ATTORNEY REGISTRATION AND DISCIPLINARY COMMISSION
OF THE SUPREME COURT OF ILLINOIS

COMMISSIONERS:
LESTER ASHER, Chairman
JAMES H. BANDY
GEORGE J. COTSIRILOS
STUART M. MANNER
WILLIAM P. SUTTER

CARL H. ROLEWICK 1977

To the Honorable, the Chief Justice and Justices of the Supreme Court of Illinois:

This report is submitted pursuant to Supreme Court Rule 751(e) and (f) and is a statement of the activities of the Attorney Registration and Disciplinary Commission, the administrator's office and the boards of the disciplinary system for calendar year 1976.

A. REGISTRATION

As of December 31, 1976 a total of 29,750 attorneys were registered on the Master Roll:

<table>
<thead>
<tr>
<th>Classification</th>
<th>Number of Attorneys</th>
</tr>
</thead>
<tbody>
<tr>
<td>Admitted 1 year or less</td>
<td>2,272</td>
</tr>
<tr>
<td>Admitted 1 to 5 years</td>
<td>4,896</td>
</tr>
<tr>
<td>Admitted more than 5 years</td>
<td>18,104</td>
</tr>
<tr>
<td>Admitted 50 years or more</td>
<td>137</td>
</tr>
<tr>
<td>75 years of age or older</td>
<td>256</td>
</tr>
<tr>
<td>Neither practices, resides nor employed in Illinois</td>
<td>2,235</td>
</tr>
</tbody>
</table>

1976 registration fee excused (hardship) ... 65

In-state attorney population, by county of principal office, is shown on the following map:

[Attorney Population by County As of 9/30/76 map]

B. INCOME AND EXPENDITURES

The income resulting from registration, penalties for late registration, interest received from the investment of cash reserves for the period from January 1, 1976 through December 31, 1976 was as follows:

1. 1976 registration fees including penalties and delinquent fees from prior years ... $425,670.00
2. Interest received from investment of cash reserves ... 14,704.63
3. Other miscellaneous income ... 217.00

Total $440,652.23

Cash disbursements made during the period January 1, 1976 through December 31, 1976 were as follows:

1. Salaries of administrator and staff ... $311,977.79
2. Social security taxes ... 16,399.91
3. Hospital, medical, dental, and workmen's compensation and unemployment compensation insurance ... 14,713.74
4. Office rentals and utilities ... 38,870.63
5. Travel expenses (commissioners, staff, inquiry, hearing and review boards) ... 17,143.84
6. Telephone ... 14,341.96
7. Postage ... 6,223.46
8. Office equipment rental ... 16,202.48
9. Library, publications, and expenses ... 8,067.66
10. Insurance (fire, theft and extended coverage) ... 6,338.00
11. Depreciation expenses (office equipment) ... 2,226.92
12. Depreciation expenses (office equipment) ... 4,587.20

Total Operating Expenses $503,475.25

Net operating loss for the period January 1, 1976 through December 31, 1976 ... $ 62,823.03

17. Other extraordinary expenses:
   a. Prior years social security, state & federal unemployment taxes ... $66,191.31
   b. Interest paid on back taxes ... 7,168.10

Net Loss $136,171.44

*After several unsuccessful applications for Social Security coverage for the staff, the Internal Revenue Service on January 29, 1976 ruled that the Commission is exempt from federal income taxes but is liable for taxes under the Federal Income Contributions Act (Social Security). This ruling required that the Commission pay social security and state and federal unemployment taxes from its inception (February 1, 1973).

C. STAFF DEVELOPMENT

As of December 31, 1976, the full time staff of the administrator's office consisted of the administrator and:

1. In the Springfield office:
   a. attorney; b. administrative assistant; c. secretary; d. receptionist/typist;
   2. In the Chicago office:
   a. assistant administrator and chief counsel; b. assistant administrator and chief investigator; c. attorneys (three); d. investigators (three); e. administrative assistant; f. clerk; g. secretaries (two); h. receptionist/typist.

Part time employment of clerical help is utilized in both the Springfield and Chicago offices. The nature of the registration process necessitates such employment.

D. DISCIPLINARY RULE CHANGES

As a result of recommendations from the Commission, the Court made the following disciplinary rule changes on September 28, 1976 effective November 15, 1976:

Rule 753 was amended:
1. To provide for a single inquiry board and a single hearing board for the entire state. The commission was empowered to make all appointments to both boards and to determine the number of inquiry and hearing boards.
2. To eliminate the necessity for the administrator to "apply" for review, and to permit the attorney respondent and the administrator to file exceptions to the report of the hearing board; and
3. To provide for a method by which an administrator may petition for leave to appeal a review board report or order without making a record of the proceedings.

Rule 754 was amended in order to bring it into compliance with the changes in Rule 753, particularly the elimination of separate inquiry and hearing boards for Cook County and downstate Illinois.

Rule 756 (confidentiality of proceedings) was modified to permit the administrator on his own motion arising from information received from sources such as news media reports and information from other investigations, to order new charges refiled during 1976, a total of 427 stated facts which could not be construed to involve professional misconduct and the attorneys concerned were not required to respond to them. The attorney whose conduct was the subject of the remaining 1,750 charges were required to respond.

In all cases in which the attorneys were required to respond, copies of their responses were forwarded to the complainants to elicit further information or comments. Upon the completion of this initial correspondence, any indicated preliminary investigation, each file was reviewed by a staff attorney to evaluate the need for further inquiry or investigation. Following that review, if the facts developed did not disclose conduct which would constitute professional misconduct calling for a disciplinary proceeding, the chairman or the vice-chairman of the inquiry board, upon recommendation of the administrator, may dismiss the charge as provided by Commission Rule 15. A total of 884 charges were terminated in this manner.

E. THE CASELOAD

Charges Received

During 1976 a total of 2,144 communications were received alleging attorney misconduct. In addition, 33 investigations were instituted by the administrator on his own motion arising from information received from sources such as news media reports and information from other investigations, office of Inquiry, and the public. A total of 427 stated facts which could not be construed to involve professional misconduct and the attorneys concerned were not required to respond to them. The attorneys whose conduct was the subject of the remaining 1,750 charges were required to respond.

In all cases in which the attorneys were required to respond, copies of their responses were forwarded to the complainants to elicit further information or comments. Upon the completion of this initial correspondence, any indicated preliminary investigation, each file was reviewed by a staff attorney to evaluate the need for further inquiry or investigation. Following that review, if the facts developed did not disclose conduct which would constitute professional misconduct calling for a disciplinary proceeding, the chairman or the vice-chairman of the inquiry board, upon recommendation of the administrator, may dismiss the charge as provided by Commission Rule 15. A total of 884 charges were terminated in this manner.

January 1, 1976 through December 31, 1976 was as follows:

1. 1976 registration fees including penalties and delinquent fees from prior years $425,670.00
2. Interest received from investment of cash reserves 14,704.63
3. Other miscellaneous income 217.00

Total $440,652.23

Cash disbursements made during the period January 1, 1976 through December 31, 1976 were as follows:

1. Salaries of administrator and staff $311,977.79
2. Social security taxes 16,399.91
3. Hospital, medical, dental, and workmen's compensation and unemployment compensation insurance 14,713.74
4. Office rentals and utilities 38,870.63
5. Travel expenses (commissioners, staff, inquiry, hearing and review boards) 17,143.84
6. Telephone 14,341.96
7. Postage 6,223.46
8. Office equipment rental 16,202.48
9. Library, publications, and expenses 8,067.66
10. Insurance (fire, theft and extended coverage) 6,338.00
11. Depreciation expenses (office equipment) 2,226.92
12. Depreciation expenses (office equipment) 4,587.20

Total Operating Expenses 503,475.25

Net operating loss for the period January 1, 1976 through December 31, 1976 62,823.03

17. Other extraordinary expenses:
   a. Prior years social security, state & federal unemployment taxes 66,191.31
   b. Interest paid on back taxes 7,168.10

Net Loss 136,171.44

*After several unsuccessful applications for Social Security coverage for the staff, the Internal Revenue Service on January 29, 1976 ruled that the Commission is exempt from federal income taxes but is liable for taxes under the Federal Income Contributions Act (Social Security). This ruling required that the Commission pay social security and state and federal unemployment taxes from its inception (February 1, 1973).
Reference To Inquiry Board

When the information developed by the correspondence and the initial investigation indicates possible misconduct, the matter is referred to the inquiry board for further investigation and evaluation. In this period 888 files were referred to panels of the inquiry board. Panels of the inquiry board consist of 3 members and meet approximately once a month to review the pending files and to interview complainants, attorneys, and witnesses. Individual panel members may investigate complaints, personally but generally use the services of the investigators’

At their meetings, the panels frequently interview the complaining witness and the attorney-respondent. Before a complaint is voted each attorney-respondent, as required by Commission Rule 2.2, has the opportunity to appear on his own behalf, with counsel if he desires, before a panel, or a member of a panel, to discuss the charges which have been made against him. At the conclusion of its investigation the inquiry panel votes either to dismiss the charge or to file a complaint for a disciplinary proceeding against the attorney-respondent. In 1976 the inquiry board dismissed 730 charges and voted 82 complaints against 53 attorneys.

The Staff Attorneys

Upon the voting of a complaint the file is assigned to a staff attorney who prepares and files the complaint. That attorney continues to be responsible for the case through hearing and review by the review board and the Supreme Court.

Staff attorneys are also responsible for attending and assisting at inquiry panel meetings and maintaining the records of the proceedings, defending petitions for reinstatement and representing the Commission or administrator in suits filed in the circuit court and federal district court relating to the work of the disciplinary system.

"Tesar v. Attorney Registration Commission, U.S. District Court, 75 C 1382, U.S. Court of Appeals 73-1629, U.S. Supreme Court 75-4728.

Gottschalk v. Rolieick, Circuit Court of Cook County, 76 CH 965.

Madsen v. Rolieick, U.S. District Court, 76 L 2227.

Benjamin Ehrlich v. Shari, Supreme Court of Illinois M.R. 1755.

People, ex rei. Rolewick v. Circuit Court of Cook County, Supreme Court of Illinois M.R. 1902.

In re John M. Daley, U.S. District Court, 71 GJ 3657, U.S. Court of Appeals, 76-1629.

The Hearing Board

In 1976, complaints against 40 attorneys were filed with the hearing board. In addition, 2 petitions for transfer to inactive status and 12 petitions for reinstatement were referred to this board. Hearings were conducted in 50 cases and 2 cases were terminated by reports and recommendations.

Review Board

The review board meets once each month to hear and consider oral arguments and briefs and, in 1976, completed the review of 20 cases. Included in its reports to the Supreme Court were recommendations for 5 disbarments, 10 suspensions, 5 censures, 5 reinstatements and the denial of 2 petitions for reinstatement. The board dismissed 4 disciplinary complaints and remanded 2 cases to the hearing board for further proceedings.

Supreme Court

Sixty-two cases were filed in the Supreme Court and 36 were terminated. The terminated cases included 3 disbarments, 5 suspensions, 3 censures, 6 temporary suspensions (and 1 not allowed), 1 transfer to inactive status (and 1 not allowed), 2 reinstatements allowed and 3 denied, and the allowance of 10 motions to strike attorneys’ names from the roll (and 1 not allowed).

The disciplinary matters concluded in 1976, either by final order of the Supreme Court following hearing and review or by the allowance of attorneys’ motions to strike their names from the roll of attorneys, included charges of the following acts of misconduct:* conviction of a crime-15; conversion—10; estate mismanagement—4; practice during suspension—1; fraud—1; neglect—9; and conflict of interest—2.

The following four statistical charts detail the disciplinary case load of the Administrator’s Office, the Inquiry Board, the Hearing Board, the Review Board and the Supreme Court for the period from January 1, 1976, through December 31, 1976.

Respectfully submitted,
Attorney Registration and
Disciplinary Commission
Lester A. Asher, Chairman
James H. Bandy
George J. Cotsirilos
Stuart M. Mamer
William S. Sutter

* A single complaint may charge multiple offenses.
ATTORNEY REGISTRATION AND DISCIPLINARY COMMISSION
OF THE SUPREME COURT OF ILLINOIS
STATEMENT OF CHANGES IN FINANCIAL POSITION
Year ended December 31, 1976

USE OF WORKING CAPITAL
Net Loss 136,177.44
Fixed Assets Purchased 6,612.59

SOURCES OF WORKING CAPITAL
Item Included Above Not Involving Expenditure of Cash
Depreciation of Fixed Assets 4,837.28

DECREASE IN WORKING CAPITAL
137,952.75

ATTORNEY REGISTRATION AND DISCIPLINARY COMMISSION
OF THE SUPREME COURT OF ILLINOIS
GENERAL NOTES
December 31, 1976

A) ACCOUNTING POLICIES
The books and other financial records of the Commission are recorded on an accrual basis.
The accounting year of the Commission is December 31, as established by a resolution of the Commissioners dated May 21, 1975.

B) 1976 UNCOLLECTED FEES
Registrations mailed to attorneys for 1976 fees, payment which was due January 1, 1976, and which had failed to return such registrations, numbered 42 with $3,330.00 due in amount. These are not carried as receivables since they cannot be determined that the amount is collectible. The Commission has mailed followup registrations for the amounts due. Past experience has indicated that most of these attorneys have either moved from the state or are deceased. The Commission continues to make every effort to find the cause of nonpayment.

C) INVESTMENTS
All investments are handled by the Trust Department of the Illinois National Bank of Springfield and all investments are held in safekeeping at the bank.

D) COLLECTION OF FEES
The Commission is funded by an annual registration fee assessed against Illinois attorneys. The annual fee is sent directly to a lock box located at the Springfield, Illinois U. S. Post Office. The box is under the sole supervision of the Illinois National Bank of Springfield. The contents of the box are accounted for solely by the bank. The bank's accounting against Illinois attorneys. The annual fee is sent directly to a lock box located at the Springfield, Illinois U. S. Post Office. The box is under the sole supervision of the Illinois National Bank of Springfield. The contents of the box are accounted for solely by the bank. The bank's accounting against Illinois attorneys. The annual fee is sent directly to a lock box located at the Springfield, Illinois U. S. Post Office. The box is under the sole supervision of the Illinois National Bank of Springfield. The contents of the box are accounted for solely by the bank. The bank's accounting against Illinois attorneys. The annual fee is sent directly to a lock box located at the Springfield, Illinois U. S. Post Office. The box is under the sole supervision of the Illinois National Bank of Springfield. The contents of the box are accounted for solely by the bank. The bank's accounting against Illinois attorneys. The annual fee is sent directly to a lock box located at the Springfield, Illinois U. S. Post Office. The box is under the sole supervision of the Illinois National Bank of Springfield. The contents of the box are accounted for solely by the bank. The bank's accounting against Illinois attorneys. The annual fee is sent directly to a lock box located at the Springfield, Illinois U. S. Post Office. The box is under the sole supervision of the Illinois National Bank of Springfield. The contents of the box are accounted for solely by the bank. The bank's accounting against Illinois attorneys. The annual fee is sent directly to a lock box located at the Springfield, Illinois U. S. Post Office. The box is under the sole supervision of the Illinois National Bank of Springfield. The contents of the box are accounted for solely by the bank. The bank's accounting against Illinois attorneys. The annual fee is sent directly to a lock box located at the Springfield, Illinois U. S. Post Office. The box is under the sole supervision of the Illinois National Bank of Springfield. The contents of the box are accounted for solely by the bank. The bank's accounting against Illinois attorneys. The annual fee is sent directly to a lock box located at the Springfield, Illinois U. S. Post Office. The box is under the sole supervision of the Illinois National Bank of Springfield. The contents of the box are accounted for solely by the bank. The bank's accounting against Illinois attorneys. The annual fee is sent directly to a lock box located at the Springfield, Illinois U. S. Post Office. The box is under the sole supervision of the Illinois National Bank of Springfield. The contents of the box are accounted for solely by the bank. The bank's accounting against Illinois attorneys. The annual fee is sent directly to a lock box located at the Springfield, Illinois U. S. Post Office. The box is under the sole supervision of the Illinois National Bank of Springfield. The contents of the box are accounted for solely by the bank. The bank's accounting against Illinois attorneys. The annual fee is sent directly to a lock box located at the Springfield, Illinois U. S. Post Office. The box is under the sole supervision of the Illinois National Bank of Springfield. The contents of the box are accounted for solely by the bank. The bank's accounting against Illinois attorneys. The annual fee is sent directly to a lock box located at the Springfield, Illinois U. S. Post Office. The box is under the sole supervision of the Illinois National Bank of Springfield. The contents of the box are accounted for solely by the bank. The bank's accounting against Illinois attorneys. The annual fee is sent directly to a lock box located at the Springfield, Illinois U. S. Post Office. The box is under the sole supervision of the Illinois National Bank of Springfield. The contents of the box are accounted for solely by the bank. The bank's accounting against Illinois attorneys. The annual fee is sent directly to a lock box located at the Springfield, Illinois U. S. Post Office. The box is under the sole supervision of the Illinois National Bank of Springfield. The contents of the box are accounted for solely by the bank. The bank's accounting against Illinois attorneys. The annual fee is sent directly to a lock box located at the Springfield, Illinois U. S. Post Office. The box is under the sole supervision of the Illinois National Bank of Springfield. The contents of the box are accounted for solely by the bank. The bank's accounting against Illinois attorneys. The annual fee is sent directly to a lock box located at the Springfield, Illinois U. S. Post Office. The box is under the sole supervision of the Illinois National Bank of Springfield. The contents of the box are accounted for solely by the bank. The bank's accounting against Illinois attorneys. The annual fee is sent directly to a lock box located at the Springfield, Illinois U. S. Post Office. The box is under the sole supervision of the Illinois National Bank of Springfield. The contents of the box are accounted for solely by the bank. The bank's accounting against Illinois attorneys. The annual fee is sent directly to a lock box located at the Springfield, Illinois U. S. Post Office. The box is under the sole supervision of the Illinois National Bank of Springfield. The contents of the box are accounted for solely by the bank. The bank's accounting against Illinois attorneys. The annual fee is sent directly to a lock box located at the Springfield, Illinois U. S. Post Office. The box is under the sole supervision of the Illinois National Bank of Springfield. The contents of the box are accounted for solely by the bank. The bank's accounting against Illinois attorneys. The annual fee is sent directly to a lock box located at the Springfield, Illinois U. S. Post Office. The box is under the sole supervision of the Illinois National Bank of Springfield. The contents of the box are accounted for solely by the bank. The bank's accounting

E) LEASE COMMITMENTS
The Commission has the following major lease commitments existing at December 31, 1976:
1. Chicago Office-9/1/75 through 8/31/80
   Present value of lease commitment $104,840.00
2. Springfield Office-10/1/74 through 1/31/80
   Present value of lease commitment $28,013.81

F) TAXABLE STATUS
The Internal Revenue Service from Washington, D.C., officially recognized the Commission as a tax exempt organization under Section 501(c)(6) of the Internal Revenue Code. Under the letter of determination the Commission is exempt from Federal Income Tax. However, it is required to annually file Form 990 (a solely informational return) with the I.R.S.

G) DEFERRED INCOME
On November 1, 1976 registrations for the calendar year 1977 were mailed to all attorneys. Any registration fees received from the mailing date to December 31, 1976 are deferred. The amount received during such period was $588,809.00 which will represent income in 1977.

May-13