



# THE STATE BAR OF CALIFORNIA

FINANCE

180 HOWARD STREET, SAN FRANCISCO, CALIFORNIA 94105-1639

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## MEMORANDUM

**DATE:** May 7, 2015  
**TO:** Members, Planning and Budget Committee  
Members, Board of Trustees  
**FROM:** Christine Wong, Finance Director  
**SUBJECT:** Financial Statements for the First Quarter Ended March 31, 2015

Attached for your review are the 2015 first 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 March 31, 2015, the Bar's total assets are \$237.9 million, liabilities are \$31.5 million, and net assets are \$206.4 million.

Compared to the same quarter in 2014, the Bar's total assets are slightly up by \$1.3 million or 0.6%. The increase is due primarily to a \$4.0 million increase in cash and investment; partially offset by a \$2.6 million decrease 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 March 31, 2015, the combined cash and investment balance is \$125.7 million, a \$4.0 million or an 3.3% increase from \$121.7 million last year. The lower cash balance in 2014 was due primarily to the 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 March 31, 2015 are \$103.2 million, a \$2.6 million decrease compared to \$100.5 million last year due to normal depreciation.

Other assets consisted of interest receivable, prepayments, grant receivable, other receivables, and the Other Postemployment Benefits Obligation (OPEB) asset. The combined balance of other assets for the reporting quarter is \$11.6 million, which is the same level as in 2014.

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 March 31, 2015, State Bar's total liabilities are \$31.5 million, down by \$2.2 million or 6.5% compared to \$33.7 million in 2014. The decrease is due to a \$1.3 million reduction in loan payable from the scheduled repayment of the Los Angeles building mortgage, and a \$0.9 million decrease in account payable due to the restructuring of the IOLTA grant program in March 2014 to align the grant year to a calendar year as mentioned in the previous financial report.

The General Fund, the Bar's largest operating fund, has assets of \$119.8 million, liabilities of \$70.8 million and net assets of \$49 million as of March 31, 2015. The General Fund's total assets are up by \$5.5 million compared to last year, due largely to the increase in cash and investments. The General Fund's combined cash and investment balance for the reporting quarter is \$119.5 million, up by \$5.6 million compared to \$113.9 million in 2014. The cash balance in 2014 was lower than average due largely to capital spending on the new facility in Los Angeles.

General Fund total liabilities are up by \$4.9 million compared to last year due to the increase in accounts payables and inter-fund payables. The higher accounts payable balance in 2014 is due to the timing of payments to vendors. Inter-fund payables represent the amounts the General Fund holds on behalf on each individual restricted fund. These balances are all eliminated during the consolidation process and they do not impose any fiscal impacts to the State Bar's financial statements.

### **Statement of Revenue, Expenses and Changes in Net Assets – Comparison to First Quarter Ended March 31, 2015 Actual Results**

This statement reports the Bar's revenues, expenses, excess/(deficit) of revenues over expenses and changes in net assets. For the first quarter ended March 31, 2015, the Bar's total revenues (operating and non-operating) are \$107.7 million, and expenses are \$39.3 million, and the excess of revenues over expenditures for the reported quarter is \$68.4 million.

Total operating revenues for all programs for the quarter ended are \$107.2 million, up by \$3.6 million compared to \$103.6 million in 2014. 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 normal growth in the membership due to new admittees.

The Bar's total operating expenses for all programs are \$39.3 million, up by \$7.3 million or 22.8% compared to \$32.0 million in 2014. The increase is due to a \$6.5 million increase in grant expenses and higher personnel costs as a result of step increases and cost of living adjustment in 2015. The \$6.5 million increase in grant expenses is due to the restructuring of the IOLTA grant program to align the grant year to a calendar year. As a result of these changes, the IOLTA grant expenses for the first quarter of 2015 were treated as expenses instead of an accrual in December 2014.

### **Year-To-Date Actual Comparison to Prior Year - 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 prior year and the anticipated (budgeted) results. The report includes a quarterly budget comparison as well as year to date and prior year comparison.

The General Fund's total operating revenues for the reported quarter are \$63 million, up by \$1.0 million, or 1.7% compared to \$61.9 million in 2014. The increase is largely due to increase in membership dues revenue from normal membership growth. The General Fund's total operating expenses for the quarter ended are \$16.6 million, which is almost the same level as in last year.

### **Year-To-Date Budget to Actual Comparison - General Fund**

The General Fund's total revenues for the reported quarter are \$63.0 million, reflecting an unfavorable variance of \$1.9 million compared to the year-to-date budget of \$64.9 million. This unfavorable variance is not a budget shortfall because the General Fund's revenue budget for the first quarter is based on the projected membership dues revenue for the entire fiscal year. As the Bar collects additional membership dues in the remaining quarters of the year, total revenues for 2015 are expected to be in-line with the annual budget later this year.

The General Fund's total expenditures for the reported quarter are \$16.6 million with a \$1.8 million favorable variance compared to the year-to-date budget of \$18.4 million. Personnel savings from vacant positions as well as deferred expenses are the two main reasons expenses are below budget. There are insignificant variances at the General Fund program level due to timing of expenses incurred in general operation. As these deferred or delayed expenses are realized later this year, the expenses are expected to be more in-line with the budget. In addition, the indirect costs to programs are allocated at cost center level in 2015 instead of at the fund level as was previously presented in March 2014. The purpose of such changes is to provide a greater level of transparency to report the total functional costs in the General Fund.

If you have any questions or would like additional information, please contact Christine Wong at [christine.wong@calbar.ca.gov](mailto:christine.wong@calbar.ca.gov).

**The State Bar of California**  
**Statement of Assets, Liabilities and Net Assets - All Funds**  
**As of March 31, 2015**

**Attachment 1**

	General Fund	Restricted Funds	Fixed Asset Fund	Interfund Elimination	YTD Total All Fund March 2015	YTD Total All Fund March 2014	Change
<b>ASSETS</b>							
Cash	80,578,915	6,185,732	-	-	86,764,647	64,973,295	21,791,352
Investments	38,955,556	-	-	-	38,955,556	56,714,186	(17,758,630)
Accounts Receivable (net of allowances)	-	3,737,883	-	-	3,737,883	4,331,753	(593,870)
Interfund Receivable	-	70,334,972	-	(70,334,972)	-	-	-
Capital Assets (net of depreciation)	-	74,844,980	25,683,983	-	100,528,963	103,170,595	(2,641,632)
OPEB Investment	-	6,778,727	-	-	6,778,727	6,244,160	534,567
Other Assets	321,966	822,726	-	-	1,144,692	1,168,035	(23,343)
<b>TOTAL ASSETS</b>	<b>119,856,437</b>	<b>162,705,020</b>	<b>25,683,983</b>	<b>(70,334,972)</b>	<b>237,910,468</b>	<b>236,602,024</b>	<b>1,308,444</b>
<b>LIABILITIES AND NET ASSETS</b>							
Accounts Payable and Accrued Liabilities	6,448,131	2,390,176	-	-	8,838,307	9,805,873	(967,566)
Interfund Payable	64,263,648	6,071,324	-	(70,334,972)	-	-	-
Unearned Income	161,228	80,703	-	-	241,931	157,832	84,099
Grants Payable	-	16,753	-	-	16,753	16,753	-
Obligations under Debt Agreements	-	22,385,281	-	-	22,385,281	23,702,691	(1,317,410)
<b>TOTAL LIABILITIES</b>	<b>70,873,007</b>	<b>30,944,237</b>	<b>-</b>	<b>(70,334,972)</b>	<b>31,482,272</b>	<b>33,683,149</b>	<b>(2,200,877)</b>
<b>NET ASSETS</b>							
Net Assets at Beginning of Year	2,605,394	109,348,214	26,094,582	-	138,048,190	130,876,975	7,171,215
Current Operating Excess/(Deficit)	46,378,036	22,412,569	(410,599)	-	68,380,006	72,041,900	(3,661,894)
Transfer of Fixed Assets to Fixed Assets Fund	-	-	-	-	-	-	-
<b>TOTAL NET ASSETS</b>	<b>48,983,430</b>	<b>131,760,783</b>	<b>25,683,983</b>	<b>-</b>	<b>206,428,196</b>	<b>202,918,875</b>	<b>3,509,321</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>119,856,437</b>	<b>162,705,020</b>	<b>25,683,983</b>	<b>-</b>	<b>237,910,468</b>	<b>236,602,024</b>	<b>1,308,444</b>

**The State Bar of California**  
**Statement of Assets, Liabilities and Net Assets - General Fund**  
**As of March 31, 2015**

**Attachment 2**

	Year to Date Total March 2015	Year to Date Total March 2014	Change
<b>ASSETS</b>			
Cash	80,578,915	57,188,914	23,390,001
Investments	38,955,556	56,714,186	(17,758,630)
Other Assets	321,966	467,169	(145,203)
<b>TOTAL ASSETS</b>	<u>119,856,437</u>	<u>114,370,269</u>	<u>5,486,168</u>
<b>LIABILITIES AND NET ASSETS</b>			
Accounts Payable and Accrued Liabilities	6,448,131	5,379,791	1,068,340
Unearned Fees Collected in Advance	161,228	157,832	3,396
Interfund Payable	64,263,648	60,453,328	3,810,320
<b>TOTAL LIABILITIES</b>	<u>70,873,007</u>	<u>65,990,951</u>	<u>4,882,056</u>
<b>NET ASSETS</b>			
Net Assets at Beginning of Year	2,605,394	2,587,381	18,013
Current Operating Excess/(Deficit)	46,378,036	45,791,937	586,099
Transfer of Fixed Assets to Fixed Assets Fund	-	-	-
<b>TOTAL NET ASSETS</b>	<u>48,983,430</u>	<u>48,379,318</u>	<u>604,112</u>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<u>119,856,437</u>	<u>114,370,269</u>	<u>5,486,168</u>

**The State Bar of California**  
**Statement of Assets, Liabilities and Net Assets - Restricted Funds**  
**As of March 31, 2015**

**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
<b>ASSETS</b>													
Cash	50	-	781,036	52,251	-	-	-	-	-	-	-	-	833,337
Accounts Receivable (net of allowances)	274	-	-	91,513	-	-	-	3,126,593	-	-	-	-	3,218,380
Interfund Receivable	11,621,469	42,163	1,328,072	4,212,308	2,538	8,138,289	1,355,806	-	525,536	1,212,903	875,445	3,407,034	32,721,563
Capital Assets (net of depreciation)	-	-	-	2,717,678	-	-	-	-	-	-	-	-	2,717,678
OPEB Assets	-	-	6,778,727	-	-	-	-	-	-	-	-	-	6,778,727
Other Assets	184,386	-	18	-	-	-	-	-	-	-	-	-	184,404
<b>TOTAL ASSETS</b>	<b>11,806,179</b>	<b>42,163</b>	<b>8,887,853</b>	<b>7,073,750</b>	<b>2,538</b>	<b>8,138,289</b>	<b>1,355,806</b>	<b>3,126,593</b>	<b>525,536</b>	<b>1,212,903</b>	<b>875,445</b>	<b>3,407,034</b>	<b>46,454,089</b>
<b>LIABILITIES AND NET ASSETS</b>													
Accounts Payable and Accrued Liabilities	303,392	23,546	-	138,639	-	109,247	43,051	-	-	-	-	45,915	663,790
Interfund Payable	-	-	-	-	-	-	-	1,412,276	-	-	-	-	1,412,276
Unearned Income	-	-	-	80,703	-	-	-	-	-	-	-	-	80,703
Grants Payable	-	-	-	-	-	-	-	-	-	-	-	-	-
Obligations under Debt Agreements	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>303,392</b>	<b>23,546</b>	<b>-</b>	<b>219,342</b>	<b>-</b>	<b>109,247</b>	<b>43,051</b>	<b>1,412,276</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45,915</b>	<b>2,156,769</b>
<b>NET ASSETS</b>													
Net Assets at Beginning of Year	3,622,560	109,636	8,887,169	7,506,396	-	2,208,555	847,549	3,738,934	488,541	1,211,409	308,837	1,833,833	30,763,419
Current Operating Excess/(Deficit)	7,880,227	(91,019)	684	(651,988)	2,538	5,820,487	465,206	(2,024,617)	36,995	1,494	566,608	1,527,286	13,533,901
Transfer of Fixed Assets to Fixed Assets Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL NET ASSETS/(DEFICITS)</b>	<b>11,502,787</b>	<b>18,617</b>	<b>8,887,853</b>	<b>6,854,408</b>	<b>2,538</b>	<b>8,029,042</b>	<b>1,312,755</b>	<b>1,714,317</b>	<b>525,536</b>	<b>1,212,903</b>	<b>875,445</b>	<b>3,361,119</b>	<b>44,297,320</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>11,806,179</b>	<b>42,163</b>	<b>8,887,853</b>	<b>7,073,750</b>	<b>2,538</b>	<b>8,138,289</b>	<b>1,355,806</b>	<b>3,126,593</b>	<b>525,536</b>	<b>1,212,903</b>	<b>875,445</b>	<b>3,407,034</b>	<b>46,454,089</b>

**The State Bar of California**  
**Statement of Assets, Liabilities and Net Assets - Restricted Funds**  
**As of March 31, 2015**

**Attachment 3**  
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	Legal Education & Development	Legal Services Trust	Legal Specialization	Legislative Activities	LA Facility	Public Protection	SB Access & Education	Sections	Support & Administration	Technology improvement	Total L-T	Total A-L	All Restricted Funds
<b>ASSETS</b>													
Cash	-	-	-	-	-	4,610,000	7,728	-	734,667	-	5,352,395	833,337	6,185,732
Accounts Receivable (net of allowances)	-	519,503	-	-	-	-	-	-	-	-	519,503	3,218,380	3,737,883
Interfund Receivable	4,850,439	6,178,714	5,921,679	1,045,614	-	1,888,994	-	13,206,025	-	4,521,944	37,613,409	32,721,563	70,334,972
Capital Assets (net of depreciation)	-	-	-	-	72,127,302	-	-	-	-	-	72,127,302	2,717,678	74,844,980
OPEB Investments	-	-	-	-	-	-	-	-	-	-	-	6,778,727	6,778,727
Other Assets	-	-	-	-	-	-	-	-	638,322	-	638,322	184,404	822,726
<b>TOTAL ASSETS</b>	<b>4,850,439</b>	<b>6,698,217</b>	<b>5,921,679</b>	<b>1,045,614</b>	<b>72,127,302</b>	<b>6,498,994</b>	<b>7,728</b>	<b>13,206,025</b>	<b>1,372,989</b>	<b>4,521,944</b>	<b>116,250,931</b>	<b>46,454,089</b>	<b>162,705,020</b>
<b>LIABILITIES AND NET ASSETS</b>													
Accounts Payable and Accrued Liabilities	12,342	74,801	22,460	43,102	196,613	-	-	160,477	1,216,591	-	1,726,386	663,790	2,390,176
Interfund Payable	-	-	-	-	3,884,769	-	22,061	595,820	156,398	-	4,659,048	1,412,276	6,071,324
Unearned Income	-	-	-	-	-	-	-	-	-	-	-	80,703	80,703
Grants Payable	-	16,753	-	-	-	-	-	-	-	-	16,753	-	16,753
Obligations under Debt Agreements	-	-	-	-	22,385,281	-	-	-	-	-	22,385,281	-	22,385,281
<b>TOTAL LIABILITIES</b>	<b>12,342</b>	<b>91,554</b>	<b>22,460</b>	<b>43,102</b>	<b>26,466,663</b>	<b>-</b>	<b>22,061</b>	<b>756,297</b>	<b>1,372,989</b>	<b>-</b>	<b>28,787,468</b>	<b>2,156,769</b>	<b>30,944,237</b>
<b>NET ASSETS</b>													
Net Assets at Beginning of Year	4,588,061	4,606,052	4,478,500	454,193	45,748,829	6,498,022	(14,210)	7,629,998	-	4,595,350	78,584,795	30,763,419	109,348,214
Current Operating Excess/(Deficit)	250,036	2,000,611	1,420,719	548,319	(88,190)	972	(123)	4,819,730	-	(73,406)	8,878,668	13,533,901	22,412,569
Transfer of Fixed Assets to Fixed Assets Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL NET ASSETS/(DEFICITS)</b>	<b>4,838,097</b>	<b>6,606,663</b>	<b>5,899,219</b>	<b>1,002,512</b>	<b>45,660,639</b>	<b>6,498,994</b>	<b>(14,333)</b>	<b>12,449,728</b>	<b>-</b>	<b>4,521,944</b>	<b>87,463,463</b>	<b>44,297,320</b>	<b>131,760,783</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>4,850,439</b>	<b>6,698,217</b>	<b>5,921,679</b>	<b>1,045,614</b>	<b>72,127,302</b>	<b>6,498,994</b>	<b>7,728</b>	<b>13,206,025</b>	<b>1,372,989</b>	<b>4,521,944</b>	<b>116,250,931</b>	<b>46,454,089</b>	<b>162,705,020</b>

**The State Bar of California**  
**Statement of Revenue, Expenses and Changes in Net Assets - All Funds**  
**For the Twelve Months Ending March 31, 2015**

**Attachment 4**

	General Fund	Restricted Funds	Fixed Asset Funds	Interfund Elimination	Total All Funds Year to Date March-15	Total All Funds Year to Date March-14	Change	Percentage Change
<b>OPERATING REVENUES</b>								
Membership Fees, Voluntary Contributions	61,728,086	17,385,276	-	-	79,113,362	76,350,937	2,762,425	3.62%
Convention Income	-	158,825	-	-	158,825	133,625	25,200	18.86%
Law Corporation Registration Fees	395,211	-	-	-	395,211	453,150	(57,939)	-12.79%
Continuing Legal Education Fees	246,120	66,900	-	-	313,020	336,137	(23,117)	-6.88%
Law Practices Sections Fees	-	5,600,350	-	-	5,600,350	5,183,969	416,381	8.03%
Grant Revenue	15,000	3,415,100	-	-	3,430,100	3,505,666	(75,566)	-2.16%
Trust Account Revenue	-	1,336,385	-	-	1,336,385	1,293,604	42,781	3.31%
EAF AB 145 Filing Fee Revenue	-	1,016,381	-	-	1,016,381	1,171,778	(155,397)	-13.26%
MJP Fees	458,390	-	-	-	458,390	435,810	22,580	5.18%
Examination Application Fees	-	12,166,467	-	-	12,166,467	11,819,929	346,538	2.93%
Legal Specialization Fees	-	1,724,515	-	-	1,724,515	1,680,545	43,970	2.62%
Seminar/Workshop Revenue	1,550	429,914	-	-	431,464	276,215	155,249	56.21%
CalBar Journal Revenue	29,188	8,432	-	-	37,620	54,243	(16,623)	-30.65%
Other Revenue	121,482	937,261	-	-	1,058,743	887,621	171,122	19.28%
<b>Total Operating Revenue</b>	<b>62,995,027</b>	<b>44,245,806</b>	<b>-</b>	<b>-</b>	<b>107,240,833</b>	<b>103,583,229</b>	<b>3,657,604</b>	<b>3.53%</b>
<b>OPERATING EXPENSES</b>								
Discipline and Adjudication	13,312,260	-	-	-	13,312,260	9,493,765	3,818,495	40.22%
Grant Expenses	-	11,386,457	-	-	11,386,457	4,932,695	6,453,762	130.84%
Administration of Justice	184,390	-	-	-	184,390	154,174	30,216	19.60%
Governance	532,071	-	-	-	532,071	562,133	(30,062)	-5.35%
Administration of the Profession	926,504	-	-	-	926,504	567,289	359,215	63.32%
Program Development	565,230	-	-	-	565,230	348,225	217,005	62.32%
Communications	428,285	-	-	-	428,285	392,097	36,188	9.23%
Examination costs and administration	-	4,519,755	-	-	4,519,755	3,668,300	851,455	23.21%
Claims (net of reimbursements)	-	839,499	-	-	839,499	1,657,837	(818,338)	-49.36%
Law Practices (Sections)	-	1,693,835	-	-	1,693,835	1,505,055	188,780	12.54%
General and Administrative costs	-	3,848,402	410,599	-	4,259,001	4,105,450	153,551	3.74%
Indirect Costs - General	698,399	-	-	-	698,399	4,659,210	(3,960,811)	-85.01%
<b>Total Operating Expenses</b>	<b>16,647,139</b>	<b>22,287,948</b>	<b>410,599</b>	<b>-</b>	<b>39,345,686</b>	<b>32,046,230</b>	<b>7,299,456</b>	<b>22.78%</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>46,347,888</b>	<b>21,957,858</b>	<b>(410,599)</b>	<b>-</b>	<b>67,895,147</b>	<b>71,536,999</b>	<b>(3,641,852)</b>	<b>-5.09%</b>
<b>NON-OPERATING REVENUE</b>								
Investment Income	29,918	29,243	-	-	59,161	54,720	4,441	8.12%
Rental Income	-	425,698	-	-	425,698	450,181	(24,483)	-5.44%
<b>Total Non-Operating Revenue</b>	<b>29,918</b>	<b>454,941</b>	<b>-</b>	<b>-</b>	<b>484,859</b>	<b>504,901</b>	<b>(20,042)</b>	<b>-3.97%</b>
<b>INCOME/(LOSS) BEFORE TRANSFERS</b>	<b>46,377,806</b>	<b>22,412,799</b>	<b>(410,599)</b>	<b>-</b>	<b>68,380,006</b>	<b>72,041,900</b>	<b>(3,661,894)</b>	<b>-5.08%</b>
Transfer In:	34,380	8,620	-	43,000	-	-	-	0.00%
Transfer Out:	(34,150)	(8,850)	-	(43,000)	-	-	-	0.00%
<b>Change in Net Position</b>	<b>46,378,036</b>	<b>22,412,569</b>	<b>(410,599)</b>	<b>-</b>	<b>68,380,006</b>	<b>72,041,900</b>	<b>(3,661,894)</b>	<b>-5.08%</b>
<b>CHANGES IN NET ASSETS</b>								
Net Assets at beginning of year	2,605,394	109,348,214	26,094,582	-	138,048,190	130,876,975	7,171,215	5.48%
Transfer of Fixed Assets to Fixed Asset Fund	-	-	-	-	-	-	-	0.00%
<b>NET ASSETS AS OF MARCH 31, 2015</b>	<b>48,983,430</b>	<b>131,760,783</b>	<b>25,683,983</b>	<b>-</b>	<b>206,428,196</b>	<b>202,918,875</b>	<b>3,509,321</b>	<b>1.73%</b>



**The State Bar of California**  
**Statement of Revenue, Expenses and Changes in Net Assets - General Fund**  
**For the Twelve Months Ending March 31, 2015**

Attachment 5

	Year to Date March 2015	Year to Date March 2014	Change
<b>OPERATING REVENUES</b>			
Membership Fee, Voluntary Contributions and Attorney Applications	61,728,086	60,641,800	1,086,286
Law Corporation Registration Fees	395,211	453,150	(57,939)
Continuing Legal Education Fees	246,120	266,562	(20,442)
Seminar/Workshop Revenue	1,550	5,675	(4,125)
CalBar Journal Revenue	29,188	40,249	(11,061)
MJP Fees	458,390	401,670	56,720
Grant Revenue	15,000	-	15,000
Other Revenue	121,482	133,781	(12,299)
<b>Total Operating Revenue</b>	<b>62,995,027</b>	<b>61,942,887</b>	<b>1,052,140</b>
<b>OPERATING EXPENSES</b>			
Discipline	13,312,260	9,493,765	3,818,495
Administration of Justice	184,390	154,174	30,216
Governance	532,071	562,133	(30,062)
Administration of the Profession	926,504	567,289	359,215
Program Development	565,230	348,225	217,005
Communications	428,285	392,097	36,188
Indirect Costs	698,399	4,659,210	(3,960,811)
<b>Total Operating Expenses</b>	<b>16,647,139</b>	<b>16,176,893</b>	<b>470,246</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>46,347,888</b>	<b>45,765,994</b>	<b>581,894</b>
<b>NON-OPERATING REVENUE</b>			
Investment Income	29,918	24,323	5,595
<b>Total Non-Operating Revenue</b>	<b>29,918</b>	<b>24,323</b>	<b>5,595</b>
<b>INCOME/(LOSS) BEFORE TRANSFERS</b>	<b>46,377,806</b>	<b>45,790,317</b>	<b>587,489</b>
Transfer In:	34,380	33,620	760
Transfer Out:	(34,150)	(32,000)	(2,150)
<b>Change in Net Position</b>	<b>46,378,036</b>	<b>45,791,937</b>	<b>586,099</b>
<b>NET ASSETS</b>			
Net Assets at beginning of year	2,605,394	2,587,381	18,013
Transfer of Fixed Assets to Fixed Assets Fund	-	-	-
<b>NET ASSETS AS OF MARCH 31, 2015</b>	<b>48,983,430</b>	<b>48,379,318</b>	<b>604,112</b>

**The State Bar of California**  
**Statement of Revenue, Expenses and Changes in Net Assets - Restricted Funds**  
**For the Twelve Months Ending March 31, 2015**

**Attachment 6**  
**Page 1 of 2**

	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
<b>REVENUE</b>													
Membership Fees & Voluntary Dues	41,225	-	-	-	2,570	7,313,201	738,810	-	-	870	573,481	1,921,873	10,592,030
Investment Income	4,279	65	684	3,703	-	3,040	238	430	-	624	280	1,453	14,796
Convention Income	-	20,850	-	-	-	-	-	-	-	-	-	-	20,850
Continuing Legal Education Fees	57,450	-	-	-	-	-	-	-	-	-	-	-	57,450
Law Practices (Sections) Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental Income	-	-	-	311,998	-	-	-	-	-	-	-	-	311,998
Grant Revenue	-	-	-	-	-	-	-	3,377,400	37,700	-	-	-	3,415,100
Trust Account Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
EAF AB145 Filing Fee Revenue	-	-	-	-	-	-	-	1,016,381	-	-	-	-	1,016,381
MJP Fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Exam Application & Moral Character Fees	12,166,467	-	-	-	-	-	-	-	-	-	-	-	12,166,467
Legal Specialization Fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Seminar/Workshop Revenue	-	-	-	-	-	-	75	-	-	-	-	-	75
Advertising Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Revenue	131,701	-	-	-	-	2,875	-	49,281	-	-	-	-	183,857
<b>TOTAL REVENUE</b>	<b>12,401,122</b>	<b>20,915</b>	<b>684</b>	<b>315,701</b>	<b>2,570</b>	<b>7,319,116</b>	<b>739,123</b>	<b>4,443,492</b>	<b>37,700</b>	<b>1,494</b>	<b>573,761</b>	<b>1,923,326</b>	<b>27,779,004</b>
<b>EXPENSES</b>													
Grants	-	-	-	-	-	-	-	6,373,069	-	-	-	-	6,373,069
Examination Costs and Administration	4,519,755	-	-	-	-	-	-	-	-	-	-	-	4,519,755
CSF Application (net of reimbursement)	-	-	-	-	-	839,499	-	-	-	-	-	-	839,499
Law Practices (Sections)	-	-	-	-	-	-	-	-	-	-	-	-	-
General and Administrative	-	113,584	-	967,689	32	662,110	273,812	95,040	705	-	7,153	397,090	2,517,215
<b>TOTAL EXPENSES</b>	<b>4,519,755</b>	<b>113,584</b>	<b>-</b>	<b>967,689</b>	<b>32</b>	<b>1,501,609</b>	<b>273,812</b>	<b>6,468,109</b>	<b>705</b>	<b>-</b>	<b>7,153</b>	<b>397,090</b>	<b>14,249,538</b>
<b>INCOME/(LOSS) BEFORE TRANSFERS</b>	<b>7,881,367</b>	<b>(92,669)</b>	<b>684</b>	<b>(651,988)</b>	<b>2,538</b>	<b>5,817,507</b>	<b>465,311</b>	<b>(2,024,617)</b>	<b>36,995</b>	<b>1,494</b>	<b>566,608</b>	<b>1,526,236</b>	<b>13,529,466</b>
Transfer In:	-	1,650	-	-	-	4,120	-	-	-	-	-	1,050	6,820
Transfer Out:	(1,140)	-	-	-	-	(1,140)	(105)	-	-	-	-	-	(2,385)
Change in Net Position	<b>7,880,227</b>	<b>(91,019)</b>	<b>684</b>	<b>(651,988)</b>	<b>2,538</b>	<b>5,820,487</b>	<b>465,206</b>	<b>(2,024,617)</b>	<b>36,995</b>	<b>1,494</b>	<b>566,608</b>	<b>1,527,286</b>	<b>13,533,901</b>
<b>CHANGES IN NET ASSETS</b>													
Net Assets at beginning of year	3,622,560	109,636	8,887,169	7,506,396	-	2,208,555	847,549	3,738,934	488,541	1,211,409	308,837	1,833,833	30,763,419
Transfers of Fixed Assets to Fixed Assets Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>NET ASSETS AS OF MARCH 31, 2015</b>	<b>11,502,787</b>	<b>18,617</b>	<b>8,887,853</b>	<b>6,854,408</b>	<b>2,538</b>	<b>8,029,042</b>	<b>1,312,755</b>	<b>1,714,317</b>	<b>525,536</b>	<b>1,212,903</b>	<b>875,445</b>	<b>3,361,119</b>	<b>44,297,320</b>

**The State Bar of California**  
**Statement of Revenue, Expenses and Changes in Net Assets - Restricted Funds**  
**For the Twelve Months Ending March 31, 2015**

**Attachment 6**  
**Page 2 of 2**

	Legal Education & Development	Legal Services Trust	Legal Specialization	Legislative Activities	LA Facility	Public Protection	SB Access & Education	Sections	Support & Administration	Technology Improvement	Total L-T	Total A-L	All Restricted Funds
<b>REVENUE</b>													
Membership Fees & Voluntary Dues	-	6,073,521	-	719,725	-	-	-	-	-	-	6,793,246	10,592,030	17,385,276
Investment Income	666	3,023	1,493	417	196	972	-	5,483	(173)	2,370	14,447	14,796	29,243
Convention Income	-	-	-	-	-	-	-	137,975	-	-	137,975	20,850	158,825
Continuing Legal Education Revenue	-	-	9,450	-	-	-	-	-	-	-	9,450	57,450	66,900
Law Practices (Sections) Revenue	-	-	-	-	-	-	-	5,600,350	-	-	5,600,350	-	5,600,350
Rental Income	-	-	-	-	113,700	-	-	-	-	-	113,700	311,998	425,698
Grant Revenue	-	-	-	-	-	-	-	-	-	-	-	3,415,100	3,415,100
LSTF Trust Account Revenue	-	1,336,385	-	-	-	-	-	-	-	-	1,336,385	-	1,336,385
EAF AB145 Filing Fee Revenue	-	-	-	-	-	-	-	-	-	-	-	1,016,381	1,016,381
MJP Fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Exam Application & Moral Character Fees	-	-	-	-	-	-	-	-	-	-	-	12,166,467	12,166,467
Legal Specialization Fees	-	-	1,724,515	-	-	-	-	-	-	-	1,724,515	-	1,724,515
Seminar/Workshop Revenue	-	-	-	-	-	-	-	429,839	-	-	429,839	75	429,914
Advertising Revenue	-	-	-	-	-	-	-	8,432	-	-	8,432	-	8,432
Other Revenue	415,602	-	660	-	-	-	-	333,286	3,856	-	753,404	183,857	937,261
<b>TOTAL REVENUE</b>	<b>416,268</b>	<b>7,412,929</b>	<b>1,736,118</b>	<b>720,142</b>	<b>113,896</b>	<b>972</b>	<b>-</b>	<b>6,515,365</b>	<b>3,683</b>	<b>2,370</b>	<b>16,921,743</b>	<b>27,779,004</b>	<b>44,700,747</b>
<b>EXPENSES</b>													
Grants	-	5,013,388	-	-	-	-	-	-	-	-	5,013,388	6,373,069	11,386,457
Examination costs and Administration	-	-	-	-	-	-	-	-	-	-	-	4,519,755	4,519,755
Claims (net of reimbursement)	-	-	-	-	-	-	-	-	-	-	-	839,499	839,499
Law Practices (Sections)	-	-	-	-	-	-	-	1,693,835	-	-	1,693,835	-	1,693,835
General and Administrative	166,232	398,825	316,819	171,443	202,086	-	123	-	(117)	75,776	1,331,187	2,517,215	3,848,402
<b>TOTAL EXPENSES</b>	<b>166,232</b>	<b>5,412,213</b>	<b>316,819</b>	<b>171,443</b>	<b>202,086</b>	<b>-</b>	<b>123</b>	<b>1,693,835</b>	<b>(117)</b>	<b>75,776</b>	<b>8,038,410</b>	<b>14,249,538</b>	<b>22,287,948</b>
<b>INCOME/(LOSS) BEFORE TRANSFERS</b>	<b>250,036</b>	<b>2,000,716</b>	<b>1,419,299</b>	<b>548,699</b>	<b>(88,190)</b>	<b>972</b>	<b>(123)</b>	<b>4,821,530</b>	<b>3,800</b>	<b>(73,406)</b>	<b>8,883,333</b>	<b>13,529,466</b>	<b>22,412,799</b>
Transfer In:	-	-	1,800	-	-	-	-	-	-	-	1,800	6,820	8,620
Transfer Out:	-	(105)	(380)	(380)	-	-	-	(1,800)	(3,800)	-	(6,465)	(2,385)	(8,850)
Change in Net Position	250,036	2,000,611	1,420,719	548,319	(88,190)	972	(123)	4,819,730	-	(73,406)	8,878,668	13,533,901	22,412,569
<b>CHANGES IN NET ASSETS</b>													
Net Assets at beginning of year	4,588,061	4,606,052	4,478,500	454,193	45,748,829	6,498,022	(14,210)	7,629,998	-	4,595,350	78,584,795	30,763,419	109,348,214
Transfers of Fixed Assets to Fixed Assets Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>NET ASSETS AS OF MARCH 31, 2015</b>	<b>4,838,097</b>	<b>6,606,663</b>	<b>5,899,219</b>	<b>1,002,512</b>	<b>45,660,639</b>	<b>6,498,994</b>	<b>(14,333)</b>	<b>12,449,728</b>	<b>-</b>	<b>4,521,944</b>	<b>87,463,463</b>	<b>44,297,320</b>	<b>131,760,783</b>

**The State Bar of California**  
**Budget to Actual Comparison - General Fund**  
**For the Twelve Months Ending March 31, 2015**

**Attachment 7**

	Mar 2015 Year to Date Actual	Mar 2015 Year to Date Budget	Variance Favorable (Unfavorable)	Mar 2014 Prior Year to Date Actual	Inc./(Dec.) From Prior Year	2015 Annual Budget
<b>REVENUE</b>						
Membership Fees	61,728,086	64,150,748	(2,422,662)	60,641,800	1,086,286	65,653,000
Investment Income	29,918	15,000	14,918	24,323	5,595	60,000
Law Corp Registration Fees	395,211	196,245	198,966	453,150	(57,939)	785,000
CalBar Journal Revenue	29,188	28,749	439	40,249	(11,061)	115,000
Continuing Legal Education	246,120	296,115	(49,995)	266,562	(20,442)	1,184,500
Seminar/Workshop Revenue	1,550	1,998	(448)	5,675	(4,125)	8,000
MJP Fees	458,390	114,999	343,391	401,670	56,720	460,000
Grant Revenue	15,000	-	15,000	-	15,000	-
Other Revenue	121,482	124,365	(2,883)	133,781	(12,299)	497,500
<b>TOTAL REVENUE</b>	<b>63,024,945</b>	<b>64,928,219</b>	<b>(1,903,274)</b>	<b>61,967,210</b>	<b>1,057,735</b>	<b>68,763,000</b>
<b>EXPENSES</b>						
Discipline	13,312,260	15,093,242	1,780,982	9,493,765	3,818,495	57,412,868
Administration of Justice	184,390	243,231	58,841	154,174	30,216	942,094
Governance	532,071	736,668	204,597	562,133	(30,062)	2,815,088
Administration of the Profession	926,504	899,680	(26,824)	567,289	359,215	3,458,577
Program Development	565,230	539,859	(25,371)	348,225	217,005	2,058,817
Communications	428,285	551,071	122,786	392,097	36,188	2,111,417
Indirect Costs	698,399	378,219	(320,180)	4,659,210	(3,960,811)	1,512,738
<b>TOTAL EXPENSES</b>	<b>16,647,139</b>	<b>18,441,970</b>	<b>1,794,831</b>	<b>16,176,893</b>	<b>470,246</b>	<b>70,311,599</b>
<b>INCOME/(LOSS) BEFORE TRANSFERS</b>	<b>46,377,806</b>	<b>46,486,249</b>	<b>(3,698,105)</b>	<b>45,790,317</b>	<b>587,489</b>	<b>(1,548,599)</b>
Transfer in From Grants Fund	-	100,000	100,000	-	-	100,000
Interfund Revenue	34,380	12,498	(21,882)	33,620	760	50,000
Interfund Expense	(34,150)	(18,345)	15,805	(32,000)	(2,150)	(73,518)
<b>NET OPERATING SURPLUS/(DEFICIT)</b>	<b>46,378,036</b>	<b>46,580,402</b>	<b>(3,604,182)</b>	<b>45,791,937</b>	<b>586,099</b>	<b>(1,472,117)</b>

**The State Bar of California**  
**Budget To Actual Comparison - General Fund**  
**Expenses by Function**  
**For the NineTwelve Months Ending March 31, 2015**

**Attachment 8**

	Mar 2015 Year to Date Actual	Mar 2015 Year to Date Budget	Variance Favorable (Unfavorable)	Mar 2014 Prior Year to Date Actual	Inc./.(Dec.) From Prior Year	2015 Annual Budget
<b>EXPENSES BY FUNCTION</b>						
Enforcement	9,406,659	10,967,650	1,560,991	6,813,515	2,593,144	41,667,259
Probation	333,284	350,547	17,263	242,418	90,866	1,331,635
State Bar Court	2,805,111	2,864,041	58,930	1,906,448	898,663	10,930,719
Mandatory Fee Arbitration	201,913	250,282	48,369	146,098	55,815	961,570
Professional Competence	565,293	660,722	95,429	385,286	180,007	2,521,685
<b>TOTAL DISCIPLINE</b>	<b>13,312,260</b>	<b>15,093,242</b>	<b>1,780,982</b>	<b>9,493,765</b>	<b>3,818,495</b>	<b>57,412,868</b>
Administration of Justice	184,390	243,231	58,841	154,174	30,216	942,094
Governance	532,071	736,668	204,597	562,133	(30,062)	2,815,088
Administration of the Profession	926,504	899,680	(26,824)	567,289	359,215	3,458,577
Program Development	565,230	539,859	(25,371)	348,225	217,005	2,058,817
Communications	428,285	551,071	122,786	392,097	36,188	2,111,417
Indirect Costs	698,399	378,219	(320,180)	4,659,210	(3,960,811)	1,512,738
<b>TOTAL NON DISCIPLINE</b>	<b>3,334,879</b>	<b>3,348,728</b>	<b>13,849</b>	<b>6,683,128</b>	<b>(3,348,249)</b>	<b>12,898,731</b>
Interfund Transaction - Expense	34,150	18,345	(15,805)	32,000	2,150	73,518
<b>TOTAL INTERFUND TRANSFERS</b>	<b>34,150</b>	<b>18,345</b>	<b>(15,805)</b>	<b>32,000</b>	<b>2,150</b>	<b>73,518</b>
<b>TOTAL GENERAL FUND EXPENSE BY FUNCTION</b>	<b>16,681,289</b>	<b>18,460,315</b>	<b>1,779,026</b>	<b>16,208,893</b>	<b>472,396</b>	<b>70,385,117</b>