



The State Bar *of California*

OPEN SESSION

AGENDA ITEM

702 JANUARY 2020

DATE: January 24, 2020

TO: Members, Board of Trustees

FROM: John Adams, Chief Financial Officer

SUBJECT: Approval of State Bar Final 2020 Budget Pursuant to Business and Professions Code Section 6140.1

EXECUTIVE SUMMARY

This agenda item requests the Board of Trustees to adopt the 2020 State Bar Budget. This budget will be filed with the State Legislature to meet the February 28 statutorily required submission deadline.

The 2020 Final Budget has total revenues of \$213.7 million with expenses of \$244.6 million. The budget utilizes \$30.8 million in reserves for planned spend downs in the Bank Settlement Fund, Equal Access Fund, Legal Services Trust Fund, and Lawyers Assistance Program. General Fund expenses will exceed revenues by approximately \$1.6 million, bringing operating reserves to \$15.2 million or 15.7 percent, which is slightly below the Board's Reserve Policy of 60 days operations, or 17 percent. The \$1.6 million deficit includes a one-time use of reserves of \$1.7 million for enhancements for the State Bar's Case Management System (CMS).

For 2020, the State Bar received a licensing fee increase for the first time in over 20 years. The fee increase provides needed funding to support the State Bar's public protection mission. There was a 21 percent increase in the General Fund fee that supports the discipline system and a 100 percent increase in Client Security Fee to pay restitution to victims of attorney theft or other losses due to attorney misconduct. The State Bar also received additional funding to support technology investments and capital maintenance. Unfortunately, the funding for capital maintenance is not sufficient to support the Five Year Capital Plan, which will require the Board to review alternative options.

The 2020 Final Budget to be published in February will include more explanatory information than currently included, so as to make it easier to read and more useful to stakeholders. This additional explanatory information will include the Executive Director message, additional summary narrative based on this report, and the final workload and performance metrics for 2020.

BACKGROUND

On December 20, 2019, staff presented the 2020 State Bar Draft Budget to the Finance Committee for review and discussion. The Committee indicated support for the use of reserves to fund the \$1.7 million CMS project. The Committee discussed the challenges in funding the Five Year Capital Plan, but agreed with staff's proposal to limit capital maintenance in 2020 to the available funding to reduce the impacts to General Fund Reserves.

The Board is now asked to adopt the 2020 State Bar Final Budget. The Final Budget is required to be filed with the Legislature by February 28, 2020. In addition to satisfying the statutory requirement, adoption of the Final Budget will serve to finalize the State Bar's 2020 spending authority.

DISCUSSION

2020 License Fee Increase

On October 9, 2019, the Governor signed Senate Bill 176, the 2020 licensing fee legislation. This was a critical milestone in the history of the State Bar since the base licensing fee had remained unchanged since 1998. The increase clearly recognized the importance of the State Bar's mission of public protection, furthering access to legal services, and increasing diversity and inclusion in the legal profession.

2020 Fee Bill Summary: The proposed Budget is being supported by the increase in the License Fee for 2020. The increase for the General Fund covers the prior year operating deficit that had accumulated over 20 years since the last fee increase, supports equitable retiree health for all employees, and funds a cost of living increase for employees. It also funds 19 new positions in the Office of Chief Trial Counsel, and provides recurring funding for technology replacements. Unfortunately, it only funded a portion of the Five Year Capital Plan at approximately \$8.1 million, but spread out over a 10 year period with annual funding of only \$0.8 million. This agenda item proposes that the Board adopt as the final budget one with fidelity to the authorizing legislation which directed the allocation of the fee increase.

Table 1: Comparison of 2019 & 2020 Active License Fee

Active License Fee (Purpose)	2019 Fee Amount	Approved 2020 Fee	Increase
General Fund - Discipline	\$ 333	\$ 404	\$ 71
Client Security Fund (CSF)	40	80	40
Lawyer Assistance Program (LAP)	10	1	(9)
Technology Special Assessment	-	5	5
Capital Special Assessment	-	4	4
Reserve Special Assessment	-	3	3
Total Active Fee:	\$ 383	\$ 497	\$ 114

2020 Proposed State Bar Budget

The proposed budget continues to allocate resources to meet the State Bar's mission and to accomplish major goals and objectives as set forth by the Board of Trustees in the 2017-2022 Strategic Plan.

2020 Bar-Wide Budget: The proposed 2020 Budget includes budgeted revenues of \$213.7 million, expenses of \$244.6 million, and a use of reserves of \$30.9 million.

Budgeted revenues of \$213.7 million represent an increase of \$46.2 million or 27.6 percent compared to \$167.5 million in budgeted revenues in 2019. The following are the major changes: (1) mandatory fees show an increase of 30 percent attributable to the increase in licensing fees, (2) Voluntary Fees show a decrease of \$2.7 million in anticipation of a decline in donations because of the fee increase, (3) exam fees in Admissions are projected to be \$0.3 million less than the 2019 budget because of a projected decline in the number of test takers, (4) additional grant revenue, and (5) Other Revenues are increasing significantly, mainly because the 2019 budget did not anticipate the increase of interest earnings from client trust accounts.

Table 2: State Bar-Wide Comparison of 2019 & 2020 Budgeted Revenues

	2019 Budget	2020 Budget	Budget Change	Percent Change
Mandatory Fees	\$76,567,300	\$99,448,400	\$22,881,100	30%
Voluntary Fees & Donations	8,428,200	5,751,700	(2,676,500)	-32%
Exam Fees	13,935,300	13,658,500	(276,800)	-2%
Grants	25,857,400	30,702,000	4,844,600	19%
Other Revenues	42,736,900	64,175,800	21,438,900	50%
Total Revenues	\$167,525,100	\$213,736,400	\$46,211,300	27.6%

Budgeted expenses of \$244.6 million represent a net increase of \$57.7 million or 30.8 percent compared to \$186.9 million budgeted in 2019. The increase in the budget is due to the

following: (1) personnel expenses increased by 12.8 percent or \$11.0 million due to new staff in OCTC; a cost of living adjustment, and providing equitable retiree health care for all employees; (2) professional services are increasing by \$2.5 million, mostly from the CMS project; (3) increased grant distributions of \$35.8 million; (4) Supplies & Equipment increasing \$2.4 million from investment in technology infrastructure funded by the fee bill; (5) other expenses increased \$8.3 million mainly due to CSF Payouts increasing an anticipated 100 percent or \$6.9 million to fully utilize the increase authorized; and (6) Capital Investments is decreasing by \$2.3 million from the prior year to match approved funding for 2020.

Table 3: State Bar-Wide Comparison of 2019 & 2020 Budgeted Expenses

	2019 Budget	2020 Budget	Budget Change	Percent Change
Personnel Expenses	\$86,011,700	\$97,016,300	\$11,004,600	12.8%
Services	19,558,600	22,011,000	2,452,400	12.5%
Legal Services Grants	62,670,700	98,463,200	35,792,500	57.1%
Supplies and Equipment	6,510,200	8,933,200	2,423,000	37.2%
Other Expenses	8,048,200	16,373,000	8,324,800	103.4%
Debt Service	1,035,100	1,035,100	0	0.0%
Capital Investments	3,070,000	725,000	-2,345,000	-76.4%
Total Expenses	\$186,904,500	\$244,556,800	\$57,652,300	30.8%

2020 General Fund Budget

General Fund 2019 Projections: 2019 year-to-date actual revenues and expenses projected through the end of the year indicate that the General Fund will close 2019 with a \$6.3 million annual projected deficit (projected expenses exceed projected revenues). Compared to the \$9.1 million budgeted deficit, this reflects a \$2.8 million improvement compared to the budget.

Table 4: 2019 General Fund Budget and Projection

	2019 Budget	2019 Projection	\$ Change	% Change
Revenues				
Mandatory Licensee Fees	\$66,533,000	\$65,922,000	(\$611,000)	-0.92%
Other Revenues	9,967,300	10,715,000	747,700	7.50%
Total Revenues:	76,500,300	76,637,000	136,700	0.18%
Expenses				
Personnel	72,753,900	71,074,600	(1,679,300)	-2.31%
Services	11,912,200	11,465,600	(446,600)	-3.75%
Supplies & Equipment	7,728,100	7,269,900	(458,200)	-5.93%
Other Expenses	1,490,500	1,370,300	(120,200)	-8.06%
Debt Service	1,035,100	1,035,100	0	0.00%
Indirect Costs/Reimbursements	(9,324,000)	(9,271,800)	52,200	0.56%
Total Expenses:	\$85,595,800	\$82,943,700	(\$2,652,100)	-3.10%
Net Change:	(\$9,095,500)	(\$6,306,700)	\$2,788,800	

Projected 2019 total revenues are \$76.6 million, exceeding the adopted budget of \$76.5 million by \$0.1 million. The slight variance is attributable to an increase in investment income and a decrease of 1 percent in anticipated licensing fee revenue. Projected 2019 total expenses are \$82.9 million, which reflects a \$2.7 million decrease compared to the budget of \$85.6 million. Personnel costs are expected to be under budget by \$1.6 million, which contributed to the budget savings.

2020 Proposed General Fund Budget. The 2020 General Fund budget has projected revenues of \$94.9 million with total expenses and indirect charges of \$96.5 million, which results in a \$1.6 million use of reserves. General Fund reserves are projected to be \$15.2 million at the end of 2020. This would bring General Fund reserves down to 15.7 percent, which is slightly under the Board target of 17.0 percent.

Table 5: Comparison of 2019 & 2020 General Fund Budget

	2019 Budget	2020 Budget	\$ Change	% Change
Revenues				
Mandatory Licensee Fees	\$66,533,000	\$83,377,600	\$16,844,600	25.3%
Other Revenues	9,967,300	11,550,500	1,583,200	15.9%
Total Revenues:	76,500,300	94,928,100	18,427,800	24.1%
Expenses				
Personnel	72,753,900	82,499,800	9,745,900	13.4%
Services	11,912,200	13,575,900	1,663,700	14.0%
Supplies & Equipment	4,658,100	6,585,500	1,927,400	41.4%
Other Expenses	1,490,500	1,457,200	(33,300)	-2.2%
Capital	3,070,000	725,000	(2,345,000)	-76.4%
Debt Service	1,035,100	1,035,100	0	0.0%
Indirect Costs/Reimbursements	(9,324,000)	(9,372,900)	(48,900)	0.5%
Total Expenses:	\$85,595,800	\$96,505,600	\$10,909,800	12.7%
Net Change:	\$ (9,095,500)	\$ (1,577,500)	\$ 7,518,000	
Projected Beginning Reserves:	\$ 16,774,200			
Projected Ending Reserves:	\$ 15,196,700		Ending %	15.7%

Overall, General Fund revenues are budgeted to increase by 24 percent or \$18.4 million; 16.8 million of which is due to the 2020 licensing fee increase. The additional \$1.6 million growth in General Fund revenue stems from additional rental income and a transfer in from Admissions as reimbursement for expenditures for the Admissions Information Management System (AIMS) project. Expenses and indirect cost reimbursements for 2020 total \$96.5 million, an increase of \$10.9 million or 12.7 percent over the 2019 budget. The increase in expenses is mainly the result of the following: (1) Personnel costs are projected to increase 13.4 percent or \$9.7 million; (2) Services had a \$1.7 million increase to fund enhancements and improvements to the CMS project; (3) Equipment has an increase of \$1.9 million because of technology investments that are funded by the fee bill; and (4) Capital expenses are decreasing \$2.3 million from 2019 because the fee bill only allocated \$0.8 million for capital improvements in 2020.

The increase in personnel costs for 2020 includes normal increases in benefit costs, but with the approved fee bill, additional funding was provided for the following:

1. New Positions in OCTC estimated at \$2.6 million,
2. A negotiated 3.5 percent cost of living adjustment, estimated at \$2.7 million, and
3. Equitable retiree health benefits for all employees at \$3.4 million.

Table 6: General Fund Estimated Revenue from Fee Increase

Purpose	2020 Inactive Fee Increase	2020 Active Fee Increase	2020 Estimated Revenue
Operating Deficit	\$ 5.75	\$ 21.00	\$ 4,200,000
Retiree Health	4.75	17.00	3,400,000
OCTC Positions	3.75	13.00	2,600,000
Cost of Living Adjustment	3.75	13.00	2,600,000
IT Replacements	2.00	7.00	1,400,000
Reserves	0.60	3.00	600,000
Building Maintenance	1.00	4.00	800,000
IT Projects	1.40	5.00	1,000,000
	<u>\$ 23.00</u>	<u>\$ 83.00</u>	<u>\$ 16,600,000</u>

2020 Budget for Other Funds (non-General Fund)

For the 2020 Restricted and Special Revenue Funds (Other Funds), budgeted revenues total \$118.8 million with expenses of \$148.1 million, resulting in the use of \$29.2 million in reserves. Approximately \$24.5 million of this deficit is planned spend down of the following reserves: (1) Bank Settlement Fund of \$11.7 million, (2) Equal Access Fund of \$1.6 million, and (3) Legal Services Trust Fund at \$11.2 million. In addition, Elimination of Bias, Justice Gap, and Legislative Activities are each using \$0.1 million in reserves. For the Lawyers Assistance Program, the 2020 Fee Bill provides a “fee holiday” and reduced the fee from \$10 per Active Licensee to \$1, and reduced the fee for Inactive Licensees from \$5 to \$0. In the Admissions Fund, there is an anticipated budget deficit of \$2.5 million for 2020, comprised of \$0.7 million one-time in AIMS remediation costs and a \$1.6 million increase in operating expenses. Even with this deficit, the Admissions Fund is projecting ending reserves of \$5.5 million or 23.4 percent, which is above the target of 17 percent in the Board Reserve Policy. The following table shows comparison information of budgeted revenues and expenses for 2019 and 2020.

Table 7: Other Funds Comparison 2019 and 2020

	Revenues			Expenses			2020
	2019 Budget	2020 Budget	Change	2019 Budget	2020 Budget	Change	Budget Surplus / (Deficit)
Admissions	20,941,700	20,885,600	(56,100)	21,861,600	23,428,600	1,567,000	(2,543,000)
Bank Settlement	50,000	69,400	19,400	9,602,900	11,768,200	2,165,300	(11,698,800)
Client Security	7,976,700	15,919,600	7,942,900	8,507,700	15,933,900	7,426,200	(14,300)
Elimination of Bias	320,100	326,900	6,800	312,400	443,100	130,700	(116,200)
Equal Access	26,089,900	31,282,300	5,192,400	25,841,700	32,922,800	7,081,100	(1,640,500)
Grants	257,500	-	(257,500)	359,100	-	(359,100)	-
Justice Gap	1,249,100	923,200	(325,900)	7,000	1,004,200	997,200	(81,000)
Lawyer Assist. Prog.	2,127,000	292,800	(1,834,200)	2,016,900	2,478,200	461,300	(2,185,400)
Legal Services Trust	29,111,200	46,090,800	16,979,600	29,966,100	57,263,100	27,297,000	(11,172,300)
Legal Specialization	2,074,200	2,231,500	157,300	2,099,300	1,886,200	(213,100)	345,300
Legislative Activities	777,400	786,200	8,800	734,000	922,900	188,900	(136,700)
Totals	90,974,800	118,808,300	27,833,500	101,308,700	148,051,200	46,742,500	(29,242,900)

Lawyer Assistance Program (LAP) – An objective in the 2017-22 Strategic Plan required analysis of excess funds in LAP. Goal 3, Objective f: “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.” With the reduction of LAP fees and the increase in CSF fees for 2020, staff recommends no transfer for the 2020 budget, but recommend re-evaluate for the 2021 budget.

2020 Capital Funding and the 2020-2024 Capital Plan

2020-24 Capital Plan – The State Bar has a multiyear capital improvement program in place to ensure its buildings operate in a safe and efficient manner and comply with current building codes. The 2020-24 Plan developed in 2018 had a total of eleven projects with an estimated total cost of \$24.8 million over the five years. The State Bar refined the Plan as part of the 2020-24 Forecast and identified the need as part of the fee bill to be approximately \$26 per year, or a one-time assessment of \$134.

The State Auditor reviewed the Plan and supported funding eight of the eleven projects with annual funding based on revised project costs. The State Auditor recommended funding for 2020 at \$16 per Active Licensee, and \$30 total for the five years. The table below represents the projects that were supported by the State Auditor over the next five years. The original plan included three projects that were not funded, including: (1) \$2.0 million in structural improvements, (2) \$1.6 million for the State Bar Data Center HVAC and Electrical Project, and (3) \$12.5 million for the San Francisco façade repair and recladding. The plan for the eight projects included estimated costs of \$8.8 million over five years, with \$5.4 million scheduled in year 1 because many of the projects have been deferred over multiple years.

Table 8: Funded Projects from the Five Year Capital Plan

Building Improvements	2020	2021	2022	2023	2024	5 Year Total
HVAC (LA & SF)	2,450,000	235,000	140,000	70,000	-	2,895,000
Fire/Life Safety	500,000	550,000	-	-	175,000	1,225,000
Energy Management	350,000	-	-	-	-	350,000
Generator	1,350,000	-	-	-	-	1,350,000
Elevators	250,000	2,200,000	-	-	-	2,450,000
Floor 4 Restroom ADA	300,000	-	-	-	-	300,000
GF Infrastructure	200,000	-	-	-	-	200,000
Total:	5,400,000	2,985,000	140,000	70,000	175,000	8,770,000

Funding Building Improvements – Unfortunately, the 2020 Fee Bill only funded the Plan at \$4 annually per Active Licensee, which spreads out the \$8.1 million over a 10 year period with annual amount of \$0.8 million. Because of the limited funding and the failure of the fee bill to support the rebuilding of general fund reserves in the manner proposed, the 2020 proposed budget has only \$0.7 million for Phase 1 of the Elevator Project since that is the most critical project on the capital plan. The following table shows the Plan and the budget for 2020.

Table 9: 2020 Building Improvements (Plan vs. Budget)

Building Improvements	2020 Capital Plan	2020 Proposed	Reduction	5 Year Total
HVAC	2,450,000	-	(2,450,000)	2,895,000
Fire/Life Safety	500,000	-	(500,000)	1,225,000
Energy Management	350,000	-	-	350,000
Generator	1,350,000	-	(1,350,000)	1,350,000
Elevators	250,000	725,000	475,000	2,450,000
Floor 4 Restroom ADA	300,000	-	(300,000)	300,000
GF Infrastructure	200,000	-	(200,000)	200,000
	<u>5,400,000</u>	<u>725,000</u>	<u>(4,325,000)</u>	<u>8,770,000</u>

Tenant Improvements & State Bar Restack – Currently, the State Bar has one vacant tenant floor available for leasing at its 180 Howard Street location. The State Bar is also assessing its own space usage in the building, with the goal of consolidating into less space and making an additional one or two office floors available for tenant leasing, as recommended by the State Auditor. The 2020 Budget, however, does not include any funding for the renovation of the vacant tenant floor or the reconfiguration/restack of State Bar office space. The warm shell and tenant improvements for the vacant floor are estimated between \$3.75 and \$4.25 million. We will continue to work to lease the floor without the needed warm shell or tenant improvements. Costs for the reconfiguration/restack of State Bar office space are still being assessed, but are not insignificant. Additional floors made available for tenant leasing could eventually generate at least \$1 million per year in rental income.

Funding Analysis & Alternatives – Staff discussed the funding challenges for both building maintenance and tenant improvements with the Finance Committee at its December 20, 2019 meeting. Staff proposed limiting projects for 2020 until it can complete a more thorough analysis of alternatives and funding options. This analysis could include:

1. Maintaining the building on the \$40/10 years approved by the Legislature
2. Using reserve funds to support improvements needed beyond those funded
3. Taking out a loan or issuing bonds to fund needed improvement
4. Contracting with the California Department of General Services to manage the building
5. Sale of the building, including lease-back or relocation within the Bay Area

2020 Other Key Budget Components

Strategic Plan Implementation – The 2020 budget continues to support the State Bar’s 2017-2022 Strategic Plan, funding has been included to support various strategic initiatives, including:

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| • Governance in the Public Interest Taskforce | Goal I |
| • Disparities in the Discipline System Study | Goal II |
| • Case Management System (CMS) Enhancements | Goal II |
| • Admissions Information Management System (AIMS) | Goal II |
| • Access Through Innovation of Legal Services (ATILS) | Goal IV |
| • California Justice Gap Study Phase II | Goal IV |
| • Various Inclusion and Diversity Initiatives | Goal IV |
| • Website Improvements | Goal V |

Information Technology Projects – Major technology initiatives continue for 2020, including the implementation of the Oracle ERP software (Fusion) upgrade at \$2.3 million, post go-live enhancements for the Odyssey Case Management System (CMS) at \$1.7 million, and the Admissions Information Management System (AIMS) at \$0.7 million. In addition to these major initiatives, there is \$1.4 million for technology equipment replacement that was funded by the 2020 Fee Bill. The fee increase allocated \$1.4 million annually for technology replacements and \$1.0 million for technology initiatives, like the ERP System or the planned Licensee Information Management System (LIMS) in 2021. These major initiatives, along with many other technology projects continue to be a major focus for staff in order to leverage technology to increase efficiencies.

Case Management System (CMS) – The budget includes \$1.7 million for additional enhancements to the Odyssey Case Management System, the system used by the Office of Chief Trial Counsel, State Bar Court and Office of Probation to manage attorney discipline cases. This includes a combination of enhancements to the core system that can only be completed by Tyler Technology, the system developer; and those that can be addressed by the State Bar IT Development team. The enhancements fall into six major categories:

- Reports – Additional or enhanced reports to further reduce manual data gathering.
- Interfaces –Critical interfaces between Odyssey and internal State Bar applications
- Forms/Tokens – Additional forms that can be auto-generated by the system
- Odyssey Core Functionality – Changes to application screens for more efficient access to different parts of the system.
- New Functionality – Additional functionality that was not part of the original project scope, the need for which has become apparent after using the system.
- Data Cleanup – Additional cleanup of data that was converted from the AS400 system.

Indirect Costs and Cost Allocation Plan – Total indirect costs in 2020 are \$38.5 million as compared to \$35.6 million in 2019. Of the indirect costs, \$30.2 million or 78.3 percent is allocated to the General Fund and \$8.4 million or 21.7 percent to Other Funds. The \$8.4 million is a 1.2 percent increase over the 2019 budget of \$8.3 million. These costs are allocated to various funds and programs as detailed in the 2020 Final Budget document.

Overall Impact on Reserves

This proposed 2020 Final Budget requires the use of a specified amount of reserves accumulated in prior years. Of the State Bar’s total budgeted expenses for 2020 of \$244.6 million, \$213.7 million will be supported by 2020 revenues and \$30.8 million will be funded by reserves. The financial viability of each fund is assessed by comparing the reserves of each fund, projected through December 31, 2019, against the Board’s minimum reserve guideline of two months (17 percent) of operating expenses. The Board’s policy also calls for spend down funding whenever a fund surpasses 30 percent of operating expenses for a consecutive six month period. Funds that are excluded from the minimum reserve target requirement are all grant-related Funds, specifically the Legal Service Trust, Equal Access, Justice Gap, and Bank Settlement Funds. The table below shows a summary for 2020.

Table 11: Reserve Calculations for 2020
(Projected Reserves at December 31, 2020 as a Percentage of 2020 Expenses)

	Beginning Reserves	Revenues	Expenses	Budget Surplus / (Deficit)	Ending Reserves	Reserve Level (%)
General	16,774,200	94,928,100	(96,505,600)	(1,577,500)	15,196,700	15.7%
Admissions	8,026,500	20,885,600	(23,428,600)	(2,543,000)	5,483,500	23.4%
Bank Settlement	20,530,400	69,400	(11,768,200)	(11,698,800)	8,831,600	NA
Client Security	365,900	15,919,600	(15,933,900)	(14,300)	351,600	18.2%
Elimination of Bias	194,100	326,900	(443,100)	(116,200)	77,900	17.6%
Equal Access	2,687,600	31,282,300	(32,922,800)	(1,640,500)	1,047,100	NA
Justice Gap	2,817,500	923,200	(1,004,200)	(81,000)	2,736,500	NA
Lawyer Assist. Prog.	3,741,800	292,800	(2,478,200)	(2,185,400)	1,556,400	62.8%
Legal Services Trust	46,433,900	46,090,800	(57,263,100)	(11,172,300)	35,261,600	NA
Legal Specialization	3,244,700	2,231,500	(1,886,200)	345,300	3,590,000	190.3%
Legislative Activities	548,200	786,200	(922,900)	(136,700)	411,500	44.6%
Totals	105,364,800	213,736,400	(244,556,800)	(30,820,400)	74,544,400	

Based on the 2020 Final Proposed Budget, only the General Fund would have reserves under the 17 percent target and not be in compliance with the policy; the projected General Fund reserve level at the end of 2020 would be 15.7 percent. All other funds are projected to meet the minimum reserve requirements. Both the Lawyer Assistance Program Fund and Legislative Activities Fund have reserves above 30 percent and are scheduled to spend down reserves in 2020.

2020 General Fund Alternatives: Currently, the General Fund overall deficit and use of reserves is projected to be \$1.6 million, with \$1.7 million being used for CMS. This will bring the projected reserves to \$15.2 million or 15.7 percent of expenses as shown in the previous table.

The following table compares the current proposed budget and reserves with two alternatives, (1) the proposed budget without funding for CMS, and (2) the proposed budget with funding for the complete 2020 Capital Plan of \$5.4 million (which, as noted above, might in fact be less funding than actually necessary to implement the 2020 plan). Staff is recommending the proposed budget with CMS as it is critical to support the State Bar's Core Mission and to improve efficiencies in the discipline system. Alternative 1 would result in a slight surplus and being above the Board's reserve target of 17 percent. Alternative 2 would result in a \$6.3 million deficit and a 10.4 percent reserve. Reserves of \$15.2 million would provide for approximately 55 days of operations in comparison to the 60 days in the Board Reserve Policy.

Table 12: General Fund Reserve Calculations for 2020

General Fund	2020 Proposed Budget	2020 Alternative 1 (w/o CMS)	2020 Alternative 2 (w/Capital)
Beginning Reserve Balance	16,774,200	16,774,200	16,774,200
Revenues	94,928,100	94,928,100	94,928,100
Expenses	(96,505,600)	(94,805,600)	(101,205,600)
Surplus/(Deficit)	(1,577,500)	122,500	(6,277,500)
Ending Reserve Balance	15,196,700	16,896,700	10,496,700
Reserve Percentage	15.7%	17.8%	10.4%

2020 Budget Summary

The 2020 proposed budget allocates resources to meet the State Bar's mission and to accomplish major goals and objectives as set forth by the Board of Trustees in the 2017-2022 Strategic Plan. The recent fee increase will allocate new resources to support and improve the discipline system. Where the fee increase was not sufficient to support all the needs of the State Bar, staff will evaluate those areas over the fiscal year. Staff will need to further analyze the options in maintaining capital assets and increasing rental income. This analysis should be complete prior to the next budget process which starts in October.

FISCAL/PERSONNEL IMPACT

Described above.

AMENDMENTS TO RULES OF THE STATE BAR

None

AMENDMENTS TO BOARD OF TRUSTEES POLICY MANUAL

None

STRATEGIC PLAN GOALS & OBJECTIVES

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

Objective: d. Support adequate funding of the Client Security Fund.

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

Objective: f. 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.

Objective: k. 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.

RECOMMENDATIONS

Should the Board of Trustees concur in the proposed action, passage of the following resolution is recommended:

RESOLVED, that the Board of Trustees hereby adopts the 2020 Final Budget in the form presented to the Board this day; and it is

FURTHER RESOLVED, that the Board of Trustees hereby authorizes staff to make technical adjustments and corrections to the 2020 Final Budget prior to submitting it to the Legislature by February 28, 2020.

ATTACHMENT(S) LIST

- A. 2020 Proposed Final Budget

2020 State Bar Final Budget



The State Bar of California
January 21, 2020

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STATE BAR BACKGROUND

The California State Bar is a public protection organization committed to transparency, accountability, excellence through lawyer regulation, education and discipline, and support for improvements to the legal justice system. In its capacity as a judicial branch agency, the Bar operates to ensure that the legal profession serves the people of the state in a manner consistent with the highest standards of professional competence, care, and ethical conduct. It also serves as an administrative adjunct to the California Supreme Court on all matters pertaining to the admission, discipline, and regulation of California's active lawyers.

HISTORY

The California Legislature created the State Bar of California as a public corporation in the 1927 State Bar Act. The State Bar Act authorized the State Bar, subject to approval by the California Supreme Court, to fix the qualifications for admission to practice law, adopt Rules of Professional Conduct and conduct disciplinary proceedings. The State Bar Act also authorized the State Bar to aid in the administration of justice. In 1960, the electorate added the State Bar to the California Constitution. That provision, as amended in 1966, provides: "The State Bar of California is a public corporation. Every person admitted and licensed to practice law in this State is and shall be a member of the State Bar except while holding office as a judge of a court of record." The State Bar serves as an arm of the California Supreme Court in all of its regulatory duties.

In 2011, the California Legislature amended the State Bar Act to make public protection "the highest priority for the State Bar of California and the board of trustees in exercising their licensing, regulatory, and disciplinary functions." (Business and Professions Code section 6001.1) Consistent with a statutory change effective January 1, 2018, functions and activities outside of the core mission of the Bar were transferred to a new, private, nonprofit corporation (See Stats. 2017, ch. 422.). The sole focus of the State Bar is now on its regulatory function. Consistent with this shift in focus and priorities, the Board of Trustees adopted a new State Bar Mission Statement, which reads:

"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."

BOARD OF TRUSTEES

The State Bar's governing board, the Board of Trustees, meets regularly to consider organizational, policy and regulatory matters.

The board is made up of 13 trustees, including:

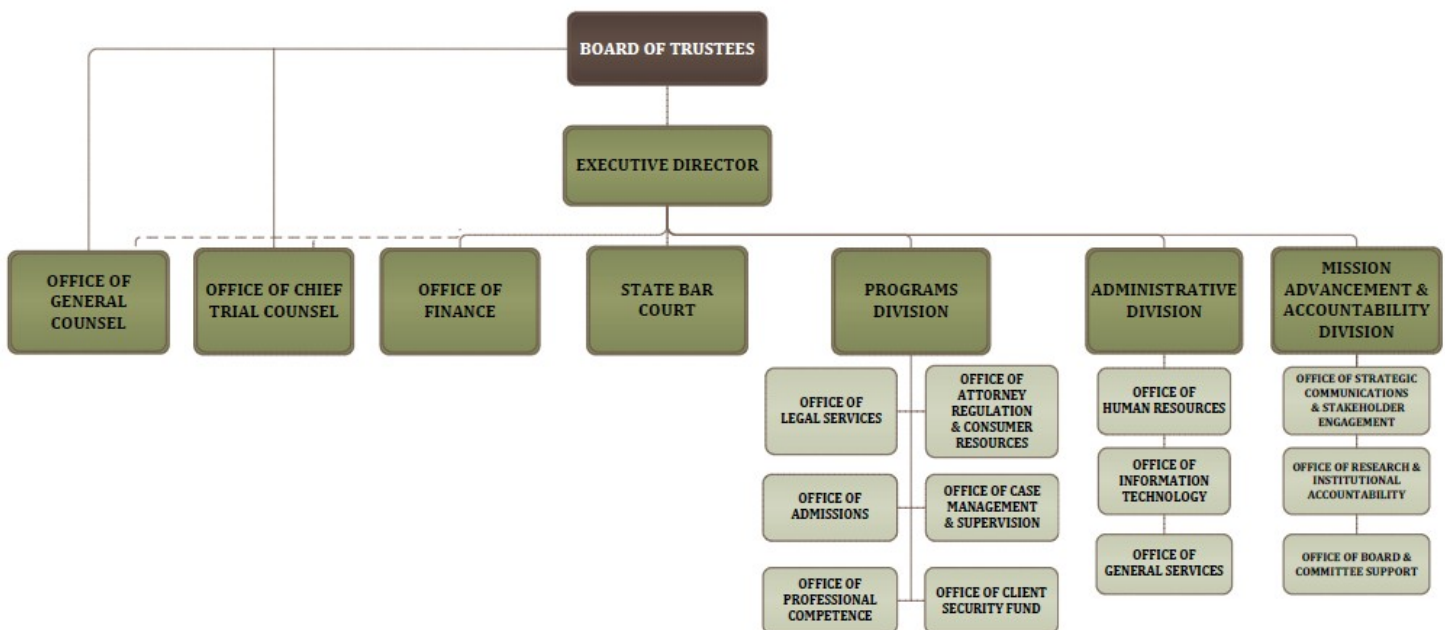
- Five attorneys appointed by the California Supreme Court, who will serve four year terms;

- Two attorneys appointed by the Legislature, one by the Senate Committee on Rules and one by the Speaker of the Assembly; and Six “public” or non-attorney members, four appointed by the governor, one by the Senate Committee on Rules and one by the Speaker of the Assembly

ORGANIZATIONAL STRUCTURE

The Board of Trustees guides policymaking for the State Bar. The Bar’s Executive Director, Chief Trial Counsel, and General Counsel report directly to the Board of Trustees. The Executive Director, through and with the Bar’s Leadership Team¹ is responsible for ensuring that the organization fulfills its mission and achieves the specific goals outlined in the Bar’s strategic plan.

The organizational chart illustrates the Bar’s oversight structure:



LICENSEES

With over 260,000 licensed attorneys, the State Bar of California is the largest State Bar in the country. To practice law in California attorneys must pass the California Bar Examination, meet moral character requirements, and pay annual licensing fees to the State Bar.

¹ In addition to the Executive Director, the Leadership Team is comprised of the General Counsel, Chief Trial Counsel, Chief of Programs, Chief Financial Officer, Chief Administrative Officer, and Chief of Mission Advancement and Accountability.

FISCAL 2020 BUDGET OVERVIEW

SOURCES OF FUNDS

The State Bar's 2020 Adopted Budget reflects \$213.7 million in total revenue and \$242.7 million in total expenses. The graphs and tables below report the major revenues and expenses budgeted in 2020. Variances in budgeted amounts compared to the prior year are discussed below.

Figure 1 shows the composition of sources of funding for 2020. Mandatory fees are the largest source of revenue for the State Bar.

Figure 1: Revenues, 2020

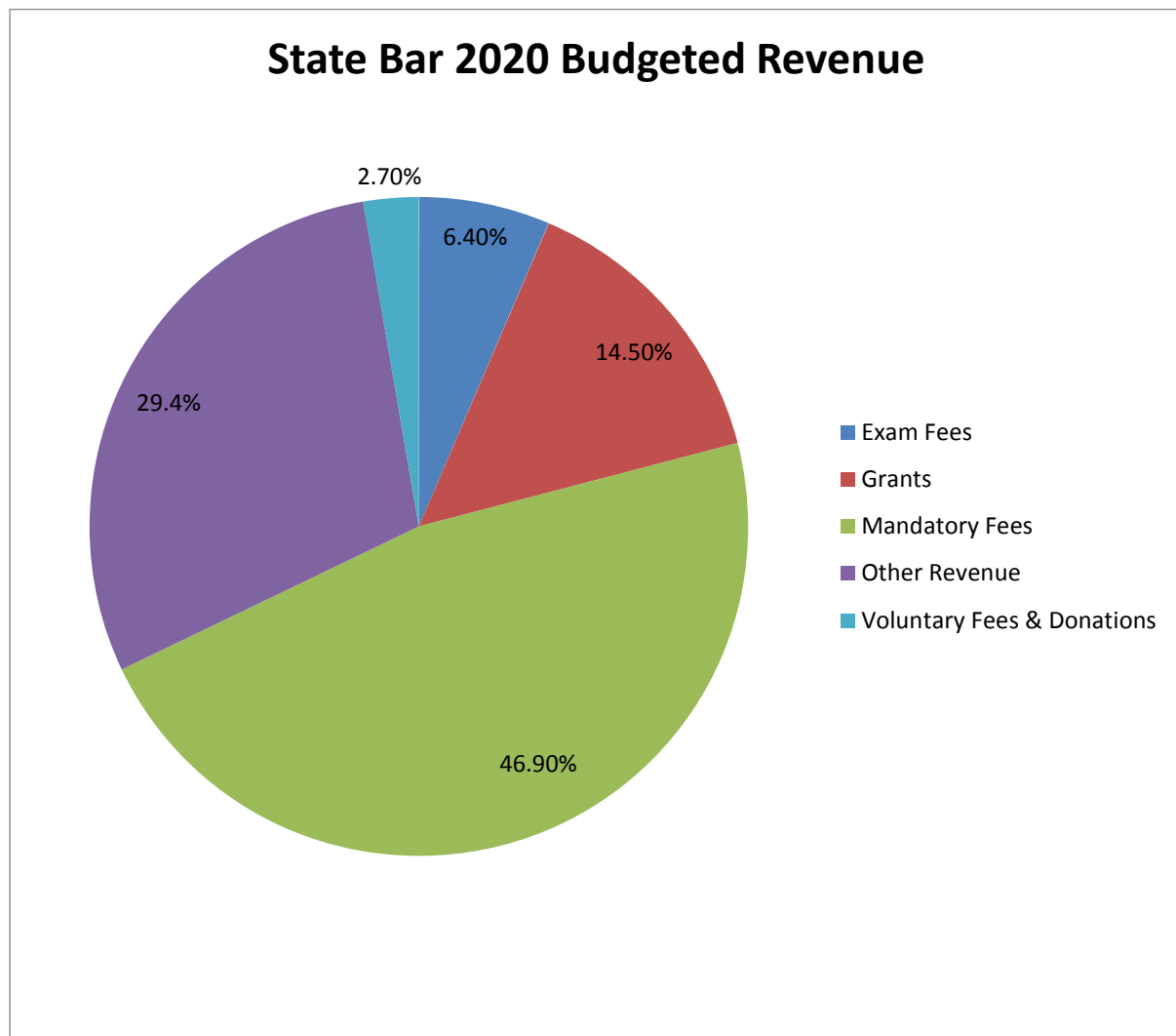


Table 1 provides a detailed breakdown of 2020 and 2021 budget revenues by funding source. It also outlines budget variance by dollar amount and percent change from previous year.

Table 1: Revenue, 2020

	2019 Budget	2020 Budget	2021 Forecast
Exam Fees	\$13,935,300	\$13,658,480	\$13,658,480
Grants	25,857,400	30,701,985	30,701,985
Interfund Transfers In	100,000	1,825,000	1,825,000
Mandatory Fees	76,567,300	99,448,446	99,945,688
Other Revenues	42,636,900	62,350,815	62,350,815
Voluntary Fees & Donations	8,428,200	5,751,700	5,780,459
Total Fund Sources	\$167,525,100	\$213,736,426	\$214,262,426

Mandatory Fees

Active attorneys must pay \$497 annually to maintain their license. This includes a \$25 discipline fee, an \$80 client security fee, and a \$1 lawyer assistance fee. Attorney licensing fees are set by the Legislature annually.

Grants

Grants include revenue received by the State Bar from a variety of agencies and other sources. Grants are administered through the Equal Access Fund, which is aimed at helping Californians who need legal services, but can't afford to hire a lawyer. The adopted budget represents a 19% increase from 2019 grants revenue.

Exam Fees

Exam fees include revenue from the First-Year Law Students' Examination and the California Bar Examination, which are housed in the Bar's Admissions Fund. The adopted budget represents a 2% decrease from 2019 exam fee revenue, resulting from an expected 2% decrease in the number of applicants from 2019 to 2020.

Voluntary Fees and Donations

The Bar also generates revenue through voluntary fees from licensees, and donations. Voluntary fees and donations fund specific program areas including the Legal Services Trust Fund, Elimination of Bias Fund and Legislative Activities Fund. The 2020 adopted budget represents a 32% decrease from the prior year's voluntary fees and donations revenue, due to an assumption that mandatory fee increases will negatively impact voluntary donations.

Other Revenue

In addition to the funding sources outlined above, the State Bar generates revenue from a host of other sources and services provided, including client trust accounts, student registration fees, law school accreditation, penalty and late fee assessments, the Interest on Lawyers' Trust Accounts (IOLTA), certificates of standing, moral character fees, insurance commissions, lease revenue, and interest income. The budget for 2020 has been adjusted to reflect an increase based on actuals received in 2019 because of an increase in client trust account revenue.

USE OF FUNDS

State Bar Divisions and Offices are responsible for implementing the Bar's Strategic Plan. They include: The Office of the Executive Director; the Office of the General Counsel; the Office of the Chief Trial Counsel; State Bar Court; the Office of Recruitment and Retention; the Mission Advancement and Accountability Division, which includes the Office of Board and Committee Support, the Office of Communications and Stakeholder Engagement, and the Office of Research and Institutional Accountability; the Programs Division, which includes the Office of Admissions, the Office of Attorney Regulation & Consumer Resources, the Office of Case Management and Supervision which includes the Lawyer Assistance Program and Probation, the Office of the Client Security Fund, the Office of Access & Inclusion, and the Office of Professional Competence; and the Administrative Division, which includes the Office of General Services, the Office of Human Resources, and the Office of Information Technology; and the Office of Finance.

A brief overview of each, along with key specific revenue, expense, and personnel data, is provided in the State Bar Operations Budget Detail section of this document.

Table 2 below outlines the operating budget by expense type for 2020 and the 2021 forecast.

Table 2: Bar Expenses by Cost Type

	2019 Budget	2020 Budget	2021 Forecast
Personnel Expense	\$85,810,500	\$97,014,810	\$98,955,106
Services	19,558,600	22,010,985	22,287,487
Legal Services Grants	62,670,700	98,463,237	98,463,237
Supplies and Equipment	9,850,200	9,658,221	9,851,385
Other Expense	2,263,400	2,633,004	2,685,665
Debt Service	1,035,100	1,035,100	1,035,100
Indirect Costs	(200)	(14)	(14)
CSF Payments	6,900,000	13,600,000	13,600,000
Reimbursements	(1,485,000)	(1,685,000)	(1,685,000)
Total Expenses	\$186,603,300	\$242,730,343	\$245,192,965

Personnel Expenses

Personnel expense includes salary and benefits, supplemental staffing, employee health care, and retirement. These expenses total \$97.0 million of the Bar's 2020 budget. The adopted budget represents a 13% increase from the prior year. There are increases occurring due to additional FTE's, cost-of-living, and health care and retirement factors.

Services

Services expense includes professional services, other outside services, exam graders, and exam proctors. Services account for \$22.0 million of the Bar's 2020 Budget. The adopted budget represents a 13% increase from the prior year services expenses, occurring primarily in the Professional Services accounts for Information Technology projects.

Legal Services Grants

Legal Services grants represent distribution of grants generated through the Interest on Lawyers' Trust Accounts program, Equal Access Fund, and bank settlements. Legal Services Grants account for \$98.5 million of the Bar's 2020 Budget. These expenses represent a 57% increase in 2020 compared to the prior year, primarily due to increases in the Legal Services Trust Fund.

Supplies and Equipment

Supplies and Equipment expense includes exam and software licensing, supplies and postage, computers and software, buildings and equipment, and telecommunications. This category accounts for \$9.7 million of the Bar's 2020 budget. The adopted budget represents a 2% decrease from the prior year's Supplies and Equipment budget.

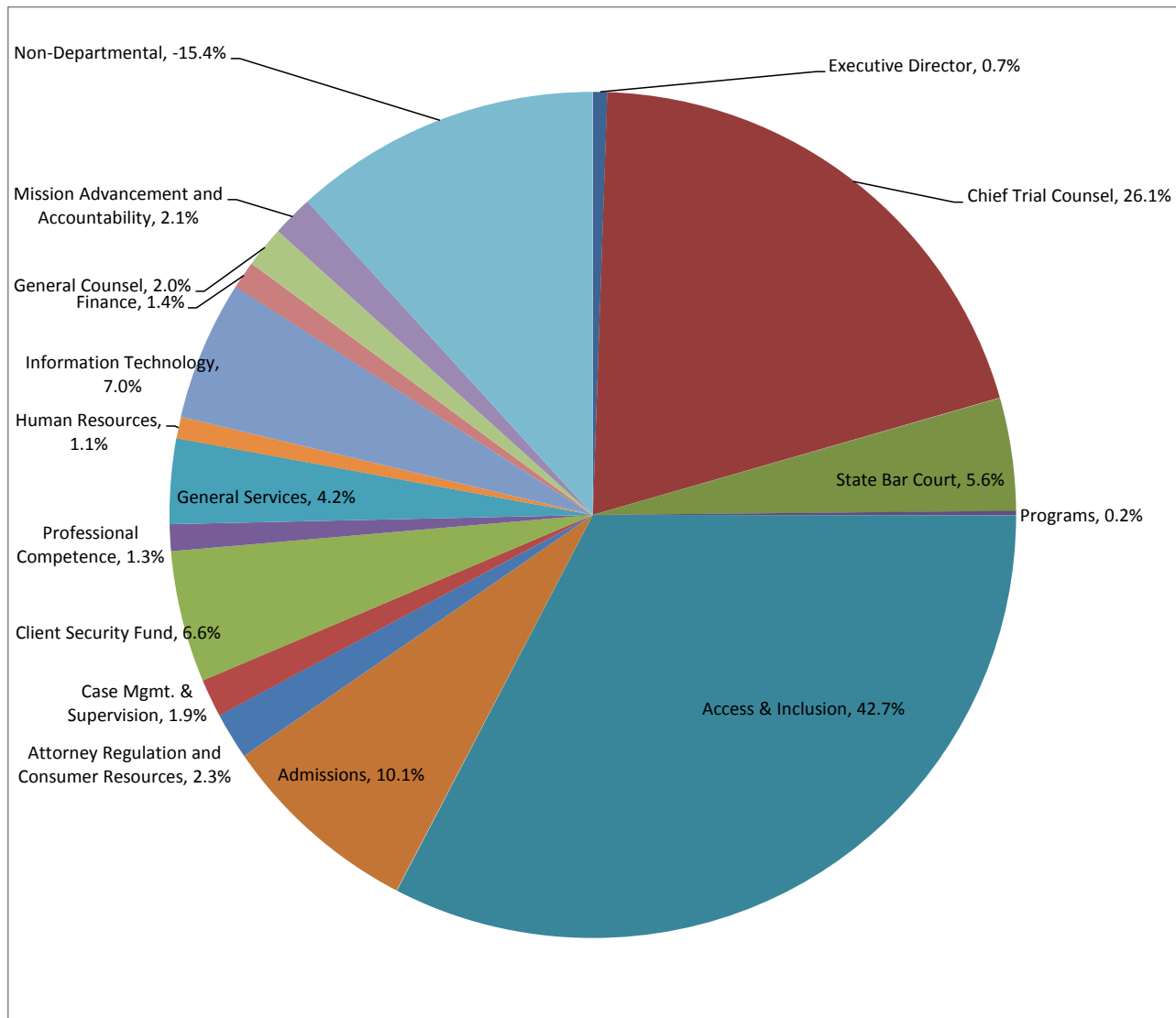
Other Expenses & Client Security Payments

Other expenses primarily consist of Client Security Fund payments, followed by travel and training. These expenses account for \$2.6 million of the Bar's 2020 budget. The adopted budget represents a 16% increase from prior year costs, resulting from an expected increase in Client Security Fund payouts.

Total Operating Budget

Figure 2 illustrates the composition of operating expenditures, by department. Access & Inclusion comprises 42.7% of total expenditures, due to a planned spend-down of a large bank settlement grant, and high levels of trust fund revenue. The Office of the Chief Trial Counsel represents 26.2% of operating budget expenditures. Together these two departments comprise a little over two thirds of the State Bar's operating budget.

Figure 2: Operations Budgets

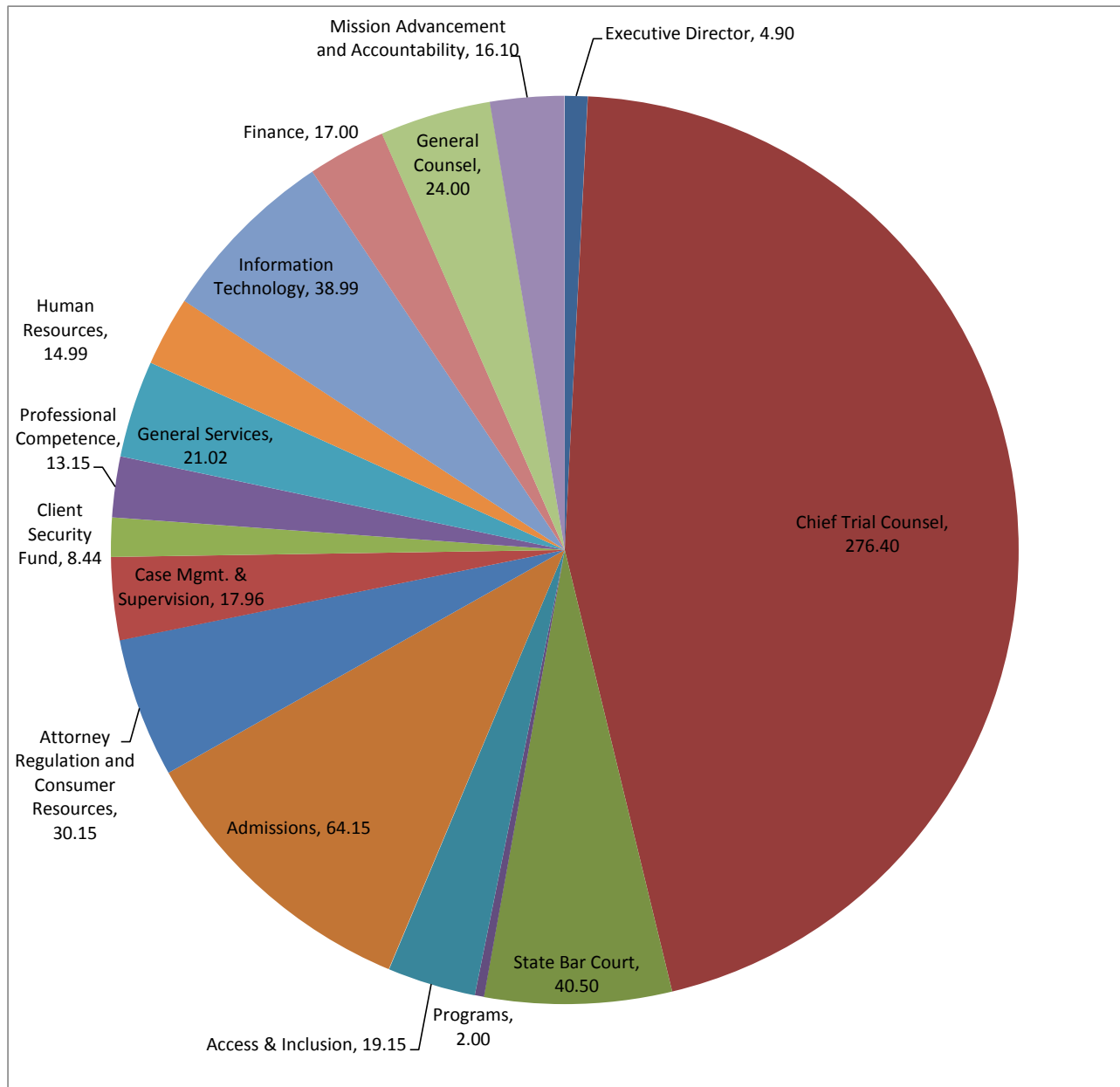


Total Staffing for 2020

The 2020 adopted budget funds 608.9 full-time equivalent positions, compared to 582.83 budgeted for 2019.

Figure 3 below illustrates the distribution of FTEs across the Bar. Details are provided in the Budget Detail section of this document.

Figure 3: Department Distribution of Full Time Employees



Staffing History

Table 3 shows a three-year history of staffing. The 2020 budget has an increase of 25.1 total FTE's, with 20.5 new funded FTE's in the Office of Chief Trial Counsel.

Table 3: Three-Year Staffing History

Department	2019	2020	2021
Access & Inclusion	19.3	19.2	19.2
Admissions	65.3	64.2	64.2
Attorney Regulation and Consumer Resources	29.3	30.2	30.2
Case Mgmt. & Supervision	17.6	18.0	18.0
Chief Trial Counsel	255.9	276.4	276.4
Client Security Fund	8.2	8.4	8.4
Executive Director	1.7	4.9	4.9
Finance	17.0	17.0	17.0
General Counsel	23.8	24.0	24.0
General Services	22.0	21.0	21.0
Human Resources	13.0	15.0	15.0
Information Technology	34.0	39.0	39.0
Mission Advancement and Accountability	23.9	16.1	16.1
Professional Competence	13.3	13.2	13.2
Programs	0.0	2.0	2.0
Special Projects	1.0	0.0	0.0
State Bar Court	38.7	40.5	40.5
Total FTE	583.8	608.9	608.9

BUDGET ASSUMPTIONS

The 2020 budget reflects the following significant assumptions:

Mandatory Licensee Fees & Voluntary Donations

Budgeted licensee fees and voluntary donations, excluding late penalties, total \$105.2 million, reflecting a \$20.2 million increase as compared to \$85.0 million in the 2019 adopted budget. This increase reflects an increase of \$22.9 million in mandatory fees resulting from the 2019 fee bill, offset by a reduction of \$2.7 million in expected voluntary donations.

Personnel Expense

Personnel expense is the largest single component of the State Bar's costs. The 2020 personnel expense budget increased by \$11.2 million, or 13%, from \$85.8 million in 2019 to \$97.0 million in 2020. The increase is due to additional FTE's, cost-of-living, and health care and retirement factors.

Affinity and Insurance Program Revenues

The 2018 Fee Bill redirected virtually all of the State Bar's affinity and insurance program revenue. Beginning in 2019, 50% of affinity program revenue are being remitted to ChangeLawyers.org, formerly the California Bar Foundation, and 50% to qualified Legal Services projects. Revenue received from insurance programs will be split as follows: 25% to the ChangeLawyers.org, 25% to qualified legal services projects and support centers, and 50% to support discipline functions of the State Bar or the Client Security Fund

Pursuant to Business and Professions Code section 6141.3, subd. (c), the first \$150,000 of revenue received in 2020 and 2021 will go to the California Commission on Access to Justice. Any additional revenue, after administrative costs are deducted, will be distributed as follows: one third to the California Lawyers Association; and, two thirds to California Change Lawyers, which will distribute its portion of the revenue as specified in section 6141.3, subd. (c)(2).

Professional Services, Temporary Help

Zero-based budgeting continues in 2020 for professional services and temporary help line items. Professional service expenses are budgeted at \$7.9 million, up from last year's budget of \$5.5 million; the increase occurs primarily in IT-related projects. Temporary help expenses are budgeted at \$1.6 million, similar to last year's budget.

Legal Specialization Fund

The 2019 budget reflected a \$1 million loan from the Legal Specialization Fund to the Admissions Fund to finance a portion of the Admissions Information Management System (AIMS). The loan is being repaid to the Legal Specialization Fund in equal installments of \$100,000 over 10 years, beginning in 2019. The second installment is included in the 2020 budget.

Capital Maintenance

The Bar has a multi-year capital improvement program in place to ensure that its 180 Howard Street headquarters building operates safely and efficiently and complies with updated building codes. Building improvements budgeted in 2020 total \$725,000.

Indirect Cost Allocation

Direct costs are those that can be specifically identified with a particular operational area objective. For the State Bar, this include functions such as Executive Director, Chief Trial Counsel, State Bar Court, the Mission Advancement and Accountability Division, Admissions, Attorney Regulation and Consumer Resources, Access & Inclusion, Professional Competence, Lawyer Assistance Program, Probation, Client Security Fund, and General Services.

Indirect costs are not readily identifiable with a specific operating program, but rather, are incurred for a joint purpose that benefits more than one program. Common examples of indirect costs include finance, human resources, recruitment and retention, information technology, insurance and building maintenance.

Although indirect costs are generally not readily identifiable with specific programs, their costs are assigned to programs via various allocation bases, so that program costs will be more accurately reflected in the State Bar's financial data.

The total amount of the 2020 indirect cost pool, to be allocated to programs, is \$38.5 million compared to \$35.6 million in the 2019 amended budget. The table below provides detail on both the indirect cost pool components, and amounts charged to individual funds.

	2019 Budget	2020 Budget	2019 vs 2020
<u>Fund</u>			
General Fund	27,283,848	30,161,065	2,877,217
Admissions	5,420,686	5,254,052	(166,634)
Bank Settlement Fund	31,801	59,237	27,436
Client Security	581,746	884,123	302,377
EOB/Bar Relations	58,105	179,201	121,096
Equal Access Fund	16,837	328,402	311,565
Justice GAP	6,965	4,226	(2,739)
Lawyers Assistance Program	483,430	554,780	71,350
Legal Service Trust Fund	845,651	426,145	(419,506)
Legal Specialization	743,259	502,892	(240,367)
Legislative Activities	135,562	173,090	37,528
	35,607,890	38,527,213	2,919,323
<u>Indirect Cost Pool:</u>			
General Counsel	4,544,739	4,943,586	398,847
Finance	3,147,233	2,888,220	(259,013)
Licensee Billing	425,611	508,862	83,251
Human Resources	2,453,232	2,623,637	170,405
General Services LA	3,975,105	4,560,064	584,959
General Services SF	5,601,811	4,896,740	(705,071)
Building - Capital improvement	2,743,980	420,500	(2,323,480)
Information Technology	9,167,692	13,269,401	4,101,709
Executive Direct/BOT/Election, etc	3,533,071	4,416,203	883,132
Non Departmental	15,416	-	(15,416)
	35,607,890	38,527,213	2,919,323

Information Technology Projects

2020 information technology projects include various implementation efforts, including the Oracle financial software upgrade (ERP System), upgrades to the Odyssey Case Management System (CMS), and security upgrades.

Lawyers Assistance Program

Budgeted expenses in the Lawyers' Assistance Program (LAP) increased to \$2.5 million in 2020 from the \$2.0 million budgeted in 2019; budgeted revenue has fallen to .2 million, due to changes in the recent fee bill. Thus, the Lawyers Assistance Program will be spending down part of its existing fund balance in 2020.

Use of Reserves

Budgeted revenues are \$213.7 million, with \$29.0 million funded from reserves. The \$29.0 million assumed reserve funding is composed of \$27.7 million of non-General Fund amounts collected in prior years that will be spent in 2020, and \$ 1.3 million for upgrades to the Bar's case management software that staff recommends be financed from General Fund reserves.

The following table is a listing of funds using reserves , with the amounts, the projected ending percentage, if applicable, and the purpose for the use of reserves.

Fund Name	Use of Reserves	Ending %	Purpose
General	(1,577,500)	15.7%	One-Time (CMS-IT)
Admissions	(2,543,000)	23.4%	Operating & One-Time
Bank Settlement	(11,698,800)	NA	Planned Spend Down – Grants
Client Security	(14,300)	18.2%	Operating
Elimination of Bias	(116,200)	17.6%	Planned Spend Down to Target
Equal Access	(1,640,500)	NA	Planned Spend Down - Grants
Justice Gap	(81,000)	NA	Planned Spend Down – Transfer Out
Lawyer Assist. Program	(2,185,400)	62.8%	Fee Holiday 2020
Legal Services Trust	(11,172,300)	NA	Planned Spend Down - Grants
Legislative Activities	(136,700)	44.6%	Planned Spend Down to Target

The Bar received \$44.7 million in Bank Settlement funds in 2016. In 2020, \$11.7 million is budgeted to be spent from these funds to support legal services initiatives focused on foreclosure prevention and community economic development. For Equal Access and Legal Services Trust Fund, the \$1.6 and \$11.2 million are planned spend of reserves from the prior years.

2021 Projected Budget

The State Bar provides a projection for year two in the budget as part of the legislative submittal. For the 2021 Projected Budget figures included in this report, conservative assumptions were made that revenue and expense items would only change from 2020 in the range of 0-2%.

BUDGET DEVELOPMENT PROCESS

BUDGET CALENDAR

The State Bar's budget process begins with preliminary revenue and expense projections for the upcoming budget year. Then, under the direction of the Chief Financial Officer (CFO), the Office of Finance issues budget instructions containing detailed guidance on the preparation of budget requests. Offices prepare budget requests and submit to the Office of Finance for review.

The Office of Finance reviews the budget requests, compares against projected revenues, and prepares the budget document. With the approval of the Executive Director, the State Bar's proposed budget is presented to the Board of Trustees for adoption in January.

Beginning in 2019, the Office of Finance submits only the final version of the budget to the Legislature by February 28. This change was part of the 2019 fee bill.

BUDGET DEVELOPMENT

Each year, the State Bar budget is prepared in accordance with Business and Professional Code section 6140.1. The State Bar's Budget Policies and Procedures Manual documents in detail budget preparation, formulation, submission and approval processes. The budget expresses, in terms of dollars, the funded programs and plans of the State Bar for the budget year and the estimated income by sources necessary to finance these programs and plans. The budget is the primary instrument of fiscal control and, accordingly, contains all income and expenses of the State Bar. The State Bar's strategic plan provides the framework for the annual budget formulation and process.

Revenue included in the annual budget are estimates. Unlike expense accounts, revenue accounts are not budgets subject to adoption. Revenue estimates may be adjusted from time to time to reflect additional information as it becomes available or to correct technical or clerical errors.

The Office of Finance is responsible for the development and monitoring of the State Bar's annual operating budgets. It prepares the annual budget submission to the Board of Trustees and Legislature; fulfills internal and external budgeting reporting requirements; processes budget transfers and funding requests for new initiatives; reviews and monitors capital budget requests; and provides financial analyses for Offices and the Board.

BUDGET MANAGEMENT

The Office of Finance is responsible for monitoring budget spending on a monthly basis. It conducts analytical studies to support the planning and budget development processes and produces management information related to the State Bar's operations. The Office of Finance strives to provide efficient and productive methods of budget preparation, using sound budget and management practices, financial planning that supports management decision making, developing innovative solutions to challenging problems, and ensuring the State Bar's budget is linked to the Bar's Strategic Plan.

All the State Bar's basic financial statements are prepared in accordance with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board.

BUDGET VARIANCES AND ADJUSTMENTS

The State Bar's Board Book and Budget Policies and Procedures Manual set guidance for budget control and amendment. Quarterly financial reports and mid-year forecasting and budget-to-actual variance reports are required to be presented to the Board of Trustees for review.

A significant variance is defined in the Board Book policy as a year-to-date budget-to-actual variance that is greater than \$100,000 over the budgeted line item. When significant variances arise, the Office of Finance is responsible for investigating and identifying unusual items and activities. Corrective actions and reporting to the Board of Trustees are necessary depending on the extent to which the variances impact overall expenditure authority.

WORKLOAD MEASURES AND PERFORMANCE METRICS

In 2019, the State Bar implemented new Performance Metrics throughout the organization. Performance measurement provides a quantifiable way, via specific performance metrics, for organizational leaders to recognize successes and areas needing improvement. It allows policymakers, management, staff, stakeholders, and the public to build trust in leadership and see the results of ongoing effort. Effective performance measures can also help streamline existing processes, encourage collaboration across offices, and allow organizational leaders to better manage limited resources in order to increase impact and plan for future growth.

Workload measures, reflecting the volume of work performed by an Office or functional area of the Bar, will continue to be important data points to capture as part of both annual reporting and budget processes. Workload measures were introduced in the 2017 budget. After the performance metrics were completed, the workload measures were reviewed to assess continued relevancy in a "performance metrics" environment; only a limited number of workload measures will be reported.

FUND STRUCTURE AND FINANCIAL POLICIES

The State Bar's financial policies and fund structure are designed to manage financial risk and ensure the Bar is funded in the event of revenue changes. This section describes fund structures and significant financial policies.

FUND STRUCTURE

The State Bar's budget represents a complex mix of 21 funding sources supporting over 40 distinct functions within the organization. Pursuant to Board action in 2015, each of these sources is categorized into one of three Fund types:

- General Fund (renamed from Consolidated General Fund in June 2017): This Fund accounts for spendable financial resources that can generally be used to support most aspects of the Bar's operations.
- Restricted Fund Group: These funds account for activities and financial resources that can only be used for specific purposes. Sometimes these constraints are imposed externally, through legislation. The State Bar has nine funds in this group:
 - Bank Settlement Fund
 - Client Security Fund
 - Elimination of Bias Fund
 - Equal Access Fund
 - Justice Gap Fund
 - Lawyer Assistance Program Fund
 - Legal Services Trust Fund
 - Legal Specialization Fund
 - Legislative Activities Fund
- Special Revenue Fund Group: These funds account for the proceeds of specific revenue sources that are restricted or committed to specified purposes. The State Bar currently has one fund in this group:
 - Admissions Fund

The primary source of funding for the General Fund is the fees paid by licensees of the State Bar, as authorized annually by Business and Professions Code section 6041. Accordingly, the Bar's discipline system--and the majority of the administrative functions supporting that system--are funded by the General Fund.

Restricted Funds are primarily generated outside of the fee bill process, through either separate statutory authority (for example, the Client Security and Lawyer Assistance Program Funds), or grant or settlement sources. However the Legislative Activities Fund is dependent on fee bill authorization. Special Revenue Funds are self-sustained by fees paid by licensees or applicants. While Restricted and Special Revenue Funds differ in their underlying revenue sources, neither is used to support General Fund activity, other than as charged for administrative support services through the allocation of indirect costs.

ACCRUAL BASIS ACCOUNTING

The State Bar utilizes the accrual basis of accounting for its Enterprise Fund, which reports all business-type activities in the General Fund, the Restricted Fund Group and the Special Revenue Fund Group. Under the accrual basis of accounting, licensee fee revenues and other fees are recognized in the period earned rather than when collected. Expenses are matched with the related revenues and are recognized in the period that the liability is incurred, regardless of the timing of the related cash flows.

Basis of budgeting refers to the method used for recognizing revenues and expenditures in budget. For budgetary purposes, the State Bar utilizes the modified accrual basis of accounting for all program funds, with budgetary control set at the cost center and expenditure category levels within each Office budget. The modified accrual basis of accounting is different from the accrual basis of accounting accepted under the GAAP. Depreciation expense is not included as a budgeted expense since it does not use spendable resources. Debt principal and capital outlay are also expensed under the modified accrual basis which is not in accordance with GAAP.

RESERVES

The State Bar adopted a new fund structure in 2015 and revised its Reserve Policy the following year. The fund structure, which utilizes the concept of “fund balance” for Enterprise Funds under GAAP and the Governmental Accounting Standards Board Statement No. 54, establishes a fundamental framework for the Reserve Policy in defining the classification of reserves in each program fund. Under the Reserve Policy, the State Bar is required to maintain a net minimum reserve balance that equates to two months--or a level of 17%--of operating expenses for all non-grant funds.

Funds subject to the policy are the General Fund, Legislative Activities Fund, Elimination of Bias Fund, Lawyer Assistance Program Fund, Legal Specialization Fund, and Admissions Fund. Whenever reserve levels surpass 30%, for a consecutive six-month period, a reserve spend-down plan shall occur in accordance with the principles stated in the Reserve Policy.

Excluded Minimum Target Reserve Funds include the Grant, Legal Services Trust, Equal Access, Justice Gap, and Bank Settlement Funds.

For purposes of the Minimum Reserve Target, operating expenses of the Client Security Fund shall exclude application payouts.

PROCUREMENT

Purchase of goods and services are managed under a procurement system utilizing purchase requisition and purchase order. The State Bar does not use encumbrance accounting. As a result, unfilled purchase orders and outstanding contractual obligations at year-end are not classified as commitments for financial statement presentation. Budget control is set at the cost center and expenditure category levels. Unspent budget appropriations lapse at each fiscal year-end.

INVESTMENT POLICY

It is the policy of the State Bar of California to invest public funds in a manner which will provide the maximum security with best investment return, while meeting the daily cash flow demands of the Bar and conforming to all State statutes governing the investment of public funds and all resolutions of the Board of Trustees. The Bar's investment policy applies to all financial assets under direct control of the State Bar, including all funds accounted for in the State Bar quarterly report to the Board and include the General Fund, Restricted Funds, and other funds that may be created from time to time. The State Bar holds no pension trust funds for which it is accountable. The State Bar utilizes an independent third party custodian to provide custodial services on all its investments.

Under the investment policy, the State Bar's investment portfolio will remain sufficiently liquid to enable the State Bar to meet all operating requirements that might be reasonably anticipated. The State Bar's investment policy is designed to attain a market rate of return throughout budgetary and economic cycles, commensurate with the State Bar's investment risk constraints and the cash flow characteristics of the portfolio. Investments are made with the intent to hold to maturity unless the liquidity needs of the portfolio require that the security be sold or a capital gain be realized in a manner that better positions the overall portfolio in achieving investment policy goals.

The CFO is designated as the official with responsibility for authorizing the sale or liquidation of investments in advance of their scheduled maturity dates. The CFO makes quarterly reports to the Board of Trustees on the status of the State Bar's investment portfolio. These reports include information as to the type of investment, the amount of money invested with various institutions, market value for securities with a maturity of more than 12 months, purchase and maturity dates, rate of interest, and statement of portfolio liquidity, as required by California state law.

Under the policy, investment officials and employees shall disclose any financial interests as required by the Conflict of Interest Code for Designated Employees of the State Bar of California and the Conflict of Interest Code for the State Bar Board of Trustees. All persons authorized to place or approve investments shall report annually on Form 700 of the California Fair Political Practices Commission all required economic interests for that year.

CASH RECEIPTS POLICY

The State Bar's Cash Receipts Policy provides uniform procedures and guidelines for the collection, custody, reporting and deposit of cash receipts. The procedures have been established to encourage an effective administration and internal control of cash handling operations to meet the State Bar's objectives: to deposit cash timely, record cash collections accurately and consistently, and minimize cash delivered directly to State Bar.

STATE BAR OPERATIONS BUDGET DETAIL

This section provides a detailed description of each operating area of the State Bar of California.

The profiles include:

- Overview
- Division objectives
- Organizational structure
- 2019 accomplishments
- 2020 objectives
- Workload and Performance Metrics
- Adopted budget expenditures by cost type¹
- Staffing requirements
- Significant budget changes

OPERATING AREA PROFILES

The table below compares expenses of the proposed 2020 budget to the 2019 budget, and the 2021 Forecast, by operating area.

Bar Expenses by Operating Area

Expenses	2019 Budget	2020 Budget	2021 Forecast
Executive Director	\$1,654,600	\$1,747,287	\$1,782,233
Chief Trial Counsel	53,074,400	63,449,463	64,741,784
State Bar Court	12,777,800	13,649,756	13,922,288
Programs	32,900	523,384	533,852
Access & Inclusion	67,610,900	104,596,376	104,699,039
Admissions	23,960,900	25,314,636	25,763,461
Attorney Regulation and Consumer Resources	6,224,700	5,653,371	5,766,439
Case Mgmt. & Supervision	3,671,900	4,587,695	4,677,334
Client Security Fund	8,507,700	15,933,879	15,990,256
Professional Competence	3,695,300	3,259,510	3,324,696
General Services	10,390,300	10,311,734	10,387,911
Human Resources	2,242,000	2,623,637	2,676,110
Information Technology	11,841,400	16,909,243	17,237,368
Finance	3,574,000	3,374,974	3,442,474
General Counsel	4,647,000	4,943,586	5,042,457
Mission Advancement and Accountability	4,427,800	4,986,280	5,085,922
Non-Departmental	(31,429,100)	(37,307,969)	(38,054,128)
Total Expenses	\$186,904,500	\$244,556,843	\$247,019,495

OFFICE OF THE EXECUTIVE DIRECTOR

OVERVIEW

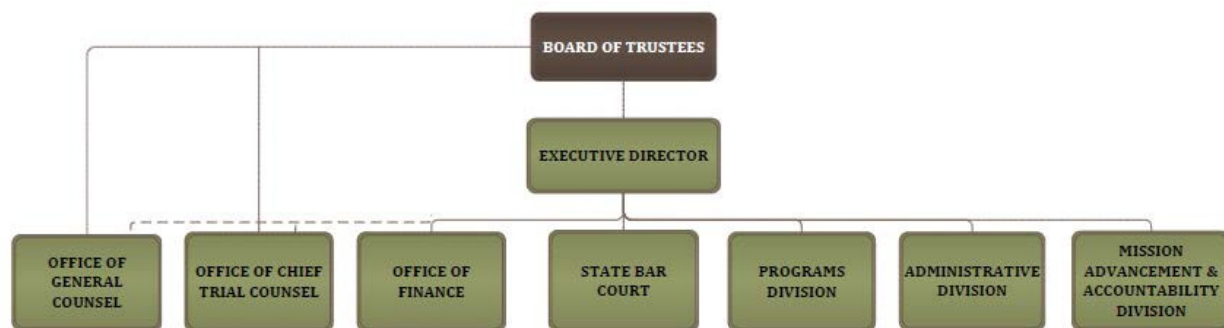
The Office of the Executive Director (OED) is responsible for ensuring that the State Bar achieves the goals and objectives outlined in the Bar's Strategic Plan; the OED is responsible for supporting the Board of Trustees and overseeing Bar staff to this end.

The OED provides support and direction regarding personnel administration, budget, facilities, and all other management related matters. In its leadership role, the OED establishes and effectuates operational and programmatic oversight. The OED establishes Bar-wide operating policies and procedures and communicates and reinforces those policies and procedures with all staff. The OED leads the State Bar's efforts to ensure accountability for the use of resources and compliance with mandates, statutes, rules and other requirements.

Office Objectives

- Ensure that the State Bar achieves the goals and objectives outlined in its Strategic Plan.
- Ensure that the State Bar is an accountable and transparent organization.
- Ensure the responsible use of funds.

Organizational Chart



Fiscal Year 2019 Accomplishments

Significant progress on implementation of the Bar's 2017-2022 Strategic Plan including:

- Approval of a first-in-20 years licensing fee increase to support critical investments in the State Bar's discipline system, fair and equitable retiree health for all staff, and technology and capital improvements.
- Articulation of licensing fee increase needed to achieve organizational mission; and
- Amendment of the State Bar's strategic plan to include measurable objectives related to the State Bar's statutory responsibility to increase diversity and inclusion in the legal profession.

Fiscal Year 2020 Projects and Objectives

- Appropriately invest the 2020 licensing fee increase so as to lay the foundation for future increases as needed.
- Publish the first annual report card on the state of diversity in the legal profession.

- Publish a State Bar annual report to include the current Annual Discipline Report as well as key performance metrics for all other areas of the State Bar.
- Finalize the work of the Taskforce on Access Through Innovation of Legal Services and advance responsible regulatory reform.

2020 Budgeted Revenue

Budgeted Revenue for the Executive Director in both the 2020 and 2021 budget years is generated by the MCLE self-study test.

Table 1: Source of Revenue by Fund

Fund	2019 Budget	2020 Budget	2021 Forecast
General Fund			
Other Revenue	\$120,000	\$148,700	\$148,700
General Fund Total	\$120,000	\$148,700	\$148,700
Legal Educ. and Dev.			
Other Revenue	\$0	\$0	\$0
Legal Educ. and Dev. Total	\$0	\$0	\$0
Total Funds	\$120,000	\$148,700	\$148,700

2020 Budget by Expense Category

The Office of Executive Director's total budget for 2020 is \$1.7 million. **Table 2** provides detailed and comparative information regarding the Office of Executive Director budgeted 2020 expenses.

Table 2: Expenses

	2019 Budget	2020 Budget	2021 Forecast
Personnel expense	\$1,012,400	\$1,057,443	\$1,078,592
Services	282,500	315,900	322,218
Supplies and Equipment	40,100	84,700	86,394
Other expense	74,900	78,200	79,764
Indirect Costs	244,700	211,044	215,265
Total Expenses	\$1,654,600	\$1,747,287	\$1,782,233

Personnel

The Office of Executive Director employs 4.90 full-time employees. **Table 4** provides prior and current year staffing information for the Office of Executive Director.

Table 4: Staffing

	Positions			Salaries	
	FY 2019 Budget	FY 2020 Budget	FY 2021 Forecast	2020 Budget	2021 Forecast
Regular Status Fulltime Employees					
Executive Director	0.90	0.90	0.90	\$240,498	\$245,308
Program Supervisor	0.00	1.00	1.00	117,047	119,388
Senior Program Analyst	0.00	0.50	0.50	49,937	50,936
Public Information Officer	0.00	1.00	1.00	77,708	79,262
Program Coordinator	0.75	1.50	1.50	123,106	125,568
Total FTE	1.65	4.90	4.90	\$608,296	\$620,462

OFFICE OF STRATEGIC COMMUNICATIONS AND STAKEHOLDER ENGAGEMENT

The Office of Strategic Communications and Stakeholder Engagement is responsible for ensuring that the general public, oversight bodies such as the Legislature and Supreme Court, and all key audiences and stakeholders – including attorney licensees, legal services partners, law school deans, and applicants – are informed about the agency’s public protection role and know how to access the State Bar’s services and resources. The office supports key strategic plan objectives and initiatives, including efforts to increase diversity and inclusion in the legal profession, improve access to legal services, and expand outreach to vulnerable populations regarding the unauthorized practice of law. The office also provides consumer legal information and supports all key functions of the agency through online content, social media promotion, publications, and media and public outreach. The office responds to media and public inquiries and produces consumer pamphlets, fact sheets, data briefs, news releases, and several e-newsletters, as well as video and digital publications.

OFFICE OF RECRUITMENT AND RETENTION

OVERVIEW

The Office of Recruitment and Retention manages the recruitment, hiring and onboarding of all new staff members as well as temporary workers; offers classroom and online training in a variety of topics; staff, manager and team consultation; and designs and manages programs and services to foster the continued professional development, well-being and retention of Bar staff.

FISCAL YEAR 2019 ACCOMPLISHMENTS

- Created a Paralegal Certificate Pilot Program
- Implemented an Employee Wellness Program
- Streamlined the job application process for internal and external applicants
- Conducted multi-rater assessments and Emotional Quotient training for supervisors and managers

FISCAL YEAR 2020 PROJECTS AND INITIATIVES

- Implement automation of the recruitment process, making full use of the new Oracle Fusion system (Recruitment and Onboarding modules)
- Develop and implement inclusion and diversity-oriented recruitment and advancement.
- Develop and implement a State Bar Talent Acquisition & Management Plan, drawing on best practices from the public and private sectors
- Incorporate career satisfaction and advancement questions into employee engagement survey
- Develop and implement a Retention Plan to include professional development, career planning, advancement opportunities and performance management

OFFICE OF THE GENERAL COUNSEL

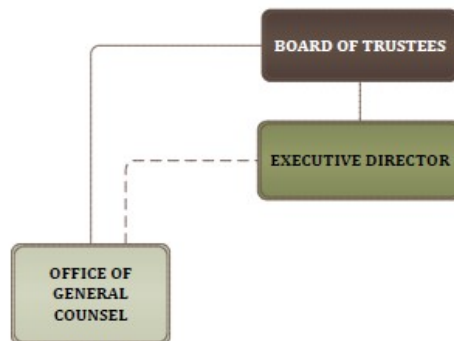
OVERVIEW

The Office of the General Counsel (OGC) functions as the State Bar's lawyer, and is responsible for providing legal advice and representation to the State Bar, its Board of Trustees, and all sub-entities and programmatic clients.

Office Objectives

To provide legal advice to the State Bar's Board of Trustees, executive staff and sub-entities, and represents them in trial and appellate administrative and civil litigation. OGC provides advice and representation in various practice areas including admissions and discipline, governance, labor and employment, intellectual property, contracts, bankruptcy, collections, professional responsibility and ethics, antitrust, Bagley-Keene Open Meeting Act, California Public Records Act, legislation, rules, regulation, privacy, public accommodation, real property, Rule 2201 Administration, and the Complaint Review Unit ("CRU"), which handles requests for a "second look" from complainants who have had their matters closed by the Office of the Chief Trial Counsel."

Organizational Chart



Fiscal Year 2019 Accomplishments

- The Complaint Review Unit continued to reduce the turnaround time for completion of “second- look” review of OCTC closed cases to under 90 days, while still keeping the number of Walker petitions at or below the historical average.²
- Continued to develop niche expertise within OGC in various areas such as antitrust, bankruptcy, ethics and privacy;
- Updated contracts handling standards and procedures;
- Further development of Rule 2201 program, including recruitment of additional SDTCs, Revision of Rule 2201 to decrease recusals and increase efficiency outside counsel know as Special Deputy Trial Counsel (SDTC), and coordinates with the SDTC Administrator on procedural matters such as processing invoices and expense reports, reporting data to the State Bar, reporting to RAD regarding the status of the cases, obtaining approval to retain new SDTCs, setting up training, following procedures such as assigning priority codes, issuing closing letters with closing codes, and providing other support or resources as needed. In 2018, 223 complaints were referred by the Chief Trial Counsel to the SDTC Administrator, an increase from the 187 complaints that were referred in 2017 and 108 complaints that were referred in 2016.
- OGC took back judgment related work from ORIA, which includes conducting and reviewing property search results, seeking the entry of new judgments for debtors with real property, filing abstracts for new judgments in the counties in which such real property is located, filing abstracts for prior judgments that were missing abstracts, renewal of judgments, and providing acknowledgments of satisfaction of judgment when there has been a payoff.

2020 Budget by Expense Category

The Office of General Counsel's total budget for 2020 is \$4.9 million. **Table 2** provides detailed and comparative information regarding the Office of General Counsel budgeted 2020 expenses.

Table 2: Expenses

	2019 Budget	2020 Budget	2021 Forecast
Personnel expense	\$4,310,100	\$4,627,686	\$4,720,239
Services	189,500	189,500	193,290
Supplies and Equipment	61,000	61,000	62,220
Other expense	86,400	65,400	66,708
Total Expenses	\$4,647,000	\$4,943,586	\$5,042,457

² The second-look process was transferred to OGC in July 2016. In the two full years preceding the transfer (years 2014 and 2015), the A&R turnaround time for completion was 217 days and 85 days respectively, and the number of Walker petitions filed was 67 and 95, respectively. The OGC/CRU turnaround time for completion was 59 days in 2019 and 70 days in 2018, and the number of Walker petitions filed was 83 in 2019 and 77 in 2018.

Personnel

The Office of General Counsel employs 24.00 full-time employees. **Table 4** provides prior and current year staffing information for the Office of General Counsel.

Table 4: Staffing

Regular Status Fulltime Employees	Positions			Salaries	
	FY 2019 Budget	FY 2020 Budget	FY 2021 Forecast	2020 Budget	2021 Forecast
General Counsel	1.00	1.00	1.00	\$249,206	\$254,190
Deputy General Counsel	1.00	1.00	1.00	205,198	209,302
Attorney IV	4.00	3.00	3.00	504,984	515,083
Attorney III	6.75	7.00	7.00	1,093,729	1,115,603
Attorney II	2.00	3.00	3.00	375,312	382,818
Attorney I	1.00	1.00	1.00	88,386	90,154
Administrative Supervisor	1.00	1.00	1.00	98,495	100,465
Legal Secretary III	1.00	1.00	1.00	79,820	81,417
Senior Administrative Assistant	0.00	1.00	1.00	69,697	71,091
Paralegal	2.00	1.00	1.00	70,042	71,442
Administrative Assistant II	3.00	3.00	3.00	199,551	203,542
Legal Secretary I	1.00	1.00	1.00	51,833	52,870
Total FTE	23.75	24.00	24.00	\$3,086,253	\$3,147,978

OFFICE OF THE CHIEF TRIAL COUNSEL

OVERVIEW

The Office of the Chief Trial Counsel (OCTC) is the prosecutorial arm of the State Bar, responsible for investigating and prosecuting attorneys for violations of the Rules of Professional Conduct and the State Bar Act. In addition to its core attorney discipline functions, OCTC is responsible for regulatory proceedings before the State Bar Court, such as representing the Committee of Bar Examiners in moral character appeals and representing the Board of Legal Specialization in specialization certification appeals. OCTC is also responsible for ancillary proceedings such as superior court proceedings involving the assumption of a law practice and the pursuit of civil penalties against those involved in the unauthorized practice of law.

OCTC is staffed with attorney and non-attorney staff. Together, OCTC's staff comprise 41% of the Bar's workforce.

Office Objectives

- To protect the public by fairly, efficiently, and aggressively investigating and prosecuting misconduct and ethics violations committed by California-licensed attorneys and by working proactively to prevent attorney misconduct.
- Aggressively seek to respond to the unauthorized practice of law by non-attorneys, coordinate with law enforcement partners to do so, and focus on protecting those victims who are the most vulnerable to harm;
- Refine and fully institutionalize the case prioritization system which is centered on public protection by prioritizing complaints which put the client or the general public, at the most significant risk, and addressing as many complaints of misconduct as quickly, completely, and capably as possible;
- Fully staff the Expeditor Program in conjunction with the case prioritization system;
- Ensure appropriate allocation of resources to address high priority cases;
- Continue to customize the new Odyssey case management system and adapt internal processes to leverage the enhanced capabilities of a modern case management system;
- Continue to assess existing policies and procedures and develop new policies and procedures that maximize efficiency and operational effectiveness in public protection;
- Provide the Board of Trustees with necessary and appropriate information and reports (e.g. productivity and performance reports, age of case reports, etc.) needed for appropriate management and oversight; Maintain OCTC operations within annual budget

Organizational Chart



Fiscal Year 2019 Accomplishments

- Continued to prioritize cases posing the most significant public protection risk;
- Implemented Odyssey, a new case management system. OCTC continues to adapt to the system which will, in the long-term, be more powerful for data collection and reporting. It does require a number of “clicks” and steps to set up cases in the system and work in Intake has noticeably slowed as a result. This will improve as staff become more accustomed to the system and we change processes where we can, to be more efficient. It is hard to anticipate at this time, how much improvement we will see.
- Managed a significant increase in the number of complaints OCTC receives annually due to the launch of on-line complaints in October 2018;
- Increased attorney and investigator staffing;
- Incorporated performance metrics by which to measure OCTC’s performance and to hold the Office and its staff accountable;
- Significant increase in outreach efforts including on-camera interviews with Univision, Telemundo and CNN; posted video clips about non-attorney fraud on Facebook, Twitter, LinkedIn;
- Expanded on-line complaint portal to include Chinese, Korean, Russian, and Vietnamese languages;
- Completed in-person visits to 24 County District Attorney’s offices to educate them about non-attorney UPL and discuss ways to partner with them to respond to it;
- The Chief Trial Counsel and the Special Assistant to the Chief Trial Counsel continued to prioritize addressing long-standing morale challenges in the Office.

Fiscal Year 2020 Projects and Objectives

- Add resources to OCTC to address the increase in the volume of complaints received as a result of the launch of the on-line complaint portal and more generally, to staff OCTC in accordance with the workload study;
- Effectively manage the influx of cases arising from the State Bar's mandatory attorney fingerprinting efforts;
- Fine-tune the case prioritization system that is centered on public protection by prioritizing complaints that put the client or the general public at the most significant risk, and addressing as many complaints of misconduct as quickly, completely, and capably as possible;
- Launch a case prioritization system for non-attorney UPL cases;
- Continue to customize the new Odyssey case management system and adapt internal processes to leverage the enhanced capabilities of a modern case management system;
- Leverage lessons learned from bi-annual audits, appeals, stipulations, and other sources to expand training and reduce errors and increase compliance with policy;

2020 Budgeted Revenue

The Office of Chief Trial Counsel's total revenue budget for 2020 is \$.2 million. **Table 1** provides detailed and comparative information regarding the Office of Chief Trial Counsel budgeted 2020 revenue.

Table 1: Source of Revenue by Fund

Fund	2019 Budget	2020 Budget	2021 Forecast
General Fund			
Other Revenue	\$983,300	\$242,346	\$242,346
General Fund Total	\$983,300	\$242,346	\$242,346
Total Funds	\$983,300	\$242,346	\$242,346

2020 Budget by Expense Category

The Office of Chief Trial Counsel's total budget for 2020 is \$63.4 million. **Table 2** provides detailed and comparative information regarding the Office of Chief Trial Counsel budgeted 2020 expenses.

Table 2: Expenses

	2019 Budget	2020 Budget	2021 Forecast
Personnel expense	\$36,495,000	\$43,225,347	\$44,089,854
Services	614,200	636,200	648,256
Supplies and Equipment	537,600	565,100	576,402
Other expense	192,200	185,200	188,904
Indirect Costs	16,235,400	20,037,616	20,438,368
Reimbursements	(1,000,000)	(1,200,000)	(1,200,000)
Total Expenses	\$53,074,400	\$63,449,463	\$64,741,784

Personnel

The Office of Chief Trial Counsel employs 276.40 full-time employees. **Table 4** provides prior and current year staffing information for the Office of Chief Trial Counsel.

Table 4: Staffing

Regular Status Fulltime Employees	Positions			Salaries	
	FY 2019 Budget	FY 2020 Budget	FY 2021 Forecast	2020 Budget	2021 Forecast
Interim Chief Trial Counsel	1.00	1.00	1.00	\$260,424	\$265,632
Special Assistant Chief Trial	1.00	1.00	1.00	240,534	245,345
Deputy Chief Trial Counsel	1.00	1.00	1.00	160,478	163,688
Assistant Chief Trial Counsel	6.00	6.00	6.00	1,133,971	1,156,650
Program Manager III	1.00	0.00	0.00	0	0
Attorney III	0.25	0.00	0.00	0	0
Supervising Attorney	13.00	15.00	15.00	2,662,477	2,715,727
Senior Attorney	32.80	33.50	33.50	4,564,485	4,655,775
Attorney	39.80	48.90	48.90	5,188,018	5,291,779
Investigator III	4.00	4.00	4.00	424,453	432,942
Investigator II	48.00	59.00	59.00	5,347,081	5,454,023
Translator - Interpreter	2.00	2.00	2.00	165,868	169,186
Investigator I	17.00	16.00	16.00	1,196,390	1,220,317
Administrative Supervisor	5.00	4.00	4.00	373,905	381,383
Senior Administrative Assistant	5.00	5.00	5.00	403,779	411,855
Paralegal	17.00	18.00	18.00	1,429,428	1,458,016
Administrative Assistant II	20.00	22.00	22.00	1,584,244	1,615,929
Legal Secretary II	16.00	16.00	16.00	1,151,365	1,174,393
Legal Secretary I	1.00	0.00	0.00	0	0
Administrative Assistant I	1.00	1.00	1.00	58,607	59,779
Program Assistant II	20.00	19.00	19.00	1,187,533	1,211,284
Office Assistant II	4.00	4.00	4.00	205,544	209,655
Total FTE	255.85	276.40	276.40	\$27,738,584	\$28,293,355

STATE BAR COURT

OVERVIEW

The California State Bar is the only state bar in the United States with independent professional judges dedicated to ruling on attorney disciplinary and regulatory cases. The independent State Bar Court adjudicates matters filed by OCTC, and has the power to recommend that the California Supreme Court suspend or disbar those attorneys found to have committed acts of professional misconduct or to have been convicted of serious crimes. For lesser offenses, public or private reprimands may be issued. In regulatory matters, the State Bar Court adjudicates attorney reinstatements and matters where applicants for admission are challenging an adverse moral character determination.

HEARING DEPARTMENT

The Hearing Department of the State Bar Court hears disciplinary cases brought by the Office of the Chief Trial Counsel, regulatory matters brought by petitioners, motions for modification and revocation of attorney probation, and other matters.

REVIEW DEPARTMENT

The Review Department of the State Bar Court decides disciplinary and regulatory cases on appeal, exercises suspension and other powers delegated pursuant to California Rule of Court rule 9.10, and conducts interlocutory review on issues materially affecting the outcome of Hearing Department cases. The Review Department reviews resignations with charges pending and examines criminal convictions, issuing interim suspensions, and refers conviction matters to the Hearing Department.

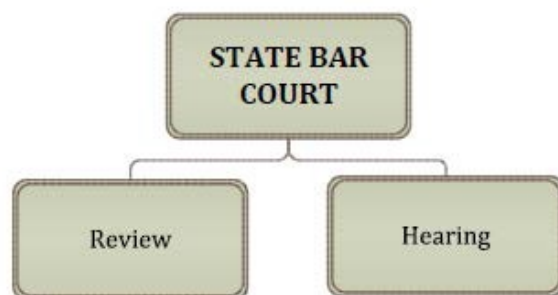
EFFECTUATIONS UNIT

The Effectuations Unit of the State Bar Court transmits cases to the California Supreme Court and processes all other cases not requiring Supreme Court action, including, for example, resignations without charges pending.

State Bar Court Objectives

- To hear and decide cases fairly, correctly and efficiently for the protection of the public, the courts and the legal profession.
- To meet identified Court Performance Standards including:
 - Achieve a caseload clearance ratio of 1:1 meaning the total number of cases closed each year is equivalent to the total number of cases filed.
 - Achieve “on time” case processing of 90% for Hearing and Review Department matters and 100% for the Effectuations Unit, thus ensuring that respondents are given timely due process and the public is protected from any attorney misconduct as rapidly as possible.

Organizational Chart



Fiscal Year 2019 Accomplishments

By August 2019, two vacant hearing judge positions were filled giving the Hearing Department the full complement of judges. The initial judicial training program was completed allowing the new judges to quickly begin conducting trials. Court legal staff completed the integration of selected Rules of Practice into the Rules of Procedure. Court administrative staff implemented the new case management system. Both administrative and legal staff continue to work on projects to improve operations, including rules related projects involving vexatious complainants, monetary sanctions, and attorney supervision and assistance redesign.

Fiscal Year 2020 Projects and Objectives

- Continue to meet and improve stated case processing goals for all case and matter types.
- Build on the Odyssey Case Management System implementation by adding statistical reports and refining data entry and case processing procedures.
- Develop rules and procedures to support implementation of e-filing and a transition to an electronic environment.

2020 Budgeted Revenue

The State Bar Court's total revenue budget for 2020 is \$23,903. **Table 1** provides detailed and comparative information regarding the Office of State Bar Court budgeted 2020 revenue. The revenue is comprised of State Bar Court Reporter subscriptions, along with CD sales, rules booklet sales, certification fees, and photocopies.

Table 1: Source of Revenue by Fund

Fund	2019 Budget	2020 Budget	2021 Forecast
General Fund			
Other Revenue	\$12,700	\$23,903	\$23,903
General Fund Total	\$12,700	\$23,903	\$23,903
Total Funds	\$12,700	\$23,903	\$23,903

2020 Budget by Expense Category

State Bar Court's total budget for 2020 is \$13.6 million. **Table 2** provides detailed and comparative information regarding State Bar Court budgeted 2020 expenses.

Table 2: Expenses

	2019 Budget	2020 Budget	2021 Forecast
Personnel expense	\$7,114,500	\$7,956,892	\$8,116,030
Services	72,100	73,325	74,328
Supplies and Equipment	172,400	175,400	178,908
Other expense	165,700	169,600	172,992
Indirect Costs	5,253,100	5,274,539	5,380,030
Total Expenses	\$12,777,800	\$13,649,756	\$13,922,288

Personnel

State Bar Court employs 40.50 full-time employees. **Table 3** provides prior and current year staffing information for State Bar Court.

Table 3: Staffing

Regular Status Fulltime Employees	Positions			Salaries	
	FY 2019 Budget	FY 2020 Budget	FY 2021 Forecast	2020 Budget	2021 Forecast
Review Judge	2.00	2.00	2.00	\$423,954	\$432,433
Hearing Judge	5.00	5.00	5.00	970,402	989,810
Presiding Judge	1.00	1.00	1.00	212,829	217,086
Court Counsel	0.00	1.00	1.00	190,839	194,656
Chief Court Counsel	1.00	0.00	0.00	0	0
Program Director III	0.00	1.00	1.00	200,381	204,389
Assistant Chief Court Counsel	1.00	0.00	0.00	0	0
Program Manager II	2.00	1.00	1.00	155,058	158,160
Supervising Attorney	1.00	2.00	2.00	362,405	369,653
Senior Attorney	5.00	6.00	6.00	892,479	910,328
Program Supervisor	0.00	3.00	3.00	314,678	320,971
Program Analyst	1.00	1.00	1.00	83,657	85,330
Court Specialist	13.00	12.00	12.00	1,036,093	1,056,815
Program Specialist	0.00	1.00	1.00	78,707	80,281
Senior Administrative Assistant	5.00	3.00	3.00	213,610	217,882
Legal Secretary II	1.73	1.50	1.50	96,798	98,734
Total FTE	38.73	40.50	40.50	\$5,231,891	\$5,336,529

MISSION ADVANCEMENT AND ACCOUNTABILITY DIVISION

OVERVIEW

The Mission Advancement and Accountability Division (MAAD) is responsible for ensuring the implementation of the mission and long-term vision of the State Bar in coordination with the Board of Trustees, Bar leadership and staff, stakeholders, and other interested parties. The Division is responsible for:

- Compliance – monitoring legal, rule, policy, and procedural mandates under which the State Bar operates, working with responsible divisions and individuals within the Bar, and documenting and tracking Bar compliance with these legal, rule, policy, and procedural requirements. MAAD personnel staff the Audit Committee of the Board of Trustees, identifying high-risk issues in the compliance inventory and conducting performance audits to mitigate the risk. Included in MAAD's compliance tracking is responsibility for updating the Strategic Plan and monitoring Bar activities in support of accomplishment of the Plan's goals and objectives;
- Legislative Liaison – tracking legislation that may affect the Bar and working with Bar staff to identify legislative changes that will improve the efficiency and effectiveness of operations, communicating with the Legislature and Governor's office on matters of interest to the Bar, the Legislature and Governor's office. In collaboration with the Executive Committee of the Board of Trustees, securing consensus on policy priorities and items to include on an annual list of priorities for the Bar to pursue in the Legislative session;
- Judicial Nominees Evaluation (JNE) Commission support – staffing the JNE Commission, which is distinct from support for the Board of Trustees in that the JNE Commission requires ongoing support for the evaluation of judicial nominees, liaison work with the Office of the Governor. JNE Commission work is conducted in strict confidence and also involves periodic reviews of JNE decisions by the Review Committee of JNE, RJNE;
- Data Management and Research – overseeing the design and implementation of research projects, managing the contracts of external researchers, and producing reports on the operation of the Bar;
- Board and Committee support – providing direct support and staffing to the Board and numerous Board Committees. Direct support involves all phases of administrative support for the Board of Trustees and standing Board Committees including agenda development, compliance with open-meeting rules, orientation and on-boarding of Committee and Board members, posting of agendas, and logistics for holding meetings. MAAD also provides indirect support for numerous subentities – Committee of Bar Examiners, Committee on Professional Responsibility and Conduct, Client Security Fund Commission, and California Board of Legal Specialization – related to the recruitment of members, establishment of deadlines and transfer of applications for review to sub-entity chairs and to Board Liaisons for consideration and selection.

MAAD is made up of Secretariat (formerly known as Board and Committee Support); Legislative Liaison, and; Research and Institutional Accountability.

SECRETARIAT (FORMERLY KNOWN AS OFFICE OF BOARD AND COMMITTEE SUPPORT)

Secretariat organizes and manages meetings of the Board of Trustees and its committees. In addition to serving as Secretary to the Board of Trustees, Secretariat also staffs the JNE and RJNE commissions, staffs the Trustee Nominating Committee, the Applicant Evaluation and Nomination Committee, and manages appointments to the State Bar sub-entities. Board meeting organization and management involves coordination of agendas of the various committees of the Board with the Board agenda, ensuring that Board Committees have vetted proposals before they are brought to the full Board, tracking the development and implementation of committee work plans, posting agendas and meeting notices in compliance with Bagley-Keene Open Meeting requirements, coordinating the production and uploading of reports to the online agendas, arranging travel, lodging and reimbursement for Trustees, and also coordinating the web casting, and documenting the results of Board meetings.

OFFICE OF RESEARCH AND INSTITUTIONAL ACCOUNTABILITY

The Office of Research and Institutional Accountability (ORIA) conducts research and evaluation in support of the State Bar's mission and serves as a project management office for major, multi-divisional initiatives including the implementation of the new case management system for OCTC, the State Bar Court, and Probation, the new case management system for the Office of Admissions, and the upgrade of the Enterprise Resource Planning software. ORIA also provides project management, data collection, and analysis for technically complex projects and generates reports for both external and internal audiences. The Annual Discipline Report is produced by ORIA, as are the monthly Discipline System Statistical Reports, and weekly management reports produced for the Office of the Chief Trial Counsel and a range of other metrics that the State Bar uses to hold itself accountable. ORIA staff also serve as coordinators for Board committees and ad hoc working groups.

LEGISLATIVE LIAISON

MAAD is responsible for maintaining relations with the Legislature. In that capacity, MAAD manages the contract with the Bar's lobbyist in Sacramento and serves as staff to the Board's legislative liaisons.

Division Objectives

- Ensure that the State Bar is compliant with statutory and rule mandates through oversight of an operational and policy compliance function;
- Ensure that the State Bar uses best practices in data collection, data analytics and outcome evaluation to monitor, evaluate, and report on its performance;
- Provide effective staff support to the Board of Trustees and support continuous improvement in the Board's operations and governance;
- Provide independent, comprehensive, accurate, and fair evaluations of candidates for judicial appointment and nomination;
- Conduct a volunteer application and appointment process that is timely, accurate, complies with existing Board policies and statutory requirements, and produces an applicant pool that is broadly diverse and representative of the state's population.

Organizational Chart



Fiscal Year 2020 Accomplishments

- Launched a census of the population of licensed attorneys thorough the MyStateBar Web page, compiled and analyzed the data from the census, delivered data for various presentations on the demographic make-up of the attorney population including presentations to the State Legislature, Board of Trustees, and for the 2nd Annual Diversity Summit;
- Completed the launch of the Odyssey Case Management system for OCTC, the State Bar Court, and the Office of Probation;
- Identified and documented essential data elements contained within Odyssey and developed the data extraction routines necessary to produce the Annual Discipline Report for 2020;

- Completed the shadowing of the Bar Exam calibration work of psychometrician Roger Bolus and began to transfer that work in-house until circumstances surrounding the July 2019 Bar Exam prevented the final transfer of this work;
- Designed and conducted the data collection and managed the contract and Working Group for the California Attorney Practice Analysis;
- Supported the research for the California Justice Gap Study;
- Finalized compliance with California Rule of Court 9.9.5 completing the documentation of fingerprinting approximately 190,000 attorneys and processing of approximately 10,000 Records of Arrest and Prosecution;
- Worked with the Board of Trustees and State Bar staff to finalize legislative priorities for 2020;
- Finalized the re-writing of the Board of Trustees Policy Manual (Board Book), revised the manual to be provided to all Trustees, documenting the rules and procedures, and policies of the Board of Trustees;
- Implemented adoption of new Agenda Item template for meetings of the Board of Trustees and developed process for out-sourcing the remediation of agenda items;
- Developed Board Administrative Manual, documenting processes and procedures for management of Board and Committee meetings;
- Conducted trainings of State Bar staff on processes and procedures for management of Board and Committee meetings;
- Staffed the Applicant Evaluation and Nominations Committee (AENC), recruiting two new State Bar Court judges;
- Organized and conducted one-day training for subentity volunteers;
- Entered into contract with vendor to develop online, web-based training / orientation for members of the Board of Trustees;
- Staffed four JNE Commission Meetings, one RJNE Commission meeting, completed evaluation of 240 applicants to judgeships and reviewed of an additional 8 candidates by RJNE;
- Staffed nine meetings of the Board of Trustees;
- Launched the 2020 Governance in the Public Interest Task Force.

Fiscal Year 2020 Projects and Objectives

- Launch Phase II of research and operational evaluation related to disparities in the attorney discipline system;
- Conduct data analysis and report findings on reasons that attorneys transfer to Inactive status;
- Conduct data analysis and report findings on modified attorney census;
- Finalize Board Book revisions and secure approval of the Board of Trustees;
- Continue supporting active communication with Trustees through staffing of bi-weekly calls with Chair and Vice-Chair of selected Board Committees and liaisons to specific functions including – RAD, Programs, Executive Committee, Legislative Liaisons;

- Transfer the ongoing monitoring of compliance with CRC 9.9.5 to Attorney Regulation and Consumer Resources;
- Produce statutorily required reports;
- Produce reports reflecting new State Bar metrics;
- Complete California Attorney Practice Analysis;
- Identify legislative priorities for 2020 legislative session;

2020 Budgeted Revenue

Mission Advancement and Accountability Division's total revenue budget for 2020 is \$801,167.

Table 1 provides detailed and comparative information regarding the Mission Advancement and Accountability Division's budgeted 2020 revenue. Revenue derives primarily from voluntary fees to Legislative Activities paid through the fee statement. In 2020, there is no longer funding from the AccessLex Grant.

Table 1: Source of Revenue by Fund

Fund	2019 Budget	2020 Budget	2021 Forecast
General Fund			
Other Revenue	\$0	\$15,000	\$15,000
General Fund Total	\$0	\$15,000	\$15,000
Grants			
Grants	\$257,500	\$0	\$0
Grants Total	\$257,500	\$0	\$0
Legislative Activities			
Voluntary Fees & Donations	\$775,000	\$775,000	\$778,875
Other Revenue	2,400	11,167	11,167
Legislative Activities Total	\$777,400	\$786,167	\$790,042
Total Funds	\$1,034,900	\$801,167	\$805,042

2020 Budget by Expense Category

Mission Advancement and Accountability's total budget for 2020 is \$5.0 million. **Table 2** provides detailed and comparative information regarding Mission Advancement and Accountability budgeted 2020 expenses.

Table 2: Expenses

	2019 Budget	2020 Budget	2021 Forecast
Personnel expense	\$3,392,000	\$2,880,515	\$2,938,125
Services	290,300	585,100	596,718
Supplies and Equipment	89,600	108,900	111,078
Other expense	440,400	426,500	435,030
Indirect Costs	215,500	985,266	1,004,971
Total Expenses	\$4,427,800	\$4,986,280	\$5,085,922

Personnel

Mission Advancement and Accountability employs 16.10 full-time employees. **Table 4** provides prior and current year staffing information for Mission Advancement and Accountability.

Table 4: Staffing

Regular Status Fulltime Employees	Positions			Salaries	
	FY 2019 Budget	FY 2020 Budget	FY 2021 Forecast	2020 Budget	2021 Forecast
Executive Director	0.10	0.10	0.10	\$26,722	\$27,256
Chief of Mission	1.00	1.00	1.00	226,924	231,463
Program Director II	1.00	1.00	1.00	165,413	168,722
Program Supervisor	1.00	0.00	0.00	0	0
Principal Program Analyst	4.00	3.00	3.00	433,687	442,361
Attorney IV	1.00	1.00	1.00	184,336	188,022
Attorney II	1.00	0.00	0.00	0	0
Senior Program Analyst	4.00	2.50	2.50	275,020	280,520
IT Analyst II	1.00	0.00	0.00	0	0
Public Information Officer	3.00	0.00	0.00	0	0
Program Analyst	3.00	2.00	2.00	169,606	172,998
Program Coordinator	0.25	3.50	3.50	285,776	291,491
Senior Administrative Assistant	1.50	0.00	0.00	0	0
Administrative Assistant II	2.00	2.00	2.00	138,273	141,039
Total FTE	23.85	16.10	16.10	\$1,905,757	\$1,943,872

PROGRAMS DIVISION

OVERVIEW

The Programs Division comprises the Office of Admissions, the Office of Attorney Regulation and Consumer Resources, the Office of Access & Inclusion, the Office of Professional Competence, and the Office of Professional Support and Client Protection (Client Security Fund, Lawyer Assistance Program, and Probation).

No Funds listed for this office.

2020 Budget by Expense Category

Programs' total budget for 2020 is \$523,384. **Table 1** provides detailed and comparative information regarding Programs' budgeted 2020 expenses.

Table 1: Source of Revenue by Fund

	2019 Budget	2020 Budget	2021 Forecast
Personnel expense	\$500	\$373,481	\$380,951
Services	100	100	102
Supplies and Equipment	2,300	3,000	3,060
Other expense	30,000	30,000	30,600
Indirect Costs	0	116,803	119,139
Total Expenses	\$32,900	\$523,384	\$533,852

Personnel Requirements

Programs employs 2.00 full-time employees. **Table 4** provides prior and current year staffing information for Programs.

Table 4: Staffing

	Positions			Salaries	
	FY 2019 Budget	FY 2020 Budget	FY 2021 Forecast	2020 Budget	2021 Forecast
Regular Status Fulltime Employees					
Special Projects Liaison	0.00	1.00	1.00	\$111,695	\$113,929
Principal Program Analyst	0.00	1.00	1.00	137,907	140,665
Total FTE	0.00	2.00	2.00	\$249,602	\$254,594

OFFICE OF ADMISSIONS

The Office of Admissions is responsible for all activities pertaining to the admission of attorneys to the practice of law in California. Its principal activities include developing, administering and grading the Bar Examination and the First-Year Law Students' Examination, as well as conducting moral character investigations. The Office also carries out responsibilities for accreditation and registration of non-ABA approved California law schools. The Office of Admissions administers programs to allow lawyers licensed in other jurisdiction or law students to practice in certain defined, limited areas, as well as programs to certify specialists in areas of legal practice.

EXAMINATIONS

Staff in this area is responsible for the acquisition, development, editing, and production of examination questions. This unit also processes petitions and determines reasonable testing accommodations for applicants with disabilities, and coordinates the ordering and production of Admission Wall Certificates for new bar admittees.

OPERATIONS AND MANAGEMENT

The Operations and Management (O & M) unit is comprised of Eligibility, including Special Admissions, and Examination Administration. The unit is responsible for fiscal control and budgeting pertaining to the administration of the First-Year Law Students' Examination and the California Bar Examination. This includes the intake and posting of all fees collected from applicants for the registration, examination and moral character applications. O & M is also responsible for the day-to-day operations revolving around the determination of eligibility to take an examination and processing fingerprints for applicants. Oversight of the special admissions program includes processing applications for Pro Hac Vice and Out-of-State Attorney Arbitration Counsel; for foreign legal consultants, registered in-house counsel, registered legal aid attorneys and registration for attorneys who are married to members of the military deployed in California. These programs enable attorneys from other jurisdictions to practice law in California in limited ways. Staff also process applications from law students who wish to enhance their legal training by participating in the Practical Training of Law Students Program. Additional operations includes the processing all facility contracts for test centers and for the actual administration of examinations. The O & M unit also has their own mailroom that logs and processes all incoming & outgoing mail for the Los Angeles Office of Admissions.

EXAMINATION GRADING

Staff in this area is responsible for ensuring that examinations are graded according to standards and protocols and that the results provided to applicants are error free and on time.

MORAL CHARACTER DETERMINATIONS

Staff in this area is responsible for processing the receipt of moral character applications from applicants seeking admission to practice law in California, completing the moral character investigations of applicants, conducting informal conferences for applicants when appropriate, and preparing all necessary material for applicants electing to petition the Committee of Bar Examiners for review of staff determinations.

EDUCATIONAL STANDARDS

Staff in this area is responsible for the registration of unaccredited law schools and the accreditation of law schools in California. The workload of this unit includes reviewing and responding to applications for registration and accreditation, developing reporting criteria, reviewing annual reports, conducting law school monitoring visits and reporting findings and recommendations including noncompliance. In 2020, the work of this unit also includes substantial revisions to the rules for accreditation. Staff in this unit provide support to the Committee of Bar Examiners, the Committee of State Bar Accredited and Registered Schools, and the Law School Council.

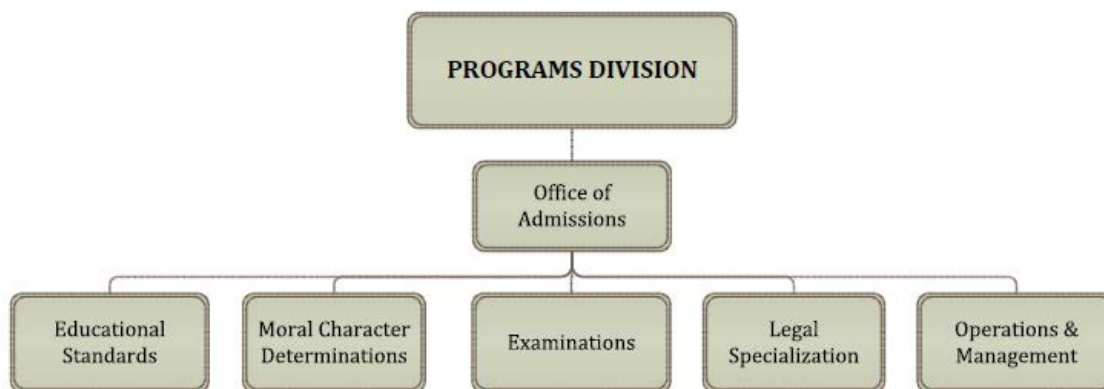
LEGAL SPECIALIZATION

Staff in this area process applications for certification and recertification of attorneys as specialists; this program enables attorneys to earn the designation of certified specialist in particular areas of law. Staff also process applications from outside entities seeking permission to certify specialists in California and applications from educational providers seeking to offer legal specialist education credit for their courses. Staff also coordinate the examination consultants and subject matter experts who create and grade legal specialist examinations.

Office Objectives

- Certify to the State Supreme Court the applicants who have demonstrated minimum competence, legal training and good moral character required for admission to the practice of law.
- Prepare, administer, grade and release results from two administrations of the California Bar Examination, two administrations of the First-Year Law Students' Examination and one biennial administration of the Legal Specialization Examination in accordance with best practices in the development and administration of licensing exams.
- Determine that applicants possess the moral character required for admission.
- Ensure that accredited and registered unaccredited law schools adhere to established legal education standards and rules.
- Certify as certified specialists in designated areas of practice attorneys who have satisfied established standards of experience, training and competence, including passing a specialization examination.
- Provide a mechanism for attorneys not admitted to the active practice of law in California and law students to engage in alternative limited practice in certain areas under the supervision of an attorney licensed in California.

Organizational Chart



Fiscal Year 2020 Accomplishments

- Revised CA State Bar Rules to reflect Board of Trustees directed changes of the governance structure affecting committee, volunteer, law school and staffing roles.
- Provided training to the Committee of Bar Examiners on the unauthorized practice of law and the dynamics of sexual assault and survivor response.
- Transitioned to staff led informal conferences, and developed procedures for the Committee of Bar Examiners in its new role as the administrative review body.
- Formed and facilitated the Moral Character Working Group to develop guidelines to ensure consistent assessment of moral character, and to provide transparency.
- Conducted approximately 200 informal conferences and assisted the Committee of Bar Examiners in rendering determinations with respect to moral character applications.
- Completed the licensee fingerprint initiative, including taking responsibility for processing all fingerprint cards from bar applicants and existing licensees, and for handling correspondence and tracking of unsuccessful fingerprinting for all applicants and licensees.
- Implemented the Special Admissions Rules of Court and State Bar Rules, including adoption of a new rule allowing the special admission for Military Spouse Attorneys.
- Implemented the Legal Specialization Examination Development and Drafting Team (LSEDG) and transitioned the function from the volunteer Legal Specialization Advisory Commissions to paid professionals. Recruited graders for the 2019 Legal Specialization Examinations.
- Developed and administered the 2019 Legal Specialization Examinations for 13 specialty areas.
- Transitioned the review of Legal Specialization certification and re-certification applications from volunteers to staff.
- Conducted two law school site inspections and two inspections following findings of noncompliance with accreditation requirements.
- Reformulated law school assembly to increase engagement with law schools and to receive valuable feedback on State Bar initiatives.
- Transitioned annual report requirement to an electronic process.
- Accepted termination of registration from one nonperforming law school.
- Implemented State Bar rules and guidelines allowing for accreditation of fully on-line JD programs.
- Sent letters of noncompliance to law schools not substantially complying with accreditation or registration requirements.
- Engaged in cross-program initiatives on a law school student survey; in the Bar Exam Stories & Strategies Initiative; and the development of a plan to collect demographic information to be able to assess law student retention.
- Conducted an analysis of the grading process for the CA bar exam, which includes recommendations for creating efficiencies in the process.

- Developed a policy proposal to implement a newly amend State Bar rule providing that staff shall conduct the initial determinations of whether to impose sanctions for various exam conduct violations, with CBE serving as the review appeals body.
- Participated in the California-specific job analysis study, i.e., the California Attorney Practice Analysis (CAPA) which commenced in December 2018 and continued through 2019. It is scheduled for completion at the end of 2019 with the issuance of a final report.
- Guided the preparation of a report on impact of transitioning from a three-day to a two-day bar examination, encompassing four administrations of the exam (July 2017, February 2018, July 2018, and February 2019).

Fiscal Year 2020 Projects and Objectives

- Continue to develop and implement policy and procedure changes necessitated by the transition to the Admissions Information Management System; work on AIMS Phase II updates and pursue further modifications and enhancements of the AIMS system.
- Pursue an item banking solution for the legal specialization.
- Finalize the work product for the Moral Character Working Group.
- Implement recommendations resulting from CAPA study.
- Develop, seek approval and implement law school accreditation rule changes.
- Conduct a Registrar's meeting in calendar year 2020.
- Pilot and report back to CBE & BOT on remote proctoring at CBX and FYLX sites.
- Develop guidelines for Chapter 6 determinations and sanctions.
- Implement recommendations about sampling bar exam topic areas stemming from sampling study or CAPA.
- Implement any recommendations resulting from Department of Consumer Affairs' investigation on exam security practices.

2020 Budgeted Revenue

The Office of Admissions' total revenue budget for 2020 is \$23.0 million. **Table 1** provides detailed and comparative information regarding the Office of Admissions budgeted 2020 revenue. Revenue derives primarily from Examination Fees followed by Other Revenue.

The \$308,220 decline in Exam Fees compared to 2019 reflects an anticipated decline in the number of applicants. The \$7.5 million in Other Revenue reflects a slight increase compared to 2019. Other revenue consist primarily of Moral Character Determination Fees (\$4.0 million), Student Registration Fees (\$765,000) and fees related to Multi-Jurisdictional Practice (MJP) totaling \$848,773.

Table 1: Source of Revenue by Fund

Fund	2019 Budget	2020 Budget	2021 Forecast
Admissions			
Exam Fees	\$13,690,600	\$13,382,380	\$13,382,380
Other Revenue	7,251,100	7,503,262	7,503,262
Admissions Total	\$20,941,700	\$20,885,642	\$20,885,642
Legal Specialization			
Exam Fees	\$244,700	\$276,100	\$276,100
Other Revenue	1,729,500	1,855,376	1,855,376
Legal Specialization Total	\$1,974,200	\$2,131,476	\$2,131,476
Total Funds	\$22,915,900	\$23,017,118	\$23,017,118

2020 Budget by Expense Category

The Office of Admissions's total budget for 2020 is \$24.5 million. **Table 2** provides detailed and comparative information regarding the Office of Admissions budgeted 2020 expenses.

Table 2: Expenses

	2019 Budget	2020 Budget	2021 Forecast
Personnel expense	\$8,184,100	\$8,745,131	\$8,920,033
Services	6,951,300	7,348,219	7,454,216
Supplies and Equipment	1,990,700	2,230,200	2,274,804
Other expense	570,900	602,400	614,448
Indirect Costs	6,163,900	5,563,687	5,674,960
Total Expenses	\$23,860,900	\$24,489,636	\$24,938,461

2020 Interfund Transactions

Table 3 below provides comparative information regarding the amount of transfers to or from other operation areas

Table 3: Interfund Transactions

	2019 Budget	2020 Budget	2021 Forecast
Interfund Transfers Out	(\$100,000)	(\$825,000)	(\$825,000)
Interfund Transfers In	100,000	100,000	100,000
Total Interfund Transactions	\$0	(\$725,000)	(\$725,000)

Personnel

The Office of Admissions employs 64.15 full-time employees. **Table 4** provides prior and current year staffing information for the Office of Admissions.

Table 4: Staffing

Regular Status Fulltime Employees	Positions			Salaries	
	FY 2019 Budget	FY 2020 Budget	FY 2021 Forecast	2020 Budget	2021 Forecast
Chief of Programs	0.15	0.15	0.15	\$37,289	\$38,034
Program Director III	1.00	1.00	1.00	200,828	204,845
Program Director I	1.00	1.00	1.00	156,183	159,307
Program Manager III	2.00	1.00	1.00	159,369	162,556
Principal Program Analyst	1.00	1.00	1.00	157,226	160,370
Program Manager I	2.00	3.00	3.00	383,910	391,588
Attorney	0.00	1.00	1.00	100,262	102,267
Special Projects Liaison	0.15	0.00	0.00	0	0
Program Supervisor	7.00	7.00	7.00	793,643	809,516
Program Analyst	1.00	3.00	3.00	286,716	292,450
Investigator II	8.00	5.00	5.00	432,616	441,269
Program Coordinator	3.00	1.00	1.00	87,570	89,321
Investigator I	1.00	4.00	4.00	291,073	296,895
Administrative Supervisor	1.00	1.00	1.00	87,796	89,552
Program Specialist	6.00	6.00	6.00	446,065	454,987
Fiscal Services Specialist	1.00	1.00	1.00	76,169	77,692
Senior Administrative Assistant	2.00	3.00	3.00	219,063	223,444
Administrative Assistant II	5.00	3.00	3.00	228,063	232,624
Program Assistant III	6.00	6.00	6.00	451,831	460,868
Administrative Assistant I	3.00	2.00	2.00	125,754	128,269
Office Assistant III	1.00	1.00	1.00	75,330	76,836
Program Assistant II	9.00	9.00	9.00	547,645	558,598
Office Assistant II	4.00	4.00	4.00	207,513	211,664
Total FTE	65.30	64.15	64.15	\$5,551,914	\$5,662,953

PROGRAMS DIVISION

OFFICE OF ATTORNEY REGULATION & CONSUMER RESOURCES

Overview

The Office of Attorney Regulation and Consumer Resources (ARCR) maintains, on behalf of the Supreme Court, the official “Roll of Attorneys” - the list of all attorneys who are licensed to practice in California. ARCR also manages the registration of law corporations and limited law partnerships and is responsible for ensuring the compliance of all licensees with the various administrative requirements, including requirements for mandatory continuing legal education. The office also operates the State Bar’s call center, handling calls from those wishing to make a complaint against an attorney, attorneys with questions about their fees or MCLE requirements, applicants inquiring about registering for the Bar examination, and other calls.

Office Objectives

To maintain the official Attorney Roll, as delegated by the Supreme Court, with diligence and accuracy; to provide excellent service while operating the State Bar Resource Center in order to facilitate the public's ease of access to information and State Bar resources; and to efficiently administer programs and functions including all billing and other requirements related to annual license renewal, Minimum Continuing Legal Education regulation, and Law Corporation and Limited Liability Partnership certification.

Organizational Chart



Fiscal Year 2020 Accomplishments

- Successfully transitioned from paper statements and implemented an enhanced electronic billing system, resulting in savings for the Bar and increased efficiency for system users.
- Implemented new fingerprinting requirements for active attorneys and attorneys transitioning from inactive to active status.

2020 Budgeted Revenue

The Office of Attorney Regulation and Consumer Resources' total revenue budget for 2020 is \$1.1 million. Revenue is made up primarily of Late Compliance Fees, MCLE fees and Certificates of Standing.

Table 1: Source of Revenue by Fund

Fund	2019 Budget	2020 Budget	2021 Forecast
General Fund			
Other Revenue	\$1,029,900	\$1,067,829	\$1,067,829
General Fund Total	\$1,029,900	\$1,067,829	\$1,067,829
Total Funds	\$1,029,900	\$1,067,829	\$1,067,829

2020 Budget by Expense Category

The Office of Attorney Regulation and Consumer Resources's total budget for 2020 is \$5.7 million.

Table 2 provides detailed and comparative information regarding the Office of Attorney Regulation and Consumer Resources budgeted 2020 expenses.

Table 2: Expenses

	2019 Budget	2020 Budget	2021 Forecast
Personnel expense	\$3,476,800	\$3,704,743	\$3,778,838
Services	201,900	170,800	174,216
Supplies and Equipment	233,100	168,600	171,972
Other expense	47,200	11,700	11,934
Indirect Costs	2,265,700	1,597,529	1,629,479
Total Expenses	\$6,224,700	\$5,653,371	\$5,766,439

Personnel

The Office of Attorney Regulation and Consumer Resources employs 30.15 full-time employees.

Table 4 provides prior and current year staffing information for the Office of Attorney Regulation and Consumer Resources.

Table 4: Staffing

Regular Status Fulltime Employees	Positions			Salaries	
	FY 2019 Budget	FY 2020 Budget	FY 2021 Forecast	2020 Budget	2021 Forecast
Chief of Programs	0.15	0.15	0.15	\$37,289	\$38,034
Program Director II	1.00	1.00	1.00	174,299	177,785
Program Manager II	2.00	1.00	1.00	134,572	137,264
Special Projects Liaison	0.15	0.00	0.00	0	0
Program Supervisor	4.00	4.00	4.00	430,081	438,683
Program Analyst	1.00	2.00	2.00	179,764	183,359
Program Coordinator	3.00	4.00	4.00	326,690	333,224
Program Specialist	2.00	2.00	2.00	160,433	163,642
Program Assistant III	5.00	5.00	5.00	327,982	334,542
Public Svce Representative III	4.00	4.00	4.00	238,923	243,702
Program Assistant II	4.00	3.00	3.00	167,643	170,996
Public Svce Representative II	3.00	4.00	4.00	237,759	242,514
Total FTE	29.30	30.15	30.15	\$2,415,436	\$2,463,745

PROGRAMS DIVISION

OFFICE OF ACCESS & INCLUSION

Overview

The Office of Access & Inclusion (OA&I) operates several programs intended to ensure that all Californians have appropriate access to the legal system and that the State Bar's diversity and inclusion goals are advanced. The programs administered by the Office are supported by a mix of General Fund, grants, and voluntary contributions.

Access to Justice

OA&I works to expand, support, and improve the delivery of legal services to low- and moderate-income Californians, and develops and administers a range of programs that support and promote the direct delivery of legal services to low and middle income Californians. This work includes the development of policy initiatives and other programs in collaboration with institutions working to expand access to justice for low income Californians. These efforts also include encouraging increased pro bono participation; designing and facilitating free high- quality substantive and skill-based training for legal services lawyers, pro bono counsel, law students, and other advocates on a variety of topics; and administering the Lawyer Referral Service (LRS) certification program. OA&I also coordinates a statewide Disaster Legal Services Response network and cosponsors a comprehensive, statewide legal services conference every three years.

Legal Services Funding

OA&I focuses on attorney and bank compliance with Interest on Lawyers' Trust Accounts (IOLTA) requirements, including ensuring banks are paying comparable rates, and that attorneys are meeting their ethical obligations to segregate client and third party funds in an IOLTA account when those funds cannot earn interest for the benefit of that client or third party. In addition, staff are responsible for the administration and distribution of grants generated through IOLTA, the Equal Access Fund, the Justice Gap Fund, and other revenue sources, including national settlements with banks relating to foreclosures. These grants fund the provision of free legal services to low-income Californians through several programs – some of which distribute funds according to a statutory formula and some of which are discretionary subject to programmatic guidelines.

Diversity and Inclusion

OA&I works on programs and initiatives designed to diversify the legal profession beginning in law school and to eliminate bias in the practice of law. The activity in this area is funded primarily through voluntary contributions to the State Bar. Staff executes the Board of Trustees' Diversity and Inclusion objectives. Staff also provides support to the State Bar's Council on Access and Fairness (COAF).

Office Objectives

The promotion of greater access to, and inclusion in, the legal system.

Organizational Chart



Fiscal Year 2019 Accomplishments

Access to Justice

- Worked closely with financial institutions holding the largest IOLTA accounts to negotiate higher interest rates and ensure they were providing comparable rates to similar products, resulting in an increase revenue for 2020 IOLTA grants by 102%.
- Launched a Leadership Bank Program to encourage banks to pay higher interest rates on IOLTA accounts and recognize those that do.
- Distributed an additional \$15 million in Equal Access Fund monies for homelessness prevention, within three months of the funding coming into existence through the State Budget.
- Developed an RFP for \$6.5 million on Bank Grants fund for foreclosure prevention and community redevelopment projects to legal services programs.
- Analyzed proposals received and awarded \$6.5 million in funding.
- Completed the first of its kind California Justice Gap Study, which include a survey of nearly 4,000 Californians, an Intake Census conducted by legal aid providers, and a Law Student Survey assessing the impact of the cost of law school on access to justice.
- Conducted, in sponsorship with two other organizations, the 2019 Pathways to Justice Conference for more than 400 attendees, providing substantive programming for legal services attorneys, court-based self-help center staff, and others.
- Transitioned the California Commission on Access to Justice to an independent nonprofit entity.
- Revised rules governing the certification of Lawyer Referral Services with the goal of increasing access to legal services

Diversity & Inclusion

- Drafted and submitted report to the Legislature on the State Bar's diversity and inclusion action plan.
- Convened the 2nd Annual Diversity Summit in San Francisco with affinity bar leaders, Diversity and Inclusion Officers, firm leaders, Council on Access and Fairness (COAF) members, and Board members. The group developed recommendations for metrics to include the State Bar's first Diversity Report Card and additional survey questions to roll out for future reporting and to support inclusion efforts in across the legal spectrum.
- Assisted with revisions to the Attorney Census instrument to improve the data collection that will inform the State Bar about the diversity of the legal profession and the obstacles to diverse attorneys' entry into and retention and advancement in the legal profession.
- Surveyed law school to identify programs to improve retention of diverse student and researched best practices at law schools.

Fiscal Year 2020 Projects and Objectives

- Complete Phase II of the California Justice Gap Study.
- Complete the codification of new rules and guidelines to bring greater transparency and consistency to the grant making and grant administration process.
- Continue to monitor interest payments and fluctuations in interest rates to ensure financial institutions pay interest on IOLTA accounts at rates above or required by statute.
- Implement processes to review and issue new certifications and renew existing Lawyer Referral Services entities under the new rules.
- Implement diversity and inclusion objectives adopted by the Board of Trustees.
- Explore options to increase access through licensing of paraprofessionals, limited license legal technicians, and others.
- Identify opportunities for coordination and collaboration to improve the delivery of legal services to veterans in California.
- Host Diversity Summits by sector (private, government, non-profit) to identify and analyze specific obstacles to diverse attorneys' entry into, retention and advance in these respective fields and develop appropriate, targeted interventions.
- Implemented a successful Agency Billing system, which allows firms and agencies to pay fees for multiple attorneys in one batch.
- Transitioned more incoming calls to the State Bar Resource Center (call center), such that ARCR now handles most public calls, increasing the quality and consistency of State Bar customer service.
- Participated in the development of New Attorney 10-Hour MCLE, deployed February 1, 2018.
- Transitioned the renewal process for LLPs to an online system.

Fiscal Year 2020 Projects and Objectives

- Implement a reporting and compliance tracking system for the New Attorney 10-Hour MCLE program.
- Deploy an online renewal system for Law Corporations.
- Work with the Office of Information Technology to continue the development of an online system for MCLE providers to report attendance, making annual MCLE compliance determination easier, improving audit capabilities, and helping to ensure that attorneys complete MCLE as required.

2020 Budgeted Revenue

The Office of Access & Inclusion's total revenue budget for 2020 is \$78.8 million. **Table 1** provides detailed and comparative information regarding Access & Inclusion budgeted 2020 revenue. The \$21.9 million increase compared to 2019 is driven primarily by Client Trust Account revenue.

Table 1: Source of Revenue by Fund

Fund	2019 Budget	2020 Budget	2021 Forecast
General Fund			
Other Revenue	\$92,000	\$68,787	\$68,787
General Fund Total	\$92,000	\$68,787	\$68,787
Bank Settlement			
Grants	\$0	\$285	\$285
Other Revenue	50,000	69,100	69,100
Bank Settlement Total	\$50,000	\$69,385	\$69,385
EOB & Bar Relations			
Voluntary Fees & Donations	\$320,000	\$320,000	\$321,600
Other Revenue	100	6,952	6,952
EOB & Bar Relations Total	\$320,100	\$326,952	\$328,552
Equal Access			
Grants	\$25,599,900	\$30,701,700	\$30,701,700
Other Revenue	490,000	580,600	580,600
Equal Access Total	\$26,089,900	\$31,282,300	\$31,282,300
Justice Gap			
Voluntary Fees & Donations	\$1,232,000	\$856,700	\$860,984
Other Revenue	17,100	66,500	66,500
Justice Gap Total	\$1,249,100	\$923,200	\$927,484
Legal Svcs. Trust			
Interfund Transfers In	\$0	\$1,000,000	\$1,000,000
Voluntary Fees & Donations	6,101,200	3,800,000	3,819,000
Other Revenue	23,010,000	41,290,796	41,290,796
Legal Svcs. Trust Total	\$29,111,200	\$46,090,796	\$46,109,796
Total Funds	\$56,912,300	\$78,761,421	\$78,786,304

2020 Budget by Expense Category

Access & Inclusion's total budget for 2020 is \$103.6 million. **Table 2** provides detailed and comparative information regarding Access & Inclusion budgeted 2020 expenses. The \$36.0 million increase from 2019 is due to increases in Legal Services Grants.

Table 2: Expenses

	2019 Budget	2020 Budget	2021 Forecast
Personnel expense	\$2,802,600	\$2,883,273	\$2,940,938
Services	423,200	541,153	551,976
Legal Services Grants	62,670,700	98,463,237	98,463,237
Supplies and Equipment	89,300	63,900	65,178
Other expense	124,200	453,600	462,672
Indirect Costs	1,500,900	1,191,213	1,215,038
Total Expenses	\$67,610,900	\$103,596,376	\$103,699,039

2020 Interfund Transactions

Table 3 below provides comparative information regarding the amount of transfers to or from other operation areas.

Table 3: Interfund Transactions

	2019 Budget	2020 Budget	2021 Forecast
Interfund Transfers Out	\$0	(\$1,000,000)	(\$1,000,000)
Total Interfund Transactions	\$0	(\$1,000,000)	(\$1,000,000)

Personnel

Access & Inclusion employs 19.15 full-time employees. **Table 4** provides prior and current year staffing information for Access & Inclusion.

Table 4: Staffing

	Positions			Salaries	
	FY 2019 Budget	FY 2020 Budget	FY 2021 Forecast	2020 Budget	2021 Forecast
Regular Status Fulltime Employees					
Chief of Programs	0.15	0.15	0.15	\$37,289	\$38,034
Program Director II	1.00	1.00	1.00	185,367	189,075
Special Projects Liaison	0.15	0.00	0.00	0	0
Program Supervisor	3.00	3.00	3.00	301,342	307,369
Senior Financial Analyst	1.00	1.00	1.00	110,846	113,063
Senior Program Analyst	9.00	9.00	9.00	855,749	872,864
Program Analyst	2.00	2.00	2.00	162,418	165,666
Program Coordinator	1.00	1.00	1.00	89,730	91,525
Program Specialist	2.00	2.00	2.00	140,604	143,416
Total FTE	19.30	19.15	19.15	\$1,883,344	\$1,921,011

OFFICE OF PROFESSIONAL COMPETENCE

Overview

The Office of Professional Competence (OPC) administers the State Bar's attorney professional responsibility programs and resources. These activities facilitate awareness of and compliance with disciplinary standards and other attorney conduct duties. OPC also administers the Mandatory Fee Arbitration Program that implements a statutory requirement to provide an alternative dispute resolution forum for attorney-client fee disputes.

Ethics Hotline

The Ethics Hotline is a confidential legal research service that promotes the competent practice of the law by providing a resource that identifies and analyzes professional responsibility issues. Although legal advice is not provided, the research assistance protects clients by mitigating the incidence of unintentional misconduct in areas such as: conflicts of interest; commingling and misappropriation of client funds; deceptive advertising; and the unauthorized practice of law.

Board of Trustees and Committee Support

As needed, Professional Competence staff provides a full range of staffing support to the Board of Trustees for issues related to attorney professional responsibility. Similarly, as assigned, staff provides support to other special task forces and ad hoc committees, such as the Rules Revision Commission (RRC), and the Task Force on Access Through Innovation of Legal Services (ATILS) which was appointed by the Board in September 2018. As a regular responsibility, staff provides support for the Standing Committee on Professional Responsibility and Conduct (COPRAC).

Outreach & Education

Staff participates in and coordinates outreach and educational activities that raise awareness of professional responsibility compliance issues, including issues arising from the new Rules of Professional Conduct. Awareness of legal ethics compliance issues contributes to competent representation of clients. These outreach and educational activities include preparing and presenting the State Bar's Annual Ethics Symposium. In addition, staff oversees the Bar's e-learning educational initiatives, including the New Attorney Training Program, training on the new rules of professional conduct, training for probationers (in development), and other trainings to be developed in 2020 and future years.

Mandatory Fee Arbitration

OPC administers the Mandatory Fee Arbitration Program, which manages arbitration cases of attorney-client disputes over legal fees pursuant to Business and Professions Code section 6200 and assists local bar association's fee arbitration programs in training, development of rules and fee schedules, and educational content. The program also assists clients in enforcing those awards where an attorney has been ordered to return unearned fees to the client, but fails to do so. The volunteers appointed to COPRAC include lawyers with fee arbitration expertise and COPRAC is assigned the task of drafting fee arbitration advisories.

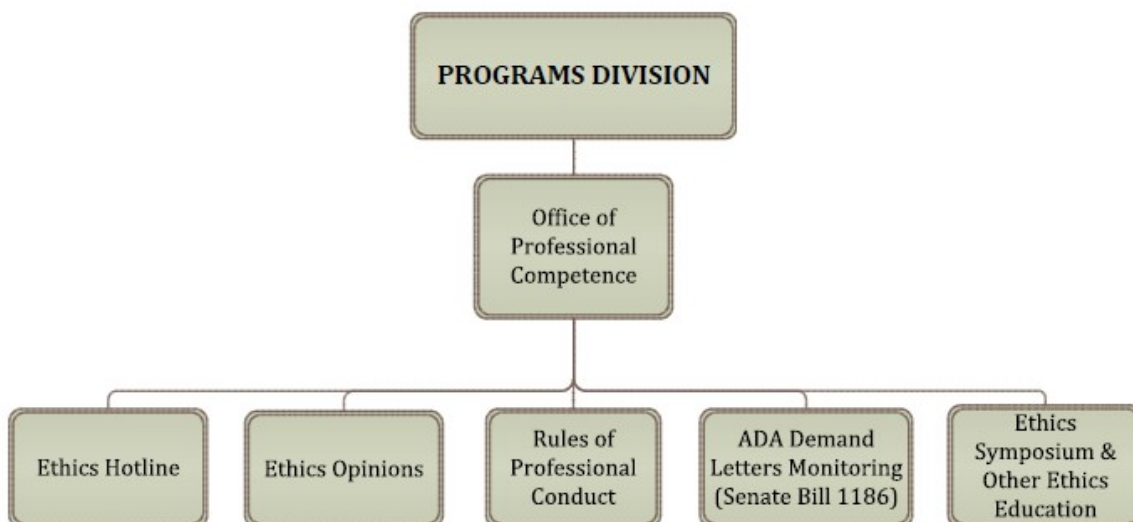
Publications

OPC staff produce and update the following professional responsibility publications: The California Compendium on Professional Responsibility; and The California Rules of Professional Conduct, The State Bar Act, and Related Statutes (this one is also offered as an e-book). The most frequently updated publications are the extensive online professional responsibility resources on topics such as: ethics and technology; judicial ethics; civility and professionalism; senior lawyer issues; and client trust accounting. This includes an online version of The Handbook on Client Trust Accounting for California Attorneys.

Office of Professional Competence Objectives

- Facilitate the competent practice of the law by providing research information and resources on professional responsibility issues through the Ethics Hotline, ethics opinions and other activities.
- Set and maintain high standards of professional responsibility by assisting the Board of Trustees and Supreme Court in considering proposed amendments to the Rules of Professional Conduct and other laws governing lawyers.
- Help protect against abusive activities in ADA construction-related accessibility claims by monitoring demand letters sent by plaintiff attorneys pursuant to statute (Senate Bill No. 1186).
- Ensure the effective operation of the Mandatory Fee Arbitration Program.

Organizational Chart



Fiscal Year 2020 Accomplishments

- Completed and launched a two-hour e-learning course on the comprehensive revisions to the Rules of Professional Conduct that became operative on November 1, 2018.
- Updated the legal ethics content in the mandatory New Attorney Training Program to conform to the revised Rules of Professional Conduct.
- Transitioned MFA programmatic functions previously conducted by Committee on Mandatory Fee Arbitration to OPC staff
- Implemented enhancements to the Ethics Hotline call center system, including the addition of an automated satisfaction survey.
- For the Task Force on Access Through Innovation of Legal Services, managed a public comment process that resulted in over 2,800 comments from about 1,300 individual commenters.

Fiscal Year 2020 Projects and Objectives

- Continue staffing the Task Force on Access Through Innovation of Legal Services, and assist in the submission of a final report and recommendation to the Board by March 31, 2020.
- Manage the State Bar's production of e-learning courses on subjects such as: elimination of bias, competency, and mandatory fee arbitration issues.
- Develop and deploy a lawyer self-assessment program to facilitate licensee awareness of possible gaps in ethical and competent law practice management.
- Manage COPRAC's responsibility to undertake development of Fee Arbitration Program Arbitrator Advisories

2020 Budgeted Revenue

The Office of Professional Competence's total revenue budget for 2020 is \$3,440. **Table 1** provides detailed and comparative information regarding Office of Professional Competence budgeted 2020 revenue. Revenues are from Ethics Symposiums and Publication Sales.

Table 1: Source of Revenue by Fund

Fund	2019 Budget	2020 Budget	2021 Forecast
General Fund			
Other Revenue	\$45,300	\$3,440	\$3,440
General Fund Total	\$45,300	\$3,440	\$3,440
Total Funds	\$45,300	\$3,440	\$3,440

2020 Budget by Expense Category

The Office of Professional Competence's total budget for 2020 is \$3.3 million. **Table 2** provides detailed and comparative information regarding the Office of Professional Competence budgeted 2020 expenses.

Table 2: Expenses

	2019 Budget	2020 Budget	2021 Forecast
Personnel expense	\$2,128,000	\$2,195,396	\$2,239,304
Services	428,600	221,100	225,518
Supplies and Equipment	50,400	42,300	43,146
Other expense	49,900	46,000	46,920
Indirect Costs	1,038,400	754,714	769,809
Total Expenses	\$3,695,300	\$3,259,510	\$3,324,696

Personnel

The Office of Professional Competence employs 13.15 full-time employees. **Table 4** provides prior and current year staffing information for the Office of Professional Competence.

Table 4: Staffing

Regular Status Fulltime Employees	Positions			Salaries	
	FY 2019 Budget	FY 2020 Budget	FY 2021 Forecast	2020 Budget	2021 Forecast
Chief of Programs	0.15	0.15	0.15	\$37,289	\$38,034
Program Manager III	1.00	1.00	1.00	173,025	176,485
Supervising Attorney	0.00	1.00	1.00	139,405	142,194
Attorney	2.00	1.00	1.00	109,928	112,127
Special Projects Liaison	0.15	0.00	0.00	0	0
Program Supervisor	1.00	1.00	1.00	125,364	127,872
Senior Program Analyst	7.00	7.00	7.00	682,814	696,471
Program Coordinator	0.00	1.00	1.00	83,546	85,217
Senior Administrative Assistant	1.00	0.00	0.00	0	0
Public Svce Representative II	1.00	1.00	1.00	61,850	63,087
Total FTE	13.30	13.15	13.15	\$1,413,222	\$1,441,486

PROGRAMS DIVISION

OFFICE OF PROFESSIONAL SUPPORT AND CLIENT PROTECTION

CASE MANAGEMENT & SUPERVISION – MANDATORY LAP AND VOLUNTARY LAP

Overview

The Office of Case Management and Supervision (OCMS) consists of the Lawyer Assistance Program (Mandatory and Voluntary) and the Office of Probation. Together these two areas of the Bar are responsible for providing case management and supervision services to licensed attorneys, former attorneys, and prospective attorneys. Many of these attorneys have pending or completed disciplinary proceedings; however OCMS clients also include law students and attorneys with no pending discipline.

Lawyer Assistance Program

The Lawyer Assistance Program (LAP) provides substance use disorder and mental health support services to current and former attorneys, law students, and applicants for admission to the California State Bar through a range of services that are tailored to the circumstances of each participant. The goal of the LAP is to protect the public through outreach and education to the legal community about the dangers of substance use and mental health problems and to assist in the rehabilitation of those who struggle with these issues (see Business and Professions Code section 6230).

In late 2019, the State Bar separated LAP into “mandatory” and “voluntary” components. Mandatory LAP encompasses those participants who were referred by either the State Bar discipline system or the Office of Admissions. Voluntary LAP is made up of those who self-refer. Participants in both Mandatory and Voluntary LAP have access to both professional monitoring and supportive services. Staff in the Mandatory LAP now work under Probation and will ultimately be incorporated more fully into the redesign of the probation system.

Orientation and Assessment

Attorneys, former attorneys, law students and applicants are eligible to receive a free professional mental health assessment by a licensed clinician without making a longer-term commitment to participate in the program. Participants are also entitled to attend up to three free sessions of an LAP group support without obligation to continue further.

Monitored LAP

Monitored LAP is for attorneys and applicants who must satisfy a specific monitoring or verification requirement imposed by an employer, the Office of Chief Trial Counsel, State Bar Court, the Committee of Bar Examiners, or another entity. Monitored LAP is also available to attorneys and applicants seeking help independently. The program offers long-term structure and the support of a professional Clinical Rehabilitation Coordinator. Attendance at LAP group meetings and lab testing are typically required as conditions of participating in Monitored LAP.

Support LAP

Support LAP is for attorneys and applicants who are interested in participating in a weekly group meeting with other lawyers and would like the support of a qualified mental health professional.

Transition Assistance Services

The LAP also offers short term counseling and career counseling at no cost to the law student, Bar applicant or attorney. Short-term counseling includes up to two sessions of counseling with a local therapist who specializes in working with legal professionals. This counseling service addresses common problems such as stress, burnout, relationship conflicts and career concerns, and is intended to identify and treat potential problems at the earliest possible stage. Career counseling provides up to two sessions of consultation with a local career counselor who is experienced in helping legal professionals through important career transitions.

Program Objectives

To support recovering attorneys in their rehabilitation from substance use issues and offer support and treatment for those with mental health issues to enhance public protection and maintain the integrity of the legal profession.

Organizational Chart



Fiscal Year 2019 Accomplishments

- Implemented comprehensive outreach and education program for law schools, law firms and in accordance with the LAP Strategic Plan.
- Enrolled 148 new applicants into the program; served 280 participants. 64 individuals accessed transition assistance services.
- Delivered 61 educational presentations to law schools, law firms and/or bar associations.

- Developed and continue to maintain approved list of treatment providers and vetted resources.
- Began the implementation of procedural and structural changes directed by the Board of Trustees pursuant to recommendations of the 2017 Governance in the Public Interest Task Force, including pursuing the separation of the “voluntary” or self-referral part of the program to a new entity and began to merge the “mandatory” part of the program with Case Management & Supervision - Probation.

Fiscal Year 2020 Projects and Objectives

- Continue to implement structural changes related to the separation of the “voluntary” (or self-referral) part of the program.
- Help to shape the Attorney Supervision & Assistance Redesign (ASAR) project as it applies to attorneys with substance use and mental health disorders and assist with the development of a collaborative court model.
- Continue outreach to increase participation, including making presentations to organizations as requested and reaching out to law schools and bar associations.
- Track survey responses to measure satisfaction of LAP participants.

2020 Budget by Revenue Category

Case Mgmt. & Supervision's total revenue budget for 2020 is \$292,809. **Table 1** provides detailed and comparative information regarding Case Mgmt. & Supervision's budgeted 2020 revenue. The revenue is comprised primarily of mandatory licensing fees.

Table 1: Source of Revenue by Fund

Fund	2019 Budget	2020 Budget	2021 Forecast
Lawyer Assistance Program			
Mandatory Fees	\$2,107,000	\$216,843	\$217,927
Other Revenue	20,000	75,966	75,966
Lawyer Assistance Program Total	\$2,127,000	\$292,809	\$293,893
Total Funds	\$2,127,000	\$292,809	\$293,893

2020 Budget by Expense Category

Case Mgmt. & Supervision's total budget for 2020 is \$4.6 million. **Table 2** provides detailed and comparative information regarding Case Mgmt. & Supervision budgeted 2020 expenses.

Table 2: Expenses

	2019 Budget	2020 Budget	2021 Forecast
Personnel expense	\$2,375,700	\$2,696,362	\$2,750,289
Services	176,000	400,350	406,242
Supplies and Equipment	45,000	44,600	45,492
Other expense	83,400	130,197	132,801
Indirect Costs	991,800	1,316,186	1,342,510
Total Expenses	\$3,671,900	\$4,587,695	\$4,677,334

Personnel

Case Mgmt. & Supervision employs 17.96 full-time employees. **Table 4** provides prior and current year staffing information for Case Mgmt. & Supervision.

Table 4: Staffing

Regular Status Fulltime Employees	Positions			Salaries	
	FY 2019 Budget	FY 2020 Budget	FY 2021 Forecast	2020 Budget	2021 Forecast
Chief of Programs	0.30	0.30	0.30	\$74,577	\$76,069
Program Director II	0.00	0.66	0.66	122,756	125,211
Supervising Attorney	1.00	1.00	1.00	182,808	186,464
Special Projects Liaison	0.30	0.00	0.00	0	0
Program Supervisor	1.00	1.00	1.00	123,052	125,514
Senior Program Analyst	2.00	2.00	2.00	186,915	190,653
Clinical Rehab Coordinator	4.00	4.00	4.00	368,499	375,869
Probation Case Specialist	6.00	6.00	6.00	481,771	491,406
Administrative Assistant II	3.00	3.00	3.00	239,419	244,207
Total FTE	17.60	17.96	17.96	\$1,779,797	\$1,815,393

PROGRAMS DIVISION

OFFICE OF PROFESSIONAL SUPPORT AND CLIENT PROTECTION

CASE MANAGEMENT & SUPERVISION - PROBATION

Overview

The Office of Case Management and Supervision (OCMS) consists of the Lawyer Assistance Program (Mandatory and Voluntary) and the Office of Probation. Together these two areas of the Bar are responsible for providing case management and supervision services to licensed attorneys, former attorneys, and prospective attorneys.

The Office of Probation (OP) monitors disciplined attorneys who have been ordered to comply with probation or reprobation conditions pursuant to orders issued by the California Supreme Court and/or the State Bar Court. Once these orders become effective, the OP establishes its own case files to monitor the compliance or non-compliance of each attorney.

Probation

OP monitoring requires staff to contact the attorney being monitored and third parties such as former clients, service providers, and other offices within the State Bar. OP staff provide timely information to the attorney, the Office of Chief Trial Counsel, and State Bar Court regarding non-compliance; OP staff are available to testify under oath in Court.

Office Objectives

- Facilitate rehabilitation of disciplined attorneys by supporting compliance with ordered conditions of probation.
- Accurately monitor disciplined attorneys to facilitate their rehabilitation as well as support public protection.
- Support public protection by timely notifying OCTC or State Bar Court of non-compliance by disciplined attorneys with ordered conditions.

Organizational Chart



Fiscal Year 2019 Accomplishments

- Initiated Attorney Supervision and Assistance Redesign project, which includes beginning to identify risks of unsuccessful completion of probation and recidivism and identifying stabilizing factors which would assist in reducing recidivism.
- Participated in training regarding Evidence Based Practices in criminal probation, including having four staff members attend the American Probation and Parole Association's 44th Annual Training Institute in San Francisco to augment current monitoring modalities.
- Incorporated mandatory Lawyers Assistance Program into Office of Case Management & Supervision.

Fiscal Year 2020 Projects and Objectives

- With ORIA and IT, continue to implement the new Case Management System, including possible interfaces such as a portal, while working toward a paperless office.
- Implement the Attorney Supervision and Assistance Redesign project.
- Further implement an Evidence Based Practice approach through procedural and structural changes.
- Effectively train staff on the new Attorney Supervision and Assistance model.
- Continue to work toward the most efficient way to track and report successful completion of probation and/or restitution.

PROGRAMS DIVISION

OFFICE OF PROFESSIONAL SUPPORT AND CLIENT PROTECTION

CLIENT SECURITY FUND

Overview

The main purpose of the Client Security Fund (CSF) Program is to protect the public and maintain confidence in the legal profession by reimbursing victims of attorney theft. There are four main areas that encompass the work of the CSF: (a) legal case processing; (b) support for the CSF Commission and the Board of Trustees; (c) financial management; and (d) administration. CSF funding is derived from a statutorily mandated \$40 fee paid as part of the annual attorney licensing process.

Office Objectives

Protect the public and maintain public confidence in the legal profession by reimbursing clients who have lost money or property due to theft by a California lawyer. The CSF achieves this objective by:

- Making legal decisions on applications in a fair, efficient and effective manner;
- Ensuring that the CSF system is user-friendly and accessible;
- Staffing the CSF Commission to ensure appropriate policies are set and decisions made; and
- Monitoring the fiscal integrity of the CSF Fund to ensure its viability.

Organizational Chart



Fiscal Year 2019 Accomplishments

- Implemented the procedural and structural changes adopted by the Board of Trustees pursuant to recommendations of the 2017 Governance in the Public Interest Task force including issuance of Tentative Decisions by Staff Counsel and allowing the Commission to focus on Objections to Tentative Decisions.
- Distributed 100% of amount budgeted for reimbursements.
- Re-assessed CSF staffing needs, created Supervising Attorney position and incorporated new Attorney position to help increase efficiency and effectiveness.
- Continued regular communications with applicants regarding status of applications. Provided two mass status updates to applicants and continued to increase use of email communication to update applicants on status as requested.
- Provided requested information to State Auditor for CSF funding analysis resulting in recommendation for increase in 2020 assessment that was approved by legislature.

Fiscal Year 2020 Projects and Objectives

- Reimburse on qualified applications the record amount budgeted for reimbursement (approximately \$13 million) which is the result of additional one-time \$40 assessment approved by legislature.
- Decrease the time to reimbursement for eligible applications.
- Continue to provide regular status updates to applicants at least twice yearly and continue to work toward more automation and/or use of emails.
- Track and measure efficiencies gained by implementing procedures under which Fund counsel serve Tentative Decisions

2020 Budget by Revenue Category

The Client Security Fund's total revenue budget for 2020 is \$15.9 million. **Table 1** provides detailed and comparative information regarding Client Security Fund budgeted 2020 revenue. The increase in Mandatory Fees from 2019 is due to the passage of the 2019 fee bill.

Table 1: Source of Revenue by Fund

Fund	2019 Budget	2020 Budget	2021 Forecast
Client Security			
Mandatory Fees	\$7,927,300	\$15,854,052	\$15,933,322
Other Revenue	49,400	65,590	65,590
Client Security Total	\$7,976,700	\$15,919,642	\$15,998,912
Total Funds	\$7,976,700	\$15,919,642	\$15,998,912

2020 Budget by Expense Category

The Office of the Client Security Fund's total budget for 2020 is \$15.9 million. **Table 2** provides detailed and comparative information regarding the Office of the Client Security Fund budgeted 2020 expenses.

Table 2: Expenses

	2019 Budget	2020 Budget	2021 Forecast
Personnel expense	\$1,456,900	\$1,881,756	\$1,919,391
Services	10,900	10,900	11,118
Supplies and Equipment	30,000	30,000	30,600
Other expense	13,100	12,100	12,342
Indirect Costs	581,800	884,123	901,806
CSF Payments	6,900,000	13,600,000	13,600,000
Reimbursements	(485,000)	(485,000)	(485,000)
Total Expenses	\$8,507,700	\$15,933,879	\$15,990,256

Personnel

The Office of the Client Security Fund employs 8.44 full-time employees. **Table 4** provides prior and current year staffing information for the Office of the Client Security Fund.

Table 4: Staffing

Regular Status Fulltime Employees	Positions			Salaries	
	FY 2019 Budget	FY 2020 Budget	FY 2021 Forecast	2020 Budget	2021 Forecast
Chief of Programs	0.10	0.10	0.10	\$24,859	\$25,356
Program Director II	0.00	0.34	0.34	63,238	64,503
Program Manager III	1.00	0.00	0.00	0	0
Supervising Attorney	0.00	1.00	1.00	179,748	183,343
Senior Attorney	2.00	1.00	1.00	167,581	170,933
Attorney	1.00	2.00	2.00	232,249	236,894
Special Projects Liaison	0.10	0.00	0.00	0	0
Program Supervisor	1.00	1.00	1.00	121,197	123,621
Investigator II	1.00	1.00	1.00	100,056	102,057
Program Coordinator	1.00	1.00	1.00	87,570	89,321
Senior Administrative Assistant	1.00	1.00	1.00	79,820	81,417
Total FTE	8.20	8.44	8.44	\$1,056,318	\$1,077,444

ADMINISTRATIVE DIVISION

OVERVIEW

The Administrative Division comprises the core support Offices of General Services, Human Resources and Information Technology. The Administrative Division develops policies and strategies for these support functions, ensuring that they are coordinated, aligned with the Bar's strategic goals and objectives, and effectively supporting the Bar's mission-critical programs.

OFFICE OF GENERAL SERVICES

The Office of General Services provides a comprehensive range of facilities, administrative and procurement services that support the work of all State Bar departments. General Services manages over 350,000 square feet of office space for Bar staff and tenants, overseeing landlord/tenant relations; space planning and use; engineering and janitorial services; construction and capital improvements; safety and security programs; parking; and recycling programs. General Services also manages administrative support services, including document imaging and printing; mail and courier services; offsite file storage; meeting and conference support; and travel services. Finally, General Services manages the Bar's procurement and contracting process, ensuring compliance with competitive bidding requirements and other policies.

OFFICE OF HUMAN RESOURCES

The Office of Human Resources (HR) provides the full range of human resource services to the State Bar. Its primary functions include personnel policy administration; Equal Employment Opportunity (EEO) and non-discrimination policy administration; classification and compensation analysis; benefits administration; and labor relations.

OFFICE OF INFORMATION TECHNOLOGY

The Office of Information Technology (IT) provides the technology tools that support the Bar's operations and programs. IT provides helpdesk, desktop, and meeting support, and maintains and enhances the Bar's IT systems and network infrastructure. IT is also responsible for custom software development, and for enhancing, maintaining, and administering the Bar's on-premise and public-facing applications.

DIVISION OBJECTIVES

- Maximize the value and efficiency of the Bar's facilities through continued implementation of a capital improvement space utilization plan and management of leased space.
- Provide efficient, customer-service-focused administrative services that support the Bar's operations and programs.
- Provide efficient processes to procure necessary goods and services and ensure policy compliance.
- Effectively recruit, manage, develop and retain the Bar's employees to ensure an engaged, motivated and efficient workforce.
- Maintain a modern and secure information technology infrastructure that effectively supports the Bar's operations and programs, with a focus on technology solutions that result in operational cost savings.

FISCAL YEAR 2019 ACCOMPLISHMENTS

- Continued progress on major capital improvement projects in the Bar's San Francisco building related to HVAC and Fire/Life Safety systems.
- Completed tenant improvement projects for new office and retail tenants.
- Reconfigured additional office space in Los Angeles to allow for the expansion of the Office of the Chief Trial Counsel.
- Engaged new vendors for property management, construction project management and brokerage services.
- Replaced fleet of multifunction digital copiers.
- Completed design and configuration of new Oracle Fusion Enterprise Resource Planning System.
- Configured new systems for business continuity and emergency notification
- Created new I.T. Project Management Office
- Implemented new Telecommuting program for all staff

FISCAL YEAR 2020 PROJECTS AND INITIATIVES

- Continue implementing technology initiatives of the Bar's strategic plan, including full implementation of new Oracle Fusion ERP system, migration to Microsoft 365, and additional infrastructure upgrades
- Implement new I.T. team staffing model for more effective delivery of I.T. projects.
- Conduct office space utilization study with the goal of making additional space available for tenant leasing.
- Review and update HR policies and procedures to align with best practices and provide more efficient service to staff.

2020 Budget by Revenue Category

The Office of General Services' total revenue budget for 2020 is \$5.2 million. **Table 1** provides detailed and comparative information regarding the Office of General Services budgeted 2020 revenue. Rental Income is the primary source of income.

Table 1: Source of Revenue by Fund

Fund	2019 Budget	2020 Budget	2021 Forecast
Building			
Mandatory Fees	\$3,000	\$810,494	\$814,546
Other Revenue	2,915,200	3,929,579	3,929,579
Building Total	\$2,918,200	\$4,740,073	\$4,744,125
LA Facility			
Other Revenue	\$395,000	\$425,061	\$425,061
LA Facility Total	\$395,000	\$425,061	\$425,061
SF Tenant Improvement			
Other Revenue	\$50,000	\$27,493	\$27,493
SF Tenant Improvement Total	\$50,000	\$27,493	\$27,493
Support and Admin.			
Other Revenue	\$7,900	\$6,117	\$6,117
Support and Admin. Total	\$7,900	\$6,117	\$6,117
Total Funds	\$3,371,100	\$5,198,743	\$5,202,796

2020 Budget by Expense Category

The Office of General Services total budget for 2020 is \$10.3 million. **Table 2** provides detailed and comparative information regarding the Office of General Services budgeted 2020 expenses.

Table 2: Expenses

	2019 Budget	2020 Budget	2021 Forecast
Personnel expense	\$2,525,100	\$2,629,795	\$2,682,391
Services	6,467,800	6,226,638	6,241,816
Supplies and Equipment	3,759,200	1,461,900	1,491,138
Other expense	42,200	73,900	75,378
Debt Service	1,035,100	1,035,100	1,035,100
Indirect Costs	(3,439,100)	(1,115,600)	(1,137,912)
Total Expenses	\$10,390,300	\$10,311,734	\$10,387,911

Personnel

The Office of General Services employs 21.02 full-time employees. **Table 4** provides prior and current year staffing information for the Office of General Services.

Table 4: Staffing

	Positions			Salaries	
	FY 2019 Budget	FY 2020 Budget	FY 2021 Forecast	2020 Budget	2021 Forecast
Regular Status Fulltime Employees					
Chief Administrative Officer	0.34	0.34	0.34	\$78,658	\$80,231
Director, General Services	1.00	1.00	1.00	173,116	176,579
Principal Program Analyst	0.00	0.34	0.34	40,712	41,526
Senior Program Analyst	1.68	1.34	1.34	154,685	157,778
Program Analyst	2.00	1.00	1.00	90,817	92,633
Administrative Supervisor	2.00	2.00	2.00	187,368	191,115
General Services Specialist III	4.00	4.00	4.00	299,982	305,982
General Services Specialist II	11.00	11.00	11.00	696,506	710,436
Total FTE	22.02	21.02	21.02	\$1,721,843	\$1,756,280

OFFICE OF HUMAN RESOURCES

2020 Budget by Expense Category

The Office of Human Resources' total budget for 2020 is \$2.6 million. **Table 2** provides detailed and comparative information regarding the Office of Human Resources budgeted 2020 expenses.

Table 2: Expenses

	2019 Budget	2020 Budget	2021 Forecast
Personnel expense	\$1,850,000	\$2,241,537	\$2,286,368
Services	136,000	136,000	138,720
Supplies and Equipment	34,000	24,600	25,092
Other expense	222,000	221,500	225,930
Total Expenses	\$2,242,000	\$2,623,637	\$2,676,110

Personnel

The Office of Human Resources employs 14.99 full-time employees. **Table 4** provides prior and current year staffing information for the Office of Human Resources.

Table 4: Staffing

Regular Status Fulltime Employees	Positions			Salaries	
	FY 2019 Budget	FY 2020 Budget	FY 2021 Forecast	2020 Budget	2021 Forecast
Chief Administrative Officer	0.33	0.33	0.33	\$76,344	\$77,871
Director, Human Resources	1.00	1.00	1.00	147,263	150,209
Principal Program Analyst	0.00	1.33	1.33	142,956	145,815
Human Resources Supervisor	0.00	1.00	1.00	120,610	123,022
Senior Human Resources Analyst	4.00	4.00	4.00	421,527	429,957
Senior Program Analyst	0.66	0.33	0.33	39,509	40,299
Human Resources Analyst	3.00	5.00	5.00	414,440	422,729
Human Resources Coordinator	1.00	0.00	0.00	0	0
Program Coordinator	0.00	1.00	1.00	68,340	69,707
Human Resources Specialist	3.00	1.00	1.00	71,883	73,320
Total FTE	12.99	14.99	14.99	\$1,502,872	\$1,532,929

OFFICE OF INFORMATION TECHNOLOGY

2020 Budget by Revenue Category

The Office of Information Technology's total revenue budget for 2020 is \$1.1 million. **Table 1** provides detailed and comparative information regarding the Office of Information Technology's budgeted 2020 revenue. 2020 Mandatory Fee revenue is the result of passage of the 2019 fee bill.

Table 1: Source of Revenue by Fund

Fund	2019 Budget	2020 Budget	2021 Forecast
Technology			
Mandatory Fees	\$0	\$1,016,222	\$1,021,303
Other Revenue	0	61,150	61,150
Technology Total	\$0	\$1,077,372	\$1,082,453
Total Funds	\$0	\$1,077,372	\$1,082,453

2020 Budget by Expense Category

The Office of Information Technology's total budget for 2020 is \$16.9 million. **Table 2** provides detailed and comparative information regarding the Office of Information Technology budgeted 2020 expenses.

Table 2: Expenses

	2019 Budget	2020 Budget	2021 Forecast
Personnel expense	\$6,446,400	\$7,205,306	\$7,349,412
Services	2,299,900	4,615,600	4,697,852
Supplies and Equipment	2,927,100	4,832,221	4,928,865
Other expense	91,200	62,875	64,133
Indirect Costs	76,800	193,242	197,107
Total Expenses	\$11,841,400	\$16,909,243	\$17,237,368

Personnel

The Office of Information Technology employs 38.99 full-time employees. **Table 4** provides prior and current year staffing information for the Office of Information Technology.

Table 4: Staffing

Regular Status Fulltime Employees	Positions			Salaries	
	FY 2019 Budget	FY 2020 Budget	FY 2021 Forecast	2020 Budget	2021 Forecast
Chief Administrative Officer	0.33	0.33	0.33	\$76,344	\$77,871
IT Director	1.00	1.00	1.00	206,460	210,589
IT Manager III	2.00	3.00	3.00	478,107	487,669
Principal Program Analyst	0.00	0.33	0.33	39,514	40,305
IT Manager I	2.00	2.00	2.00	275,813	281,330
Senior Program Analyst	0.66	3.33	3.33	328,398	334,966
Senior IT Analyst	6.00	8.00	8.00	983,297	1,002,963
Senior IT Business Systems Analyst	1.00	2.00	2.00	189,881	193,679
IT Business Systems Analyst II	2.00	2.00	2.00	216,687	221,020
IT Analyst II	12.00	11.00	11.00	1,231,991	1,256,631
IT Analyst I	5.00	4.00	4.00	401,372	409,400
Senior Administrative Assistant	1.00	1.00	1.00	59,868	61,065
IT Support Technician I	1.00	1.00	1.00	71,776	73,212
Total FTE	33.99	38.99	38.99	\$4,559,510	\$4,650,700

OFFICE OF FINANCE

Overview

The Office of Finance is responsible for financial reporting and analysis, budget development and oversight, accounts payable, accounts receivable, general ledger; and processing licensee and other fee payments for the State Bar.

Financial Reporting, Budgeting, and Analysis

This service area is responsible for budgeting, financial planning, financial analysis and accounting, payroll, accounts receivable and payable, and for implementing related procedures and internal controls. The Office also works closely with the Bar's external auditors and the California Bureau of State Audits to ensure the implementation of sound financial controls and public accountability.

Licensee Billing

Licensee Billing is responsible for ensuring attorneys' annual fees and other payments are properly processed. The primary task for Licensee Billing staff is the treasury function of depositing and posting annual licensing fees, discipline costs, and CSF payments in the billing system. In addition, staff responds to billing inquiries, assists in the annual suspension process, and assists in the status change process.

Office Objectives

- **Accurate Record Keeping.** Finance maintains accurate financial records for all the State Bar's financial activities, including related written policies and procedures. Coordinate external audits to verify accuracy, prevent fraud, and identify opportunities for improvement.
- **Transaction Processing.** Finance pays employees and vendors accurately and timely.
- **Strategic Budgeting.** Finance creates and monitors the State Bar's budget. This includes working with all levels of State Bar management to forecast revenues and expenses, strategically allocate resources, and track budget variances.
- **Cost Containment.** Finance ensures that operating units do not spend more than approved.
- **Promote Transparency.** Finance strives for transparency of the State Bar's financial operations so that stakeholders know they can trust information we provide.
- **Continuous Process Improvement.** Finance coordinates with all operating units of the State Bar to continually improve the business processes, including payroll, payables, billing, receivables, grants, financial reporting and budgeting.

Organizational Chart



Fiscal Year 2019 Accomplishments

- Completed the 2020-24 General Fund Forecast.
- Facilitated the completion of the 2019 State Audit Report of the State Bar.
- Made process improvements to reduce the number of licensee fee check payments that have to be manually processed.
- Streamlined processed within billing to accommodate transition to online delivery of fee invoices created by Licensee.

Fiscal Year 2020 Projects and Objectives

- Implement Oracle ERP upgrade.
- Implement five-year internal control audit recommendations.

2020 Budget by Expense Category

The Office of Finance's total budget for 2020 is \$3.4 million. **Table 1** provides detailed and comparative information regarding the Office of Finance budgeted 2019 expenses.

Table 1: Expenses

	2019 Budget	2020 Budget	2021 Forecast
Personnel expense	\$2,441,600	\$2,711,649	\$2,765,882
Services	1,014,300	540,100	550,902
Supplies and Equipment	88,400	61,800	63,036
Other expense	29,700	61,425	62,654
Total Expenses	\$3,574,000	\$3,374,974	\$3,442,474

Personnel Requirements

The Office of Finance employs 17.00 full-time employees. **Table 4** provides prior and current year staffing information for the Office of Finance.

Table 4: Staffing

Regular Status Fulltime Employees	Positions			Salaries	
	FY 2019 Budget	FY 2020 Budget	FY 2021 Forecast	2020 Budget	2021 Forecast
Controller	0.00	1.00	1.00	\$169,830	\$173,226
Chief Financial Officer	1.00	1.00	1.00	246,593	251,525
Finance Manager	2.00	0.00	0.00	0	0
Principal Program Analyst	0.00	1.00	1.00	137,368	140,115
Senior Financial Analyst	5.00	5.00	5.00	499,501	509,491
Financial Analyst	1.00	1.00	1.00	87,863	89,620
Fiscal Services Specialist	6.00	7.00	7.00	513,434	523,703
Administrative Assistant II	1.00	1.00	1.00	73,193	74,657
Total FTE	16.00	17.00	17.00	\$1,727,782	\$1,762,338

State Bar of California
Projected Reserve Balance by Fund
As of January 17, 2020

	Projected Reserve Bal 12/31/19	2020 Budgeted Revenues	2020 Budgeted Expenses	Indirect Costs	2020 Budgeted Expenses & Indirect Costs	Interfund Transfer	2020 Budgeted Surplus/ (Deficit)	Projected Reserve Bal 12/31/19	Reserve Level (%) **
General Fund	16,774,200	94,203,100	(104,871,700)	8,366,100	(96,505,600)	725,000	(1,577,500)	15,196,700	15.7%
Restricted Fund Group									
Bank Settlement Fund (37)	20,530,400	69,400	(11,709,000)	(59,200)	(11,768,200)	-	(11,698,800)	8,831,600	NA
Client Security Fund (27)	365,900	15,919,600	(15,049,800)	(884,100)	(15,933,900)	-	(14,300)	351,600	3.9%
Elimination of Bias Fund (17)	194,100	326,900	(263,900)	(179,200)	(443,100)	-	(116,200)	77,900	17.6%
Equal Access Fund (29)	2,687,600	30,282,300	(32,594,400)	(328,400)	(32,922,800)	1,000,000	(1,640,500)	1,047,100	NA
Justice Gap Fund (32)	2,817,500	923,200	-	(4,200)	(4,200)	(1,000,000)	(81,000)	2,736,500	NA
Lawyer Assistance Program Fund (21)	3,741,800	292,800	(1,923,400)	(554,800)	(2,478,200)	-	(2,185,400)	1,556,400	62.8%
Legal Services Trust Fund (28)	46,433,900	46,090,800	(56,837,000)	(426,100)	(57,263,100)	-	(11,172,300)	35,261,600	NA
Legal Specialization Fund (24)	3,244,700	2,131,500	(1,383,300)	(502,900)	(1,886,200)	100,000	345,300	3,590,000	190.3%
Legislative Activities Fund (16)	548,200	786,200	(749,800)	(173,100)	(922,900)	-	(136,700)	411,500	44.6%
Restricted Fund Group Total	80,564,100	96,822,700	(120,510,600)	(3,112,000)	(123,622,600)	100,000	(26,699,900)	53,864,200	
Special Revenue Fund Group									
Admissions Fund (20)	8,026,500	20,885,600	(17,349,500)	(5,254,100)	(22,603,600)	(825,000)	(2,543,000)	5,483,500	24.3%
Special Revenue Fund Group Total	8,026,500	20,885,600	(17,349,500)	(5,254,100)	(22,603,600)	(825,000)	(2,543,000)	5,483,500	
Grand Total:	105,364,800	211,911,400	(242,731,800)	-	(242,731,800)	-	(30,820,400)	74,544,400	

Notes: ** Board Book policy, Article 1, Section 3C specifies that all grant-related Funds are excluded from the Minimum Target Reserve requirement:
The Excluded Minimum Target Reserve Funds include Grant, Legal Service Trust, Equal Access, Justice Gap, and Bank Settlement Funds.

State Bar of California 2020 Budget
Indirect Cost Allocation Summary
January 18, 2020

Fund	Final		Proposed		2019 vs 2020 Budget Changes by \$ (C) - (A)	2019 vs 2020 Budget Changes by % (D) - (B)
	2019 Budget	2019 Budget	2020 Budget	2020 Budget		
	Indirect Costs by	Indirect Costs by	Indirect Costs by	Indirect Costs by		
	\$ (A)	% (B)	\$ (C)	% (D)		
General Fund	27,283,848	76.6%	30,161,065	78.3%	2,877,217	1.7%
Admissions	5,420,686	15.2%	5,254,052	13.6%	(166,634)	-1.6%
Bank Settlement Fund	31,801	0.1%	59,237	0.2%	27,436	0.1%
Client Security	581,746	1.6%	884,123	2.3%	302,377	0.7%
EOB/Bar Relations	58,105	0.2%	179,201	0.5%	121,096	0.3%
Equal Access Fund	16,837	0.0%	328,402	0.9%	311,565	0.8%
Justice GAP	6,965	0.0%	4,226	0.0%	(2,739)	0.0%
Lawyers Assistance Program	483,430	1.4%	554,780	1.4%	71,350	0.1%
Legal Service Trust Fund	845,651	2.4%	426,145	1.1%	(419,506)	-1.3%
Legal Specialization	743,259	2.1%	502,892	1.3%	(240,367)	-0.8%
Legislative Activities	135,562	0.4%	173,090	0.4%	37,528	0.1%
	35,607,890	100.0%	38,527,213	100.0%	2,919,323	0.0%
Indirect Cost Pool:						
General Counsel	4,544,739	12.8%	4,943,586	12.8%	398,847	0.1%
Finance	3,147,233	8.8%	2,888,220	7.5%	(259,013)	-1.3%
Licensee Billing	425,611	1.2%	508,862	1.3%	83,251	0.1%
Human Resources	2,453,232	6.9%	2,623,637	6.8%	170,405	-0.1%
General Services LA	3,975,105	11.2%	4,560,064	11.8%	584,959	0.7%
General Services SF	5,601,811	15.7%	4,896,740	12.7%	(705,071)	-3.0%
Building - Capital improvement	2,743,980	7.7%	420,500	1.1%	(2,323,480)	-6.6%
Information Technology	9,167,692	25.7%	13,269,401	34.4%	4,101,709	8.7%
Executive Direct/BOT/Election, etc	3,533,071	9.9%	4,416,203	11.5%	883,132	1.5%
Non Departmental	15,416	0.0%	-	0.0%	(15,416)	0.0%
	35,607,890	100.0%	38,527,213	100.0%	2,919,323	0.0%

STATE BAR
Operating Statements by Cost Center

EXECUTIVE DIRECTOR	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
10001 Executive Director					
Expenses					
Personnel Expense	\$480,678	\$449,499	\$471,500	\$433,125	\$441,788
Services	187,053	68,433	3,500	98,500	\$100,470
Supplies and Equipment	19,866	27,369	22,500	22,500	\$22,950
Other Expense	25,220	17,832	47,200	46,900	\$47,838
Expenses Total	\$712,817	\$563,132	\$544,700	\$601,025	\$613,046
10001 Executive Director Surplus/(Deficit)	(\$712,817)	(\$563,132)	(\$544,700)	(\$601,025)	(\$613,046)
10801 Communications					
Revenues					
Other Revenue	\$62,205	\$162,965	\$120,000	\$148,700	\$148,700
Revenues Total	\$62,205	\$162,965	\$120,000	\$148,700	\$148,700
Expenses					
Personnel Expense	\$408,467	\$353,170	\$456,100	\$531,518	\$542,148
Services	54,793	135,268	279,000	217,400	\$221,748
Supplies and Equipment	11,836	22,219	17,600	45,400	\$46,308
Other Expense	2,355	4,857	2,200	1,500	\$1,530
Indirect Costs	285,343	244,700	244,700	211,044	\$215,265
Expenses Total	\$762,794	\$760,214	\$999,600	\$1,006,862	\$1,026,999
10801 Communications Surplus/(Deficit)	(\$700,589)	(\$597,249)	(\$879,600)	(\$858,162)	(\$878,299)

STATE BAR
Operating Statements by Cost Center

EXECUTIVE DIRECTOR	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
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11978 Recruitment and Retention

Expenses

Personnel Expense	\$54,137	\$0	\$84,800	\$92,800	\$94,656
Supplies and Equipment	0	0	0	16,800	\$17,136
Other Expense	0	0	25,500	29,800	\$30,396
Expenses Total	\$54,137	\$0	\$110,300	\$139,400	\$142,188

11978 Recruitment and Retention Surplus/(Deficit)	(\$54,137)	\$0	(\$110,300)	(\$139,400)	(\$142,188)
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18 Affinity & Insurance Fund

Revenues

Other Revenue	\$150,288	\$254,123	\$0	\$178,935	\$178,935
Revenues Total	\$150,288	\$254,123	\$0	\$178,935	\$178,935

18 Affinity & Insurance Fund Surplus/(Deficit)	\$150,288	\$254,123	\$0	\$178,935	\$178,935
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18001 Group Insurance Programs

Revenues

Other Revenue	\$109,053	\$700,001	\$0	\$354,519	\$354,519
Revenues Total	\$109,053	\$700,001	\$0	\$354,519	\$354,519

Expenses

Services	\$106,369	\$230,597	\$0	\$0	\$0
Expenses Total	\$106,369	\$230,597	\$0	\$0	\$0

18001 Group Insurance Programs Surplus/(Deficit)	\$2,684	\$469,405	\$0	\$354,519	\$354,519
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STATE BAR
Operating Statements by Cost Center

EXECUTIVE DIRECTOR	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
18002 Professional Liab Insurance					
Revenues					
Other Revenue	\$55,895	\$1,111,558	\$0	\$351,599	\$351,599
Revenues Total	\$55,895	\$1,111,558	\$0	\$351,599	\$351,599
Expenses					
Services	\$55,895	\$607,753	\$0	\$0	\$0
Expenses Total	\$55,895	\$607,753	\$0	\$0	\$0
18002 Professional Liab Insurance Surplus/(Deficit)	\$0	\$503,804	\$0	\$351,599	\$351,599
18004 Affinity Programs					
Revenues					
Other Revenue	\$126,076	\$206	\$0	(\$885,053)	(\$885,053)
Revenues Total	\$126,076	\$206	\$0	(\$885,053)	(\$885,053)
Expenses					
Services	\$72,258	\$226	\$0	\$0	\$0
Expenses Total	\$72,258	\$226	\$0	\$0	\$0
18004 Affinity Programs Surplus/(Deficit)	\$53,818	(\$20)	\$0	(\$885,053)	(\$885,053)
23009 CLA Support					
Expenses					
Supplies and Equipment	\$26,312	\$13,071	\$0	\$0	\$0
Other Expense	(217)	323	0	0	\$0
Expenses Total	\$26,095	\$13,395	\$0	\$0	\$0
23009 CLA Support	(\$26,095)	(\$13,395)	\$0	\$0	\$0

STATE BAR
Operating Statements by Cost Center

<u>EXECUTIVE DIRECTOR</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
EXECUTIVE DIRECTOR Surplus/(Deficit)	(\$1,286,848)	\$53,536	(\$1,534,600)	(\$1,598,587)	(\$1,633,533)

STATE BAR
Operating Statements by Cost Center

<u>CHIEF TRIAL COUNSEL</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
10310 OCTC-Enforcement					
Revenues					
Other Revenue	\$512,695	\$52,575	\$983,300	\$242,346	\$242,346
Revenues Total	\$512,695	\$52,575	\$983,300	\$242,346	\$242,346
Expenses					
Personnel Expense	\$30,802,624	\$30,284,181	\$36,434,600	\$43,224,947	\$44,089,446
Services	406,463	345,144	488,900	510,900	\$520,450
Supplies and Equipment	467,601	502,941	537,400	564,900	\$576,198
Other Expense	152,282	175,971	189,200	182,200	\$185,844
Indirect Costs	13,579,705	16,202,900	16,202,700	20,013,609	\$20,413,882
Reimbursements	(712,616)	(1,140,853)	(1,000,000)	(1,200,000)	(\$1,200,000)
Expenses Total	\$44,696,059	\$46,370,284	\$52,852,800	\$63,296,557	\$64,585,820
10310 OCTC-Enforcement Surplus/(Deficit)	(\$44,183,364)	(\$46,317,709)	(\$51,869,500)	(\$63,054,211)	(\$64,343,474)
10316 Rule 2201 Conflict Cases					
Expenses					
Personnel Expense	\$59,761	\$51,821	\$60,400	\$400	\$408
Services	151,520	130,624	125,300	125,300	\$127,806
Supplies and Equipment	0	0	200	200	\$204
Other Expense	3,412	2,558	3,000	3,000	\$3,060
Indirect Costs	18,311	32,700	32,700	24,007	\$24,487
Expenses Total	\$233,003	\$217,703	\$221,600	\$152,907	\$155,965
10316 Rule 2201 Conflict Cases Surplus/(Deficit)	(\$233,003)	(\$217,703)	(\$221,600)	(\$152,907)	(\$155,965)
CHIEF TRIAL COUNSEL Surplus/(Deficit)	(\$44,416,367)	(\$46,535,413)	(\$52,091,100)	(\$63,207,117)	(\$64,499,439)

STATE BAR
Operating Statements by Cost Center

STATE BAR COURT	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
10401 SBC Sr. Executive					
Revenues					
Other Revenue	\$1,185	\$13,875	\$600	\$13,725	\$13,725
Revenues Total	\$1,185	\$13,875	\$600	\$13,725	\$13,725
Expenses					
Personnel Expense	\$355,704	\$437,941	\$368,700	\$565,024	\$576,325
Services	1,398	12,108	12,300	17,625	\$17,978
Supplies and Equipment	55,424	33,911	43,800	44,900	\$45,798
Other Expense	17,953	8,152	16,100	16,200	\$16,524
Indirect Costs	223,543	301,600	301,600	416,625	\$424,958
Expenses Total	\$654,022	\$793,713	\$742,500	\$1,060,375	\$1,081,582
10401 SBC Sr. Executive Surplus/(Deficit)	(\$652,837)	(\$779,838)	(\$741,900)	(\$1,046,650)	(\$1,067,857)
10402 Hearing Admin.-SF					
Revenues					
Other Revenue	\$633	\$1,304	\$100	\$891	\$891
Revenues Total	\$633	\$1,304	\$100	\$891	\$891
Expenses					
Personnel Expense	\$844,305	\$855,747	\$994,400	\$1,135,865	\$1,158,583
Services	21,374	16,335	17,000	17,100	\$17,122
Supplies and Equipment	21,362	25,245	27,000	27,300	\$27,846
Other Expense	11,061	10,757	16,400	16,400	\$16,728
Indirect Costs	1,129,439	1,325,100	1,325,100	840,618	\$857,431
Expenses Total	\$2,027,541	\$2,233,185	\$2,379,900	\$2,037,284	\$2,077,709
10402 Hearing Admin.-SF Surplus/(Deficit)	(\$2,026,908)	(\$2,231,881)	(\$2,379,800)	(\$2,036,392)	(\$2,076,818)

STATE BAR
Operating Statements by Cost Center

STATE BAR COURT	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
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10403 Hearing Counsel LA/SF

Expenses

Personnel Expense	\$1,279,795	\$1,327,105	\$1,334,900	\$1,578,359	\$1,609,926
Services	271	138	0	0	\$0
Supplies and Equipment	7,191	4,945	10,900	11,900	\$12,138
Other Expense	8,514	8,665	10,700	10,700	\$10,914
Indirect Costs	759,655	711,100	711,100	944,605	\$963,498
Expenses Total	\$2,055,427	\$2,051,953	\$2,067,600	\$2,545,564	\$2,596,476

10403 Hearing Counsel LA/SF Surplus/(Deficit)	(\$2,055,427)	(\$2,051,953)	(\$2,067,600)	(\$2,545,564)	(\$2,596,476)
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10404 Hearing Judges

Expenses

Personnel Expense	\$1,176,533	\$928,995	\$1,323,000	\$1,453,778	\$1,482,853
Services	20,727	10,468	29,500	25,000	\$25,500
Supplies and Equipment	15,543	12,969	30,300	30,700	\$31,314
Other Expense	28,667	28,266	52,100	52,100	\$53,142
Indirect Costs	601,343	725,600	725,600	865,098	\$882,400
Expenses Total	\$1,842,814	\$1,706,297	\$2,160,500	\$2,426,676	\$2,475,209

10404 Hearing Judges Surplus/(Deficit)	(\$1,842,814)	(\$1,706,297)	(\$2,160,500)	(\$2,426,676)	(\$2,475,209)
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STATE BAR
Operating Statements by Cost Center

STATE BAR COURT	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
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10405 Hearing/Effec./Admin.-LA

Revenues

Other Revenue	\$12,629	\$7,097	\$12,000	\$9,286	\$9,286
Revenues Total	\$12,629	\$7,097	\$12,000	\$9,286	\$9,286

Expenses

Personnel Expense	\$1,223,762	\$1,134,781	\$1,453,600	\$1,227,044	\$1,251,585
Services	8,606	11,696	11,600	11,800	\$11,892
Supplies and Equipment	37,781	29,948	43,700	43,900	\$44,778
Other Expense	5,839	2,388	9,100	9,100	\$9,282
Indirect Costs	901,252	1,054,200	1,054,200	935,667	\$954,380
Expenses Total	\$2,177,241	\$2,233,014	\$2,572,200	\$2,227,510	\$2,271,917

10405 Hearing/Effec./Admin.-LA Surplus/(Deficit)	(\$2,164,613)	(\$2,225,917)	(\$2,560,200)	(\$2,218,224)	(\$2,262,630)
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10407 Presiding/Review Judges

Expenses

Personnel Expense	\$822,269	\$796,138	\$868,500	\$953,274	\$972,340
Services	1,302	424	300	300	\$306
Supplies and Equipment	6,917	6,226	7,800	7,800	\$7,956
Other Expense	36,523	30,134	51,700	51,700	\$52,734
Indirect Costs	352,798	422,400	422,400	550,298	\$561,304
Expenses Total	\$1,219,809	\$1,255,322	\$1,350,700	\$1,563,373	\$1,594,640

10407 Presiding/Review Judges Surplus/(Deficit)	(\$1,219,809)	(\$1,255,322)	(\$1,350,700)	(\$1,563,373)	(\$1,594,640)
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STATE BAR
Operating Statements by Cost Center

STATE BAR COURT	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
10408 Review Counsel/Clerk					
Expenses					
Personnel Expense	\$781,720	\$885,917	\$771,400	\$1,043,548	\$1,064,419
Services	74	145	1,400	1,500	\$1,530
Supplies and Equipment	9,006	9,536	8,900	8,900	\$9,078
Other Expense	3,855	8,049	9,600	13,400	\$13,668
Indirect Costs	959,939	713,100	713,100	721,627	\$736,060
Expenses Total	\$1,754,593	\$1,616,747	\$1,504,400	\$1,788,975	\$1,824,755
10408 Review Counsel/Clerk Surplus/(Deficit)	(\$1,754,593)	(\$1,616,747)	(\$1,504,400)	(\$1,788,975)	(\$1,824,755)
STATE BAR COURT Surplus/(Deficit)	(\$11,717,000)	(\$11,867,956)	(\$12,765,100)	(\$13,625,854)	(\$13,898,385)

PROGRAMS	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
10015 Chief of Programs					
Expenses					
Personnel Expense	\$1,181	\$62,815	\$500	\$373,481	\$380,951
Services	74	45	100	100	\$102
Supplies and Equipment	509	1,057	2,300	3,000	\$3,060
Other Expense	26,986	18,395	30,000	30,000	\$30,600
Indirect Costs	0	0	0	116,803	\$119,139
Expenses Total	\$28,751	\$82,313	\$32,900	\$523,384	\$533,852
10015 Chief of Programs Surplus/(Deficit)	(\$28,751)	(\$82,313)	(\$32,900)	(\$523,384)	(\$533,852)
PROGRAMS Surplus/(Deficit)	(\$28,751)	(\$82,313)	(\$32,900)	(\$523,384)	(\$533,852)

STATE BAR
Operating Statements by Cost Center

ACCESS & INCLUSION	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
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10901 Commission on Access to Justic

Expenses

Services	\$0	\$0	\$100	\$0	\$0
Supplies and Equipment	2,857	1,640	5,200	0	\$0
Other Expense	10,830	3,490	10,800	0	\$0
Indirect Costs	10,448	1,300	1,300	0	\$0
Expenses Total	\$24,135	\$6,430	\$17,400	\$0	\$0

10901 Commission on Access to Justic Surplus/(Deficit)	(\$24,135)	(\$6,430)	(\$17,400)	\$0	\$0
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10905 Comm. on Delivery of Legal Svc

Revenues

Other Revenue	\$74,321	\$55,621	\$60,000	\$68,787	\$68,787
Revenues Total	\$74,321	\$55,621	\$60,000	\$68,787	\$68,787

Expenses

Personnel Expense	\$607,471	\$702,617	\$1,094,400	\$562,812	\$574,068
Services	43,024	279,978	153,900	3,900	\$3,978
Supplies and Equipment	12,319	10,736	13,400	13,400	\$13,668
Other Expense	9,970	9,017	29,300	20,700	\$21,114
Indirect Costs	629,701	537,800	537,800	194,001	\$197,881
Expenses Total	\$1,302,485	\$1,540,148	\$1,828,800	\$794,813	\$810,709

10905 Comm. on Delivery of Legal Svc Surplus/(Deficit)	(\$1,228,164)	(\$1,484,527)	(\$1,768,800)	(\$726,026)	(\$741,922)
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STATE BAR
Operating Statements by Cost Center

ACCESS & INCLUSION	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
11947 Pgrm. Dev.-Project					
Revenues					
Other Revenue	\$0	\$38,159	\$32,000	\$0	\$0
Revenues Total	\$0	\$38,159	\$32,000	\$0	\$0
Expenses					
Services	\$0	\$0	\$2,700	\$0	\$0
Supplies and Equipment	560	863	6,300	0	\$0
Other Expense	0	20,544	23,000	0	\$0
Indirect Costs	197	2,600	2,600	0	\$0
Expenses Total	\$757	\$24,006	\$34,600	\$0	\$0
11947 Pgrm. Dev.-Project Surplus/(Deficit)	(\$757)	\$14,153	(\$2,600)	\$0	\$0
17 EOB & Bar Relations					
Revenues					
Voluntary Fees & Donations	\$314,036	\$313,776	\$320,000	\$320,000	\$321,600
Other Revenue	963	9,125	100	4,334	\$4,334
Revenues Total	\$314,999	\$322,901	\$320,100	\$324,334	\$325,934
Expenses					
Indirect Costs	\$99	\$1,500	\$1,500	\$1,579	\$1,611
Expenses Total	\$99	\$1,500	\$1,500	\$1,579	\$1,611
17 EOB & Bar Relations Surplus/(Deficit)	\$314,899	\$321,401	\$318,600	\$322,755	\$324,323

STATE BAR
Operating Statements by Cost Center

ACCESS & INCLUSION	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
17007 Center for Access & Fairness					
Revenues					
Other Revenue	\$2,959	\$2,554	\$0	\$2,619	\$2,619
Revenues Total	\$2,959	\$2,554	\$0	\$2,619	\$2,619
Expenses					
Personnel Expense	\$36,218	\$60,193	\$200,000	\$412,023	\$420,263
Services	837	40	14,000	215,000	\$219,300
Supplies and Equipment	9,488	1,690	13,000	13,000	\$13,260
Other Expense	9,023	12,444	9,000	9,000	\$9,180
Indirect Costs	34,070	55,000	55,000	176,084	\$179,606
Expenses Total	\$89,637	\$129,367	\$291,000	\$825,107	\$841,609
17007 Center for Access & Fairness Surplus/(Deficit)	(\$86,678)	(\$126,813)	(\$291,000)	(\$822,488)	(\$838,990)
17008 Stakeholder Outreach					
Expenses					
Other Expense	\$0	\$0	\$4,100	\$4,100	\$4,182
Indirect Costs	0	300	300	369	\$376
Expenses Total	\$0	\$300	\$4,400	\$4,469	\$4,558
17008 Stakeholder Outreach Surplus/(Deficit)	\$0	(\$300)	(\$4,400)	(\$4,469)	(\$4,558)

STATE BAR
Operating Statements by Cost Center

ACCESS & INCLUSION	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
17012 Council on Access & Fairness					
Expenses					
Supplies and Equipment	\$0	\$5	\$0	\$0	\$0
Other Expense	6,458	4,979	14,300	10,800	\$11,016
Indirect Costs	8,921	1,200	1,200	1,169	\$1,192
Expenses Total	\$15,379	\$6,184	\$15,500	\$11,969	\$12,208
17012 Council on Access & Fairness Surplus/(Deficit)	(\$15,379)	(\$6,184)	(\$15,500)	(\$11,969)	(\$12,208)
28 LSTF Asset BU					
Revenues					
Voluntary Fees & Donations	\$6,030,730	\$6,248,214	\$6,101,200	\$3,800,000	\$3,819,000
Other Revenue	154,868	177,141	100,000	157,253	\$157,253
Revenues Total	\$6,185,598	\$6,425,356	\$6,201,200	\$3,957,253	\$3,976,253
Expenses					
Indirect Costs	\$45,336	\$29,500	\$29,500	\$18,747	\$19,122
Expenses Total	\$45,336	\$29,500	\$29,500	\$18,747	\$19,122
Interfund Transfers					
Interfund Transfers In	\$0	\$2,750,000	\$0	\$1,000,000	\$1,000,000
Interfund Transfers Total	\$0	\$2,750,000	\$0	\$1,000,000	\$1,000,000
28 LSTF Asset BU Surplus/(Deficit)	\$6,140,262	\$9,145,856	\$6,171,700	\$4,938,506	\$4,957,131

STATE BAR
Operating Statements by Cost Center

ACCESS & INCLUSION	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
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28002 LSTF Grants

Revenues

Other Revenue	\$21,002,551	\$36,370,209	\$22,910,000	\$41,133,543	\$41,133,543
Revenues Total	\$21,002,551	\$36,370,209	\$22,910,000	\$41,133,543	\$41,133,543

Expenses

Legal Services Grants	\$13,849,656	\$27,463,024	\$27,603,000	\$55,581,034	\$55,581,034
Supplies and Equipment	16	1	0	0	\$0
Expenses Total	\$13,849,672	\$27,463,025	\$27,603,000	\$55,581,034	\$55,581,034

28002 LSTF Grants Surplus/(Deficit)	\$7,152,880	\$8,907,184	(\$4,693,000)	(\$14,447,491)	(\$14,447,491)
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28005 LSTF Administration

Expenses

Personnel Expense	\$1,341,971	\$711,782	\$1,408,200	\$1,072,360	\$1,093,807
Services	62,938	106,527	42,500	107,200	\$109,344
Supplies and Equipment	17,395	12,821	37,600	23,700	\$24,174
Other Expense	32,635	20,452	29,200	52,700	\$53,754
Indirect Costs	681,893	816,100	816,100	407,398	\$415,546
Expenses Total	\$2,136,832	\$1,667,682	\$2,333,600	\$1,663,358	\$1,696,625

28005 LSTF Administration Surplus/(Deficit)	(\$2,136,832)	(\$1,667,682)	(\$2,333,600)	(\$1,663,358)	(\$1,696,625)
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29 Equal Access -Asset BU

Revenues

Other Revenue	(\$37,522)	\$223	\$0	\$300	\$300
Revenues Total	(\$37,522)	\$223	\$0	\$300	\$300

29 Equal Access -Asset BU Surplus/(Deficit)	(\$37,522)	\$223	\$0	\$300	\$300
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STATE BAR
Operating Statements by Cost Center

ACCESS & INCLUSION	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
29001 Equal Access -Admin					
Expenses					
Personnel Expense	\$0	\$269,412	\$0	\$690,867	\$704,684
Services	178,615	171,123	210,000	215,053	\$219,354
Other Expense	0	0	0	351,800	\$358,836
Indirect Costs	12,793	16,800	16,800	328,402	\$334,971
Expenses Total	\$191,408	\$457,335	\$226,800	\$1,586,122	\$1,617,844
29001 Equal Access -Admin Surplus/(Deficit)	(\$191,408)	(\$457,335)	(\$226,800)	(\$1,586,122)	(\$1,617,844)
29002 Equal Access -Grants					
Revenues					
Grants	\$25,435,549	\$34,480,793	\$25,599,900	\$30,701,700	\$30,701,700
Other Revenue	479,829	388,595	490,000	580,300	\$580,300
Revenues Total	\$25,915,378	\$34,869,388	\$26,089,900	\$31,282,000	\$31,282,000
Expenses					
Legal Services Grants	\$25,677,762	\$40,197,933	\$25,614,900	\$31,336,721	\$31,336,721
Expenses Total	\$25,677,762	\$40,197,933	\$25,614,900	\$31,336,721	\$31,336,721
29002 Equal Access -Grants Surplus/(Deficit)	\$237,616	(\$5,328,544)	\$475,000	(\$54,721)	(\$54,721)

STATE BAR
Operating Statements by Cost Center

ACCESS & INCLUSION	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
32 Justice Gap Fund - BU					
Revenues					
Voluntary Fees & Donations	\$980,045	\$1,655,191	\$1,232,000	\$856,700	\$860,984
Other Revenue	51,313	96,750	17,100	66,500	\$66,500
Revenues Total	\$1,031,358	\$1,751,940	\$1,249,100	\$923,200	\$927,484
Expenses					
Indirect Costs	\$6,553	\$7,000	\$7,000	\$4,226	\$4,311
Expenses Total	\$6,553	\$7,000	\$7,000	\$4,226	\$4,311
Interfund Transfers					
Interfund Transfers Out	\$0	(\$2,750,000)	\$0	(\$1,000,000)	(\$1,000,000)
Interfund Transfers Total	\$0	(\$2,750,000)	\$0	(\$1,000,000)	(\$1,000,000)
32 Justice Gap Fund - BU Surplus/(Deficit)	\$1,024,805	(\$1,005,060)	\$1,242,100	(\$81,026)	(\$76,827)
37 Bank Settlement Fund					
Revenues					
Other Revenue	\$658,219	\$543,150	\$50,000	\$69,100	\$69,100
Revenues Total	\$658,219	\$543,150	\$50,000	\$69,100	\$69,100
37 Bank Settlement Fund Surplus/(Deficit)	\$658,219	\$543,150	\$50,000	\$69,100	\$69,100

STATE BAR
Operating Statements by Cost Center

ACCESS & INCLUSION	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
37001 B of A-Second Settlement					
Revenues					
Grants	\$0	\$601	\$0	\$285	\$285
Revenues Total	\$0	\$601	\$0	\$285	\$285
Expenses					
Personnel Expense	\$129,378	\$118,113	\$100,000	\$145,212	\$148,116
Legal Services Grants	9,891,289	9,452,789	9,452,800	11,545,482	\$11,545,482
Supplies and Equipment	0	0	13,800	13,800	\$14,076
Other Expense	0	0	4,500	4,500	\$4,590
Indirect Costs	25,298	31,800	31,800	59,237	\$60,422
Expenses Total	\$10,045,965	\$9,602,702	\$9,602,900	\$11,768,231	\$11,772,686
37001 B of A-Second Settlement Surplus/(Deficit)	(\$10,045,965)	(\$9,602,101)	(\$9,602,900)	(\$11,767,946)	(\$11,772,401)
ACCESS & INCLUSION Surplus/(Deficit)	\$1,761,842	(\$753,010)	(\$10,698,600)	(\$25,834,955)	(\$25,912,735)

STATE BAR
Operating Statements by Cost Center

<u>ADMISSIONS</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
20 Admissions Assets BU					
Revenues					
Other Revenue	\$160,828	(\$19,013)	\$0	\$67,362	\$67,362
Revenues Total	\$160,828	(\$19,013)	\$0	\$67,362	\$67,362
Expenses					
Supplies and Equipment	\$0	\$0	\$1,000	\$1,000	\$1,020
Indirect Costs	5,242	100	100	158	\$161
Expenses Total	\$5,242	\$100	\$1,100	\$1,158	\$1,181
Interfund Transfers					
Interfund Transfers Out	(\$100,000)	\$0	(\$100,000)	(\$825,000)	(\$825,000)
Interfund Transfers Total	(\$100,000)	\$0	(\$100,000)	(\$825,000)	(\$825,000)
20 Admissions Assets BU Surplus/(Deficit)	\$55,586	(\$19,113)	(\$101,100)	(\$758,796)	(\$758,819)
20001 Admissions Overhead					
Expenses					
Personnel Expense	\$510,369	\$628,768	\$855,400	\$742,790	\$757,645
Services	116,184	103,623	129,700	139,700	\$142,378
Supplies and Equipment	6,095	4,154	21,500	21,600	\$22,032
Other Expense	104,847	86,158	108,700	156,700	\$159,834
Indirect Costs	361,762	383,300	383,300	301,533	\$307,563
Expenses Total	\$1,099,258	\$1,206,003	\$1,498,600	\$1,362,322	\$1,389,453
20001 Admissions Overhead Surplus/(Deficit)	(\$1,099,258)	(\$1,206,003)	(\$1,498,600)	(\$1,362,322)	(\$1,389,453)

STATE BAR
Operating Statements by Cost Center

<u>ADMISSIONS</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
20002 Admission Operations					
Expenses					
Personnel Expense	\$2,542,968	\$2,336,704	\$2,760,200	\$2,075,889	\$2,117,407
Services	4,499,744	4,997,109	4,416,100	5,042,669	\$5,103,123
Supplies and Equipment	889,831	797,842	933,600	898,600	\$916,572
Other Expense	143,677	156,381	158,700	146,200	\$149,124
Indirect Costs	1,109,597	1,923,900	1,923,900	1,971,210	\$2,010,634
Expenses Total	\$9,185,817	\$10,211,937	\$10,192,500	\$10,134,568	\$10,296,860
20002 Admission Operations Surplus/(Deficit)	(\$9,185,817)	(\$10,211,937)	(\$10,192,500)	(\$10,134,568)	(\$10,296,860)
20004 Admissions Administration					
Expenses					
Personnel Expense	\$437,181	\$475,584	\$657,200	\$730,643	\$745,256
Services	285,396	194,335	310,400	300,750	\$306,735
Supplies and Equipment	134,632	10,286	81,800	56,800	\$57,936
Other Expense	0	649	500	500	\$510
Indirect Costs	484,073	609,000	609,000	426,791	\$435,327
Expenses Total	\$1,341,282	\$1,289,854	\$1,658,900	\$1,515,484	\$1,545,763
20004 Admissions Administration Surplus/(Deficit)	(\$1,341,282)	(\$1,289,854)	(\$1,658,900)	(\$1,515,484)	(\$1,545,763)

STATE BAR
Operating Statements by Cost Center

<u>ADMISSIONS</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
20007 Law School Regulation					
Expenses					
Personnel Expense	\$189,395	\$329,623	\$343,500	\$412,257	\$420,503
Services	31,459	2,760	70,200	60,200	\$61,404
Supplies and Equipment	3,493	2,622	5,100	5,100	\$5,202
Other Expense	9,345	10,352	30,000	30,000	\$30,600
Indirect Costs	160,643	216,200	216,200	165,175	\$168,479
Expenses Total	\$394,336	\$561,557	\$665,000	\$672,733	\$686,188
20007 Law School Regulation Surplus/(Deficit)	(\$394,336)	(\$561,557)	(\$665,000)	(\$672,733)	(\$686,188)
20009 Admissions Revenue					
Revenues					
Exam Fees	\$14,310,118	\$13,570,494	\$13,690,600	\$13,382,380	\$13,382,380
Other Revenue	8,120,205	7,110,365	7,251,100	7,435,900	\$7,435,900
Revenues Total	\$22,430,323	\$20,680,859	\$20,941,700	\$20,818,280	\$20,818,280
Expenses					
Services	\$0	(\$35,773)	\$0	\$0	\$0
Supplies and Equipment	0	143	0	100	\$102
Indirect Costs	3,724	2,700	2,700	16	\$16
Expenses Total	\$3,724	(\$32,930)	\$2,700	\$116	\$118
20009 Admissions Revenue Surplus/(Deficit)	\$22,426,599	\$20,713,789	\$20,939,000	\$20,818,164	\$20,818,162

STATE BAR
Operating Statements by Cost Center

<u>ADMISSIONS</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
20011 Examination Development					
Expenses					
Personnel Expense	\$355,714	\$322,513	\$375,100	\$388,609	\$396,381
Services	459,422	354,945	565,600	565,600	\$576,862
Supplies and Equipment	2,087	2,351	4,500	4,500	\$4,590
Other Expense	18,107	10,771	15,100	16,500	\$16,830
Indirect Costs	193,502	253,800	253,800	239,239	\$244,024
Expenses Total	\$1,028,832	\$944,379	\$1,214,100	\$1,214,449	\$1,238,688
20011 Examination Development Surplus/(Deficit)	(\$1,028,832)	(\$944,379)	(\$1,214,100)	(\$1,214,449)	(\$1,238,688)
20013 Examination Grading					
Expenses					
Personnel Expense	\$607,608	\$595,037	\$654,100	\$725,308	\$739,814
Services	583,038	515,672	886,000	831,500	\$847,792
Supplies and Equipment	863,912	826,844	791,000	791,000	\$806,820
Other Expense	60,486	62,024	85,400	85,400	\$87,108
Indirect Costs	560,554	620,700	620,700	638,389	\$651,156
Expenses Total	\$2,675,598	\$2,620,276	\$3,037,200	\$3,071,597	\$3,132,691
20013 Examination Grading Surplus/(Deficit)	(\$2,675,598)	(\$2,620,276)	(\$3,037,200)	(\$3,071,597)	(\$3,132,691)

STATE BAR
Operating Statements by Cost Center

<u>ADMISSIONS</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
20019 Moral Character Determinations					
Expenses					
Personnel Expense	\$1,315,714	\$1,259,263	\$1,777,700	\$2,702,953	\$2,757,012
Services	23,714	19,147	64,900	66,100	\$67,388
Supplies and Equipment	17,160	17,591	19,400	19,400	\$19,788
Other Expense	20,944	22,282	11,300	10,300	\$10,506
Indirect Costs	1,013,191	1,184,700	1,184,700	1,333,537	\$1,360,208
Expenses Total	\$2,390,724	\$2,502,984	\$3,058,000	\$4,132,290	\$4,214,902
20019 Moral Character Determinations Surplus/(Deficit)	(\$2,390,724)	(\$2,502,984)	(\$3,058,000)	(\$4,132,290)	(\$4,214,902)
20023 Special Admissions					
Expenses					
Personnel Expense	\$191,666	\$180,828	\$204,400	\$317,998	\$324,358
Services	241	0	200	200	\$204
Supplies and Equipment	2,228	1,725	2,700	2,700	\$2,754
Indirect Costs	151,052	226,200	226,200	178,004	\$181,564
Expenses Total	\$345,186	\$408,753	\$433,500	\$498,902	\$508,880
20023 Special Admissions Surplus/(Deficit)	(\$345,186)	(\$408,753)	(\$433,500)	(\$498,902)	(\$508,880)

STATE BAR
Operating Statements by Cost Center

<u>ADMISSIONS</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
24 Legal Specialization -Asset BU					
Revenues					
Other Revenue	\$81,056	\$6,029	\$0	\$41,365	\$41,365
Revenues Total	\$81,056	\$6,029	\$0	\$41,365	\$41,365
Interfund Transfers					
Interfund Transfers In	\$100,000	\$0	\$100,000	\$100,000	\$100,000
Interfund Transfers Total	\$100,000	\$0	\$100,000	\$100,000	\$100,000
24 Legal Specialization -Asset BU Surplus/(Deficit)	\$181,056	\$6,029	\$100,000	\$141,365	\$141,365
24001 Legal Specialization					
Revenues					
Exam Fees	\$106,404	\$390,614	\$244,700	\$276,100	\$276,100
Other Revenue	2,122,888	1,970,865	1,729,500	1,814,011	\$1,814,011
Revenues Total	\$2,229,292	\$2,361,478	\$1,974,200	\$2,090,111	\$2,090,111
Expenses					
Personnel Expense	\$715,343	\$354,062	\$556,500	\$648,683	\$661,657
Services	1,032,471	184,759	508,200	341,500	\$348,330
Supplies and Equipment	31,195	17,593	130,100	429,400	\$437,988
Other Expense	50,665	34,358	161,200	156,800	\$159,936
Indirect Costs	789,199	743,300	743,300	309,635	\$315,828
Expenses Total	\$2,618,874	\$1,334,071	\$2,099,300	\$1,886,018	\$1,923,739
24001 Legal Specialization Surplus/(Deficit)	(\$389,582)	\$1,027,407	(\$125,100)	\$204,092	\$166,372
ADMISSIONS Surplus/(Deficit)	\$3,812,626	\$1,982,368	(\$945,000)	(\$2,197,518)	(\$2,646,343)

STATE BAR
Operating Statements by Cost Center

<u>ATTORNEY REGULATION AND CONSUMER RESOURCES</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
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10201 Child & Family Support

Expenses

Personnel Expense	\$61,750	\$57,542	\$66,200	\$71,953	\$73,392
Services	0	0	2,700	2,700	\$2,754
Supplies and Equipment	1,336	837	1,400	1,400	\$1,428
Indirect Costs	32,706	36,500	36,500	27,186	\$27,729
Expenses Total	\$95,793	\$94,879	\$106,800	\$103,238	\$105,303

10201 Child & Family Support Surplus/(Deficit)	(\$95,793)	(\$94,879)	(\$106,800)	(\$103,238)	(\$105,303)
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10251 Atty Reg & Consumer Resources

Revenues

Other Revenue	\$154,326	\$291,649	\$212,600	\$255,305	\$255,305
Revenues Total	\$154,326	\$291,649	\$212,600	\$255,305	\$255,305

Expenses

Personnel Expense	\$3,059,174	\$2,696,510	\$3,408,100	\$3,630,290	\$3,702,896
Services	89,400	107,799	140,100	110,100	\$112,302
Supplies and Equipment	54,966	73,718	194,800	134,800	\$137,496
Other Expense	1,339	5,759	19,200	3,000	\$3,060
Indirect Costs	1,552,018	2,216,500	2,216,500	1,562,358	\$1,593,605
Expenses Total	\$4,756,896	\$5,100,286	\$5,978,700	\$5,440,548	\$5,549,359

10251 Atty Reg & Consumer Resources Surplus/(Deficit)	(\$4,602,570)	(\$4,808,637)	(\$5,766,100)	(\$5,185,243)	(\$5,294,054)
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STATE BAR
Operating Statements by Cost Center

<u>ATTORNEY REGULATION AND CONSUMER RESOURCES</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
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10252 Transition Assistance Services

Expenses

Services	\$10,900	\$12,400	\$0	\$0	\$0
Supplies and Equipment	0	0	0	0	\$0
Expenses Total	\$10,900	\$12,400	\$0	\$0	\$0

10252 Transition Assistance Services Surplus/(Deficit)	(\$10,900)	(\$12,400)	\$0	\$0	\$0
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10253 MCLE Regulation

Revenues

Other Revenue	\$846,745	\$632,359	\$773,300	\$777,524	\$777,524
Revenues Total	\$846,745	\$632,359	\$773,300	\$777,524	\$777,524

Expenses

Personnel Expense	\$0	\$0	\$2,500	\$2,500	\$2,550
Services	0	0	600	600	\$612
Supplies and Equipment	20,974	3,341	21,000	21,000	\$21,420
Other Expense	0	0	1,200	1,000	\$1,020
Indirect Costs	(5,149)	4,400	4,400	1,976	\$2,015
Expenses Total	\$15,825	\$7,741	\$29,700	\$27,076	\$27,617

10253 MCLE Regulation Surplus/(Deficit)	\$830,920	\$624,618	\$743,600	\$750,448	\$749,907
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STATE BAR
Operating Statements by Cost Center

<u>ATTORNEY REGULATION AND CONSUMER RESOURCES</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
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10503 Mandatory Fee Arb Committee

Expenses

Services	\$153	\$1,774	\$1,100	\$0	\$0
Supplies and Equipment	257	17	2,200	0	\$0
Other Expense	20,182	7,452	17,900	0	\$0
Indirect Costs	1,627	1,700	1,700	0	\$0
Expenses Total	\$22,219	\$10,943	\$22,900	\$0	\$0

10503 Mandatory Fee Arb Committee Surplus/(Deficit)	(\$22,219)	(\$10,943)	(\$22,900)	\$0	\$0
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10504 Mandatory Fee Arbitration

Revenues

Other Revenue	\$30,142	\$39,439	\$44,000	\$35,000	\$35,000
Revenues Total	\$30,142	\$39,439	\$44,000	\$35,000	\$35,000

Expenses

Services	\$37,878	\$13,265	\$57,400	\$57,400	\$58,548
Supplies and Equipment	5,880	6,812	13,700	11,400	\$11,628
Other Expense	2,315	1,144	8,900	7,700	\$7,854
Indirect Costs	9,151	6,600	6,600	6,009	\$6,129
Expenses Total	\$55,224	\$27,821	\$86,600	\$82,509	\$84,159

10504 Mandatory Fee Arbitration Surplus/(Deficit)	(\$25,082)	\$11,618	(\$42,600)	(\$47,509)	(\$49,159)
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STATE BAR
Operating Statements by Cost Center

<u>ATTORNEY REGULATION AND CONSUMER RESOURCES</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
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10601 Probation

Expenses

Personnel Expense	961,348	971,689	1,126,000	1,298,267	\$1,324,233
Services	1,362	10,571	600	29,000	\$29,560
Supplies and Equipment	11,483	7,813	18,700	18,300	\$18,666
Other Expense	868	2,442	1,300	2,500	\$2,550
Indirect Costs	420,909	508,400	508,400	761,406	\$776,634
Expenses Total	\$1,395,970	\$1,500,915	\$1,655,000	\$2,109,473	\$2,151,643

10601 Probation Surplus/(Deficit)	(\$1,395,970)	(\$1,500,915)	(\$1,655,000)	(\$2,109,473)	(\$2,151,643)
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21 Lawyer Assist Program-Asset BU

Revenues

Mandatory Fees	2,099,896	2,080,236	2,107,000	216,843	\$217,927
Other Revenue	57,153	114,157	20,000	75,966	\$75,966
Revenues Total	\$2,157,048	\$2,194,393	\$2,127,000	\$292,809	\$293,893

Expenses

Indirect Costs	11,677	10,200	10,200	1,035	\$1,056
Expenses Total	\$11,677	\$10,200	\$10,200	\$1,035	\$1,056

21 Lawyer Assist Program-Asset BU Surplus/(Deficit)	\$2,145,371	\$2,184,193	\$2,116,800	\$291,774	\$292,837
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STATE BAR
Operating Statements by Cost Center

<u>ATTORNEY REGULATION AND CONSUMER RESOURCES</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
21000 Lawyer Assistance Program					
Expenses					
Personnel Expense	1,007,747	947,018	1,249,700	1,398,094	\$1,426,056
Services	222,460	394,076	175,400	371,350	\$376,682
Supplies and Equipment	20,663	15,270	26,300	26,300	\$26,826
Other Expense	36,258	111,169	82,100	127,697	\$130,251
Indirect Costs	385,597	473,200	473,200	553,745	\$564,820
Expenses Total	\$1,672,725	\$1,940,733	\$2,006,700	\$2,477,187	\$2,524,635
21000 Lawyer Assistance Program Surplus/(Deficit)	(\$1,672,725)	(\$1,940,733)	(\$2,006,700)	(\$2,477,187)	(\$2,524,635)
ATTORNEY REGULATION AND CONSUMER RESOURCES Surplus/(Deficit)	(\$4,848,967)	(\$5,548,078)	(\$6,739,700)	(\$8,880,428)	(\$9,082,050)

STATE BAR
Operating Statements by Cost Center

<u>CLIENT SECURITY FUND</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
27 Client Security -Asset BU					
Revenues					
Mandatory Fees	\$8,012,838	\$7,906,712	\$7,927,300	\$15,854,052	\$15,933,322
Other Revenue	56,709	124,742	49,400	65,590	\$65,590
Revenues Total	\$8,069,547	\$8,031,455	\$7,976,700	\$15,919,642	\$15,998,912
Expenses					
Indirect Costs	\$55,138	\$38,400	\$38,400	\$78,215	\$79,779
Expenses Total	\$55,138	\$38,400	\$38,400	\$78,215	\$79,779
27 Client Security -Asset BU Surplus/(Deficit)	\$8,014,408	\$7,993,055	\$7,938,300	\$15,841,427	\$15,919,133
27001 CSF Administration					
Expenses					
Personnel Expense	\$1,285,163	\$1,210,171	\$1,456,900	\$1,881,756	\$1,919,391
Services	4,564	5,373	10,900	10,900	\$11,118
Supplies and Equipment	25,675	15,724	29,700	29,700	\$30,294
Other Expense	2,515	2,081	5,200	4,200	\$4,284
Indirect Costs	512,585	542,700	542,700	805,107	\$821,209
CSF Payments	9,187,591	6,888,776	6,900,000	13,600,000	\$13,600,000
Reimbursements	(329,304)	(303,017)	(485,000)	(485,000)	(\$485,000)
Expenses Total	\$10,688,788	\$8,361,808	\$8,460,400	\$15,846,662	\$15,901,296
27001 CSF Administration Surplus/(Deficit)	(\$10,688,788)	(\$8,361,808)	(\$8,460,400)	(\$15,846,662)	(\$15,901,296)

STATE BAR
Operating Statements by Cost Center

<u>CLIENT SECURITY FUND</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
27002 CSF Commission					
Expenses					
Supplies and Equipment	\$239	\$165	\$300	\$300	\$306
Other Expense	6,339	3,799	7,900	7,900	\$8,058
Indirect Costs	4,733	700	700	801	\$817
Expenses Total	\$11,310	\$4,664	\$8,900	\$9,001	\$9,181
27002 CSF Commission Surplus/(Deficit)	(\$11,310)	(\$4,664)	(\$8,900)	(\$9,001)	(\$9,181)
CLIENT SECURITY FUND Surplus/(Deficit)	(\$2,685,690)	(\$373,417)	(\$531,000)	(\$14,237)	\$8,656

STATE BAR
Operating Statements by Cost Center

PROFESSIONAL COMPETENCE	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
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10702 COPRAC

Revenues

Other Revenue	\$34,281	\$6,480	\$15,200	(\$6,000)	(\$6,000)
Revenues Total	\$34,281	\$6,480	\$15,200	(\$6,000)	(\$6,000)

Expenses

Personnel Expense	\$0	\$290	\$0	\$160	\$163
Services	4,390	1,581	3,200	3,200	\$3,260
Supplies and Equipment	933	285	1,800	1,100	\$1,122
Other Expense	28,668	21,350	45,600	36,000	\$36,720
Indirect Costs	11,309	4,200	4,200	3,186	\$3,250
Expenses Total	\$45,300	\$27,706	\$54,800	\$43,645	\$44,514

10702 COPRAC Surplus/(Deficit)	(\$11,019)	(\$21,226)	(\$39,600)	(\$49,645)	(\$50,514)
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10706 Professional Competence

Revenues

Other Revenue	\$240	\$322	\$20,900	\$61	\$61
Revenues Total	\$240	\$322	\$20,900	\$61	\$61

Expenses

Personnel Expense	\$1,339,396	\$1,538,318	\$2,128,000	\$2,195,236	\$2,239,141
Services	143,580	21,621	410,600	203,100	\$207,162
Supplies and Equipment	29,979	17,472	38,900	31,500	\$32,130
Other Expense	2,400	57,489	4,300	10,000	\$10,200
Indirect Costs	891,104	1,032,200	1,032,200	749,599	\$764,591
Expenses Total	\$2,406,459	\$2,667,100	\$3,614,000	\$3,189,435	\$3,253,224

10706 Professional Competence Surplus/(Deficit)	(\$2,406,219)	(\$2,666,779)	(\$3,593,100)	(\$3,189,374)	(\$3,253,162)
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STATE BAR
Operating Statements by Cost Center

PROFESSIONAL COMPETENCE	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
10708 Rules Revision Commission					
Expenses					
Supplies and Equipment	\$6,373	\$484	\$0	\$0	\$0
Other Expense	10,511	1,972	0	0	\$0
Expenses Total	\$16,885	\$2,457	\$0	\$0	\$0
10708 Rules Revision Commission Surplus/(Deficit)	(\$16,885)	(\$2,457)	\$0	\$0	\$0
10709 OPC Publications					
Revenues					
Other Revenue	\$11,552	\$5,239	\$9,200	\$9,378	\$9,378
Revenues Total	\$11,552	\$5,239	\$9,200	\$9,378	\$9,378
Expenses					
Services	\$8,603	\$5,779	\$14,800	\$14,800	\$15,096
Supplies and Equipment	8,105	1,626	9,700	9,700	\$9,894
Other Expense	0	(1,050)	0	0	\$0
Indirect Costs	1,789	2,000	2,000	1,930	\$1,968
Expenses Total	\$18,496	\$8,355	\$26,500	\$26,430	\$26,958
10709 OPC Publications Surplus/(Deficit)	(\$6,945)	(\$3,117)	(\$17,300)	(\$17,051)	(\$17,580)
PROFESSIONAL COMPETENCE Surplus/(Deficit)	(\$2,441,068)	(\$2,693,578)	(\$3,650,000)	(\$3,256,070)	(\$3,321,257)

STATE BAR
Operating Statements by Cost Center

<u>GENERAL SERVICES</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
23002 Chief Admin Officer					
Expenses					
Personnel Expense	\$38,339	\$23,257	\$500	\$591	\$603
Services	6	72	0	0	\$0
Supplies and Equipment	1,792	3,814	1,000	1,000	\$1,020
Other Expense	21,420	22,531	14,000	14,000	\$14,280
Expenses Total	\$61,558	\$49,673	\$15,500	\$15,591	\$15,903
23002 Chief Admin Officer Surplus/(Deficit)	(\$61,558)	(\$49,673)	(\$15,500)	(\$15,591)	(\$15,903)
23009 CLA Support					
Revenues					
Other Revenue	\$1,038,262	\$113,085	\$0	\$0	\$0
Revenues Total	\$1,038,262	\$113,085	\$0	\$0	\$0
Expenses					
Personnel Expense	\$994,632	\$4,247	\$0	\$0	\$0
Expenses Total	\$994,632	\$4,247	\$0	\$0	\$0
23009 CLA Support	\$43,631	\$108,838	\$0	\$0	\$0
GENERAL SERVICES Surplus/(Deficit)	(\$17,927)	\$59,165	(\$15,500)	(\$15,591)	(\$15,902)

STATE BAR
Operating Statements by Cost Center

GENERAL SERVICES	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
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23310 General Services-LA

Revenues

Other Revenue	\$3,405	\$0	\$3,400	\$1,617	\$1,617
Revenues Total	\$3,405	\$0	\$3,400	\$1,617	\$1,617

Expenses

Personnel Expense	\$1,061,593	\$962,261	\$1,206,200	\$1,209,864	\$1,234,062
Services	1,889,989	1,861,450	1,934,600	2,128,000	\$2,133,326
Supplies and Equipment	48,574	478,800	531,400	622,200	\$634,644
Other Expense	18,221	(1,980)	21,500	4,900	\$4,998
Expenses Total	\$3,018,377	\$3,300,531	\$3,693,700	\$3,964,964	\$4,007,030

23310 General Services-LA Surplus/(Deficit)	(\$3,014,972)	(\$3,300,531)	(\$3,690,300)	(\$3,963,347)	(\$4,005,412)
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23321 Risk Management/Insurance

Expenses

Services	\$836,762	\$711,231	\$849,000	\$789,938	\$789,938
Expenses Total	\$836,762	\$711,231	\$849,000	\$789,938	\$789,938

23321 Risk Management/Insurance Surplus/(Deficit)	(\$836,762)	(\$711,231)	(\$849,000)	(\$789,938)	(\$789,938)
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STATE BAR
Operating Statements by Cost Center

GENERAL SERVICES	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
23350 General Services-SF					
Revenues					
Other Revenue	\$0	\$0	\$4,500	\$4,500	\$4,500
Revenues Total	\$0	\$0	\$4,500	\$4,500	\$4,500
Expenses					
Personnel Expense	\$1,195,337	\$1,036,862	\$1,318,400	\$1,419,340	\$1,447,727
Services	2,828,019	2,435,812	3,110,700	3,308,700	\$3,318,552
Supplies and Equipment	18,775	67,831	156,800	113,700	\$115,974
Other Expense	43,967	21,724	6,700	55,000	\$56,100
Expenses Total	\$4,086,098	\$3,562,228	\$4,592,600	\$4,896,740	\$4,938,353
23350 General Services-SF Surplus/(Deficit)	(\$4,086,098)	(\$3,562,228)	(\$4,588,100)	(\$4,892,240)	(\$4,933,853)
26 Building -Asset BU					
Revenues					
Mandatory Fees	\$2,940	\$0	\$3,000	\$810,494	\$814,546
Other Revenue	100,611	197,801	25,700	131,067	\$131,067
Revenues Total	\$103,551	\$197,801	\$28,700	\$941,561	\$945,614
Expenses					
Services	\$0	\$0	\$573,500	\$0	\$0
Supplies and Equipment	5,915,056	2,195,694	3,070,000	725,000	\$739,500
Debt Service	377,519	0	340,000	340,000	\$340,000
Indirect Costs	(2,287,890)	(2,744,000)	(2,744,000)	(420,500)	(\$428,910)
Expenses Total	\$4,004,685	(\$548,306)	\$1,239,500	\$644,500	\$650,590
26 Building -Asset BU Surplus/(Deficit)	(\$3,901,134)	\$746,108	(\$1,210,800)	\$297,061	\$295,024

STATE BAR
Operating Statements by Cost Center

GENERAL SERVICES	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
26101 SF Facilities Management					
Revenues					
Other Revenue	\$1,754,672	\$2,058,268	\$2,889,500	\$3,798,511	\$3,798,511
Revenues Total	\$1,754,672	\$2,058,268	\$2,889,500	\$3,798,511	\$3,798,511
26101 SF Facilities Management Surplus/(Deficit)	\$1,754,672	\$2,058,268	\$2,889,500	\$3,798,511	\$3,798,511
35 LA Facility Fund					
Revenues					
Other Revenue	\$348,975	\$438,982	\$395,000	\$425,061	\$425,061
Revenues Total	\$348,975	\$438,982	\$395,000	\$425,061	\$425,061
Expenses					
Debt Service	\$756,626	\$584,109	\$695,100	\$695,100	\$695,100
Indirect Costs	(762,100)	(695,100)	(695,100)	(695,100)	(\$709,002)
Expenses Total	(\$5,474)	(\$110,991)	\$0	\$0	(\$13,902)
35 LA Facility Fund Surplus/(Deficit)	\$354,449	\$549,973	\$395,000	\$425,061	\$438,963
38 SF Tenant Improvement Fund					
Revenues					
Other Revenue	\$38,918	\$20,802	\$50,000	\$27,493	\$27,493
Revenues Total	\$38,918	\$20,802	\$50,000	\$27,493	\$27,493
38 SF Tenant Improvement Fund Surplus/(Deficit)	\$38,918	\$20,802	\$50,000	\$27,493	\$27,493
GENERAL SERVICES Surplus/(Deficit)	(\$9,690,928)	(\$4,198,839)	(\$7,003,700)	(\$5,097,400)	(\$5,169,213)

STATE BAR
Operating Statements by Cost Center

<u>HUMAN RESOURCES</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
23206 Human Resources					
Expenses					
Personnel Expense	\$1,653,783	\$1,218,706	\$1,850,000	\$2,241,537	\$2,286,368
Services	187,310	101,398	136,000	136,000	\$138,720
Supplies and Equipment	0	35,029	34,000	24,600	\$25,092
Other Expense	13,797	214,192	222,000	221,500	\$225,930
Expenses Total	\$1,854,890	\$1,569,324	\$2,242,000	\$2,623,637	\$2,676,110
23206 Human Resources Surplus/(Deficit)	(\$1,854,890)	(\$1,569,324)	(\$2,242,000)	(\$2,623,637)	(\$2,676,110)
23207 Training					
Expenses					
Supplies and Equipment	\$830	\$19	\$0	\$0	\$0
Other Expense	160,986	709	0	0	\$0
Expenses Total	\$161,816	\$728	\$0	\$0	\$0
23207 Training Surplus/(Deficit)	(\$161,816)	(\$728)	\$0	\$0	\$0
HUMAN RESOURCES Surplus/(Deficit)	(\$2,016,706)	(\$1,570,052)	(\$2,242,000)	(\$2,623,637)	(\$2,676,110)

STATE BAR
Operating Statements by Cost Center

<u>INFORMATION TECHNOLOGY</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
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19 Technology Improvemnt- Asset BU

Revenues

Mandatory Fees	\$690	\$0	\$0	\$1,016,222	\$1,021,303
Other Revenue	17,823	123,808	0	61,150	\$61,150
Revenues Total	\$18,513	\$123,808	\$0	\$1,077,372	\$1,082,453

19 Technology Improvemnt- Asset BU Surplus/(Deficit)	\$18,513	\$123,808	\$0	\$1,077,372	\$1,082,453
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19018 Admission System

Expenses

Services	\$1,796,336	\$732,374	\$50,000	\$725,000	\$739,500
Supplies and Equipment	356	8,575	0	0	\$0
Other Expense	10,926	100	0	0	\$0
Indirect Costs	0	0	0	88,402	\$90,170
Expenses Total	\$1,807,618	\$741,049	\$50,000	\$813,402	\$829,670

19018 Admission System Surplus/(Deficit)	(\$1,807,618)	(\$741,049)	(\$50,000)	(\$813,402)	(\$829,670)
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19028 Case Management System-OCTC

Expenses

Personnel Expense	\$962,222	\$240,563	\$0	\$0	\$0
Services	628,000	652,841	930,000	1,720,000	\$1,754,400
Supplies and Equipment	0	32,501	0	0	\$0
Other Expense	395	1,007	0	0	\$0
Indirect Costs	360,102	76,800	76,800	0	\$0
Expenses Total	\$1,950,720	\$1,003,712	\$1,006,800	\$1,720,000	\$1,754,400

19028 Case Management System- OCTC Surplus/(Deficit)	(\$1,950,720)	(\$1,003,712)	(\$1,006,800)	(\$1,720,000)	(\$1,754,400)
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STATE BAR
Operating Statements by Cost Center

<u>INFORMATION TECHNOLOGY</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
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19029 Case Management System-SBC

Revenues

Personnel Expense	\$73,037	\$18,873	\$0	\$0	\$0
Revenues Total	\$73,037	\$18,873	\$0	\$0	\$0

Expenses

Indirect Costs	\$0	\$0	\$0	\$104,840	\$106,937
Expenses Total	\$0	\$0	\$0	\$104,840	\$106,937

19029 Case Management System-SBC Surplus/(Deficit)	\$73,037	\$18,873	\$0	(\$104,840)	(\$106,937)
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19030 ERP Upgrade

Revenues

Personnel Expense	\$0	\$5,200	\$201,200	\$1,500	\$1,530
Revenues Total	\$0	\$5,200	\$201,200	\$1,500	\$1,530

Expenses

Services	\$0	\$537,740	\$0	\$400,000	\$408,000
Supplies and Equipment	0	0	0	600,000	\$612,000
Expenses Total	\$0	\$537,740	\$0	\$1,000,000	\$1,020,000

19030 ERP Upgrade Surplus/(Deficit)	\$0	(\$532,540)	\$201,200	(\$998,500)	(\$1,018,470)
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STATE BAR
Operating Statements by Cost Center

<u>INFORMATION TECHNOLOGY</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
23600 Information Technology					
Expenses					
Personnel Expense	\$5,428,911	\$5,293,418	\$6,245,200	\$7,203,806	\$7,347,882
Services	428,421	888,634	1,319,900	1,770,600	\$1,795,952
Supplies and Equipment	1,807,987	2,388,165	2,927,100	4,232,221	\$4,316,865
Other Expense	56,141	64,306	91,200	62,875	\$64,133
Expenses Total	\$7,721,460	\$8,634,523	\$10,583,400	\$13,269,501	\$13,524,831
23600 Information Technology Surplus/(Deficit)	(\$7,721,460)	(\$8,634,523)	(\$10,583,400)	(\$13,269,501)	(\$13,524,831)
INFORMATION TECHNOLOGY Surplus/(Deficit)	(\$11,388,248)	(\$10,769,143)	(\$11,439,000)	(\$15,828,872)	(\$16,151,855)

STATE BAR
Operating Statements by Cost Center

<u>FINANCE</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
23101 Finance					
Expenses					
Personnel Expense	\$1,523,852	\$1,587,017	\$2,110,400	\$2,260,187	\$2,305,390
Services	901,474	841,117	978,700	529,100	\$539,682
Supplies and Equipment	38,596	19,544	34,400	34,400	\$35,088
Other Expense	23,517	81,960	24,900	59,425	\$60,614
Expenses Total	\$2,487,438	\$2,529,637	\$3,148,400	\$2,883,112	\$2,940,774
23101 Finance Surplus/(Deficit)	(\$2,487,438)	(\$2,529,637)	(\$3,148,400)	(\$2,883,112)	(\$2,940,774)
23103 Member Billing					
Expenses					
Personnel Expense	\$343,675	\$344,674	\$331,200	\$451,462	\$460,492
Services	283,798	102,646	35,600	11,000	\$11,220
Supplies and Equipment	30,382	16,760	54,000	27,400	\$27,948
Other Expense	175	770	4,800	2,000	\$2,040
Expenses Total	\$658,029	\$464,850	\$425,600	\$491,862	\$501,700
23103 Member Billing Surplus/(Deficit)	(\$658,029)	(\$464,850)	(\$425,600)	(\$491,862)	(\$501,700)
FINANCE Surplus/(Deficit)	(\$3,145,468)	(\$2,994,487)	(\$3,574,000)	(\$3,374,974)	(\$3,442,474)

STATE BAR
Operating Statements by Cost Center

GENERAL COUNSEL	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
23001 General Counsel					
Expenses					
Personnel Expense	\$3,330,961	\$3,126,932	\$4,310,100	\$4,627,686	\$4,720,239
Services	130,139	107,686	189,500	189,500	\$193,290
Supplies and Equipment	41,375	32,407	61,000	61,000	\$62,220
Other Expense	45,127	35,962	86,400	65,400	\$66,708
Expenses Total	\$3,547,601	\$3,302,987	\$4,647,000	\$4,943,586	\$5,042,457
23001 General Counsel Surplus/(Deficit)	(\$3,547,601)	(\$3,302,987)	(\$4,647,000)	(\$4,943,586)	(\$5,042,457)
GENERAL COUNSEL Surplus/(Deficit)	(\$3,547,601)	(\$3,302,987)	(\$4,647,000)	(\$4,943,586)	(\$5,042,457)

STATE BAR
Operating Statements by Cost Center

<u>MISSION ADVANCEMENT AND ACCOUNTABILITY</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
10002 Appointments Administration					
Expenses					
Personnel Expense	\$104,453	\$6,198	\$0	\$0	\$0
Supplies and Equipment	1,693	1,272	0	0	\$0
Expenses Total	\$106,146	\$7,470	\$0	\$0	\$0
10002 Appointments Administration Surplus/(Deficit)	(\$106,146)	(\$7,470)	\$0	\$0	\$0
10003 Board of Trustees					
Expenses					
Services	\$18,369	\$221	\$21,000	\$21,000	\$21,420
Supplies and Equipment	957	582	3,900	3,900	\$3,978
Other Expense	83,902	61,150	143,800	180,200	\$183,804
Expenses Total	\$103,228	\$61,953	\$168,700	\$205,100	\$209,202
10003 Board of Trustees Surplus/(Deficit)	(\$103,228)	(\$61,953)	(\$168,700)	(\$205,100)	(\$209,202)

STATE BAR
Operating Statements by Cost Center

<u>MISSION ADVANCEMENT AND ACCOUNTABILITY</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
10012 ORIA					
Revenues					
Other Revenue	\$0	\$0	\$0	\$15,000	\$15,000
Revenues Total	\$0	\$0	\$0	\$15,000	\$15,000
Expenses					
Personnel Expense	\$1,266,149	\$1,028,361	\$1,380,200	\$1,371,839	\$1,399,276
Services	49,499	135,464	9,600	228,800	\$233,376
Supplies and Equipment	373,561	7,766	48,600	53,600	\$54,672
Other Expense	36,145	38,509	30,500	30,500	\$31,110
Indirect Costs	0	0	0	482,412	\$492,060
Expenses Total	\$1,725,355	\$1,210,101	\$1,468,900	\$2,167,151	\$2,210,494
10012 ORIA Surplus/(Deficit)	(\$1,725,355)	(\$1,210,101)	(\$1,468,900)	(\$2,152,151)	(\$2,195,494)
10013 ORIA - Collections					
Expenses					
Personnel Expense	\$202,362	\$132,980	\$163,200	\$98,467	\$100,436
Services	101	7,530	0	0	\$0
Supplies and Equipment	1,183	329	300	300	\$306
Indirect Costs	105,278	40,000	40,000	39,572	\$40,364
Expenses Total	\$308,924	\$180,840	\$203,500	\$138,339	\$141,106
10013 ORIA - Collections Surplus/(Deficit)	(\$308,924)	(\$180,840)	(\$203,500)	(\$138,339)	(\$141,106)

STATE BAR
Operating Statements by Cost Center

<u>MISSION ADVANCEMENT AND ACCOUNTABILITY</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
10014 Chief of Mission					
Expenses					
Personnel Expense	\$595,858	\$676,645	\$957,600	\$577,696	\$589,250
Services	3,278	23,638	3,100	103,700	\$105,774
Supplies and Equipment	4,219	19,826	3,200	17,600	\$17,952
Other Expense	17,095	14,135	5,700	6,500	\$6,630
Indirect Costs	0	0	0	161,536	\$164,767
Expenses Total	\$620,449	\$734,244	\$969,600	\$867,032	\$884,373
10014 Chief of Mission Surplus/(Deficit)	(\$620,449)	(\$734,244)	(\$969,600)	(\$867,032)	(\$884,373)

10016 Malpractice Insurance Working Group

Expenses					
Services	\$0	\$0	\$0	\$50,000	\$51,000
Supplies and Equipment	52	0	100	0	\$0
Other Expense	25,264	3,428	5,900	0	\$0
Indirect Costs	0	500	500	3,937	\$4,016
Expenses Total	\$25,316	\$3,928	\$6,500	\$53,937	\$55,016
10016 Malpractice Insurance Working Group Surplus/(Deficit)	(\$25,316)	(\$3,928)	(\$6,500)	(\$53,937)	(\$55,016)

STATE BAR
Operating Statements by Cost Center

<u>MISSION ADVANCEMENT AND ACCOUNTABILITY</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
10101 Judicial Evaluation					
Expenses					
Personnel Expense	\$222,516	\$197,421	\$232,100	\$261,397	\$266,624
Services	7,724	3,348	14,300	14,300	\$14,502
Supplies and Equipment	14,057	7,326	22,800	22,800	\$23,256
Other Expense	230,304	73,962	208,800	208,600	\$212,772
Indirect Costs	246,607	39,500	39,500	124,719	\$127,213
Expenses Total	\$721,208	\$321,557	\$517,500	\$631,815	\$644,367
10101 Judicial Evaluation Surplus/(Deficit)	(\$721,208)	(\$321,557)	(\$517,500)	(\$631,815)	(\$644,367)
12521 AccessLex					
Revenues					
Grants	\$128,750	\$265,000	\$257,500	\$0	\$0
Revenues Total	\$128,750	\$265,000	\$257,500	\$0	\$0
Expenses					
Personnel Expense	\$70,922	\$296,803	\$239,100	\$0	\$0
Services	0	159,804	75,000	0	\$0
Other Expense	4,114	35,146	45,000	0	\$0
Expenses Total	\$75,036	\$491,753	\$359,100	\$0	\$0
12521 AccessLex Surplus/(Deficit)	\$53,714	(\$226,753)	(\$101,600)	\$0	\$0

STATE BAR
Operating Statements by Cost Center

<u>MISSION ADVANCEMENT AND ACCOUNTABILITY</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
16 Leg. Activities -Assets BU					
Revenues					
Voluntary Fees & Donations	\$733,695	\$732,390	\$775,000	\$775,000	\$778,875
Other Revenue	5,515	19,833	2,400	11,167	\$11,167
Revenues Total	\$739,210	\$752,223	\$777,400	\$786,167	\$790,042
Expenses					
Indirect Costs	\$6,274	\$59,700	\$59,700	\$3,823	\$3,899
Expenses Total	\$6,274	\$59,700	\$59,700	\$3,823	\$3,899
16 Leg. Activities -Assets BU Surplus/(Deficit)	\$732,936	\$692,523	\$717,700	\$782,344	\$786,142
16001 Legal Activities Assistance					
Expenses					
Personnel Expense	\$356,879	\$316,220	\$419,800	\$571,117	\$582,539
Services	0	0	5,000	5,000	\$5,100
Supplies and Equipment	7,650	2,735	4,600	4,600	\$4,692
Other Expense	0	1,583	400	400	\$408
Indirect Costs	99,031	61,900	61,900	155,982	\$159,101
Expenses Total	\$463,560	\$382,438	\$491,700	\$737,098	\$751,840
16001 Legal Activities Assistance Surplus/(Deficit)	(\$463,560)	(\$382,438)	(\$491,700)	(\$737,098)	(\$751,840)

STATE BAR
Operating Statements by Cost Center

<u>MISSION ADVANCEMENT AND ACCOUNTABILITY</u>	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
16002 Leg. Affairs & Activities					
Expenses					
Services	\$162,000	\$139,073	\$162,300	\$162,300	\$165,546
Supplies and Equipment	525	315	6,100	6,100	\$6,222
Other Expense	1,838	1,219	300	300	\$306
Indirect Costs	10,272	13,900	13,900	13,285	\$13,551
Expenses Total	\$174,635	\$154,507	\$182,600	\$181,985	\$185,625
16002 Leg. Affairs & Activities Surplus/(Deficit)	(\$174,635)	(\$154,507)	(\$182,600)	(\$181,985)	(\$185,625)
MISSION ADVANCEMENT AND ACCOUNTABILITY Surplus/(Deficit)	(\$3,462,171)	(\$2,591,266)	(\$3,392,900)	(\$4,185,114)	(\$4,280,880)

STATE BAR
Operating Statements by Cost Center

NON-DEPARTMENTAL	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
10 Admin & Discipline Fund					
Revenues					
Mandatory Fees	\$66,407,678	\$65,321,114	\$66,530,000	\$81,550,835	\$81,958,589
Other Revenue	5,071,422	3,599,998	4,366,000	4,680,584	\$4,680,584
Revenues Total	\$71,479,100	\$68,921,112	\$70,896,000	\$86,231,419	\$86,639,173
Expenses					
Personnel Expense	\$1,204,503	\$16,229	\$0	\$0	\$0
Supplies and Equipment	(327,284)	(144,429)	(300,000)	(300,000)	(\$306,000)
Other Expense	0	4,114	0	2,407	\$2,455
Indirect Costs	(2,873,858)	(2,493,400)	(2,493,400)	(4,014,966)	(\$4,095,265)
Expenses Total	(\$1,996,638)	(\$2,617,486)	(\$2,793,400)	(\$4,312,559)	(\$4,398,810)
Interfund Transfers					
Interfund Transfers In	\$0	\$0	\$0	\$725,000	\$725,000
Interfund Transfers Total	\$0	\$0	\$0	\$725,000	\$725,000
10 Admin & Discipline Fund Surplus/(Deficit)	\$73,475,738	\$71,538,598	\$73,689,400	\$91,268,978	\$91,762,983
23 Support & Admin.- Asset BU					
Revenues					
Other Revenue	(\$6,643)	\$55,768	\$0	\$17,441	\$17,441
Revenues Total	(\$6,643)	\$55,768	\$0	\$17,441	\$17,441
Expenses					
Indirect Costs	(\$25,087,285)	(\$28,635,700)	(\$28,635,700)	(\$32,995,410)	(\$33,655,318)
Expenses Total	(\$25,087,285)	(\$28,635,700)	(\$28,635,700)	(\$32,995,410)	(\$33,655,318)
23 Support & Admin.- Asset BU Surplus/(Deficit)	\$25,080,642	\$28,691,468	\$28,635,700	\$33,012,851	\$33,672,759

STATE BAR
Operating Statements by Cost Center

NON-DEPARTMENTAL	2018 Actual	2019 YTD	2019 Budget	2020 Budget	2021 Forecast
25 Public Protection -Asset BU					
Revenues					
Other Revenue	\$32,437	\$47,172	\$0	\$35,403	\$35,403
Revenues Total	\$32,437	\$47,172	\$0	\$35,403	\$35,403
25 Public Protection -Asset BU Surplus/(Deficit)	\$32,437	\$47,172	\$0	\$35,403	\$35,403
31 Info Tech Special Fund - BU					
Revenues					
Other Revenue	\$17,605	\$6,649	\$0	\$11,512	\$11,512
Revenues Total	\$17,605	\$6,649	\$0	\$11,512	\$11,512
31 Info Tech Special Fund - BU Surplus/(Deficit)	\$17,605	\$6,649	\$0	\$11,512	\$11,512
34 Benefit Reverse Fund					
Revenues					
Other Revenue	(\$46,537)	\$205,651	\$0	\$61,162	\$61,162
Revenues Total	(\$46,537)	\$205,651	\$0	\$61,162	\$61,162
34 Benefit Reverse Fund Surplus/(Deficit)	(\$46,537)	\$205,651	\$0	\$61,162	\$61,162
NON-DEPARTMENTAL Surplus/(Deficit)	\$98,559,885	\$100,489,538	\$102,325,100	\$124,389,906	\$125,543,820