

**STATE BAR OF SOUTH DAKOTA,
S.D. CONTINUING LEGAL EDUCATION, INC.
AND
ACCESS TO JUSTICE, INC.**

COMBINED FINANCIAL REPORT

JULY 31, 2021

Table of Contents

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT ON THE COMBINED FINANCIAL STATEMENTS	1 - 2
COMBINED FINANCIAL STATEMENTS	
Combined statements of financial position	3 - 4
Combined statements of activities	5 - 6
Statements of functional expenses for the State Bar of South Dakota	7
Statements of functional expenses for S.D. Continuing Legal Education, Inc.	8
Statements of functional expenses for Access to Justice, Inc.	9
Combined statements of cash flows	10 - 11
Notes to combined financial statements	12 - 19
INDEPENDENT AUDITOR'S REPORT ON THE SUPPLEMENTARY INFORMATION	20
SUPPLEMENTARY INFORMATION	
Combined schedule of revenues collected	21
Schedule of budget vs. actual unrestricted fund expenses for the State Bar South Dakota	22
Schedule of budget vs. actual unrestricted fund expenses for the S.D. Continuing Legal Education, Inc.	23
Schedule of budget vs. actual unrestricted fund expenses for the Access to Justice, Inc.	24



PALMER, CURRIER & HOFFERT, LLP

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Bar Commissioners and Boards of Directors of
State Bar of South Dakota, S.D. Continuing Legal Education, Inc. and Access to Justice, Inc.

We have audited the accompanying combined financial statements of the State Bar of South Dakota, S.D. Continuing Legal Education, Inc. and Access to Justice, Inc. (nonprofit organizations), which comprise the combined statements of financial position as of July 31, 2021 and 2020, and the related combined statements of activities, functional expenses and cash flows for the three entities for the years then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entities' preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entities' internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the State Bar of South Dakota, S.D. Continuing Legal Education, Inc. and Access to Justice, Inc. as of July 31, 2021 and 2020, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Palmer, Currier and Hoffert LLP

Pierre, South Dakota
March 28, 2022

STATE BAR OF SOUTH DAKOTA, S.D. CONTINUING LEGAL EDUCATION, INC. AND
ACCESS TO JUSTICE, INC.

COMBINED STATEMENTS OF FINANCIAL POSITION
JULY 31, 2021 AND 2020

	2021		
	State Bar of South Dakota	S.D. Continuing Legal Education, Inc.	Access to Justice, Inc.
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents (Note 2)	\$ 695,595	\$ 462,571	\$ 84,636
Accounts receivable (Note 6)	729	3,255	1,595
Prepaid expenses	9,468	4,310	-
Due from South Dakota Bar Foundation	1,056	-	-
Income taxes receivable	727	-	-
Due from S.D. Continuing Legal Education, Inc.	108,147 *	-	-
Due from Access to Justice, Inc.	- *	-	-
Total current assets	815,722	470,136	86,231
PROPERTY AND EQUIPMENT			
Furniture and equipment	85,449	69,045	5,434
Less accumulated depreciation	62,883	52,935	5,121
	22,566	16,110	313
	\$ 838,288	\$ 486,246	\$ 86,544
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Current maturities of capital lease obligations (Note 3)	\$ 1,901	\$ -	\$ -
Accounts payable	14,613	6,244	-
Accrued expenses	68,954	115	11,968
Income taxes payable	-	602	-
Due to State Bar of South Dakota	-	108,147 *	- *
Total current liabilities	85,468	115,108	11,968
CAPITAL LEASE OBLIGATIONS, LESS CURRENT MATURITIES (NOTE 3)	1,161	-	-
COMMITMENTS AND CONTINGENCIES (NOTE 4)			
NET ASSETS (NOTE 6)			
Without donor restrictions	751,659	371,138	74,576
	\$ 838,288	\$ 486,246	\$ 86,544

See Notes to Combined Financial Statements.

* Eliminated in the combined column.

2020

Combined	State Bar of South Dakota	S.D. Continuing Legal Education, Inc.	Access to Justice, Inc.	Combined
\$ 1,242,802	\$ 729,937	\$ 286,639	\$ 40,768	\$ 1,057,344
5,579	176	4,252	-	4,428
13,778	7,073	3,997	-	11,070
1,056	126	-	-	126
727	-	834	-	834
-	36,568 *	-	-	-
-	2,877 *	-	-	-
<u>1,263,942</u>	<u>776,757</u>	<u>295,722</u>	<u>40,768</u>	<u>1,073,802</u>
159,928	82,117	69,045	5,434	156,596
<u>120,939</u>	<u>50,391</u>	<u>43,869</u>	<u>4,738</u>	<u>98,998</u>
<u>38,989</u>	<u>31,726</u>	<u>25,176</u>	<u>696</u>	<u>57,598</u>
<u>\$ 1,302,931</u>	<u>\$ 808,483</u>	<u>\$ 320,898</u>	<u>\$ 41,464</u>	<u>\$ 1,131,400</u>
\$ 1,901	\$ 1,794	\$ -	\$ -	\$ 1,794
20,857	12,416	18,334	-	30,750
81,037	30,505	70	11,631	42,206
602	894	-	-	894
-	-	36,568 *	2,877 *	-
<u>104,397</u>	<u>45,609</u>	<u>54,972</u>	<u>14,508</u>	<u>75,644</u>
<u>1,161</u>	<u>3,061</u>	<u>-</u>	<u>-</u>	<u>3,061</u>
1,197,373	759,813	265,926	26,956	1,052,695
<u>\$ 1,302,931</u>	<u>\$ 808,483</u>	<u>\$ 320,898</u>	<u>\$ 41,464</u>	<u>\$ 1,131,400</u>

**STATE BAR OF SOUTH DAKOTA, S.D. CONTINUING LEGAL EDUCATION, INC. AND
ACCESS TO JUSTICE, INC.**

**COMBINED STATEMENTS OF ACTIVITIES
YEARS ENDED JULY 31, 2021 AND 2020**

	2021		
	State Bar of South Dakota	S.D. Continuing Legal Education, Inc.	Access to Justice, Inc.
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS			
Revenues collected:			
Dues	\$ 909,045	\$ 264,375	\$ -
Program services	48,017	149,150	121,333
Administration fees	5,019	-	-
Loss on disposal of equipment	-	-	-
Interest	1,945 *	4,018	5
Donations	606	-	54,500 *
Miscellaneous	367	-	-
Total revenues, gains and other support	964,999	417,543	175,838
Expenses paid:			
Supporting activities (Notes 5, 7 and 8)	632,124	163,860 *	8,028
Program services (Note 5)	341,029 *	148,471	120,190
Total expenses paid	973,153	312,331	128,218
Change in net assets without donor restrictions	(8,154)	105,212	47,620
NET ASSETS AT BEGINNING OF YEAR	759,813	265,926	26,956
NET ASSETS AT END OF YEAR	\$ 751,659	\$ 371,138	\$ 74,576

See Notes to Combined Financial Statements

*Interorganizational interest of \$191 in 2021 and \$177 in 2020 and interorganizational contributions of \$53,500 in 2021 and \$50,000 in 2020 are eliminated in the combined column.

2020

Combined	State Bar of South Dakota	S.D. Continuing Legal Education, Inc.	Access to Justice, Inc.	Combined
\$ 1,173,420	\$ 895,903	\$ 260,260	\$ -	\$ 1,156,163
318,500	45,478	160,808	109,500	315,786
5,019	5,741	-	-	5,741
-	(1,586)	(241)	-	(1,827)
5,777	6,378 *	4,977	9	11,187
1,606	-	-	51,550 *	1,550
367	3,308	619	-	3,927
<u>1,504,689</u>	<u>955,222</u>	<u>426,423</u>	<u>161,059</u>	<u>1,492,527</u>
803,821	481,590	121,043 *	8,181	610,637
556,190	370,928 *	167,598	130,406	618,932
<u>1,360,011</u>	<u>852,518</u>	<u>288,641</u>	<u>138,587</u>	<u>1,229,569</u>
144,678	102,704	137,782	22,472	262,958
<u>1,052,695</u>	<u>657,109</u>	<u>128,144</u>	<u>4,484</u>	<u>789,737</u>
<u>\$ 1,197,373</u>	<u>\$ 759,813</u>	<u>\$ 265,926</u>	<u>\$ 26,956</u>	<u>\$ 1,052,695</u>

**STATE BAR OF SOUTH DAKOTA, S.D. CONTINUING LEGAL EDUCATION, INC. AND
ACCESS TO JUSTICE, INC.**

**STATEMENTS OF FUNCTIONAL EXPENSES FOR THE STATE BAR OF SOUTH DAKOTA
YEARS ENDED JULY 31, 2021 AND 2020**

	2021			2020		
	Supporting Activities	Program Services	Total	Supporting Activities	Program Services	Total
Personnel and other expenses	\$ 483,753	\$ -	\$ 483,753	\$ 395,026	\$ -	\$ 395,026
Disciplinary board	-	105,403	105,403	-	115,678	115,678
Annual meeting	77,370	-	77,370	1,091	-	1,091
Legal services coordinator	-	53,500	53,500	-	50,000	50,000
AMS/CMS	-	30,726	30,726	-	23,655	23,655
Lobbyist	-	26,705	26,705	-	32,030	32,030
Bar commissioners	-	22,810	22,810	-	25,227	25,227
CAF claims	-	20,000	20,000	-	-	-
Rent	15,402	-	15,402	14,466	-	14,466
President's office	-	15,252	15,252	-	17,715	17,715
Legal and accounting	15,000	-	15,000	14,910	-	14,910
Lawyer assistance program	-	12,682	12,682	-	12,126	12,126
Depreciation	12,493	-	12,493	16,398	-	16,398
Publications	9,067	-	9,067	9,660	-	9,660
Young lawyers	-	8,921	8,921	-	17,493	17,493
Strategic planning committee	-	8,536	8,536	-	13,034	13,034
State and federal taxes	7,373	-	7,373	8,040	-	8,040
Lawyer assistance committee	-	5,934	5,934	-	2,418	2,418
Contribution expense	-	4,999	4,999	-	4,999	4,999
Professional liability insurance	-	3,953	3,953	-	2,098	2,098
Managed IT	3,809	-	3,809	4,394	-	4,394
Pattern jury instructions-civil	-	3,055	3,055	-	7,500	7,500
Ethics	-	2,872	2,872	-	3,465	3,465
Lawyers concerned for lawyers	-	2,018	2,018	-	3,063	3,063
Public information	-	1,924	1,924	-	4,277	4,277
Office supplies	1,873	-	1,873	3,094	-	3,094
Project rural practice	-	1,581	1,581	-	1,321	1,321
Phone/internet service	1,561	-	1,561	2,180	-	2,180
Pattern jury instructions-criminal	-	1,500	1,500	-	3,515	3,515
Law school - moot court	-	1,500	1,500	-	1,500	1,500
Stress/depression treatment	-	1,460	1,460	-	1,300	1,300
Postage	1,226	-	1,226	729	-	729
Law school committee	-	1,161	1,161	-	1,478	1,478
iStream fees	1,034	-	1,034	3,363	-	3,363
Travel	1,019	-	1,019	2,343	-	2,343
Women in law	-	976	976	-	46	46
Family law	-	763	763	-	708	708
Veterans committee	-	516	516	-	1,742	1,742
Sole practitioner and small office	-	481	481	-	-	-
Judicial-Bar liaison	-	468	468	-	-	-
Dues	380	-	380	380	-	380
Agricultural law	-	239	239	-	-	-
Debtor-creditor	-	239	239	-	-	-
Interest expense	235	-	235	336	-	336
Website committee	-	214	214	-	1,256	1,256
Administrative law	-	208	208	-	119	119
Diversity and inclusion	-	192	192	-	52	52
Real property, probate and trust	-	155	155	-	265	265
Labor and employment law	-	31	31	-	-	-
In-House counsel	-	33	33	-	-	-
Equipment expense	-	-	-	3,880	-	3,880
Lawyer referral	-	-	-	-	3,017	3,017
Business law	-	-	-	-	459	459
Legal services	-	-	-	-	420	420
Law practice management	-	-	-	-	119	119
Alternative dispute resolution	-	-	-	-	19	19
Copies	(291)	-	(291)	329	-	329
ABA and State Bar delegates	-	(308)	(308)	-	18,803	18,803
Miscellaneous	820	330	1,150	971	11	982
	<u>\$ 632,124</u>	<u>\$ 341,029</u>	<u>\$ 973,153</u>	<u>\$ 481,590</u>	<u>\$ 370,928</u>	<u>\$ 852,518</u>

See Notes to Combined Financial Statements.

**STATE BAR OF SOUTH DAKOTA, S.D. CONTINUING LEGAL EDUCATION, INC. AND
ACCESS TO JUSTICE, INC.**

**STATEMENTS OF FUNCTIONAL EXPENSES FOR S.D. CONTINUING LEGAL EDUCATION, INC.
YEARS ENDED JULY 31, 2021 AND 2020**

	2021			2020		
	Supporting Activities	Program Services	Total	Supporting Activities	Program Services	Total
Fastcase	\$ -	\$ 99,308	\$ 99,308	\$ -	\$ 119,007	\$ 119,007
Personnel and other expenses	69,208	25,767	94,975	51,850	24,754	76,604
Rent	15,402	-	15,402	14,466	-	14,466
Coffee and pop	12,000	-	12,000	1,743	-	1,743
Program travel and expenses	-	9,660	9,660	-	2,243	2,243
Depreciation	9,066	-	9,066	12,102	-	12,102
Equipment expense	8,685	-	8,685	3,266	-	3,266
Phone/Internet service	7,231	-	7,231	7,495	-	7,495
Committee travel	5,786	-	5,786	142	-	142
Office supplies	5,775	-	5,775	7,327	-	7,327
Remote deposit/cc fees	5,188	-	5,188	275	-	275
Staff travel	5,185	-	5,185	6,941	-	6,941
Supreme court opinions	-	4,129	4,129	-	9,451	9,451
Insurance	4,047	-	4,047	4,263	-	4,263
Postage	3,180	-	3,180	2,842	-	2,842
CLE speaker program fee	-	3,125	3,125	-	2,000	2,000
Pattern jury instruction	-	2,596	2,596	-	3,389	3,389
Federal taxes	2,336	-	2,336	1,699	-	1,699
Audio - CLE program	-	1,911	1,911	-	1,672	1,672
Legal and accounting	1,438	-	1,438	1,438	-	1,438
CLE Speaker	-	1,200	1,200	-	650	650
Books and printing	-	761	761	-	875	875
Copies	200	-	200	287	-	287
Interest expense	191	-	191	177	-	177
Lease agreements	-	59	59	-	-	-
Rackspace	-	-	-	-	3,575	3,575
Miscellaneous	8,942	(45)	8,897	4,730	(18)	4,712
	<u>\$ 163,860</u>	<u>\$ 148,471</u>	<u>\$ 312,331</u>	<u>\$ 121,043</u>	<u>\$ 167,598</u>	<u>\$ 288,641</u>

See Notes to Combined Financial Statements.

**STATE BAR OF SOUTH DAKOTA, S.D. CONTINUING LEGAL EDUCATION, INC. AND
ACCESS TO JUSTICE, INC.**

**STATEMENTS OF FUNCTIONAL EXPENSES FOR ACCESS TO JUSTICE, INC.
YEARS ENDED JULY 31, 2021 AND 2020**

	2021			2020		
	Supporting Activities	Program Services	Total	Supporting Activities	Program Services	Total
Personnel and other expenses	\$ -	\$ 101,167	\$ 101,167	\$ -	\$ 110,466	\$ 110,466
Judicare	-	8,772	8,772	-	10,873	10,873
Statewide intake	-	7,800	7,800	-	7,100	7,100
Software	3,789	-	3,789	3,709	-	3,709
Phone/Internet service	1,579	-	1,579	2,186	-	2,186
Program travel and expenses	-	1,451	1,451	-	967	967
Bill Day Pro Bono award exp.	-	1,000	1,000	-	1,000	1,000
Legal and accounting	761	-	761	761	-	761
Office supplies	676	-	676	458	-	458
Depreciation	383	-	383	577	-	577
Miscellaneous	840	-	840	490	-	490
	<u>\$ 8,028</u>	<u>\$ 120,190</u>	<u>\$ 128,218</u>	<u>\$ 8,181</u>	<u>\$ 130,406</u>	<u>\$ 138,587</u>

See Notes to Combined Financial Statements.

**STATE BAR OF SOUTH DAKOTA, S.D. CONTINUING LEGAL EDUCATION, INC. AND
ACCESS TO JUSTICE, INC.**

**COMBINED STATEMENTS OF CASH FLOWS
YEARS ENDED JULY 31, 2021 AND 2020**

	2021		
	State Bar of South Dakota	S.D. Continuing Legal Education, Inc.	Access to Justice, Inc.
CASH FLOWS FROM OPERATING ACTIVITIES			
Change in net assets	\$ (8,154)	\$ 105,212	\$ 47,620
Adjustment to reconcile change in net assets to net cash provided by (used in) operating activities:			
Depreciation	12,493	9,066	383
Loss on disposal of equipment	-	-	-
Change in assets and liabilities:			
Accounts receivable	(553)	997	(1,595)
Prepaid expenses	(2,395)	(313)	-
SD Bar Foundation receivable	(930)	-	-
Income taxes receivable	(727)	834	-
Accounts payable	2,197	(12,090)	-
Accrued expenses	38,449	45	337
Income taxes payable	(894)	602	-
Deferred revenue	-	-	-
Intercompany receivables/payables	(68,702)	71,579	(2,877)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>(29,216)</u>	<u>175,932</u>	<u>43,868</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of equipment	(3,333)	-	-
NET CASH USED IN INVESTING ACTIVITIES	<u>(3,333)</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Principal payments on capital lease obligations	(1,793)	-	-
NET CASH USED IN FINANCING ACTIVITIES	<u>(1,793)</u>	<u>-</u>	<u>-</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(34,342)	175,932	43,868
CASH AND CASH EQUIVALENTS			
Beginning	729,937	286,639	40,768
Ending	<u>\$ 695,595</u>	<u>\$ 462,571</u>	<u>\$ 84,636</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION			
Cash payments for:			
Interest	\$ 235	\$ 147 *	\$ -
Income taxes	8,100	900	-

See Notes to Combined Financial Statements.

* Eliminated interorganizational interest of \$147 in 2021 and \$300 in 2020 in the combined column.

2020

Combined	State Bar of South Dakota	S.D. Continuing Legal Education, Inc.	Access to Justice, Inc.	Combined
\$ 144,678	\$ 102,704	\$ 137,782	\$ 22,472	\$ 262,958
21,942	16,398	12,102	577	29,077
-	1,586	241	-	1,827
(1,151)	132	(2,250)	-	(2,118)
(2,708)	6,330	(151)	-	6,179
(930)	(126)	-	-	(126)
107	-	(801)	-	(801)
(9,893)	(5,615)	(15,273)	-	(20,888)
38,831	(5,606)	(52)	3,436	(2,222)
(292)	(4,460)	-	-	(4,460)
-	-	(1,107)	-	(1,107)
-	22,955	(22,955)	-	-
<u>190,584</u>	<u>134,298</u>	<u>107,536</u>	<u>26,485</u>	<u>268,319</u>
<u>(3,333)</u>	<u>(13,612)</u>	<u>(11,752)</u>	<u>-</u>	<u>(25,364)</u>
<u>(3,333)</u>	<u>(13,612)</u>	<u>(11,752)</u>	<u>-</u>	<u>(25,364)</u>
<u>(1,793)</u>	<u>(1,693)</u>	<u>-</u>	<u>-</u>	<u>(1,693)</u>
<u>(1,793)</u>	<u>(1,693)</u>	<u>-</u>	<u>-</u>	<u>(1,693)</u>
185,458	118,993	95,784	26,485	241,262
<u>1,057,344</u>	<u>610,944</u>	<u>190,855</u>	<u>14,283</u>	<u>816,082</u>
<u>\$ 1,242,802</u>	<u>\$ 729,937</u>	<u>\$ 286,639</u>	<u>\$ 40,768</u>	<u>\$ 1,057,344</u>
\$ 235	\$ 336	\$ 300 *	\$ -	\$ 336
9,000	12,500	2,500	-	15,000

**STATE BAR OF SOUTH DAKOTA, S.D. CONTINUING LEGAL EDUCATION, INC. AND
ACCESS TO JUSTICE, INC.**

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 1. Nature of Activities and Significant Accounting Policies

Nature of activities:

The State Bar of South Dakota is organized as a public association and the S.D. Continuing Legal Education, Inc. and Access to Justice, Inc. are organized as nonprofit corporations under the laws of the State of South Dakota.

The purpose of the State Bar of South Dakota is to obtain the cooperation of all the practicing lawyers in the State for the betterment of the administration of justice and in maintaining a high standard of professional conduct at the Bar, to furnish a legal entity through which the considered judgment of its members on matters affecting the judicial system of the State may be ascertained and made available to the courts and the State Legislature, to uphold the honor of the profession of the law and to encourage adequate preparation for its practice.

The purpose of S.D. Continuing Legal Education, Inc. is to provide, through the facilities and personnel of the Corporation and by financial support, an educational program for the study, discussion and dissemination of information relating to the laws of the State of South Dakota, United States of America, the several states thereof, and governmental units and organizations inferior to or related to any of them, and international law, for members of the State Bar of South Dakota.

The purpose of Access to Justice, Inc. is to provide, through facilities and personnel of the Corporation and by financial support, coordination of pro bono lawyers to assist poor citizens with their legal problems, thus providing access to justice for those lacking financial resources to hire a lawyer.

A summary of significant accounting policies follows:

Principles of combination:

The combined financial statements include the accounts of the State Bar of South Dakota, S.D. Continuing Legal Education, Inc. and Access to Justice, Inc. The commissioners of the State Bar of South Dakota are also the directors of S.D. Continuing Legal Education, Inc. and Access to Justice, Inc. All material interorganizational balances and transactions have been eliminated in the combination.

Method of accounting and basis of presentation:

The accompanying combined financial statements of the Bar and Corporations are prepared under the accrual method of accounting. The Bar and Corporations classify their net assets, their revenue and expenses, and gains and losses based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Bar and Corporations are classified into the following two classes:

- 1) Net assets without donor restrictions represent funds that are available for support of operations of the Bar and Corporations, and that are not subject to donor stipulation.
- 2) Net assets with donor restrictions consist of contributions that have been restricted by the donor for a specific purpose.

**STATE BAR OF SOUTH DAKOTA, S.D. CONTINUING LEGAL EDUCATION, INC. AND
ACCESS TO JUSTICE, INC.**

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Method of accounting and basis of presentation (continued):

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Expirations of donor-imposed restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled) are reported as reclassifications between the applicable classes of net assets.

Board-designated net assets are net assets without donor restrictions that are used only for the specific purpose passed by the Board resolution. Changes to designation require a subsequent Board resolution. The President and other staff of the Bar and Corporations may not change the purpose of any Board-designated funds without the consent of the Board.

As of July 31, 2021 and 2020, and for the years then ended, the Bar and Corporations held no net assets with donor restrictions.

Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents:

For purposes of reporting cash flows, the Bar and Corporations consider money market funds to be cash equivalents. The Bar and Corporations maintain their cash and cash equivalents primarily in two commercial banks in South Dakota. The balances in these accounts may, at times, exceed the federally insured limits. The amount on deposits at July 31, 2021 and 2020 exceeded the insurance limits of the Federal Deposit Insurance Corporation by approximately \$529,000 and \$405,000, respectively. The Bar has not experienced any losses in these accounts and does not expect any losses in the future.

Accounts receivable:

Accounts receivable are carried at original invoice amount less an estimate for doubtful accounts based on a review of outstanding amounts on a periodic basis. Management determines the allowance for doubtful accounts by regularly evaluating individual customer receivables and considering a customer's financial condition and credit history. No allowance for doubtful accounts was recorded as of July 31, 2021 and 2020. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recognized as income when received.

Property, equipment and depreciation:

Furniture and equipment are recorded at cost. Depreciation of furniture and equipment is computed using the declining-balance method over the estimated useful lives of five years to seven years. The depreciation expense on equipment acquired under capital leases is included in depreciation expense on owned assets.

**STATE BAR OF SOUTH DAKOTA, S.D. CONTINUING LEGAL EDUCATION, INC. AND
ACCESS TO JUSTICE, INC.**

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Impairment of long-lived Assets

Long-lived assets are evaluated for impairment whenever events or changes in circumstances have indicated that an asset may not be recoverable and are grouped with other assets to the lowest level for which identifiable cash flows are largely independent of the cash flows of other groups of assets and liabilities (asset group). If the sum of the projected undiscounted cash flows (excluding interest charges) of an asset group is less than its carrying value and the fair value of an asset group is also less than its carrying value, the assets will be written down by the amount by which the carrying value of the asset group exceeded its fair value. However the carrying amount of a finite-lived intangible asset can never be written down below its fair value. Any loss would be recognized in income from continuing operations in the period in which the determination is made. Management has determined that there was no impairment of long-lived assets as of July 31, 2021 and 2020.

Donated services:

The Boards of Commissioners and Directors donate their time to the Bar and Corporations during their term. This time can not be quantified but is not considered material.

Revenue recognition:

Under Accounting Standards Codification (ASC) Topic 606, revenue from contracts with customers is recognized when control of the promised goods or services is transferred in an amount that reflects the consideration to which we expect to be entitled in exchange for those goods or services (i.e., the transaction price). Member dues are recognized as revenue during the period for which the membership applies. Interest income, newsletter advertising income and program services income are recognized as revenue when earned. Contributions are recognized as income at their fair value in the period in which they are received. The deferred revenue is from prepaid newsletter advertising income and will be recognized as revenue in the following year.

S. D. Continuing Legal Education, Inc. classifies all taxes collected from customers and remitted to government authorities on a net basis for the years ended July 31, 2021 and 2020.

Functional allocation of expenses:

The Bar and Corporations allocate their expenses on a functional basis by program and supporting services. Expenses that can be identified with a specific program and support service are allocated to that program according to their natural expenditure classification. Other expenses that are common to several functions are allocated by various statistical bases as determined by management.

Fundraising Expense

The Bar and Corporations do not have any fundraising costs that they incurred during the fiscal years ended July 31, 2021 and 2020.

**STATE BAR OF SOUTH DAKOTA, S.D. CONTINUING LEGAL EDUCATION, INC. AND
ACCESS TO JUSTICE, INC.**

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Subsequent events:

The Bar and Corporations have evaluated subsequent events through March 28, 2022, the date on which the financial statements were available to be issued.

Note 2. Cash and Cash Equivalents

The composition of cash and cash equivalents is as follows:

	2021			
	State Bar of South Dakota	S.D. Continuing Legal Education, Inc.	Access to Justice, Inc.	Combined
Cash and cash equivalents:				
Designated for client security:				
Money market and savings accounts	\$ 92,248	\$ -	\$ -	\$ 92,248
Checking account	4,017	-	-	4,017
	<u>96,265</u>	<u>-</u>	<u>-</u>	<u>96,265</u>
Undesignated:				
Money market and savings accounts	453,713	95,392	-	549,105
Checking account	145,617	367,179	84,636	597,432
	<u>599,330</u>	<u>462,571</u>	<u>84,636</u>	<u>1,146,537</u>
	<u>\$ 695,595</u>	<u>\$ 462,571</u>	<u>\$ 84,636</u>	<u>\$ 1,242,802</u>
	2020			
	State Bar of South Dakota	S.D. Continuing Legal Education, Inc.	Access to Justice, Inc.	Combined
Cash and cash equivalents:				
Designated for client security:				
Money market and savings accounts	\$ 92,192	\$ -	\$ -	\$ 92,192
Checking account	24,012	-	-	24,012
	<u>116,204</u>	<u>-</u>	<u>-</u>	<u>116,204</u>
Undesignated:				
Money market and savings accounts	592,227	85,330	-	677,557
Checking account	21,506	201,309	40,768	263,583
	<u>613,733</u>	<u>286,639</u>	<u>40,768</u>	<u>941,140</u>
	<u>\$ 729,937</u>	<u>\$ 286,639</u>	<u>\$ 40,768</u>	<u>\$ 1,057,344</u>

**STATE BAR OF SOUTH DAKOTA, S.D. CONTINUING LEGAL EDUCATION, INC. AND
ACCESS TO JUSTICE, INC.**

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 3. Lease Commitments and Total Rental Expense

The capital lease obligations at July 31, 2021 and 2020 in the amount of \$3,062 and \$4,855, respectively, represents the present value of the lease for office equipment. Interest for the copier machine has been imputed at 5.81% to February 19, 2023. Since the present value of the future minimum lease payments at the beginning of the lease exceeded ninety percent of the fair value of the leased asset at the date, the lease is considered to be a capital lease. Equipment includes equipment under capital lease in the amount of \$8,788 at July 31, 2021 and 2020. Lease amortization is included with accumulated depreciation and was \$7,175 and \$6,099 at July 31, 2021 and 2020, respectively.

Maturities of capital lease obligations at July 31, 2021 are as follows:

Year Ending July 31:	Total Lease Payments	Amount Representing Interest	Principal
2022	\$ 2,028	\$ 127	\$ 1,901
2023	1,184	23	1,161
	\$ 3,212	\$ 150	\$ 3,062

State Bar of South Dakota rents office space under an operating lease which expires December 31, 2029. The lease provides that State Bar of South Dakota pay a monthly rental amount of \$2,567. S.D. Continuing Legal Education, Inc. is using this same office space for its operations and was paying the Bar \$1,284 per month. The total minimum rental commitment at July 31, 2021 under this lease is as follows:

Year ending July 31,	
2022	\$ 30,804
2023	30,804
2024	30,804
2025	30,804
2026	30,804
Thereafter	105,247
	\$ 259,267

The State Bar of South Dakota and the S.D. Continuing Legal Education, Inc. have each reported \$15,402 and \$14,466 of rent expense for the years ended July 31, 2021 and 2020, respectively, in the combined statements of activities. The total rent expense of the entities included in the combined statements of activities for the years ended July 31, 2021 and 2020 was \$30,804 and \$28,932, respectively.

Note 4. Coronavirus (COVID-19) Considerations

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 11, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate the spread of it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Company operates. On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was enacted to amongst other provisions, provide emergency assistance for individuals, families and businesses affected by the coronavirus pandemic.

**STATE BAR OF SOUTH DAKOTA, S.D. CONTINUING LEGAL EDUCATION, INC. AND
ACCESS TO JUSTICE, INC.**

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 4. Coronavirus (COVID-19) Considerations (Continued)

While the event is impacting the world economy, the extent to which this event will impact the Bar and Corporations' financial position will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and actions taken to contain the coronavirus or its impacts, among others.

Note 5. Employee Benefit Plan

State Bar of South Dakota and Access to Justice, Inc. participate in the South Dakota Retirement System (SDRS), a cost-sharing, multiple employer public employee retirement system established to provide retirement benefits for the employees of the State of South Dakota and its political subdivisions. The SDRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the SDRS, PO Box 1098, Pierre, South Dakota 57501-1098 or by calling (605) 773-3731.

All of State Bar of South Dakota and Access to Justice's full-time employees are covered by the plan. Under the plan, covered employees are required by state statute to contribute 6 percent of their salary to the plan. State statute also requires the employer to contribute an amount equal to the employee's contribution. State Bar of South Dakota paid the full contribution for the year under the plan and was reimbursed by S.D. Continuing Legal Education, Inc. for its share of the contributions based on State Bar of South Dakota employees time spent performing operations of S.D. Continuing Legal Education, Inc. Total contributions reported in the combined statements of activities for the year ended July 31, 2021 was \$34,075, of which, State Bar of South Dakota has reported \$23,759 in general operations and \$0 in program services, S.D. Continuing Legal Education, Inc. has reported \$3,486 in general operations and \$1,266 in program services and Access to Justice, Inc. has reported \$5,564 in program services and for the year ended July 31, 2020 was \$27,891, of which State Bar of South Dakota has reported \$18,879 in general operations and \$0 in program services, S.D. Continuing Legal Education, Inc. has reported \$2,565 in general operations and \$1,198 in program services and Access to Justice Inc. has reported \$5,249 in program services.

Note 6. Net Assets

The net assets without donor restrictions in the accompanying combined statements of financial position are either designated or undesignated. The undesignated net assets in the accompanying combined statements of financial position are for the day-to-day activities of State Bar of South Dakota, S.D. Continuing Legal Education, Inc. and Access to Justice, Inc. The designated net assets are designated for client claims against State Bar of South Dakota members, for which State Bar of South Dakota's by-laws require \$80,000 of net assets be maintained. State Bar of South Dakota has designated net assets of \$96,265 and \$116,204 for the years ended July 31, 2021 and 2020, respectively.

The by-laws of State Bar of South Dakota approved by the Supreme Court require a \$25 surcharge to all active members of State Bar of South Dakota when the balance drops below \$80,000. The aggregate payout limit per lawyer is \$75,000. As of July 31, 2021, State Bar of South Dakota does not anticipate any losses due to claims against the Client Assistance Program. During July 31, 2021 and 2020, the Client Assistance Program received \$0 for each of the years for reimbursement of payments made. During July 31, 2021, the Client Assistance Program paid out \$20,000 to a client, but the balance remained above the \$80,000 limit.

**STATE BAR OF SOUTH DAKOTA, S.D. CONTINUING LEGAL EDUCATION, INC. AND
ACCESS TO JUSTICE, INC.**

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 7. Unrelated Business Income Tax Matters

The Internal Revenue Service ("IRS") and certain state taxing authorities are currently revisiting what, if any, products and services provided by the Bar and Corporations are subject to unrelated business income tax ("UBIT"). There is currently very little guidance in the IRS Code on what activities should be subject to UBIT. The IRS has indicated that they are studying the issue and may issue additional guidance. As a result, at this time there is uncertainty regarding whether the Bar and Corporations should pay income tax on certain types of net income from activities that may be considered by taxing authorities as unrelated to the purpose for which the Bar and Corporations were granted non-taxable status. The Bar and Corporations have not filed any tax returns in the past for potential taxable activities. The taxing authorities have the ability to assess taxes, penalties and interest for any years for which no tax return was filed. In the opinion of management, any liability resulting from taxing authorities imposing income taxes on the net income from activities deemed to be unrelated to the Bar and Corporations' non-taxable status is not expected to have a material effect on the Bar and Corporations' financial position or results of operations.

State Bar of South Dakota is exempt from federal income taxes pursuant to the provisions in Section 501(c)(6) of the Internal Revenue Code. State Bar of South Dakota is subject to tax on unrelated business income and lobbying and political expenditures. Taxes of \$7,373 and \$8,040 related to this activity have been recognized in the combined financial statements for 2021 and 2020, respectively. S.D Continuing Legal Education, Inc. and Access to Justice, Inc. are exempt from federal income taxes pursuant to the provisions in Section 501(c)(3) of the Internal Revenue Code but are subject to tax on unrelated business income. Taxes of \$2,336 and \$1,699 for S.D. Continuing Legal Education, Inc. related to this income have been included in the combined financial statements for 2021 and 2020, respectively.

The Bar and Corporations are no longer subject to U.S. federal, state or local income tax examinations by tax authorities for years before the year ended July 31, 2017.

Note 8. Related Party Transactions

For each of the years ended July 31, 2021 and 2020, State Bar of South Dakota received management fees of \$5,000 from the South Dakota Bar Foundation, a related party. The South Dakota Bar Foundation made contributions totaling \$58,000 and \$65,000 to Access to Justice, Inc. for the years ended July 31, 2021 and 2020, respectively.

NOTES TO COMBINED FINANCIAL STATEMENTS

Note 9. Recently Issued Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842). The guidance in this ASU supersedes the leasing guidance in Topic 840, Leases. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. In September 2017, the FASB issued ASU 2017-13, Revenue Recognition (Topic 605), Revenue from Contracts with Customers (Topic 606), Leases (Topic 840), and Leases (Topic 842): Amendments to SEC Paragraphs, which rescinds certain SEC Observer comments and staff announcements from the lease guidance and incorporates SEC staff announcements on the effect of a change in tax law on leveraged leases from ASC 840 into ASC 842. In January 2018, the FASB issued ASU 2018-01, Leases (Topic 842): Land Easement Practical Expedient for Transition to Topic 842, which amends the new lease guidance to add an optional transition practical expedient that permits an entity to continue applying its current accounting policy for land easements that exist or expire before the ASC 842 effective date. In July 2018, the FASB issued ASU 2018-10, Codification Improvements to Topic 842, Leases, which makes narrow scope improvements to the standard for specific issues. In July 2018, the FASB also issued ASU 2018-11, Leases (Topic 842): Targeted Improvements, which provides an optional transition method allowing the standard to be applied at the adoption date. In March 2019, the FASB issued ASU 2019-01, Leases (Topic 842) Codification Improvements, which exempts entities from having to provide the interim disclosures required by ASC 250-10-50-3 in the fiscal year in which a company adopts the new leases standard.

A modified retrospective transition approach is required. An entity may adopt the guidance either (1) retrospectively to each prior reporting period presented in the financial statements with a cumulative-effect adjustment recognized at the beginning of the earliest comparative period presented or (2) retrospectively at the beginning of the period of adoption through a cumulative-effect adjustment. The Bar and Corporations expect to adopt the guidance retrospectively at the beginning of the period of adoption, August 1, 2022, through a cumulative-effect adjustment, and will not apply the new standard to comparative periods presented.

The new standard provides a number of practical expedients. Upon adoption, the Bar and Corporations expect to elect all the practical expedients available.

The Bar and Corporations are implementing new lease systems in connection with the adoption and are also evaluating the impact that ASU 2016-02 will have on its combined financial statements. We currently do not expect the adoption of this standard to result in a material increase to the assets and liabilities on the combined statements of financial position, or expect a material impact on the combined statements of activities or combined statements of cash flows. Management will continue to evaluate the impact of this guidance on our combined financial statements.



PALMER, CURRIER & HOFFERT, LLP

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

To the Board of Bar Commissioners and Boards of Directors
of State Bar of South Dakota, S.D. Continuing Legal Education, Inc. and Access to Justice, Inc.

We have audited the combined financial statements of State Bar of South Dakota, S.D. Continuing Legal Education, Inc. and Access to Justice, Inc. (the Bar and Corporations) as of and for the years ended July 31, 2021 and 2020, and our report thereon dated March 28, 2022, which expressed an unmodified opinion on those combined financial statements, appears on pages 1 - 2. Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Palmer, Currier and Hoffert LLP

Pierre, South Dakota
March 28, 2022

**STATE BAR OF SOUTH DAKOTA, S.D. CONTINUING LEGAL EDUCATION, INC. AND
ACCESS TO JUSTICE, INC.**

**COMBINED SCHEDULE OF REVENUES COLLECTED
YEAR ENDED JULY 31, 2021 WITH COMPARATIVE TOTALS FOR 2020
See Auditor's Report on the Supplementary Information**

	2021						2020
	State Bar of South Dakota			S.D. Continuing Legal Education, Inc.	Access to Justice, Inc.	Combined	Combined
	General Operations	Client Security	Total				
Dues:							
Bar dues	\$ 909,045	\$ -	\$ 909,045	\$ -	\$ -	\$ 909,045	\$ 895,903
CLE dues	-	-	-	264,375	-	264,375	260,260
	<u>909,045</u>	<u>-</u>	<u>909,045</u>	<u>264,375</u>	<u>-</u>	<u>1,173,420</u>	<u>1,156,163</u>
Program services:							
Dakota Disc	-	-	-	107,588	-	107,588	115,998
Program contributions	-	-	-	-	58,000	58,000	65,000
Commission on equal access to our courts	-	-	-	-	52,333	52,333	43,500
LAP Coordinator	30,000	-	30,000	-	-	30,000	-
Pattern jury instructions	-	-	-	20,391	-	20,391	20,101
Newsletter advertising	-	-	-	11,132	-	11,132	13,433
CEAC grant	-	-	-	-	10,000	10,000	-
Pro hac vice	9,900	-	9,900	-	-	9,900	19,500
Disciplinary board	5,766	-	5,766	-	-	5,766	24,139
Supreme court opinions - paper	-	-	-	5,520	-	5,520	6,400
Supreme court weekly opinions	-	-	-	2,500	-	2,500	2,044
LawPay royalty	2,351	-	2,351	-	-	2,351	1,839
CLE materials	-	-	-	2,019	-	2,019	-
Bill Day Pro Bono award donations	-	-	-	-	1,000	1,000	1,000
Lawyer referral	-	-	-	-	-	-	2,622
CLE registration fees	-	-	-	-	-	-	200
Membership directories	-	-	-	-	-	-	10
	<u>48,017</u>	<u>-</u>	<u>48,017</u>	<u>149,150</u>	<u>121,333</u>	<u>318,500</u>	<u>315,786</u>
Administration fees:							
SD Bar Foundation	5,000	-	5,000	-	-	5,000	5,000
Hagan benefits	19	-	19	-	-	19	702
Credit card fees	-	-	-	-	-	-	39
	<u>5,019</u>	<u>-</u>	<u>5,019</u>	<u>-</u>	<u>-</u>	<u>5,019</u>	<u>5,741</u>
Gain (loss) on disposal of equipment	-	-	-	-	-	-	(1,827)
Interest	1,894	51	1,945	4,018	5	5,777 *	11,187 *
Donations	606	-	606	-	54,500	1,606 *	1,550 *
Miscellaneous	367	-	367	-	-	367	3,927
	<u>\$ 964,948</u>	<u>\$ 51</u>	<u>\$ 964,999</u>	<u>\$ 417,543</u>	<u>\$ 175,838</u>	<u>\$ 1,504,689</u>	<u>\$ 1,492,527</u>

* Interorganizational interest of \$191 in 2021 and \$177 in 2020 and interorganizational contributions of \$53,500 in 2021 and \$50,000 in 2020 are eliminated in the combined column.

**STATE BAR OF SOUTH DAKOTA, S.D. CONTINUING LEGAL EDUCATION, INC. AND
ACCESS TO JUSTICE, INC.**

**SCHEDULE OF BUDGET VS. ACTUAL UNRESTRICTED FUND EXPENSES
FOR THE STATE BAR OF SOUTH DAKOTA
YEAR ENDED JULY 31, 2021
See Auditor's Report on the Supplementary Information**

	2020 - 2021 Budget Allowance	Expenses Paid	Variance Under (Over)
Administration	\$ 636,569	\$ 533,289	\$ 103,280
Disciplinary board	115,000	105,403	9,597
Annual meeting	100,000	77,370	22,630
Legal services coordinator	53,500	53,500	-
Lobbyist	45,000	26,705	18,295
President's office	43,000	15,252	27,748
AMS/CMS	30,500	30,726	(226)
Bar commissioners	28,000	22,810	5,190
Stress/Depression treatment	25,132	1,460	23,672
Young lawyers	25,000	8,921	16,079
ABA and State Bar delegates	25,000	(308)	25,308
Strategic planning committee	18,000	8,536	9,464
Lawyer assistance program	15,000	12,682	2,318
Publications	10,600	9,067	1,533
Public information	10,000	1,924	8,076
Pattern jury instructions-civil	7,500	3,055	4,445
Pattern jury instructions-criminal	7,500	1,500	6,000
Lawyer assistance committee	7,251	5,934	1,317
Real property, probate and trust	6,000	155	5,845
Lawyer referral	3,500	-	3,500
Ethics	3,000	2,872	128
Law school committee	3,000	1,161	1,839
Professional liability insurance	2,900	3,953	(1,053)
Lawyers concerned for lawyers	2,500	2,018	482
Project rural practice	2,000	1,581	419
Veterans committee	2,000	516	1,484
Website committee	2,000	214	1,786
Business Law	2,000	-	2,000
Law school - moot court	1,500	1,500	-
Family law	1,000	763	237
Diversity and inclusion	1,000	192	808
Public sector	1,000	-	1,000
Sole practitioner and small office	500	481	19
Legal services	500	-	500
Immigration	200	-	200
Judicial - Bar liaison	200	468	(268)
Agricultural law	200	239	(39)
Debtor-Creditor	200	239	(39)
Administrative law	200	208	(8)
In-House counsel	200	33	167
Labor and employment law	200	31	169
Law practice management	200	-	200
Criminal law	200	-	200
Indian law	200	-	200
Elder law	200	-	200
Practice rules revision	200	-	200
Evidence	200	-	200
Liaison with SD District IRS	200	-	200
Worker's compensation	200	-	200
Natural resources	200	-	200
Negligence and tort law	200	-	200
Education	200	-	200
Alternative dispute resolution	200	-	200
CAF claims	-	20,000	(20,000)
Depreciation	-	12,493	(12,493)
Contribution expense	-	4,999	(4,999)
Women in law	-	976	(976)
Interest expense	-	235	(235)
	<u>\$ 1,240,752</u>	<u>\$ 973,153</u>	<u>\$ 267,599</u>

**STATE BAR OF SOUTH DAKOTA, S.D. CONTINUING LEGAL EDUCATION, INC. AND
ACCESS TO JUSTICE, INC.**

**SCHEDULE OF BUDGET VS. ACTUAL UNRESTRICTED FUND EXPENSES
FOR S.D. CONTINUING LEGAL EDUCATION, INC.
YEAR ENDED JULY 31, 2021**

See Auditor's Report on the Supplementary Information

	2020 - 2021		
	Budget	Expenses	Variance
	Allowance	Paid	Under (Over)
Fastcase - contract	\$ 127,000	\$ 99,308	\$ 27,692
Personnel and other expenses	25,000	94,975	(69,975)
Staff travel	20,000	5,185	14,815
Rent	15,402	15,402	-
Coffee and pop	12,000	12,000	-
Equipment	11,000	8,685	2,315
Program travel and expenses	10,000	9,660	340
Office supplies	10,000	5,775	4,225
Supreme court opinions	10,000	4,129	5,871
Capital acquisitions fund	10,000	-	10,000
Phone/Internet service	8,000	7,231	769
Committee travel	7,000	5,786	1,214
Remote deposit/credit card fees	5,000	5,188	(188)
Insurance	4,300	4,047	253
Federal taxes	4,000	2,336	1,664
Postage	3,500	3,180	320
Pattern jury instruction	3,500	2,596	904
CLE Speaker	3,500	1,200	2,300
CLE speaker program fee	3,000	3,125	(125)
Lease agreements	2,500	59	2,441
Audio - CLE program	2,000	1,911	89
Legal and accounting	1,500	1,438	62
Books and printing	1,000	761	239
Copies	600	200	400
Depreciation	-	9,066	(9,066)
Interest expense	-	191	(191)
Miscellaneous	8,500	8,897	(397)
	<u>\$ 308,302</u>	<u>\$ 312,331</u>	<u>\$ (4,029)</u>

**STATE BAR OF SOUTH DAKOTA, S.D. CONTINUING LEGAL EDUCATION, INC. AND
ACCESS TO JUSTICE, INC.**

**SCHEDULE OF BUDGET VS. ACTUAL UNRESTRICTED FUND EXPENSES
FOR ACCESS TO JUSTICE, INC.**

YEAR ENDED JULY 31, 2021

See Auditor's Report on the Supplementary Information

	2020 - 2021		
	Budget	Expenses	Variance
	Allowance	Paid	Under (Over)
Personnel and other expenses	\$ 107,032	\$ 101,167	\$ 5,865
Judicare	81,460	8,772	72,688
Statewide intake	7,800	7,800	-
Software	3,900	3,789	111
Owed to State Bar of South Dakota	2,877	-	2,877
Training	1,682	-	1,682
Program travel and expenses	1,500	1,451	49
Phone/Internet service	1,000	1,579	(579)
Office supplies	1,000	676	324
Equipment and maintenance	1,000	-	1,000
Legal and accounting	800	761	39
Bill Day Pro Bono award expenses	-	1,000	(1,000)
Depreciation	-	383	(383)
Miscellaneous	1,200	840	360
	<u>\$ 211,251</u>	<u>\$ 128,218</u>	<u>\$ 83,033</u>