

OPEN SESSION AGENDA ITEM

701 MARCH 2018

DATE: March 9, 2018

TO: Members, Board of Trustees

FROM: Dag MacLeod, Chief of Mission Advancement and Accountability

SUBJECT: Amendments to 2017-2022 Strategic Plan

EXECUTIVE SUMMARY

At its February 16, 2018, meeting, the Board took action to adopt modifications to Goals 1, 2, 3, and 5 of the State Bar's 2017-2022 Strategic Plan (Strategic Plan). This agenda item provides the Board with edited and clean versions of the Strategic Plan reflecting those changes approved at the February Board meeting. In addition, this agenda item outlines possible amendments to Goal 4 for Board consideration, as well as Information Technology specific objectives proposed for addition to Goal 3.

BACKGROUND

In 2017, the Board of Trustees adopted the 2017-2022 Strategic Plan. The plan sets forth the following five goals for the State Bar:

Goal 1. Successfully transition to the "new State Bar" – an agency focused on public protection, regulating the legal profession, and promoting access to justice.

Goal 2. Ensure a timely, fair, and appropriately resourced admissions, discipline, and regulatory system for the more than 250,000 lawyers licensed in California.

Goal 3. Improve the fiscal and operational management of the State Bar, emphasizing integrity, transparency, accountability, and excellence.

Goal 4. Support access to justice for all California residents and improvements to the state's justice system.

Goal 5. Proactively inform and educate all stakeholders, but particularly the public, about the State Bar's responsibilities, initiatives, and resources.

DISCUSSION

At its February 16, 2018, meeting, staff presented to the Board of Trustees a list of possible changes to the Strategic Plan objectives resulting from discussions during the Board's planning

session held on January 26 and 27, 2018. The results of the Board's February discussion are provided in redline version as Attachment A, and as a clean version in Attachment B.

With respect to Goal 4: Support access to justice for all California residents and improvements to the state's justice system, the Board opted to defer discussion of potential Strategic Plan amendments to its in-person meeting in March. Options for additional Goal 4 objectives are provided as Attachment C. The Board's consideration of these options on March 9 will be informed by the Programs Committee discussion, and any forthcoming recommendations, on the same topic to take place on March 8.

In addition, pursuant to discussions at the January planning session staff was asked to develop revised objectives reflecting incorporation of the 2017-2020 Information Technology (IT) Strategic Plan to the State Bar's 2017-2022 Strategic Plan.

Proposed Information Technology objectives are provided below. If approved by the Board, these objectives will be added to Goal 3 under the header Information Technology Objectives.

- a. Implement a new Enterprise Resource Planning System (the Oracle Fusion suite of applications), beginning with the Human Capital Management module by the end of 2018 and continuing with the Finance and Procurement modules by the end of 2019.
- b. Implement a new Licensee Information Management System (LIMS), replacing AS400, by the end of 2021.
- c. Implement a phased upgrade to the Bar's Information Technology infrastructure (networks, servers, desktops, telecommunications and audio/visual), for enhanced capacity, functionality and security throughout 2018 and 2019.

FISCAL/PERSONNEL IMPACT

Unknown at this time.

RULE AMENDMENTS

None.

BOARD BOOK AMENDMENTS

The Board Book includes several provisions related to the strategic planning process in multiple sections including Tab 1.2. While these sections are not directly implicated by the present agenda item, staff notes that, as part of the larger Board Book clean-up effort, these provisions will need to be consolidated and updated.

STRATEGIC PLAN GOALS & OBJECTIVES 2017-2022

Goal: 1. Successfully transition to the “new State Bar”— an agency focused on public protection, regulating the legal profession, and promoting access to justice.

Objective: C. Implement and pursue governance, composition, and operations reforms needed to ensure that the Board’s structure and processes optimally align with the State Bar’s public protection mission.

RECOMMENDATION

It is recommended that the Board of Trustees approve the following resolution:

RESOLVED, that the Board of Trustees adopt revisions to the 2017-2022 Strategic Plan.

ATTACHMENT(S) LIST

- A.** Strategic Plan 2017-2022: Red-Lined Version RE Proposed Revisions to Objectives
- B.** Strategic Plan 2017-2022: Clean Version RE Proposed Revisions to Objectives
- C.** Options for New Goal 4 Objectives

ATTACHMENT A

Mission Statement:

The State Bar of California's mission is to protect the public and includes the primary functions of licensing, regulation and discipline of attorneys; the advancement of the ethical and competent practice of law; and support of efforts for greater access to, and inclusion in, the legal system.

Goal 1: Successfully transition to the “new State Bar” – an agency focused on public protection, regulating the legal profession, and promoting access to justice.

Objectives

- ~~a. Manage and support the transition of the State Bar Sections to a new standalone entity.~~
- ~~b. a. Determine whether additional State Bar functional areas will transition to the Sections entity, other organizations, or to new standalone entities and develop an action plan for those transitions.~~
- ~~e. b. Implement and pursue governance, composition, and operations reforms needed to ensure that the Board's structure and processes optimally align with the State Bar's public protection mission.~~
- ~~d. Finalize an updated Mission Statement for the State Bar reflecting programmatic areas remaining after the transition analysis in order to improve the Bar's focus on its public protection and regulatory functions.~~
- ~~e. c. No later than September 30, 2018, d. Determine the appropriate role of, and Board responsibility for, State Bar Standing Committees, Special Committees, Boards, and Commissions in the new State Bar.~~

Goal 2: Ensure a timely, fair, and appropriately resourced admissions, discipline, and regulatory system for the more than 250,000 lawyers licensed in California.

Attorney Discipline Objectives

- a. ~~For greater transparency, accountability, efficiency, and access, D~~ develop and deploy a new case management system for ~~OCTC the Office of Chief Trial Counsel, SBC State Bar Court, and the Office of Probation, and Admissions for greater transparency and accountability by October 31, 2018.~~
- b. ~~Implement Evaluate the impact of~~ Workforce Planning ~~and evaluate the impact of~~ reforms ~~by January 31, 2019.~~
- c. Develop and implement transparent and accurate reporting and tracking of the health and efficacy of the discipline system, to include: (a) completion of a workload study for OCTC and SBC; (b) identification of staffing and resource needs based on the results of

that study; and (c) development of new metrics for measuring the effectiveness of the discipline system including any needed revisions to the statutory backlog metric.

- d. ~~Develop and i~~Implement new attorney MCLE requirements and evaluate their impact and effectiveness by July 1, 2021.
- e. ~~Develop and implement an~~ Begin auditing attorney compliance with MCLE requirements in the most cost effective and efficient manner no later than December 31, 2019-effective mechanism for ensuring compliance with MCLE requirements.
- f. Support adequate funding of the Client Security Fund.
- g. No later than December 31, 2019, evaluate attorney self-assessment models and determine which model will be implemented in California.
- h. No later than July 1, 2020, create a fully articulated preventative education approach to include a self-assessment component as well as client trust accounting modules which may be mandatory for some attorneys.
- i. No later than January 1, 2019, require all attorneys to report firm size and practice type to the State Bar and to maintain and update that information.

UPL Objectives

- a. Monitor improvements in the response to complaints regarding the unauthorized practice of law through tracking and reporting on complaints received, investigation timelines, civil filings, and law enforcement referrals.
- b. Partner with law enforcement agencies to create a coordinated regional response to the unauthorized practice of law.
- c. Identify funding sources, including grant or state funding, to support the Bar's UPL efforts.
- d. Use communications strategies to support UPL enforcement objectives.
- e.
- f. [Debbie Manning suggested moving this to UPL section under Goal 2.]

Admissions Objectives

- a. For greater transparency, accountability, efficiency, and access, develop and deploy a new case management system for the Office of Admissions by June 30, 2019.
- a.b. After the results of the February 2019 Bar Exam are published, evaluate the results of the two-day exam. Implement the two-day Bar Exam and evaluate results of the new exam on pass rates and costs.
- b. ~~Conduct Bar Exam validity and pass line studies to determine whether or not additional changes to exam content, format, administration, or grading are needed, and implement needed changes.~~
- c. No later than June 30, 2019, conduct a California specific job analysis to determine the knowledge, skills, and abilities for entry level attorneys. Upon completion, conduct a new content validation study.

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- d. No later than December 31, 2018, Rreview special admissions rules to determine whether changes are needed to support the goal of increased access to legal services or for other reasons, and implement needed changes.

UPL Objectives

- ~~e.a. Monitor improvements in the response to complaints regarding the unauthorized practice of law through tracking and reporting on complaints received, investigation timelines, civil filings, and law enforcement referrals.~~
~~a. Partner with law enforcement agencies to create a coordinated regional response to the unauthorized practice of law.~~
~~a-c. Identify funding sources, including grant or state funding, to support the Bar's UPL efforts.~~

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Goal 3: Improve the fiscal and operational management of the State Bar, emphasizing integrity, transparency, accountability, and excellence.

Employee Engagement Objectives

- ~~a. Implement an updated Classification and Compensation structure reflecting the results of classification and compensation analyses completed in February 2017.~~
~~b.a. Improve productivity through performance accountability, training, and professional development.~~
~~e.b. Improve staff morale and career satisfaction through recognition of performance, career path development, and transparent and collaborative communication, and recognition and encouragement of innovation, efficiencies, and money saving ideas.~~
~~c. Implement a Training and Development Program and evaluate the implementation and related outcomes by January 31, 2019.~~
~~d. Conduct an annual employee evaluation engagement survey, evaluate changes from prior years, and implement action plan to address areas needing improvement.~~

~~No later than July 1, 2018, develop and implement a Communications Strategy Plan for timely and effective internal communication. [Joshua Perttula suggested moving this objective to Goal 3.]~~

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e. Financial Management Objectives

- ~~a. No later than November 30, 2018, determine whether reallocation of funds to support the discipline system continues to be possible in light of the fact the Bar has not received a fee increase in 20 years. As part of this effort, reassess the Bar's current Fund classification structure and determine if any changes are needed. Reallocate funds to support the discipline system based on expenditure review, revenue enhancement measures, implementation of the Bar's reserve policy, and other reengineering efforts.~~
~~b. No later than January 31, 2019, evaluate current collection efforts and determine what might be necessary to improve the Bar's ability to collect discipline and CSF costs.~~

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- c. As part of the annual budget development process, determine, consistent with Business and Professions Code section 6140.9, whether there are excess funds in the LAP Fund which can be transferred to support the CSF.

Management of Other Assets Operations Objectives

- a. No later than November 30, 2018, d~~Develop outcome and performance accountability metrics for assessing organizational and service effectiveness throughout the Bar, goals and objectives for each functional area of the Bar and use those to develop organizational performance metrics.~~
- b. Implement the 2017-2020 technology plan.
- c. In conjunction with annual budgets, ensure maintenance and use of the Bar's Los Angeles and San Francisco buildings to maximize benefit to the Bar and the people of California.
- d. Pursue a two-year fee bill to ensure a balance between accountability and meaningful implementation of important reforms.

Goal 4: Support access to justice for all California residents and improvements to the state's justice system.

Objectives

- a. Support increased funding and enhanced outcome measures for Legal Services.
- b. Study and implement improved programmatic approaches to increasing access to justice.

Goal 5: Proactively inform and educate all stakeholders, but particularly the public, about the State Bar's responsibilities, initiatives, and resources.

Objectives

- a. No later than July 1, 2018, d~~Develop and implement a Communication Strategy Plan for timely and effective external and internal communication about public protection goals, objectives, and accomplishments to external audiences including the public, oversight bodies, regulated parties, and other bars.~~
- ~~a. No later than July 1, 2018, develop and implement a Communications Strategy Plan for timely and effective internal communication. [Joshua Perttula suggested moving this objective to Goal 3.]~~
- b. Develop metrics to measure both the quality and effectiveness of the Bar's communication and stakeholder engagement strategies for assessing efficacy of communication and stakeholder engagement efforts and use those metrics to inform modifications to strategy.
- ~~c. Redesign the State Bar website to improve access, legibility, and utility for all stakeholders.~~

~~d.c.~~ Partner with legal service providers and others to educate vulnerable populations regarding the problem of unauthorized practice of law and ways that individual issues can d. be addressed. Use communications strategies to support UPL enforcement objectives. ~~[Debbie Manning suggested moving this to UPL section under Goal 2.]~~

~~e.~~—

~~f.d.~~ Maintain and enhance relationships with courts and other regulatory and enforcement agencies that share a mission of public protection.

~~g.c.~~ Improve transparency, accountability, accessibility, and governances by increasing the availability of meeting materials and public access to meetings and records and expanding upon existing mechanisms for regular communication with the Supreme Court, Legislature, Governor's Office, and the public, reporting these efforts to stakeholders and the general public.

ATTACHMENT B

Mission Statement:

The State Bar of California's mission is to protect the public and includes the primary functions of licensing, regulation and discipline of attorneys; the advancement of the ethical and competent practice of law; and support of efforts for greater access to, and inclusion in, the legal system.

Goal 1: Successfully transition to the “new State Bar” – an agency focused on public protection, regulating the legal profession, and promoting access to justice.

Objectives

- a. Determine whether additional State Bar functional areas will transition to the Sections entity, other organizations, or to new standalone entities and develop an action plan for those transitions.
- b. Implement and pursue governance, composition, and operations reforms needed to ensure that the Board's structure and processes optimally align with the State Bar's public protection mission.
- c. No later than September 30, 2018, determine the appropriate role of, and Board responsibility for, State Bar Standing Committees, Special Committees, Boards, and Commissions in the new State Bar.

Goal 2: Ensure a timely, fair, and appropriately resourced admissions, discipline, and regulatory system for the more than 250,000 lawyers licensed in California.

Attorney Discipline Objectives

- a. For greater transparency, accountability, efficiency, and access, develop and deploy a new case management system for the Office of Chief Trial Counsel, State Bar Court, and the Office of Probation by October 31, 2018.
- b. Evaluate the impact of Workforce Planning reforms by January 31, 2019.
- c. Develop and implement transparent and accurate reporting and tracking of the health and efficacy of the discipline system, to include: (a) completion of a workload study for OCTC and SBC; (b) identification of staffing and resource needs based on the results of that study; and (c) development of new metrics for measuring the effectiveness of the discipline system including any needed revisions to the statutory backlog metric.
- d. Implement new-attorney MCLE requirements and evaluate their impact and effectiveness by July 1, 2021.
- e. Begin auditing attorney compliance with MCLE requirements in the most cost effective and efficient manner no later than December 31, 2019.
- f. Support adequate funding of the Client Security Fund.

- g. No later than December 31, 2019, evaluate attorney self-assessment models and determine which model will be implemented in California.
- h. No later than July 1, 2020, create a fully articulated preventative education approach to include a self-assessment component as well as client trust accounting modules which may be mandatory for some attorneys.
- i. No later than January 1, 2019, require all attorneys to report firm size and practice type to the State Bar and to maintain and update that information.

UPL Objectives

- a. Monitor improvements in the response to complaints regarding the unauthorized practice of law through tracking and reporting on complaints received, investigation timelines, civil filings, and law enforcement referrals.
- b. Partner with law enforcement agencies to create a coordinated regional response to the unauthorized practice of law.
- c. Identify funding sources, including grant or state funding, to support the Bar's UPL efforts.
- d. Use communications strategies to support UPL enforcement objectives.

Admissions Objectives

- a. For greater transparency, accountability, efficiency, and access, develop and deploy a new case management system for the Office of Admissions by June 30, 2019.
- b. After the results of the February 2019 Bar Exam are published, evaluate the results of the two-day exam on pass rates and costs.
- c. No later than June 30, 2019, conduct a California specific job analysis to determine the knowledge, skills, and abilities for entry level attorneys. Upon completion, conduct a new content validation study.
- d. No later than December 31, 2018, review special admissions rules to determine whether changes are needed to support the goal of increased access to legal services or for other reasons, and implement needed changes.

Goal 3: Improve the fiscal and operational management of the State Bar, emphasizing integrity, transparency, accountability, and excellence.

Employee Engagement Objectives

- a. Improve productivity through performance accountability, training, and professional development.
- b. Improve staff morale and career satisfaction through recognition of performance, career path development, transparent and collaborative communication, and recognition and encouragement of innovation, efficiencies, and money saving ideas.
- c. Implement a Training and Development Program and evaluate the implementation and related outcomes by January 31, 2019.
- d. Conduct an annual employee engagement survey, evaluate changes from prior years, and implement action plan to address areas needing improvement.

- e. No later than July 1, 2018, develop and implement a Communications Strategy Plan for timely and effective internal communication.

Financial Management Objectives

- a. No later than November 30, 2018, determine whether reallocation of funds to support the discipline system continues to be possible in light of the fact the Bar has not received a fee increase in 20 years. As part of this effort, reassess the Bar's current Fund classification structure and determine if any changes are needed.
- b. No later than January 31, 2019, evaluate current collection efforts and determine what might be necessary to improve the Bar's ability to collect discipline and CSF costs.
- c. As part of the annual budget development process, determine, consistent with Business and Professions Code section 6140.9, whether there are excess funds in the LAP Fund which can be transferred to support the CSF.

Operations Objectives

- a. No later than November 30, 2018, develop goals and objectives for each functional area of the Bar and use those to develop organizational performance metrics.
- b. Implement the 2017-2020 technology plan.
- c. In conjunction with annual budgets, ensure maintenance and use of the Bar's Los Angeles and San Francisco buildings to maximize benefit to the Bar and the people of California.
- d. Pursue a two-year fee bill to ensure a balance between accountability and meaningful implementation of important reforms.

Goal 4: Support access to justice for all California residents and improvements to the state's justice system.

Objectives

- a. Support increased funding and enhanced outcome measures for Legal Services.
- b. Study and implement improved programmatic approaches to increasing access to justice.

Goal 5: Proactively inform and educate all stakeholders, but particularly the public, about the State Bar's responsibilities, initiatives, and resources.

Objectives

- a. No later than July 1, 2018, develop and implement a Communication Strategy Plan for timely and effective communication about public protection goals, objectives, and accomplishments to external audiences including the public, oversight bodies, regulated parties, and other bars.
- b. Develop metrics to measure both the quality and effectiveness of the Bar's communication and stakeholder engagement strategies and use those metrics to inform modifications to strategy.

- c. Maintain and enhance relationships with courts and other regulatory and enforcement agencies that share a mission of public protection.
- d. Improve transparency, accountability, accessibility, and governance by increasing the availability of meeting materials and public access to meetings and records and reporting these efforts to stakeholders and the general public.

OPTIONS FOR NEW GOAL 4 OBJECTIVES

Goal 4: Support access to justice for all California residents and improvements to the state's justice system.

New Objective Options

- a. Review Lawyer Referral Services certification rules with a goal of increasing access to justice.
 - ✓ LRS Rules revision is currently reflected in the Programs Committee workplan. Addition of this objective would clarify that the review process currently underway should be conducted with a goal in part of identifying revisions that will increase access to justice.
- b. Review Special Admissions rules with a goal of increasing access to justice.
 - ✓ A review of Special Admissions rules is currently contemplated by the Strategic Plan. The proposed modification would clarify that the review is intended in part to identify revisions that will result in increased access to justice.
- c. Study online legal service delivery models and determine if any regulatory changes are needed to better support and/or regulate the expansion of access through the use of technology.
 - ✓ Addition of this objective would result in the creation of a Committee or Taskforce charged with studying the use of technology to provide legal services and to identify any rule changes that might be needed to better support and regulate identified delivery models.
- d. Explore options to increase access to paraprofessionals, limited license legal technicians, and other paraprofessionals.
 - ✓ Addition of this objective would result in the creation of a Committee or Taskforce charged with studying existing models for the provision of legal services by non-lawyers including LLLT programs in other states and California's LDA and UDA programs.
- e. Increase access to justice in rural areas by supporting targeted loan forgiveness and/or incubator programs.

- ✓ Addition of this objective would result in an examination of existing loan forgiveness programs, identification of options for targeting or incentivizing rural practice, and options for funding a targeted loan forgiveness program, including through the use of the Bar's discretionary grant funding.

f. Conduct a California specific justice gap study.

- ✓ Addition of this objective would result in the Bar contracting for a California Justice Gap study to quantify (cost), specify (type of legal services needed), and place (geography) the need for legal services in the state.

g. Study law school tuition in California and the ability to obtain legal employment after becoming licensed.

- ✓ Addition of this objective would result in a study of law school tuition and the rate at which attorneys gain employment upon becoming licensed and their corresponding salaries.