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Member Services Public Protection Administration of Justice**

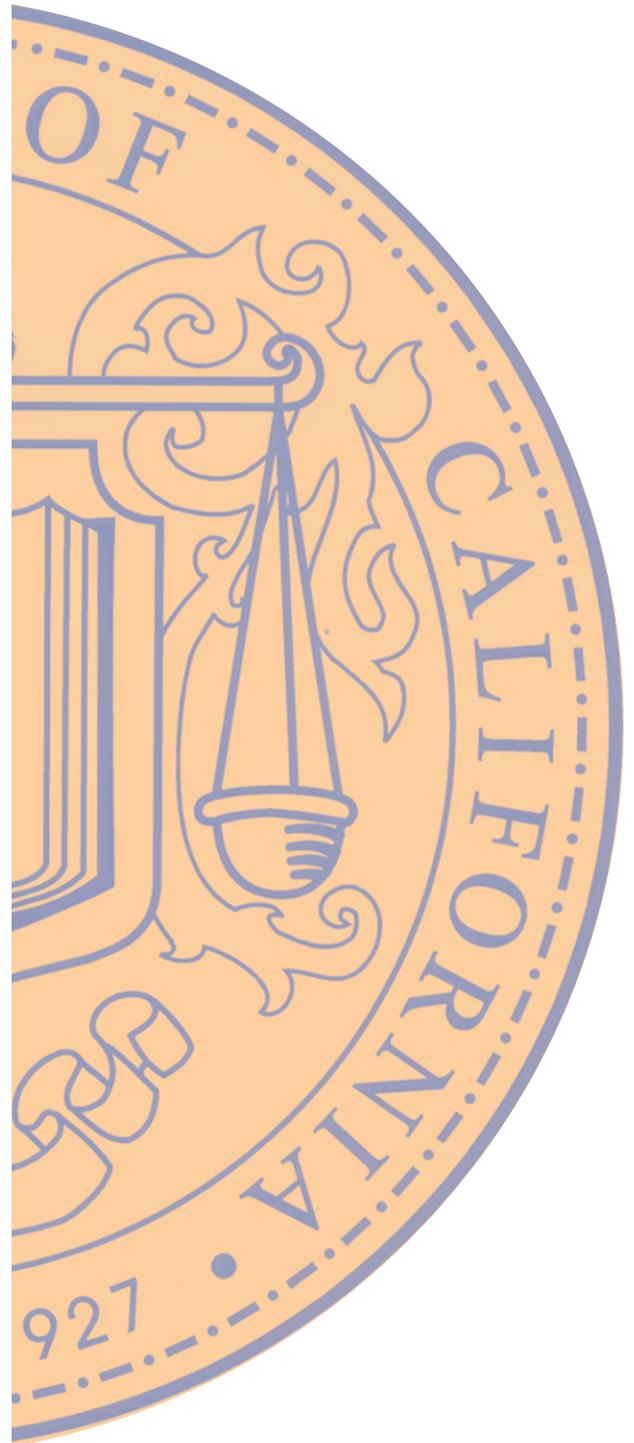
The State Bar of California

Annual Report | 2008

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The State Bar of California believes in:

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Serving the Administration of Justice

- The independence of the judiciary as the third branch of government.
- Equal access to justice.
- Civility and professionalism.

Serving the Public

- Helping attorneys better serve their clients.
- Protection of the public.
- Public service through pro bono representation.

Serving Attorneys

- Effective self-governance.
- Diversity and broad participation in bar membership and leadership.
- Fiscal responsibility.
- Protection of the legal profession by ensuring the highest levels of competency.



***The purpose of the State Bar of California is to preserve
and improve our justice system to assure a free
and just society under law.***

—The State Bar's Mission Statement

This past year, the State Bar made significant progress in its ongoing mission to protect the public and improve the regulation of the legal profession. At the same time, we took steps to make the State Bar more accessible to both our attorney members and the public.

On the public protection front, 16 percent more complaints alleging attorney misconduct were filed in 2008 than the previous year and California became the one of the first states to post filed complaints on its public Web site. Use our online directory to look up an attorney by name or bar number and, if charges are pending against that attorney, you can view a copy of the complaint and the attorney's response to the charges. We tightened the rules governing our programs to help attorneys with addiction and mental health problems — we have barred participation in the program to lawyers whose misconduct seriously harmed clients, warranting lengthy suspensions or disbarment. In addition, we continued our more aggressive approach to monitoring attorneys on probation by insisting on strict compliance with court-ordered conditions or additional sanctions for those who don't. Finally, the Board of Governors doubled — to a maximum of \$100,000 — the amount that client victims of attorney theft can recover from the State Bar's Client Security Fund.

2008 also marked the launch of *Calbar Connect*, a members-only Web site that provides exclusive offers, discounts, products and services to State Bar members. Our Member Service Center, now in its fourth year, provided direct phone support — and one-stop service — to 70,000 State Bar members. Our Lawyer Assistance Program (LAP), with no increase in program spending, assisted more than 830 attorneys — the largest number to date — with substance abuse and mental health issues. And, through our ongoing Rules Rewrite Project, we are revising the State Bar rules to make them easier to understand.

Public education, too, continued to be a State Bar priority. In 2008, we revised the State Bar guide *When You Become 18: A Survival Guide for Teenagers*, distributing more than 800,000 free copies in English and Spanish. The guide, one of several dozen State Bar consumer publications, helps young Californians better understand their legal rights and responsibilities as they become adults in the eyes of the law.

The following pages contain additional highlights of our work over the past year. We look forward to even more service improvements: In late 2009, we will launch a more user-friendly, easy-to-navigate State Bar Web site that will make a wealth of information about California attorneys and the law, admissions requirements and member services even more accessible to our members and the public.



Judy Johnson

Executive Director, The State Bar of California

ADMISSIONS

As gatekeeper to the profession, the Office of Admissions develops and administers the California Bar Examination and the First-Year Law Students' Examination, conducts applicant moral character investigations, accredits and registers law schools and supports the Committee of Bar Examiners in carrying out its functions. It is funded entirely by applicant fees, the sale of study aids, accreditation fees and interest income.

Accomplishments/New Developments

In 2008, the Office of Admissions:

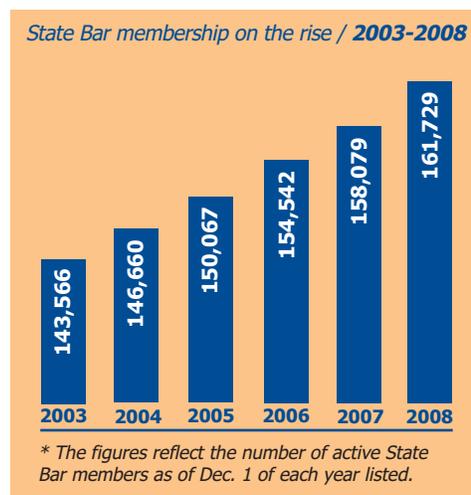
- Certified 7,216 applicants as eligible for admission to practice law in California, a 6.75 percent increase from 2007.

- Administered the **California Bar Examination**, which is composed of the General Bar Examination and the Attorneys' Examination, to 13,901 law students and out-of-state attorneys (4,911 in February and 8,990 in July), slightly fewer applicants than in 2007. Nearly 70 percent of them took the exam on their laptop computers, which had special security software installed before the exam. Of those tested, 516 applicants with disabilities were granted testing accommodations. In February, 39.6 percent of the applicants passed the exam, a slightly higher pass rate than in February 2007. July's pass rate was 61 percent, also higher than the previous year's pass rate. But the July pass rate for the General Bar Examination alone — 61.7 percent — was the highest pass rate since 1997.

- Developed **special protocols and procedures** to ensure that exam takers were treated fairly in the wake of two separate incidents during July's bar exam. An earthquake and then a power outage two days later disrupted the exam for some applicants in Southern California. With input from several expert measurement consultants, certain steps were taken to counter any negative impact.

- Administered the **First-Year Law Students' Examination** to 1,438 law students (785 in June, 653 in October), slightly fewer than in 2007. (Students who are enrolled in an unaccredited law school or who attended college for less than two years before entering a California-accredited or ABA-approved law school must pass this exam after their first year of law study.) Of those tested, 30 law students with disabilities took the exam at testing accommodations test centers. In June, 25.9 percent of the law students passed the exam, compared to an 18.4 percent pass rate the previous June. In October, the pass rate was 14.7 percent, down from 19 percent the previous October.

- Conducted **background checks** on 8,575 applicants — 122 fewer than in 2007. Processed another 174 such applications from attorneys seeking to register under the Multijurisdictional Practice rules, which allow out-of-state attorneys not licensed in California to practice here in limited circumstances. Reduced the number of moral character determination applications still pending after a year from 45 to 27. Shortened the initial file processing time to 120 days (down from 162 days in 2006). Reviewed 243 investigative reports (down from 283 in 2007) and conducted 97 informal conferences with moral character determination applicants (down from 112 in 2007). A total of 38 applicants received adverse moral character determinations (down from 44 in 2007). The decrease in numbers reflected the higher-than-usual number of files that were processed in 2007 due to a slight backlog that year.



- Assumed the **oversight and regulation of California's unaccredited law schools**. Implemented new rules, guidelines and fees for the regulation of such schools. Revised the rules for accredited law schools (effective in 2009) using the State Bar's plain English standards. Drafted proposed guidelines to interpret the revised *Accredited Law School Rules* with input from the law school community and a formal public hearing (adoption of the new guidelines is pending). Visited six unaccredited law schools and, with Committee of Bar Examiners members, three accredited law schools.

- Implemented **revised admissions rules** that were modified to conform to the State Bar’s plain English standards.
- Posted an **online customer-friendly moral character determination application**, which should reduce the time spent on the initial processing of such applications.
- Continued **outreach to law schools**: held a Law School Assembly (all California law school deans); conducted several meetings and training sessions with law school registrars and associate deans; and gave presentations at 11 law schools.

CHIEF TRIAL COUNSEL

The State Bar’s attorney discipline system is designed to protect the public, the courts and the profession from attorneys who violate the professional standards that govern attorney conduct in California. The bar’s Office of the Chief Trial Counsel (OCTC), which handles complaint intake, investigations/trials, central administration and probation, is the disciplinary enforcement arm of this system. Selected by the State Bar and confirmed by the State Senate, the Chief Trial Counsel (CTC) reports to the Board of Governors’ Committee on Regulation, Admissions and Discipline (RAD) on substantive policy issues and is responsible for the overall structure, goals and management of OCTC.

- The **toll-free Attorney Complaint Hotline** (1-800-843-9053) offers an extensive “voice tree” aimed at assisting callers with common questions and problems. Callers who need further assistance are directed to OCTC’s **Intake Unit**, which consists of complaint analysts, attorneys and support staff. This unit provides membership information and responds to general questions about attorneys and State Bar programs. The Intake Unit is also the starting point for consumers seeking to file a complaint

against an attorney. Complaints initially are evaluated to determine if they involve a violation of California’s professional standards. Then, if a formal investigation is warranted, the file is transferred to an **Investigations/Trials Unit**. In addition, the Intake Unit addresses other matters, through education and informal mediation, which do not rise to the level of a formal investigation. And it processes information that attorneys must self-disclose (*Reportable Actions*) under Business and Professions Code § 6068(o).

- If the matter is not resolved at the investigation stage, a State Bar attorney in an Investigations/Trials Unit prepares a formal *Notice of Disciplinary Charges* and files it with the State Bar Court.
- The **Investigations/Trials Units** are also responsible for the prosecution of conviction referral matters, probation revocation proceedings and other regulatory proceedings within OCTC’s jurisdiction. They handle reinstatement proceedings following disbarment or resignation and moral character admissions proceedings as well. And they are responsible for presenting matters on appeal before the State Bar Court Review Department.
- OCTC also administers the bar’s **Ethics School** and the **Client Trust Accounting School** and coordinates efforts to address the disposition of client files abandoned by deceased or missing attorneys.

Calls to the toll-free attorney complaint hotline

2004	2005	2006	2007	2008
89,823	70,902	72,916	73,259	73,473*

**This number is incomplete. Only a third of the data for May was captured. Also, telephone calls are no longer the primary indicator of the Intake Unit’s workload. The State Bar’s Web site contains extensive information about the attorney discipline system and a digital attorney complaint form. From July of 2004 to December of 2007, roughly 186,200 complaint forms were downloaded. In 2008 alone, 70,110 forms were downloaded.*

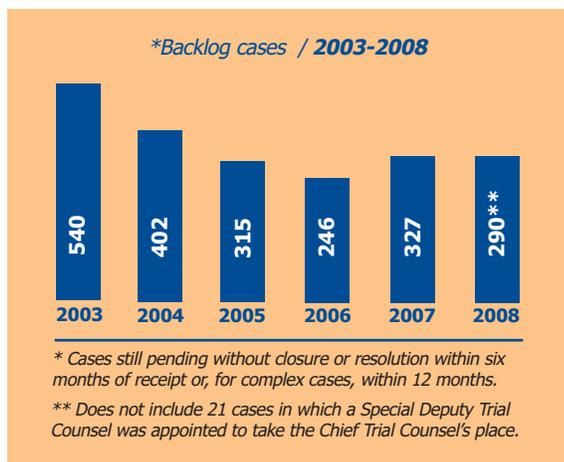
Accomplishments/New Developments

In 2008, the Office of the Chief Trial Counsel:

- **Reduced the year-end backlog.** For the fourth year in a row, the number of investigations open for more than six months was below 400 at the end of the year (see chart on page 4).
- **Increased the filing of Notices of Disciplinary Charges** in State Bar Court by nearly 16 percent. The number of matters included in those notices also jumped 22 percent.
- Worked to **improve public protection and**

maintain high standards in the profession through discipline system reforms, such as posting the *Notices of Disciplinary Charges* on the State Bar’s Web site.

■ Urged the State Bar Board of Governors to **modify the Alternative Discipline Program**. The modifications substantially increased public protection and limited the opportunities for respondents to use the Alternative Discipline Program to manipulate discipline proceedings.



and enforcing compliance — referring 136 cases to OCTC for prosecution (up from 97 in 2006 and 115 in 2007). In addition, the Office of Probation filed 21 motions to revoke probation.

■ Filed briefs with the Review Department of the State Bar Court which, among other issues, **appealed the low level of discipline** ordered in relation to a probation revocation motion. The matter is still pending.

■ Lodged 271 reports with the State Bar Court on **attorney compliance with court-ordered Alternative Discipline Program conditions**.

CLIENT SECURITY FUND

When an attorney steals from a client, the consequences can be devastating — to the legal profession as a whole as well as to the individual client. The Client Security Fund helps soften the blow by reimbursing victims up to a certain amount for losses due to attorney theft or an act equivalent to theft. Financed with attorney dues, the fund is a cost-effective way of assisting victims for whom reimbursement would generally not be available from any other source. The fund also provides a unique opportunity to promote public confidence in the administration of justice

and the integrity of the legal profession. Since its inception, the fund has reim-

"I once again trust our legal system."
 — Fund Applicant, 2008

bursed applicants some \$89.6 million. The California fund continues to receive and process more applications per year than any other such fund in the United States.

PROBATION

The Office of Probation monitors whether disciplined attorneys comply with conditions imposed in California Supreme Court and State Bar Court orders, including compliance with rule 9.20 of the *California Rules of Court*. It also handles all probation revocation motions and probation modification requests (Rules 550-554 of the *Rules of Procedure*), including modification requests of re-proval conditions, and compliance with *Agreements in Lieu of Discipline*.

Accomplishments/ New Developments

In 2008, the Office of Probation:

■ Continued to take a **more aggressive approach in supervising**

Office of Probation	2005	2006	2007	2008
Files pending reporting period end	800	857	940	867
Files opened	606	566	458	455
Files closed	559	481	377	529
Probation revocation motions filed	25	26	6	21
Referrals to OCTC for prosecution	129	97	115	136

Accomplishments/ New Developments

In 2008, the Client Security Fund:

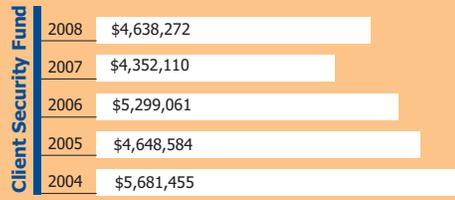
■ Reimbursed **more than \$4.6 million to victimized clients** on 479 approved

claims. Of those, 348 related to unearned fees, 125 cases involved misappropriation and six were based on loans.

■ Released **proposed rule changes** for public comment that ultimately doubled the maximum reimbursement to \$100,000. The amendments (approved in early 2009) also eliminated the “marriage penalty” by allowing spouses to file separate applications for reimbursement.

■ Initiated **an automated cost recovery program**.

5-Year Summary of Applications Paid in Dollars



Dollars Paid by Category in 2008 | \$4,638,272

Unearned Fees	\$2,465,360
Misappropriation	\$1,915,912
Loans	\$257,000
Investments	\$0

**Accomplishments/
New Developments**

In 2008, the State Bar Court:

■ Filed 734 attorney **disciplinary and regulatory matters** and closed 592 such matters.

■ Continued to work with attorneys who suffer substance abuse and/or mental health issues in the **Alternative Discipline Program (“ADP”)**. The

ADP seeks to identify and refer respondents with substance abuse or mental health problems to the State Bar’s Lawyer Assistance Program for treatment and rehabilitation.

■ Began posting the State Bar Court dockets online at: <http://apps.statebarcourt.ca.gov/dockets/dockets.aspx>

■ Continued to publish the *California State Bar Court Reporter* containing the published opinions of the review department in attorney disciplinary and regulatory proceedings.

■ Welcomed **Catherine D. Purcell** to the bench.



*Catherine D. Purcell
State Bar Court
Review Department*

STATE BAR COURT

The State Bar Court serves as the administrative arm of the California Supreme Court in the adjudication of disciplinary and regulatory

matters involving California attorneys. It is the State Bar Court’s mission to hear and decide cases fairly, correctly and efficiently for the protection of the public, the courts and the legal profession. The State Bar Court has the authority to impose public and private reprimands on California attorneys who are found to have violated the disciplinary provisions of the *California State Bar Act* or the *Rules of Professional Conduct* approved by the California Supreme Court. In cases involving more serious discipline, such as disbarment or suspension, the State Bar Court makes findings of fact and conclusions of law, and then sends a recommendation for discipline to the California Supreme Court for review and adoption.

**800 State Bar Court
Closed Disciplinary Cases
Dispositions**

Disbarment	57
Summary Disbarment	6
Suspension	245
Reprimands	67
Dismissal	37
Termination	46
Revoke Probation	7
Probation	0
Extend Probation	0
License to Practice Canceled	1
Admonition	1
Deny Petition/Application	2
Total	469

GOVERNMENT AFFAIRS

The State Bar retains government affairs services on a contract basis in order to maintain a relationship with the legislative and executive branches of government. Funded solely with voluntary contributions, the 2008 activities included:

■ Identifying and tracking bills that affect, or are of interest to, the State Bar.

■ Advocating for the State Bar Board of Governors’ positions on various non-ideological issues.

- Providing technical assistance and information to the Governor and legislators (and their staffs) on issues of relevance to the practice of law, the legal profession and legal services consumers.
- Increasing state policymakers' understanding of the legal profession, the practice of law and the State Bar's role in the administration of justice.
- Performing similar tasks for the State Bar sections (funded with voluntary section funds).
- Working closely with the Judicial Council, the Legislature and other interested stakeholders on several bills related to court facilities and financing, court interpreters, legal services for the poor and other access to justice issues.

LEGAL SERVICES, ACCESS AND FAIRNESS PROGRAMS

The Office of Legal Services, Access & Fairness Programs focuses on all aspects of the delivery of legal services to the poor and those with a moderate income; funding for legal services programs that serve the poor; the administration of certified lawyer referral services; support for voluntary local, minority and specialty bar associations and the California Young Lawyers Association; and efforts to eliminate bias and promote fairness in the legal profession through diversity pipeline initiatives.

Accomplishments/New Developments

In 2008, the Office of Legal Services, Access & Fairness Programs:

- Responded to the recent foreclosure crisis by working with several organizations to develop **ForeclosureInfoCA.org** for consumers with foreclosure-related questions and attorneys interested in volunteering assistance. (In its first four months,

the Web site received roughly 100 visitors a day.) Coordinated two free training sessions — available in-person or via Web cast — for more than 600 attorneys, housing counselors, legal services advocates and others interested in helping homeowners and tenants in crisis.

- Helped broaden the **Emeritus Attorney Pro Bono Program** to include all attorneys who are on a temporary or permanent break from the practice of law. The revised program — now called the **Pro Bono Practice Program** — waives bar membership fees and offers free and reduced rates for certain MCLE courses to eligible participants who provide pro bono services to indigents through a qualified provider.

- Worked with the Standing Committee on the Delivery of Legal Services (SCDLS) and the Public Interest Clearinghouse to convene the **first annual California Pro Bono Summit**, a strategic planning session for pro bono representatives from large law firms and legal services programs.

- Continued implementing “comparability” for the Legal Services Trust Fund Program. Assisted nearly 300 banks and more than 60,000 attorneys in their efforts to comply with this change in the law. Financial institutions that hold **Interest on**

Lawyers' Trust Accounts (IOLTA)

funds must now pay rates and charge fees on such accounts that are comparable to those paid on similarly situated non-IOLTA accounts — resulting in more legal aid funding for the indigent. In 2008, the program collected \$22.7 million in IOLTA revenue and was able to establish reserves for the next year, in spite of historically low interest rates.

- Distributed **\$14.6 million in IOLTA and Justice Gap Fund revenue** to 97 legal services and support programs serving indigents — a 12.29 percent increase over the 2007 distribution. **Distributed \$16.5 million in Equal Access Funds**, including \$1.6 million to fund 24 projects that create partnerships between legal aid and court programs to help self-represented litigants.

- Certified or recertified 60 **lawyer referral services (LRS)** and collected more than \$100,000 in fees.

The Legal Services Trust Fund Program (IOLTA)

The Legal Services Trust Fund was established by the Legislature in the early 1980s to provide money to help fund civil legal services for indigent Californians. By the end of 2008, nearly \$300 million had been distributed to legal services programs serving the poor statewide.

Provided technical assistance to five struggling services, granting them waivers to continue serving their counties. In 2008, more than 5,300 attorneys served on LRS panels assisting some 167,000 Californians.

■ **Helped consumers find attorneys** by providing State Bar-certified lawyer referral service contact information via its Web site and a toll-free phone line. In 2008, some 35,000 callers used the phone line to retrieve information in English or Spanish, or to leave messages for State Bar staff.

■ Worked with the **Commission on Access to Justice** to focus attention on the lack of legal aid resources in rural areas, the need to expand access to justice in administrative agencies, the importance of judicial support for pro bono work, and the critical role of legal representation for low-income Californians. Helped compile quantitative data and anecdotal information on the recession's impact on legal aid programs and their clients. Convened a two-day retreat and planning meeting to mark the commission's 10th anniversary.

■ Collected more than \$1 million in **Justice Gap Fund** contributions from some 11,000 donors, most of them attorneys, in the fund's first year. Created a Web page that accepts online donations for the fund — a fund that helps support non-profit legal aid programs for impoverished Californians.

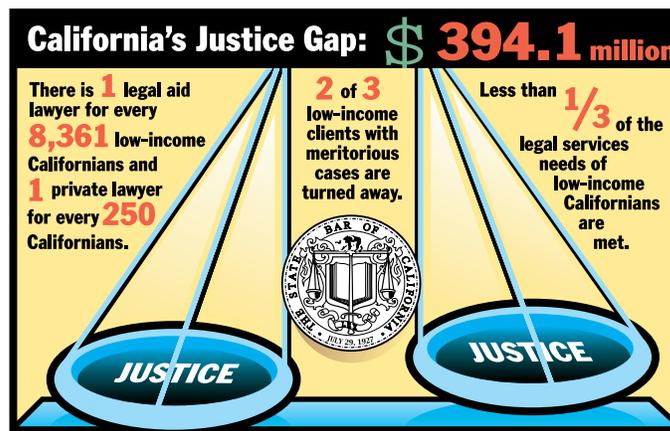
■ Promoted **greater diversity in the profession** through various Council on Access & Fairness activities funded solely with voluntary contributions: convened bar exam preparation experts and academic representatives to produce preparation materials and tips for law students from diverse backgrounds; created an "education pipeline" award to promote programs that provide students with information about the legal system and their legal career options; compiled

updated demographic information on the legal profession and the "education pipeline"; and conducted an annual Diversity Stakeholder Forum to address "pipeline" initiatives.

COMMISSION ON JUDICIAL NOMINEES EVALUATION

The State Bar's Commission on Judicial Nominees Evaluation (JNE) evaluates all candidates who are under consideration for a judicial appointment by the Governor. Its

mission is to assist the Governor in the judicial selection process by providing independent, comprehensive, accurate and fair evaluations of candidates for judicial appointment and nomination. Appointed by the State Bar's board of governors, the volunteer commission is made up of attorneys and public members who represent a broad cross-section of California's diverse legal profession and general population. The commission cannot nominate or appoint judges; however, it does thoroughly investigate California's judicial candidates under a code of strict confidentiality.



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Accomplishments/New Developments

In 2008, the Commission on Judicial Nominees Evaluation:

■ Met a total of 10 days (in addition to two days of training) to evaluate 259 candidates, rating 217 as "qualified" or "well qualified," 15 as "exceptionally well qualified" and 15 as "not qualified."

■ Received 10 requests to the JNE Review Committee for reconsideration; two were rescinded, seven were denied and one is pending.



MEMBER SERVICE CENTER

The Member Service Center (MSC) is dedicated to improving service to State Bar members beyond the traditional fee-payment processing and discipline proceedings. MSC seeks to create a positive State Bar experience for all members, which, in turn, will enhance the bar's image with its members.

Accomplishments/New Developments

In 2008, the Member Service Center:

- Provided **direct phone support — and one-stop service — to some 70,000 State Bar members** who contacted the MSC.
- Launched **CalBar Connect**, a centralized Web site that markets exclusive offers, discounts, products and services to State Bar members. Integrated the State Bar's existing insurance partners into the CalBar Connect initiative and contracted with eight new affinity partners.
- Maintained the **official attorney membership roll** by processing more than 77,000 transactions, including address changes, status changes, name changes and new admittee enrollment. Assisted 1,061 members with the **membership fee waiver process**.
- Issued or renewed 9,784 **Law Corporation and Limited Liability Partnership certificates of registration**.
- Tracked **MCLE compliance** of 57,672 State Bar members, keeping the non-compliance level at less than one percent.



MANDATORY FEE ARBITRATION

The Mandatory Fee Arbitration Program is designed for attorneys and clients to resolve disputes over fees and costs outside of court. The program's aim is to provide a quicker, less costly alternative to litigation in a confidential, consumer-friendly forum. In addition, it diverts complaints that are solely fee disputes away from the attorney discipline system. Most fee arbitrations are conducted through local bar association programs. The State Bar's program:

- Provides mandatory fee arbitration when there is no local bar program available and administers the Committee on Mandatory Fee Arbitration.
- Trains fee arbitrators and offers consultation to California's 45 approved local bar programs.
- Publishes and distributes committee-issued arbitration advisories for fee arbitrators and sponsors legal education and outreach programs for lawyers.

Accomplishments/New Developments

In 2008, the Office of Mandatory Fee Arbitration:

- Presented a record-high number of **fee arbitrator training programs** for 11 local bar associations, providing free MCLE credit for attorney attendees. Initiated a **new advanced fee arbitrator training** for local bar program fee arbitrators using a checklist developed by the Mandatory Fee Arbitration Committee to help standardize written awards.
- Developed consumer-friendly amendments to the **Notice of Your Rights After Arbitration** form. This statutorily required form is used by clients and attorneys to assess their post-fee arbitration rights and responsibilities. The board-approved amendments clarify the statutes in plain language and refer to specific Judicial Council forms for guidance.
- Approved the state's first **Spanish-language version of the Notice of**

Mandatory Fee Arbitration Requests	2004	2005	2006	2007	2008
MFA requests filed with the State Bar	211	144	174	123	106
Assigned to MFA panel by a local bar*	1,771	1,661	1,475	1,546	1,718
Requests for enforcement of award	72	78	61	70	62

*This number does not include all local bar assignments.

Client's Right to Arbitration form for local bar program use. Developed **guidelines for assessing filing fee waiver requests** and a **first-ever fee waiver request application form for local bar programs**.

- Published **two new arbitration advisories** for fee arbitrators and **three new program advisories** for local bar program administrators.

LAWYER ASSISTANCE PROGRAM

The Lawyer Assistance Program (LAP) provides confidential assistance to attorneys dealing with substance abuse or mental health issues. Professional and peer assistance is available through the LAP for attorneys who are suffering from a wide range of personal concerns.

Accomplishments/New Developments

In 2008, the Lawyer Assistance Program:

- **Enrolled 194 new attorney participants** in the program.
- Provided **some type of assistance to 834 attorneys**. Assisted 542 of them — the highest number to date — through **the program's structured recovery component**. These attorneys sign a Participation Plan and attend weekly group meetings.
- **Graduated the second group of attorneys** (18) who met the program's criteria (five years of participation and three years of continuous sobriety or stability, in the case of mental health issues).
- Continued to collect data for a **long-term prospective**

study of LAP participation outcomes.

- Launched an **educational Web site offering a free substance abuse MCLE self-study package** and distributed hard-copy versions of the self-study material to more than 10,000 members.

- Hired a repayment processing and collections firm to process and increase repayment to the program's **Financial Assistance Plan**.

- **Served the largest number of attorneys ever without increasing expenditures**. At the end of 2008, the program had a net operating surplus of \$183,546.

BAR RELATIONS

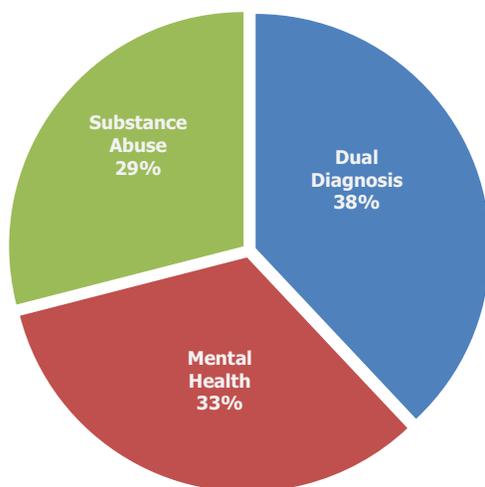
The Office of Bar Relations Outreach — funded solely through voluntary contributions to the Elimination of Bias/Bar Relations Fund — staffs the activities, programs and events of the Center for Access & Fairness and Bar Relations Outreach. These programs enable the State Bar to serve as a vital link between the bar and more than 230 local, minority and specialty bar associations.

Accomplishments/New Developments

In 2008, the Office of Bar Relations Outreach:

- **Increased participation in the Bar Leaders' Conference training** with funding from the California Bar Foundation. With California Bar Foundation scholarships, five minority bar associations, five women's bar associations and one specialty bar association were able to participate.
- **Expanded free access to the 2007 and 2008 Bar Leaders' training** to all California bar associations and hundreds of bar associations outside of California by posting the training and resource materials online.

LAP 2008 Participant Diagnoses



SPECIAL ADMISSIONS AND SPECIALIZATION

The Office of Special Admissions and Specialization manages special programs that allow certain attorneys to practice law in California without State Bar membership under limited circumstances. It also administers a program that certifies California attorneys as specialists in certain areas of the law.

■ **The Multijurisdictional Practice Program (MJP)** allows out-of-state attorneys who live in California to register and perform limited legal services for particular corporations and legal services organizations. It also allows out-of-state attorneys to temporarily come to California in connection with certain litigation and transactional activities.

■ **The Pro Hac Vice Program** permits out-of-state attorneys to appear in California state courts.

■ **The Out-Of-State Attorney Arbitration Counsel Program** allows out-of-state attorneys to appear in non-judicial arbitrations in California.

■ **The Military Counsel Program** allows non-California attorneys serving in the military to represent military personnel in California courts on a limited basis.

■ **The Foreign Legal Consultant Program** allows attorneys who are licensed to practice law in a foreign country to practice the law of that country in California under limited circumstances.

■ **The Practical Training of Law Students Program** allows certain law students to gain firsthand legal experience in a supervised environment.

The Legal Specialization Program certification areas

- Admiralty and Maritime Law
- Appellate Law
- Bankruptcy Law
- Criminal Law
- Estate Planning, Trust and Probate Law
- Family Law
- Franchise and Distribution Law
- Immigration and Nationality Law
- Legal Malpractice Law
- Taxation Law
- Workers' Compensation Law

■ **The Legal Specialization Program** directly certifies that qualifying California attorneys have special competence in one of 11 areas of law (see adjacent box). The program also authorizes certain other organizations to certify that California attorneys have special qualifications in 11 more areas.

In addition, the self-funded office authorizes education providers to offer courses that satisfy the **Minimum Continuing Legal Education (MCLE)** obligations of California attorneys.

Accomplishments/New Developments

In 2008, the Office of Special Admissions and Specialization:

■ Launched two new legal specialization certification areas — **Admiralty and Maritime Law** and **Legal Malpractice Law**.

■ Assisted the Board of Legal Specialization in **processing more than 10,700 peer review documents** to verify each applicant's proficiency in their specialty area.

■ Implemented **cost-saving measures and "greening" of the office**, and began electronically transmitting applications, reminder notices and annual renewal packets for MCLE, Legal Specialization, MJP and other programs.

■ Processed 2,692 Pro Hac Vice applications, 1,050 Out-of-State Attorney Arbitration Counsel applications, 169 Legal Specialization provider and individual activity applications, 1,652 MCLE education applications and 2,675 Practical Training of Law Students applications.

PROFESSIONAL COMPETENCE ETHICS HOTLINE

The Office of Professional Competence is responsible for administering programs that set and maintain high standards of attorney professional responsibility. A primary goal is the

prevention of lawyer misconduct. Seeking to help lawyers understand and comply with their ethical duties, the professional competence staff:

- Administers an **Ethics Hotline** that assists lawyers in researching professional responsibility authorities.

- Serves as staff to the board of governors, its committees, and special commissions and task forces involved in the development of proposed amendments to the *Rules of Professional Conduct* and other laws governing lawyers.

Ethics Hotline: Types of Inquiries	2007	2008
<i>Fees and Costs for Legal Services</i>	17%	17%
<i>Conflicts of Interest</i>	14%	12%
<i>Attorney Advertising and Solicitation</i>	9%	12%
<i>Communications with Clients, Adverse Party and Others.</i>	9%	11%
<i>Client Confidential Information</i>	8%	9%
<i>Competence</i>	6%	7%
<i>Unauthorized Practice of Law</i>	7%	6%
<i>Misconduct/Moral Turpitude/Trial Conduct</i>	8%	6%

- Administers the **Committee on Professional Responsibility and Conduct (COPRAC)**, charged with the task of drafting and issuing the State Bar’s advisory ethics opinions.

- Publishes and **distributes publications** (such as the *California Compendium on Professional Responsibility*) aimed at enhancing attorney professional responsibility.

- Sponsors **legal education and outreach programs** that instruct lawyers on attorney professional responsibility issues and promote awareness of the State Bar’s professional responsibility programs and activities.

- Creates and maintains **Ethics Information Online**, an area of the State Bar’s Web site that offers a wide range of professional responsibility resources.

Accomplishments/New Developments

In 2008, the Office of Professional Competence:

- Handled more than 21,000 calls to the **Ethics Hotline** and received 24 voluntary customer satisfaction surveys giving the service high ratings in all categories, including overall satisfaction, promptness of response and usefulness of materials provided.

- Issued **13 proposed rule amendments** for a 90-day public comment period and conducted a public

hearing in Sacramento in administering the work of the board’s Special Commission for the Revision of the Rules of Professional Conduct.

- Helped COPRAC develop an **ethics alert article addressing the impact of the mortgage loan modification crisis** on the relationship between lawyers and non-lawyers who seek to jointly provide professional services to borrowers.

- Assisted COPRAC in developing and publishing an **ethics opinion** regarding cases in which the client in a contingency fee matter instructs the attorney

not to notify the prior attorney (one with a valid lien) about a settlement.

- Conducted the **12th Annual Statewide Ethics Symposium, “NOTORIETY — When the Spotlight is on Ethics.”**

- Received **more than 510,000 hits and downloads to the key professional responsibility resources** on the State Bar’s Web site. (The *Handbook on Client Trust Accounting*, for example, was downloaded more than 160,000 times.)

SECTION EDUCATION AND MEETING SERVICES

The Office of Section Education and Meeting Services provides educational services for attorneys to enhance their professional skills and abilities. Such services help fulfill the State Bar’s mission to enhance the professional development of attorneys who practice law in California. As part of its role, the office administers and staffs the Council of State Bar Sections, providing assistance with educational programs, publications, meetings and related events, in accordance with their voluntary funding requirements. The office also produces a wide range of publications to provide ongoing professional development

resources, in addition to staffing and coordinating the State Bar's Annual Meeting, Section Education Institutes and the bar's continuing education provider activities.

The State Bar's 16 voluntary, financially self-supporting sections include:

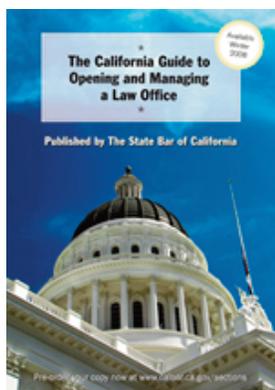
- Antitrust and Unfair Competition Law
- Business Law
- Criminal Law
- Environmental Law
- Family Law
- Intellectual Property Law
- International Law
- Labor and Employment Law
- Law Practice Management and Technology
- Litigation
- Public Law
- Real Property Law
- Solo and Small Firm
- Taxation
- Trusts and Estates
- Workers' Compensation

Accomplishments/New Developments

In 2008, the Office of Section Education and Meeting Services:

■ Conducted the **first annual California Solo and Small Firm Summit**. More than 190 participants attended the summit, which featured networking events, mentoring circles, legal education and business management courses, and showcased products and services geared for the solo or small firm practitioner. The summit's overall objective was to offer strategies and tools for building a thriving law practice.

■ Released a new publication — *The California Guide to Opening and Maintaining a Law Office* — with the California Young Lawyers Association and the Law Practice Management and Solo and Small Firm sections. The publication provides guidance to solo and small firm practitioners on how to be a chief financial officer, human resources director, chief technology officer and more.



■ Presented 466 **Continuing Legal Education (CLE)** in-person class programs (the equivalent of 1,338 hours of CLE) and made 989 online programs available (the equivalent of 1,298 hours of online CLE, 586 CLEtoGo podcasts, 875 hours of CLEtoGo).

■ Provided **meeting support** for 80 section executive committee meetings, 175 section subcommittee meetings, four Council of Section Chairs meetings and four Board Sections Task Force meetings.

CALIFORNIA YOUNG LAWYERS ASSOCIATION

The California Young Lawyers Association (CYLA) offers lawyers and new practitioners an opportunity to become involved in their profession and to participate in public service. Created in 1965 as the State Bar's Conference of Barristers, the organization was renamed the California Young Lawyers Association in 1977. As one of the governing bodies of the State Bar of California, CYLA holds a permanent seat on the bar's board of governors and has a history of advocating issues important to its membership. California attorneys who are in their first five years of practice or are 36 years old or younger are automatically registered as members of CYLA.

Accomplishments/New Developments

In 2008, the California Young Lawyers Association:

■ Launched its **"Young Lawyers for Youth"** community service project with two partners — The Marin Advocates for Children (MAC) "Life-long Connections" program and the San Diego Volunteer Lawyers Program (SDVLP) — to recruit and train young attorneys to provide pro bono advocacy services and assistance to foster children. In Marin County, seven attorneys signed up as "Life-long Connections" volunteers after attending a training. And in San Diego, 14 attorneys participated in the training and more than half volunteered their services as well.

FINANCE

The Office of Finance is responsible for the fiscal operations of the State Bar. Its staff provides financial planning and analysis, accounting, member billing and procurement.

■ **Financial Planning and Analysis** handles the annual budget development process. Staff provides fiscal policy analysis; develops indirect cost allocations; engages in salary planning and MOU negotiations; and forecasts future revenues and expenses.

■ **Accounting** maintains internal controls; implements accounting policies and procedures; prepares and reviews accounting transactions; manages cash flow and investments; prepares payroll; pays the bar’s obligations; coordinates external audits; and prepares financial statements.

■ **Member Billing** is responsible for ensuring that attorneys are billed appropriately for annual fees and other costs. In addition to collecting and recording annual membership fees, staff responds to member inquiries; calculates and tracks discipline and client security fund assessments; conducts the annual suspension process; and reinstates members (previously suspended for failure to pay annual fees) once they have paid.

■ **Procurement** ensures that all competitive bidding, legal and fiscal requirements are met in the State Bar’s contracts with vendors. Procurement also provides vendor-sourcing assistance, general service advice to staff and credit card management.

Accomplishments/New Developments

In 2008, the Office of Finance:

■ Continued to **link the bar’s budget to its**

long-range strategic plan in order to identify how resources are allocated to each of the bar’s service areas.

■ Helped the board’s Investment Subcommittee determine the **investment options for the bar’s executive health benefit program** (OPEB) and hired an independent investment advisor.

■ Upgraded **the bar’s financial software systems**: payroll, accounts receivable, accounts payable, fixed assets and general ledger.

GENERAL COUNSEL

The Office of General Counsel (OGC) is the State Bar’s in-house counsel — providing legal advice, representation and services to the State Bar, its governing board, executive director, senior executives and directors, staff, committees, commissions and other sub-entities. OGC attorneys:

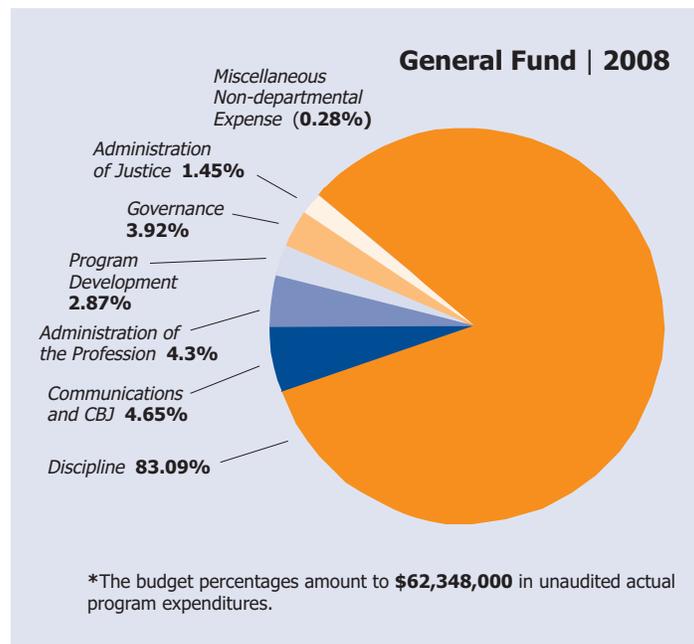
■ Supply legal analysis and opinions on laws, issues and proposed legislation relevant to the State Bar and its programs and activities.

■ Provide advice on contracts, government procurement requirements, employer-employee matters such as equal employment opportunity issues and employee disciplinary matters, and state laws

pertaining to open meetings, public records and governmental privacy.

■ Handle matters in state and federal courts and before administrative agencies.

■ Represent the State Bar in discipline and admissions cases before the California Supreme Court.



- Regularly attend meetings of the board of governors and other committees and commissions to provide legal analysis and advice on pending matters.

- Draft, review and advise on contracts and other business transactions for all State Bar offices and departments, including employment and labor relations, copyright, real estate and general corporate matters.

Accomplishments/New Developments

In 2008, the Office of General Counsel:

- Represented the State Bar in **bankruptcy proceedings in which disciplined lawyers were seeking to discharge disciplinary costs or Client Security Fund (CSF) reimbursements** imposed under California Business and Professions Code §§ 6086.10 and 6140.5. Obtained a bankruptcy court determination (*Phillips v. State Bar*) that CSF reimbursement obligations of a disciplined attorney are not dischargeable.

- Provided advice on litigation arising from a **Committee of Bar Examiners decision to deny access to bar applicant data** for use in a study of law school admissions and performance by minority students.

- Advised senior staff and the State Bar's board on key initiatives and projects: **Affinity Circles** (a new social networking site for lawyers); **CalBar Connect** (a State Bar Web page in which affinity partners offer discounts in business, financial and insurance services to bar members); **Find a Lawyer** (a proposed online service that would provide the public with expanded information on all California attorneys); and the **Rules Rewrite Project** (revision of the rules governing board elections, for example, and open and closed meetings).

HUMAN RESOURCES

The Office of Human Resources is responsible for providing the full range of human resource services to the State Bar. This includes personnel policy administration; the training, recruitment and retention of employees; Equal Employment Opportunity (EEO) and non-discrimination policy administration; classification and compensation

analysis; benefit administration; human resource information system administration; organizational development; and employee and labor relations administration.

Accomplishments/New Developments

In 2008, the Office of Human Resources:

- Administered approximately **570 positions** in San Francisco, Los Angeles and Sacramento.

- Continued providing an extensive **two-day training program for executives and supervisors**.

- Administered **union negotiations** on the Memorandum of Understanding terms for 2009.

- **Updated and modernized applicant testing** requirements and methodology, and moved closer to an online electronic applicant-testing program.

- Completed an **update of its Oracle software system** and began exploring expanded use of the system's modules in such areas as time-reporting and staff requisitions.

OPERATIONS

The Office of Operations provides a comprehensive range of administrative and facilities services that support the work of all State Bar departments. As the organization's administrative support arm, this office manages mail and courier services; document imaging and printing; reception and public inquiry; meeting and conference support; travel services; library and archive services; and the bar's risk management/insurance program. It also maintains the State Bar's offices and safeguards its physical assets by managing facilities operations; landlord/tenant relations; space planning and use; and safety and security programs.

Accomplishments/New Developments

In 2008, the Office of Operations:

- **Maintained more than 300,000 square feet of**

office space for State Bar staff and tenants.

- **Reconfigured office suites for several State Bar departments** to allow for a more efficient and productive use of space.
- **Expanded its in-house conference and meeting services** to support more than two dozen events previously held off-site.

INFORMATION TECHNOLOGY

Information Technology (IT) is responsible for the computing, telecommunications and library resources that support the work of the State Bar. To meet these responsibilities, IT assesses information technologies; recommends products and services that can be supported within resource limitations; coordinates the selection and implementation of technologies; and provides ongoing support for products and services that have been adopted.

Accomplishments/New Developments

In 2008, Information Technology:

- Reduced spending and the bar's need for direct staff support by **replacing more than 500 employee computers** with energy-efficient PCs that support the bar's 2008 Green Initiatives.
- Continued work to **modernize the bar's operating servers**. This new system will provide updated security and greater performance and reliability; reduce the bar's data center energy usage; be less costly to maintain; and support the bar's Green Initiatives as well.
- Helped **automate the distribution, record-keeping and recovery of funds** disbursed from the Client Security Fund and costs allocated to attorneys resulting from disciplinary actions.
- Developed a **strategic plan for a \$12 million project** to overhaul the State Bar's applications between 2009 and 2012.

MEDIA & INFORMATION SERVICES

The Office of Media & Information Services provides bar members, bar associations, the media and the public with information about the State Bar, lawyers and the legal system through media relations, consumer information and public education. This includes the *California Bar Journal*, the State Bar Web site and consumer education guides such as *Kids & the Law*, *When You Become 18* and *Seniors & the Law*. The staff also coordinates responses to media inquiries and develops affirmative media and public relations strategies for the State Bar. In addition, the State Bar's Web editor provides editorial oversight for the content of the bar's Web site, working closely with the IT staff.



Accomplishments/New Developments

In 2008, the Office of Media & Information Services:

- Educated California teenagers about the law — and helped prepare them for the transition to adulthood — by revising and distributing more than 800,000 free copies of *When You Become 18: A Survival Guide for Teenagers* in English and Spanish. Promoted the updated guide to high school principals, probation departments, foster care coordinators, police departments and bar associations statewide. Assisted attorneys who used the guide in presentations at their local high schools.
- Helped Californians understand basic legal issues (from employee rights to domestic violence

laws to estate planning) through **wide distribution of various publications in print and online**. Distributed nearly 400,000 guides geared for parents and their children, and another 130,000 focusing on senior issues, in addition to more than 400,000 pamphlets from the State Bar's *Get the Legal Facts of Life* series.

- Helped the **news media understand the State Bar's work** by responding to more than 3,000 media inquiries.

- Worked to make the **State Bar's Web site** more

accessible to consumers and members by spearheading a redesign of the site. The more consumer-friendly site will be launched in late 2009.

- Expanded the readership of the *Law Student e-Journal* to 5,000 in its second full year. This free electronic journal seeks to keep students informed about the workings of the State Bar, changes in the admissions process and other issues that might impact them. It also gives State Bar entities and local bars an opportunity to provide future attorneys with information on their programs and meetings.



The State Bar of California

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