

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 68737 / January 25, 2013

ADMINISTRATIVE PROCEEDING
File No. 3-14958

In the Matter of	:	ORDER ESTABLISHING FAIR FUND,
	:	APPOINTING A FUND
	:	ADMINISTRATOR, APPROVING
HURON CONSULTING	:	DISTRIBUTION PLAN AND
	:	AUTHORIZING TRANSFER
GARY L. BURGE, CPA	:	OF DISTRIBUTION FUND
and WAYNE E. LIPSKI, CPA,	:	
	:	
Respondents.	:	

On July 19, 2012, the Securities and Exchange Commission (“Commission”) instituted and simultaneously settled cease-and-desist proceedings against Huron Consulting Group Inc. (“Huron”), a provider of financial and operational consulting services, Gary L. Burge, CPA, Huron’s former Chief Financial Officer and Treasurer, and Wayne E. Lipski, CPA, Huron’s former Controller and Chief Accounting Officer (collectively, the “Respondents”), for violating various provisions of the federal securities laws (the “Order”). The Order directed, among other things, that the Respondents pay a total of \$1,294,436.52 in disgorgement, prejudgment interest and penalties.¹ The Respondents have made the payments required under the Order. Prior to the Commission’s Order, on January 18, 2011, private plaintiffs settled a class action, *Hughes v. Huron Consulting Group, Inc., et al.*, Civil Action No. 1:09-cv-04734 (N.D. Ill. 2010) (the “Class Action”). The Class Action settlement calls for a distribution to injured investors of \$27 million plus 474,547 shares of Huron common stock.

The Division of Enforcement (the “Division”) has concluded that the Class Action alleges securities law violations arising from substantially similar facts over the identical period of time and that distributing funds paid in the Commission’s administrative proceeding through the Class Action’s distribution process would be fair and reasonable and an efficient way for the Commission to benefit investors injured as a result of the Respondents’ misconduct. On December 13, 2012, the Commission issued a Notice of Proposed Plan of Distribution and Opportunity for Comment (Exchange Act Rel. No. 68420) pursuant to Rule 1103 of the

¹ See Order Instituting Cease-and-Desist Proceedings Pursuant to Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing a Cease-and-Desist Order and Remedial Sanctions, Exchange Act Rel. No. 67472 (July 19, 2012).

Commission's Rules on Fair Fund and Disgorgement Plans (the "Rules"), 17 C.F.R. §201.1103. The Proposed Plan of Distribution (the "Distribution Plan") proposed that the disgorgement, prejudgment interest, and, if the Commission orders the establishment of a Fair Fund pursuant to Section 308 of the Sarbanes-Oxley Act of 2002 (as amended), the penalty, paid by Respondents be transferred pursuant to Rule 1102(a) of the Rules, 17 C.F.R. §201.1102(a), to the court registry account established for the Class Action, for distribution to injured investors in accordance with the Plan of Allocation approved by the court in the Class Action. The Commission received no comments on the Distribution Plan. The Division requests that the Commission approve the Distribution Plan.

The Division recommends that a Fair Fund be established to add penalties paid to the disgorgement funds in this matter (the "Huron Distribution Fund") because, according to the claims administrator for the Class Action, the Garden City Group, Inc. ("GCG"), the Class Action claimants' losses exceed the combined value of the Class Action fund and the Huron Distribution Fund. In addition, the Division recommends that GCG be appointed as the Fund Administrator for the Huron Distribution Fund.

The Commission now finds that in accordance with Rule 1102(a), 17 C.F.R. § 201.1102(a), the complaint filed in the Class Action alleges violations arising from the same or substantially similar facts as those alleged in the Commission's Order.

Accordingly, IT IS ORDERED that:

- A. Pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, a Fair Fund is established for the \$1,294,436.52 paid by the Respondents.
- B. Pursuant to Rule 1105(a) of the Rules, 17 C.F.R. § 201.1105(a), GCG is appointed as Fund Administrator.
- C. Pursuant to Rule 1104 of the Rules, 17 C.F.R. § 201.1104, the Distribution Plan is approved.
- D. Pursuant to Rule 1102(a) of the Rules, 17 C.F.R. § 201.1102(a), Commission staff shall transfer the Huron Distribution Fund in the amount of \$1,294,436.52 to the court registry in *Hughes v. Huron Consulting Group, Inc. et al.*, Civil Action No. 1:09-cv-04734 (N.D. Ill. 2010), for distribution with the Class Action distribution fund and in accordance with the Distribution Plan.
- E. The district court of the Class Action is hereby given notice of Section 21(d)(4) of the Securities Exchange Act of 1934, and consistent with the foregoing law, that disgorgement funds collected in this proceeding shall not be distributed as payment for attorneys' fees or expenses.
- F. GCG will be responsible for all tax compliance and reporting obligations of the Huron Distribution Fund, and the payment of taxes, if any, will be made from the Class Action settlement fund.

- G. The Huron Distribution Fund shall not pay for any administrative expenses incurred, including taxes, mailing, postage or any other expenses of implementing the joint distribution; however, if the Huron Distribution Fund cannot be distributed simultaneously with the payments from the Class Action Fund, then payment of GCG fees from the Huron Distribution Fund will be permitted only for necessary expenses incurred that are not related to the administration of the class action distribution, and only if such fees are reviewed with no objection from Commission staff and are then approved by the district court in the Class Action;
- H. In the event that any portion of the Huron Distribution Fund is not distributed to injured investors, less fees and/or expenses that may appropriately be deducted in accordance with Paragraph G from the Huron Distribution Fund, any residual amount remaining after completion of the distribution will be paid to the Commission for transmittal to the United States Treasury.
- I. Commission staff shall file a final accounting with the Commission for approval that is based on the accountings filed by GCG on behalf of the Class Action and approved by the District Court.

By the Commission.

Elizabeth M. Murphy
Secretary