

University of St. Thomas School of Law
Business Basics for Lawyers (Foundations 3)
Laws 642 – Spring 2024
Professor David Grenardo and Professor Jerry Organ

CLASS MEETING DAYS/TIMES:

Professor Grenardo –

M/W 9:00-10:15 – Room 321 -- January 17-February 7 and then March 11 and March 18.

Professor Jerry Organ –

M/W 10:30-11:45 -- Room 321 -- January 17-February 7 and then March 11 and March 18.

COURSE DESCRIPTION

Lawyers need a basic familiarity with various fundamental financial and accounting concepts both to work with individual and organizational clients, to be responsible members of their law firms or legal services organizations, and to be prepared to provide meaningful service on non-profit boards and/or to their communities. This course provides an introduction to fundamental financial and accounting concepts associated with budgeting and net worth for individuals and income statements and balance sheets of for-profit and non-profit organizations (including law firms). It also provides a sufficient grounding in business structures to understand the different approaches to the “business structure” of a law firm or legal services organization while providing an introduction to the “business of law,” including incorporating pro bono into the law firm culture. Finally, it will provide an introduction to the purposes of business entities and the concept of corporate social responsibility.

COURSE OBJECTIVES AND LEARNING OUTCOMES

By the end of this course, students will be able to:

- Evaluate the financial and budgetary realities that inform common client situations, such as division of assets in a divorce;
- Understand the “time value of money”;
- Analyze the financial and budgetary information of non-profit and for-profit business entities and organizations, including simple income statements, balance sheets, and statement of cash flows;
- Understand basic principles of economics and the rationale and functioning of different insurance products;
- Compare and contrast the different forms of business structures, particularly the different structures used by law firms;
- Learn about competing perspectives on corporate social responsibility;
- Learn about how to be effective as an employee working in a legal organization;
- Learn about and practice negotiation.

These Course Objectives primarily address the following law school learning outcomes (as set out in Part III.1.A of the Academic Policy Manual):

- Outcome 1 (professional formation and ethical responsibilities),
- Outcome 2 (knowledge of substantive and procedural law), and
- Outcome 6 (teamwork and relationship skills).

ATTENDANCE AND PARTICIPATION

Students must regularly attend classes punctually, and prepare for classes, in order to satisfy residence and class-hour requirements. This requirement implements the accreditation standards of the ABA. Since this is a compressed, one-credit course, it is not subject to UST Law School Policy III-C-5-D, which entitles you to miss one class session to attend an activity required in connection with the Mentor Program without penalty. In other words, you cannot miss this class because of a Mentor meeting or activity.

As with Moral Reasoning for Lawyers and Serving Clients Well, the class work will involve a lot of work in small groups engaging the topics for that class session or applying the information studied for that class session.

A student who must miss a class because of a family emergency, medical necessity, or other urgent matter beyond the student's control should inform the Director of Academic Achievement and the course instructor of the absence and the reason for it. The course instructor will determine the appropriate make-up work required to satisfy the attendance requirement for the class that was missed.

GRADING AND ASSESSMENT

This is a pass-fail course. The goal here is to move everyone forward along the learning curve with respect to each of the course objectives set forth above.

There will be four assessment tools used to assure adequate progress on the course objectives.

- First, there will be a quiz on the material covered in the first seven class sessions that will be available starting on **Wednesday, February 7 and will be open until Sunday, February 23.** The quiz will be an open-book quiz for which the passing score will be 80%. The quiz can be retaken multiple times until the student demonstrates a passing grade.
- Second, there will be a reflection on a movie due by **March 10.**
- Third, there will be a negotiation exercise the week of **March 11-17** for which the participating teams of students will need to prepare a written summary.
- Fourth, there will be a reflection journal with specific prompts about the learning in the course and the negotiation exercise. **The written summary of the negotiation exercise and the reflection journal will need to be submitted by Friday, March 22.**

CLASS SCHEDULE AND COURSE MATERIALS:

Session One – Personal Finance (Understanding income and expenses in a family budget, understanding net worth calculations for a family.)

Session Two --Time Value of Money (Exploring and applying time value of money concepts (present value and future value) and considering the budget of a law firm for a solo practitioner.)

Session Three – Accounting/Finance in the Business Context (Exploring accounting/finance instruments associated with business entities (Income Statement (income and expenses), Balance Sheet (net worth) and Statement of Cash Flows).)

Session Four – Tools for Analyzing and Comparing Businesses and Managing Financial Risk (Understanding liquidity and solvency formulas or ratios and accounting tools.)

Session Five -- Economics (Understanding a variety of foundational economic concepts.)

Session Six – Investment and Risk Management (Evaluating investment opportunities and exploring ways of managing risk (insurance).)

Session Seven – Intro to Business Entities, including Corporations, Stock Market, and ESG/CSR (Understanding basic characteristics of a sole proprietorship, partnership, corporation, and LLC in the context of law firms and exploring investment frameworks and corporate social responsibility.)

Session Eight – Managing Workload and Work Relationships and Understanding Challenges in Our Legal System and Introducing Negotiation Exercise (Focusing on aspects of working effectively within legal organizations with particular emphasis on challenges in the public defender system and introducing negotiations exercise.)

Session Nine -- Debriefing of Negotiation Exercise (Understanding some principles of negotiation and negotiable items in an employment contract with a legal employer and working through a negotiation exercise.)

Reading materials for each session will be posted on Canvas.

STATEMENT REGARDING DISABILITY-RELATED ACCOMODATIONS

Qualified law students with documented disabilities who may need classroom and testing accommodations should make an appointment with the University of St. Thomas Disability Resources office on the St. Paul campus. Appointments can be made by calling 651-962-6315.

If you have questions about how to set up an appointment, you may also contact Jill Akervik, the Law School Registrar, or Debbie Shapiro, the Director of Academic Achievement; they both assist the University in executing specific accommodations.

For further information, you can locate the Disability Resources office on the web at <http://www.stthomas.edu/enhancementprog>.