

SUPREME COURT OF KENTUCKY

Michael A. Valenti v. Kentucky Bar Association

2016-SC-000109-KB · No. 2016-SC-000109-KB · Decided May 18, 2016

SUMMARY

The Kentucky Supreme Court approved an agreed resolution disciplining Michael A. Valenti for commingling personal and client funds in his firm's IOLTA account and misusing client funds. The Court imposed a thirty-day suspension, fully probated for one year subject to specified conditions, and ordered Valenti to pay the proceeding's costs.

CASE DETAILS

COURT	Supreme Court of Kentucky
WRITING FOR THE COURT	All sitting
JURISDICTION	Kentucky
DECIDED	May 18, 2016
DOCKET	2016-SC-000109-KB
DISPOSITION	other
PROCEDURAL POSTURE	Attorney-discipline proceeding submitted to the Supreme Court of Kentucky under an agreed resolution pursuant to SCR 3.480(2).
STANDARD OF REVIEW	The Court reviewed the record, applicable standards, and relevant authorities to determine whether the agreed discipline was adequate.
PRECEDENTIAL VALUE	Published opinion
PARTIES	Michael A. Valenti v. Kentucky Bar Association

TOPICS

administrative law

appellate procedure

PRACTICE AREAS

legal ethics

attorney discipline

professional responsibility

QUESTIONS PRESENTED

1. Whether Valenti violated SCR 3.130-1.15(a) by commingling personal funds with client funds and misusing funds held in an IOLTA escrow account.
2. Whether the agreed discipline of a thirty-day suspension probated for one year, subject to specified conditions, was adequate.

HOLDINGS

1. Valenti was guilty of the charge and violated SCR 3.130-1.15(a) by commingling personal funds with client funds and misusing funds held in the firm's IOLTA escrow account.
2. A thirty-day suspension from the practice of law, entirely probated for one year subject to the stated conditions, was adequate discipline for Valenti's violation.

KEY QUOTATIONS

"A lawyer shall hold property of clients or third persons that is in a lawyer's possession in a separate account maintained in the state where the lawyer's office is situated, or elsewhere with the consent of the client, third person, or both in the event of a claim by each to the property. The separate account referred to in the preceding sentence shall be maintained in a bank which has agreed to notify the Kentucky Bar Association in the event that any overdraft occurs in the account. Other property shall be identified and safeguarded."
(at 1)

FACTUAL BACKGROUND

Over approximately two and one-half years, Valenti commingled personal funds with client funds in his firm's IOLTA escrow account and misused client funds through six disbursements ranging from \$1,544.40 to \$10,440.00. He also authorized deposits of personal funds totaling \$182,585.81 into the account, including \$173,678.00 obtained through the firm's profit-sharing plan, and used those funds to pay personal expenses. Before self-reporting the violation, Valenti restored all client funds.

PROCEDURAL HISTORY

Valenti self-reported his professional-ethics violation to the Kentucky Bar Association. Valenti and the KBA agreed that he should receive a thirty-day suspension probated for one year, subject to specified conditions, and jointly asked the Supreme Court of Kentucky to impose that discipline. After reviewing the record, applicable standards, and relevant authorities, the Court accepted the proposed resolution and entered the requested discipline.

DISPOSITION

other