



The State Bar *of California*

OPEN SESSION AGENDA ITEM III.A. JUNE 2019

DATE: June 10, 2019

TO: Members, California Board of Legal Specialization

FROM: Amy C. Nuñez, Director, Office of Admissions

SUBJECT: Financial and Operational Key Indicators

SUMMARY

A report on financial and operational key indicators is attached for consideration during the April 2019 California Board of Legal Specialization (CBLS) meeting.

BACKGROUND

The CBLS is provided with key operational indicators at each meeting to assist with program oversight.

DISCUSSION

Year-to-Date Financial Report

The Board of Trustees First Quarter financial statement report through March 31, 2019 indicates that expenditures are in line with projections (Attachment A). The Legal Specialization budget also demonstrates a 4.0 percent revenue increase when compared to 2018. Based on the current expenditure pattern, staff expect to be within budget for this fiscal year.

Total Number of Certified Specialists

As of June 1, 2019, there are 4,987 current certified specialists, an increase of 154 certified specialists versus the same time last year (Attachment B). Estate planning, trust & probate law and family law saw the largest increases in number of specialists with 103 new specialists between the two overall, and the only decrease in specialists came from franchise & distribution law and taxation law with a difference of one for each area.

Total Number of Resignations by Reason

There have been 78 resignations of certificates of specialization since June 1, 2019 versus 161 in all of last year, and 78 in 2017 (Attachment C). There has been an ongoing increase of specialists resigning, specifically due to retirements: 44 in all of 2017, 77 in 2018, and 39 in the first five months of 2019. With the legal specialization program now in its 37th year since issuing its first certificates of specialization, it is expected to see an increase of resignations specifically for retiring attorneys. Of those that did retire this year, we received a number of requests for a retired or emeritus specialist status.

Legal Specialist Continuing Legal Education (LSCLE) Compliance Reporting

There are 1,813 specialists (including dual specialists) in Compliance Group 1 (Attachment D). The reporting period for Compliance Group 1 ended on February 1, 2019, and as of that date, 356 (19.6 percent) of those specialists did not report their LSCLE compliance. At its February meeting, the CBLS voted to extend that deadline to July 2, 2019. Since announcing the extension, 95 more specialists have submitted their LSCLE compliance. Compliance statistics by specialty area are noted on the attachment.

RECOMMENDATION

It is recommended that the California Board of Legal Specialization approve the following motion:

MOVE, that the report regarding financial and operational key indicators is received and filed.

ATTACHMENT(S) LIST

- A.** Q1 Financial Statement Report, Investment Report and Client Security Fund Report
- B.** Total Number of Certified Specialists as of June 1, 2019
- C.** Total Number of Resignations by Reason, 2017 and 2018 Annual v 2019 Year to Date
- D.** Total Number of Certified Specialists in Compliance Group 1