



**ATTORNEY REGISTRATION AND DISCIPLINARY COMMISSION**  
of the  
**SUPREME COURT OF ILLINOIS**

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

**ADMINISTRATOR:**  
CARL H. ROLEWICK

Chicago  
April 30, 1979

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

This report is submitted in accordance with Supreme Court Rule 751 and is an accounting of monies received and expended and a statement of the activities of the Attorney Registration and Disciplinary Commission during 1978.

**A. REGISTRATION**

On December 31, 1978 a total of 33,090 attorneys were registered on the master roll:

Classification	Number of Attorneys
Admitted 1 year or less	2,705
Admitted 1 to 5 years	6,857
Admitted more than 5 years	19,271
On active military duty	119
75 years of age or older	1,088
Neither practices, resides nor is employed in Illinois	2,968
1978 registration fee excused (hardship)	49
Inactive status	31

During 1978 forty-one group legal service plans were registered in compliance with Supreme Court Rule 730.

In-state attorney population, as of September 22, 1976, October 15, 1977 and October 1, 1978, is listed below by the district, circuit and county of the attorney's principal office:

COUNTY OF PRINCIPAL OFFICE	REGISTERED ATTORNEYS		
	76 9-22	77 10-15	78 10-1

COUNTY OF PRINCIPAL OFFICE	REGISTERED ATTORNEYS		
	76 9-22	77 10-15	78 10-1

**FIRST DISTRICT:**

Cook County	19,072	19,593	20,362
<b>SECOND DISTRICT:</b>	<b>2,482</b>	<b>2,725</b>	<b>2,923</b>

15th CIRCUIT:	151	161	163
Carroll	14	16	15
Jo Daviess	16	19	17
Lee	37	37	38
Ogle	30	36	35
Stephenson	54	53	58
16th CIRCUIT:	479	510	544
Kane	390	411	438
De Kalb	71	76	81
Kendall	18	23	25
17th CIRCUIT:	332	356	377
Boone	19	20	21
Winnebago	313	336	356
18th CIRCUIT:			
Du Page	795	884	1,015
19th CIRCUIT:	725	814	824
Lake	578	660	669
Mc Henry	147	154	155
<b>THIRD DISTRICT:</b>	<b>1,602</b>	<b>1,685</b>	<b>1,742</b>

9th CIRCUIT:	183	190	188
Fulton	38	40	35
Hancock	23	23	24
Henderson	9	10	10
Knox	50	54	54
McDonough	36	38	37
Warren	27	25	28
10th CIRCUIT:	498	529	545
Marshall	11	11	12
Peoria	397	422	437
Putnam	5	5	7
Stark	8	9	9
Tazewell	77	82	80
12th CIRCUIT:	356	378	400
Iroquois	26	26	24
Kankakee	84	86	90
Will	246	266	286
13th CIRCUIT:	200	203	221
Bureau	37	43	48
Grundy	28	25	30
La Salle	135	135	143
14th CIRCUIT:	365	385	388
Henry	42	48	52
Mercer	15	16	16
Rock Island	253	268	264
Whiteside	55	53	56
<b>FOURTH DISTRICT:</b>	<b>1,831</b>	<b>1,909</b>	<b>1,989</b>

5th CIRCUIT:	231	226	240
Clark	14	17	15
Coles	63	62	64
Cumberland	7	7	7
Edgar	28	27	29
Vermilion	119	113	125
6th CIRCUIT:	524	562	569
Champaign	278	291	296
De Witt	16	19	17
Douglas	15	17	17
Macon	177	192	203
Moultrie	16	17	16
Piatt	22	26	20

7th CIRCUIT:	623	650	674
Greene	10	11	11
Jersey	11	14	14
Macoupin	34	33	36
Morgan	44	43	46
Sangamon	518	544	559
Scott	6	5	6
8th CIRCUIT:	143	154	164
Adams	70	80	83
Brown	6	7	8
Calhoun	6	6	5
Cass	12	12	13
Mason	15	16	17
Menard	11	11	14
Pike	12	11	11
Schuyler	11	11	13
11th CIRCUIT:	310	317	342
Ford	17	20	22
Livingston	43	43	45
Logan	31	30	28
Mc Lean	204	208	228
Woodford	15	16	19

**FIFTH DISTRICT:**

1st CIRCUIT:	201	223	228
Alexander	16	15	17
Jackson	86	97	99
Johnson	6	6	6
Massac	9	10	13
Pope	5	5	4
Pulaski	5	6	6
Saline	26	28	28
Union	13	12	9
Williamson	35	44	46
2nd CIRCUIT:	204	229	228
Crawford	19	16	17
Edwards	7	7	4
Franklin	31	35	39
Gallatin	8	7	7
Hamilton	8	8	9
Hardin	4	5	5
Jefferson	51	67	64
Lawrence	12	12	12
Richland	17	17	19
Wabash	17	19	20
Wayne	16	19	16
White	14	17	13
3rd CIRCUIT:	263	283	290
Bond	12	12	12
Madison	251	271	278
4th CIRCUIT:	190	213	215
Christian	34	34	36
Clay	13	13	14
Clinton	11	17	16
Effingham	23	26	29
Fayette	11	12	13
Jasper	7	7	8
Marion	41	48	43
Montgomery	35	38	36
Shelby	15	18	20
20th CIRCUIT:	364	383	402
Monroe	15	17	18
Ferry	13	13	14
Randolph	20	24	23
St. Clair	304	318	335
Washington	12	11	12

**B. INCOME AND EXPENDITURES**

Income for the period from January 1, 1978 through December 31, 1978:

1. 1978 registration fees including penalties and delinquent fees from prior years	\$744,431.00
2. Interest received from investment of cash reserves	38,337.30
3. Other miscellaneous income	331.25
<b>Total</b>	<b>\$783,099.55</b>

Operating expenses for the period from January 1, 1978 through December 31, 1978:

1. Salaries of administrator and staff	\$353,912.19
2. Social security taxes	19,177.94
3. Employees' retirement trust	12,875.65
4. Hospital, medical, life, workmen's compensation and unemployment compensation insurance	20,109.13
5. Office rentals and utilities	42,902.60
6. Travel (commissioners, staff, inquiry, hearing and review boards)	20,531.34
7. Telephone	13,820.14
8. Postage	16,030.11
9. Office equipment rental	18,382.96
10. Library, office supplies and related expenses	18,382.96
11. Insurance (fire, theft and extended coverage)	1,387.32
12. Auditing, bookkeeping, payroll and related professional services	10,883.00
13. Data processing and registration expenses*	4,531.29
14. Court reporting for disciplinary proceedings	11,339.61
15. Witness fees and related expenses	1,895.31
16. Depreciation expenses (office equipment)	11,871.30
17. Data processing software and maintenance	9,062.00
18. Expense of Supreme Court Committee on Code of Professional Responsibility	8,292.96
<b>Total</b>	<b>\$595,257.70</b>

\* Charges by the Illinois National Bank, data processing department, prior to the installation of the Commission's in-house computer.

The Commission approved a budget of \$765,162 for 1978 which included \$600,162 for operating expenses, \$150,000 for capital expenditures (the computer) and \$15,000 for the expenses of the Supreme Court Committee on the Code of Professional Responsibility. The Commission's actual expenditures for 1978 were well within the amounts budgeted.

**C. COMPUTERIZED RECORDKEEPING**

As a result of the recommendation of the Commission's auditor, the Commission began reviewing computer systems for the purpose of maintaining the master roll, accounting for monies received and expended and maintaining all of the records relating to disciplinary cases. Several systems were evaluated before the Commission determined that the proposal of Systech, Inc. of Geneva, Illinois best met the Commission's needs. The proposal was submitted to the Court and in May, 1978 the Court approved the purchase of a computer.

On June 18, 1978 the Commission contracted for the purchase and programming of a Hewlett Packard 3000 Series I computer system from Systech, Inc.

The computer was installed and functioning by October 1, 1978 for the purpose of maintaining the master roll and accounting for funds received through the payment of registration fees. The registration process for 1979 was handled, on time, entirely by the computer.

During 1979, the remaining software programs will be designed and installed to provide complete in-house control of all fiscal matters. The computer also will maintain all records, books, calendars, documents, drafts, agendas, minutes and statistics relating to disciplinary cases. The final phase of the computer implementation program will be the use of the computer for word processing in place of the three automatic typewriters currently in use.

The computer maintains the master roll and provides financial accounting with speed and efficiency. Its application to all of the records the administrator is required to maintain not only will improve the efficiency of the office but will hopefully result in substantial savings during the coming years.

**D. STATE AUDIT**

Commencing in early 1977, the Auditor General of Illinois requested that his office be permitted to perform a financial and compliance audit of the Commission. The Commission refused to permit the audit without the express authorization of the Court. The Auditor General was advised that the Commission was audited annually (as provided by Supreme Court Rule 751(e)) and copies of the audits were given to him.

The Court also denied permission to the Auditor General to perform the audit on the grounds that the funds generated by the payment of registration fees are not public funds appropriated by the General Assembly.

However, in April 1978, the Court, as a matter of comity and in the interest of avoiding the continuing conflict, agreed to an audit of the Commission by a private auditing firm on behalf of the Legislative Audit Commission. The Legislative Audit Commission awarded a contract for the audit to Arthur Andersen & Co. The Court authorized the audit but maintained its position that the funds administered by the Attorney Registration and Disciplinary Commission are not public funds and not subject to the statutory provisions of the Illinois Auditing Act. The Court directed that Arthur Andersen & Co. not be given access to any records, investigative files or other data relating to investigations on matters pending before the Inquiry, Hearing or Review Boards.

The audit commenced on February 20, 1979 and as of this date, no report has been received.

**E. RULE CHANGES**

On May 26, 1978, the Supreme Court amended Rule 767, and established Rule 771, effective July 1, 1978. Rule 767, as amended, establishes minimum periods of time after discipline before a petition for reinstatement may be filed. The amendment also requires a petitioner to pay certain costs of investigation of the petition and specifies factors to be considered in determining fitness for reinstatement.

Rule 771 defines the types of discipline that may be imposed by the Court.

Commission Rules 1.4 and 11.1 were amended on January 14, 1978, effective immediately. Rule 1.4 was amended to allow for the appointment of more than one Vice-Chairman of the Inquiry Board. Rule 11.1 was amended to require a petitioner for reinstatement to reveal the existence of loans.

**F. STAFF**

The following changes occurred in the professional staff during 1978.

On January 1, 1978 Chief Counsel John Dixon retired. Mr. Dixon was appointed chief counsel on May 15, 1973, shortly after the inception of the Commission. The Commission greatly appreciates the guidance and leadership provided by Mr. Dixon during the Commission's formative years.

On September 15, 1978 Counsel Jack Toporek left the administrator's office to enter the private practice of law.

On September 1, 1978 the administrator hired three additional attorneys to represent the administrator in disciplinary proceedings.

As of December 31, 1978 the full time staff of the administrator's office

consisted of the administrator and (1) in the Springfield office: an attorney and a secretary; (2) in the Chicago office: an assistant administrator and chief investigator, five attorneys, three investigators, a records manager, an administrative assistant, a clerk, two secretaries, and a receptionist-typist.

Temporary employment of clerical help is utilized in both the Springfield and Chicago offices.

**G. STAFF PENSION PLAN**

Though the Commission is an agency of the Supreme Court, it is not an agency of the State of Illinois. Members of the staff are not state employees and therefore are not eligible to participate in the state employee pension system (which includes participation in the federal social security program).

After the Commission obtained social security coverage for the staff, it determined that a private pension plan with benefits no greater than those afforded to state employees, should be established. A defined contribution plan, prepared by J. H. Reynolds and Associates, Inc., was approved by the Commission on October 15, 1977.

The plan took effect on January 1, 1978. All members of the staff opted to participate. Under the plan each employee is required to contribute 4% of gross earnings and the Commission is required to contribute a like amount.

The employees are limited in benefits to their proportionate share of the body of the trust. The Commission is not committed to the payment of future specific benefits for which no funds may be available.

**H. THE CASELOAD**

The following four statistical charts detail the disciplinary caseload of the administrator's office, the Inquiry Board, the Hearing Board, the Review Board, and the Supreme Court for the period from January 1, 1978 through December 31, 1978.\*

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

\* Not included are matters filed from time to time in courts or administrative agencies relating to the work of the disciplinary system. During 1978 the Commission or the administrator were represented by staff attorneys in the following matters:

In re Bernard Koenig, referred by the Supreme Court of Illinois to the Circuit Court of Cook County for hearing, M.R. 1625. (Disbarred attorney held in contempt and confined to the Cook County Jail for 10 days for continuing to practice law after disbarment.)

Allott v. Atty. Regis. & Disc. Comm., U.S. District Court, 77 C 4712. (Case dismissed with prejudice.)

CHART 1

THE TREND OF INVESTIGATIONS  
 DURING THE PERIOD JANUARY 1, 1978 THROUGH DECEMBER 31, 1978

	Pending at Start	New Charges Docketed		Total Added	Files Terminated			Total Terminated During Period	Pending at End
		from Individuals	from Administrator		Dismissed by Inquiry Chairman and Administrator	Dismissed by Panel	Complaint Voted by Inquiry Panel		
Chicago	798	1421	48	1469	756	735	86	1577	690
Springfield	268	176	4	180	27	155	14	196	252
TOTAL	1066	1597	52	1649	783	890	100*	1773	942

\*100 complaints voted against 51 attorneys

CHART 2

THE TREND OF MATTERS BEFORE THE HEARING BOARD  
 DURING THE PERIOD JANUARY 1, 1978 THROUGH DECEMBER 31, 1978

	Pending at Start	Cases Filed			Total Added
		Disciplinary Complaints Rule 753	Petitions for Temporary Suspension Rule 756	Petitions for Reinstatement Rules 767 & 759	
Chicago	31	23	0	6	29
Springfield	1	4	1	1	6
TOTAL	32	27	1	7	35

Disciplinary Cases	Cases Terminated						Total Terminated	Pending at End
	Petitions for Temporary Suspension	Petitions for Reinstatement	Petitions for Reinstatement Withdrawn	Dismissed	Reprimand by Hearing Board	Name Stricken on own Motion Prior to or During Hearing		
21	0	6	1	5	0	4	37	23
2	1	0	0	1	0	0	4	3
23	1	6	1	6	0	4	41	26

CHART 3

TREND OF MATTERS BEFORE THE REVIEW BOARD  
 DURING THE PERIOD JANUARY 1, 1978 THROUGH DECEMBER 31, 1978

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.		
14	30	28	5	33	11

  

Discipline Recommended by Review Board to Supreme Court					Reprimand by Review Board	Dismissed by Review Board	Re-manded to Hearing Board
Disbarment	Suspension	Censure	Petitions for Reinstatement				
3	17	2	Allowed	Not Allowed	1	4	0
			4	2			

CHART 4

TREND OF DISCIPLINARY MATTERS BEFORE THE SUPREME COURT  
 DURING THE PERIOD JANUARY 1, 1978 THROUGH DECEMBER 31, 1978

Disciplinary Cases	Petitions						TOTAL
	Temporary Suspension	Inactive Status*	Disbarment on Consent	Reinstatement	Miscellaneous		
Pending at Start	14	1	10	1	5	6	37
FILED	25	7	21	7	8	9	77
TERMINATED	20	2	28	7	4	1	71
Pending at End	19	6	3	1	8	6	43

Discipline Ordered			
Disbar	Suspend	Censure	Discharge
2	14	3	1

\*Voluntary transfer to inactive status pursuant to Supreme Court Rule 770

\*\*3 attorneys suspended pursuant to Rule 754

Alexander K. Fuhr & Co.  
 CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS  
 ILLINOIS C.P.A. SOCIETY  
 AMERICAN INSTITUTE OF  
 CERTIFIED PUBLIC ACCOUNTANTS

SUITE 424  
 4415 W. HARRISON STREET  
 HILLSIDE, ILLINOIS 60162  
 TELEPHONE 449-2022  
 AREA CODE 312

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 December 31, 1978.

**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 December 31, 1978, 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 K. Fuhr & Co.*  
 Certified Public Accountants

Dated: March 16, 1979  
 Hillside, Illinois

**ATTORNEY REGISTRATION AND DISCIPLINARY COMMISSION  
OF THE  
SUPREME COURT OF ILLINOIS  
BALANCE SHEET  
December 31, 1978**

<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash in Bank	132,212.83		
Accounts Receivable	3,043.59		
Investments (At Cost)	820,573.35		
Prepaid Expenses	476.63	956,306.40	
<b>FIXED ASSETS</b>			
Office Furniture, Equipment & Library	170,194.26		
Less: Accumulated Depreciation	30,209.01	139,985.25	
<b>Total Assets</b>		<u>1,096,291.65</u>	
<b>LIABILITIES AND FUND BALANCES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts Payable	12,346.33		
Deferred Income	626,280.00		
Group Legal Service Registration Fee Fund	3,343.13		
Retinstatement Deposits	500.00	642,469.46	
<b>FUND BALANCES</b>			
Operating Fund	283,627.93		
Physical Asset and Replacement Fund	170,194.26	453,822.19	
<b>Total Liabilities and Fund Balances</b>		<u>1,096,291.65</u>	

**ATTORNEY REGISTRATION AND DISCIPLINARY COMMISSION  
OF THE  
SUPREME COURT OF ILLINOIS  
INCOME STATEMENT  
Year ended December 31, 1978**

<b>INCOME</b>			
Attorney Registration Fees & Charges Collected	744,431.00		
Interest Received on Investments	38,337.30		
Other Miscellaneous Income	331.25	783,099.55	
<b>OPERATING EXPENSES</b>			
Salaries	353,912.19		
Social Security Taxes	19,177.94		
Employees Group Insurance	20,109.13		
Employees Retirement Trust	12,875.65		
Office Rentals & Utilities	42,902.60		
Travel & Related Expenses	20,531.34		
Telephone & Postage	29,850.25		
Office Equipment Rentals, Supplies & Expenses	36,635.81		
Insurance	1,387.32		
Outside Professional Services, Data Processing, Court Reporting & Witness Expense	23,649.21		
Depreciation Expense	11,871.30		
Data Processing Software & Maintenance	9,062.00		
Supreme Court Committee on Code of Professional Responsibility	8,292.96	595,257.70	
<b>NET INCOME</b>		<u>187,841.85</u>	

**ATTORNEY REGISTRATION AND DISCIPLINARY COMMISSION  
OF THE  
SUPREME COURT OF ILLINOIS  
STATEMENT OF CHANGES IN FINANCIAL POSITION  
Year ended December 31, 1978**

<b>SOURCE OF WORKING CAPITAL</b>			
Net Income For Year Ended December 31, 1978	187,841.85		
Add: Expenses Not Requiring Use of Funds:			
Depreciation of Fixed Assets	11,871.30	199,713.15	
<b>USE OF WORKING CAPITAL</b>			
Purchases of Fixed Assets		121,947.08	
<b>INCREASE IN WORKING CAPITAL</b>		<u>77,766.07</u>	
	<b>DECEMBER 31,</b>		
	1978	1977	
<b>CURRENT ASSETS</b>	956,306.40	860,665.90	
<b>CURRENT LIABILITIES</b>	642,469.46	624,595.03	
<b>TOTAL WORKING CAPITAL</b>	<u>313,836.94</u>	<u>236,070.87</u>	
<b>INCREASE IN WORKING CAPITAL</b>		<u>77,766.07</u>	

**ATTORNEY REGISTRATION AND DISCIPLINARY COMMISSION  
OF THE  
SUPREME COURT OF ILLINOIS  
GENERAL NOTES  
December 31, 1978**

**A. ACCOUNTING POLICIES:**

The books and other financial records of the Commission are recorded on an accrued basis.

The accounting year of the Commission is December 31, as established by a resolution by the Commissioners dated May 21, 1975.

Fixed assets are carried at cost less accumulated depreciation computed on a straight-line method over an estimated useful life of six to ten years.

The Commissioners have created a fund for the replacement of physical assets. The amount appropriated for the year ended December 31, 1978, was \$11,773.90. The fund balance at December 31, 1978, totals \$30,209.01.

**B. 1978 UNCOLLECTED FEES**

As of January 31, 1978, a total of 2999 attorneys failed to register. All of them were registered in 1977, and all were sent registration applications for 1978. Their uncollected fees totaled \$43,195.00. A concerted effort was undertaken by the Administrator to determine the reasons for their failure to register. A second registration application was sent to each of them. Telephone calls and personal visits were made throughout the state to determine whether the unregistered attorneys were engaged in the practice of law. By December 31, 1978, only 340 attorneys were unregistered and \$5,070 in registration fees uncollected. Of the 340 unregistered attorneys, 72 were not residents of Illinois, 71 were on inactive status, 33 were more than 75 years

old, and 164 were unaccounted for by reason of death or a change of address without notification to the Commission. The \$5,070 in uncollected registration fees are not carried as receivables since it cannot be determined that the amount is owed.

**C. INVESTMENTS**

All investments with the exception of all savings accounts are handled by the Trust Department of the Illinois National Bank of Springfield and are held in safe keeping 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 and all monies are deposited to the Commission's account. An accounting for these funds are sent daily to the Commission's computer department for processing and comparison to the registration and billing records. The system is test checked by our audit and the lock box system is also checked by the Internal Auditors of the Bank and the National Bank Examiners.

**E. LEASE COMMITMENTS**

The Commission has the following major lease commitments existing at December 31, 1978.

1. Chicago Office—September 1, 1975, through August 31, 1980. Present value of lease commitment \$48,000.00. At December 31, 1978, the Commission is also leasing on a month to month basis the remaining space on the 19th floor at \$195.00 per month. Negotiations are currently pending to lease additional office space in the building.
2. Springfield Office—October 1, 1974, through January 31, 1980. Present value of lease commitment \$10,178 plus possible escalations for real estate taxes, operating expenses and utilities.

**F. TAXABLE STATUS**

On January 29, 1976, 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 information return) with the I.R.S.

**G. DEFERRED INCOME**

On November 1, 1978, registrations for the calendar year 1979 were mailed to all attorneys. Any registration fees received from the mailing date to December 31, 1978, are deferred income. The amount received during such period was \$626,280.00 which will be reported as income in 1979.

**H. EMPLOYEES PENSION PLAN AND TRUST**

On October 15, 1977, the Commission established a Pension Plan and Trust for the benefit of all qualified employees. Under the terms of the agreement each participating employee is required to contribute four (4%) percent of his or her annual salary to the Trust and the Commission is required to contribute a like amount. In addition the employee and Commission may contribute additional amounts.

The Plan and Trust was effective January 1, 1977, however no contributions were required or made for the year ended December 31, 1977. The contribution by the Commission during 1978 was \$12,875.65.

The Commission appointed Mr. Joseph H. Reynolds, Sr. to act as Trustee. The Internal Revenue Service has not, as of this date, approved the Plan and Trust for qualification.

**I. LITIGATION**

Periodically the Commission, staff, or members of the various Boards are involved in suits filed by attorneys or other persons challenging the Commission's authority or seeking injunctive relief or damages allegedly caused by disciplinary decision. These cases have been handled successfully by staff attorneys. While some cases are currently pending, the Commission expresses the opinion that they are without merit.

**J. GROUP LEGAL SERVICE REGISTRATION FEE FUND**

All registration fees received for group legal service plans have been segregated from all other funds of the Commission. Presently these monies are invested in a savings account at Bell Federal Savings in Chicago.

**K. OTHER EVENTS**

The Legislative Audit Commission is currently conducting a financial and compliance examination of the Commission covering the years ended June 30, 1977 and 1978. The results of the review is not available at this date.

The Internal Revenue Service has audited the Federal Unemployment Tax Returns for the years 1973 through 1976. The audit is completed and is awaiting review. The audit report recommends no changes and no additional taxes.