

The Bar receives an average of 228 complaints annually. Analyses of the complaints filed during July 1, 2006 through June 30, 2008 shows that all were reviewed, but relatively few were pursued beyond the initial investigation. Approximately 80% of the grievances received were not accepted for investigation due to lack of merit. The Bar estimates that 10 to 15 appeals are reviewed annually by the board discipline liaison, and 1 or 2 reviews by the Supreme Court.

Over 650 grievances were filed during 2006, 2007, and 2008,⁵ resulting in 143 cases being opened and the remaining grievances were not accepted. The investigations resulted in thirty-two cases⁶ with sanctions against a total of twenty-one attorneys. Four attorneys were disbarred, seventeen were suspended, three were publicly and two were privately reprimanded, five received private admonition, and one was publicly censured. Discipline statistics are shown in Appendix B. Closure of grievance cases with sanctions such as disbarment, suspension, public censure, public reprimand, and admonition appear reasonable.

Board procedures provide for public notice of all attorneys who have been disbarred, suspended, put on probation, publicly censured, or reprimanded. The names of these attorneys are published in four major newspapers throughout the State, the local newspaper where the attorney practiced, the *Alaska Bar Rag*, and in the board's annual report. Notice of all disciplines imposed by the court, all orders granting reinstatements, and all public reprimands are transmitted to the American Bar Association's National Lawyer Regulatory Data Bank. However, as discussed in Recommendation No. 2, the board does not publish the names of lawyers who were suspended, disbarred, publicly reprimanded or censured on their website.

Determine the extent to which a board or commission that regulates entry into an occupation or profession has presented qualified applicants to serve the public.

The board admits applicants to practice law through an examination process that was designed in consultation with a national expert. Admission is contingent on the following:

- Passing the Alaska Bar Examination.
- Passing the Multi-state Professional Responsibility Examination.
- Passing character investigation to determine if the applicant is of good moral character.
- Attendance⁷ of a mandatory three hour ethics presentation by the board.

⁵ Complaints received for 2008 include January 1 through June 30.

⁶ A single attorney may have multiple cases filed against them.

⁷ This requirement may be fulfilled by watching the ethics videotape and signing an affidavit.

The board also admits members by motion for reciprocity. This option is limited to attorneys in the active practice of law for five of the last seven years in the 33 states with which Alaska has a reciprocal agreement.

Examination and admission statistics are shown in Appendix C.

Per Bar Rule 65, in order to promote competence and professionalism, the Alaska Supreme Court and the Bar encourage all members to engage in continuing legal education (CLE).

Supreme Court issued Order No. 1640, which amended Bar Rule 65, to require all active Bar members to complete three credit hours per calendar year of approved mandatory ethics continuing legal education (MECLE). In addition, all active Bar members are encouraged to engage in nine hours per calendar year of approved voluntary continuing legal education (VCLE). This order became effective January 1, 2008.

The Supreme Court Order No. 1640 also added Alaska Bar Rule 66 for the suspension of members who have not complied with completing the required MECLE or members who failed to report the MECLE and VCLE for the year.

The Bar offers CLE for its membership and maintains an educational library. The majority of live CLE programs are presented and video taped in Anchorage. For lawyers located outside of Anchorage, the Bar has regularly scheduled video replays in Juneau, Fairbanks, and Kenai. Also available are DVDs and CLE materials for purchase through the Bar's online CLE library catalog.

In 2006, the Bar partnered with the online CLE provider LegalSpan to develop online CLE seminars and live webcasting of selected programs. The Bar presented 10 live webcasts in 2007. All of the video taped live seminars are also available as online CLE through LegalSpan.

Determine the extent to which state personnel practices, including affirmative action requirements, have been complied with by the board, commission, or agency to its own activities and the area of activity or interest.

The board allows special accommodations for applicants who have been determined to have disabilities.

We did not find any evidence that the board was not complying with state personnel laws, including affirmative action in qualifying applicants for licensure. In no instance did the board deny an applicant a license based on personal attributes.

Determine the extent to which statutory, regulatory, budgeting, or other changes are necessary to enable the agency, board, or commission to better serve the interests of the public and to comply with the factors enumerated in this subsection.

Please refer to the Findings and Recommendations and Auditor's Comments sections of this report.

Determine the extent to which the board, commission, or agency has effectively attained its objectives and purposes and the efficiency with which the board, commission, or agency has operated.

Article I Section 3 of the Bar bylaws sets out the purposes of the Bar which are:

1. To cultivate and advance the science of jurisprudence.
2. To promote reform in the law and in judicial procedure.
3. To facilitate the administration of justice.
4. To encourage legal education for the membership.
5. To increase the public service and efficiency of the Bar.

To achieve these purposes, the Bar has established and maintains various committees and performs certain functions. For example, the Bar maintains a Law Related Education Committee to present programs to the community and school system to aid in the understanding of the law and legal system. The committee is divided into subcommittees in Anchorage, Fairbanks, Juneau, Kenai, Matanuska-Susitna, and other communities where the board president sees the need to appoint a subcommittee.

The board appoints three attorneys to serve staggered six-year terms on the Alaska Judicial Council (Council). The Council recommends candidates for judicial office and conducts studies for the improvement of the administration of justice in Alaska. Council members survey, investigate, and evaluate incumbent justices and judges standing for retention. The evaluation is published in the Lieutenant Governor's Official Elections Pamphlet. They are also involved in screening of applicants for the state public defenders' office.

The Bar's CLE committee, consisting of 15 members, assists the CLE director in overseeing the presentation of substantive legal education programs to educate Alaskan lawyers about developments in the field of law, and emphasize their ethical responsibilities. The Bar has conducted 68 live, 2 satellite, 15 webcasts, and 36 conventions for CLE presentations for 3,926, 4,820, and 1,976 attorney participants from calendar year 2006 through 2008,⁸ respectively.

Determine the extent to which the board, commission, or agency duplicates the activities of another governmental agency or the private sector.

⁸ Data is presented as of June 30, 2008.

The board does not duplicate the activities of another governmental agency. However, many of its activities are those typically performed by a professional association. As discussed earlier, some of these more typical private sector activities include such things as fee arbitration, referral services, and sponsorship of a pro bono program.

APPENDICES

Alaska Bar Association Funds

The Alaska Bar Association (Bar) maintains three separate funds for accounting and reporting purposes. These include a General Fund, the Lawyers' Fund for Client Protection, and the Court System Library Fund. The following describes these funds and their purpose.

- General Fund – This fund is the Bar's operating fund. It accounts for the financial resources and transactions not accounted for in other funds.
- Lawyers' Fund for Client Protection – In accordance with Alaska Bar Rules promulgated by the court system, this fund is maintained solely for the purpose of making reimbursements to clients who have incurred non-insured losses of money or property as a result of dishonest conduct by attorneys. Related trustee counsel compensation may be paid from this fund under certain circumstances.
- Court System Library Fund – This fund is maintained by the Bar, pursuant to a cooperative agreement with the Alaska Court System and the Anchorage Bar Association. The purpose of the fund is to account for the portion of receipts generated from copying services provided in the Anchorage Law Library that are to be used for purchasing legal research resources for the Alaska Court Libraries as designated by the State Law Librarian.

The financial information of Bar funds is from the Bar's audited financial statements for 2007.

(Intentionally left blank)

Appendix A

Alaska Bar Association Statement of Financial Position Calendar Year 2007

	General Fund	Lawyers' Fund for Client Protection	Court System Library Fund	Total All Funds
Assets				
Current Assets				
Cash	\$ 534,056	\$ 137,534	\$ 23,472	\$ 695,062
Investments	2,133,208	907,611	—	3,040,819
Accounts receivable	1,016,821	—	—	1,016,821
Accrued interest receivable	27,514	8,158	—	35,672
Due from general fund	—	58,287	—	58,287
Prepaid Expenses	92,744	—	—	92,744
Total Current Assets	3,804,343	1,111,590	23,472	4,939,405
Property and Equipment, at cost				
Office furniture and equipment	452,421	—	—	452,421
Leasehold improvements	94,898	—	—	94,898
Video tape library and equipment	7,587	—	—	7,587
Historical artifacts	3,750	—	—	3,750
Subtotal Property and Equipment	558,656	—	—	\$ 558,656
Less accumulated depreciation	(486,130)	—	—	(486,130)
Total Property and Equipment	72,526	—	—	72,526
Total Assets	\$ 3,876,869	\$ 1,111,590	\$ 23,472	\$ 5,011,931
Liabilities and Net Assets				
Current Liabilities				
Deferred dues and fees	1,281,715	29,260	—	1,310,975
Accounts payable and accrued expenses	126,423	—	—	126,423
Due to other funds	72,965	—	—	72,965
Due to Bar Foundation	1,274	—	—	1,274
Total Current Liabilities	2,112,876	29,260	—	1,511,637
Net Assets				
Unrestricted (designated by the Board of Governors)				
Designated for Working Capital	800,000	—	—	800,000
Designated for Asset Acquisition	124,874	—	—	124,874
Undesignated	1,465,868	1,082,330	23,472	2,571,670
Permanently restricted	3,750	—	—	3,750
Total Net Assets	2,394,492	1,082,330	23,472	3,500,294
Total Liabilities and Net Assets	\$ 3,876,869	\$ 1,111,590	\$ 23,472	\$ 5,011,931

Appendix A

Alaska Bar Association Revenues Compared with Expenses Calendar Year 2007

	General Fund	Lawyers' Fund for Client Protection	Court System Library Fund	Total All Funds
Revenues				
Dues	\$ 1,686,571	\$ 29,043	\$ -	\$ 1,715,614
Admission Fees	150,850	-	-	150,850
Continuing Legal Education	136,404	-	-	136,404
Lawyer Referral Fees	41,593	-	-	41,593
Annual Meeting	134,557	-	-	134,557
Earnings on Investments	126,973	43,425	205	170,603
Other	<u>235,298</u>	<u>14,727</u>	<u>2,140</u>	<u>252,165</u>
Total Revenues	<u>2,512,246</u>	<u>87,195</u>	<u>2,345</u>	<u>2,601,786</u>
	-	-	-	-
Expenses				
Admissions	182,457	-	-	182,457
Board of Governors	47,822	-	-	47,822
Discipline	664,488	-	-	664,488
Fee Arbitration	66,780	-	-	66,780
Lawyer Referral	52,504	-	-	52,504
Continuing Legal Education	327,828	-	-	327,828
Administration	492,382	-	-	492,382
Annual Meeting	112,091	-	-	112,091
Other	<u>288,028</u>	<u>157,902</u>	<u>12</u>	<u>445,942</u>
Total Expenses	<u>2,234,380</u>	<u>157,902</u>	<u>12</u>	<u>2,392,294</u>
	-	-	-	-
Increase (decrease) in net unrestricted assets	277,866	(70,707)	2,333	209,492
	-	-	-	-
Unrestricted Net assets at beginning of year:	-	-	-	-
Designated for Working Capital	775,000	-	-	775,000
Designated for Asset Acquisition	130,239	-	-	130,239
Undesignated	<u>1,207,637</u>	<u>1,153,037</u>	<u>21,139</u>	<u>2,381,813</u>
Total at Beginning of Year	<u>2,112,876</u>	<u>1,153,037</u>	<u>21,139</u>	<u>3,287,052</u>
	-	-	-	-
Unrestricted Net assets at end of year:	-	-	-	-
Designated for Working Capital	800,000	-	-	800,000
Designated for Asset Acquisition	124,874	-	-	124,874
Undesignated	<u>1,465,868</u>	<u>1,082,330</u>	<u>23,472</u>	<u>2,571,670</u>
Total at End of Year	<u>\$ 2,390,742</u>	<u>\$ 1,082,330</u>	<u>\$ 23,472</u>	<u>\$ 3,496,544</u>

Appendix A

Alaska Bar Association General Fund Revenues Compared with Expenses Calendar Years 2006 through 2007

	2006	2007
Revenues		
Dues	\$ 1,702,211	\$ 1,686,571
Admission Fees	174,750	150,850
Continuing Legal Education	131,979	136,404
Lawyer Referral Fees	42,242	41,593
Annual Meeting	123,905	134,557
Earnings on Investments	105,092	126,973
Other	<u>148,861</u>	<u>235,298</u>
Total Revenues	<u>2,429,040</u>	<u>2,512,246</u>
Expenses		
Admissions	175,898	182,457
Board of Governors	42,364	47,822
Discipline	646,385	664,488
Fee Arbitration	63,311	66,780
Lawyer Referral	50,785	52,504
Continuing Legal Education	360,525	327,828
Administration	460,255	492,382
Annual Meeting	122,746	112,091
Other	<u>226,520</u>	<u>288,028</u>
Total Expenses	<u>2,148,789</u>	<u>2,234,380</u>
Increase (decrease) in net unrestricted assets	280,251	277,866
Unrestricted Net assets at beginning of year:		
Designated for Working Capital	700,000	775,000
Designated for Asset Acquisition	129,375	130,239
Undesignated	<u>1,003,250</u>	<u>1,207,637</u>
Total at Beginning of Year	1,832,625	2,112,876
Unrestricted Net assets at end of year:		
Designated for Working Capital	775,000	800,000
Designated for Asset Acquisition	130,239	124,874
Undesignated	<u>1,207,637</u>	<u>1,465,868</u>
Total at End of Year	<u>\$ 2,112,876</u>	<u>\$ 2,390,742</u>

Appendix A

Alaska Bar Association Lawyers' Fund for Client Protection Revenues Compared with Expenses Calendar Years 2006 through 2007

	<u>2006</u>	<u>2007</u>
Revenues		
Dues	\$ 28,623	\$ 29,043
Earnings on Investments	44,047	43,425
Unrealized (Loss) Gain on Investments	5,413	11,547
Other	<u>2,368</u>	<u>3,180</u>
Total Revenues	<u>80,451</u>	<u>87,195</u>
 Expenses		
Claims Awarded	71,672	127,235
Other	<u>1,920</u>	<u>30,667</u>
Total Expenses	<u>73,592</u>	<u>157,902</u>
 Increase (decrease) in net unrestricted assets	 6,859	 (70,707)
 Unrestricted Net assets at beginning of year:		
Undesignated	<u>1,146,178</u>	<u>1,153,037</u>
Total at Beginning of Year	1,146,178	1,153,037
 Unrestricted Net assets at end of year		
Undesignated	<u>1,153,037</u>	<u>1,082,330</u>
Total at End of Year	<u>\$ 1,153,037</u>	<u>\$ 1,082,330</u>

Appendix A

Alaska Bar Association Court System Library Fund Revenues Compared with Expenses Calendar Years 2006 through 2007

	<u>2006</u>	<u>2007</u>
Revenues		
Earnings on Investments	\$ 190	\$ 205
Share from Copiers	<u>1,856</u>	<u>2,140</u>
Total Revenues	<u>2,046</u>	<u>2,345</u>
 Expenses		
Other	<u>12</u>	<u>12</u>
Total Expenses	<u>12</u>	<u>12</u>
 Increase (decrease) in net unrestricted assets	 2,034	 2,333
 Unrestricted Net assets at beginning of year:		
Undesignated	<u>19,105</u>	<u>21,139</u>
Total at Beginning of Year	<u>19,105</u>	<u>21,139</u>
 Unrestricted Net assets at end of year		
Undesignated	<u>21,139</u>	<u>23,472</u>
Total at End of Year	<u><u>\$ 21,139</u></u>	<u><u>\$ 23,472</u></u>

(Intentionally left blank)

Appendix B

Board of Governors of the Alaska Bar Association Discipline Statistics Calendar Years 2006 through 2008⁹

<u>Disposition of Closed Disciplinary Cases</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Disbarment by Supreme Court	–	2	2
Suspension by Supreme Court	7	5	5
Public Censure by Supreme Court	–	1	–
Public Reprimand by Disciplinary Board	2	1	1
Private Reprimand by Disciplinary Board	2	–	1
Private Admonition by Discipline Counsel	4	1	2
Dismissed	31	21	5
Closed After Mediation	–	–	–
Total Closed Cases	<u>46</u>	<u>31</u>	<u>12</u>
<u>Status of Open Cases at Year End</u>			
Attorney on Probation	1	1	1
Pending Supreme Court	1	3	7
Pending Disciplinary Board	5	8	–
Pending Hearing Committee	5	–	12
Pending Stipulation	–	3	8
Pending Approval to File Formal Hearing	10	11	7
Pending Written Private Admonition	–	–	–
Abeyance due to Court Case	9	9	9
Pending Bar Counsel Investigation/Decision	23	33	40
Pending Complainant Reply	1	1	10
Pending Respondent Response	3	17	21
Pending Mediation	–	–	–
Total Open Cases	<u>58</u>	<u>86</u>	<u>115</u>

Source: Data for 2006-2007 was obtained from annual reports of the Alaska Bar Association. The 2008 data is from Alaska Bar Association's quarterly Discipline Reports to the Alaska Supreme Court for January 1, 2008 through June 30, 2008.

⁹ The amounts reported for 2008 includes activity from January 1 through June 30, 2008.

(Intentionally left blank)

Appendix C

Board of Governors of the Alaska Bar Association Bar Examination and Admission Statistics

Examination Statistics

Examination Dates	Number Taking <u>Exam</u>	Number Passing <u>Exam</u>	Percent Passing <u>Exam</u>
July 2006	82	52	63%
February 2007	54	26	48%
July 2007	75	52	69%
February 2008	<u>37</u>	<u>27</u>	<u>73%</u>
Total	248	157	63%

Admission Statistics

Calendar Year	Admission By <u>Examination</u>	Admission By <u>Reciprocity</u>	Total <u>Admissions</u>
2006	85	30	115
2007	70	43	113
2008 ¹⁰	<u>40</u>	<u>14</u>	<u>54</u>
Total	195	87	282

Source: Alaska Bar Association's 2006-2007 Annual Reports and 2008 information provided by the Alaska Bar Association's executive director.

¹⁰ Admissions through June 30, 2008.

(Intentionally left blank)

Board of Governors of the Alaska Bar Association
Attorney Referrals
January 1, 2006 through June 30, 2008
(Unaudited)

<u>Practice Categories</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Administrative	194	219	128
Admiralty	18	12	7
Adoption	16	35	15
Arts	2	3	4
Bankruptcy	52	79	63
Commercial	112	149	76
Construction	29	63	15
Consumer	315	275	152
Criminal: Felony	92	166	55
Criminal: Misdemeanor	114	170	75
Divorce/Dissolution/Custody	784	809	402
Eminent Domain	4	-	4
Environmental	6	-	-
Foreign Language	-	2	3
Guardian/Conservator	64	11	18
Immigration	28	52	18
Insurance	51	61	23
Labor Relations	355	392	194
Landlord/Tenant	63	30	49
Malpractice	197	244	96
Negligence	380	556	211
Patent/Copyright	5	41	8
Public Interest	3	1	1
Real Estate	175	257	112
Social Security Insurance Cases	22	48	2
Traffic	49	8	3
Trusts/Wills/Estates	144	222	107
Workers' Compensation	<u>192</u>	<u>229</u>	<u>110</u>
Total	<u>3,468</u>	<u>4,134</u>	<u>1,951</u>

Source: Data for 2006-2007 was obtained from Annual Reports of the Alaska Bar Association. The 2008 data provided by the Alaska Bar Association's executive director is for 6 months of attorney referrals.

(Intentionally left blank)