



# The State Bar *of California*

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## **OPEN SESSION AGENDA ITEM IV.A. JUNE 2021**

**DATE:** June 4, 2021

**TO:** Members, California Board of Legal Specialization

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

**SUBJECT:** Report on Financial and Operational Key Indicators

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### **SUMMARY**

A report on financial and operational key indicators is attached for consideration during the June 2021 California Board of Legal Specialization (CBLS) meeting.

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### **BACKGROUND**

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

### **DISCUSSION**

#### **YEAR-TO-DATE FINANCIAL REPORT**

The Board of Trustees Financial Report for the fourth quarter (Q4) through December 31, 2020 indicates that 2020 actual expenditures were in line with projections (Attachment A). The Legal Specialization budget for 2021 provided at the March meeting, demonstrates a slight revenue increase (4.7 percent) when compared to the 2020 actual revenue. Nonetheless, based on budgeted 2021 revenue compared to expenses, there is an expected overall \$1,053,597 negative change in current net position.

#### **TOTAL NUMBER OF CERTIFIED SPECIALISTS**

As of June 1, 2021, there are 4,961 current certified specialists, a decrease of 49 certified specialists versus the same time last year (Attachment B). Only Appellate Law, Estate Planning, Trust & Probate Law, and Family Law saw increases, with an increase of 12 new specialists

between the three areas. The remaining eight areas all saw decreases, with Workers' Compensation Law having the only double-digit decrease, with a decrease of 27 total specialists in the last year.

#### **TOTAL NUMBER OF RESIGNATIONS BY REASON**

There have been 99 resignations of certificates of specialization through June 1, 2021 versus 136 in totality last year, and 160 in 2019 (Attachment C). Nearly half of the 2021 resignations are due to specialists retiring (46), and staff anticipate this number to increase over time. However, the total number of resignations seems comparable to the previous two years.

#### **LEGAL SPECIALIST CONTINUING LEGAL EDUCATION (LSCLE) COMPLIANCE REPORTING**

2021 Compliance Group 2 reporting opened on December 1, 2020, and there was a total of 1,397 specialists (including dual specialists) who were due to report LSCLE compliance by February 1, 2021 (Attachment D). The MCLE/LSCLE deadline has been extended to June 30, 2021. As of June 1, 2021, there are 539 specialists (38.5 percent) in Compliance Group 2 still pending LSCLE Compliance reporting. Staff sent a reminder to those specialists notifying them of the extension date.

#### **ATTACHMENT(S) LIST**

- A.** Q4 Financial Statement Report, Investment Report, Client Security Fund Report
- B.** Total Number of Certified Specialists as of June 1, 2021
- C.** Total Number of Resignations by Reason, 2019 and 2020 Annual v 2021 Year to Date
- D.** Total Number of Certified Specialists in Compliance Group 2