

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

FINANCIAL STATEMENT EXAMINATION REPORT
OF
INDIANA COMMISSION FOR CONTINUING LEGAL EDUCATION

July 1, 2011 to June 30, 2014



FILED
08/20/2015

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Executive Director	Julia L. Orzeske	07-01-11 to 06-30-14
Chairperson of the Commission	Joseph H. Yeager	01-01-11 to 12-31-11
	Honorable Charles K. Todd, Jr.	01-01-12 to 12-31-12
	John D. Ulmer	01-01-13 to 12-31-13
	John T. Sharpnack	01-01-14 to 12-31-14
	Angela L. Freel	01-01-15 to 12-31-15
Chief Justice of the Supreme Court	Honorable Randall T. Shepard	03-04-07 to 03-04-12
	Honorable Randall T. Shepard (Interim)	03-05-12 to 03-23-12
	Honorable Brent E. Dickson (Interim)	03-24-12 to 05-14-12
	Honorable Brent E. Dickson	05-15-12 to 08-17-14
	Honorable Loretta H. Rush	08-18-14 to 12-31-15



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE INDIANA COMMISSION FOR CONTINUING LEGAL EDUCATION

We have examined the accompanying financial statement of the Indiana Commission for Continuing Legal Education (Commission), for the period of July 1, 2011 to June 30, 2014. The financial statement is the responsibility of the Commission's management. Our responsibility is to express an opinion on the financial statement based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial statement and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

As discussed in Note 1, the Commission prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the matter discussed in the preceding paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position and results of operations of the Commission for the period of July 1, 2011 to June 30, 2014.

In our opinion, the financial statement referred to above present fairly, in all material respects, the financial position and results of operations of the Commission for the period of July 1, 2011 to June 30, 2014, on the basis of accounting described in Note 1.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

May 20, 2015

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES

The financial statement and accompanying notes were approved by management of the Commission.
The financial statement and notes are presented as intended by the Commission.

INDIANA COMMISSION FOR CONTINUING LEGAL EDUCATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
As of and for the Years Ended June 30, 2012, 2013, and 2014

	2012	2013	2014
Cash and investments, July 1	\$ 441,165	\$ 567,238	\$ 600,468
Receipts:			
Annual fees (Fees from Clerk)	598,355	574,746	629,206
Delinquencies (CLE Fees)	111,450	130,100	161,000
Reinstatements	12,700	11,070	11,460
Mediation	74,550	47,460	52,425
Independent certifying organization	12,335	13,885	12,665
Interest	1,542	1,207	944
Miscellaneous	124	557	3
Total receipts	811,056	779,025	867,703
Disbursements:			
Personal services	362,463	435,590	423,187
Commission per diem	5,800	8,294	5,255
Commission and director expenses	24,937	25,035	24,873
Special legal educational programs	39,942	31,444	1,267
Independent certifying organization	2,758	4,937	4,981
Applied professionalism course	24,830	19,100	11,605
Contract services	35,440	40,738	46,187
Postage and supplies	28,694	29,555	30,979
Utilities and rent	98,890	99,801	117,677
Computer and office equipment	57,768	47,993	83,592
Miscellaneous	3,461	3,307	3,819
Total disbursements	684,983	745,795	753,422
Excess of receipts over disbursements	126,073	33,230	114,281
Cash and investments, June 30	\$ 567,238	\$ 600,468	\$ 714,748

The accompanying notes are an integral part of the financial information.

INDIANA COMMISSION FOR CONTINUING LEGAL EDUCATION
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Indiana Commission for Continuing Legal Education (Commission) was established under the Indiana Supreme Court's Rules of Court Admission and Discipline Rule #29. The mission of the Commission is to enhance the quality of legal services and professionalism in Indiana through administering, developing, and regulating continuing legal education requirements, mediation training standards, and attorney specialization programs.

The accompanying financial statement presents the financial information for the Commission.

B. Basis of Accounting

The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

C. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

Note 2. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana at year end should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statutes authorize the Commission to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds.