

State of Nevada
Board of Continuing Legal Education

457 Court St., 2nd Floor
Reno, NV 89501
(775) 329-4443

LAURA BOGDEN
EXECUTIVE DIRECTOR

March 31, 2017

Chief Justice Michael Cherry
Supreme Court of Nevada
201 South Carson St.
Carson City, NV 89701

RE: 2016 Annual Report

Dear Chief Justice Cherry:

Under Nevada Supreme Court Rule 208.10, the Nevada Board of Continuing Legal Education is now required to submit an annual report within 90 days of the close of each calendar year. I hereby present the attached report detailing our financial and statistical information for 2016 (EXHIBIT I).

As a follow up, I would like to submit additional statistics as background information:

Cash Balances

2012 - \$637,715.09
2013 - \$647,112.83
2014 - \$614,468.29
2015 - \$466,657.05
2016 - \$363,904.02

**All balances are as of 12/31 of the year. Due to the seasonal nature of receiving income it is necessary to compare the same date each year.*

Major expenditures:

In 2014 the new computer system was put into place and additional costs were incurred for programming and annual licensing.

In 2015 and 2016 the offices were expanded and updated. The business plan was prepared.

Effective 2017, the Board voted to maintain a reserve balance of up to \$500,000 and set aside funds for operating expenses. We are currently budgeting to add to reserves to bring them up above the limit.

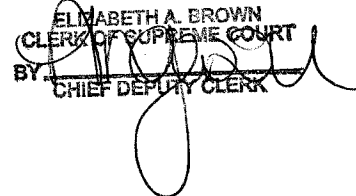
JENNY D. HUBACH - CHAIR

JANET J. BERRY • VICTOR G. DRAKULICH • FRANK C. FLAHERTY • KATHLEEN M. PAUSTIAN • RICHARD I. DREITZER • MEGAN C. HOFFMAN

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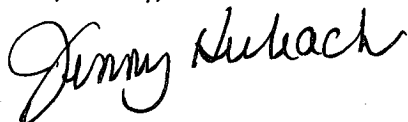
ELIZABETH A. BROWN
CLERK OF SUPREME COURT
BY: 
CHIEF DEPUTY CLERK

17-17030

The decline in reserves from 2014-2016 is explained in the attached "cash reserves draws" (EXHIBIT II). It was also mentioned at our last board meeting that it would be helpful to include past employee statistics. In 2012-2014, we had four full time employees. However, due to the fact that these employees were working numerous overtime hours, we increased our full time staff in 2015 to six full time employees. We are now operating more efficiently with little overtime.

If we can provide any additional statistics or information to the Supreme Court, please feel free to contact me.

Respectfully,

A handwritten signature in cursive script that reads "Jenny Hubach". The signature is written in black ink and is positioned to the right of the word "Respectfully,".

Jenny Hubach
Chair

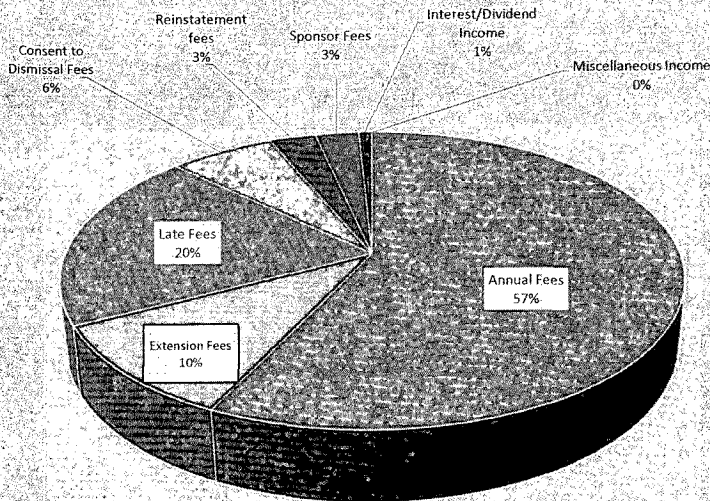
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EXHIBIT I

NEVADA BOARD OF CONTINUING LEGAL EDUCATION ANNUAL REPORT 2016

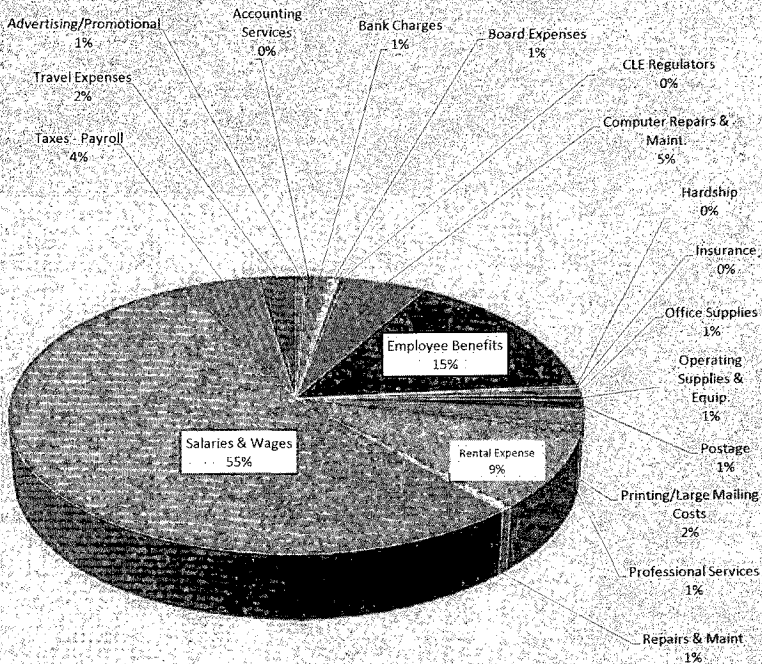
Income

	YTD 2016
Annual Fees	\$311,560.00
Extension Fees	\$56,100.00
Late Fees	\$107,260.00
Consent to Dismissal Fees	\$35,500.00
Reinstatement fees	\$15,500.00
Sponsor Fees	\$14,700.00
Interest/Dividend Income	\$4,215.47
Miscellaneous Income	\$10.00
TOTAL INCOME	<u>\$544,845.47</u>



Expenses

Advertising/Promotional	\$4,764.71
Accounting Services	\$1,372.50
Bank Charges	\$7,326.18
Board Expenses	\$4,521.11
CLE Regulators	\$2,130.00
Computer Repairs & Maint.	\$33,545.34
Employee Benefits	\$97,648.96
Hardship	\$271.00
Insurance	\$1,889.00
Office Supplies	\$5,074.28
Operating Supplies & Equip.	\$3,781.23
Postage	\$7,076.52
Printing/Large Mailing Costs	\$10,481.42
Professional Services	\$5,600.00
Rental Expense	\$57,120.00
Repairs & Maint	\$3,770.62
Salaries & Wages	\$348,398.31
Taxes - Payroll	\$28,467.14
Travel Expenses	\$14,861.34
TOTAL EXPENSES	<u>\$638,099.66</u>



ASSETS, LIABILITIES & NET ASSETS

Current Assets	\$364,004.78
Property & Equipment	\$49,593.22
TOTAL ASSETS	<u>\$413,598.00</u>

Current Liabilities	\$82,389.22
Total Equity	\$331,208.78
TOTAL LIABILITIES & EQUITY	<u>\$413,598.00</u>

NV CLE BOARD 2016 ANNUAL REPORT

ATTORNEY INFORMATION

2016 CLE Status Counts (as of 1/19/16)
7962 Active
12 Bar Examiner
27 Deceased
9 Disability
30 Disbarred
23 Federal Judicial
157 Former Member
2222 Inactive
10 Legislature
179 Local Judicial
17 Military
142 Resigned
482 SCR 213 - Non Compliant
893 Senior
166 Special Rule
68 Suspended (Bar)

PROVIDER INFORMATION

1023 Providers Putting on Courses in 2016
75 Online Sponsor Fees Billed 4/29/16
54 Online Sponsor Fees Paid in 2016

COURSE INFORMATION

8432 Courses Reviewed and Input in 2016
55 Denied Courses in 2016

FINAL COMPLIANCE STATISTICS (2016 REPORTING PERIOD)

- 8012 Compliance Reports Mailed on 1/19/16
- 1115 Extensions Needed (Attorneys That Failed to Complete All Credits by 12/31/15)
- 1546 Non-Compliance Notices Mailed on 4/2/16
- 170 Attorneys Listed on Petition to the Supreme Court (Filed on 6/2/16)

Petition Contents

<ul style="list-style-type: none"> 113 - 1st Time on Petition 46 - 2nd Time on Petition 6 - 3rd Time on Petition 5 - 4th Time on Petition 0 - 5th Time on Petition 	<ul style="list-style-type: none"> 118 - Owed Credit Hours 127 - Owed Annual Fee 101 - Owed Extension Fee 155 - Owed Late Fee 152 - Owed Signed Report
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- 74 Listed on Order to Show Cause Issued by the Supreme Court on 10/24/16
- 53 Attorneys Suspended by Supreme Court on 12/27/16
- 8 Attorneys Reported to Bar Counsel for More Than 1 Suspension in a 5 Year Period

EXHIBIT II

**NEVADA BOARD OF CONTINUING
LEGAL EDUCATION
CASH RESERVES DRAWS**

<u>Description</u>	<u>Amount</u>
Double-Black Advisors (For business plan)	60,000.00
Desks, Chairs, Boardroom etc.	23,571.69
Window Coverings for office	6,931.01
Upgrades to phone system	1,507.39
Copy Machine and printers	12,047.96
PACLE Costs for original program, annual license fees, updates	76,369.18
Settlement with Toni Sarocka (includes payroll tax liability)	42,058.87
Key Employee Sick Settlement (includes payroll tax liability)	43,060.00
Total Draw on Reserve Balance since 8/1/2014	<u><u>265,546.10</u></u>
Reserves at 8/1/2014	820,074.03
Reserves at 8/1/2016	<u>572,739.12</u>
Difference	<u><u>247,334.91</u></u>

NOTE: Reserve balances are compared as of the same date.
Since most of our fees are received in the first months of the year the reserves will go down during that last months and come back up in the first months of the year.