



THE STATE BAR OF CALIFORNIA

180 HOWARD STREET, SAN FRANCISCO, CA 94105-1639

OFFICE OF FINANCE

TELEPHONE: (415) 538-2200

MEMORANDUM

DATE: August 12, 2014
TO: Board of Trustees
FROM: Christine Wong, Finance Director
SUBJECT: 2014 Second Quarter Financial Statements – Financial Highlights

Attached for your review are the 2014 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 – 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 quarter ended June 30, 2014, the Bar's total assets are \$217.8 million, liabilities are \$31.7 million, and net assets are \$186.1 million.

Compared to the same quarter in 2013, the Bar's total assets are slightly down by \$2.8 million or 1.3%. The decrease is due to a combination of (1) a \$26.2 million decrease in cash and investment; (2) a \$2.7 million decrease in other assets and receivable; partially offset by (3) a \$26.1 million increase in capital assets.

Cash and investments consisted of balances in demand deposit accounts, money market accounts, the State Bar's share of California's Local Agency Investment Fund, and investment securities. For the quarter ended June 30, 2014, the combined cash and investment balance was \$104.6 million, a \$26.2 million or a 20% decrease from \$130.8 million last year. The lower cash balance is due primarily to capital spending on the new facility in Los Angeles.

The State Bar's capital assets consisted of land, buildings, and building improvements, office equipment, furniture and fixtures, net of accumulated depreciation. Net capital assets balance as of June 30, 2014 is \$103.3 million, a \$26.1 million increase compared to \$77.2 million last year. The increase is due to building improvement and capital expenditures incurred on the new facility in Los Angeles.

Other assets consisted of interest receivable, prepayments, grant receivable, other receivables, and the Other Postemployment Benefits Obligation (OPEB) asset. The combined balance of accounts receivable and other assets for the reporting quarter is \$10 million, down by \$2.8 million, or 21.8% compared to \$12.8 million in 2013. The decrease is due largely to a higher balance in Equal Access Fund grant receivables last year. In 2013, there was a delay in the receipt of the quarterly grant revenues that resulted in the recording of a grant receivable in the second quarter. The grant revenue was received in July after the end of the reporting quarter.

The Bar's total liabilities consisted of accounts payable to vendor accounts, unearned fees collected in advance, grants payable, loans payable, and employee vacation and sick leave accruals. As of June 30, 2014, State Bar's total liabilities are \$31.7 million, up by \$1.6 million or 5.3% compared \$30.1 million in 2013. The increase is due to a combination of (1) a \$3 million increase in accounts payable and accrued liabilities related to various building improvement projects and payroll accruals; partially offset by (2) a 1.4 million reduction in loan payable due to repayments made to the Los Angeles building mortgage loan obligation.

Statement of Assets, Liabilities & Net Assets – General Fund:

The General Fund, the Bar's largest operating fund, has assets of \$99.6 million, liabilities of \$63.0 million and net assets of \$36.6 million as of June 30, 2014. The General Fund's total assets are down by \$25.3 million compared to last year, due largely to the decrease in cash and investments. The General Fund's combined cash and investment balance for the reporting quarter is \$98.7 million, down by \$26 million compared to \$124.7 million in 2013. The lower cash balance is due largely to capital spending on the new facility in Los Angeles in late 2013 and early 2014, and additional cash set aside in non-general funds for debt servicing reserve and various building improvement projects.

General Fund total liabilities are \$63.0 million, down by \$28.0 million compared to last year due largely to the decrease in inter-fund payables for \$30.2 million, and the decrease is partially offset by a \$2.2 million increase in accounts payable and accrued liabilities. All investments and cash are recorded in the General Fund which serves as treasurer for all the State Bar's funds. The General Fund interfund payable balance represents the amount the General Fund holds on behalf on each individual restricted fund.

Statement of Revenue, Expenses and Changes in Net Assets – Comparison to Second Quarter Ended June 30, 2013 Actual Results

This statement reports the Bar's revenues, expenses, excess/(deficit) of revenues over expenses and changes in net assets. For the second quarter ended June 30, 2014, the Bar's total revenues

(operating and non-operating) are \$119.6 million, and expenses are \$64.4 million, and the excess of revenues over expenditures for the reported quarter is \$55.2 million.

Total operating revenues for all programs for the quarter ended are \$118.5 million, up by \$3.3 million compared to \$115.2 million in 2013. The increase is due largely to higher membership revenues received as a result of the \$10 increase in the optional contribution to legal services and overall growth in the membership due to new admittees.

The Bar's total operating expenses for all programs are \$64.4 million, up by \$4.3 million or 7.1% compared to \$60.1 million in 2013. The increase is primarily due to spending on building improvement projects and higher personnel costs resulting from the Bar's implementation of the 2014 MOU.

Year-To-Date Actual Comparison – General Fund

The General Fund's total operating revenues for the reported quarter are \$65.9 million, up by \$5.6 million, or 9.3% as compared to \$60.3 million in 2013. The increase is a result of a \$20 restoration in membership dues allocated to the General Fund in 2014 and overall growth in the membership due to new admittees.

The General Fund's total operating expenses for the quarter ended are \$31.9 million, slightly increased by \$0.9 million due primarily to higher personnel costs resulting from the Bar's implementation of the 2014 MOU.

Budget to Actual Comparison for General Fund

The General Fund's total revenues for the reported quarter are \$65.9 million, in line with the year-to-date budget of \$65.6 million, with an insignificant favorable variance of \$0.3 million.

The General Fund's total expenditures for the reported quarter are \$31.9 million, resulting in a favorable variance of \$1.7 million compared to the year-to-date budget of \$33.6 million primarily due to saving from vacant positions.

If you have any questions or would like additional information, please contact Christine Wong at christine.wong@calbar.ca.gov.

The State Bar of California
Statement of Assets, Liabilities and Net Assets - All Funds
As of June 30, 2014

Attachment 1

	General Fund	Restricted Funds	Fixed Asset Fund	Interfund Elimination	YTD Total All Fund June-14	YTD Total All Fund June-13	Change
ASSETS							
Cash	49,995,463	5,854,317	0	0	55,849,780	57,673,687	-1,823,907
Investments	48,720,073	0	0	0	48,720,073	73,093,953	-24,373,880
Accounts Receivable (net of allowances)	0	2,231,016	0	0	2,231,016	4,605,739	-2,374,723
Interfund Receivable	0	61,307,227	0	-61,307,227	0	0	0
Capital Assets (net of depreciation)	0	88,576,899	14,698,960	0	103,275,859	77,172,507	26,103,352
OPEB Investment	0	6,244,160	0	0	6,244,160	6,764,594	-520,434
Other Assets	940,855	588,965	0	0	1,529,820	1,418,969	110,851
TOTAL ASSETS	99,656,391	164,802,584	14,698,960	-61,307,227	217,850,708	220,729,449	-2,878,741
LIABILITIES AND NET ASSETS							
Accounts Payable and Accrued Liabilities	5,857,621	2,368,413	0	0	8,226,034	5,180,210	3,045,824
Interfund Payable	57,164,309	4,142,918	0	-61,307,227	0	0	0
Unearned Income	0	94,674	0	0	94,674	80,703	13,971
Grants Payable	0	16,753	0	0	16,753	89,610	-72,857
Obligations under Debt Agreements	0	23,379,755	0	0	23,379,755	24,761,892	-1,382,137
TOTAL LIABILITIES	63,021,930	30,002,513	0	-61,307,227	31,717,216	30,112,415	1,604,801
NET ASSETS							
Net Assets at Beginning of Year	2,587,381	113,083,281	15,206,313	0	130,876,975	134,962,069	-4,085,094
Current Operating Excess/(Deficit)	34,047,080	21,772,230	-562,793	0	55,256,517	55,654,965	-398,448
Transfer of Fixed Assets to Fixed Assets Fund	0	-55,440	55,440	0	0	0	0
TOTAL NET ASSETS	36,634,461	134,800,071	14,698,960	0	186,133,492	190,617,034	-4,483,542
TOTAL LIABILITIES & NET ASSETS	99,656,391	164,802,584	14,698,960	0	217,850,708	220,729,449	-2,878,741

The State Bar of California
Statement of Assets, Liabilities and Net
Assets - General Fund
As of June 30, 2014

Attachment 2

	Year to Date Total June-14	Year to Date Total June-13	Change
ASSETS			
Cash	49,995,463	51,653,680	-1,658,217
Investments	48,720,073	73,093,953	-24,373,880
Other Assets	940,855	222,821	718,034
TOTAL ASSETS	99,656,391	124,970,454	-25,314,063
LIABILITIES AND NET ASSETS			
Accounts Payable and Accrued Liabilities	5,857,621	3,631,358	2,226,263
Interfund Payable	57,164,309	87,391,516	-30,227,207
TOTAL LIABILITIES	63,021,930	91,022,874	-28,000,944
NET ASSETS			
Net Assets at Beginning of Year	2,587,381	3,733,819	-1,146,438
Current Operating Excess/(Deficit)	34,047,080	30,213,761	3,833,319
Transfer of Fixed Assets to Fixed Assets Fund	0	0	0
TOTAL NET ASSETS	36,634,461	33,947,580	2,686,881
TOTAL LIABILITIES & NET ASSETS	99,656,391	124,970,454	-25,314,063

The State Bar of California
Statement of Assets, Liabilities and Net Assets - Restricted Funds
As of June 30, 2014

Attachment 3
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	Admissions	Annual Meeting	Benefit Reserve	Building	Building Special Assessment	Client Security	Elimination of Bias	Equal Access	Grants	Info Tech Special Assess	Justice Gap	Lawyers Assistance Program	Total A-L
ASSETS													
Cash	50	0	781,036	59,235	0	0	0	0	0	0	0	0	840,321
Accounts Receivable (net of allowances)	1,094	0	0	9,976	0	0	0	1,692,567	0	0	0	0	1,703,637
Interfund Receivable	11,752,523	0	1,820,945	5,703,695	7,480	7,416,976	779,072	0	439,448	3,708,337	1,060,930	2,611,737	35,301,143
Interfund Loan Receivable/(Payable)	0	0					762,401	0					762,401
Capital Assets (net of depreciation)	0	0	0	14,248,204	0	0	0	0	0	0	0	0	14,248,204
OPEB Assets	0	0	6,244,160	0	0	0	0	0	0	0	0	0	6,244,160
Other Assets	123,969	0	0	0	0	0	0	0	0	0	0	0	123,969
TOTAL ASSETS	11,877,636	0	8,846,141	20,021,110	7,480	7,416,976	1,541,473	1,692,567	439,448	3,708,337	1,060,930	2,611,737	59,223,835
LIABILITIES AND NET ASSETS													
Accounts Payable and Accrued Liabilities	313,659	22,292	0	200,350	0	118,058	46,017	0	0	0	0	55,233	755,609
Interfund Payable	0	198,397	0	0	0	0	0	2,976,267	0	0	0	0	3,174,664
Unearned Income	0	0	0	80,703	0	0	0	0	0	0	0	0	80,703
Grants Payable	0	0	0	0	0	0	0	0	0	0	0	0	0
Obligations under Debt Agreements	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL LIABILITIES	313,659	220,689	0	281,053	0	118,058	46,017	2,976,267	0	0	0	55,233	4,010,976
NET ASSETS													
Net Assets at Beginning of Year	3,707,619	-15,197	8,843,776	19,881,438	0	5,575,541	306,602	416,176	230,006	3,699,667	407,397	1,401,099	44,454,124
Prior Year Adjustment	0	0	0	0	0	0	781,952	0	0	0	0	0	781,952
								-					
Current Operating Excess/(Deficit)	7,856,358	-205,492	2,365	-141,381	7,480	1,723,377	406,902	1,699,876	209,442	8,670	653,533	1,155,405	9,976,783
Transfer of Fixed Assets to Fixed Assets Fund	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL NET ASSETS/(DEFICITS)	11,563,977	-220,689	8,846,141	19,740,057	7,480	7,298,918	1,495,456	1,283,700	439,448	3,708,337	1,060,930	2,556,504	55,212,859
TOTAL LIABILITIES & NET ASSETS	11,877,636	-	8,846,141	20,021,110	7,480	7,416,976	1,541,473	1,692,567	439,448	3,708,337	1,060,930	2,611,737	59,223,835

The State Bar of California
Statement of Assets, Liabilities and Net Assets - Restricted Funds
As of June 30, 2014

	Legal Education & Development	Legal Services Trust	Legal Specialization	Legislative Activities	LA Facility	Public Protection	SB Access & Protection	Sections	Support & Administration	Technology improvement	Total L-T	Total A-L	All Restricted Funds
ASSETS													
Cash	0	0	0	0	0	4,610,000	8,105	0	395,891	0	5,013,996	840,321	5,854,317
Accounts Receivable (net of allowances)	0	518,378	0	0	0	0	0	6,970	2,031	0	527,379	1,703,637	2,231,016
Interfund Receivable	1,163,572	6,806,322	2,432,853	712,635	0	1,885,968	0	10,958,315	350,198	1,696,221	26,006,084	35,301,143	61,307,227
Interfund Loan Receivable/(Payable)	3,363,243			50,507	-4,176,151	0	0	0	0	0	-762,401	762,401	0
Capital Assets (net of depreciation)	0	0	0	0	74,328,695	0	0	0	0	0	74,328,695	14,248,204	88,576,899
OPEB Investments	0	0	0	0	0	0	0	0	0	0	0	6,244,160	6,244,160
Other Assets	0	0	0	0	0	0	0	0	464,996	0	464,996	123,969	588,965
TOTAL ASSETS	4,526,815	7,324,700	2,432,853	763,142	70,152,544	6,495,968	8,105	10,965,285	1,213,116	1,696,221	105,578,749	59,223,835	164,802,584
LIABILITIES AND NET ASSETS													
Accounts Payable and Accrued Liabilities	9,896	84,145	26,117	42,468	110,740	0	0	126,322	1,213,116	0	1,612,804	755,609	2,368,413
Interfund Payable	0	0	0	0	946,192	0	22,062	0	0	0	968,254	3,174,664	4,142,918
Unearned Income	0	0	0	0	0	0	0	13,971	0	0	13,971	80,703	94,674
Grants Payable	0	16,753	0	0	0	0	0	0	0	0	16,753	0	16,753
Obligations under Debt Agreements	0	0	0	0	23,379,755	0	0	0	0	0	23,379,755	0	23,379,755
TOTAL LIABILITIES	9,896	100,898	26,117	42,468	24,436,687	0	22,062	140,293	1,213,116	0	25,991,537	4,010,976	30,002,513
NET ASSETS													
Net Assets at Beginning of Year	729,295	515,065	1,244,191	219,668	50,231,836	6,493,547	-18,759	7,434,485	0	1,779,829	68,629,157	44,454,124	113,083,281
Prior Year Adjustment	3,449,492	0	0	51,802	-4,283,246	0	0	0	0	0	-781,952	781,952	0
Current Operating Excess/(Deficit)	338,132	6,708,737	1,162,545	449,204	-232,733	2,421	4,802	3,390,507	0	-28,168	11,795,447	9,976,783	21,772,230
Transfer of Fixed Assets to Fixed Assets Fund	0	0	0	0	0	0		0	0	-55,440	-55,440	0	-55,440
TOTAL NET ASSETS/(DEFICITS)	4,516,919	7,223,802	2,406,736	720,674	45,715,857	6,495,968	-13,957	10,824,992	0	1,696,221	79,587,212	55,212,859	134,800,071
TOTAL LIABILITIES & NET ASSETS	4,526,815	7,324,700	2,432,853	763,142	70,152,544	6,495,968	8,105	10,965,285	1,213,116	1,696,221	105,578,749	59,223,835	164,802,584

The State Bar of California
Statement of Revenue, Expenses and Changes in Net Assets - All Funds
For the Six Months Ending June 30, 2014

OPERATING REVENUES	General Fund	Restricted Funds	Fixed Asset Funds	Interfund Elimination	Total All Funds Year to Date June-14	Total All Funds Year to Date June-13	Change	Percentage Change
Membership Fees, Voluntary Contributions	63,805,828	16,533,971	0	0	80,339,799	76,762,851	3,576,948	4.66%
Convention Income	0	319,701	0	0	319,701	284,940	34,761	12.20%
Law Corporation Registration Fees	720,352	0	0	0	720,352	695,018	25,334	3.65%
Continuing Legal Education Fees	539,452	113,530	0	0	652,982	767,398	-114,416	-14.91%
Law Practices Sections Fees	0	5,326,429	0	0	5,326,429	4,859,754	466,675	9.60%
Grant Revenue	0	5,953,966	0	0	5,953,966	5,781,723	172,243	2.98%
Trust Account Revenue	0	2,592,066	0	0	2,592,066	2,472,088	119,978	4.85%
EAF AB 145 Filing Fee Revenue	0	1,328,728	0	0	1,328,728	1,692,568	-363,840	-21.50%
MJP Fees	450,855	71,950	0	0	522,805	458,958	63,847	13.91%
Examination Application Fees	0	16,382,081	0	0	16,382,081	16,740,612	-358,531	-2.14%
Legal Specialization Fees	0	1,808,500	0	0	1,808,500	1,747,398	61,102	3.50%
Seminar/Workshop Revenue	8,870	593,388	0	0	602,258	634,862	-32,604	-5.14%
CalBar Journal Revenue	71,903	18,459	0	0	90,362	70,961	19,401	27.34%
Other Revenue	273,632	1,624,141	0	0	1,897,773	2,251,639	-353,866	-15.72%
Transfer In - LA Facility	0	1,244,320	0	-1,244,320	0	0	0	0.00%
Transfer In-Interfund Loan Repayment	0	198,328	0	-198,328	0	0	0	0.00%
Interfund Transaction-Revenue	41,450	14,811	0	-56,261	0	0	0	0.00%
Total Operating Revenue	65,912,342	54,124,369	0	-1,498,909	118,537,802	115,220,770	3,317,032	2.88%
OPERATING EXPENSES								
Discipline and Adjudication	18,388,683	0	0	0	18,388,683	17,631,565	757,118	4.29%
Grant Expenses	0	8,767,684	0	0	8,767,684	8,691,926	75,758	0.87%
Administration of Justice	324,388	0	0	0	324,388	254,091	70,297	27.67%
Governance	1,083,041	0	0	0	1,083,041	970,635	112,406	11.58%
Administration of the Profession	1,172,520	0	0	0	1,172,520	1,080,318	92,202	8.53%
Program Development	661,604	0	0	0	661,604	587,154	74,450	12.68%
Communications	794,831	0	0	0	794,831	480,930	313,901	65.27%
Examination costs and administration	0	8,754,975	0	0	8,754,975	8,638,677	116,298	1.35%
Claims (net of reimbursements)	0	4,582,012	0	0	4,582,012	3,484,093	1,097,919	31.51%
Law Practices (Sections)	0	3,433,521	0	0	3,433,521	3,119,196	314,325	10.08%
General and Administrative costs	0	6,869,340	562,793	0	7,432,133	6,076,463	1,355,670	22.31%
Indirect Costs to General Fund	8,544,102	0	0	0	8,544,102	9,094,554	-550,452	-6.05%
Transfer Out - LA Facility	920,647	323,673	0	-1,244,320	0	0	0	0.00%
Transfer Out-Interfund loan Repayment	0	198,328	0	-198,328	0	0	0	0.00%
Interfund Transaction-Expense	42,341	13,920	0	-56,261	0	0	0	0.00%
Total Operating Expenses	31,932,157	33,366,135	562,793	-1,498,909	64,362,176	60,109,602	4,252,574	7.07%
OPERATING INCOME/(LOSS)	33,980,185	20,758,234	-562,793	0	54,175,626	55,111,168	-935,542	-1.70%
NON-OPERATING REVENUE								
Investment Income	66,895	81,311	0	0	148,206	39,141	109,065	278.65%
Rental Income	0	932,685	0	0	932,685	504,656	428,029	84.82%
Total Non-Operating Revenue	66,895	1,013,996	0	0	1,080,891	543,797	537,094	98.77%
EXCESS/(DEFICIT) OF REVENUES OVER EXPENSES	34,047,080	21,772,230	-562,793	0	55,256,517	55,654,965	-398,448	-0.72%
CHANGES IN NET ASSETS								
Net Assets at beginning of year	2,587,381	113,083,281	15,206,313	0	130,876,975	134,962,069	-4,085,094	-3.03%
Transfers of Fixed Assets to Fixed Asset Fund	0	-55,440	55,440	0	0	0	0	0.00%
NET ASSETS AS OF JUNE 30, 2014	36,634,461	134,800,071	14,698,960	0	186,133,492	190,617,034	-4,483,542	-2.35%

The State Bar of California
Statement of Revenue, Expenses
and Changes in Net Assets -
General Fund
For the Six Months Ending June
30, 2014

Attachment 5

OPERATING REVENUES	Year to Date June-14	Year to Date June-13	Change
Membership Fee, Voluntary Contributions and Attorney Applications	63,805,828	58,208,054	5,597,774
Law Corporation Registration Fees	720,352	695,018	25,334
Continuing Legal Education Fees	539,452	657,043	-117,591
Seminar/Workshop Revenue	8,870	8,280	590
CalBar Journal Revenue	71,903	48,961	22,942
MJP Fees	450,855	403,908	46,947
Grant Revenue	0	19,500	-19,500
Other Revenue	273,632	255,305	18,327
Interfund Transaction-Revenue	41,450	50,885	-9,435
Total Operating Revenue	65,912,342	60,346,954	5,565,388
OPERATING EXPENSES			
Discipline	18,388,683	17,631,565	757,118
Administration of Justice	324,388	254,091	70,297
Governance	1,083,041	970,635	112,406
Administration of the Profession	1,172,520	1,080,318	92,202
Program Development	661,604	587,154	74,450
Communications	794,831	480,930	313,901
Indirect Costs	8,544,102	9,094,554	-550,452
Transfer out - LA Facility	920,647	0	
Interfund Transaction-Expense	42,341	51,490	-9,149
Total Operating Expenses	31,932,157	30,150,737	860,773
OPERATING INCOME/(LOSS)	33,980,185	30,196,217	4,704,615
NON-OPERATING REVENUE			
Investment Income	66,895	17,544	49,351
Total Non-Operating Revenue	66,895	17,544	49,351
EXCESS/(DEFICIT) OF REVENUES OVER EXPENSES	34,047,080	30,213,761	3,833,319
NET ASSETS			
Net Assets at beginning of year	2,587,381	3,733,819	-1,146,438
Transfers of Fixed Assets to Fixed Assets Fund	0	0	0
NET ASSETS AS OF JUNE 30, 2014	36,634,461	33,947,580	2,686,881

The State Bar of California
Statement of Revenue, Expenses and Changes in Net Assets -
Restricted Funds
For the Six Months Ending June 30, 2014

Attachment 6
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REVENUE	Admissions	Annual Meeting	Benefit Reserve	Building	Building Special Assessment	Client Security	Elimination of Bias	Equal Access	Grants	Info Tech Special Assess	Justice Gap	Lawyers Assistance Program	Total A-L
Membership Fees & Voluntary Dues	0	0	0	0	7,783	7,500,151	779,900	0	0	4,045	661,898	1,974,156	10,927,933
Investment Income	13,881	6,047	2,347	8,160	-192	11,982	951	-1,597	0	4,683	1,078	3,414	50,754
Convention Income	0	80,749	0	0	0	0	535	0	0	0	0	0	81,284
Law Corporation Registration Fees	0	0	0	0	0	0	0	0	0	0	0	0	0
Continuing Legal Education Fees	106,255	0	0	0	0	0	0	0	0	0	0	0	106,255
Law Practices (Sections) Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
Rental Income	0	0	0	705,285	0	0	0	0	0	0	0	0	705,285
Grant Revenue	0	0	0	0	0	0	0	5,715,600	233,366	0	0	0	5,948,966
Trust Account Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
EAF AB145 Filing Fee Revenue	0	0	0	0	0	0	0	1,328,728	0	0	0	0	1,328,728
EAF Cy Pres Awards	0	0	0	0	0	0	0	0	0	0	0	0	0
MJP Fees	71,950	0	0	0	0	0	0	0	0	0	0	0	71,950
Exam Application & Moral Character Fees	16,382,081	0	0	0	0	0	0	0	0	0	0	0	16,382,081
Legal Specialization Fees	0	0	0	0	0	0	0	0	0	0	0	0	0
Seminar/Workshop Revenue	0	0	0	0	0	0	770	0	0	0	0	0	770
Advertising Revenue	0	375	0	0	0	0	0	0	0	0	0	0	375
Other Revenue	259,323	9,730	18	0	0	4,381	0	225,183	0	0	0	0	498,635
Transfer In- L A Facility	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer In-Interfund Loan Repayment	0	0	0	0	0	0	36,207	0	0	0	0	0	36,207
Interfund Transaction-Revenue	0	4,286	0	0	0	4,020	0	0	0	0	0	1,030	9,336
TOTAL REVENUE	16,833,490	101,187	2,365	713,445	7,591	7,520,534	818,363	7,267,914	233,366	8,728	662,976	1,978,600	36,148,559
EXPENSES													
Grants	0	0	0	0	0	0	0	8,767,684	0	0	0	0	8,767,684
Administration of the Profession	0	0	0	0	0	0	0	0	0	0	0	0	0
Examination Costs and Administration	8,754,975	0	0	0	0	0	0	0	0	0	0	0	8,754,975
CSF Application (net of reimbursement)	0	0	0	0	0	4,582,012	0	0	0	0	0	0	4,582,012
Law Practices (Sections)	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest on Loan	0	0	0	0	0	0	0	0	0	0	0	0	0
General and Administrative	0	301,933	0	854,826	111	1,193,148	410,881	200,106	23,924	58	9,443	802,364	3,796,794
Transfer Out - L A facility	221,017	4,746	0	0	0	21,237	0	0	0	0	0	20,831	267,831
Transfer Out-Interfund Loan Repayment	0	0	0	0	0	0	0	0	0	0	0	0	0
Interfund Transaction-Expense	1,140	0	0	0	0	760	580	0	0	0	0	0	2,480
TOTAL EXPENSES	8,977,132	306,679	0	854,826	111	5,797,157	411,461	8,967,790	23,924	58	9,443	823,195	26,171,776
EXCESS/(DEFICIT) OF REVENUES OVER EXPENSES	7,856,358	-205,492	2,365	-141,381	7,480	1,723,377	406,902	-1,699,876	209,442	8,670	653,533	1,155,405	9,976,783
CHANGES IN NET ASSETS													
Net Assets at beginning of year	3,707,619	-15,197	8,843,776	19,881,438	0	5,575,541	306,602	416,176	230,006	3,699,667	407,397	1,401,099	44,454,124
Prior Year Adjustment	0	0	0	0	0	0	781,952	0	0	0	0	0	781,952
Transfers of Fixed Assets to Fixed Assets Fund	0	0	0	0	0	0	0	0	0	0	0	0	0
NET ASSETS AS OF JUNE 30, 2014	11,563,977	-220,689	8,846,141	19,740,057	7,480	7,298,918	1,495,456	-1,283,700	439,448	3,708,337	1,060,930	2,556,504	55,212,859

The State Bar of California
Statement of Revenue, Expenses and Changes in Net Assets -
Restricted Funds
For the Six Months Ending June 30, 2014

Attachment 6
Page 2 of 2

REVENUE	Legal Education & Development	Legal Services Trust	Legal Specialization	Legislative Activities	LA Facility	Public Protection	SB Access & Protection	Sections	Support & Administration	Technology improvement	Total L-T	Total A-L	All Restricted Funds
Membership Fees & Voluntary Dues	0	4,843,223	0	762,815	0	0	0	0	0	0	5,606,038	10,927,933	16,533,971
Investment Income	829	6,863	3,008	864	185	2,421	0	14,306	-174	2,255	30,557	50,754	81,311
Convention Income	0	0	0	0	0	0	0	238,417	0	0	238,417	81,284	319,701
Law Corporation Registration Fees	0	0	0	0	0	0	0	0	0	0	0	0	0
Continuing Legal Education Revenue	0	0	7,275	0	0	0	0	0	0	0	7,275	106,255	113,530
Law Practices (Sections) Revenue	0	0	0	0	0	0	0	5,326,429	0	0	5,326,429	0	5,326,429
Rental Income	0	0	0	0	227,400	0	0	0	0	0	227,400	705,285	932,685
Grant Revenue	0	0	0	0	0	0	5,000	0	0	0	5,000	5,948,966	5,953,966
LSTF Trust Account Revenue	0	2,592,066	0	0	0	0	0	0	0	0	2,592,066	0	2,592,066
EAF AB145 Filing Fee Revenue	0	0	0	0	0	0	0	0	0	0	0	1,328,728	1,328,728
EAF Cy Pres Awards	0	0	0	0	0	0	0	0	0	0	0	0	0
MJP Fees	0	0	0	0	0	0	0	0	0	0	0	71,950	71,950
Exam Application & Moral Character Fees	0	0	0	0	0	0	0	0	0	0	0	16,382,081	16,382,081
Legal Specialization Fees	0	0	1,808,500	0	0	0	0	0	0	0	1,808,500	0	1,808,500
Seminar/Workshop Revenue	0	0	0	0	0	0	0	592,618	0	0	592,618	770	593,388
Advertising Revenue	0	0	0	0	0	0	0	18,084	0	0	18,084	375	18,459
Other Revenue	463,634	0	1,038	0	0	0	0	655,610	5,224	0	1,125,506	498,635	1,624,141
Transfer In - L A facility	0	0	0	0	1,244,320	0	0	0	0	0	1,244,320	0	1,244,320
Transfer In - Interfund Loan Repayment	159,723	0	0	2,398	0	0	0	0	0	0	162,121	36,207	198,328
Interfund Transaction-Revenue	0	0	0	0	0	0	0	5,475	0	0	5,475	9,336	14,811
TOTAL REVENUE	624,186	7,442,152	1,819,821	766,077	1,471,905	2,421	5,000	6,850,939	5,050	2,255	18,989,806	36,148,559	55,138,365
EXPENSES													
Grants	0	0	0	0	0	0	0	0	0	0	0	8,767,684	8,767,684
Administration of the Profession	0	0	0	0	0	0	0	0	0	0	0	0	0
Examination costs and Administration	0	0	0	0	0	0	0	0	0	0	0	8,754,975	8,754,975
Claims (net of reimbursement)	0	0	0	0	0	0	0	0	0	0	0	4,582,012	4,582,012
Law Practices (Sections)	0	0	0	0	0	0	0	3,433,521	0	0	3,433,521	0	3,433,521
Interest on Loan	0	0	0	0	422,682	0	0	0	0	0	422,682	0	422,682
General and Administrative	277,835	720,937	642,082	316,493	1,083,628	0	198	0	950	30,423	3,072,546	3,796,794	6,869,340
Transfer Out - L A facility	3,219	12,373	13,339	0	0	0	0	26,911	0	0	55,842	267,831	323,673
Transfer Out-Interfund Loan Repayment	0	0	0	0	198,328	0	0	0	0	0	198,328	0	198,328
Interfund Transaction-Expense	5,000	105	1,855	380	0	0	0	0	4,100	0	11,440	2,480	13,920
TOTAL EXPENSES	286,054	733,415	657,276	316,873	1,704,638	0	198	3,460,432	5,050	30,423	7,194,359	26,171,776	33,366,135
EXCESS/(DEFICIT) OF REVENUES OVER EXPENSES													
	338,132	6,708,737	1,162,545	449,204	-232,733	2,421	4,802	3,390,507	0	-28,168	11,795,447	9,976,783	21,772,230
CHANGES IN NET ASSETS													
Net Assets at beginning of year	729,295	515,065	1,244,191	219,668	50,231,836	6,493,547	-18,759	7,434,485	0	1,779,829	68,629,157	44,454,124	113,083,281
Prior Year Adjustment	3,449,492	0	0	51,802	-4,283,246	0	0	0	0	0	-781,952	781,952	0
Transfers of Fixed Assets to Fixed Assets Fund	0	0	0	0	0	0	0	0	0	-55,440	-55,440	0	-55,440
NET ASSETS AS OF JUNE 30, 2014	4,516,919	7,223,802	2,406,736	720,674	45,715,857	6,495,968	-13,957	10,824,992	0	1,696,221	79,587,212	55,212,859	134,800,071

The State Bar of California
Budget to Actual Comparison - General Fund
For the Six Months Ending June 30, 2014

Attachment 7

	Jun-14 Year to Date Actual	Jun-14 Year to Date Budget	Variance Favorable (Unfavorable)	Jun-13 Prior Year to Date Actual	Inc./(Dec.) From Prior Year	2014 Annual Budget
REVENUE						
Membership Fees	63,805,828	63,549,998	255,830	58,208,054	5,597,774	63,600,000
Investment Income	66,895	19,998	46,897	17,544	49,351	40,000
Law Corp Registration Fees	720,352	392,490	327,862	695,018	25,334	785,000
CalBar Journal Revenue	71,903	47,496	24,407	48,961	22,942	95,000
Continuing Legal Education	539,452	692,490	-153,038	657,043	-117,591	1,385,000
Seminar/Workshop Revenue	8,870	3,996	4,874	8,280	590	8,000
MJP Fees	450,855	207,498	243,357	403,908	46,947	415,000
Grant Revenue	0	0	0	19,500	-19,500	0
Other Revenue	273,632	221,490	52,142	255,305	18,327	443,000
Transfer In From A&I Fund	0	500,000	-500,000	0	0	500,000
Interfund Transaction-Revenue	41,450	24,996	16,454	50,885	-9,435	50,000
TOTAL REVENUE	65,979,237	65,660,452	318,785	60,364,498	5,614,739	67,321,000
EXPENSES						
Discipline	18,388,683	20,004,876	1,616,193	17,631,565	757,118	40,305,058
Administration of Justice	324,388	329,414	5,026	254,091	70,297	665,123
Governance	1,083,041	1,312,487	229,446	970,635	112,406	2,720,892
Administration of the Profession	1,172,520	1,183,490	10,970	1,080,318	92,202	2,390,540
Program Development	661,604	747,512	85,908	587,154	74,450	1,506,273
Communications	794,831	818,249	23,418	480,930	313,901	1,643,733
Indirect Costs	8,544,102	9,237,725	693,623	9,094,554	-550,452	18,548,762
Transfer Out - L A Facility	920,647	0	-920,647	0	920,647	0
Interfund Transaction-Expense	42,341	36,690	-5,651	51,490	-9,149	73,518
TOTAL EXPENSES	31,932,157	33,670,443	1,738,286	30,150,737	1,781,420	67,853,899
NET OPERATING SURPLUS/(DEFICIT)	34,047,080	31,990,009	2,057,071	30,213,761	3,833,319	-532,899

The State Bar of California
Budget To Actual Comparison - General Fund
Expenses by Function
For the Six Months Ending June 30, 2014

Attachment 8

EXPENSES BY FUNCTION	Jun-14 Year to Date Actual	Jun-14 Year to Date Budget	Variance Favorable (Unfavorable)	Jun-13 Prior Year to Date Actual	Inc./ (Dec.) From Prior Year	2014 Annual Budget
Enforcement	13,224,132	14,782,044	1,557,912	12,744,209	479,923	29,795,649
Probation	468,323	444,851	-23,472	434,729	33,594	896,784
State Bar Court	3,614,301	3,531,627	-82,674	3,440,271	174,030	7,103,304
Mandatory Fee Arbitration	297,468	352,459	54,991	270,404	27,064	711,536
Professional Competence	784,459	893,895	109,436	741,952	42,507	1,797,785
TOTAL DISCIPLINE	18,388,683	20,004,876	1,616,193	17,631,565	757,118	40,305,058
Administration of Justice	324,388	329,414	5,026	254,091	70,297	665,123
Governance	1,083,041	1,312,487	229,446	970,635	112,406	2,720,892
Administration of the Profession	1,172,520	1,183,490	10,970	1,080,318	92,202	2,390,540
Program Development	661,604	747,512	85,908	587,154	74,450	1,506,273
Communications	794,831	818,249	23,418	480,930	313,901	1,643,733
Indirect Costs	8,544,102	9,237,725	693,623	9,094,554	-550,452	18,548,762
Transfer Out - LA Facility	920,647	0	-920,647	0	920,647	0
Interfund Transaction - Expense	42,341	36,690	-5,651	51,490	-9,149	73,518
TOTAL NON DISCIPLINE	13,543,474	13,665,567	122,093	12,519,172	1,024,302	27,548,841
TOTAL GENERAL FUND EXPENSE BY FUNCTION	31,932,157	33,670,443	1,738,286	30,150,737	1,781,420	67,853,899