

**State Bar of Texas General Fund
Financial Highlights
For the Nine Months Ended February 28, 2019**

Total General Fund YTD results – As of February 28, 2019, the General Fund had a net excess of revenues over expenditures and transfers of \$3,583,249 compared to a budgeted net excess of \$1,196,177. This resulted in a positive overall variance of \$2,387,072.

	Actual	Budget	Variance	% Variance
Total Revenues	\$34,506,749	\$32,602,777	\$1,903,972	6%
Total Expenditures and Transfers	30,923,500	31,406,600	483,100	2%
Net Excess	\$3,583,249	\$1,196,177	\$2,387,072	

Revenues

For the period ending February 28, 2019, total revenues exceeded the budget by \$1,903,972 or 6%, thereby producing a positive actual to budget variance. An analysis of the revenues shows that the following departments had a positive revenue variance in excess of \$10,000 and 10% for the period ending February 28, 2019.

- MCLE Department – Total Positive Revenue Variance: \$580,853 or 25% - This positive variance results primarily from higher than anticipated collection of sponsor accreditation fees for continuing legal education courses.
- Investment Income – Total Positive Revenue Variance: \$349,914 or 189% - This positive revenue variance is due to a higher than anticipated yield on the State Bar's investment portfolio for the current fiscal year.
- CDC Disciplinary Fees – Total Positive Revenue Variance: \$55,262 or 13% - This positive variance results primarily from several large checks received this month for attorney's fees.
- Minority Affairs – Total Positive Revenue Variance: \$81,071 or 25% - This positive revenue variance results from a higher than expected number of sponsorships and attendees for the Texas Minority Council Program.
- Web Management - Total Positive Revenue Variance: \$68,340 or 19% - This positive revenue variance results from higher than expected revenue generated in connection with law firm employment advertising.
- Texas Young Lawyers Association – Total Positive Revenue Variance: \$22,075 or 27% - This positive revenue variance results from higher than anticipated revenue from National Trial Competition.

- Credit Card Processing Fees – Total Positive Revenue Variance: \$41,375 or 14% - This positive variance results from the convenience fee charged for membership dues credit card transactions. The convenience fee revenue is completely offset by credit card fees charged by the State Bar’s merchant service provider.

Expenditures

For the period ending February 28, 2019, total expenditures were under the allocated budget by \$483,100 or 2%, which resulted in a positive actual to budget variance.

An analysis of the expenditures shows that five departments, Deputy Executive Director, Member & Public Services Director, Local Bars, Texas Lawyers Assistance Program, and Printing had large positive expenditure variances in excess of \$10,000 and 10% in salaries and benefits for the primarily resulting from open positions.

An analysis of the expenditures shows that two departments, MCLE and Special Financial Advisor, had large negative expenditure variances in excess of (\$10,000) and (10%) in salaries and benefits. The MCLE department variance is primarily the result of additional labor costs to implement a new information system. The Special Financial Advisor is a new position.

An analysis of the expenditures shows that the following department had negative expenditure variances in excess of (\$10,000) and (10%) for the period ending February 28, 2019:

- Minority Affairs – Total Negative Expenditure Variance: (\$83,334) or (21%) - This negative variance results from an increase in sponsorships and contributions which were used towards additional conference expenses.

TexasBarCLE (TBCLE)

For the period ending February 28, 2019, TexasBarCLE’s net revenues over expenditures amount was over its budget target by \$757,269 or 21%, thereby producing a positive actual to budget variance.

	Actual	Budget	Variance	% Variance
TBCLE Revenues	\$11,757,483	\$11,383,971	\$373,512	3%
TBCLE Expenditures	7,410,297	7,794,054	383,757	5%
Net TBCLE Income	\$4,347,186	\$3,589,917	\$757,269	21%

In comparing TBCLE’s performance to previous years, it is appropriate to make two comparisons: (1) compare the current fiscal year 18-19 to the previous fiscal year 17-18; and (2) compare the current fiscal year 18-19 to fiscal year 16-17. Fiscal years ending in odd numbers are considered to be “non-legislative years”, in other words, they do not follow a legislative session. Fiscal years ending in even numbers are considered to be “legislative years” because they do follow a legislative session and TBCLE generally sees a surge in revenues following a legislative year. The surge in revenue generally results from legal issues arising during the legislative process; thereby creating a need for new or revised CLE programs.

In comparing actual revenues and expenditure amounts for the period ending February 28, 2019 to the prior period ending February 28, 2018, we see an increase in revenues of \$235,881 or 2%, and an increase in expenditures of \$23,269 or 0% for an overall increase in net revenues of \$212,612 or 5%. This is showing the difference between financial performances based on a comparison of a “legislative year” to a “non-legislative year”.

In comparing actual revenues and expenditure amounts for the current period ending February 28, 2019, to the period ending February 28, 2017, we see an increase in revenue of \$524,399 or 5% and a decrease in expenditures of (\$96,918) or (1%) for an overall increase in net revenues of \$621,317 or 17%. This is showing the difference between financial performances based on a comparison of two “non-legislative years.”

Salaries and Benefits

For FY 2019-2019, the salaries and benefits budget totals \$23,988,383 or 55% of the overall \$43,331,890 General Fund budget after budgeted board commitments. The \$23,988,383 includes a 4% vacancy rate. The actual vacancy factor for the period ending February 28, 2019 was 5.9%. The actual salary and benefit expenditures had a (\$149,179) negative variance to budget at the end of February 2019. Additional information on salary and benefit variances is reported in the expenditures section above.

Budget	\$ 17,916,726
Actual	18,065,905
Variance	<u>\$ (149,179)</u>

General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Nine Months Ending February 28, 2019

	<u>Annual Budget</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>YTD Variance \$ Fav/(Unfav)</u>	<u>YTD Variance % Fav/(Unfav)</u>	<u>YTD Budget Prior Year</u>	<u>YTD Actual Prior Year</u>	<u>YTD Prior Year Variance \$ Fav/(Unfav)</u>	<u>YTD Prior Year Variance % Fav/(Unfav)</u>
REVENUES:									
Membership Dues	\$20,372,039	\$14,915,907	\$15,301,384	\$385,477	3%	\$15,069,818	\$15,062,087	(\$7,731)	(0%)
Accounting/Management Fees	650,351	488,014	488,013	(1)	(0%)	488,013	488,013		
Texas Bar Journal	580,600	454,940	472,208	17,268	4%	436,040	462,906	26,866	6%
Leadership SBOT	10,000	7,497	3,000	(4,497)	(60%)	3,332		(3,332)	(100%)
MCLE Fees	3,115,250	2,278,557	2,859,410	580,853	25%	2,250,256	2,357,270	107,014	5%
TexasBar CLE	13,777,842	11,383,971	11,757,483	373,512	3%	11,277,678	11,521,601	243,923	2%
Investment Income	185,000	185,000	534,914	349,914	189%	92,000	214,634	122,634	133%
Lawyer Referral	190,000	124,500	119,925	(4,575)	(4%)	150,000	138,130	(11,870)	(8%)
Member Benefits	915,766	738,619	675,475	(63,144)	(9%)	640,982	594,260	(46,722)	(7%)
CDC Disciplinary Fees	535,000	409,604	464,866	55,262	13%	337,103	418,172	81,069	24%
Membership	13,000	9,765	11,555	1,790	18%	9,185	12,901	3,716	40%
Local Bars	12,500	12,500	17,550	5,050	40%	11,500	13,300	1,800	16%
Minority Affairs	335,000	327,000	408,071	81,071	25%	338,000	401,195	63,195	19%
Computer Services Dept.	1,200	900	900			900	900		
Website	365,000	365,000	433,340	68,340	19%	286,000	309,861	23,861	8%
Legal Access Division	11,000	11,000	16,800	5,800	53%	15,000	8,100	(6,900)	(46%)
Law Related Education	15,500	14,500	13,350	(1,150)	(8%)	15,500	11,781	(3,719)	(24%)
TYLA	60,000	81,000	103,075	22,075	27%	71,000	83,600	12,600	18%
Law Student Division	6,000	5,100	6,905	1,805	35%	5,100	5,700	600	12%
Purchasing & Facilities	49,403	36,423	33,921	(2,502)	(7%)	36,423	33,718	(2,705)	(7%)
Advertising Review	370,000	273,653	260,595	(13,058)	(5%)	278,648	302,875	24,227	9%
Miscellaneous, Sales Tax Discounts, Etc.	72,000	54,747	63,129	8,382	15%	46,747	62,240	15,493	33%
Credit Card Processing Fees	290,000	290,000	331,375	41,375	14%	270,000	315,665	45,665	17%
Rent	179,440	134,580	129,505	(5,075)	(4%)	134,580	129,505	(5,075)	(4%)
TOTAL REVENUES	\$42,111,891	\$32,602,777	\$34,506,749	\$1,903,972	6%	\$32,263,805	\$32,948,414	\$684,609	2%
EXPENDITURES									
Executive Division									
Executive Director	627,410	466,941	469,879	(2,938)	(1%)	477,117	443,172	33,945	7%
Deputy Executive Director						190,525	83,496	107,029	56%
Associate Executive Director/Legal Counsel	518,566	386,675	416,933	(30,258)	(8%)	281,968	300,644	(18,676)	(7%)
Deputy Executive Director - Cantu	222,945	167,694	154,900	12,794	8%	160,662	154,408	6,254	4%
Deputy Executive Director - Laney	274,165	205,549	184,308	21,241	10%	235,371	179,646	55,725	24%
Special Financial Advisor	75,000	56,250	121,098	(64,848)	(115%)				
Officers & Directors	836,836	562,783	529,263	33,520	6%	544,816	576,931	(32,115)	(6%)
Human Resources	280,789	211,092	223,019	(11,927)	(6%)	235,688	222,589	13,099	6%
Training/Tuition	71,133	32,500	22,926	9,574	29%	15,575	14,926	649	4%
Total Executive Division	2,906,844	2,089,484	2,122,326	(32,842)	(2%)	2,141,722	1,975,812	165,910	8%

General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Nine Months Ending February 28, 2019

	<u>Annual Budget</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>YTD Variance \$ Fav/(Unfav)</u>	<u>YTD Variance % Fav/(Unfav)</u>	<u>YTD Budget Prior Year</u>	<u>YTD Actual Prior Year</u>	<u>YTD Prior Year Variance \$ Fav/(Unfav)</u>	<u>YTD Prior Year Variance % Fav/(Unfav)</u>
Member & Public Services Division									
Member & Public Services Division Director	118,324	89,301		89,301	100%	129,175	132,336	(3,161)	(2%)
Center for Legal History	149,785	112,019	109,122	2,897	3%	107,843	107,829	14	0%
Law Related Education	508,232	416,087	377,732	38,355	9%	409,108	364,858	44,250	11%
Governmental Relations	156,607	121,671	117,481	4,190	3%	188,624	136,319	52,305	28%
Texas Young Lawyers Association	927,418	627,400	669,813	(42,413)	(7%)	609,046	623,319	(14,273)	(2%)
LeadershipSBOT	94,000	71,019	65,181	5,838	8%	64,469	64,126	343	1%
Sections	318,519	237,853	225,657	12,196	5%	236,917	227,552	9,365	4%
Local Bars	446,571	338,334	294,131	44,203	13%	357,517	334,790	22,727	6%
Special Events	73,604	68,825	63,623	5,202	8%	69,825	60,999	8,826	13%
Law Student Department	20,266	15,566	12,722	2,844	18%	15,620	14,321	1,299	8%
SBOT Volunteer Committees	289,467	223,948	233,843	(9,895)	(4%)	184,585	188,521	(3,936)	(2%)
Total Member & Public Services Division	<u>3,102,793</u>	<u>2,322,023</u>	<u>2,169,305</u>	<u>152,718</u>	<u>7%</u>	<u>2,372,729</u>	<u>2,254,970</u>	<u>117,759</u>	<u>5%</u>
Legal & Attorney Services Division									
Legal & Attorney Services Division Director	222,971	167,438	164,246	3,192	2%	163,637	158,546	5,091	3%
Texas Lawyers Assistance Program	455,312	338,838	301,555	37,283	11%	303,519	324,847	(21,328)	(7%)
Legal Access Division	1,036,508	808,709	777,221	31,488	4%	609,068	659,110	(50,042)	(8%)
Total Legal & Attorney Services Division	<u>1,714,791</u>	<u>1,314,985</u>	<u>1,243,022</u>	<u>71,963</u>	<u>5%</u>	<u>1,076,224</u>	<u>1,142,503</u>	<u>(66,279)</u>	<u>(6%)</u>
Access to Justice Commission	<u>827,206</u>	<u>528,899</u>	<u>484,229</u>	<u>44,670</u>	<u>8%</u>	<u>561,604</u>	<u>509,208</u>	<u>52,396</u>	<u>9%</u>
Member Benefits	343,218	61,277	57,213	4,064	7%	159,164	167,449	(8,285)	(5%)
Research & Analysis	167,645	123,556	128,047	(4,491)	(4%)	119,763	111,616	8,147	7%
Professional Development Division									
Texas Bar CLE	10,174,142	7,794,054	7,410,297	383,757	5%	7,654,337	7,387,032	267,305	3%
Minority Affairs	460,478	396,164	479,498	(83,334)	(21%)	395,612	436,098	(40,486)	(10%)
Total Professional Development	<u>10,634,620</u>	<u>8,190,218</u>	<u>7,889,795</u>	<u>300,423</u>	<u>4%</u>	<u>8,049,949</u>	<u>7,823,130</u>	<u>226,819</u>	<u>3%</u>
Attorney Compliance Division									
Office of Attorney Compliance Director	176,564	132,933	126,675	6,258	5%	129,890	125,514	4,376	3%
Advertising Review	182,597	137,182	134,773	2,409	2%	137,192	136,600	592	0%
Client Attorney Assistance Program	547,352	409,633	408,462	1,171	0%	428,715	395,751	32,964	8%
Lawyer Referral	353,692	258,263	264,636	(6,373)	(2%)	251,180	263,417	(12,237)	(5%)
MCLE	579,699	437,183	484,550	(47,367)	(11%)	438,705	485,810	(47,105)	(11%)
Total Attorney Compliance Division	<u>1,839,904</u>	<u>1,375,194</u>	<u>1,419,096</u>	<u>(43,902)</u>	<u>(3%)</u>	<u>1,385,682</u>	<u>1,407,092</u>	<u>(21,410)</u>	<u>(2%)</u>

General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Nine Months Ending February 28, 2019

	<u>Annual Budget</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>YTD Variance \$ Fav/(Unfav)</u>	<u>YTD Variance % Fav/(Unfav)</u>	<u>YTD Budget Prior Year</u>	<u>YTD Actual Prior Year</u>	<u>YTD Prior Year Variance \$ Fav/(Unfav)</u>	<u>YTD Prior Year Variance % Fav/(Unfav)</u>
Operations/Security Division									
Purchasing & Facilities	1,240,950	919,283	960,810	(41,527)	(5%)	936,591	884,922	51,669	6%
Total Operations/Security Division	<u>1,240,950</u>	<u>919,283</u>	<u>960,810</u>	<u>(41,527)</u>	<u>(5%)</u>	<u>936,591</u>	<u>884,922</u>	<u>51,669</u>	<u>6%</u>
Finance Division									
Accounting	936,017	704,089	728,054	(23,965)	(3%)	771,091	793,765	(22,674)	(3%)
Membership	832,080	510,191	492,936	17,255	3%	524,930	543,137	(18,207)	(3%)
Other Administrative	1,770,550	1,281,022	1,298,975	(17,953)	(1%)	1,230,182	1,289,470	(59,288)	(5%)
Total Finance Division	<u>3,538,647</u>	<u>2,495,302</u>	<u>2,519,965</u>	<u>(24,663)</u>	<u>(1%)</u>	<u>2,526,203</u>	<u>2,626,372</u>	<u>(100,169)</u>	<u>(4%)</u>
Information Technology Division									
Information Technology	1,304,534	980,228	896,441	83,787	9%	991,432	924,413	67,019	7%
Customer Service	370,930	278,385	290,456	(12,071)	(4%)	287,562	281,816	5,746	2%
Total Information Technology Division	<u>1,675,464</u>	<u>1,258,613</u>	<u>1,186,897</u>	<u>71,716</u>	<u>6%</u>	<u>1,278,994</u>	<u>1,206,229</u>	<u>72,765</u>	<u>6%</u>
Communications Division									
Office of Communications Director	249,259	189,222	181,668	7,554	4%	185,187	181,238	3,949	2%
Bar Journal	1,210,030	903,878	908,390	(4,512)	(0%)	979,089	892,571	86,518	9%
Printing	165,407	124,224	101,678	22,546	18%	125,509	133,395	(7,886)	(6%)
Graphics	162,342	119,194	126,182	(6,988)	(6%)	123,942	123,424	518	0%
Public Information	169,455	103,556	94,555	9,001	9%	93,674	84,509	9,165	10%
Web Management	395,862	243,976	241,602	2,374	1%	236,095	216,567	19,528	8%
Total Communications Division	<u>2,352,355</u>	<u>1,684,050</u>	<u>1,654,075</u>	<u>29,975</u>	<u>2%</u>	<u>1,743,496</u>	<u>1,631,704</u>	<u>111,792</u>	<u>6%</u>
Public Protection Division									
Chief Disciplinary Counsel	9,829,435	7,327,929	7,393,222	(65,293)	(1%)	7,259,006	7,185,662	73,344	1%
Grievance Oversight Committee	48,800	36,245	28,393	7,852	22%	36,245	29,522	6,723	19%
Unauthorized Practice of Law	170,000	123,330	124,889	(1,559)	(1%)	122,305	121,574	731	1%
Professional Ethics Commission	11,080	3,909	5,696	(1,787)	(46%)	4,020	4,626	(606)	(15%)
Board of Disciplinary Appeals	619,339	463,503	447,720	15,783	3%	454,261	431,455	22,806	5%
Total Public Protection Division	<u>10,678,654</u>	<u>7,954,916</u>	<u>7,999,920</u>	<u>(45,004)</u>	<u>(1%)</u>	<u>7,875,837</u>	<u>7,772,839</u>	<u>102,998</u>	<u>1%</u>

General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Nine Months Ending February 28, 2019

	<u>Annual Budget</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>YTD Variance \$ Fav/(Unfav)</u>	<u>YTD Variance % Fav/(Unfav)</u>	<u>YTD Budget Prior Year</u>	<u>YTD Actual Prior Year</u>	<u>YTD Prior Year Variance \$ Fav/(Unfav)</u>	<u>YTD Prior Year Variance % Fav/(Unfav)</u>
TOTAL EXPENDITURES	<u>\$41,023,091</u>	<u>\$30,317,800</u>	<u>\$29,834,700</u>	<u>\$483,100</u>	<u>2%</u>	<u>\$30,227,958</u>	<u>\$29,513,846</u>	<u>\$714,112</u>	<u>2%</u>
Transfers to:									
Bldg & Equip Fund	288,800	288,800	288,800			288,800	288,800		
Technology Fund	500,000	500,000	500,000			500,000	500,000		
Client Security Fund	300,000	300,000	300,000			300,000	300,000		
TOTAL TRANSFERS	<u>1,088,800</u>	<u>1,088,800</u>	<u>1,088,800</u>			<u>1,088,800</u>	<u>1,088,800</u>		
TOTAL EXPENDITURES & TRANSFERS	<u>42,111,891</u>	<u>31,406,600</u>	<u>30,923,500</u>	<u>483,100</u>	<u>2%</u>	<u>31,316,758</u>	<u>30,602,646</u>	<u>714,112</u>	<u>2%</u>
Excess (Deficit) of Revenues Over Expenditures & Transfers		<u>1,196,177</u>	<u>3,583,249</u>	<u>2,387,072</u>	<u>200%</u>	<u>947,047</u>	<u>2,345,768</u>	<u>1,398,721</u>	<u>148%</u>
BOARD COMMITMENTS									
Board Commitment - SLRAP	350,000	350,000	350,000			350,000	350,000		
Board Commitment - Sheeran-Crowley Memorial Trust						250,000	250,000		
Board Commitment - Client Security Fund	800,000	800,000	800,000						
Board Commitment - Technology Fund						750,000	750,000		
Board Commitment - Texas Opportunity & Justice Incubator Program	755,278	143,670	143,670			180,671	180,671		
Board Commitment - Presidential Initiatives	157,867	26,263	26,263			119,869	119,869		
Board Commitment - Statewide Pro Bono Campaign	159,060	8,651	8,651			15,590	15,590		
Board Commitment - LAD 2018 Board Commitments	556,772	367,768	367,768			296,339	296,339		
Board Commitment - Referendum Reserve	100,000								
Board Commitment - Run-Off Election Reserve	70,000								
Board Commitment - Ethics Initiatives	12,431	289	289			4,636	4,636		
Board Commitment - Supreme Court Equipment Replacement						100,000	100,000		
Board Commitment - Document Preservation	50,000	50,000	50,000						
Board Commitment - Archives Digitization Project	100,000	24,500	24,500						
Board Commitment - Texas Law Center Renovations						7,749	7,749		
TOTAL BOARD COMMITMENTS	<u>3,111,408</u>	<u>1,771,141</u>	<u>1,771,141</u>			<u>2,074,854</u>	<u>2,074,854</u>		
TOTAL YTD INCREASE (REDUCTION) IN FUND BALANCE	<u>(\$3,111,408)</u>	<u>(\$574,964)</u>	<u>\$1,812,108</u>	<u>\$2,387,072</u>	<u>415%</u>	<u>(\$1,127,807)</u>	<u>\$270,914</u>	<u>\$1,398,721</u>	<u>124%</u>

**State Bar of Texas
General Fund
Balance Sheet
As of February 28, 2019**

Assets

Cash & Money Market Funds		\$	2,147,947
Investments	21,724,071		
Adjust Investments to Market	19,641		
Investments at Fair Market Value			21,743,712
Accounts Receivable:			
Sales	43,960		
Less Allowance for Doubtful Accounts	(2,198)		
Net Accounts Receivable - Sales			41,762
Accrued Interest			84,098
Interfund			1,819,398
Other			192,756
Inventory			12,358
Prepaid Expenditures			595,098
Total Assets		\$	26,637,129

Liabilities and Fund Equity

Liabilities

Accounts Payable:			
Cash - A/P			
Trade			589,747
Interfund			2,299,524
Accrued Liabilities			297,818
Deferred Revenue -			
Membership Dues			5,437,089
Other			454,941
Other Liabilities			37,653
Total Liabilities		\$	9,116,772

**State Bar of Texas
General Fund
Balance Sheet
As of February 28, 2019**

Fund Balances

Nonspendable - Prepays at May 31, 2018	\$	672,040
Nonspendable - Inventory at May 31, 2018		9,453
Nonspendable - Investments FMV Adjustment at May 31, 2018		(31,424)
Board Committed - Minimum Reserve January 2019		11,059,004
Board Committed - Texas Opportunity and Justice Incubator Program		755,278
Board Committed - Legal Access Division Programs		556,772
Board Committed - Client Security Fund		800,000
Board Committed - Student Loan Repayment Assistance Program		865,000
Board Committed - Technology Fund		150,000
Board Committed Expenditures - Texas Law Center Renovations		100,000
Board Committed - Law Focused Education		79,500
Board Committed - Presidential Initiatives		157,867
Board Committed - Pro Bono Campaign		159,060
Board Committed - Run-off Election Reserve		70,000
Board Committed - Legal Access Fellowship Program		43,270
Board Committed - Referendum Reserve		100,000
Board Committed - Archives Digitization Project		100,000
Board Committed - Ethics Initiatives		12,431
Board Committed - Document Preservation		50,000
		15,708,251
Total Fund Balance at May 31, 2018		15,708,251

Current Year Operations

Nonspendable - Prepays at February 28, 2019		(76,942)
Nonspendable - Inventory at February 28, 2019		(2,905)
Nonspendable - Investments FMV Adjustment at February 28, 2019		51,065
Board Committed Expenditures - Client Security Fund		(800,000)
Board Committed Expenditures - SLRAP		(350,000)
Board Committed Expenditures - Texas Opportunity & Justice Incubator Program		(143,670)
Board Committed Expenditures - Presidential Initiatives		(26,263)
Board Committed Expenditures - Statewide Pro Bono Campaign		(8,651)
Board Committed Expenditures - Legal Access Division Initiatives		(367,768)
Board Committed Expenditures - Ethics Initiative		(289)
Board Committed Expenditures - Document Preservation		(50,000)
Board Committed Expenditures - Archives Digitation Project		(24,500)
Board Committed Expenditures - Texas Law Center Renovations		-
Amount Available for Board Commitment from Current Year Operations		3,612,029
		3,612,029
Total Current Year Increase (Reduction) in Fund Balance		1,812,106

Total Fund Balance		17,520,357
--------------------	--	------------

Total Liabilities and Fund Balance	\$	26,637,129
------------------------------------	----	------------

State Bar of Texas
Law Practice Resources Division
Statement of Revenues and Expenses
For the Nine Months Ending February 28, 2019

	YTD Budget	YTD Actual	Budget to Actual % Variance	2018-2019 Budget
Revenues:				
Book Sales Net of Estimated Returns	\$1,331,918	\$1,247,830	-7%	\$2,075,913
Online Sales	360,989	254,438	-42%	481,318
Total Sales	1,692,907	1,502,268	-13%	2,557,231
Fees	47,319	50,705	7%	55,000
Interest	4,500	6,194	27%	6,000
Royalty	847,500	836,027	-1%	1,130,000
Total Revenues	2,592,226	2,395,194	-8%	3,748,231
Cost of Goods Sold:				
Finished Products	273,043	104,312	162%	425,562
Publicity/Advertising for Specific Titles	28,750	17,913	60%	53,000
Royalties	76,454	69,948	9%	101,353
Other	0	73,210	-100%	40,000
Total Cost of Goods Sold	378,247	265,383	43%	619,915
Expenses:				
Salaries	984,852	1,010,272	-3%	1,313,153
Benefits	330,426	315,791	5%	440,571
Travel	46,250	29,037	59%	48,450
Meetings & Conferences	1,350	1,354	0%	1,800
Professional Services	63,258	73,626	-14%	90,036
Publicity/Advertising	11,250	2,625	329%	15,000
Dues/Subscriptions/Licenses	35,308	37,201	-5%	50,014
Education/Training	9,085	9,038	1%	13,290
Supplies/Awards/Gifts/Spec. Items	11,681	24,136	-52%	15,999
Rentals - Office, Equipment, Storage	126,891	120,330	5%	169,188
Maintenance/Repair	18,000	23,799	-24%	24,000
Postage and Freight	134,317	91,266	47%	209,091
Telephone	3,375	2,637	28%	4,500
Insurance	4,500	4,650	-3%	6,000
Administrative Fee	406,911	406,911	0%	542,548
Bad Debts	34,804	(7,966)	-537%	52,245
Capital Lease Expense	12,500	13,289	-6%	12,500
Printing	0	389	-100%	0
Copying	1,350	1,159	16%	1,800
Total Operating Expenses	2,236,108	2,159,544	4%	3,010,185
Total Expenses	2,614,355	2,424,927	8%	3,630,100
Net Income/(Loss)	(22,129)	(29,733)	-26%	118,131

State Bar of Texas
Law Practice Resources Division
Statement of Net Position
As of February 28, 2019

Assets

Accounts Receivable :		
Sales	\$	537,519
Less Allowance for Doubtful Accounts		(26,876)
Net Accounts Receivable - Sales		510,643
Interfund Receivable - General Fund		453,823
Inventory		
Inventory - Finished Goods		530,195
Inventory - Work in Process		353,185
Less Inventory - Reserve		(47,257)

Total Inventory Less Reserves		836,123
Intangible Assets:		
Fixed Assets:		
Furniture/Equipment		353,637
Less Accumulated Depreciation		(318,315)

Net Fixed Assets		35,322

Total Assets	\$	1,835,911
		=====

Liabilities and Net Position

Liabilities

Payables	\$	15,827
Compensable Leave		95,363

Total Liabilities		111,190

Net Position

Net Position at May 31, 2018 - Unrestricted	54,074
Designated - Minimum Operating Expenditures	702,377
Designated - Projects in Process	948,000
Designated - New Approved Projects	50,000

Total Net Position at May 31, 2018	1,754,451
Current Year Operations	(29,730)

Total Liabilities and Net Position	\$ 1,835,911
	=====

State Bar of Texas
Client Security Fund
Statement of Revenues & Expenditures
For the Nine Months Ending February 28, 2019

Revenues:

Interest	\$	49,283
Restitution/Other Income		67,303

Total Revenues		116,586

Expenditures:

Claims		500,090
Banking Fees		165

Total Expenditures		500,255

Excess (Deficit) of Revenue Over Expenditures		(383,669)
		=====

General Fund Operating Transfer In		300,000
General Fund Committed Funds Transfer In		800,000

Total Transfers In from General Fund		1,100,000

Unrealized Net Gain (Loss) from Investments		(584)

Net after Operating Transfer & Unrealized Net Gain (Loss)	\$	715,747
		=====

State Bar of Texas
Client Security Fund
Balance Sheet
As of February 28, 2019

Assets

Cash & Money Market Accts.	\$	739,525
Investments		2,274,246
Adjust Investments to Market		(1,641)
Interest Receivable		2,492

Total Assets	\$	3,014,622
		=====

Liabilities:

Due To (From) General Fund	\$	268,970

Total Liabilities		268,970
-------------------	--	---------

Fund Balance

Beginning Fund Balance	2,029,906	
Current Year Activity	715,746	

Total Fund Balance		2,745,652

Total Liabilities and Fund Balance	\$	3,014,622
		=====

State Bar of Texas
Combining Statement of Revenue & Expenditures
And Changes in Fund Balance
All Special Revenue Funds
For the Nine Months Ending February 28, 2019

	Law Focused Grants	TBLS	Convention Fund	Texas Law Center	Texas Bar College	Technology Fund	Misc Grant Fund	Total
Revenues:								
Fees		\$391,475	\$265,845		\$215,734			\$873,054
Sales			29,720		2,673			32,393
Investments	77	24,730	5,424	62,093	3,248			95,572
Grants	598,600						48,900	647,500
Contributions			253,250		1,450		45,117	299,817
Other Revenue		23,485						23,485
Total Revenues	598,677	439,690	554,239	62,093	223,105		94,017	1,971,821
Expenditures:								
Salaries		332,099			46,513			378,612
Benefits		122,235			17,180			139,415
Salaries & Wages - Temporary					772			772
Travel	117,910	30,488	6,137		36,092			190,627
Meetings & Conferences	37,254	24,028	434,964		9,404			505,650
Professional Services	103,925	65,529	8,055	6,310	8,336		33,108	225,263
Publicity/Advertising		70,640	39,000		4,886			114,526
Dues/Subscriptions/Licenses	1,602	21,529			1,259	5,920		30,310
Education/Training	375							375
Supplies/Awards/Gifts/Spec. Items	39,343	5,796	12,251	7,900	13,066	57,262		135,618
Rentals - Office, Equipment, Storage	5,040	87,044	629		1,456			94,169
Maintenance/Repair				9,070		336,116		345,186
Postage and Freight	4,372	3,460	20,143		8,084	36		36,095
Telephone		11,465			459			11,924
Administrative	7,039	67,450	9,800		24,688			108,977
Fixed Assets		1,538		51,489		296,484		349,511
Printing and Copying	11,610	3,463	18,269		12,439			45,781
Total Expenditures	328,470	846,764	549,248	74,769	184,634	695,818	33,108	2,712,811
Transfer (In) / Out				(288,800)		(500,000)		(788,800)
Total Expenditures & Transfers	328,470	846,764	549,248	(214,031)	184,634	195,818	33,108	1,924,011
Net Increase (Decrease) in the Fair Value of Investments				9,837				9,837
Total Revenues less Expenditures	270,207	(407,074)	4,991	285,961	38,471	(195,818)	60,909	57,647
Beginning Fund Balance at 6/1/18		1,858,938	337,791	3,676,630	198,619	1,281,166		7,353,144
Ending Fund Balance at 2/28/19	\$270,207	\$1,451,864	\$342,782	\$3,962,591	\$237,090	\$1,085,348	\$60,909	\$7,410,791