

COMMITTEE OF BAR EXAMINERS OPEN SESSION AGENDA ITEM

AGENDA ITEM: January 2014 – O-300
DATE: January 9, 2014
TO: Subcommittee on Operations and Management
FROM: Greg Shin - Director for Operations and Management
SUBJECT: **2013 YEAR-TO-DATE FINANCIAL ANALYSIS REPORT**

The following is a summary of the year-to-date (YTD) revenue and expense figures for the Admissions Fund:

| | YTD thru 11/30/2013 | | |
|----------|---------------------|--------------|--------------------|
| | Actual | Budget | Variance to Budget |
| Revenues | \$19,530,673 | \$17,688,737 | \$1,841,936 |
| Expenses | \$17,176,216 | \$17,909,171 | \$732,955 |

As you can see, expenses are fairly in line with what was budgeted by this time, although there are still variances that exist because of the way the State Bar allocates funds, which is to equally distribute the annual budget over twelve months. There were material expense savings throughout the year as certain budgeted positions were not filled as well as reductions in postage, supplies and in-house copier services expenses due to on-going efforts to reduce paper and migrate to electronic platforms.

Revenue is greater than expected due to the larger number of applicants who applied to take the California Bar Examination. Revenue from moral character determinations was also higher than anticipated. While an eventual decline in the number of test takers is expected given the on-going reduction in law school enrollments, the actual decline is not expected to be seen for another one to two years.

Below is a summary of 2013 and 2012 October YTD expenses for key functions within Admissions.

| Sections | 2013 YTD | 2012 YTD |
|--------------------------------|-------------|-------------|
| | Actual | Actual |
| Admissions Overhead | \$408,835 | \$475,796 |
| Admissions Operations | \$6,542,279 | \$6,356,879 |
| Admissions Administration * | \$539,298 | \$467,188 |
| Law School Regulation | \$231,609 | \$200,736 |
| Application Processing | \$1,092,055 | \$863,455 |
| Examination Development | \$783,662 | \$687,165 |
| Examination Grading | \$2,001,337 | \$1,862,564 |
| Moral Character Determinations | \$1,140,446 | \$1,211,869 |

* This number previously included "Admissions Overhead" which is now being reported separately.

If you have any questions, please let me know.