



ATTORNEY REGISTRATION AND DISCIPLINARY COMMISSION
of the
SUPREME COURT OF ILLINOIS

COMMISSIONERS:
ASTER ASHER, CHAIRMAN
JAMES H. BARRY
GEORGE J. COSSIBUOS
JOHN F. CRADY
W. P. SUTTER
ADMINISTRATOR:
ROSEWICK

October 30, 1975

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. The report covers the period from July 1, 1974 through June 30, 1975, the second full year of operation of the Commission, the Administrator's Office and the Inquiry Boards and the first full year of operation of the Hearing Boards and the Review Board.

A. REGISTRATION

On November 1, 1974, registration forms for 1975 were mailed to the attorneys who registered in 1974:

Classification	Number of Attorneys
Admitted 1 year or less	401
Admitted 1 to 5 years	3,860
Admitted more than 5 years	17,920
Admitted 50 years or more	127
On active military duty	146
75 years or older	983
Neither practices, resides nor is employed in Illinois	2,829
1974 Registration Fee waived	33

Total Forms Mailed 26,299

As of June 30, 1975, 26,915 attorneys registered for 1975 and paid a total of \$416,186.01 in registration fees:

Classification	Registered Attorneys
Admitted 1 year or less	1,805
Admitted 1 to 5 years	3,843
Admitted more than 5 years	17,628
Admitted more than 50 years	89
On active military duty	135
75 years or older	648
Neither practices, resides nor is employed in Illinois	2,742
1975 Registration Fee excused	25

Total 26,915

In view of the newness of the registration requirements, the computerization of the Master Roll and the erratic nature of mail deliveries, the Commission determined that second notices should be sent to attorneys who had not registered by March 15, 1975. A total of 1,322 second notices were sent to non-registered attorneys on March 27, 1975. The second notices resulted in more than 1000 registrations and provided much other information such as deaths and changes of address.

The efforts of the Administrator's Office and the Illinois National Bank to computerize totally the registration process and the maintenance of the Master Roll continued throughout the year. New computer programs were written and existing ones were revised in order to make the system function smoothly and automatically.

Registration continues on a twelve-month basis. Attorneys are added for the first time almost daily. In order to provide concentrated attention to registration problems on a daily basis, the Commission authorized the position of administrative assistant for registration in the Springfield office. The primary purpose of the position is to oversee the registration process and preparation and maintenance of the Master Roll.

The Master Roll of Attorneys is maintained (on a monthly basis) on microfiche cards, both in the Office of the Clerk of the Supreme Court and in the Administrator's offices. The microfiche cards are inexpensive and easy to use and store.

B. INCOME AND EXPENDITURES

Income, during the period from July 1, 1974 through June 30, 1975, was as follows:

(1) 1975 Registration Fees	\$416,186.01
(2) Penalties and Delinquent Fees for Prior Years	19,890.20
(3) Interest Received on Investment of Cash Reserves	30,222.48

Total Income \$466,298.69

Cash disbursements made during the period from July 1, 1974 through June 30, 1975, were as follows:

(1) Salaries of Administrator and Staff	\$258,172.72
(3) Office Rent and Utilities	26,511.24
(2) Employee Hospitalization and Life Insurance	9,647.58
(4) Travel Expenses (Commission, Staff, Inquiry, Hearing and Review Boards)	15,117.11
(5) Telephone	11,129.52
(6) Postage	4,541.05
(7) Office Equipment Rental	13,645.08
(8) Office Supplies and Expenses	13,069.28
(9) Insurance (Fire, Theft and Extended Coverage)	1,741.00
(10) Auditing and Other Outside Professional Services	6,254.23
(11) Data Processing	11,518.93
(12) Court Reporting for Disciplinary Proceedings	9,314.95
(13) Depreciation Expenses (Office Equipment)	3,188.57
(14) Seminar Expenses	2,069.43

Total Expenditures \$385,920.69

Net income for the period July 1, 1974 through June 30, 1975 \$80,378.00

C. FISCAL ARRANGEMENTS

1. The Illinois National Bank of Springfield continues to be the depository of the Disciplinary Fund. The Bank's lock box service receives the registration fees and credits them to our account.

The data processing department of the Illinois National Bank of Springfield receives the registration forms from the Bank's lock box service and compiles the reports which ultimately produce the Master Roll and information on accounts receivable and accounts paid.

The data processing program, as it is presently functioning, serves as an internal control on the lock box service. The billing operation

serves as an internal control on the lock box and the data processing services. These controls, combined with the monthly audit, balanced against the statistical information supplied by the computer, assure us a high degree of fiscal control.

3. Funds not currently used to meet operating expenses are held by the Trust Department of the Illinois National Bank of Springfield as custodian of the Disciplinary Fund. Three types of investments are made: treasury notes, certificates of deposit, and repurchase agreements. The type of investment is determined by the current return and the length of time available before the funds are needed to meet current expenses. In this fiscal year, most of the funds were invested in repurchase agreements similar to investments made by municipal and state governments. The advantage to the Commission in purchasing repurchase agreements is the diversification of the investment, high interest yield, the security of government paper and the short term for which the repurchase agreements can be purchased.

4. The auditing firm of Alexander X. Kuhn & Co. continues to audit the accounts of the Administrator and the Commission.

5. Each Commissioner, the Administrator and each member of the staff is bonded in the amount of \$100,000.00.

D. STAFF DEVELOPMENT

As of June 30, 1975, the full time Staff of the Administrator's office consisted of:

1. In the Springfield office:
 - a. Attorney
 - b. Administrative Assistant
 - c. Secretary
 - d. Receptionist/typist
2. In the Chicago office:
 - a. Attorney (three)
 - b. Investigator (three)
 - c. Administrative Assistant
 - d. Clerk
 - e. Secretary (two)
 - f. Receptionist/typist

Part time employment of clerical help on an ad hoc basis has been utilized in both the Springfield and Chicago offices. The seasonal nature of registration and the implementation of new data processing programs necessitates such clerical employment.

As of the date of this report the Commission has been unable to obtain approval from the Internal Revenue Service for social security coverage for the staff. Every effort was made to obtain that coverage but we have not been successful. The Commission has determined that a pension program is a prerequisite for the development of a competent, stable, dedicated staff, and is presently looking into a private plan that would provide equivalent benefits at about the same cost.

E. DISCIPLINARY RULES

As a result of recommendations from the Commission, the Court amended several disciplinary rules on May 21, 1975, which effected the following changes:

1. Rule 751(e) was amended to provide that the annual report of the Commission is to be filed with the Court on or before April 30 of each year, thus permitting the Commission to operate on a calendar year basis as opposed to a fiscal year basis. Now the collection of registration fees and the fiscal year of the Commission will coincide.
2. Rules 753(a) and 753(c) were amended to permit inquiry and hearing panels to select an acting chairman in the absence of the chairman of a panel.
3. Rule 753(c) was amended to make explicit that the standard of proof in all hearings is clear and convincing evidence.
4. Rule 753(e) was amended to permit the Review Board to modify the findings of a hearing panel or make additional findings which are established by clear and convincing evidence.
5. Rule 754 clarifies the authority of the Administrator to take and transcribe the evidence of witnesses and to permit the Administrator and the respondent, as well as the Inquiry and Hearing Boards, to report to the Court the failure or refusal of any person to attend and testify in response to a subpoena.
6. Rule 762 was amended to enable the Court to determine whether to allow a motion to strike a name from the roll of attorneys if the attorney does not file the required affidavit.
7. Rule 765 was amended to provide that service of process and notice, by any party, may be made in any manner authorized by the Civil Practice Act or the Rules of the Supreme Court.

F. AMERICAN BAR ASSOCIATION

On May 10, 1975, the Commission offices in Chicago were visited by a joint committee of the Appellate Judges' Conference and the American Bar Association Standing Committee on Professional Discipline. The joint committee was formed in order to develop minimum standards for the Conference to be used in its effort to upgrade attorney disciplinary offices throughout the nation. The purpose of the ABA in inviting the joint committee to our Chicago office was to demonstrate the approaches used in Illinois in staff development, office organization and office physical facilities. The ABA has concluded that most states are not aware of the costs and needs of a disciplinary system. It is the hope of the ABA that by inspecting our offices and our procedures the Conference will be realistic in the development of its minimum standards.

G. THE COMMISSION

The Commission met monthly throughout the year. Of major concern at its meetings was a discussion of Supreme Court and Commission rule changes. A number of recommended amendments were developed and presented to the Court at its meeting with the Commission on March 18, 1975. The Court took the suggestions of the Commission under advisement and adopted a portion of the recommended changes on May 21, 1975, and another portion on September 8, 1975, effective October 1, 1975.

Of paramount importance to an effective disciplinary system is the ability to develop and change as circumstances and times demand. The Commission provides the system with a vehicle for continuing reevaluation of the work of the Administrator's Office and the various Boards. When changes are necessary, the Commission has the power to amend its rules or to ask the Supreme Court to amend the Court's rules.

Liaison with the organized bar has been maintained in order to keep the bar abreast of developments in the system and changes when they occur. The entire Commission met with bar representatives in Springfield on November 11, 1974 and in Chicago on December 16, 1974. Individual Commissioners and the Administrator have made numerous personal appearances before various bar groups to explain the system and answer questions.

On March 18, 1975, Justin A. Stanley advised the Court and the Commission that he had been named President-Elect Nominee of the American Bar Association and that the extensive duties of that office necessitated his resignation from the Commission. Mr. Stanley's interest in attorney discipline began during his term as President of the Chicago Bar Association. He worked with the Supreme Court in the development of the new disciplinary rules and served as first Chairman of the Commission.

The Commission is grateful to him for his dedication and contribution to the legal profession.

On March 21, 1973 the Court appointed Commissioner Lester Asher to serve as Chairman. On June 26, 1973, the Court appointed William P. Sutter to fill the unexpired term of Mr. Stanley.

H. DISCIPLINARY SEMINAR

A statewide seminar for the Commissioners, Staff and the members of all of the Boards of the Disciplinary System was sponsored by the Commission on Saturday, November 2, 1974, at the Lake Shore Club of Chicago. Approximately 75 members of the Disciplinary System attended the Seminar.

The topics discussed and the discussion leaders were as follows:

Morning Session
 Welcome Justin Stanley
 Discussion of Rule Changes—Structure of System—Registration Carl H. Rolewick
 Investigation and Inquiry Charley Popejoy
 John M. Oswald

Luncheon
 "An Overview of Attorney Discipline, Nationwide" F. Lamar Forashee

Afternoon Session
 The Hearing Board Frank A. Karaba
 The Review Board Jack E. Horsley
 Opinion Writing Hon. Robert E. English (Ret.)
 Closing Remarks Hon. Robert C. Underwood

The reaction of the participants was generally favorable, and most of those present suggested the need for an annual meeting. Accordingly, the Commission is planning another seminar for the spring of 1976.

I. DISTRIBUTION OF ANNUAL REPORT FOR FISCAL YEAR 1973-1974

Pursuant to the instructions of the Court each registered attorney was notified (in the mailing with his 1975 registration notice) that the 1973-74 Annual Report had been filed with the Court and copies were available on request. To date, approximately 900 attorneys have requested and received copies of the Report.

J. SPRINGFIELD OFFICE

The first Springfield office for the Administrator and Staff was located at 324 South Second Street. When the Illinois National Bank was awarded the contract for computer and lock box services, proximity to the Bank became an overriding consideration. Consequently, on October 1, 1974, the Commission offices in Springfield were moved to more adequate space in the Illinois National Bank Building, One North Old Capitol Plaza.

K. CHANGE TO CALENDAR YEAR BASIS

The amendment of Supreme Court Rule 751(e) on May 21, 1975 requires the Commission to file its annual report with the Court on April 30 each year. That change was requested by the Commission in order to put the whole disciplinary system on a calendar year basis to coincide with the collecting of the registration fees.

To achieve the changeover to the calendar year, the Commission extended the terms of all Inquiry and Hearing Board members from their expiration date of June 30, 1975 to December 31, 1975. The Commission's current budget, as well as its next report to the Court, will be for the six-month period July 1, 1975 through December 31, 1975.

L. THE CASELOAD

The following statistical charts (Charts I through X) outline the caseload of the Administrator's Office, the Inquiry Boards, the Hearing Boards and the Review Board for the period from July 1, 1974 through June 30, 1975. Chart XI describes the trend of disciplinary matters before the Supreme Court processed through the new disciplinary system during the period from February 1, 1973 through June 30, 1975. It should be noted that no case processed through the present disciplinary system reached the Supreme Court until September, 1973.

Respectfully submitted,
 Attorney Registration and
 Disciplinary Commission
 James H. Bandy
 George J. Cotairilos
 John F. Grady
 William P. Sutter
 (Signature) Lester Asher,
 Chairman

CHART I

THE TREND OF INVESTIGATIONS DURING THE PERIOD JULY 1, 1974 THROUGH JUNE 30, 1975

	Pending at Start	New Charges Docketed			Total Added	Total Terminated During Period	Pending at End
		from Individuals	from Administrator	Transfers and Duplicate Files			
Chicago	557	1350	41	-5	1386	1427	516
Springfield	174	346	15	0	361	309	226
TOTAL	731	1696	56	-5	1747	1736	742

CHART 2

AN ANALYSIS OF THE PROCESSING OF INVESTIGATIVE FILES DURING THE PERIOD JULY 1, 1974 THROUGH JUNE 30, 1975

	Files Terminated				Files Pending		
	Dismissed by Inquiry Chairman and Administrator	Dismissed by Panel	Complaint Voted by Inquiry Panel	TOTAL	in Office	at Inquiry	TOTAL
Chicago	795	560	52	1407	283	233	516
Springfield	131	161	17	309	95	131	226
TOTAL	926	721	69	1716	378	364	742

CHART 3

THE TREND OF COMPLAINTS VOTED AND DISBURSED OR CONSENT DURING THE PERIOD JULY 1, 1974 THROUGH JUNE 30, 1975

	Pending at Start	Complaints Filed	Cases Terminated				Total Terminated	Pending at End
			Report and Recommendation of Discipline	Dismissed	Reprimand by Hearing Board	Ways Stricken on Own Motion Prior to or During Hearing		
Chicago	11	36	7	2	5	17	31	18
Springfield	5	11	3	2*	3	3	10	4
TOTAL	16	47	10	4	7	20	41	22

*Includes 2 cases consolidated into 1.

CHART 4

THE TREND OF PETITIONS FOR REINSTATEMENT BEFORE THE HEARING BOARD DURING THE PERIOD JULY 1, 1974 THROUGH JUNE 30, 1975

	Pending at Start	Petitions Filed	Petitions Disposed of with Recommendation		Pending at End
			to Allow	to Not Allow	
Chicago	3	3	3	2*	1
Springfield	0	1	0	0	1
TOTAL	3	4	3	2	2

*One petition was dismissed for want of prosecution and the other was withdrawn by petitioner prior to hearing.

CHART 5

THE TREND OF PROCEEDINGS UNDER ILLINOIS SUPREME COURT RULE 757 DURING THE PERIOD JULY 1, 1974 THROUGH JUNE 30, 1975

	Suspension Upon Judicial Determination of Incompetency			
	Pending at Start	Petitions Filed with Court	Petitions Disposed by Court	Pending at End
Chicago	0	0	0	0
Springfield	0	0	0	0
TOTAL	0	0	0	0

CHART 6

THE TREND OF PROCEEDINGS UNDER ILLINOIS SUPREME COURT RULE 757 DURING THE PERIOD JULY 1, 1974 THROUGH JUNE 30, 1975

	Suspension Upon Involuntary Commitment for Mental Treatment			
	Pending at Start	Petitions Filed with Court	Petitions Disposed by Court	Pending at End
Chicago	0	1	1	0
Springfield	0	0	0	0
TOTAL	0	1	1	0

CHART 7

THE TREND OF PROCEEDINGS BEFORE THE HEARING BOARD UNDER ILLINOIS SUPREME COURT RULE 758 DURING THE PERIOD JULY 1, 1974 THROUGH JUNE 30, 1975

Suspension for Mental Disability of Addiction to Drugs or Intoxicants					
Pending at Start	Petitions Filed	Disposition		Report and Recommendation	Pending at End
		Petitions Dismissed			
Chicago	1	1	1	1	0
Springfield	0	0	0	0	0
TOTAL	1	1	1	1	0

CHART 8

THE TREND OF PROCEEDINGS BEFORE THE HEARING BOARD UNDER ILLINOIS SUPREME COURT RULE 758 DURING THE PERIOD JULY 1, 1974 THROUGH JUNE 30, 1975

Reinstatement Upon Termination of Disability				
Pending at Start	Petitions Filed	Report and Recommendation	Pending at End	
Chicago	0	0	0	0
Springfield	0	0	0	0
TOTAL	0	0	0	0

CHART 9

THE TREND OF PROCEEDINGS UNDER ILLINOIS SUPREME COURT RULE 761 DURING THE PERIOD JULY 1, 1974 THROUGH JUNE 30, 1975

Suspension Upon Conviction of Certain Crimes					
Pending at Start	Petitions Filed with Court	Petitions Disposed by Court		Pending at End	
		Suspension Ordered	Dismissed		
Chicago	1	6	7	0	0
Springfield	3	0	3*	0	0
TOTAL	4	6	10	0	0

*Includes 1 disbarment on consent during pendency of petition for suspension.

CHART 10

TREND OF MATTERS BEFORE THE REVIEW BOARD DURING THE PERIOD FROM JULY 1, 1974 THROUGH JUNE 30, 1975

Pending at Start	New Cases Docketed	Cases Terminated		Total Terminated	Pending at End
		with Recommendations to the Supreme Ct.	without Recommendations to the Supreme Ct.		
2	15	8	3	11	7

Discipline Recommended by Review Board to Supreme Court								
Disbarment	Suspension		Censure	Petitions for Reinstatement		Reprimand by Review Board	Dismissed by Review Board	Re-referred to Hearing Board
	for Fixed Period	Until Further Order of the Court		Allowed	Not Allowed			
2	0	4	1	1	0	0	1	2

CHART 11

TREND OF DISCIPLINARY MATTERS BEFORE THE SUPREME COURT DURING THE PERIOD FROM FEBRUARY 1, 1973 THROUGH JUNE 30, 1975

	Disciplinary Cases	Petitions for Temporary Suspension	Petitions to Strike Name from Roll	Petitions for Reinstatement	TOTAL
Pending at Start	0	0	0	0	0
FILED	11	30	30	9	60
TERMINATED	2	10	30	6	55
Pending at End	2	0	0	3	5

Discipline Ordered				Allowed		Not Allowed		Allowed		Not Allowed	
Disbar	Suspend	Censure	Dismiss	Allowed	Not Allowed	Allowed	Not Allowed	Allowed	Not Allowed		
3	3	3	0	9	1*	30	0	3	3**		

*Disbarment on consent during pendency of petition for suspension.
**Includes 2 cases dismissed prior to hearing.

Alexander F. Bink & Co.
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS
MEMBER SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS
AMERICAN SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

24 NORTH LA GRANGE ROAD
LA GRANGE, ILL. 60525
TELEPHONE 662-6000
AREA CODE 312

September 2, 1975

To the Commissioners and Administrator of the Attorney Registration and Disciplinary Commission of the Supreme Court of Illinois
203 North Wabash Avenue
Chicago, Illinois 60601

Gentlemen:

We have examined the financial statements of the Attorney Registration and Disciplinary Commission of the Supreme Court of Illinois for the year ended June 30, 1975.

SCOPE OF EXAMINATION

Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

ACCOUNTANTS' OPINION

In our opinion, the accompanying financial statements present fairly the financial position of the Attorney Registration and Disciplinary Commission of the Supreme Court of Illinois at June 30, 1975, and the results of its operations and the changes in its financial position for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Respectfully submitted,

Alexander F. Bink
Certified Public Accountants

ATTORNEY REGISTRATION AND DISCIPLINARY COMMISSION
OF THE
SUPREME COURT OF ILLINOIS

INCOME STATEMENT

Year ended June 30, 1975

INCOME		
Attorney Registration Fees & Charges Collected	436,076.21	
Interest Received on Investments	30,222.48	466,298.69
OPERATING EXPENSES		
Salaries	258,172.72	
Employee Benefits	9,647.58	
Office Rentals & Utilities	26,511.24	
Travel Expenses	15,117.11	
Telephone & Postage	15,670.57	
Office Equipment Rental, Supplies & Expense	26,714.36	
Insurance	1,741.00	
Outside Professional, Data Processing Services & Court Reporting Services	27,088.11	
Depreciation Expense	3,188.57	
Seminar Expense	2,069.43	385,920.69
NET INCOME for the year		<u>80,378.00</u>

ATTORNEY REGISTRATION AND DISCIPLINARY COMMISSION
OF THE
SUPREME COURT OF ILLINOIS

STATEMENT OF CHANGE IN FINANCIAL POSITION

Year ended June 30, 1975

SOURCES OF WORKING CAPITAL		
Net Income	80,378.00	
Items Included Above Not Involving Expenditure of Cash: Depreciation of Fixed Assets	3,188.57	83,566.57
USE OF WORKING CAPITAL		
Fixed Assets Purchased		10,206.28
INCREASE IN WORKING CAPITAL		<u>73,360.29</u>

ATTORNEY REGISTRATION AND DISCIPLINARY COMMISSION
OF THE
SUPREME COURT OF ILLINOIS

BALANCE SHEET

June 30, 1975

ASSETS		
CURRENT ASSETS		
Cash In Bank & On Hand	28,227.13	
Investments (At Cost)	384,053.66	
Prepaid Expenses	1,999.47	414,280.26
FIXED ASSETS		
Office Furniture, Equipment & Library	34,650.28	
Less: Accumulated Depreciation	6,010.56	28,639.72
Total Assets		<u>442,919.98</u>
LIABILITIES AND FUND BALANCES		
CURRENT LIABILITIES		
Accounts Payable		9,702.85
FUND BALANCES		
Unrestricted Fund	373,566.85	
Fixed Asset Fund	28,639.72	
Appropriated for Contingencies	31,010.56	433,217.13
Total Liabilities and Fund Balances		<u>442,919.98</u>