



The State Bar of California

OPEN SESSION

AGENDA ITEM

FINANCE COMMITTEE III.A

BOARD EXECUTIVE COMMITTEE III.A

DATE: May 16, 2024

TO: Members, Finance Committee
Members, Board Executive Committee

FROM: Aracely Montoya-Chico, Chief Financial Officer

SUBJECT: Approval of 2024 Finance Committee Work Plan

EXECUTIVE SUMMARY

This agenda item outlines the Finance Committee work plan for 2024 based on input from the committee chair, including updates to continue alignment with the State Bar's 2022–2027 Strategic Plan. The agenda item recommends that the Finance Committee approve the work plan.

BACKGROUND

To strengthen the Board committee process, each Board committee, with staff assistance, develops a work plan summarizing the annual, recurring and time-limited items to be undertaken, the strategic goal(s) and objective(s) furthered by each item, and an estimated timeline for the completion of this work.

The most recent Finance Committee work plan for the 2022–2023 board year was approved in the summer of 2022. The proposed Finance Committee work plan is Attachment A and covers the remainder of 2024. State Bar committees align their work plans with the Strategic Plan.

DISCUSSION

This item is intended to elicit discussion from the Finance Committee. Members are encouraged to provide input regarding how the work plan can be improved in the future and better used to guide the committee's work and advance the Strategic Plan of the State Bar. Many of the items on the work plan recur annually and are ongoing, such as:

- Adopting the annual budget
- Reviewing the quarterly investment reports and financial statements, and
- Annual review of the investment policy.

Attachment A provides an overview of items expected to come before the committee in 2024.

FISCAL/PERSONNEL IMPACT

None

AMENDMENTS TO RULES

None

AMENDMENTS TO BOARD OF TRUSTEES POLICY MANUAL

None

STRATEGIC PLAN GOALS & IMPLEMENTATION STEPS

None – core business operations

RECOMMENDATIONS

Should the Finance Committee concur in the proposed action, passage of the following resolution is recommended:

RESOLVED, that the Finance Committee accepts the Finance Committee 2024 work plan, included in this item as Attachment A, and provides the work plan for adoption by the Board Executive Committee.

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

RESOLVED, that the Board Executive Committee, upon recommendation of the Finance Committee, approves the Finance Committee 2024 work plan, included in this item as Attachment A.

ATTACHMENT LIST

- A. Finance Committee 2024 Work Plan



ATTACHMENT A

Charge: The Finance Committee shall develop and lead the Board's participation in all State Bar budget preparation.

The Finance Committee is comprised of seven members appointed by the governor and the Supreme Court. The charge of the Finance Committee is as follows:

- Consult with the chair, vice-chair and executive director on the detailed design of the State Bar's budget development cycle and work with the executive director and chief financial officer to vet the proposed budget.
- Work with the executive director and chief financial officer to vet any midyear updates or proposed changes to the budget before presentation to the Board. Recommend to the Board any amendment to the adopted budget.
- Ensure that the financials are thoroughly reviewed on a quarterly basis; monitor the State Bar's performance relative to the budget; and ensure that appropriate actions are taken to address any material variances to the budget.
- Ensure as part of the annual operational planning/budget preparation process that a department-by-department fiscal review is performed to evaluate budget projections.
- Develop and adopt a Finance Committee Work Plan for approval by the Board Executive Committee.
- Perform such other functions relevant to the Finance Committee's subject area as the Board of Trustees may from time-to-time assign.

STRATEGIC PLAN GOAL	STRATEGY	IMPLEMENTATION STEP	WORK PLAN ITEM	DEADLINE	TO BOARD COMMITTEE (Y/N) / DATE
None – Compliance	N/A	N/A	Annual review and approval of Investment Policy and other finance policies, as needed.	March 2024	March 2024
Goal 1 – Protect the Public by Strengthening the Attorney Discipline System	Effectiveness	Secure additional funding for the attorney discipline system.	Annual – Report of debt collections efforts	May 2024	May 2024
None – Compliance	N/A	N/A	Recurring – Participate in annual budget process <ul style="list-style-type: none"> a. Review preliminary budget proposal b. Approve 2024 final budget 	February 2024	February 2024

STRATEGIC PLAN GOAL	STRATEGY	IMPLEMENTATION STEP	WORK PLAN	DEADLINE	TO BOARD COMMITTEE (Y/N) / DATE
None – Compliance	N/A	N/A	Recurring – Participate in mid-year budget review and approval	September 2024	September 2024
Goal 4 – Protect the Public by Engaging Partners	Policy and Systems Change	Collaborate with the legislature and other stakeholders to increase public protection and support the State Bar’s mission.	Respond to inquiries/requests from the Legislature as a result of the 2025 license fee request submitted by the State Bar.	May 2024 and ongoing	May 2024
None – Core Business Operations	N/A	N/A	Recurring – Quarterly review and approval of financial reports a. 2023 Q4 Financial Statements (FS) and Investment Report b. 2024 Q1 FS and Investment Report c. 2024 Q2 FS and Investment Report d. 2024 Q3 FS and Investment Report	a. March 2024 b. May 2024 c. September 2024 d. November 2024	a. March 2024 b. May 2024 c. September 2024 d. November 2024

STRATEGIC PLAN GOAL	STRATEGY	IMPLEMENTATION STEP	WORK PLAN	DEADLINE	TO BOARD COMMITTEE (Y/N) / DATE
None - Core Business Operations	N/A	N/A	Recurring – Review and monitor the financial implications of policy and program initiatives of the Board and its subentities	Ongoing	Ongoing