

**REPORT OF THE
LYCOMING LAW ASSOCIATION
STRATEGIC PLANNING COMMITTEE
RECOMMENDING THE HIRING
OF AN EXECUTIVE DIRECTOR**

December 22, 2003

Lycoming Law Association Strategic Planning Committee

Garth Everett
Gary Weber
Norman Lubin
John Humphrey
Joseph Campagna
Fred Holland
William E. Nichols
Matthew J. Zeigler
Andrea Bower
William Knecht
George Orwig

BACKGROUND

The Lycoming Law Association Strategic Planning Committee was established at the beginning of 2003 by LLA President Gary L. Weber to scrutinize the Lycoming Law Association, with an eye to improving its operations and the services it can perform for its members. The essential issue for consideration by the Committee was identified as follows:

The LLA is an organization that represents roughly 175 professionals. But the LLA operates with shifting goals, the completion of which frequently depends on the volunteer efforts of a few individuals, with the President typically taking the lead in the effort. It makes sense to expect the President to perform essential administrative functions with respect to the selection of committee chairmen, etc., and to permit the President to undertake new projects of particular interest to the individual serving in the office. It is quite different to expect that the President will have the memory, ability and time to continue and to implement existing projects and efforts, in a wide range of areas, from public relations to member information to insurance coverage to Web site to honoring members' accomplishments. The Committee will consider what the LLA ought to be providing to its members and the administrative support needed to provide those functions.

The Committee met on six occasions during 2003. During the first meeting, the Committee agreed to concentrate on exploring the possibility of hiring an executive director. In the meetings following, the Committee received information concerning the current operations of the Association, examined the operations of other, similar, bar associations, discussed the finances of the Association, received reports concerning the operations of the Lycoming Reporter and discussed various options with respect to the hiring of an executive director to serve the Lycoming Law Association.

Membership on the Committee was open to any member in good standing of the Lycoming Law Association. The following individuals volunteered to serve on the

Committee: Garth Everett, Gary Weber, Norman Lubin, John Humphrey, Joseph Campagna, Fred Holland, William E. Nichols, Matthew J. Zeigler, Andrea Bower, William Knecht, and George Orwig. This group includes five former Association presidents, as well as the current president and president elect.

The Strategic Planning Committee has, by consensus, approved a number of recommendations which are summarized in this report, along with the justification therefore.

RECOMMENDATIONS

The Lycoming Law Association Strategic Planning Committee makes the following recommendations:

1. That the Lycoming Law Association hire a part time executive director (approximately 20 to 25 hours per week).
2. The executive director will assume the responsibilities of the Lycoming Reporter business manager.
3. The ongoing costs associated with the employment of an executive director are to be covered by the operating income of the Lycoming Reporter and by income derived from future Lycoming Law Association sponsored activities (such as CLE, attorney referral) that may produce income. One time expenses such as for equipment, or start up costs, may be paid from the retained earnings of the Lycoming Reporter. The Committee does not anticipate that future dues increases will be necessary to fund the new position.
4. It is recommended that the current executive secretary position should be retained, for the present. The Lycoming Reporter Editor position should be retained.
5. The primary function of the executive director should be to serve the membership and to support and implement the policies and directives of the president and the Executive Committee. The Committee believes that the executive director will, over time, be able to perform a number of functions essential to the efficient operation of the Association as detailed in this report. However, the Committee identified local continuing education opportunities as a key justification for hiring an executive director.

HISTORY

The Lycoming Law Association was founded in 1870. The Association's initial membership numbered about 20. Presently, the Association has approximately 175 members. Notwithstanding the increase in the membership, the essential structure of the Association has remained the same: The Association is led by a president with support from the Executive Committee, none of whom are paid for their service.

The Association did not always have a paid staff member. In January, 1977, the executive secretary position was established, and a Mrs. Ackerman was hired. At that time, the membership totaled 104. Over the years, the Lycoming Law Association has performed a number of functions that it no longer is called upon to perform. At times during its history, the Association operated the law library, collected and distributed fees for divorce masterships, paid ABA and PBA fees and a portion of CLE costs, regulated attorney fees and undertook attorney referrals. In addition, Law Association social functions were attended by most members of the Association and viewed by most members as essential to maintain the collegiality of the bar.

The Lycoming Reporter is the official journal for the publication of legal notices in Lycoming County. The Reporter has, additionally, published court opinions and notices to the profession. The Reporter is supervised by an editor (presently William Knecht) who is a member of the Association and who reports to the Executive Committee of the Association. Although the Reporter's finances have typically been reported separately from those of the Association, the income of the Reporter belongs to the Association, as does the Reporter's retained earnings, which currently total about \$110,000.00. The Reporter has typically turned a profit.

The Lycoming Law Association Foundation is a not for profit corporation that was established by the Lycoming Law Association in 1989 to insure access to justice by raising funds to preserve and expand civil legal services for low income people in Lycoming County. The Foundation maintains an endowment totaling approximately \$78,000.00, that is under the supervision of its board. The board consists of three members of the LLA, and is chaired by the president of the LLA. The Foundation has undertaken a five year campaign to increase the endowment to \$100,000.00.

IDENTIFICATION OF ISSUES AND CONCERNS RELATING TO THE OPERATION OF THE LYCOMING LAW ASSOCIATION

The Strategic Planning Committee identified a number of Issues and concerns relating to the operation of the Lycoming Law Association:

1. *Reliance on the President.* The Association relies, almost entirely, on its president for ideas and implementation of those ideas with respect to the operation of the Association. Although the Executive Committee is involved with the decision making process, it is the responsibility of the president to propose new programs, events, policies, etc. to the Executive Committee for approval. Likewise, it is the responsibility of the president to implement the decisions of the Executive Committee. Finally, the president must oversee the ongoing operations of the Association to make certain that events occur as planned, that members are recruited to perform necessary functions and solicited to attend events, and that the day to day operations of the Association occur as required.

No actively practicing member of the Association has the time to commit to the operation the Association to the degree necessary. Thus, there is typically a lack of necessary planning or follow through that frequently results in confusion, delay or inaction where action is required. New policies or events that are implemented by one president are abandoned by another president for lack of time or because of shifting interests. There is a lack of continuity that is frustrating to the membership and the leadership.

It is impossible for an Association president to have a handle on the

ongoing operations of the organization. Thus, certain aspects of the operation of the Association are placed on “auto pilot” and allowed to continue without supervision or examination for long periods of time. Likewise, a long time policy or program or event of the Association may lapse because the president lacks the familiarity with the routine operations of the organization.

In short, the Association is too large to be run by a member who is employed in the full time practice of law. The frequent change in leadership of the Association causes a lack of continuity that results in frequent change of direction or no direction at all. The smooth operation of the Association is entirely dependent on the willingness and ability of the president to take an active role in planning and implementing of Law Association policies and programs.

2. *The Purpose of the Association has Changed.* The purpose of the Lycoming Law Association is considerably different today than it was thirty years ago. The size of the membership of the Association has grown. Notwithstanding these changes, the Association has changed very little to meet the needs of its members. Simply put, the current management system discourages thorough re-examination of existing policies, programs or events, and encourages the status quo, whether or not it is of any service to the members. The Association’s structure does not recognize its evolution in size and in function.

A president’s time in office is necessarily consumed with efforts to ensure the success of the annual banquet, with recruiting committee chairs or with making certain that the monthly Executive Committee agenda is filled. Reexamining the publication policy of the Lycoming Reporter, establishing a local CLE program, publishing a

newsletter or other such extraordinary activities requires more time than the president can ordinarily be expected to expend on behalf of the Association. Yet it is the implementation of new programs to meet the changing needs of lawyers that makes Association membership valuable to Lycoming County attorneys.

3. *The Lycoming Reporter Retained Earnings.* The Lycoming Reporter has operated efficiently, reliably and profitably for many years. It has built up a fund balance of over \$110,000.00. The Association has no plans for the use of the funds, and the retained earnings will continue to accumulate as long as the Reporter continues to be the official reporter of the County. While it would be foolhardy to deplete the fund balance on frivolous expenditures, it is likewise foolhardy to continue to mindlessly accumulate money that could be used to support the goals of the Associations.

Other county bar associations have, for years, used the profits from their legal journals to fund the salaries of support staff. As summarized below, that is the primary source of revenue of most bar associations of the size of the LLA, and most bar associations view the funding of an executive director position as essential to the operation of the association.

There was a general reluctance among members of the Committee to recommend funding current salaries from the fund balance. The fund balance would soon be depleted, leaving the Association without the means to support its staff. Thus, finding a permanent source of revenue for any new ongoing salary expense was determined to be essential. However, the Committee believes that the fund balance should provide a source of funds for supporting equipment and supplies, as well as a cushion when income fluctuates and as seed money while other sources of revenue are

developed.

Another option for the use of the retained earnings of the Lycoming Reporter has been advanced by a member of the Committee - that is to add to the LLA Foundation's endowment. The LLA currently convey's \$5,000.00 per year to the Foundation. Once conveyed to the Foundation, the funds are no longer available to advance the general goals of the Association, and are limited to the more specific goals of the LLA Foundation.

BASIS FOR THE RECOMMENDATIONS

Early in its deliberations, the Committee settled on a consensus that the hiring of an executive director would begin the process of addressing many of the concerns that were identified with the current management scheme of the LLA. In addition, an executive director could be expected to undertake various initiatives in the member service area, where LLA presidents have neither the time nor the continuity in service to complete such projects.

The Committee identified responsibilities that an executive director could be expected to assume:

- Work closely with the president and the Executive Committee on LLA programs and issues
- Serve the needs of the membership
- Assume the Lycoming Reporter business manager position
- Implement and oversee a local CLE program, including “Lunch & Learn” meetings (The LLA has been approved to offer continuing legal education programs, for credit)
- Supervise the executive secretary
- Plan and organize events
- Solicit lawyers to become members
- Budgeting oversight and planning, including undertaking changes that improve the efficiency of Association programs and operations
- Solicit and encourage volunteers from the membership
- Work with committees and encourage committee activities
- Research, propose, plan and initiate benefits and programs for the members
- Attend appropriate meetings and conferences and otherwise take an active part in the PBA, the Pennsylvania Association of Bar Executives and other similar organizations
- Work with the court, the paralegal association and other organizations on joint projects
- Implement LLA programs within the financial means of the LLA and work to maximize income to the organization
- Continue the periodic newsletter or other means to keep the membership informed of benefits, programs, events, news and other items of interest
- Undertake to preserve the records and history of the organization
- Maintain the Web site

- Maintain a member information database
- Prepare a regular member directory and handbook
- Interact with the press on all LLA events of public interest, by press release or direct contact
- Interact with the public, to field inquiries
- Local attorney referral service
- Implement programs to improve the public image of the bar, including scholarships, PBA school programs, and other school programs, speakers bureau, etc.

The Committee recognizes that the new executive director will not be able to undertake all of the above in one or more years. Obviously, the initial goals of a newly hired executive director would be set by the Executive Committee, after considering its goals and the skills and experience of the employee. Indeed, an executive director will be expected to show initiative and creativity and to seek to develop the position's role and responsibilities without micro-management.

In considering candidates for the position, the Committee believes that the following background and experience is essential:

- Familiarity with lawyers and law offices
- Take charge ability
- Management skills, including financial savvy
- Familiar with office technology and computer programs such as word processing, database, finance and Internet software
- Organizational skills
- Creativity
- Flexibility

Although a College education may be helpful, such is not essential where the candidate has the appropriate experience and skill, as in the case of a paralegal who exhibits the above listed characteristics.

RESULTS OF INQUIRIES TO SIMILARLY SIZED COUNTY BAR ASSOCIATIONS

Having identified a need for the position, the Committee sought to address more practical concerns. How will the position be funded? Will it be full or part time? Should other positions within the LLA be merged into such a position or retained as separate positions? To assist in addressing these concerns, members of the Committee undertook inquiries to executive directors of nine similarly sized associations. The responses were quite helpful in formulating the Committee’s recommendations. The results are summarized in the following table:

1.	County:	Franklin
	Executive Director position:	Full time. Started with part time contractor. Communications background - not an attorney. Includes legal journal editor position. Additional employee - part time assistant
	Membership:	130 members
	Funding:	dues - legal journal - some CLE
2.	County:	Cambria
	Executive Director position:	Part time. Independent contractor. Publishes the law journal
	Membership:	216
	Funding:	dues - legal journal - CLE
3.	County:	Beaver
	Executive Director position:	30 hours/week. Involved with the operations of the legal journal. Additional staff - receptionist, legal journal staff person
	Membership:	190
	Funding:	Dues, legal journal, CLE, rental fees from use of conference room
4.	County:	Mercer
	Executive Director position:	Full time. No other staff. Involved with the publication of the legal journal.
	Membership:	126
	Funding:	Dues and legal journal

5.	County:	Monroe
	Executive Director position:	Part time - 30 hrs. 1 - 2 part time employees. Involved in publication of the legal journal
	Membership:	240. Note only 175 lawyers work in the county.
	Funding:	Dues, legal journal, CLE, lawyer referral, rental of conference room in bar building
6.	County:	Lawrence
	Executive Director position:	Part time - 25 hrs. Non-lawyer, college graduate. No other staff Includes publishing law journal.
	Membership:	105
	Funding:	dues and law journal
7.	County:	Centre
	Executive Director position:	Part time. About 20-25 hrs. Is a lawyer. No other employees - but the law journal is published by an editor and bookkeeper (who are paid?)
	Membership:	170
	Funding:	Dues, law journal and CLE
8.	County:	Washington County
	Executive Director position:	Full time, with benefits. Other employees include a full time business manager of the legal journal and part time editor, and a full time receptionist. Supervises the legal journal staff
	Membership:	310 (with a large contingent of "associate members" who work in Pittsburgh but live in the county)
	Funding:	Legal journal. Dues are \$169/year. CLE and rental of conference rooms
9.	County:	Schuylkill
	Executive Director position:	Part time-also serves as law librarian. Assistant law librarian also serves as assistant exec. Other staff - business manager of legal journal
	Membership:	Between 180-190
	Funding:	Legal journal

Although the results of the survey varied from county to county, the position of executive director was generally part time, with a mix of responsibilities that usually included some law journal responsibilities. Funding invariably relied on the law journal revenue, with a mix of other income. Frequently, dues were substantially greater than

those of the LLA, and were used to fund all activities of the association, including salaries.

In recent years, presidents and vice presidents/presidents-elect have attended the annual Conference of County Bar Leaders seminars. Discussions with both county executive directors and bar association officers of many associations have resulted in strong recommendations in support of the retention of an executive director, and sometimes surprise, as to Lycoming County's failure to have such a position, given the size of the LLA membership. Executive directors, who are successful, often remain in the position for many years, and have forged strong relationships with the officers and members of the association. Comments such as, "We couldn't have functioned without her" or "Our association flourished after we brought on an executive director" were typical of these discussions.

SCOPE OF THE RECOMMENDED POSITION

The Committee believes that a part time executive director will address the needs of the Association for the immediate future. Other options were discussed.

The Committee discussed the possibility of hiring a full time executive director and eliminating the executive secretary position. That approach was not accepted, for several reasons. Although clerical skills are essential for the position, the position is intended to be more managerial than clerical. The routine operation of the Association can be more efficiently handled by the current executive secretary, with the executive director concentrating more on the governance issues. This approach can be reevaluated after some experience. In addition, funding concerns dictated a more conservative approach.

The Committee agreed to recommend adding the Lycoming Reporter business manager responsibilities after a long discussion with the long time incumbent, Annabel Miller. Although she has served in the position for over 40 years, her current responsibilities as Register and Recorder are sufficient - she will not miss the work and understood the reason for the proposed change. Additionally, the current salary of \$3,500.00 will assist in funding the executive director position. Although the manual record keeping and billing methods have served Annabel Miller well over the years, the use of technology could automate many of these functions, and simplify the process in the future.

The Committee agreed to retain the Lycoming Reporter editor position for the present, to ensure direct oversight of the Reporter by a member of the Association. Indeed, the nominal pay of the editor (\$1,500.00) would have little effect on the funding issues.

FUNDING ISSUES

The funding of the executive director position was a substantial concern to the members of the Committee, and great care was taken to address this concern. No member of the Committee wanted to see the Association faced with substantial dues increases in the future. The Committee intended to recommend a position that could be supported with currently available resources.

The Committee believes that the income of the Lycoming Reporter will fund the position. Recent rate increases intending to bring Reporter rates in line with rates of other reporters and with the local newspapers, will solidify the Reporter's financial position. It is anticipated that the Reporter will bring in additional income of at least \$10,000.00 per year. Likewise, the transfer of the business manager responsibilities will add \$3,500.00 to the funds available to pay the executive director. This, combined with existing profits, in recent years, of between \$10,000.00 and \$15,000.00 will provide the primary source of revenue to fund the executive director salary, that is anticipated to be in the range of between \$15,000.00 and \$18,000.00. Additional ongoing expenses for payroll taxes, additional rent¹, seminars, etc. could total as much as \$4,000.00.

Additionally, the LLA Executive Committee has undertaken several changes in the operation of the Reporter that are expected to reduce costs going forward. The Reporter will no longer publish bound volumes after the current volume. The demand

¹The present LLA office, is small and inaccessible. While a move to larger quarters is not essential, it should be considered. A number of options are available and inexpensive rental space is generally available in the city. New space could include a conference room that could be made available to member attorneys and out-of-town attorneys for rental, to recoup some of the increased rental cost.

for bound volumes has dropped to almost nothing in recent years, and the cost of the publication of bound volumes can no longer be justified. Also, in 2004, the Reporter will discontinue the publication of opinions. Rather, the Reporter will publish summaries of all opinions, with references to their location on the LLA Web site. The cost savings can be applied to other LLA programs or the executive director position.

Also, the Committee believes that an executive director can implement programs that will include some revenue raising elements. For example, local CLE could be conducted at a great cost savings to members, yet still make some money for the LLA. Attorney referral systems are money makers for other associations. Other options such as rental of an available conference room can be explored.

The Committee recognized the desire of some members of the LLA and the Committee to transfer a large piece of the retained earnings of the Lycoming Reporter to the LLA Foundation, to increase the endowment of the Foundation. While this is a laudable goal, the Committee believes that, at this time, funds should not be transferred. At some time a transfer may be considered by the LLA Executive Committee. However, the Committee felt that the reserves of the LLA should not diminished in this way until the changes outlined in this report have been implemented. Although the Committee took great pains to analyze the financial implications of hiring an executive director, as in all such situations, the precise cost of implementation is unknown. It was felt that a voluntary transfer of funds at this time was unwise, under the circumstances.

Conclusion

By consensus, the Lycoming Law Association Strategic Planning Committee recommends that the Executive Committee and the membership approve the hiring of an executive director of the organization. The Committee believes that this hiring will significantly improve the operation and efficiency of the Association, and will permit the Association to offer more and better services to its members.