

LAW PRACTICE MANAGEMENT SECTION POLICY REGARDING CONFLICT OF INTEREST

1. Statement of Purpose

While it is not the intention of the Section of Law Practice Management to restrict the personal, professional or proprietary activities of Section members or to preclude or restrict participation in Section affairs solely by reason of such activities, it is the sense of Law Practice Management that there should be disclosure by active members of Law Practice Management of actual or potential conflicts of interest in order to ensure the credibility and integrity of Law Practice Management and to comply with promulgated policies of the ABA.

2. ABA Policy Regarding Conflict of Interest

In October 1973, the Board of Governors revised a conflict of interest policy first adopted a decade earlier, stating that in discharging its public responsibility, the American Bar Association must provide an opportunity for the expression of as many diverse views as possible. In professional undertakings and no less in bar association work, lawyers must avoid the appearance as well as the fact of conflict of interest. The October 1973 resolution follows:

Therefore, Be It Resolved, That every member who has the responsibility of making appointments to a committee of the Association or any of its constituent parts shall make an affirmative effort to appoint persons who will represent as many points of view as are relevant considering the assignment of the committee; and

Be It Further Resolved, That in the report accompanying any recommendation to the Board of Governors or House of Delegates, there shall be disclosed any material interest in the subject matter of the recommendation on the part of any member of any group within the Association which has approved of the recommendation and report prior to its submission to the Board or representation of clients; and

Be It Further Resolved, That the Secretary of the Association shall have the responsibility of reporting to the House of Delegates from time to time on the implementation of this resolution and shall report to the Board of Governors specific instances in which the provisions of this resolution have not been observed as soon as discovered.

In June 1980, the Board interpreted this policy concerning conflict of interest as precluding an Association member from receiving a fee from clients for services rendered as a member of the Association or any of its constituent entities.

3. Illustrations of Conflicts of Interest

- (a) Receiving a fee from a client or any third party for services rendered as a member of the Association or any of its constituent entities.
- (b) The acceptance of a position of responsibility within the Section without disclosure where the discharge of the accepted responsibilities will be influenced or may appear to be influenced by proprietary interests, or may be seen as competing with the interests of the Association.

4. Illustration of Situations Requiring Disclosure

- (a) Direct or indirect employment on behalf of a commercial organization other than as a practicing lawyer or otherwise involved in the delivery of legal services for that organization, or as a paid consultant;
- (b) The acceptance of an honorarium from a commercial CLE provider or other organization providing services to the legal community;
- (c) The acceptance of a fee or royalty from a publisher;
- (d) The acceptance of paid travel for the spouse of a speaker or participant, or the acceptance of gifts or items having a retail value of \$250 or more as tokens of appreciation for participation in CLE or publishing activities.

The foregoing are intended as illustrative and should not be interpreted to be all-inclusive.

5. Statement of Policy

- (a) No Law Practice Management member or associate member shall receive a fee from any third party based in whole or in part for services rendered as a member of the ABA or Law Practice Management.
- (b) Law Practice Management shall require disclosure of all actual or potential conflicts of interest as a condition for active participation in the business of the Section.
- (c) A disclosed conflict or potential or apparent conflict of interest shall not per se bar a Section member from participation in Section activities. However, Executive Committee approval shall be required prior to any such participation.
- (d) The burden of disclosure of any conflict or potential or apparent conflict of interest shall be on the Section member or associate member.

- (e) The Executive Committee of Law Practice Management shall make available a suggested disclosure form for use by participating Section members (as defined). The following individuals shall make written disclosure to the Law Practice Management through the Executive Committee:
 - (1) Nominees for Section officer positions and for membership on the LPM Council must disclose within 30 days after nomination or, in any event, prior to election, whichever is sooner.
 - (2) Appointees to positions as chair or vice chair of a division, task force, committee or interest group of Law Practice Management, the Law Practice Management Publishing Board, Law Practice Management Editorial Board and other Section boards within 30 days after notification of appointment.
 - (3) Speakers and participants in programs sponsored by Law Practice Management or authors of Law Practice Management publications within 30 days after being requested to participate or publish but, in any event, prior to the program or to publication.
 - (4) All persons appointed to committees or activities on behalf of LPM pursuant to any appointment within 30 days after notification of appointment

6. Procedures

- (a) Section staff will distribute the Policy Regarding Conflict of Interest and the Disclosure Statement form with all letters of appointment and at such other times as appointments are made. Completion and return of the Disclosure Statement will be a condition of any appointment.
- (b) Section staff will maintain a record of Disclosure Statements received and will follow up with appointees as necessary to obtain them.
- (c) The Section Director will conduct the initial review of the Disclosure Statements and will promptly report all conflicts of interest to the Chair or the Chair-Elect, whoever is making the appointments.
- (d) In advance of the Annual Meeting, the Section Director will prepare and present to the Executive Committee a list of all conflicts of interest and potential conflicts of interest, together with the names of any appointees who have not returned Disclosure Statement.
- e) The Executive Committee will determine what action, if any, will be taken in each case, and a record will be maintained of each such determination. The Executive Committee will present a summary report to the Section

Council at the Annual Meeting and at such other times as it deems appropriate or as the Council may request.

- (f) Disclosure Statements will be open to inspection by any Section member at any time.

(Adopted by the Council of the Law Practice Management Section of the American Bar Association at the Midyear Meeting on February 11, 1984, and amended at the Annual Meeting on August 7, 1992.)

**AMERICAN BAR ASSOCIATION
LAW PRACTICE MANAGEMENT SECTION
POLICY REGARDING MEMBERSHIP IN A DISCRIMINATORY CLUB**

1. Statement of Purpose

While it is not the intention of the Section of Law Practice Management to restrict the personal, professional or proprietary activities of Section members or to preclude or restrict participation in Section affairs solely by reason of such activities, it is the sense of LPM that it is inappropriate that an LPM member who is a member of a Discriminatory Club be eligible to hold an elected or reimbursable position in the Section.

2. Definitions

Discriminatory Club shall be defined as a club where business is conducted that by policy or practice intentionally discriminates on the basis of race, color, sex, religion, sexual orientation, disability or national origin. (Club also includes organized groups without facilities.) To be considered a club where business is conducted a club must have one of the following characteristics (as defined by the Committee Resolution adopted by the Committee of the Judiciary of the Senate of the United States of America on August 2, 1990):

- (a) club members bring business clients or professional associates to the club for conferences, meetings, meals, or use of the facilities;
- (b) club members or their employers deduct dues, fees or payments as business expenses on tax returns;
- (c) the club is one where contacts valuable for business purposes, employment and professional advancement are formed; or
- (d) the club receives payments from non-members for meals or services provided by the club;

except that country clubs and clubs where meals are served shall be presumed to be clubs where business is conducted.

The definition of a Discriminatory Club shall not include fraternal, sororal, religious or ethnic heritage organizations, unless such organization has, as one of its purposes, the systematic discrimination of other unincorporated groups of people.

3. Statement of Policy

- (a) No Law Practice Management member or associate member who is a member of a Discriminatory Club shall be eligible to hold an elected or reimbursed position in the Section.
- (b) Law Practice Management shall require each person holding or seeking to hold an elected or reimbursable position to certify, and recertify on an annual basis, that such person is not a member of a Discriminatory Club.
- (c) The burden of certification and recertification shall be on the Section member or associate member.
- (d) The Executive Committee of Law Practice Management shall make available a suggested certification and recertification form for use by participating Section members (as defined). The following individuals shall make written certification and recertification to the LPM through the Executive Committee:
 - (1) Nominees for Section officer positions and for membership on the Law Practice Council must certify and recertify within 30 days after nomination or, in any event, prior to election, whichever is sooner.
 - (2) Appointees to positions as chair or vice chair of a division, task force, committee or interest group of Law Practice, the Law Practice Management Publishing Board, Law Practice Management Editorial Board and other Section boards within 30 days after notification of election or appointment.
 - (3) All persons appointed to committees or activities on behalf of Law Practice Management pursuant to any election or appointment within 30 days after notification of election or appointment.

4. Procedures

- (a) Section staff will distribute the Policy Regarding Membership in Discriminatory Clubs form with all letters of election or appointment and at such other times as elections are conducted or appointments are made. Completion and return of the Certifications and Recertifications will be a condition of any election or appointment.
- (b) Section staff will maintain a record of Certifications and Recertifications received and will follow up with nominees and appointees as necessary to obtain them.

- (c) The Section Director will conduct the initial review of the Certifications and Recertifications and will promptly report receipt of all certifications and recertifications to the Chair or the Chair-Elect, whoever is making the appointments.
- (d) In advance of the Annual Meeting, the Section Director will prepare and present to the Executive Committee a list of certifications and recertifications together with the names of any nominees or appointees who have not returned the certifications and recertifications.
- (e) The Executive Committee will determine what action, if any, will be taken in each case where the member who is seeking to an elected or reimbursable position has failed to return the certification or recertification, and a record will be maintained of each such determination. The Executive Committee will present a summary report to the Section Council at the Annual Meeting and at such other times as it deems appropriate or as the Council may request.
- (f) Certifications and recertifications will be open to inspection by any Section member at any time.