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

EXAMINATION REPORT
OF

INDIANA COMMISSION FOR
CONTINUING LEGAL EDUCATION

July 1, 2006 to June 30, 2008

FILED
02/12/2009

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OFFICIALS

Office	Official	Term
Executive Director	Julia Orzeske	07-01-03 to 10-19-08
	Joy Tolbert (Interim)	10-20-08 to 12-03-08
	Julia Orzeske	12-04-08 to 06-30-09
Chairperson of the Commission	John Krauss	01-01-06 to 12-31-06
	Susan Gainey	01-01-07 to 12-31-07
	Gerald Bishop	01-01-08 to 12-31-08
	Michael E. Tolbert	01-01-09 to 12-31-09

STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the financial information presented herein of the Indiana Commission for Continuing Legal Education (Commission), for the period of July 1, 2006 to June 30, 2008. The Commission's management is responsible for the financial information presented herein. Our responsibility is to express an opinion 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 information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the Commission for the years ended June 30, 2007 and 2008, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

December 8, 2008

INDIANA COMMISSION FOR CONTINUING LEGAL EDUCATION
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
As Of And For The Years Ended June 30, 2007 And 2008

	2007	2008
Cash and investments, July 1	$ 385,453	$ 325,663
Receipts:		
Annual fees	264,511	400,854
Delinquencies	101,095	128,910
Reinstatements	14,300	11,800
Mediation	53,865	12,075
Independent certifying organization	4,750	10,690
Interest	13,128	8,906
Miscellaneous	2,113	1,225
Total receipts	453,762	574,460
Disbursements:		
Personal services	308,341	323,500
Commission per diem	6,600	5,600
Commission and director expenses	24,600	15,069
Special legal educational programs	13,694	12,077
Independent certifying organization	2,115	1,387
Applied professionalism course	14,439	12,200
Contract services	11,202	13,374
Postage and supplies	36,044	22,029
Utilities and rent	50,146	77,442
Computer and office equipment	39,653	51,843
Miscellaneous	6,718	10,161
Total disbursements	513,552	544,682
Excess of receipts over disbursements	(59,790)	29,778
Cash and investments, June 30	$ 325,663	$ 355,441

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

Note 1. Introduction

The 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.

Note 2. Basis of Accounting

The Commission's Schedules of Receipts, Disbursements, and Cash and Investment Balances are reported using the basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

The cash and investment 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.

Note 3. Deposits and Investments

Deposits with financial institutions in the State of Indiana at year end were 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.

The Commission invests in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds.

Note 4. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Commission contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the Commission authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

Note 5. Annual Fees

Annual fees are stated net of refunds.

Note 6. Risk Management

The Commission is subject to risks that include personal injury, property damage, employee bodily injury, employee theft, employee medical, public officials and employee conduct, and workers' compensation. The Commission has purchased insurance policies that transfer certain risks, subject to policy limits. The Commission benefits from the self-insurance coverage of the State of Indiana for other risks. Settlements have not exceeded insurance coverage in any of the past three fiscal years.

INDIANA COMMISSION FOR CONTINUING LEGAL EDUCATION
EXIT CONFERENCE

The contents of this report were discussed on January 14, 2009, with Julia Orzeske, Executive Director; and Ann Davidson. Our examination disclosed no material items that warrant comment at this time.