shown in the 2018 Projection column instead of the 2018 Budget column.

| Client Security Fund | 2017 Actual | 2018 Budget² | 2018 Projection | 2019 Budget | 2020 Forecast |
|--|------------------------|------------------------------------|----------------------------|------------------------|--------------------------|
| Beginning Working Capital ¹ | \$1,436,300 | | \$3,083,000 | \$868,600 | \$337,600 |
| Revenues | | | | | |
| Mandatory Fees | \$7,864,500 | \$7,927,300 | \$7,930,100 | \$7,927,300 | \$8,028,100 |
| Other Revenues | 61,200 | 49,400 | 49,400 | 49,400 | 50,800 |
| Total Revenues | \$7,925,700 | \$7,976,700 | \$7,979,500 | \$7,976,700 | \$8,078,900 |
| Expenses | | | | | |
| Personnel Expenses | \$1,284,500 | \$1,491,700 | \$1,298,100 | \$1,456,900 | \$1,534,000 |
| Services | 6,700 | 11,500 | 11,500 | 10,900 | 11,200 |
| Supplies and Equipment | 23,900 | 29,400 | 30,600 | 30,000 | 30,900 |
| Other Expenses | 3,200 | (136,300) | (136,300) | 13,100 | 13,400 |
| CSF Payments | 6,339,400 | 6,600,000 | 8,900,000 | 6,900,000 | 6,000,000 |
| CSF Reimbursements | (355,100) | (540,000) | (391,400) | (485,000) | (499,500) |
| Total Expenses | \$7,302,600 | \$7,456,300 | \$9,712,500 | \$7,925,900 | \$7,090,000 |
| Interfund Transactions | | | | | |
| Interfund Transfers In | \$1,604,900 | \$0 | \$254,800 | \$0 | \$0 |
| Indirect Costs | (580,200) | (585,400) | (734,600) | (581,800) | (599,200) |
| Interfund Transfers Out | (1,100) | 0 | (1,600) | 0 | 0 |
| Total Interfund Transactions | \$1,023,600 | (\$585,400) | (\$481,400) | (\$581,800) | (\$599,200) |
| Change in Net Position | \$1,646,700 | (\$65,000) | (\$2,214,400) | (\$531,000) | \$389,700 |
| Ending Balance | \$3,083,000 | | \$868,600 | \$337,600 | \$727,300 |

¹ Beginning Working Capital represents Reserves available to support operations and is defined as Current Assets minus Current Liabilities as defined in the State Bar's Reserve Policy with a measurement date of 12/31/17.

² 2018 beginning and ending balances are based on projections, and thus shown in the 2018 Projection column instead of the 2018 Budget column.

| Legal Services Trust Fund | 2017 Actual | 2018 Budget² | 2018 Projection | 2019 Budget | 2020 Forecast |
|--|------------------------|------------------------------------|----------------------------|------------------------|--------------------------|
| Beginning Working Capital ¹ | \$8,606,300 | | \$8,100,000 | \$5,712,900 | \$5,320,900 |
| Revenues | | | | | |
| Voluntary Fees & Donations | \$6,863,000 | \$6,750,000 | \$6,750,000 | \$6,101,200 | \$6,284,200 |
| Grants | 30,000 | 0 | 0 | 0 | 0 |
| Other Revenues | 7,233,100 | 6,835,000 | 7,343,500 | 23,472,900 | 24,177,100 |
| Total Revenues | \$14,126,100 | \$13,585,000 | \$14,093,500 | \$29,574,100 | \$30,461,300 |
| Expenses | | | | | |
| Personnel Expenses | \$1,241,400 | \$1,516,300 | \$1,277,500 | \$1,408,200 | \$1,530,400 |
| Services | 25,600 | 34,600 | 56,500 | 42,500 | 43,800 |
| Legal Services Grants | 13,007,900 | 14,240,400 | 14,240,400 | 27,603,000 | 28,431,100 |
| Supplies and Equipment | 18,400 | 92,600 | 93,600 | 37,600 | 38,700 |
| Other Expenses | (410,700) | 24,700 | 31,400 | 29,200 | 30,000 |
| Total Expenses | \$13,882,600 | \$15,908,600 | \$15,699,400 | \$29,120,500 | \$30,074,000 |
| Interfund Transactions | | | | | |
| Indirect Costs | (749,700) | (783,700) | (781,100) | (845,600) | (871,000) |
| Interfund Transfers Out | (100) | 0 | (100) | 0 | 0 |
| Total Interfund Transactions | (\$749,800) | (\$783,700) | (\$781,200) | (\$845,600) | (\$871,000) |
| Change in Net Position | (\$506,300) | (\$3,107,300) | (\$2,387,100) | (\$392,000) | (\$483,700) |
| Ending Balance | \$8,100,000 | | \$5,712,900 | \$5,320,900 | \$4,837,200 |

¹ Beginning Working Capital represents Reserves available to support operations and is defined as Current Assets minus Current Liabilities as defined in the State Bar's Reserve Policy with a measurement date of 12/31/17.

² 2018 beginning and ending balances are based on projections, and thus shown in the 2018 Projection column instead of the 2018 Budget column.

| Equal Access Fund | 2017 Actual | 2018 Budget ² | 2018 Projection | 2019 Budget | 2020 Forecast |
|--|----------------|-----------------------------|--------------------|----------------|------------------|
| Beginning Working Capital ¹ | \$1,756,200 | | \$3,052,000 | \$3,024,900 | \$3,273,100 |
| <u>Revenues</u> | | | | | |
| Grants | \$22,075,600 | \$25,599,900 | \$25,693,700 | \$25,599,900 | \$26,367,900 |
| Other Revenues | 560,700 | 508,200 | 512,500 | 490,000 | 504,700 |
| Total Revenues | \$22,636,300 | \$26,108,100 | \$26,206,200 | \$26,089,900 | \$26,872,600 |
| <u>Expenses</u> | | | | | |
| Services | \$197,700 | \$210,000 | \$210,000 | \$210,000 | \$216,300 |
| Legal Services Grants | 20,804,600 | 26,009,400 | 26,009,400 | 25,614,900 | 26,383,400 |
| Supplies and Equipment | 200 | 0 | 0 | 0 | 0 |
| Other Expenses | 321,900 | 0 | 0 | 0 | 0 |
| Total Expenses | \$21,324,400 | \$26,219,400 | \$26,219,400 | \$25,824,900 | \$26,599,700 |
| <u>Interfund Transactions</u> | | | | | |
| Indirect Costs | (\$16,100) | (\$14,300) | (\$13,900) | (\$16,800) | (\$17,300) |
| Total Interfund Transactions | (\$16,100) | (\$14,300) | (\$13,900) | (\$16,800) | (\$17,300) |
| Change in Net Position | \$1,295,800 | (\$125,600) | (\$27,100) | \$248,200 | \$255,600 |
| Ending Balance | \$3,052,000 | | \$3,024,900 | \$3,273,100 | \$3,528,700 |

¹ Beginning Working Capital represents Reserves available to support operations and is defined as Current Assets minus Current Liabilities as defined in the State Bar's Reserve Policy with a measurement date of 12/31/17.

² 2018 beginning and ending balances are based on projections, and thus shown in the 2018 Projection column instead of the 2018 Budget column.

| Info Tech Special Access Fund | 2017 Actual | 2018 Budget ² | 2018 Projection | 2019 Budget | 2020 Forecast |
|--|----------------|-----------------------------|--------------------|----------------|------------------|
| Beginning Working Capital ¹ | \$1,217,300 | | \$1,226,000 | \$500 | \$500 |
| <u>Revenues</u> | | | | | |
| Other Revenues | \$8,700 | \$0 | (\$1,000) | \$0 | \$0 |
| Total Revenues | \$8,700 | \$0 | (\$1,000) | \$0 | \$0 |
| <u>Interfund Transactions</u> | | | | | |
| Interfund Transfers Out | \$0 | (\$1,217,000) | (\$1,224,500) | \$0 | \$0 |
| Total Interfund Transactions | \$0 | (\$1,217,000) | (\$1,224,500) | \$0 | \$0 |
| Change in Net Position | \$8,700 | (\$1,217,000) | (\$1,225,500) | \$0 | \$0 |
| Ending Balance | \$1,226,000 | | \$500 | \$500 | \$500 |

¹ Beginning Working Capital represents Reserves available to support operations and is defined as Current Assets minus Current Liabilities as defined in the State Bar's Reserve Policy with a measurement date of 12/31/17.

² 2018 beginning and ending balances are based on projections, and thus shown in the 2018 Projection column instead of the 2018 Budget column.

| Justice Gap Fund | 2017 Actual | 2018 Budget² | 2018 Projection | 2019 Budget | 2020 Forecast |
|--|------------------------|------------------------------------|----------------------------|------------------------|--------------------------|
| Beginning Working Capital ¹ | \$1,659,800 | | \$3,077,000 | \$4,473,800 | \$5,715,900 |
| Revenues | | | | | |
| Voluntary Fees & Donations | \$1,409,300 | \$900,000 | \$1,392,900 | \$1,232,000 | \$1,269,000 |
| Other Revenues | 17,100 | 11,100 | 11,100 | 17,100 | 17,600 |
| Total Revenues | \$1,426,400 | \$911,100 | \$1,404,000 | \$1,249,100 | \$1,286,600 |
| Interfund Transactions | | | | | |
| Indirect Costs | (\$9,200) | (\$7,200) | (\$7,200) | (\$7,000) | (\$7,200) |
| Total Interfund Transactions | (\$9,200) | (\$7,200) | (\$7,200) | (\$7,000) | (\$7,200) |
| Change in Net Position | \$1,417,200 | \$903,900 | \$1,396,800 | \$1,242,100 | \$1,279,400 |
| Ending Balance | \$3,077,000 | | \$4,473,800 | \$5,715,900 | \$6,995,300 |

¹ Beginning Working Capital represents Reserves available to support operations and is defined as Current Assets minus Current Liabilities as defined in the State Bar's Reserve Policy with a measurement date of 12/31/17.

² 2018 beginning and ending balances are based on projections, and thus shown in the 2018 Projection column instead of the 2018 Budget column.

| Bank Settlement Fund | 2017 Actual | 2018 Budget ² | 2018 Projection | 2019 Budget | 2020 Forecast |
|--|----------------|-----------------------------|--------------------|----------------|------------------|
| Beginning Working Capital ¹ | \$44,102,200 | | \$39,142,000 | \$29,282,300 | \$19,729,400 |
| <u>Revenues</u> | | | | | |
| Grants | \$9,000 | \$0 | \$0 | \$0 | \$0 |
| Other Revenues | 294,000 | 150,000 | 150,000 | 50,000 | 51,500 |
| Total Revenues | \$303,000 | \$150,000 | \$150,000 | \$50,000 | \$51,500 |
| <u>Expenses</u> | | | | | |
| Personnel Expenses | \$2,200 | \$58,600 | \$3,100 | \$100,000 | \$100,000 |
| Legal Services Grants | 5,117,500 | 9,957,900 | 9,957,900 | 9,452,800 | 9,736,400 |
| Supplies and Equipment | 0 | 16,300 | 16,300 | 13,800 | 14,200 |
| Other Expenses | 112,300 | 4,900 | 4,900 | 4,500 | 4,600 |
| Total Expenses | \$5,232,000 | \$10,037,700 | \$9,982,200 | \$9,571,100 | \$9,855,200 |
| <u>Interfund Transactions</u> | | | | | |
| Indirect Costs | (\$31,200) | (\$27,600) | (\$27,500) | (\$31,800) | (\$32,800) |
| Total Interfund Transactions | (\$31,200) | (\$27,600) | (\$27,500) | (\$31,800) | (\$32,800) |
| Change in Net Position | (\$4,960,200) | (\$9,915,300) | (\$9,859,700) | (\$9,552,900) | (\$9,836,500) |
| Ending Balance | \$39,142,000 | | \$29,282,300 | \$19,729,400 | \$9,892,900 |

¹ Beginning Working Capital represents Reserves available to support operations and is defined as Current Assets minus Current Liabilities as defined in the State Bar's Reserve Policy with a measurement date of 12/31/17.

² 2018 beginning and ending balances are based on projections, and thus shown in the 2018 Projection column instead of the 2018 Budget column.

| Sections Funds | 2017 Actual | 2018 Budget ² | 2018 Projection | 2019 Budget | 2020 Forecast |
|--|----------------|-----------------------------|--------------------|----------------|------------------|
| Beginning Working Capital ¹ | \$7,889,700 | | \$8,344,000 | \$3,600 | \$3,600 |
| <u>Revenues</u> | | | | | |
| Other Revenues | 8,760,800 | 0 | 0 | 0 | 0 |
| Total Revenues | \$8,760,800 | \$0 | \$0 | \$0 | \$0 |
| <u>Expenses</u> | | | | | |
| Personnel Expenses | \$1,906,900 | \$0 | \$0 | \$0 | \$0 |
| Leases and Rent | 7,700 | 0 | 0 | 0 | 0 |
| Services | 1,503,100 | 0 | 0 | 0 | 0 |
| Supplies and Equipment | 275,800 | 0 | 0 | 0 | 0 |
| Other Expenses | 2,878,800 | 0 | 8,340,400 | 0 | 0 |
| Total Expenses | \$6,572,300 | \$0 | \$8,340,400 | \$0 | \$0 |
| <u>Interfund Transactions</u> | | | | | |
| Interfund Transfers In | \$221,500 | \$0 | \$0 | \$0 | \$0 |
| Indirect Costs | (1,734,600) | 0 | 0 | 0 | 0 |
| Interfund Transfers Out | (221,100) | 0 | 0 | 0 | 0 |
| Total Interfund Transactions | (\$1,734,200) | \$0 | \$0 | \$0 | \$0 |
| Change in Net Position | \$454,300 | \$0 | (\$8,340,400) | \$0 | \$0 |
| Ending Balance | \$8,344,000 | | \$3,600 | \$3,600 | \$3,600 |

¹ Beginning Working Capital represents Reserves available to support operations and is defined as Current Assets minus Current Liabilities as defined in the State Bar's Reserve Policy with a measurement date of 12/31/17.

² 2018 beginning and ending balances are based on projections, and thus shown in the 2018 Projection column instead of the 2018 Budget column.

| Howard Tenant Buildout Fund | 2017 Actual | 2018 Budget ² | 2018 Projection | 2019 Budget | 2020 Forecast |
|--|----------------|-----------------------------|--------------------|----------------|------------------|
| Beginning Working Capital ¹ | \$1,688,100 | | \$1,713,000 | \$1,363,000 | \$1,073,000 |
| <u>Revenues</u> | | | | | |
| Other Revenues | \$24,900 | \$50,000 | \$50,000 | \$50,000 | \$51,500 |
| Total Revenues | \$24,900 | \$50,000 | \$50,000 | \$50,000 | \$51,500 |
| <u>Expenses</u> | | | | | |
| Debt Service | 0 | 400,000 | 400,000 | 340,000 | 297,000 |
| Total Expenses | \$0 | \$400,000 | \$400,000 | \$340,000 | \$297,000 |
| Change in Net Position | \$24,900 | (\$350,000) | (\$350,000) | (\$290,000) | (\$245,500) |
| Ending Balance | \$1,713,000 | | \$1,363,000 | \$1,073,000 | \$827,500 |

¹ Beginning Working Capital represents Reserves available to support operations and is defined as Current Assets minus Current Liabilities as defined in the State Bar's Reserve Policy with a measurement date of 12/31/17.

² 2018 beginning and ending balances are based on projections, and thus shown in the 2018 Projection column instead of the 2018 Budget column.