The Northern Virginia ALA Newsletter

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The Northern Virginia ALA Newsletter is published bimonthly by the Northern Virginia Chapter of the Association of Legal Administrators. Send comments and content ideas to:

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PRESIDENT'S COLUMN

by Aurora Quasebarth

Year 2003 for our chapter, and for most of our lives, rushed by too swiftly – t'was just another birthday, another raise, another evaluation, another December party. For some of us, 2003 may have meant a horrid move, a vile conversion or a change in managing partners. While all these minutiae transpired, Northern Virginia ALA offered monthly chapter meetings and highlighted timely topics, of course, under the guidelines set by national ALA and with the Presidents' Award of Excellence in mind. (Reminder to all that we have been the recipients of the Gold and Bronze awards the last two years!) We also took breaks during the summer and enjoyed the holidays. Chapter members attended educational conferences throughout the year. In addition, we launched four community projects and followed them through to completion.

Here's 2003 in review. January 2003 blizzards did not temper the chapter's enthusiasm for a Membership Drive with cocktails at the glamorous 2941 Restaurant and its stunning lake views by Fairview Park. The storms in February whisked in Stephen Glauser, Ph.D., to our noon meeting. He focused on the topic Resilience, with an excellent illustration of how to create a resilient organization complete with test factors and mental exercises for administrators. Also in February, the first Virginia Statewide Retreat was held in Richmond with six of our chapter members in attendance. In March, Elizabeth Cooper from Staubach Co. graciously expounded on the current developments of Northern VA Commercial Real Estate. A seeming downturn was imminent. Dave Mercer from Lawyers Helping Lawyers came to our April meeting and discussed a sensitive topic: substance abuse in law offices. He gave us tips in identifying, dealing with and assisting impaired lawyers and staff. In mid-April, five of our chapter members flew to sunny San Diego for ALA's Annual Conference. Our May event was an invigorating roundtable discussion at Venable's. Topics were fluid as any roundtable should be. June chapter meeting heard Opportunities and Risks of Wireless Technologies, presented by Mr. Currin from Compass Computer Services, Inc. He shared his expertise and experiences in network system design and implementation, technology planning, litigation support and general office automation. Las Vegas was so enticing in June with a Chapter Leadership Conference, that we sent Kevin O'Hare for the experience.

The educational speakers for the second half of 2003 returned in September with Paul Vann's presentation of current U.S. demographics which dictate updating our current firm policies to allow us to compete favorably in a multicultural society. Raymond Locke spoke in October about Fraud: Your responsibilities for Detection. After the recent demise of so many large reputable companies, Ray's topic was very timely as he provided quality control tools for critical analysis of financial, managerial and administrative functions. In early November, the Region 1 & 2 Conference in New York City bedazzled three of our chapter members. During our November meeting, Sherry Cushman reviewed the latest Trends in the Legal Industry, a compilation of survey results presented at the National Conference in San Diego. Sherry's effective and extremely informative presentation covered a wide range of areas from Associates Salaries, Partnership Structures, Lease Securitization, Real Estate as % of Gross Revenue, Outsourcing, Attorney Growth and Retention, Space Efficiency, Outsourcing, IT, Marketing, Billings and Collections and many more topics.

In the midst of all this intense mental advancement, we enjoyed relaxing summer breaks at Morton's and Captain Pell's Fairfax Crabhouse. This was followed at the year end with a festive Holiday party which was held at the elegant Ritz Carlton in Pentagon City.

Finally, our chapter also gave back to our community by sponsoring four community outreach projects in 2003. We returned to assist the Lions Club Eyeglass Recycling Center with used eyeglass collection. We then partnered with the Arlington Co. Police Department's Teddy Bear and Backpack Project to provide children whose parent or parents are incarcerated, with items that the children can keep as they are moved into foster care or other family arrangements. We brought in old coats to Bergmann Cleaners to be distributed to the underprivileged. Lastly, our Holiday party sponsored the Alexandria Police Department's community-policing projects to raise funds to assist families during the Holiday season by supplying dinners to needy families and gifts to poor children. All of these efforts, we perceive, were well received and appreciated by these organizations.

On behalf of our EC members, I would like to offer my heart felt thanks to all who helped make 2003 a dynamic and progressive year! I think we can truly see this was a year that touched the mind, heart and soul with many rich rewards and happy memories for all of us. With that thought in mind, let's look forward to 2004 and ask ourselves what we can do both as a Chapter and as individuals to make this year even better!!

Congratulations to a whole plethora of members who won door prizes at the holiday party!

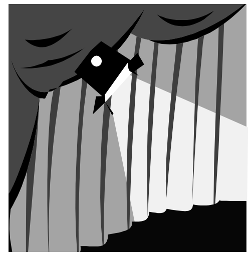
Congratulations to Debbbie Tomme who won a Border's Gift Certificate at the January meeting.

Maybe you'll be the lucky winner at the next Membership Meeting!

ALA Relocates

ALA has relocated to new office space. Their new address and phone numbers are:

Association of Legal Administrators, 75 Tri-State International, Suite 222, Lincolnshire, IL 60069-4435; phone (847) 267-1252; fax (847) 267-1329.



SPOTLIGHT ON:

Pam Walker

Hunton & Williams

McLean, Virginia

Pam Walker has been the Administrator of the McLean office of Hunton & Williams for over six years. Pam has a B.A. in Economics/Business Administration with a concentration in accounting from Holy Names College, Oakland, CA. Although her career goal after graduation was to be a law firm controller, she achieved that objective in 1992, and held that position for only nine months before being hurled into legal administration. Her passion is still accounting.

What Pam likes most about legal administration are the daily challenges that come her way. She enjoys problem solving, and working to find creative solutions to issues. Unlike the accountant stereotype, Pam enjoys contact with people.

Pam joined the Northern Virginia Chapter of ALA after joining Hunton & Williams in 1997. She joined the Executive Committee soon thereafter, taking on the office of Secretary. To her amazement, less than a year later, she was nominated to be President-Elect. She served as Chapter President in 2000.

Pam truly enjoys her association with the ALA members. "This can be a very lonely job, and this Chapter has many talented and friendly people. I am now heading the Vendor Partnering Committee and find developing this program and my contacts with vendors to be a real pleasure!"

Pam, like most other legal administrators, finds it hard to say no, and seems to spread herself a little too thin at times. In addition to her ALA duties, Pam is a member of the Board of Directors of her homeowners association, a member of the Hunton & Williams Business Continuity Steering Committee, and a member of the Hunton & Williams Leave Sharing Committee.

Despite being incredibly busy, Pam finds time for other pleasures in life. She enjoys jazz, the outdoors, movies and researching medical conditions. Sounds weird, huh? Well, she started out in college majoring in biology with her sights set on medical school. However, her first accounting class changed all that. She was amazed at how easy accounting was – "no matter what the temperature is, 2 plus 2 always equals 4!!" She enjoys solving puzzles and accounting to her is more like play than work. But, the medicine still lures her. She enjoys diagnosing medical symptoms for family and friends and has a pretty good accuracy rate. She also earned online Continuing Medical Education credit for completing Pediatrics (Infectious Disease) Case #4 on Bacterial Meningitis which was given on the Interactive Grand Rounds site of the NIH Library website.

Pam's father was an Air Force pilot and so she has lived in Tripoli, Libya and the Philippines. She has been married for 22 years and has a 19 year old son, Wesley, who is a sophomore at Virginia Commonwealth University. Her husband, Wes, has been a broadcast engineer with NBC for 27 years. They have a Jack Russell Terrier named Marigold, who's quite a handful!

Upcoming Teleseminars

February 26, 2004- **Compensation Trends**
Time: 1 - 3 p.m. Central
Contact: Jan Marshall, ALA Headquarters

March 24, 2004- **Tactics of Negotiations**
Time: 1 - 3 p.m. Central
Contact: Jan Marshall, ALA Headquarters

April 27, 2004- **Buying and Upgrading Law Office Technology: How to Shop Smart and Spend Right**
Time: 1 - 3 p.m. Central
Contact: Jan Marshall, ALA Headquarters

ALA's Mission Statement

Improve the quality of management in legal services organizations;

Promote and enhance the competence and professionalism of legal administrators and all members of the management team; and

Represent professional legal management and managers to the legal community and to the community at large.

ISO: WEBMASTER!

The Chapter is looking for a Webmaster to take over (with the help of Angela) beginning in April, 2004. If this is something you'd to contribute the chapter, or if you know someone who be interested, contact Aurora Quasebarth at 703-761-0370 right away!

PEER POINTS from ALA Management Solutions(SM)

ALA Management Solutions (SM) is a free service provided as an ALA membership benefit. The professionals who staff this help desk explore resources and share information about hot law-office management topics like the one addressed here. If you have a question, call ALA Management Solutions (SM) at (847) 267-1252 or e-mail infocentral@alanet.org.

It's a Date!

On Monday, February 23rd, we will be meeting at the Lions Club Recycling Center in Falls Church to work over the glasses we've collected. We'll be reading prescriptions, repairing and generally getting the glasses ready to be distributed. Please join us anytime from 6:00-9:00pm. For details, call Tempie Tavenner at 703-761-3000.

Executive Committee Meetings

Date	Place
3/3	Katz & Stone
4/6	Hunton & Williams

Membership Meetings & Events

Date	Time	Place	Topic
2/13	6:00pm	Capt Pell's Fairfax Crabhouse	Winter Blues Crab Feast!
2/19	12:00pm	Magianno's, Tysons Corner	Long Term Care Insurance
2/23	6:00pm	Lions Club Recycling Center, Falls Church	Read eyeglass prescriptions-Community Service
3/18	12:00pm	Reed Smith, Falls Church	Controlling SPAM

4/22	5:00pm-7:00pm	2941 Restaurant, Falls Church	Vendor Day/Change of Gavel
5/27	12:00pm	Venable Corner	Fiscally Responsible Marketing

Welcome NOVA ALA Vendor Partners!

We would like to take this opportunity to welcome the following new Vendor Partners:

- **TRAK LEGAL**
- **ALL-STATE LEGAL**

Monticello Level - $2,000

Compass Computers, Inc.
Beers & Cutler
Washington Express
- **Trak Legal**

Gunston - $1,000

Juris
Davis Carter Scott, Ltd

Mount Vernon Level - $500

State Street
Premier Conferencing
- **All-State Legal**

*For the past twenty years, **TRAK Legal** has provided exceptional staffing support to Washington area law firms and corporate legal departments. TRAK's Virginia office has been open in Tysons Corner for nearly three years. We provide our clients a fully integrated service that offers a combination of traditional temporary services, coupled with specific direct hire placement. In addition to recruitment for traditional positions such as legal secretaries and paralegals, TRAK provides specialized searches in all areas of law firm and corporate legal support, including accounting, project support, word processing, IT, records and library positions. We are your partners in excellence - a partnership that includes the candidate, the client and TRAK, each focused on a common goal--to place the right person with the right organization in the right position.*

Julie Andrews 703-917-8770
julie.andrews@traklegal.com

As the first vendor supporter of ALA, ALL-STATE LEGAL has been exclusively dedicated to providing the legal community with products and services critical to operations and client development. Their comprehensive offering includes engraving, printing, graphic design, marketing and promotional materials, paper, filing, practice specialty supplies and general office supplies. They understand the unique challenges of law firm and excel in bringing together unsurpassed personalized service with exceptional value to meet your individual needs and budgetary constraints.

Doug Gardner 800-917-8870
dgardner@aslegal.com

The NOVA ALA Vendor Partnering program's primary goals are to:

- ❖ build positive relationships between vendors and law firm administrators
- ❖ continue to offer our members special events (such as seminars and retreats), a high caliber of speakers at our monthly meetings
- ❖ provide opportunities to send more members to the annual National and Regional conferences.

If you have vendor contacts that you would like to be invited to join our program, please email Pam Walker, pam@alanova.org, the following information: Contact Name, Company Name, Address, Telephone Number and Fax Number.

Please patronize our vendor partners!

TECH NOTES

By Alan D. Currin

Power Protection for the Firm Administrator

Volatile winter weather and possible power outages caused by ice and snow highlight the importance of both power protection and system backups. Everyone knows they should backup their data, but many do not. It is also easy to become complacent about power protection when computers run for such long periods of time without failures. Be sure your firm's critical equipment is properly protected by an Uninterruptible Power Supply (UPS).

Uninterruptible Power Supplies are in basic terms, rechargeable batteries which are constantly plugged in and charged, and which filter all power that passes from the wall outlet to your computers. These batteries also constantly monitor the power coming from the wall and will protect your computer from power surges and sags, and will switch power over to the battery (uninterrupted) in the event of a power failure. The better quality UPSs will also have a PC interface and have the ability to shutdown the computers automatically in the event of an extended power outage. The cost of an UPS is dependent largely on the electrical load it can support (the number of electric devices and the cumulative current they draw) and the length of time that you want the battery to support that electrical load. For a single PC and its peripherals, plan to pay between $70 and $150 for about 20-30 minutes of uptime when the power is out. The cost to protect network servers properly will cost $450 and up.

There are two risks to your firm that battery backups can help mitigate. First, is the possible data loss or hardware damage that could be caused by improper system shutdown. This risk can be significantly diminished by installing a UPS with system shutdown capability, and with enough battery power to keep systems running through short power outages, say 15-30 minutes. The second risk, is downtime. If you want staff to continue working through power outages, the investment requirement increases rapidly. Allowing users to continue working through a power outage, would require investments in UPS systems for the entire data path, including servers, network equipment such as switches, desktop PCs, monitors and printers. Extended uptime will require a significant investment in a power generating system. Most small to mid-size firms depend on the power returning within a reasonable time period and do not purchase power generating facilities.

When considering a potential investment in a battery backup, consider the potential costs of not having one. The costs of restoring data, replacing hardware and reloading programs and the downtime will easily outweigh the costs of a UPS even if you only experience a problem once. If you have a UPS, make sure you know it is working. If you aren't confident enough to pull the UPS power cord from the wall at any time, you should have your power configuration checked. It is only a matter of time before an unprotected machine is damaged by a power outage. When that happens, it will be time to pay for a UPS and to pay for repairing the damage.

Alan D. Currin is a Senior Consultant with Compass Computer Services, Inc. in Northern Virginia

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Regions 1 & 2 Conference New York City

By Tempie Tavenner, Regional Council Rep

In November, I had the privilege of representing the State of Virginia ALA Chapters by serving on the Region 2 Nominating Committee. This was held the day before the Regions 1 & 2 Conference in NYC. The Committee performed due diligence on candidates prior to the meeting and most aspects of the nominating process were held in strict confidence. We were charged with voting on and making recommendations to the Board for the new Region 2 Director and Region 2 Officers for the ensuing year. It was a pleasure to be part of such a professional process and I would highly recommend volunteering for this unique opportunity.

I also attended the Regional Council meeting on behalf of our NoVa Chapter. Since this was my first experience attending a regional council, I had envisioned a very business-like meeting. But, oh what fun! We were greeted with Regional Officers wearing Mickey Mouse ears and later found out they were promoting the next Regional Conference to be held in Orlando. We also played fun games with huge prize baskets filled with all kinds of NYC goodies.

The next day the Regional Conference began. The Marriott Marquis Hotel was magnificent – right in the heart of NYC on Broadway at Times Square. The keynote speaker, former mayor of NYC, Ed Koch, spoke on "everything" imaginable.

Afterward the networking began, chapter pins were exchanged and new ALA friends were made. There was a wide range of educational sessions to choose from and a large vendor show to attend. Since I manage a small law firm, I especially enjoyed the Small Firm Roundtable Discussion Group and came away thinking that I didn't have so many problems at my firm after all.

If you have never attended a Regional conference, please mark down on your calendar to be at Disney's Contemporary Resort on November 5 & 6, 2004 because Mickey and I want to see you there!

Make 2004 The Year You Take Charge

Let 1001 Ways to Take Initiative at Work be your guide. This fun read from renowned author Bob Nelson will not only show you how to create self-leadership and a career toolbox, it'll also provide real-life success stories and techniques to create value for your future. Order today from ALA!

Client Satisfaction System

The secret of the most successful law firms is their ability to know what their clients want and need, then provide them services in a timely and consistent manner. To assist with the development and implementation of this success strategy, the Association of Legal Administrators (ALA) is pleased to announce a new service, the **Client Satisfaction System**. **Simply put, this system provides a unique, timely and accurate pulse on client satisfaction, loyalty and buying propensity.** For further details, go to www.alanet.org and click on the Client Satisfaction System link on the home page. For phone inquiries, please call the AndersonBoyer Group at (800) 348-5633, or send an e-mail to Traci N. DeBoer.

Save Time and Aggravation
Wish you had easy-to-use sample checklists, memos, policies and charts that can be tailored to meet your needs? These features along with in-depth management articles are at your fingertips with the *ALA Management Encyclopedia*℠.

ALA Presentations
NEW! Microsoft® PowerPoint® presentations are now available for downloading in the Members Only section of ALA's Web site. Presentations available include ALA Happenings, Certification and Web site (with script).

Surpassing Ordinary
What does it take to chart a successful career in legal administration? Find out in the The Extraordinary Administrator: Career Progression for Law Firm Managers.

Give it a Whirl

The Legal Management Resource Center (LMRC) will change the way you search for answers. Just ask Lynne Serfozo LaLone of Viacom, Inc. in Pittsburgh, Pennsylvania. She won a relaxing gift basket just by *logging into* the LMRC and searching for an answer. Try it for yourself by visiting *http://thesource.alanet.org*.

ALA EXECUTIVE COMMITTEE
Excerpts from the Minutes
November-December, 2003

Locations: Venable LLP (Nov), Reed, Smith (Dec)

Aurora Quasebarth, presided over each meeting.

Treasurer's Report: The beginning cash balance was $5,713.62 with receipts totaling $1,735.00 and disbursements totaling $108.61 leaving an ending cash balance in the amount of $12,464.98.

Secretary's Report: No Secretary's report.

Hospitality Report: LeAnn Cruse reported on holiday party costs, door prizes and guests. Confirmed chapter meeting locations through June '04. Approved moving EC meetings to the first Tuesday of each month for FY04.

Membership Report: Kevin O'Hare reported that Judith Weltman joined the Chapter. He also reported that there are a number of individuals who have joined National but who have not. He will contact each of them regarding joining the Chapter.

Newsletter Report: Cass Mullane will Spotlight Donna Allen in the next newsletter. Cass and will ask some senior legal administrators to contribute articles for future issues as well as Chapter Past Presidents. Cass proposed adding two more sections to the newsletter: Welcome to new members and Welcome to new vendors.

Education Report: Diana Glazer reported upcoming topics and speakers: Nov-Sherry Cushman; Jan-Employment Law;Mar-Joann's Healthy Bed and Back. Diana noted that the Fraud speaker was extremely well-received and we should try to get him back for a Spring meeting.

Webmaster Report: Angela Halsted reported that she will be moving to Iowa in December. She is interested in staying on a Webmaster through the fiscal year and the EC agreed that was acceptable. Angela has updated the website (http://www.alanova.org).

Regional Council Rep. Report: Tempie Tavenner reported that she, Aurora and Tom Solak attended the ALA Region 2 Council Meeting. Tempie also reported on be serving on the Nominating Committee for the Region 2 Director while in New York. She reported that the next Regional conference will be in Orlando.

Vendor Partnering Report: Pam Walker reported that the Chapter now has several new vendor partners including Juris, Premiere Conferencing and Davis Carter Scott. Washington Express has offered to host a cocktail party with the other vendors. The EC discussed making the 12 month vendor commitment a rolling one instead of strictly calendar month.

President's Report: Aurora Quasebarth reported that National has not yet approved our survey so it will not go out until sometime in 2004. The EC reviewed the criteria for the Presidents' Award of Excellence, which will be finalized in January.

Tips on Having "The Talk" With Aging Parents

Written By: ElderLawAnswers.com

If you're a baby boomer, you may already have had "the talk" with your growing children. But have you had "the talk" with your aging parents as well?

That talk involves a frank discussion with parents about financial arrangements for the end of life. The discussion should include where the parents want to live, how they want to be cared for, how they want their money managed, and what kinds of burial or funeral arrangements they would prefer.

The start of a new year can be a good time to start thinking about parents' financial affairs, according to an in-depth article in the *St. Louis Post-Dispatch* on having "the talk."

The hard part about talking with aging parents, according to the article, is that they're used to being in charge, instead of getting advice from their children.

"It's one of the hardest things that we as adult children have to do," says Sandra Timmermann, a gerontologist and director of the MetLife Mature Market Institute. "We have to be brave and take a deep breath and plunge into the cold water."

The article outlines some of the topics that should be covered, including paying for long-term care and setting up powers of attorney, and offers strategies for starting a productive discussion. Some strategies:

- Use your own planning, or a friend's or relative's illness or death, as an opportunity to start a discussion.

- Be direct and honest.

- If your parents are unwilling to disclose a full list of their assets, perhaps they would be willing to write down account numbers without balances or make a list and tell you where the list is kept.

- Meet with a lawyer to review the parents' wills, health care directives and powers of attorney for property and health care.

- Don't expect to work out an entire plan for the end of life in one sitting.

To read the full article in the *St. Louis Post-Dispatch*, click here.

Importing Prescription Drugs from Canada: What Employers Need to Know

Some Americans are saving large amounts of money by purchasing their prescription drugs from Canada. Although health plan sponsors may find the potential savings attractive, there are good reasons to steer clear of importing prescription drugs from Canada, according to a report from HR consultant Watson Wyatt Worldwide:

1) it is illegal in many cases;
2) it creates legitimate safety concerns; and
3) its cost savings are limited.

Instead, employers may want to pursue other alternatives to control their health benefit costs related to prescription drugs.

Legal Barriers

The Federal Food, Drug and Cosmetic Act (Food and Drug Act) prohibits the importation and interstate shipment of "unapproved drugs" (21 U.S.C. 331). These include foreign-made versions of FDA-approved drugs that have not been manufactured in compliance with FDA approval. Drugs manufactured in the United States and exported to other countries may be reimported only by the manufacturer (21 U.S.C. 381), unless the Secretary of Health and Human Services authorizes personal importation because the drug is required for emergency care. Anyone illegally importing prescription drugs or causing the illegal importation of prescription drugs is subject to criminal and civil penalties.

An employer-provided health plan or cafeteria plan faces additional legal constraints that govern the plan's tax status with the federal government. Although employer health plans and cafeteria plans may pay for or reimburse medical expenses under the Internal Revenue Code (IRC), "medicine and drugs" include only items that are legally procured. Even though a drug may be lawfully obtained in a local jurisdiction, it is not legally procured if it is obtained in violation of federal law.

Congress made another attempt to facilitate importation through the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (H.R.1). It authorizes pharmacists, wholesalers and individuals to import U.S.-approved and -manufactured prescription drugs from Canada, as long as the Secretary certifies the safety of the imported drugs. But considering that the MEDS Act never made it to implementation and that the FDA opposes foreign drug imports, the Medicare reform act seems unlikely to change the situation.

Limited Savings for Employers

Although some individuals with chronic conditions have cut their drug costs considerably, it's easy to overstate how much a health plan could save by reimporting prescription drugs from Canada:

o Most employer-sponsored health plans already obtain significant discounts from retail pricing.

o While the average price of name-brand drugs is significantly lower in Canada than in the United States, Canada does not substitute generic drugs for name brands as often as do U.S. employer-sponsored health plans.

o It is not practical to fill most prescriptions through mail service, whether the mail service provider is in the United States or Canada. This is because most prescription fills are either for an acute care episode or for the first fill of a maintenance medication where the patient wants to start treatment immediately. Maintenance drug refills supplied through mail service are precisely those where health plans are already achieving the deepest discounts.

o Finally, if federal and state laws did allow employer-sponsored plans to reimport prescription drugs from Canada, the plans would incur additional costs that are not associated with a U.S.-based mail service provider. For example, prescriptions filled in Canadian pharmacies must be written by a physician licensed to practice in Canada.

Summing Up

According to Watson Wyatt, there are good reasons why employer-sponsored plans should steer clear of schemes to reimport prescription drugs from Canada: The practice is illegal, there are legitimate concerns about the safety of imported drugs and the potential plan savings are limited.

Watson Wyatt is not a law firm, and nothing in this article is intended to provide legal advice. For more information, visit http://insider.watsonwyatt.com.

Costs, Compliance Drive In-House Law Departments

by James Wilber

The Association of Corporate Counsel (ACC) and Altman Weil, Inc. recently released the 2003 Chief Legal Officer Survey. The 2003 report finds that cost concerns were driving chief legal officers' hiring and firing decisions. And while a majority of respondents report stable or improved operations in light of new corporate governance rules, a significant minority sees the situation differently.

The fourth annual Chief Legal Officer Survey canvassed CLOs the Association of Corporate Counsel (ACC) and Altman Weil, Inc. in attendance at ACC's Annual Meeting in San Francisco in October 2003. Survey data are based on 137 responses received from CLOs.

Outside Counsel at Risk

Nearly 60 percent of chief legal officers surveyed indicated they have fired or were considering firing at least one of their outside law firms in 2003, up 4.2 percent from 2002 and more than 50 percent for the fourth year running. The No. 1 reason given for terminating a relationship was "cost management issues," followed by "lack of responsiveness" and "overworking projects."

When asked about the most innovative practice proposed or instituted by outside counsel this year, CLOs ranked fee arrangements No. 1 - although only 22.6 percent of respondents were able to identify any innovation at all.

It appears that current economic pressures on corporations are reverberating in law departments. If law firms don't show some flexibility and imagination in working with clients on managing costs, they risk losing those clients to a firm that will.

New Corporate Governance Rules

The new corporate governance rules have not affected CLOs' relationship with senior management according to 66.4 percent of survey respondents; 17.6 percent considered the relationship much improved, and only 10.7 percent thought the relationship had been affected adversely. When asked about the impact on the attorney-client relationship, however, 32.2 percent thought that trust was adversely affected; and 22.2 percent of CLOs believe that new attorney-reporting obligations will make senior managers less likely to seek legal advice.

In addition, 72 percent of chief legal officers think the new governance rules make senior management either "definitely" or "a little more" risk averse than in the past. And, 36.3 percent are more concerned about their own personal liability relating to corporate misconduct.

Not surprisingly, CLOs identified Sarbanes-Oxley compliance as the primary emerging client relationship issue for the coming year. "Sarbanes-Oxley compliance has dominated the in-house landscape this year," says Association of Corporate Counsel President Frederick J. Krebs. "As in-house lawyers take on this expanded role, they are redefining some of their corporate responsibilities and relationships. It's still a work in progress."

In-House Management

The survey reports overall in-house hiring will decrease in the coming year: 30.9 percent of chief legal officers anticipate hiring new in-house lawyers in the next 12 months, down 5.7 percent from the 2002 survey; 51.5 percent do not plan to hire, an increase of 6 percent; and 17.6 percent are unsure.

When asked about the most important law department management issue they face, CLOs named cost control/budgets three times more often than any other issue. Staffing and compliance ranked second and third, respectively.

Complete results of the 2003 Chief Legal Officer Survey are available online at http://www.acca.com/Surveys/closurvey/2003.pdf and http://www.altmanweil.com/news/acca.cfm.

James Wilber can be reached at jswilber@altmanweil.com.

IT Innovation Faces Challenges

As you consider the roles that IT plays in your enterprise, several major issues and opportunities emerge, some expected and some surprising. In particular, two big-picture issues represent both opportunities and roadblocks, says Peter M. Siegel, chief information officer at the University of Illinois at Urbana-Champaign. First, the pace has quickened, often beyond our ability to identify requirements and bring along stakeholders. IT services are zooming from experimental to production to mission-critical in a year or less, often without sustainable funding models. As these new services succeed, both expectations and demand skyrocket. Soon, Siegel says, we are burdened by success.

At the same time, outside demands are increasing, distracting us from mission-critical tasks. IT-savvy organizations must learn to respond to any outside demands that detract from our ability to respond effectively to our communities. Many issues, from security attacks to compliance with state and federal guidelines, force organizations to attend to unfunded mandates or administrative details, taking precious time away from the primary mission and constituencies. As more IT services become mission-critical, new management models must allow IT to move agilely from vision to production. New technology should ease support burdens, "virtually" placing central support staff "right down the hall" from workers. As budgets shrink, we need to develop rational and sustainable models for prioritizing and funding critical IT services. (Educause Review November-December 2003) http://www.educause.edu/pub/er/erm03/erm036_articles.asp?id=9

Nova Chapter Executive Committee	
President – **Aurora Quasebarth**	aurora@alanova.org
President Elect/Membership Chair – **Kevin O'Hare**	kevin@alanova.org
Secretary – **Donna Mellette**	donna@alanova.org
Treasurer – **Deborah Stickles**	debbie@alanova.org
Education/Program Chair – **Diana Glazer**	diana@alanova.org

Webmaster – **Angela Halsted**	angela@alanova.org
Hospitality – **LeAnn Cruse**	leann@alanova.org
Immediate Past President/Regional Council Representative – **Tempie Tavenner**	tempie@alanova.org
Vendor Partnering – **Pam Walker**	pam@alanova.org
Newsletter Editor – **Cass Mullane**	cass@alanova.org

See You at the Crab Pickin' Feast on Friday, Feb. 13th!