

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS**

**APPENDIX D**

**PLAN FOR THE ADMINISTRATION OF  
THE DISTRICT COURT FUND**

*The Plan was initially adopted by the Court on March 16, 1983. It was subsequently amended on June 20, 1985, January 12, 2001, April 16, 2004, and October 25, 2018.*

**A. Creation of the Fund; Purpose of Plan**

A District Court Fund was created by the General Rules of this court promulgated on April 13, 1965. Rule 6 A (iii) of those rules 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 [28U.S.C.§1914](#). On July 12, 1982 new practice rules were promulgated including General Rule 3.02. General Rule 3.02 replaced the earlier General Rule 6 A (iii) and required, in addition to a portion of the fee for new attorneys, a fee for attorneys admitted to the trial bar of the court and a fee for attorneys admitted *pro hac vice*, the receipts from each fee to be deposited in the District Court Fund. The Local Rules and Internal Operating Procedures were amended in September 1999. [LR83.36](#) and [LR 83.40](#), in addition to [IOP32](#), govern the administration of the District Court Fund. This plan is adopted to provide procedures for the administration of funds deposited in the District Court Fund.

**B. Executive Committee to Advise**

The Executive Committee shall advise the court on matters of policy relating to the administration of the fund.

**C. Custodian of the Fund**

Pursuant to [Internal Operating Procedure 32](#) the clerk of the 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, which checks shall be countersigned by the chief judge or a judge designated by the chief judge;
- (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 a 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 or their contracted auditors. 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 F.D.I.C. or F.S.L.I.C. Where practical and feasible the custodian shall place any substantial sums into interest bearing accounts, 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. Limitations on Use of Funds**

Monies deposited in the fund must not be used to pay for materials or supplies available from statutory appropriations. Under no circumstances are such monies to be used to supplement the salary of any court officer or employee.

## **I. Uses of the 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. Monies deposited in the fund may be used to pay for any of the following:

- (1) the expenses related to attorney admissions
- (2) the expenses related to attorney disciplinary proceedings, including the expenses of investigating counsel, and travel and witness fees in disciplinary proceedings;
- (3) the cost of periodicals and publications purchased for the William J. Campbell library if appropriated funds are not available;
- (4) the expenses associated with creating lawyer lounge facilities;
- (5) the expenses incurred by the custodian in performing his/her duties under the plan including the expense of a surety bond covering monies in the fund;
- (6) the fees for services rendered by outside auditors or inspectors in auditing or inspecting the records of the fund;
- (7) pursuant to the provisions of section J of this plan, the out-of-pocket expenses of attorneys assigned to represent indigent parties in civil proceedings in this court;
- (8) expenses associated with Court History projects, including the Court History Museum;
- (9) expenses related to public and attorney Wifi costs in the Courthouses;
- (10) expenses related to refreshments offered at events hosted by the Court and members of the bench when members of the bench are invited; and
- (11) such other expenses as may from time to time be authorized by the full court for the use and benefit of the bench and bar in the administration of justice.

## **J. Out-of-pocket Expenses in Pro Bono Cases**

In a civil case where an attorney is assigned to represent an indigent party, reasonable out-of-pocket expenses not otherwise recoverable may be paid for out of the fund, pursuant to [LR 83.40](#), and in accordance with regulations adopted by the full Court or the Advisory Committee. Application to incur the expense or for reimbursement shall be on a form approved by the Executive Committee and available from the clerk.

Limits on the amounts to be reimbursed from the fund under this section for classes of expenses have been established in regulations adopted by the full court. Only the expenses incurred by court assigned counsel and experts on behalf of specific individuals are covered by this section.

## **K. Dissolution of the Fund**

Should the 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.