

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF ILLINOIS

PLAN FOR THE ADMINISTRATION
OF THE DISTRICT COURT FUND



REVISED MARCH 2007

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A. Creation of the Fund: Purpose of the Plan

A District Court Fund was created by the Rules of this Court promulgated October 1, 1980, as amended. Disciplinary Rule XI of Rule 33 of those rules, as amended on the 4th day of January, 1984, required newly admitted attorneys to pay to the Clerk a fee in addition to that established by the Judicial Conference of the United States pursuant to 28 U.S.C. 1914, and also required a fee for attorneys admitted pro hac vice, the receipts from both fees to be deposited in the District Court Fund. This plan is adopted to provide for procedures for the administration of funds deposited in the District Court Fund.

B. Advisory Committee

There shall be an advisory committee to advise the Court on matters of policy relating to the Fund. The committee shall consist of all active District Judges and the Clerk of Court. The committee shall be chaired by a District Judge, and the chair shall rotate on an annual basis. The chairperson shall oversee the Custodian of the Fund.

C. Custodian of the Fund

Pursuant to Rule 33, the Clerk of this Court is the custodian of the District Court Fund. In the event of the death, retirement, or resignation of the Clerk, the Chief Deputy Clerk, or such other person as the Chief Judge designates, shall become the Custodian until such time as the next Clerk assumes office.

D. Duties and Responsibilities of the Custodian

The responsibilities of the custodian are as follows:

1. To receive, safeguard, deposit, disburse and account for all funds in accordance with the law, this plan and the policies established by the Court;
2. To establish an accounting system for the Fund;
3. To insure that financial statements and operating reports are prepared in a timely fashion and to sign such statements and reports, thereby certifying that they accurately present the financial condition of the Fund;

4. To sign checks drawn on the Fund pursuant to a specific Order signed by the chairperson of the fund for requests less than \$1,000.00 and by all active District Court Judges for requests of \$1,000.00 or more, entered in response to a request from the Custodian supported by an appropriate explanation and documentation, except as otherwise provided in Section I, regarding out-of pocket expenses in pro bono cases.
5. To invest funds in accordance with the provisions of this plan; and
6. To perform such other functions as may be required by the Court.

E. Responsibilities upon Appointment of Successor Custodian

When a Successor Custodian is appointed, the outgoing Custodian should prepare and sign the following statements in conjunction with an exit audit or inspection conducted by an auditor or disinterested inspector designated by the Chief Judge:

1. A statement of assets and liabilities;
2. A statement of operations or of receipts and disbursements since the end of the period covered by the last statement of operations and net worth; and
3. A statement of the balance in any fund accounts as of the date of transfer to the Successor Custodian.

The Successor Custodian will execute a receipt for all funds after being satisfied as to the accuracy of the statements and records provided by the outgoing Custodian. Acceptance may be conditioned upon an audit and verification where circumstances warrant.

F. Audits and Inspections

The District Court Fund is subject to audit by the appropriate staff of the Administrative Office of the United States Courts. The Chief Judge may appoint an auditor or disinterested inspector (who may be a government employee) to conduct such audits as the court determines to be necessary. The written results of such audit or inspection will be provided to members of the advisory committee, each District Judge and, upon request, any member of the bar of the Court.

In the event that the Court orders a dissolution of the fund, a terminal audit or inspection will be performed and a written accounting rendered to the Court.

G. Protection of the Fund's Assets

Except as otherwise provided in this plan, all receipts will be deposited in banks or savings institutions where accounts are insured by the F.D.I.C. Where practical and feasible, the Custodian shall place any substantial sums into interest bearing accounts, in government securities or a money market fund invested in government obligations. Such investment shall be at the direction of the advisory committee. Efforts should be made to maximize the return on investments consistent with the requirements of convenience and safety.

Funds held by the Custodian must be segregated from all other monies in the custody of the Clerk of the Court, including other non-appropriated funds, if any.

H. Use of Funds

In general, the monies deposited in the Fund are to be used for the benefit of the Bench and bar in the administration of justice. All disbursements shall be in accordance with the Judicial Conference guidelines and the *Guide to Judiciary Policies and Procedures*, volume I, chapter VII, part M. Funds are not to be used to supplement appropriated funds (except for library materials), or to supplement the salary of any Court officer or employee. Examples of appropriate uses of funds include, but are not limited to, attorney admissions proceedings, lawyer lounge facilities, charts and stands for courtroom use and reimbursement for out-of-pocket expenses in pro bono cases.

I. Out-of-Pocket Expenses in Pro Bono Cases

In a civil case where an attorney is appointed by the Court to represent an indigent party, the District Judge or Magistrate Judge to whom the case is assigned may authorize the payment of out-of-pocket expenses reasonably incurred, and not otherwise recoverable. Application for reimbursement shall be in the form approved by the Advisory Committee and available from the Clerk.

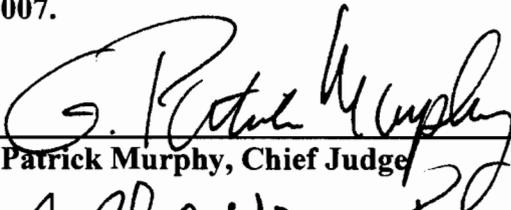
The District Judge or Magistrate Judge to whom the case is assigned may approve the reimbursement of such expenses only if they do not exceed \$1,000.00 for the proceedings. The chairperson of the Fund may approve extraordinary expenses up to \$2,500.00. Any request exceeding \$2,500.00 must be approved by a majority of a quorum of the District Judges on the Advisory Committee, with the Chief Judge breaking all ties. It shall be the duty of the Custodian of the Fund to notify all District Judges and Magistrate Judges if it appears that the Fund is in danger of being depleted.

In the event that the party being represented is ultimately successful on the merits and is awarded costs and attorney's fees, the out-of-pocket expenses allowed pursuant to this paragraph will be deducted from such award and redeposited into the Fund.

J. Dissolution of the Fund

Should this Court decide to dissolve the fund, the Custodian will liquidate all outstanding obligations prior to the dissolution, including making provisions for the payment of any fees and expenses resulting from the required terminal audit or inspection. The Court will direct the disposition of the assets of the fund in ways which fulfill the purpose of the Fund.

Adopted this 21ST day of March, 2007.



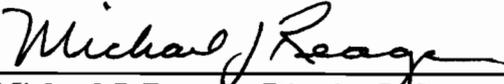
G. Patrick Murphy, Chief Judge



J. Phil Gilbert, District Judge



David R. Herndon, District Judge



Michael J. Reagan, District Judge