



**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

CARL H. ROLEWICK  
**ADMINISTRATOR:**

Chicago  
April 25, 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.

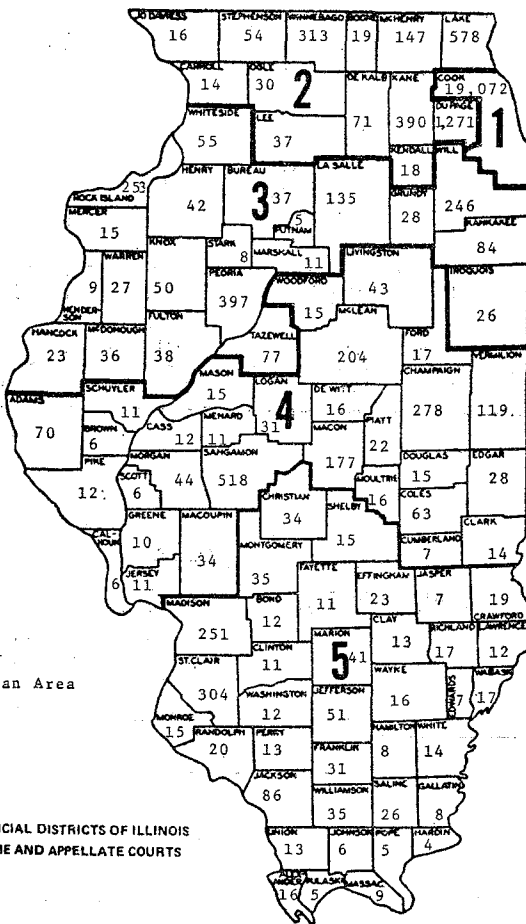
**A. REGISTRATION**

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

Classification	Number of Attorneys
Admitted 1 year or less	2,372
Admitted 1 to 5 years	4,806
Admitted more than 5 years	18,104
Admitted 50 years or more	137
On active military duty	141
75 years of age or older	890
Neither practices, resides nor is employed in Illinois	3,235
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 9/22/76



THE JUDICIAL DISTRICTS OF ILLINOIS  
SUPREME AND APPELLATE COURTS

**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	14,764.62
3. Other miscellaneous income	217.60
<b>Total</b>	<b>\$440,652.22</b>

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

1. Salaries of administrator and staff	\$311,697.79
2. Social security taxes	16,339.91
3. Hospital, medical, life, 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)	17,143.94
6. Telephone	14,341.96
7. Postage	6,033.46
8. Office equipment rental	16,262.48
9. Library, office supplies and expenses	8,067.98
10. Insurance (fire, theft and extended coverage)	714.83
11. Auditing, bookkeeping, payroll and other professional services	6,938.00
12. Data processing and registration expenses	31,887.85
13. Court reporting expenses for disciplinary proceedings	12,303.78
14. Witness fees and related expenses	1,634.40
15. Seminar expenses	2,226.92
16. Depreciation expenses (office equipment)	4,837.28

**Total Operating Expenses \$503,475.25**

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

17. Other extraordinary expenses:		
(a) prior years social security, state & federal unemployment taxes	\$66,186.31	
(b) Interest paid on back taxes	7,168.10	73,354.41
<b>Net Loss</b>		<b>\$136,177.44</b>

\*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). That 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:

- In the Springfield office:
  - attorney;
  - administrative assistant;
  - secretary;
  - receptionist/typist;
- In the Chicago office:
  - assistant administrator and chief counsel;
  - assistant administrator and chief investigator;
  - attorneys (three);
  - investigators (three);
  - administrative assistant;
  - clerk;
  - secretaries (two);
  - 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:
- 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 panels necessary to carry on the work of the boards;
  - To eliminate the necessity for the administrator to "apply" for review, and to permit the attorney respondent or the administrator to file exceptions to the report of the hearing board; and
  - To provide for a method by which the administrator may petition for leave to appeal a review board report or order without making a record of that petition unless it is allowed by the Court.
- 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 766 (confidentiality of proceedings) was modified to permit the administrator:
- To confirm that a petition for temporary suspension upon conviction of a crime was filed with the Court.
  - To disclose (with the permission of the Court) to a person who would be prejudiced without the knowledge that a disciplinary complaint is pending against an attorney.
  - To disclose (with the permission of the Court) certain information regarding investigations or disciplinary proceedings where the allegations of attorney misconduct stemmed from a public disclosure.

**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. Of the 2,177 new charges received 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 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, and 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 the recommendation of the administrator, may dismiss the charge as provided by Commission Rule 1.5. A total of 884 charges were terminated in this manner.

**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 administrator's 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 709 charges and voted 82 complaints against 55 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 75-1629, U.S. Supreme Court 75-8739.
- Gottschalk v. Rolewick, Circuit Court of Cook County, 76 CH 1985.
- Madsen v. Rolewick, U.S. District Court, 76 L 1287.
- Benjamin Ehrlich v. Sharf, Supreme Court of Illinois M.R. 1755.
- Mitan v. Attorney Registration and Disciplinary Commission, Circuit Court of Cook County, 76 L 12002, 76 CH 3937, Supreme Court of Illinois, M.R. 1862.
- People, ex rel. Rolewick v. Circuit Court of Cook County, Supreme Court of Illinois, 48863.
- In re John M. Daley, U.S. District Court, 71 GJ 3567, U.S. Court of Appeals, 76-1657.

**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 13 petitions for reinstatement were referred to that board. Hearings were conducted in 50 cases and 49 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 30 cases. Included in its reports to the Supreme Court were recommendations for 5 disbarments, 7 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—3; practice during suspension—1; fraud—1; neglect—9; and conflict of interest—2.

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, 1976 through December 31, 1976.

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

\*A single complaint may charge multiple offenses.

**CHART 1**

THE TREND OF INVESTIGATIONS IN THE ADMINISTRATOR'S OFFICE AND BEFORE THE INQUIRY BOARD DURING THE PERIOD JANUARY 1, 1976 THROUGH DECEMBER 31, 1976

	New Charges Docketed			Total Added	Files Terminated			Total Terminated During Period	Pending at End
	Pending at Start	from Individuals	from Administrator		Dismissed by Inquiry Chairman and Administrator	Dismissed by Panel	Complaints Voted by Inquiry Panel		
Chicago	491	1436	16	1452	810	502	61	1373	570
Springfield	243	281	17	298	74	207	21	302	239
<b>TOTAL</b>	<b>734</b>	<b>1717</b>	<b>33</b>	<b>1750</b>	<b>884</b>	<b>709</b>	<b>82</b>	<b>1675</b>	<b>809</b>

**CHART 2**

THE TREND OF MATTERS BEFORE THE HEARING BOARD DURING THE PERIOD JANUARY 1, 1976 THROUGH DECEMBER 31, 1976

	Pending at Start	Cases Filed			Total Added
		Disciplinary Complaints	Petitions for Transfer to Inactive Status Rule 756*	Petitions for Reinstatement Rules 759** and 767***	
Chicago	21	33	2	11	46
Springfield	5	7	0	2	9
<b>TOTAL</b>	<b>26</b>	<b>40</b>	<b>2</b>	<b>13</b>	<b>55</b>

\* Mental disability or addiction to drugs or intoxicants  
 \*\* Upon termination of disability  
 \*\*\* After disbarment or disciplinary suspension

	Cases Terminated						Total Terminated	Pending at End
	For Discipline	Petitions for Transfer to Inactive Status	Petitions for Reinstatement	Dismissed	Reprimand by Hearing Board	Name Stricken on own Motion Prior to or During Hearing		
	15	1	9	10	2	1	38	29
	8	0	2	1	0	0	11	3
	23	1	11	11	2	1	49	32

**CHART 3**

TREND OF MATTERS BEFORE THE REVIEW BOARD DURING THE PERIOD JANUARY 1, 1976 THROUGH DECEMBER 31, 1976

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.		
7	36	24	6	30	13

Discipline Recommended By Review Board to Supreme Court								
Disbarment	Suspension		Censure	Petitions for Reinstatement		Reprimand by Review Board	Dismissed by Review Board	Remanded to Hearing Board
	for Fixed Period	Until Further Order of the Court		Allowed	Not Allowed			
5	2	5	5	5	2	0	4	2

**CHART 4**

TREND OF DISCIPLINARY MATTERS BEFORE THE SUPREME COURT DURING THE PERIOD JANUARY 1, 1976 THROUGH DECEMBER 31, 1976

Disciplinary Cases	Petitions								TOTAL
	Temporary Suspension	Inactive Status Rule 770		Strike Name from Roll		Reinstatement			
Pending at Start	2	1	0	0	7			10	
FILED	15	14	7	15	11			62	
TERMINATED	11	Not Allowed	Not Allowed	Not Allowed	Not Allowed	Not Allowed	Not Allowed	36	
Pending at End	6	6	1	1	1	10	1	36	

Discipline Ordered			
Disbar	Suspend	Censure	Dismiss
3	5	3	0

\*Includes 3 reports to the Supreme Court pursuant to Rule 754 (failure to comply with a subpoena).

## Alexander K. Fink &amp; Co.

CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS  
ILLINOIS CPA SOCIETY  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTSSUITE 404  
4415 W. HANCOCK STREET  
HILLSIDE, ILLINOIS 60142  
TELEPHONE 439-5022  
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, 1976.

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, 1976 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. Fink & Co.*  
Certified Public Accountants

Dated: February 11, 1977  
Hillside, Illinois

ATTORNEY REGISTRATION AND DISCIPLINARY COMMISSION  
OF THE  
SUPREME COURT OF ILLINOIS  
BALANCE SHEET  
December 31, 1976

ASSETS			
<b>CURRENT ASSETS</b>			
Cash In Bank & On Hand	97,550.97		
Investments (At Cost)	560,811.08		
Prepaid Expenses	1,241.73	659,603.78	
<b>FIXED ASSETS</b>			
Office Furniture, Equipment & Library	45,485.76		
Less: Accumulated Depreciation	12,899.28	32,586.48	
Total Assets			692,190.26
<b>LIABILITIES AND FUND BALANCES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts Payable	22,472.21		
Deferred Income	588,895.00	611,367.21	
<b>FUND BALANCES</b>			
Unrestricted Funds	70,261.05		
Physical Asset Replacement Funds	10,562.00	80,823.05	
Total Liabilities and Fund Balances			692,190.26

ATTORNEY REGISTRATION AND DISCIPLINARY COMMISSION  
OF THE  
SUPREME COURT OF ILLINOIS  
INCOME STATEMENT  
Year ended December 31, 1976

<b>INCOME</b>			
Attorney Registration Fees & Charges Collected	425,670.00		
Interest Received on Investments	14,764.62		
Other Miscellaneous Income	217.00	440,652.22	
<b>OPERATING EXPENSES</b>			
Salaries	311,697.79		
Social Security Taxes	16,339.91		
Other Employee Benefits	14,713.74		
Office Rentals & Utilities	38,870.63		
Travel & Related Expenses	17,143.94		
Telephone & Postage	20,375.42		
Office Equipment Rental, Supplies & Expense	24,330.46		
Insurance	714.93		
Outside Professional Services, Data Processing & Registration, Court Reporting & Witness Expense	52,224.23		
Depreciation Expense	4,837.28		
Seminar Expense	2,226.92	503,475.25	
<b>NET OPERATING LOSS</b>			62,823.03
<b>OTHER EXTRAORDINARY EXPENSES</b>			
Prior Years Social Security, State & Federal Unemployment Taxes	66,186.31		
Interest Paid on Back Taxes	7,168.10	73,354.41	
<b>NET LOSS</b>			136,177.44

## ATTORNEY REGISTRATION AND DISCIPLINARY COMMISSION

OF THE  
SUPREME COURT OF ILLINOIS  
STATEMENT OF CHANGES IN FINANCIAL POSITION  
Year ended December 31, 1976

<b>USE OF WORKING CAPITAL</b>			
Net Loss		136,177.44	
Fixed Assets Purchased		6,612.59	142,790.03
<b>SOURCES OF WORKING CAPITAL</b>			
Item Included Above Not Involving Expenditure of Cash: Depreciation of Fixed Assets			4,837.28
<b>DECREASE IN WORKING CAPITAL</b>			137,952.75
<b>DECEMBER 31,</b>			
	1975	1976	
<b>CURRENT ASSETS</b>	551,137.61	659,603.78	
<b>CURRENT LIABILITIES</b>	364,948.29	611,367.21	
<b>TOTAL WORKING CAPITAL</b>	186,189.32	48,236.57	
<b>DECREASE IN WORKING CAPITAL</b>			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 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, 1976 was  
\$2,500. The Fund Balance at December 31, 1976 totals \$10,562.00.

The Commission has been advised that the Supreme Court has approved  
the Commission's recommendation that the 1977 Attorney Registration Fee  
be increased from \$10.00 to \$15.00 for attorneys admitted more than one year  
but less than five, and from \$20.00 to \$30.00 for attorneys admitted more  
than five years.

**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, num-  
bered 442 with \$3,330.00 due in amount. These are not carried as receivables  
since it cannot be determined that the amount is owed. 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 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. The bank's accounting  
is then compared to the registration and billing lists as maintained by the  
Computer Service of the bank. This system is test checked by our audit  
and also by the Internal Auditors at the bank.

**E) LEASE COMMITMENTS**

The Commission has the following major lease commitments existing  
at December 31, 1976:

- Chicago Office—9/1/75 through 8/31/80  
Present value of lease commitment \$104,840.00
- Springfield Office—10/1/74 through 1/31/80  
Present value of lease commitment \$28,013.81

**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. How-  
ever, 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 \$588,895.00 which will represent income in 1977.

May-13