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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA

CLERK, U. S. DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA
BY 94

RE: GENERAL ORDER NO. 377

AMENDMENT TO GENERAL ORDER)
NO. 154 & 259, PLAN FOR THE)
ADMINISTRATION OF NON-)
APPROPRIATED FUNDS.)

Pursuant to the "Guidelines for Non-appropriated Funds Maintained by the Courts of the United States", Volume I-A, Chapter VII, Part O, Section 4, of the Guide to Judiciary Policies and Procedures, the United States District Court for the Eastern District of California 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 in Sacramento and Fresno, separate from other monies received by the court. They shall be expended at the direction of the Chief Judge or Judges designee, 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 - Administration of the Fund

The Judicial Advisory Committee shall advise the court on matters of policy in the administration of the Fund and make recommendations to the Court on proposed expenditures.

Section 2 - Guidelines for Use

- A. The Fund shall be used for purposes approved by the Court, that inure to the benefit of members of the bench and bar of the court, and for which appropriated funds are not available:
- 1) Expenses of the court libraries for which appropriated funds are not available at the time the expense is incurred (such as payment for publications, filing services or temporary assistance with special projects);
 - 2) Expenses related to attorney admission proceedings;
 - 3) Expenses related to attorney discipline enforcement and proceedings;
 - 4) Equipment and materials to assist attorneys in the courtroom;
 - 5) Attorney lounge and other courthouse facilities benefitting the bar;

- 6) Expenses of the annual law clerk orientation and special law clerk programs;
- 7) Attorney expenses for court committee meetings;
- 8) Expenses in connection with court memorial and commendation services;
- 9) Court projects and programs that interest or benefit the bar or which enhance the quality of advocacy in the court;
- 10) Expenses of the collection and preservation of court records of historical value;
- 11) Expenses for the development of historical and educational materials describing the court for use by the bar;
- 12) Costs of special projects or acquisitions to further the administration of justice in the court;
- 13) Reimbursement for costs in actions in which the Court, by virtue of statute or judicial precedent, is required to appoint counsel and for which funds have not been appropriated;
- 14) Surety bonds for the custodian of the fund, appointed by the Court under Section 2;
- 15) Fees for services rendered by outside auditors in auditing the Fund, in accordance with Section 4;
- 16) Expenses for other purposes, not specifically enumerated above, which benefit the bench and bar of this court.

- B. The Fund shall not be used to pay for materials or supplies available from statutory appropriations or to supplement the salary of any court officer or employee.
- C. The Fund may be used as a revolving account to pay for expenses for which the Fund will be entirely reimbursed.

Section 3 - Custodian of the Fund

- A. The Clerk of Court 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 this Plan.

Monies paid into the 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 by the Court, in accordance with Section 2.
 - Checks for expenditures of \$1000.00 or less may be signed by the Clerk of Court or designee.
 - Checks for expenditures of \$1001.00 or more must be signed by both the Clerk of Court and by the Chief Judge or, if either is unavailable, by their designee.
 - 2) At the option of the Court, secure a bond, to be paid for from assets of the Fund;
 - 3) Establish an appropriate accounting system for the Fund and maintain proper records of receipts and disbursements;
 - 4) Prepare a quarterly report on Fund activities, setting forth the balance, receipts, disbursements, and any other reports that the Court may require;
 - 5) Invest funds in accordance with the guidelines set forth in Section 6;
 - 6) Perform such 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 receipts and disbursements since the end of the period covered by the last statement of operations;
 - 3) A statement of the balance in any Fund accounts as of the date of transfer to the successor custodian.
- C. 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 4 - Clerk of Court

Consistent with the foregoing, the Court Clerk or his designee, with the approval of the Chief Judge or his designee, may authorize expenditures up to \$ 2000.00 per item, not to exceed \$ 25,000.00 per fiscal year.

Section 5 - 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. Reasonable compensation may be provided from Fund assets if the auditor or inspector is not a government employee acting in an official capacity.

A terminal audit or inspection shall be performed prior to the dissolution of the Fund and a written accounting rendered to the Court.

Section 6 - 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. Efforts shall be made to maximize the return on investments consistent with the requirements of convenience and safety.

Section 7 - 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.

DATED: 2/15/2000

FOR THE COURT:



WILLIAM B. SHUBB, CHIEF JUDGE
UNITED STATES DISTRICT COURT