

**PLAN FOR THE ADMINISTRATION OF COURT NON-APPROPRIATED FUNDS
ADOPTED BY MGO 864 JUNE 17, 2002**

Pursuant to the "Guidelines for Non-appropriated Funds Maintained by the Courts of the United States" issued by the Director of the Administrative Office of the United States Courts on October 1, 1981, the United States District Court for the District of Alaska has adopted the following plan for the administration and operation of the funds derived from attorney admission fees. These funds shall be held by the court in appropriate depositories, separate from other monies received by the court. They shall be expended at the direction of the Attorney Admission Fee Fund Advisory Committee [a.k.a. Court Fund Committee], appointed by the Chief Judge, in accordance with guidelines set forth in Section 1 of this plan, below, and in subsequent orders of the court. Unreasonable accumulations to the Attorney Admission Fee Fund shall be avoided.

Section 1. Guidelines for Use.

- a. The Fund shall be used for purposes approved by the court, after consultation with the Attorney Admission Fee Fund Advisory Committee that inure to the benefit of members of the bench and the bar of the court, including, but not limited to the following for which appropriated funds are not available:
 - (1) Expenses of federal court law libraries for which appropriated funds are not available at the time the expense is incurred (such as payment for publications and periodicals, filing services, temporary assistance with special projects and the computerization of library catalog);
 - (2) Expenses related to attorney admission proceedings;
 - (3) Expenses related to attorney discipline enforcement and proceedings;
 - (4) Expenses, equipment and materials to assist attorneys in the courtroom;
 - (5) Expenses of the annual law clerk orientation;
 - (6) Attorney expenses for court committee meetings;
 - (7) Expenses in connection with court ceremonial and commendation services;
 - (8) Court projects and programs that interest or benefit the bar or which enhance the quality of advocacy in the court;
 - (9) Expenses of the collection and preservation of court records of historical value including the judicial portraits, historical photographs, art works, oral histories, etc., approved by the Advisory Committee;
 - (10) Expenses for the development of historical and educational materials describing the court for use by the bar;
 - (11) Costs of special projects or acquisitions to further the administration of justice in the court;
 - (12) Fees for services rendered by outside auditors in auditing the Fund, in accordance with Section 4, below;

- (13) Collection, restoration, preservation, and/or display of court records or other artifacts of historical significance;
- (14) Preparation, production and distribution of legal educational materials (including expenses associated with authoring, producing and distributing pamphlets, brochures, newsletters, and other educational materials) approved by the Advisory Committee;
- (15) Expenses in support of the annual District Conference, as approved by the Advisory Committee;
- (16) Expense related to attorney educational programs, such as CLE programs; and,
- (17) All other expenses expressly authorized by agreement of the Advisory Committee.

b. The Fund shall not be used to pay for materials or Supplies legally available from statutory appropriations nor to supplement the salary of any court officer or employee.

c. The Fund may be used as a revolving account to pay for expenses not covered by 1 (a) (1)–(17) for which the Fund will be entirely reimbursed, when approved by the Advisory Committee.

Section 2. Custodian of the Fund.

a. The Clerk shall act as custodian of the Fund and shall be responsible for receiving payment of attorney admission fees and for safeguarding, depositing, disbursing and accounting for all assets of the Fund in accordance with the advice of the Advisory Committee and pertinent guidelines and statutes. Monies paid into the Attorney Admission Fee Fund and the accounts therefor shall be kept separate and distinct from any other monies received by the court. In particular, the custodian shall:

- (1) Make Payments from the Fund for purposes authorized in accordance with Section 1. Expenditures must be approved and countersigned by the chief judge;
- (2) Establish an appropriate accounting system for the Fund and maintain proper records of receipts and disbursements;
- (3) Prepare and submit to the court and the Advisory Committee an annual report on Fund activities, setting forth the balance, receipts, disbursements and earnings for the Fund, and any other reports that the court, from time to time, may require;
- (4) Invest funds, with the approval of the Advisory Committee, in accordance with the guidelines set forth in Section 5, below; and
- (5) Perform such other duties as the court may direct.

b. Upon appointment by the court of a successor custodian, the outgoing custodian shall prepare and sign the following statements in conjunction with an exit audit or inspection conducted by an auditor or disinterested inspector as designated by the court:

- (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 shall 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 audit and verification when the circumstances warrant.

Section 3. Expenditures. Consistent with the foregoing, the custodian may authorize expenditures up to \$500.00 per item with the approval and countersignature of the Chief Judge. Expenditures in excess of these limits must be approved by a majority of the Advisory Committee.

Section 4. Audits and Inspections. Funds are subject to audit by the Administrative Office of the U.S. Courts. The court may appoint an outside auditor or disinterested inspector (who may be a government employee) to conduct such additional audits as the court determines may be necessary or appropriate. The written results of each such audit or inspection shall be provided to the court and the Advisory Committee. Reasonable compensation may be provided from Fund assets if the auditor or inspector is not a government employee acting in an official capacity.

An audit or inspection shall be performed prior to the dissolution of the Fund and a written accounting rendered to the court and the Advisory Committee.

Section 5. Protection of the Fund. All receipts shall be deposited only in federally insured banks or savings institutions, and whenever practical and feasible, all substantial sums shall be placed in secured interest-bearing accounts, government securities, or money market funds invested in government obligations, at the direction of the Advisory Committee. Efforts shall be made to maximize the return on investments consistent with the requirements of convenience and safety.

Section 6. Dissolution of the Fund. The court may dissolve the Fund or any portion thereof whenever considered appropriate. Care shall be taken to ensure that all outstanding obligations are liquidated prior to dissolution of the Fund, including any expense resulting from the required terminal audit or inspection. In addition, efforts shall be made to dispose of the assets of the Fund in ways which fulfill the purposes of the Fund, as set forth in Section 1(a), above.

Section 7. Attorney Admission Fee Fund Advisory Committee. The Chief Judge of the court shall appoint a committee, to be known as the Attorney Admission Fee Fund Advisory Committee, to assist the court and the custodian with the administration and operation of the Fund. The Committee shall be composed of at least two active district court judges including the chief judge, the Clerk, and two or more members of the federal bar nominated by the attorney representatives to the Ninth Circuit Judicial Conference.