



THE STATE BAR OF CALIFORNIA

180 HOWARD STREET, SAN FRANCISCO, CALIFORNIA 94105-1639

FINANCE

TBL (415) 538-2200

MEMORANDUM

DATE: February 21, 2008
TO: Board of Governors
FROM: Peggy Van Horn, Chief Financial Officer
SUBJECT: 4th Quarter 2007 Financial Statements – Financial Highlights

Attached for your review are the 2007 fourth quarter financial statements for the State Bar of California. The financial Highlights are as follows:

- Attachment 1 – Assets, Liabilities & Net Assets – All Funds
- Attachment 2 – Assets, Liabilities & Net Assets – General Fund
- Attachment 3 – Assets, Liabilities & Net Assets – Restricted Funds
- Attachment 4 – Revenue, Expenses and Changes in Net Assets – All Funds
- Attachment 5 – Revenue, Expenses and Changes in Net Assets – General Fund
- Attachment 6 – Revenue, Expenses and Changes in Net Assets – Restricted Funds
- Attachment 7 – Budget to Actual Comparison – General Fund
- Attachment 8 – Budget to Actual Comparison – General Fund Expenses by Function

Statement of Assets, Liabilities & Net Assets:

This statement reports the Bar's assets, liabilities and net assets. For the year ended December 31, 2007, the Bar's total assets are \$136.9 million, liabilities are \$50.7 million and net assets are \$86.2 million. The General Fund, the Bar's largest operating fund, has assets of \$43.1 million, liabilities of \$33.2 million and net assets of \$9.9 million. Individual statements for the General Fund and the restricted funds are included for your reference.

Statement of Revenue, Expenses and Changes in Net Assets

This statement reports the Bar's revenues, expenses, excess (deficiency) of revenues over expenses and changes in net assets. For the year ended December 31, 2007, the Bar's total

revenues (operating and non-operating) are \$141 million, expenses are \$129.7 million, resulting in a surplus of \$11.3 million.

The General Fund's total revenues through the end of the year are \$61.4 million versus \$58.2 million for year ended 2006. The \$3.2 million revenue increase over the previous year consists primarily of \$2.8 million in additional member dues revenue, which reflects the increases in dues for both active member and inactive member in 2007. In addition, investment income increased by \$0.5 million over the previous year due to increases in short term interest rates that occurred during the year. Other miscellaneous revenue decreased by \$0.1 million from the prior year due to the receipt of an insurance settlement in 2006.

Budget to Actual Comparison – General Fund

Each quarter, a budget to actual comparison report for the General Fund is prepared. This statement is designed to provide the Board with information about how the actual performance of the General Fund's revenues and expenses compares with anticipated (budgeted) results. The report includes a quarterly budget comparison as well as year to date and prior year comparison.

Year to date, the General Fund's total revenues reflect a favorable variance of \$2.6 million, which represents 4.5% of the year-to-date budget. The variance is due to a \$1 million increase in membership fees, a \$1.4 million increase in investment income, and a \$0.4 million increase in continuing legal education. This increase of revenues is partially offset by a \$0.2 million decrease in CalBar Journal revenue.

Total General Fund expenses through the year end show a favorable variance of \$3.3 million, reflecting payroll saving of \$2.6 million. For the year ended December 31, 2007, the General Fund has significant salary savings attributable to an overall 20% vacancy rate of authorized positions. These salary savings are the primary reason for the positive expense variance.

The General Fund Budget to Actual Comparison Expenses by Function report reflects the expense variance by functional area, and variances at the total program level are insignificant.

The State Bar of California
Statement of Assets, Liabilities and Net Assets - All Funds
As of December 31, 2007

Attachment 1

	General Fund	Restricted Funds	Fixed Asset Fund	YTD Total All Funds December-07	YTD Total All Funds December-06	Change
ASSETS						
Cash	17,946,442	50	-	17,946,492	18,759,998	(813,506)
Accounts Receivable (net of allowances)	156,131	2,323,770	-	2,479,901	2,319,497	160,404
Interfund Receivable/Payable	(54,507,871)	54,507,871	-	-	-	-
Capital Assets (net of depreciation)	10,129	15,472,389	21,043,307	36,525,825	37,579,573	(1,053,748)
Investments	78,516,289	-	-	78,516,289	62,424,239	16,092,050
Other Assets	990,290	441,652	-	1,431,942	1,200,703	231,239
TOTAL ASSETS	43,111,410	72,745,732	21,043,307	136,900,449	122,284,010	14,616,439
LIABILITIES AND NET ASSETS						
Accounts Payable and Accrued Liabilities	12,068,772	6,413,199	-	18,481,971	13,832,196	4,649,775
Unearned Fees Collected in Advance	12,030,723	7,178,498	-	19,209,221	21,776,183	(2,566,962)
Grants Payable	-	3,481,727	-	3,481,727	3,300,920	180,807
Accrued Postretirement Benefits	9,141,894	-	-	9,141,894	7,390,618	1,751,276
Obligations under Debt Agreements	12,576	379,167	-	391,743	1,131,207	(739,464)
TOTAL LIABILITIES	33,253,965	17,452,591	-	50,706,556	47,431,124	3,275,432
NET ASSETS						
Net Assets at Beginning of Year	6,563,422	46,816,858	21,472,602	74,852,882	63,917,514	10,935,368
Current Operating Excess (Deficit)	3,294,023	9,308,549	(1,261,561)	11,341,011	10,935,372	405,639
Transfer of Fixed Assets to Fixed Assets Fund	-	(805,312)	805,312	-	-	-
Other Transfers Between Funds	-	(26,954)	26,954	-	-	-
TOTAL NET ASSETS	9,857,445	55,293,141	21,043,307	86,193,893	74,852,886	11,341,007
TOTAL LIABILITIES & NET ASSETS	43,111,410	72,745,732	21,043,307	136,900,449	122,284,010	14,616,439

The State Bar of California
Statement of Assets, Liabilities and Net Assets - General Fund
As of December 31, 2007

Attachment 2

	<u>Year to Date Total December-07</u>	<u>Year to Date Total December-06</u>	<u>Change</u>
ASSETS			
Cash	17,946,442	18,759,948	(813,506)
Accounts Receivable (net of allowances)	156,131	488,583	(332,452)
Interfund Receivable/Payable	(54,507,871)	-	(54,507,871)
Capital Assets (net of depreciation)	10,129	49,538	(39,409)
Investments	78,516,289	62,424,239	16,092,050
Other Assets	990,290	775,592	214,698
TOTAL ASSETS	<u><u>43,111,410</u></u>	<u><u>82,497,900</u></u>	<u><u>(39,386,490)</u></u>
 LIABILITIES AND NET ASSETS			
Accounts Payable and Accrued Liabilities	12,068,772	8,358,665	3,710,107
Interfund Payable	-	45,015,927	(45,015,927)
Unearned Fees Collected in Advance	12,030,723	15,121,394	(3,090,671)
Accrued Postretirement Benefits	9,141,894	7,390,618	1,751,276
Obligations under Debt Agreements	12,576	47,874	(35,298)
TOTAL LIABILITIES	<u><u>33,253,965</u></u>	<u><u>75,934,478</u></u>	<u><u>(42,680,513)</u></u>
 NET ASSETS			
Net Assets at Beginning of Year	6,563,422	2,777,318	3,786,104
Current Operating Excess (Deficit)	3,294,023	3,786,104	(492,081)
Transfer of Fixed Assets to Fixed Assets Fund	-	-	-
Other Transfers Between Funds	-	-	-
TOTAL NET ASSETS	<u><u>9,857,445</u></u>	<u><u>6,563,422</u></u>	<u><u>3,294,023</u></u>
 TOTAL LIABILITIES & NET ASSETS	 <u><u>43,111,410</u></u>	 <u><u>82,497,900</u></u>	 <u><u>(39,386,490)</u></u>

The State Bar of California
Statement of Assets, Liabilities and Net Assets - Restricted Funds
As of December 31, 2007

	Admissions	Annual Meeting	Building	Certification Activity	Client Security	Discipline	Education Foundation	Elimination of Bias	Equal Access	Totals A-E
ASSETS										
Cash	50	-	-	-	-	-	-	-	-	50
Accounts Receivable (net of allowances)	-	-	-	-	-	-	-	-	443,566	443,566
Interfund Receivable/Payable	7,612,670	477,869	569,353	3,159,882	9,464,048	1,153,924	-	1,117,355	914,563	24,469,664
Capital Assets (net of depreciation)	-	-	15,472,389	-	-	-	-	-	-	15,472,389
Investments	-	-	-	-	-	-	-	-	-	-
Other Assets	67,212	-	118,409	-	-	-	-	-	-	185,621
TOTAL ASSETS	7,679,932	477,869	16,160,151	3,159,882	9,464,048	1,153,924	-	1,117,355	1,358,129	40,571,290
LIABILITIES AND NET ASSETS										
Accounts Payable and Accrued Liabilities	281,928	39,562	69,907	45,505	5,082,105	-	-	20,659	-	5,539,666
Unearned Fees Collected in Advance	3,545,309	-	-	-	1,391,055	-	-	191,870	-	5,128,234
Grants Payable	-	-	-	-	-	-	-	-	-	-
Accrued Postretirement Benefits	-	-	-	-	-	-	-	-	-	-
Obligations under Debt Agreements	-	-	379,167	-	-	-	-	-	-	379,167
TOTAL LIABILITIES	3,827,237	39,562	449,074	45,505	6,473,160	-	-	212,529	-	11,047,067
NET ASSETS										
Net Assets at Beginning of Year	3,671,736	48,577	15,255,318	2,592,556	2,325,593	1,152,290	498,558	928,555	410,786	26,883,969
Current Operating Excess (Deficit)	199,142	389,730	1,130,803	521,821	665,295	1,634	(619,006)	(23,729)	947,343	3,213,033
Transfer of Fixed Assets to Fixed Assets Fund	(18,183)	-	(648,090)	-	-	-	-	-	-	(666,273)
Other Transfers Between Funds	-	-	(26,954)	-	-	-	120,448	-	-	93,494
TOTAL NET ASSETS	3,852,695	438,307	15,711,077	3,114,377	2,990,888	1,153,924	-	904,826	1,358,129	29,524,223
TOTAL LIABILITIES & NET ASSETS	7,679,932	477,869	16,160,151	3,159,882	9,464,048	1,153,924	-	1,117,355	1,358,129	40,571,290

The State Bar of California
Statement of Assets, Liabilities and Net Assets - Restricted Funds
As of December 31, 2007

Attachment 3
Page 2 of 2

	Grants	Info Tech Special Access	Justice Gap Fund	Lawyers Assistance Program	Legal Education & Development	Legal Services Trust	Legal Specialization	Legislative Activities	Public Protection	Sections	Support & Administration	Technology Improvement	Total page G-T	Total page A-E	All Restricted Funds	
ASSETS																
Cash													-	50	50	
Accounts Receivable (net of allowances)	230,214	(10)	-	-	-	1,650,000	-	-	-	-	-	-	1,880,204	443,566	2,323,770	
Interfund Receivable/Payable	(142,190)	318,173	349,916	1,115,660	885,379	10,532,993	2,138,356	952,697	6,118,391	7,001,113	558,142	209,577	30,038,207	24,469,664	54,507,871	
Capital Assets (net of depreciation)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,472,389	
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Assets	-	-	-	-	21,734	-	-	-	-	2,268	232,029	-	256,031	185,621	441,652	
TOTAL ASSETS	88,024	318,163	349,916	1,115,660	907,113	12,182,993	2,138,356	952,697	6,118,391	7,003,381	790,171	209,577	32,174,442	40,571,290	72,745,732	
LIABILITIES AND NET ASSETS																
Accounts Payable and Accrued Liabilities	-	-	-	49,341	2,865	46,018	6,807	34,377	-	93,997	640,128	-	873,533	5,539,666	6,413,199	
Unearned Fees Collected in Advance	-	318,170	100	380,043	-	-	255,690	190,265	-	905,996	-	-	2,050,264	5,128,234	7,178,498	
Grants Payable	-	-	-	-	-	3,481,727	-	-	-	-	-	-	3,481,727	-	3,481,727	
Accrued Postretirement Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Obligations under Debt Agreements	-	-	-	-	-	-	-	-	-	-	-	-	-	379,167	379,167	
TOTAL LIABILITIES	-	318,170	100	429,384	2,865	3,527,745	262,497	224,642	-	999,993	640,128	-	6,405,524	11,047,067	17,452,591	
NET ASSETS																
Net Assets at Beginning of Year	82,282	-	-	372,168	716,282	5,177,409	1,829,145	778,139	5,826,572	4,817,314	16,650	316,928	19,932,889	26,883,969	46,816,858	
Current Operating Excess (Deficit)	5,742	(7)	349,816	314,108	187,966	3,477,839	46,714	(50,084)	291,819	1,306,522	272,432	(107,351)	6,095,516	3,213,033	9,308,549	
Transfer of Fixed Assets to Fixed Assets Fund	-	-	-	-	-	-	-	-	-	-	(139,039)	-	(139,039)	(666,273)	(805,312)	
Other Transfers Between Funds	-	-	-	-	-	-	-	-	-	(120,448)	-	-	(120,448)	93,494	(26,954)	
TOTAL NET ASSETS	88,024	(7)	349,816	686,276	904,248	8,655,248	1,875,859	728,055	6,118,391	6,003,388	150,043	209,577	25,768,918	29,524,223	55,293,141	
TOTAL LIABILITIES & NET ASSETS	88,024	318,163	349,916	1,115,660	907,113	12,182,993	2,138,356	952,697	6,118,391	7,003,381	790,171	209,577	32,174,442	40,571,290	72,745,732	

The State Bar of California
Statement of Revenue, Expenses and Changes in Net Assets - All Funds
For the Twelve months Ending December 31, 2007

Attachment 4

	General Fund	Restricted Funds	Fixed Asset Fund	Total All Funds Year to Date Dec-07	Total All Funds Year to Date Dec-06	Change	Percentage Change
OPERATING REVENUES:							
Membership Fees, Voluntary Contributions	56,227,815	12,135,638	-	68,363,453	64,147,081	4,216,372	6.57%
Convention Income	-	1,027,994	-	1,027,994	971,188	56,806	5.85%
Law Corporation Registration Fees	-	669,096	-	669,096	654,289	14,807	2.26%
Continuing Legal Education Fees	855,539	759,050	-	1,614,589	1,357,305	257,284	18.96%
Law Practices Sections Fees	-	4,538,799	-	4,538,799	4,251,136	287,663	6.77%
Grants Received	7,000	11,470,237	-	11,477,237	12,045,901	(568,664)	-4.72%
Trust Account Revenue	-	18,055,095	-	18,055,095	15,835,597	2,219,498	14.02%
EAF AB145 Filing Fee Revenue	-	4,939,050	-	4,939,050	-	4,939,050	100.00%
Other Revenue	592,129	3,598,303	-	4,190,432	5,585,850	(1,395,418)	-24.98%
Examination Application Fees	-	16,167,195	-	16,167,195	16,067,846	99,349	0.62%
Legal Specialization Fees	-	1,075,512	-	1,075,512	874,675	200,837	22.96%
Seminar/Workshop Revenue	7,967	1,192,515	-	1,200,482	1,525,259	(324,777)	-21.29%
Advertising Revenue	1,094,022	50,000	-	1,144,022	1,292,226	(148,204)	-11.47%
Total Operating Revenue	58,784,472	75,678,484	-	134,462,956	124,608,353	9,854,603	7.91%
OPERATING EXPENSES:							
Discipline and Adjudication	47,207,419	-	-	47,207,419	44,441,527	2,765,892	6.22%
Grant Expenses	-	28,381,311	-	28,381,311	24,147,603	4,233,708	17.53%
Administration of Justice	841,053	-	-	841,053	701,509	139,544	19.89%
Governance	3,421,441	-	-	3,421,441	3,372,330	49,111	1.46%
Administration of the Profession	2,135,190	1,283,361	-	3,418,551	2,811,883	606,668	21.58%
Program Development	1,637,140	-	-	1,637,140	1,402,829	234,311	16.70%
Communications	2,659,034	-	-	2,659,034	2,624,012	35,022	1.33%
Examination costs and administration	-	16,785,842	-	16,785,842	15,056,230	1,729,612	11.49%
Law Practices (Sections)	-	4,054,910	-	4,054,910	4,487,397	(432,487)	-9.64%
Claims (net of reimbursements)	-	4,768,802	-	4,768,802	4,270,463	498,339	11.67%
General and Administrative costs	72	15,127,855	1,261,561	16,389,488	15,076,851	1,312,637	8.71%
Reallocation cost center	173,132	-	-	173,132	581,380	(408,248)	-70.22%
Total Operating Expenses	58,074,481	70,402,081	1,261,561	129,738,123	118,974,014	10,764,109	9.05%
OPERATING INCOME/(LOSS)	709,991	5,276,403	(1,261,561)	4,724,833	5,634,339	(909,506)	-16.14%
NON-OPERATING REVENUE:							
Investment Income	2,197,482	2,930,575	-	5,128,057	4,192,163	935,894	22.32%
Unrealized Gain/(Loss) on Investment	386,550	-	-	386,550	154,581	231,969	150.06%
Rental Income	-	1,101,571	-	1,101,571	955,318	146,253	15.31%
Loss on Disposal of Fixed Asset	-	-	-	-	(1,029)	-	-100.00%
Total Non-Operating Revenue	2,584,032	4,032,146	-	6,616,178	5,301,033	1,315,145	24.81%
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	3,294,023	9,308,549	(1,261,561)	11,341,011	10,935,372	405,639	3.71%
CHANGES IN NET ASSETS:							
Net Assets at beginning of year	6,563,422	46,816,858	21,472,602	74,852,882	63,917,514	10,935,368	17.11%
Transfers of Fixed Assets to Fixed Asset Fund	-	(805,312)	805,312	-	-	-	0.00%
Fund Balance Transfer to Other Funds	-	(26,954)	26,954	-	-	-	0.00%
NET ASSETS AS OF DECEMBER 31, 2007	9,857,445	55,293,141	21,043,307	86,193,893	74,852,886	11,341,007	15.15%

The State Bar of California
Statement of Revenue, Expenses and Changes in Net Assets - General Fund
For the Twelve Months Ending December 31, 2007

Attachment 5

	<u>Year to Date December-07</u>	<u>Year to Date December-06</u>	<u>Change</u>
OPERATING REVENUES			
Membership Fee, Voluntary Contributions and Attorney Applications	56,227,815	53,449,021	2,778,794
Continuing Legal Education Fees	855,539	390,789	464,750
Grants	7,000	-	7,000
Other	592,129	1,192,749	(600,620)
Seminar/Workshop Revenue	7,967	5,026	2,941
CalBar Journal Revenue	1,094,022	1,292,226	(198,204)
Total Operating Revenue	<u>58,784,472</u>	<u>56,329,811</u>	<u>2,454,661</u>
OPERATING EXPENSES:			
Discipline & Adjudication	47,207,419	44,441,527	2,765,892
Administration of Justice	841,053	701,509	139,544
Governance	3,421,441	3,372,330	49,111
Administration of the Profession	2,135,190	1,293,622	841,568
Program Development	1,637,140	1,402,829	234,311
Communications	2,659,034	2,624,012	35,022
General and Administrative	72	4,396	(4,324)
Cost Center Reallocation	173,132	581,380	(408,248)
Total Operating Expenses	<u>58,074,480</u>	<u>54,421,605</u>	<u>3,652,877</u>
OPERATING INCOME/(LOSS)	709,992	1,908,206	(1,198,216)
NON-OPERATING REVENUE			
Investment Income	2,197,482	1,723,317	474,165
Unrealized Gain/(Loss) on Investment	386,550	154,581	231,969
Total Non-Operating Revenue	<u>2,584,032</u>	<u>1,877,898</u>	<u>706,134</u>
EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENSES	<u>3,294,024</u>	<u>3,786,104</u>	<u>(492,080)</u>
NET ASSETS			
Net Assets at beginning of year	6,563,422	2,777,318	3,786,104
Transfers of Fixed Assets to Fixed Assets Fund	-	-	-
Transfer between Funds	-	-	-
NET ASSETS AS OF DECEMBER 31, 2007	<u>9,857,445</u>	<u>6,563,422</u>	<u>3,294,024</u>

The State Bar of California
Statement of Revenue, Expenses and Changes in Net Assets - Restricted Funds
For the Twelve Months Ending December 31, 2007

	Admissions	Annual Meeting	Building	Certification Activities	Client Security	Discipline	Education Foundation	Elimination of Bias	Equal Access	Totals A-E
REVENUE										
Membership Fees & voluntary dues	-	-	1,897,648	-	6,536,140	-	-	800,444	-	9,234,232
Investment Income	432,709	80,356	59,228	138,751	529,984	56,290	20,853	64,770	46,314	1,429,255
Convention Income	-	805,533	-	-	-	-	208,745	-	-	1,014,278
Law Corporation Registration Fees	-	-	-	669,096	-	-	-	-	-	669,096
Continuing Legal Education Fees	-	-	-	742,170	-	-	-	-	-	742,170
Rental Income	-	-	1,089,844	-	-	-	-	-	-	1,089,844
Grant Received	-	-	-	-	-	-	-	800	10,512,542	10,513,342
EAF AB145 Filing Fee Revenue	-	-	-	-	-	-	-	-	4,939,050	4,939,050
Other	385,080	154,012	2,000	255,165	-	-	222,576	75	279,584	1,298,492
Application Fees	16,167,195	-	-	-	-	-	-	-	-	16,167,195
Seminar/Workshop Revenue	-	(339)	-	-	-	-	1,189,215	(7,461)	-	1,181,415
TOTAL REVENUE	16,984,984	1,039,562	3,048,720	1,805,182	7,066,124	56,290	1,641,389	858,628	15,777,490	48,278,369
EXPENSES										
Grant Expenses	-	-	-	-	-	-	-	-	14,577,318	14,577,318
Administration of the Profession	-	-	-	1,283,361	-	-	-	-	-	1,283,361
Examination Costs and Administration	16,785,842	-	-	-	-	-	-	-	-	16,785,842
Claims (net of reimbursement)	-	-	-	-	4,768,802	-	-	-	-	4,768,802
General and Administrative	-	649,832	1,917,917	-	1,632,027	54,656	2,260,395	882,357	252,829	7,650,013
TOTAL EXPENSES	16,785,842	649,832	1,917,917	1,283,361	6,400,829	54,656	2,260,395	882,357	14,830,147	45,065,336
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES										
	199,142	389,730	1,130,803	521,821	665,295	1,634	(619,006)	(23,729)	947,343	3,213,033
CHANGES IN NET ASSETS										
Net Assets at beginning of year	3,671,736	48,577	15,255,318	2,592,556	2,325,593	1,152,290	498,558	928,555	410,786	26,883,969
Transfers of Fixed Assets to Fixed Assets Fund	(18,183)	-	(648,090)	-	-	-	-	-	-	(666,273)
Other Transfers Between Funds	-	-	(26,954)	-	-	-	120,448	-	-	93,494
NET ASSETS AS OF DECEMBER 31, 2007	3,852,695	438,307	15,711,077	3,114,377	2,990,888	1,153,924	-	904,826	1,358,129	29,524,223

The State Bar of California
Statement of Revenue, Expenses and Changes in Net Assets - Restricted Funds
For the Twelve Months Ending December 31, 2007

	Grants	Info Tech Special Access	Justice Gap Fund	Lawyer Assistance	Legal Education & Development	Legal Services Trust	Legal Specialization	Legislative Activities	Public Protection	Sections	Support & Administration	Technology Improvement	Totals G-T	Totals A-E	Totals Restricted Funds
REVENUE															
Membership Fees & voluntary dues	-	(7)	349,539	1,747,460	-	-	-	787,819	-	-	16,595	-	2,901,406	9,234,232	12,135,638
Investment Income	-	-	277	27,629	32,425	549,256	106,832	54,912	291,819	359,036	68,148	10,986	1,501,320	1,429,255	2,930,575
Convention Income	-	-	-	-	-	-	-	-	-	13,716	-	-	13,716	1,014,278	1,027,994
Law Corporation Registration Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	669,096	669,096
Continuing Legal Education Revenue	-	-	-	-	-	-	16,880	-	-	-	-	-	16,880	742,170	759,050
Law Practices (Sections) Revenue	-	-	-	-	-	-	-	-	-	4,538,799	-	-	4,538,799	-	4,538,799
Rental Income	-	-	-	-	-	-	-	11,645	-	-	82	-	11,727	1,089,844	1,101,571
Grant Received	956,895	-	-	-	-	-	-	-	-	-	-	-	956,895	10,513,342	11,470,237
Trust Account Revenue	-	-	-	-	-	18,055,095	-	-	-	-	-	-	18,055,095	-	18,055,095
EAF AB145 Filing Fee Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	4,939,050	4,939,050
Other	-	-	-	795,912	955,730	39,232	5,236	-	-	438,781	64,920	-	2,299,811	1,298,492	3,598,303
Application Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	16,167,195	16,167,195
Legal Specialization Fees	-	-	-	-	-	-	1,075,512	-	-	-	-	-	1,075,512	-	1,075,512
Seminar/Workshop Revenue	-	-	-	-	-	-	-	-	-	11,100	-	-	11,100	1,181,415	1,192,515
Advertising Revenue	-	-	-	-	50,000	-	-	-	-	-	-	-	50,000	-	50,000
TOTAL REVENUE	956,895	(7)	349,816	2,571,001	1,038,155	18,643,583	1,204,460	854,376	291,819	5,361,432	149,745	10,986	31,432,261	48,278,369	79,710,630
EXPENSES															
Grant Expenses	-	-	-	-	-	13,803,993	-	-	-	-	-	-	13,803,993	14,577,318	28,381,311
Administration of the Profession	-	-	-	-	-	-	-	-	-	-	-	-	-	1,283,361	1,283,361
Examination costs and Administration	-	-	-	-	-	-	-	-	-	-	-	-	-	16,785,842	16,785,842
Claims (net of reimbursement)	-	-	-	-	-	-	-	-	-	-	-	-	-	4,768,802	4,768,802
Law Practices (Sections)	-	-	-	-	-	-	-	-	-	4,054,910	-	-	4,054,910	-	4,054,910
General and Administrative	951,153	-	-	2,256,893	850,189	1,361,751	1,157,746	904,460	-	-	(122,687)	118,337	7,477,842	7,650,013	15,127,855
TOTAL EXPENSES	951,153	-	-	2,256,893	850,189	15,165,744	1,157,746	904,460	-	4,054,910	(122,687)	118,337	25,336,745	45,065,336	70,402,081
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES															
	5,742	(7)	349,816	314,108	187,966	3,477,839	46,714	(50,084)	291,819	1,306,522	272,432	(107,351)	6,095,516	3,213,033	9,308,549
CHANGES IN NET ASSETS															
Net Assets at beginning of year	82,282	-	-	372,168	716,282	5,177,409	1,829,145	778,139	5,826,572	4,817,314	16,650	316,928	19,932,889	26,883,969	46,816,858
Transfers of Fixed Assets to Fixed Assets Fund	-	-	-	-	-	-	-	-	-	-	(139,039)	-	(139,039)	(666,273)	(805,312)
Other Transfers Between Funds	-	-	-	-	-	-	-	-	-	(120,448)	-	-	(120,448)	93,494	(26,954)
NET ASSETS AS OF DECEMBER 31, 2007	88,024	(7)	349,816	686,276	904,248	8,655,248	1,875,859	728,055	6,118,391	6,003,388	150,043	209,577	25,768,918	29,524,223	55,293,141

The State Bar of California
Budget to Actual Comparison-General Fund
For the Twelve Months Ending December 31, 2007

Attachment 7

	Current Quarter Actual	Current Quarter Budget	Variance Favorable (Unfavorable)	Dec-07 Year to Date Actual	Dec-07 Year to Date Budget	Variance Favorable (Unfavorable)	Dec-06 Prior Year to Date Actual	Inc./(Dec.) From Prior Year	2007 Annual Budget
REVENUE									
Membership Fees	11,767,398	13,825,093	(2,057,695)	56,227,815	55,265,813	962,002	53,449,021	2,778,794	55,265,813
Investment Income	398,510	1,838	396,672	2,584,032	1,173,904	1,410,128	1,854,948	729,084	1,173,904
CalBar Journal Revenue	290,553	379,331	(88,778)	1,094,022	1,303,753	(209,731)	1,292,226	(198,204)	1,303,753
Grants Received	1,000	25,000	(24,000)	7,000	50,000	(43,000)	-	7,000	50,000
Continuing Legal Education	86,885	130,569	(43,684)	855,539	373,352	482,187	390,789	464,750	373,352
Seminar/Workshop Revenue	-	-	-	7,967	7,200	767	5,026	2,941	7,200
Other	175,513	103,658	71,855	592,129	545,612	46,517	1,192,749	(600,620)	545,612
TOTAL REVENUE	12,719,858	14,465,489	(1,745,630)	61,368,504	58,719,634	2,648,870	58,184,759	3,183,745	58,719,634
EXPENSES									
Discipline	12,351,952	13,973,375	1,621,423	47,207,419	52,557,309	5,349,890	43,454,287	3,753,132	52,557,309
Administration of Justice	268,779	218,294	(50,485)	841,053	845,643	4,590	709,629	131,424	845,643
Governance	550,907	1,077,602	526,695	3,421,441	4,233,344	811,903	3,596,105	(174,664)	4,233,344
Administration of the Profession	914,657	378,205	(536,452)	2,135,190	1,459,431	(675,759)	1,309,283	825,907	1,459,431
Program Development	485,480	508,343	22,863	1,637,140	1,938,039	300,899	1,436,465	200,675	1,938,039
Communications	698,753	699,392	639	2,659,034	2,776,230	117,196	2,670,777	(11,743)	2,776,230
General and Administrative	17	-	(17)	72	-	(72)	4,396	(4,324)	-
Payroll Saving	155,070	(704,623)	(859,693)	173,132	(2,410,216)	(2,583,348)	122,870	50,262	(2,410,216)
TOTAL EXPENSES	15,425,615	16,150,588	724,973	58,074,481	61,399,780	3,325,299	53,303,812	4,770,669	61,399,780
NET OPERATING SUPLUS/DEFICIT	(2,705,757)	(1,685,099)	(1,020,657)	3,294,023	(2,680,146)	5,974,169	4,880,947	(1,586,924)	(2,680,146)

The State Bar of California
Budget to Actual Comparison - General Fund
Expenses by Function
For the Twelve Months Ending December 31, 2007

	Current Quarter Actual	Current Quarter Budget	Variance Favorable (Unfavorable)	Dec-07 Year to Date Actual	Dec-07 Year to Date Budget	Variance Favorable (Unfavorable)	Dec-06 Prior Year to Date Actual	Inc./(Dec.) From Prior Year	2007 Annual Budget
EXPENSES BY FUNCTION									
Enforcement									
Trial Counsel - Administration	2,233,823	2,874,406	640,583	10,088,585	11,496,697	1,408,112	7,931,414	2,157,171	11,496,697
Trial Unit - San Francisco	1,418,088	1,519,584	101,496	5,206,858	5,595,668	388,810	4,938,827	268,031	5,595,668
Trial Unit - Los Angeles	3,424,183	3,605,603	181,420	12,195,773	13,244,034	1,048,261	11,981,539	214,234	13,244,034
Intake	907,373	955,795	48,422	3,387,270	3,500,770	113,500	3,249,900	137,370	3,500,770
Central Administration Unit	1,173,160	1,365,371	192,211	4,171,877	4,978,977	807,100	3,988,124	183,753	4,978,977
Quality Assurance	-	-	-	69	-	(69)	-	69	-
Probation Unit	237,330	240,768	3,438	812,530	922,095	109,565	693,556	118,974	922,095
Total Enforcement	9,393,957	10,561,527	1,167,570	35,862,962	39,738,241	3,875,279	32,783,360	3,079,602	39,738,241
State Bar Court									
Presiding & Review Judges	162,231	189,297	27,066	591,572	702,373	110,801	521,389	70,183	702,373
Hearing Judges	336,192	291,224	(44,968)	1,063,779	1,086,274	22,495	1,018,112	45,667	1,086,274
Judicial Transitions	28	-	(28)	3,104	25,705	22,601	65,401	(62,297)	25,705
SBC Executive Committee	-	-	-	91	-	(91)	-	91	-
SBC - Sr. Executive	614,524	801,462	186,938	2,786,934	3,153,648	366,714	2,392,197	394,737	3,153,648
SBC - Sr. Executive Projects	-	-	-	-	35,000	35,000	-	-	35,000
Hearing/Administration - San Francisco	198,670	275,252	76,582	745,179	1,012,006	266,827	764,803	(19,624)	1,012,006
Hearing Counsel - LA/SF	302,010	332,527	30,517	1,073,263	1,221,648	148,385	1,020,546	52,717	1,221,648
Review Counsel/Clerk	206,334	239,610	33,276	798,666	882,135	83,469	705,111	93,555	882,135
SBC Reporter	10,400	1,525	(8,875)	15,609	6,320	(9,289)	8,154	7,455	6,320
Hearing/Effectuation/Administration	325,494	398,141	72,647	1,197,371	1,475,411	278,040	1,229,732	(32,361)	1,475,411
Total State Bar Court	2,155,883	2,529,038	373,155	8,275,568	9,600,520	1,324,952	7,725,445	550,123	9,600,520
Mandatory Fee Arbitration									
Mandatory Fee Arbitration	173,442	185,397	11,955	672,667	711,724	39,057	742,957	(70,290)	711,724
Mandatory Fee Arbitration Committee	6,078	4,041	(2,037)	23,349	22,330	(1,019)	-	23,349	22,330
Agreement with Local Bar Associations	14,765	17,500	2,735	52,341	70,000	17,659	36,990	15,351	70,000
Total Mandatory Fee Arbitration	194,285	206,938	12,653	748,357	804,054	55,697	779,947	(31,590)	804,054
Professional Competence									
Disc. Cost Recovery	18,830	(13,445)	(32,275)	65,597	(307,417)	(373,014)	-	65,597	(307,417)
Lawyers' Personal Assistance	77,038	113,937	36,899	353,097	440,952	87,855	403,534	(50,437)	440,952
Publication 250	12,179	650	(11,529)	30,628	36,000	5,372	36,699	(6,071)	36,000
Professional Responsibility and Conduct	453,341	544,980	91,639	1,730,389	2,070,359	339,970	1,605,806	124,583	2,070,359
COPRAC - Publications	13,046	9,025	(4,021)	45,312	47,500	2,188	42,893	2,419	47,500
Committee on Professional Responsibility	6,193	500	(5,693)	19,176	36,000	16,824	3,643	15,533	36,000
Rules Revision Committee	27,200	20,225	(6,975)	76,333	91,100	14,767	72,960	3,373	91,100
Total Professional Competence	607,827	675,872	68,045	2,320,532	2,414,494	93,962	2,165,535	154,997	2,414,494
TOTAL DISCIPLINE	12,351,952	13,973,375	1,621,423	47,207,419	52,557,309	5,349,890	43,454,287	3,753,132	52,557,309

The State Bar of California
Budget to Actual Comparison - General Fund
Expenses by Function
For the Twelve Months Ending December 31, 2007

	Current Quarter Actual	Current Quarter Budget	Variance Favorable (Unfavorable)	Dec-07 Year to Date Actual	Dec-07 Year to Date Budget	Variance Favorable (Unfavorable)	Dec-06 Prior Year to Date Actual	Inc./(Dec.) From Prior Year	2007 Annual Budget
EXPENSES BY FUNCTION									
Administration of Justice									
Commission on Judicial Nomination Evaluations	266,140	218,294	(47,846)	824,875	815,643	(9,232)	709,629	115,246	815,643
Attorney Civility Task Force	2,639	-	(2,639)	16,178	30,000	13,822	-	16,178	30,000
Total Administration of Justice	268,779	218,294	(50,485)	841,053	845,643	4,590	709,629	131,424	845,643
Governance									
Executive Director	61,393	95,468	34,075	330,080	366,498	36,418	397,062	(66,982)	366,498
Deputy Executive Director	119,831	164,988	45,157	467,905	612,490	144,585	432,208	35,697	612,490
Board of Governors	336,235	792,986	456,751	2,487,279	3,119,267	631,988	2,641,479	(154,200)	3,119,267
Elections	11,214	235	(10,979)	56,370	46,515	(9,855)	43,058	13,312	46,515
Futures Commission	-	-	-	-	-	-	-	-	-
Appointments Administration	22,234	23,925	1,691	79,807	88,573	8,766	82,298	(2,491)	88,573
Total Governance	550,907	1,077,602	526,695	3,421,441	4,233,343	811,902	3,596,105	(174,664)	4,233,343
Administration of the Profession									
Member Records & Certification	367,923	191,430	(176,493)	807,033	760,722	(46,311)	510,895	296,138	760,722
Call Center	-	-	-	14,534	-	(14,534)	1,326	13,208	-
Senior Executive-Member Services	119,610	52,483	(67,127)	370,000	192,606	(177,394)	289,872	80,128	192,606
Member Services Center	415,595	99,254	(316,341)	835,277	376,462	(458,815)	443,937	391,340	376,462
Child and Family Support	43	69	26	2,555	1,830	(725)	2,585	(30)	1,830
Multijurisdictional Practice	11,486	34,969	23,483	105,791	127,811	22,020	60,668	45,123	127,811
Total Administration of the Profession	914,657	378,205	(536,452)	2,135,190	1,459,431	(675,759)	1,309,283	825,907	1,459,431
Program Development									
Program Development	171,727	393,169	221,442	955,125	1,446,534	491,409	1,001,527	(46,402)	1,446,534
California Young Lawyers Association	30,256	29,040	(1,216)	111,661	120,476	8,815	60,230	51,431	120,476
Program Development Project	299	-	(299)	1,666	-	(1,666)	93	1,573	-
Access to Justice	272,438	79,468	(192,970)	542,368	342,153	(200,215)	352,590	189,778	342,153
Access / Fairness Program	-	-	-	12	-	(12)	-	12	-
Committee on Delivery of Legal Services	10,760	6,666	(4,094)	26,308	28,877	2,569	22,025	4,283	28,877
Total Program Development	485,480	508,343	22,863	1,637,140	1,938,040	300,900	1,436,465	200,675	1,938,040
COMMUNICATIONS									
Media & Information Services	235,113	206,005	(29,108)	844,921	947,894	102,973	965,410	(120,489)	947,894
Bar Journal	463,640	493,387	29,747	1,814,113	1,828,336	14,223	1,705,367	108,746	1,828,336
Total Communications	698,753	699,392	639	2,659,034	2,776,230	117,196	2,670,777	(11,743)	2,776,230
GENERAL AND ADMINISTRATIVE									
	17	-	(17)	72	-	(72)	4,396	(4,324)	-
PAYROLL SAVING									
	155,070	(704,623)	(859,693)	173,132	(2,410,216)	(2,583,348)	122,870	50,262	(2,410,216)
SUBTOTAL THIS PAGE	3,073,663	2,177,213	(896,450)	10,867,062	8,842,471	(2,024,591)	9,849,525	1,017,537	8,842,471
TOTAL DISCIPLINE FROM PAGE 1	12,351,952	13,973,375	1,621,423	47,207,419	52,557,309	5,349,890	43,454,287	3,753,132	52,557,309
TOTAL GENERAL FUND EXPENSE BY FUNCTION	15,425,615	16,150,588	724,973	58,074,481	61,399,780	3,325,299	53,303,812	4,770,669	61,399,780