



THE STATE BAR OF CALIFORNIA

FINANCE

180 HOWARD STREET, SAN FRANCISCO, CALIFORNIA 94105-1639

TEL (415) 538-2200

MEMORANDUM

DATE: July 18th, 2011

TO: Board of Governors

FROM: Christine Wong, Finance Director

SUBJECT: Second Quarter 2011 Financial Statements – Financial Highlights

Attached for your review are the 2011 second quarter financial statements for the State Bar of California. The statements include:

- 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 – Projection to Actual Comparison – General Fund
- Attachment 8 – Projection 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 second quarter ended June 30, 2011, the Bar's total assets are \$170.8 million, liabilities are \$20 million, and net assets are \$150.8 million.

The Bar's total assets are up by \$3.6 million compared to the same period in 2010. The increase is due to a combination of (1) a \$0.3 million increase in cash and investment; (2) a \$4.6 million increase in the Other Postemployment Benefits (OPEB) assets; and partially offset by (3) a net decrease of \$0.7 million accounts receivable and other assets; and (4) a net decrease in capital asset of \$0.6 million due to normal depreciation.

Cash and investments consist of balances in demand deposit accounts, money market accounts, the State Bar's share of the Local Agency Investment Fund ("LAIF"), and investment securities. For the second quarter ended June 30, 2011, the combined balance is \$124.2 million, slightly up by \$0.3 million, or 0.03% compared to \$123.9 million the same quarter in 2010. As the 2011 fee bill was passed on schedule, the cash balance has restored to its normal level.

The State Bar's Other Postemployment Benefit (OPEB) asset increased by \$4.6 million, or 109.7%, from \$4 million in 2010 to \$8.6 million in 2011. The increase of OPEB asset is due to the scheduled transfer of the 2009-2010 annual required contributions to the Executive Health Retirement Benefit Trust in March 2011.

Capital assets decreased by \$0.6 million compared to the first quarter of 2010. The 1.8% decrease was primarily attributable to normal depreciation on capital assets, partially offset by the additional of office equipment.

The Bar's total liabilities for the reported quarter are \$20 million, up by \$2.2 million or 12.2% compared to the same quarter in 2010. The increase is due to the elevated outstanding Client Security Fund ("CSF") claim liabilities as a result of large number of loan modification fraud claims filed in previous year.

The General Fund, the Bar's largest operating fund, has assets of \$124.1 million, liabilities of \$82.6 million and net assets of \$41.5 million. The General Fund's total assets are up slightly by \$0.4 million or 0.4% compared to June 2010, and total liabilities are up by \$4.9 million as a result of the OPEB scheduled annual required contribution transfer, which elevated the interfund payable balance due to the Benefit Reserve Fund at end of June 2010.

Statement of Revenue, Expenses and Changes in Net Assets – Comparison to 2010 Second Quarter Actual Results

This statement reports the Bar's revenues, expenses, excess (deficit) of revenues over expenses and changes in net assets. For the quarter ended June 30, 2011, the Bar's total revenues (operating and non-operating) are \$112.3 million, and expenses are \$61.7 million, resulting in a surplus of \$50.6 million. It should be noted, however, that this surplus results from the fact that virtually all of the Bar's membership fee revenue is received in the first half of the year while expenditures are incurred throughout the year.

Total operating revenue for all programs through June 30, 2011 is \$111.6 million, an increase of \$3.9 million over the same period in 2010. The increase is due in part to the timing of receipt of member dues. For 2011, the due date was February 1st and a significant amount of late payment penalties were received by the end of March. In 2010, the due date was March 1st and there was a significant decline in late payment payments because of the extended due date. For the second quarter, there was also \$1.7 million increase in examination application fees, legal specialization fees, and other program revenues.

For the reported quarter, the Bar's total operating expense for all programs is \$61.7 million, up by \$3.4 million compared to the same period in 2010. The increase is due to a \$2 million additional grant distribution from the Equal Access Fund program, combined with a \$0.8 million increase in CSF claim expense, and a moderate increase in general administrative cost for \$0.7 million.

The General Fund's total operating revenue for the reported quarter is \$60 million, up by \$1.1 million, or 1.9% compared to \$58.9 million for the same period in 2010. The increase is due primarily to the timing of receipt of membership fee revenue as mentioned above.

The General Fund's total operating expense for the reported quarter is \$30.5 million - \$1.4 million or 4.4% less than in 2010. This variance is due to a \$0.2 million cost reduction from the CalBar Journal as a result of the transition away from the print version, and a one-time transfer of \$1.2 million from the General Fund to the Building Fund to pay for roof repairs and waterproofing for the San Francisco building in 2010.

Projection to Actual Comparison – General Fund

For the reported quarter, a projection to actual comparison report for the General Fund is presented. 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 results. The report includes a year-to-date projected to actual comparison, as well as an annual projection and prior year comparison.

For the second quarter ended June 30, 2011, the General Fund's total revenue reflects a favorable variance of \$0.8 million due primarily from membership fee revenue as mentioned above.

General Fund actual expenses for the reported quarter totaled \$30.5 million, reflecting a year to date favorable variance of \$1 million. This positive variance is generated in large part by a number of positions that were vacant for most of 2010 and continue to remain vacant through the second quarter of 2011. Several of these vacancies are in the recruitment stage and are expected to be filled in the next few months.

If the current expenditure trend holds throughout the rest of the year, the General Fund will likely end the year with a projected surplus of \$0.5 million, which will bring the General Fund's fund balance to \$12.3 million at fiscal year ended 2011.

The State Bar of California
Statement of Assets, Liabilities and Net Assets - All Funds
As of June 30, 2011

Attachment 1

	General Fund	Restricted Funds	Fixed Asset Fund	Interfund Elimination	YTD Total All Funds June 2011	YTD Total All Funds June 2010	Change
ASSETS							
Cash	70,209,760	781,085	-	-	70,990,845	73,281,250	-2,290,405
Accounts Receivable (net of allowances)	-	5,033,534	-	-	5,033,534	5,997,687	-964,153
Interfund Receivable	-	78,841,043	-	-78,841,043	-	-	-
Capital Assets (net of depreciation)	-	13,517,544	18,543,059	-	32,060,603	32,651,937	-591,334
Investments	53,232,634	-	-	-	53,232,634	50,627,350	2,605,284
OPEB Investment	-	8,625,334	-	-	8,625,334	4,074,286	4,551,048
Other Assets	639,426	204,769	-	-	844,195	581,082	263,113
TOTAL ASSETS	124,081,820	107,003,309	18,543,059	-78,841,043	170,787,145	167,213,592	3,573,553
LIABILITIES AND NET ASSETS							
Accounts Payable and Accrued Liabilities	3,064,607	16,028,866	-	-	19,093,473	17,051,216	2,042,257
Interfund Payable	78,841,043	-	-	-78,841,043	-	-	-
Unearned Fees Collected in Advance	-	-	-	-	-	14,926	-14,926
Grants Payable	-	149,316	-	-	149,316	49,090	100,226
Accrued Postretirement Benefits	643,052	94,505	-	-	737,557	688,181	49,376
TOTAL LIABILITIES	82,548,702	16,272,687	-	-78,841,043	19,980,346	17,803,413	2,176,933
NET ASSETS							
Net Assets at Beginning of Year	11,879,483	70,022,670	18,271,126	-	100,173,279	98,985,320	1,187,959
Current Operating Excess/(Deficit)	29,653,635	21,414,289	-434,404	-	50,633,520	50,424,859	208,661
Transfer of Fixed Assets to Fixed Assets Fund	-	-706,337	706,337	-	-	-	-
TOTAL NET ASSETS	41,533,118	90,730,622	18,543,059	-	150,806,799	149,410,179	1,396,620
TOTAL LIABILITIES & NET ASSETS	124,081,820	107,003,309	18,543,059	-	170,787,145	167,213,592	3,573,553

The State Bar of California
Statement of Assets, Liabilities and Net Assets - General Fund
As of June 30, 2011

Attachment 2

	<u>Year to Date Total June 2011</u>	<u>Year to Date Total June 2010</u>	<u>Change</u>
ASSETS			
Cash	70,209,760	72,500,164	-2,290,404
Investments	53,232,634	50,627,350	2,605,284
Other Assets	639,426	481,510	157,916
TOTAL ASSETS	<u>124,081,820</u>	<u>123,609,024</u>	<u>472,796</u>
LIABILITIES AND NET ASSETS			
Accounts Payable and Accrued Liabilities	3,064,607	3,392,686	-328,079
Interfund Payable	78,841,043	83,465,452	-4,624,409
Accrued Postretirement Benefits	643,052	593,676	49,376
TOTAL LIABILITIES	<u>82,548,702</u>	<u>87,451,814</u>	<u>-4,903,112</u>
NET ASSETS			
Net Assets at Beginning of Year	11,879,483	9,017,767	2,861,716
Current Operating Excess/(Deficit)	29,653,635	27,139,443	2,514,192
Transfer of Fixed Assets to Fixed Assets Fund	-	-	-
TOTAL NET ASSETS	<u>41,533,118</u>	<u>36,157,210</u>	<u>5,375,908</u>
TOTAL LIABILITIES & NET ASSETS	<u>124,081,820</u>	<u>123,609,024</u>	<u>472,796</u>

The State Bar of California
Statement of Assets, Liabilities and Net Assets - Restricted Funds
As of June 30, 2011

	Admissions	Annual Meeting	Benefit Reserve	Building	Building Special Assessment	Certification Activity	Client Security	Discipline	Education Foundation	Elimination of Bias	Equal Access	Grants	Information Technology Special Assessment	Sub-Total A-I
ASSETS														
Cash	50	-	781,035	-	-	-	-	-	-	-	-	-	-	781,085
Accounts Receivable (net of allowances)	1,194	-	-	67,889	-	-	-	-	-	-	4,270,521	112	-	4,339,716
Interfund Receivable/Payable	10,908,737	277,217	-430,882	3,791,399	6,042,169	1,209,388	17,943,920	1,153,915	-61,722	1,610,675	-3,788,882	180,311	5,052,074	43,888,319
Capital Assets (net of depreciation)	-	-	-	13,517,544	-	-	-	-	-	-	-	-	-	13,517,544
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OPEB Assets	-	-	8,625,334	-	-	-	-	-	-	-	-	-	-	8,625,334
Other Assets	148,980	-	-	-	-	-	-	-	-	-	-	-	-	148,980
TOTAL ASSETS	11,058,961	277,217	8,975,487	17,376,832	6,042,169	1,209,388	17,943,920	1,153,915	-61,722	1,610,675	481,639	180,423	5,052,074	71,300,978
LIABILITIES AND NET ASSETS														
Accounts Payable and Accrued Liabilities	312,086	19,557	-	132,422	-	-	14,394,595	-	-	39,982	-	-	-	14,898,642
Unearned Fees Collected in Advance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants Payable	-	-	-	-	-	-	-	-	-	-	113,445	-	-	113,445
Accrued Postretirement Benefits	-	-	94,505	-	-	-	-	-	-	-	-	-	-	94,505
Obligations under Debt Agreements	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	312,086	19,557	94,505	132,422	-	-	14,394,595	-	-	39,982	113,445	-	-	15,106,592
NET ASSETS														
Net Assets at Beginning of Year	3,668,582	403,798	8,878,260	17,239,742	4,007,593	1,207,346	2,322,314	1,151,967	-	1,214,059	3,423,367	154,923	3,396,349	47,068,300
Current Operating Excess/(Deficit)	7,078,293	-146,138	2,722	4,668	2,034,576	2,042	1,227,011	1,948	-61,722	356,634	-3,055,173	25,500	1,655,725	9,126,086
Transfer of Fixed Assets to Fixed Assets Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL NET ASSETS	10,746,875	257,660	8,880,982	17,244,410	6,042,169	1,209,388	3,549,325	1,153,915	-61,722	1,570,693	368,194	180,423	5,052,074	56,194,386
TOTAL LIABILITIES & NET ASSETS	11,058,961	277,217	8,975,487	17,376,832	6,042,169	1,209,388	17,943,920	1,153,915	-61,722	1,610,675	481,639	180,423	5,052,074	71,300,978

The State Bar of California
Statement of Assets, Liabilities and Net Assets - Restricted Funds
As of June 30, 2011

	Justice Gap	Lawyers Assistance Program	Legal Education & Development	Legal Services Trust	Legal Specialization	Legislative Activities	Public Protection	Sections	Support & Administration	Technology Improvement	Sub-Total J-T	Sub-Total A-I	All Restricted Funds
ASSETS													
Cash	-	-	-	-	-	-	-	-	-	-	-	781,085	781,085
Accounts Receivable (net of allowances)	-	-	-	693,818	-	-	-	-	-	-	693,818	4,339,716	5,033,534
Interfund Receivable/Payable	1,673,013	2,569,680	2,077,188	5,859,661	2,332,829	1,965,267	6,459,638	10,489,518	2,183,005	-657,075	34,952,724	43,888,319	78,841,043
Capital Assets (net of depreciation)	-	-	-	-	-	-	-	-	-	-	-	13,517,544	13,517,544
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-
OPEB Investments	-	-	-	-	-	-	-	-	-	-	-	8,625,334	8,625,334
Other Assets	-	-	-	-	-	-	-	-5,722	61,511	-	55,789	148,980	204,769
TOTAL ASSETS	1,673,013	2,569,680	2,077,188	6,553,479	2,332,829	1,965,267	6,459,638	10,483,796	2,244,516	-657,075	35,702,331	71,300,978	107,003,309
LIABILITIES AND NET ASSETS													
Accounts Payable and Accrued Liabilities	-	65,211	3,002	62,135	16,745	31,779	0	110,824	840,528	-	1,130,224	14,898,642	16,028,866
Unearned Fees Collected in Advance	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants Payable	-	-	-	35,871	-	-	-	-	-	-	35,871	113,445	149,316
Accrued Postretirement Benefits	-	-	-	-	-	-	-	-	-	-	-	94,505	94,505
Obligations under Debt Agreements	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	65,211	3,002	98,006	16,745	31,779	-	110,824	840,528	-	1,166,095	15,106,592	16,272,687
NET ASSETS													
Net Assets at Beginning of Year	1,083,287	1,691,844	1,503,858	2,186,483	1,553,408	1,402,141	6,448,730	6,962,789	15,795	106,035	22,954,370	47,068,300	70,022,670
Current Operating Excess/(Deficit)	589,726	812,625	570,328	4,268,990	762,676	531,347	10,908	3,410,183	1,452,603	-121,183	12,288,203	9,126,086	21,414,289
Transfer of Fixed Assets to Fixed Assets Fun	-	-	-	-	-	-	-	-	-64,410	-641,927	-706,337	-	-706,337
TOTAL NET ASSETS	1,673,013	2,504,469	2,074,186	6,455,473	2,316,084	1,933,488	6,459,638	10,372,972	1,403,988	-657,075	34,536,236	56,194,386	90,730,622
TOTAL LIABILITIES & NET ASSETS	1,673,013	2,569,680	2,077,188	6,553,479	2,332,829	1,965,267	6,459,638	10,483,796	2,244,516	-657,075	35,702,331	71,300,978	107,003,309

The State Bar of California
Statement of Revenue, Expenses and Changes in Net Assets - All Funds
For the Six Months Ending June 30, 2011

Attachment 4

	General Fund	Restricted Funds	Fixed Asset Fund	Interfund Elimination	Total All Funds Year to Date June 2011	Total All Funds Year to Date June 2010	Change	Percentage Change
OPERATING REVENUES:								
Membership Fees, Voluntary Contributions	57,969,171	16,420,064	-	-	74,389,235	71,531,363	2,857,872	4.00%
Convention Income	-	313,875	-	-	313,875	229,840	84,035	36.56%
Law Corporation Registration Fees	638,736	-	-	-	638,736	621,255	17,481	2.81%
Continuing Legal Education Fees	632,676	105,965	-	-	738,641	340,447	398,194	116.96%
Law Practices Sections Fees	-	4,714,417	-	-	4,714,417	4,682,230	32,187	0.69%
Grant Revenue	14,000	5,763,857	-	-	5,777,857	6,593,000	-815,143	-12.36%
Trust Account Revenue	-	3,309,432	-	-	3,309,432	3,340,030	-30,598	-0.92%
EAF AB 145 Filing Fee Revenue	-	1,829,026	-	-	1,829,026	1,895,602	-66,576	-3.51%
Examination Application Fees	-	15,021,709	-	-	15,021,709	14,170,093	851,616	6.01%
MJP Fees	384,167	-	-	-	384,167	353,890	30,277	8.56%
Legal Specialization Fees	-	1,383,639	-	-	1,383,639	872,364	511,275	58.61%
Seminar/Workshop Revenue	9,635	599,545	-	-	609,180	423,934	185,246	43.70%
CalBar Journal Revenue	28,110	9,665	-	-	37,775	131,285	-93,510	-71.23%
Other Revenue	292,599	2,121,662	-	-	2,414,261	2,516,604	-102,343	-4.07%
Interfund Transfer In	-	-	-	-	-	-	-	0.00%
Interfund Transaction-Revenue	55,695	19,830	-	-75,525	-	-	-	0.00%
Total Operating Revenue	60,024,789	51,612,686	-	-75,525	111,561,950	107,701,937	3,860,013	3.58%
OPERATING EXPENSES:								
Discipline and Adjudication	25,770,659	-	-	-	25,770,659	25,582,774	187,885	0.73%
Grant Expenses	-	10,626,094	-	-	10,626,094	8,609,353	2,016,741	23.43%
Administration of Justice	235,321	-	-	-	235,321	375,817	-140,496	-37.38%
Governance	1,070,408	-	-	-	1,070,408	937,575	132,833	14.17%
Administration of the Profession	1,509,714	-	-	-	1,509,714	1,671,564	-161,850	-9.68%
Program Development	758,647	-	-	-	758,647	765,879	-7,232	-0.94%
Communications	483,780	-	-	-	483,780	715,807	-232,027	-32.41%
Examination costs and administration	-	8,398,142	-	-	8,398,142	8,375,216	22,926	0.27%
Claims (net of reimbursements)	-	4,990,509	-	-	4,990,509	4,143,610	846,899	20.44%
Law Practices (Sections)	-	1,989,691	-	-	1,989,691	1,989,787	-96	0.00%
General and Administrative costs	-	4,806,091	434,404	-	5,240,495	4,539,393	701,102	15.44%
Non Departmental	579,376	-	-	-	579,376	518,936	60,440	11.65%
Interfund Transfer Out	-	-	-	-	-	-	-	0.00%
Interfund Transaction-Expense	53,455	22,070	-	-75,525	-	-	-	0.00%
Total Operating Expenses	30,461,360	30,832,597	434,404	-75,525	61,652,836	58,225,711	3,427,125	5.89%
OPERATING INCOME/(LOSS)	29,563,429	20,780,089	-434,404	-	49,909,114	49,476,226	432,888	0.87%
NON-OPERATING REVENUE:								
Investment Income	90,206	142,831	-	-	233,037	458,694	-225,657	-49.20%
Rental Income	-	491,369	-	-	491,369	489,939	1,430	0.29%
Total Non-Operating Revenue	90,206	634,200	-	-	724,406	948,633	-224,227	-23.64%
EXCESS/ (DEFICIT) OF REVENUES OVER EXPENSES	29,653,635	21,414,289	-434,404	-	50,633,520	50,424,859	208,661	0.41%
CHANGES IN NET ASSETS:								
Net Assets at beginning of year	11,879,483	70,022,670	18,271,126	-	100,173,279	98,985,320	1,187,959	1.20%
Transfers of Fixed Assets to Fixed Asset Fund	-	-706,337	706,337	-	-	-	-	0.00%
NET ASSETS AS OF JUNE 30, 2011	41,533,118	90,730,622	18,543,059	-	150,806,799	149,410,179	1,396,620	0.93%

The State Bar of California
Statement of Revenue, Expenses and Changes in Net Assets - General Fund
For the Six Months Ending June 30, 2011

Attachment 5

	<u>Year to Date June 2011</u>	<u>Year to Date June 2010</u>	<u>Change</u>
OPERATING REVENUES			
Membership Fee, Voluntary Contributions and Attorney Applications	57,969,171	57,074,228	894,943
Convention Income	-	-	-
Law Corporation Registration Fees	638,736	621,255	17,481
Continuing Legal Education Fees	632,676	329,047	303,629
Seminar/Workshop Revenue	9,635	4,800	4,835
CalBar Journal Revenue	28,110	114,345	-86,235
MJP Fees	384,167	353,890	30,277
Grant Revenue	14,000	10,000	4,000
Other Revenue	292,599	328,520	-35,921
Interfund Transaction-Revenue	55,695	52,009	3,686
Total Operating Revenue	<u>60,024,789</u>	<u>58,888,094</u>	<u>1,136,695</u>
OPERATING EXPENSES:			
Discipline	25,264,466	25,076,082	188,384
Probation	506,193	506,692	-499
Administration of Justice	235,321	375,817	-140,496
Governance	1,070,408	937,575	132,833
Administration of the Profession	1,509,714	1,671,564	-161,850
Program Development	758,647	765,879	-7,232
Communications	483,780	715,807	-232,027
Non Departmental	579,376	518,936	60,440
Interfund Transfer out to Bldg. Fund	-	1,230,000	-1,230,000
Interfund Transaction-Expense	53,455	52,024	1,431
Total Operating Expenses	<u>30,461,360</u>	<u>31,850,376</u>	<u>-1,389,016</u>
OPERATING INCOME/(LOSS)	29,563,429	27,037,718	2,525,711
NON-OPERATING REVENUE			
Investment Income	90,206	101,725	-11,519
Total Non-Operating Revenue	<u>90,206</u>	<u>101,725</u>	<u>-11,519</u>
EXCESS/(DEFICIT) OF REVENUES OVER EXPENSES	<u>29,653,635</u>	<u>27,139,443</u>	<u>2,514,192</u>
NET ASSETS			
Net Assets at beginning of year	11,879,483	9,017,767	2,861,716
Transfers of Fixed Assets to Fixed Assets Fund	-	-	-
NET ASSETS AS OF JUNE 30, 2011	<u>41,533,118</u>	<u>36,157,210</u>	<u>5,375,908</u>

The State Bar of California
Statement of Revenue, Expenses and Changes in Net Assets - Restricted Funds
For the Six Months Ending June 30, 2011

	Admissions	Annual Meeting	Benefit Reserve	Building	Building Special Assessment	Certification Activities	Client Security	Discipline	Education Foundation	Elimination of Bias	Equal Access	Grants	Information Technology Special Assessment	Sub-Total A-I
REVENUE														
Membership Fees & Voluntary Dues	-	-	-	2,653	2,045,214	-	7,043,274	-	-	799,005	-	-	1,664,094	11,554,240
Investment Income	16,648	643	2,722	6,145	9,584	2,042	32,031	1,948	155	2,966	3,879	-	8,026	86,789
Convention Income	-	92,250	-	-	-	-	-	-	221,625	-	-	-	-	313,875
Law Corporation Registration Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Continuing Legal Education Fees	101,240	-	-	-	-	-	-	-	-	-	-	-	-	101,240
Law Practices (Sections) Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental Income	-	-	-	491,369	-	-	-	-	-	-	-	-	-	491,369
Grant Revenue	-	-	-	-	-	-	-	-	-	-	5,718,357	25,500	-	5,743,857
Trust Account Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EAF AB145 Filing Fee Revenue	-	-	-	-	-	-	-	-	-	-	1,829,026	-	-	1,829,026
Application Fees	15,021,709	-	-	-	-	-	-	-	-	-	-	-	-	15,021,709
Legal Specialization Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Seminar/Workshop Revenue	-	-	-	-	-	-	-	-	597,167	-	-	-	-	597,167
Advertising Revenue	-	750	-	-	-	-	-	-	8,915	-	-	-	-	9,665
Other Revenue	337,083	75	-	750	-	-	13,600	-	79,172	-	187,370	-	-	618,050
Interfund Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund Transaction-Revenue	1,170	12,000	-	-	-	-	1,170	-	-	105	-	-	-	14,445
TOTAL REVENUE	15,477,850	105,718	2,722	500,917	2,054,798	2,042	7,090,075	1,948	907,034	802,076	7,738,632	25,500	1,672,120	36,381,432
EXPENSES														
Grants	-	-	-	-	-	-	-	-	-	-	10,626,094	-	-	10,626,094
Administration of the Profession	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Examination Costs and Administration	8,398,142	-	-	-	-	-	-	-	-	-	-	-	-	8,398,142
Claims (net of reimbursement)	-	-	-	-	-	-	4,990,509	-	-	-	-	-	-	4,990,509
Law Practices (Sections)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General and Administrative	-	251,856	-	496,249	20,222	-	871,280	-	968,756	445,337	167,711	-	16,395	3,237,806
Interfund Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund Transaction-Expense	1,415	-	-	-	-	-	1,275	-	-	105	-	-	-	2,795
TOTAL EXPENSES	8,399,557	251,856	-	496,249	20,222	0	5,863,064	-	968,756	445,442	10,793,805	-	16,395	27,255,346
EXCESS/(DEFICIT) OF REVENUES OVER EXPENSES	7,078,293	-146,138	2,722	4,668	2,034,576	2,042	1,227,011	1,948	-61,722	356,634	-3,055,173	25,500	1,655,725	9,126,086
CHANGES IN NET ASSETS														
Net Assets at beginning of year	3,668,582	403,798	8,878,260	17,239,742	4,007,593	1,207,346	2,322,314	1,151,967	-	1,214,059	3,423,367	154,923	3,396,349	47,068,300
Transfers of Fixed Assets to Fixed Assets Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NET ASSETS AS OF JUNE 30, 2011	10,746,875	257,660	8,880,982	17,244,410	6,042,169	1,209,388	3,549,325	1,153,915	-61,722	1,570,693	368,194	180,423	5,052,074	56,194,386

The State Bar of California
Statement of Revenue, Expenses and Changes in net Assets - Restricted Funds
For the Six Months Ending June 30, 2011

	Justice Gap	Lawyer Assistance	Legal Education & Development	Legal Services Trust	Legal Specialization	Legislative Activities	Public Protection	Sections	Support & Administration	Technology Improvement	Sub-Total J-T	Sub-Total A-I	Total Restricted Funds
REVENUE													
Membership Fees & Voluntary Dues	569,700	1,855,859	-	1,656,600	-	783,665	-	-	-	-	4,865,824	11,554,240	16,420,064
Investment Income	2,535	4,769	2,483	8,767	4,058	3,392	10,908	17,990	1,732	-592	56,042	86,789	142,831
Convention Income	-	-	-	-	-	-	-	-	-	-	-	313,875	313,875
Law Corporation Registration Fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Continuing Legal Education Revenue	-	-	-	-	4,725	-	-	-	-	-	4,725	101,240	105,965
Law Practices (Sections) Revenue	-	-	-	-	-	-	-	4,714,417	-	-	4,714,417	-	4,714,417
Rental Income	-	-	-	-	-	-	-	-	-	-	-	491,369	491,369
Grant Revenue	-	-	-	-	-	-	-	20,000	-	-	20,000	5,743,857	5,763,857
LSTF Trust Account Revenue	-	-	-	3,309,432	-	-	-	-	-	-	3,309,432	-	3,309,432
EAF AB145 Filing Fee Revenue	-	-	-	-	-	-	-	-	-	-	-	1,829,026	1,829,026
Application Fees	-	-	-	-	-	-	-	-	-	-	-	15,021,709	15,021,709
Legal Specialization Fees	-	-	-	-	1,383,639	-	-	-	-	-	1,383,639	-	1,383,639
Seminar/Workshop Revenue	-	-	-	-	-	-	-	2,378	-	-	2,378	597,167	599,545
Advertising Revenue	-	-	-	-	-	-	-	-	-	-	-	9,665	9,665
Other Revenue	-	-	836,045	6,283	986	-	-	646,304	13,994	-	1,503,612	618,050	2,121,662
Interfund Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund Transaction-Revenue	-	-	-	105	990	390	-	-	3,900	-	5,385	14,445	19,830
TOTAL REVENUE	572,235	1,860,628	838,528	4,981,187	1,394,398	787,447	10,908	5,401,089	19,626	-592	15,865,454	36,381,432	52,246,886
EXPENSES													
Grants	-	-	-	-	-	-	-	-	-	-	-	10,626,094	10,626,094
Administration of the Profession	-	-	-	-	-	-	-	-	-	-	-	-	-
Examination costs and Administration	-	-	-	-	-	-	-	-	-	-	-	8,398,142	8,398,142
Claims (net of reimbursement)	-	-	-	-	-	-	-	-	-	-	-	4,990,509	4,990,509
Law Practices (Sections)	-	-	-	-	-	-	-	1,989,691	-	-	1,989,691	-	1,989,691
General and Administrative	-17,491	1,048,003	256,200	712,032	631,332	255,710	-	-	-1,438,092	120,591	1,568,285	3,237,806	4,806,091
Interfund Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund Transaction-Expense	-	-	12,000	165	390	390	-	1,215	5,115	-	19,275	2,795	22,070
TOTAL EXPENSES	-17,491	1,048,003	268,200	712,197	631,722	256,100	-	1,990,906	-1,432,977	120,591	3,577,251	27,255,346	30,832,597
EXCESS/(DEFICIT) OF REVENUES OVER EXPENSES	589,726	812,625	570,328	4,268,990	762,676	531,347	10,908	3,410,183	1,452,603	-121,183	12,288,203	9,126,086	21,414,289
CHANGES IN NET ASSETS													
Net Assets at beginning of year	1,083,287	1,691,844	1,503,858	2,186,483	1,553,408	1,402,141	6,448,730	6,962,789	15,795	106,035	22,954,370	47,068,300	70,022,670
Transfers of Fixed Assets to Fixed Assets Fund	-	-	-	-	-	-	-	-	-64,410	-641,927	-706,337	-	-706,337
NET ASSETS AS OF JUNE 30, 2011	1,673,013	2,504,469	2,074,186	6,455,473	2,316,084	1,933,488	6,459,638	10,372,972	1,403,988	-657,075	34,536,236	56,194,386	90,730,622

The State Bar of California
Projection to Actual Comparison - General Fund
For the Six Months Ending June 30, 2011

Attachment 7

	June 2011 Year to Date Actual	June 2011 Year to Date Projection	Variance	June 2010 Prior Year to Date Actual	Inc./(Dec.) from Prior Year	2011 Projection
REVENUE						
Membership Fees	57,969,171	56,800,000	1,169,171	57,074,228	894,943	58,400,000
Investment Income	90,206	50,000	40,206	101,725	-11,519	100,000
Convention Income	-	-	-	-	-	-
Law Corp Registration Fees	638,736	350,000	288,736	621,255	17,481	700,000
CalBar Journal Revenue	28,110	100,000	-71,890	114,345	-86,235	200,000
Continuing Legal Education	632,676	450,000	182,676	329,047	303,629	900,000
Seminar/Workshop Revenue	9,635	-	9,635	4,800	4,835	-
MJP Fees	384,167	50,000	334,167	353,890	30,277	100,000
Grant Revenue	14,000	-	14,000	10,000	4,000	-
Other Revenue	292,599	250,000	42,599	328,520	-35,921	500,000
Transfer In From Other Funds	-	1,250,000	-1,250,000	-	-	2,500,000
Interfund Transaction-Revenue	55,695	-	55,695	52,009	3,686	-
TOTAL REVENUE	60,114,995	59,300,000	814,995	58,989,819	1,125,176	63,400,000
EXPENSES						
Discipline	25,264,466	26,400,000	1,135,534	25,076,082	188,384	52,800,000
Probation	506,193	470,000	-36,193	506,692	-499	940,000
Administration of Justice	235,321	450,000	214,679	375,817	-140,496	900,000
Governance	1,070,408	1,000,000	-70,408	937,575	132,833	2,000,000
Administration of the Profession	1,509,714	1,400,000	-109,714	1,671,564	-161,850	2,800,000
Program Development	758,647	650,000	-108,647	765,879	-7,232	1,300,000
Communications	483,780	450,000	-33,780	715,807	-232,027	900,000
Non Departmental	579,376	650,000	70,624	518,936	60,440	1,300,000
Interfund Transfer out to Bldg. Fund	-	-	-	1,230,000	-1,230,000	-
Interfund Transaction-Expense	53,455	-	-53,455	52,024	1,431	-
TOTAL EXPENSES	30,461,360	31,470,000	1,008,640	31,850,376	-1,389,016	62,940,000
NET OPERATING SURPLUS/(DEFICIT)	29,653,635	27,830,000	1,823,635	27,139,443	2,514,192	460,000

The State Bar of California
Projection to Actual Comparison - General Fund
Expenses by Function
For the Six Months Ending June 30, 2011

Attachment 8

	June 2011 Year to Date Actual	June 2011 Year to Date Projection	Variance	June 2010 Prior Year to Date Actual	Inc./(Dec.) from Prior Year	2011 Projection
EXPENSES BY FUNCTION						
Enforcement	18,881,570	19,850,000	968,430	18,584,442	297,128	39,700,000
Probation	506,193	470,000	-36,193	506,692	-499	940,000
State Bar Court	4,931,191	5,000,000	68,809	4,895,867	35,324	10,000,000
Mandatory Fee Arbitration	361,692	400,000	38,308	400,481	-38,789	800,000
Professional Competence	1,090,013	1,150,000	59,987	1,195,292	-105,279	2,300,000
TOTAL DISCIPLINE	25,770,659	26,870,000	1,099,341	25,582,774	187,885	53,740,000
Administration of Justice	235,321	450,000	214,679	375,817	-140,496	900,000
Governance	1,070,408	1,000,000	-70,408	937,575	132,833	2,000,000
Administration of the Profession	1,509,714	1,400,000	-109,714	1,671,564	-161,850	2,800,000
Program Development	758,647	650,000	-108,647	765,879	-7,232	1,300,000
Communications	483,780	450,000	-33,780	715,807	-232,027	900,000
Non Departmental	579,376	650,000	70,624	518,936	60,440	1,300,000
Interfund Transfer - Out to Building Fund	-	-	-	1,230,000	-1,230,000	-
Interfund Transaction - Expense	53,455	-	-53,455	52,024	1,431	-
TOTAL NON DISCIPLINE	4,690,701	4,600,000	-90,701	6,267,602	-1,576,901	9,200,000
TOTAL GENERAL FUND EXPENSE BY FUNCTION	30,461,360	31,470,000	1,008,640	31,850,376	-1,389,016	62,940,000