Hello members,

I know that our Newsletter Team has a great issue for you, so I am only going to give you a brief note today. As most of you know, I was the Business Partner Relations Chairperson for SCALA over the past two years, before my term as President began. I can’t stress enough the importance of attending our Business Partner Showcase, which is scheduled for August 15, 2013, at the Hilton Columbia Center. This is our opportunity to thank our sponsors for their support of our Chapter. Without them, we wouldn’t have the funding to be able to provide the number of scholarships to ALA Conferences, the quality speakers at our meetings, or support the SC Bar at their annual convention. This year Rob Cluxton, our Business Partner Relations Chairperson, has been working tirelessly to recruit some new Business Partners for us, and I hope that with all of your support we can show them how terrific SCALA members are. If you know of a new Business Partner who you would like to refer to us, please contact either Rob or myself with their contact information. As we all know, new businesses are coming in the South Carolina market all of the time.

I look forward to seeing you at our Business Partner Showcase in August.

Heather Niemi
President, 2013-2014
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Sheraton Downtown Los Angeles
Los Angeles, California

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Register today! www.alanet.org/finance
Upcoming Events

Chapter Leadership Institute

President-elect Janci Baker, Secretary Mack Goodwin and Board Member Rob Cluxton travel to Atlanta, GA this month to attend the 2013 Chapter Leadership Institute (CLI) hosted by the National Association of Legal Administrators. CLI provides a unique opportunity for learning about and strengthening your chapter leadership role, sharing ideas and experiences with colleagues, expanding your network and increasing your knowledge and leadership skills. It is an intensive two-day program, with sessions extending from early morning to late afternoon each day.

Chapter Networking Events

SCALA members in Charleston, Columbia and Greenville will have individual lunch gatherings during the month of July. The Charleston Event will be on Tuesday, July 16, 2013. Columbia members will gather together on Wednesday, July 17, 2013 and Greenville will convene on Tuesday, July 23, 2013. Be sure to check your email for coordination of the time and place.

2013 Business Partner Showcase and Educational Session

Join us on Thursday, August 15, 2013 at 2:30 PM at the Hilton Columbia Center in Columbia, SC for an educational session followed by our annual Business Partner Showcase. The educational session, which will be open to both legal administrators and participating business partners and exhibitors, will feature Michael S. Cohen, an attorney at Duane Morris, who will speak on diversity and inclusion and the law.

The annual Business Partner Showcase will feature approximately 40 business partners promoting their products and services. You won’t want to miss this event...scholarships to the 2013 Regional Conference in Memphis, TN will be given away.

Other News

National ALA Officer Nominations

National is seeking member nominations for both the Board of Directors and Regional Officers. Nominations will close on August 1, 2013. If you think you have what it takes to make a difference in the future of ALA — or know someone who does — read more about what we are looking for in our future leaders. [Learn more by clicking here]
COLLABORATE. MOTIVATE. LEAD.
Mark Your Calendar for the ALA Regional Conference Near You!

Regions 1 & 3 — October 24–26
Renaissance Cleveland Hotel
Cleveland, OH

Region 2 — October 10–12
The Peabody Memphis
Memphis, TN

Region 4 — October 3–5
Hyatt Regency Albuquerque
Albuquerque, NM

Region 5 — September 19–21
Hilton Anchorage and The William A. Egan Civic & Convention Center
Anchorage, AK

Region 6 — October 31–November 2
Grand Sierra Resort
Reno, NV

Connect with ALA today at www.alanet.org/regconf
Conference registration opens summer 2013.

Your connection to knowledge, resources and networking
Summer is here and students, both college and high school, are looking for employment. For an employer that may be able to provide “valuable” work experience to these students, some individuals may be willing to work for free, just to gain this valuable experience. As made clear in the recent New York federal court decision involving a major movie studio, allowing or requiring certain individuals to perform work for your organization without receiving compensation comes with very real legal risk.

Under the Fair Labor Standards Act (“FLSA”), subject to a few limited exceptions, those who perform work for your organization are employees and, therefore, generally must receive at least the minimum wage for hours worked. The FLSA defines the term “employ” very broadly as including to “suffer or permit to work.” There is, however, a circumstance under which the Supreme Court has held that the phrase “to suffer or permit to work” should not be interpreted to make an individual whose work serves only his or her interest an employee of another who provides instruction or assistance. This carve-out applies to “interns.”

The Department of Labor has created a six-part test that employers must satisfy in order to have unpaid workers. This test, which requires the employer to meet all six components, provides that an intern relationship exists when:

1. The internship, even though it includes actual operation of the facilities of the employer, is similar to training which would be given in an educational environment; and
2. The internship experience is for the benefit of the intern; and
3. The intern does not displace regular employees, but works under close supervision of existing staff; and
4. The employer that provides the training derives no immediate advantage from the activities of the intern; and on occasion its operations may actually be impeded; and
5. The intern is not necessarily entitled to a job at the conclusion of the internship; and
6. The employer and the intern understand that the intern is not entitled to wages for the time spent in the internship.

While each of these six factors has been
interpreted by the DOL and the Courts, the third and fourth factors typically are the ones that an employer has the most difficulty satisfying. In fact, in the Glatt v. Fox Searchlight Pictures, Inc. (S.D.N.Y., No. 11-06784, 6/11/13) decision, these were precisely the criteria upon which the New York District Court focused. In determining that individuals treated as “interns” during production of the movie Black Swan were, in fact, employees who should have been compensated for their work, the court explained that these individuals performed tasks that benefitted the employer and which, but for the “interns,” would have had to be performed by employees.

Unfortunately for employers, these claims are becoming far more prevalent as employees and plaintiff-side attorneys recognize that many employers do not appreciate the intricacies of this area of wage and hour law. In fact, as recently as last week, a class action intern-based law suit was filed against Conde Nast.

There are several steps an employer can take to ensure that their “interns” are, in fact, interns and not employees who must be compensated for time worked. First, the employer must become more familiar an facile with the DOL’s and courts’ interpretations of the regulations involving interns. Second, if an employer wants to institute an internship program, it is recommended that such a program be memorialized in writing. This program description should incorporate by reference the six-pronged test described above. Third, the intern should sign a document making clear that he or she is, in fact, an intern and: (1) has absolutely no expectation of payment for the work performed and (2) has no guarantee or even expectation of employment following the internship. Fourth, the organization should have established a formal complaint procedure that an intern (or, really, any employee) can use to dispute the way he or she is or is not being paid. Finally, a correction procedure also should be created to make clear the intern, employee and DOL that, when mistakes are made, they promptly (read: immediately) will be corrected.

Quick Quiz

Interested in becoming a CLM? Questions can be directed to Sue Powers in the ALA headquarters office at spowers@alanet.org. You can also reach out to SCALA members Nancy Probst, CLM and Rob Cluxton, CLM, MBA.

Try your hand at these questions taken from CLM<sup>SM</sup> in a flash! cards.

1. States that some people have an inherent dislike for work and will avoid it whenever possible. These people need to be controlled and coerced by their managers to achieve production.

2. Work-related rewards that have a measurable monetary value, unlike intrinsic rewards, such as praise or satisfaction in a job well done.

3. A type of liability policy which covers claims which occur and are reported while the policy is in effect.

Have you checked out ALA’s Online Resources lately?


ALA Management Solutions<sup>SM</sup> and the Legal Management Resource Center:  [http://www.alanet.org/research/directory.asp](http://www.alanet.org/research/directory.asp)
Meet SCALA Member Svitlana Young

When Svitlana Young moved to South Carolina from her native Ukraine in 2005, she knew she wanted to find new challenges in her adopted country. Svitlana had enjoyed a successful 15-year career as an educator in the Ukraine. She holds a master’s degree in Russian, has published several written works and has worked as a translator and interpreter. But she has expanded her skills since moving to South Carolina by embracing the field of business finance.

She started by reading her husband’s old college accounting textbooks. Discovering she had an affinity for business finance, Svitlana went back to school, earning associate’s and bachelor’s degrees with a concentration in accounting from Limestone College. Currently, she is working on a master’s degree in accounting.

Svitlana’s first accounting job in the US was as an assistant bookkeeper for a moving company. In the three years she worked there, she moved through the ranks from the assistant bookkeeper position all the way up to Controller, and took the company from being seriously in debt to operating in the black – and did it all during the recent hard economic times.

In May 2012, Svitlana became Director of Administration with Riley Pope & Laney. This Columbia law firm was formed in 2001 and concentrates on legislative affairs and financial services. Among other things, Svitlana’s duties there include accounting and human resources functions. She tackles her job with enthusiasm, and is very passionate about things she can do to improve the firm. She states, “Employers expect more from accountants now – they want business decisions.”

Svitlana is a Certified Management Accountant and feels that being a CMA has greatly enhanced her ability to manage a busy law firm. It gives her the ability to see the firm as a whole, which leads to better and more relevant strategic management decisions.

Svitlana’s husband Gary is the production manager at The State newspaper. She has two grown sons and a six year old daughter.

More about Svitlana

Who I admire most…

“...My father, Anatoliy Negoliuk. He was born in 1941 in Nazi occupied Ukraine. He had a bone disease caused by hardships of the war. He spent most of his childhood in the hospitals, went through a number of surgeries. In spite of everything he went through, he was the brightest and the most optimistic person in my life. He had amazing sense of humor and love for life. At the end of his life, fighting and losing to cancer, he didn’t say a word of complaint or bitterness. He taught math in Ukrainian secondary school. But his excitement and gratitude for life, his strong character were the most important lessons he taught his students and us, his children. ”

How ALA helps me…

“I came to the law firm from the transportation industry. My legal knowledge was limited to the movie “Legally Blond” and Business Law class I took one semester at Limestone. I was very happy when I got a job offer but I was also a little nervous because of the lack of industry experience. The one month between the jobs I spent reading everything on ALA website that was available to non-members. The resources I found helped me prepare for the job. I still use the resources offered by the website any time I have a problem. For example, I am concerned about collections. I go to the website, type “collection practices” in search window, and voila! Hundreds of articles, tips and shared experiences. I love meetings and seminars, because they give me an opportunity to talk to other legal administrators, hear their stories and their experiences. ”
For those new to ALA or the legal industry, Certified Legal Manager (CLM)SM designation is awarded by ALA to those who pass the CLMSM exam and maintain the required continuing education per recertification period. This program provides the opportunity to demonstrate you have mastered the knowledge, skills, and abilities to operate at a high level of expertise in the field of legal management.

Regardless of the stage in your career, becoming certified adds a valuable dimension to your professional development. This achievement can help to instill greater confidence in your abilities and identifies you as an experienced legal manager who understands the unique issues of managing a law firm or legal department.

Gary, what made you decide to take the CLMSM Exam?

"I was at a crossroads at that time of whether I wanted to take the CPA exam or the CLM exam. I had taken the Becker CPA review course and had prepared for the CPA exam. I decided that the CLM exam would be a better certification for my legal career as it would encompass much more than just accounting and finance. I wanted a way to show my employer that I could be a well-rounded administrator."

What was your personal preparation for the exam?

"I studied almost every evening. I had already been prepared for the rigors of studying since I had just completed the CPA review course. I started my preparation a little before study groups were the norm and before the Cyber Chapter offered their online CLM study course. I would definitely recommend joining a group. Nothing is more helpful than having colleagues around to bounce ideas, thoughts and comments off of and to get much needed encouragement during the process."

Did you use anything in particular to help you study that you would recommend to someone who is preparing for the exam now?

"Yes, the two sources that I found the most useful were: Law Firm Accounting and Financial Management (Quinn, Bailey and Gaulin) and Human Resource Management (Mathis and Jackson). Those specific resources covered a great deal of information regarding the financial and HR sides of a Firm. I also reviewed information on ethics from the ABA and space and design information from BOMA. I took my exam many years ago; however, since then there are flash cards that were developed under a Foundation of the Association of Legal Administrators grant to the Valley of the Sun Chapter and chapter study groups that can help provide exam preparation."
How long have you been a CLM\textsuperscript{SM} and have you found the recertification requirements difficult to achieve?

“I passed the exam in 2004. I have found the requirements fairly easy to obtain, especially if you attend a couple of National or Regional conferences during that three year recertification period. Conference planners are very conscious to make sure that the business ethics and substance abuse requirements are provided at each conference or at least every other conference. For example, at our Region 2 Conference in Memphis, we will provide both sessions, not running concurrently, so that all CLM's in attendance could obtain those requirements.”

In your personal experience, what benefits have you derived from having the CLM\textsuperscript{SM} designation?

“Outside of the personal satisfaction of passing a rigorous test, I have been able to share the concept of the certification with the attorneys I have worked for recently. Many attorneys appreciate the preparation and dedication that it takes to pass the exam as many relate it to passing the Bar. I have had conversations with my managing partners about the knowledge needed to pass the exam, that has helped them trust me further in my skills in legal administration. I do know that there are financial benefits, such as a discount on professional liability insurance for your Firm if you are a CLM.”

What advice would you give to someone who is considering taking the CLM\textsuperscript{SM} Exam?

“I would definitely encourage you to take the exam. It is a great way to validate to yourself and your Firm that you are a trusted and well-educated legal administrator. I have heard many members, myself included, say that they have or will prepare for the exam in secrecy because they do not want the embarrassment of having to tell colleagues if they fail. I encourage you to do the opposite! Members already know how hard it is to pass the exam, how much preparation it takes and the dedication to becoming a CLM, it is not a stigma to fail this exam. As I said earlier, having folks cheer you on and encourage you will be a huge plus. Another piece of advice I would offer, study, study and then study. There are many ways to get the knowledge necessary to pass the exam: borrow a resource from a CLM (I am pretty sure they still have the books), join a group (if the chapter currently does not have a group, then I encourage you to seek out the Cyber Chapter) ask other CLM’s (they are happy to talk to you about the exam).”

“I hope you decide to take the exam, and if you have any questions, please consider me a resource! Good luck!” — Gary T. Swisher, II, CLM

SCALA members: we currently only have 2 members who are CLMs. I would like to challenge you to demonstrate your expertise in the field of legal management by becoming a CLM.
SCALA
2013-2014
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"As a Certified Legal Manager I feel a sense of satisfaction in knowing I am part of a growing group of legal managers raising the bar for our profession, and I am glad I went through the process. Studying for the exam helped me strengthen my knowledge and skills in areas of administration I don’t often use day-to-day, but I do need to draw upon as the demands of my firm dictate. CLM has made me a better-rounded administrator and leader, ready for anything."

The SCALA Scoop

The ALA Certified Legal Manager (CLM)™ program has been helping legal managers chart their courses to personal satisfaction and professional success for more than 10 years. Find out how CLM is right for you at www.alanet.org/clm.

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