

# AUDIT MEMORANDUM NO. 19

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August 26, 1999

TO: Harvey Goldschmid  
Richard Walker  
Brian Lane  
Paul Roye  
Annette Nazareth  
Jayne Seidman

From: Walter Stachnik

Re: Advance Commitment program

## Introduction

The Commission ( and many law firms) annually hires graduating law school students through advance commitments. Commission divisions and offices also can grant advanced commitments to summer interns, based on their performance during their internship. An advanced commitment is an agreement ( usually made in the Fall) that the student will go to work for the Commission or law firm either after graduation the following spring, or after taking the bar examination in the Summer following graduation from law school.

Generally, students are interviewed on campus during the first few weeks of their third year of law school (i.e., rising third year students). Our survey of law schools indicated that campus interviews would start as early as August 1st this year. Based on the campus interviews, the Commission and law firms may extend invitations for office visits to students in whom they are interested (often requiring travel) for additional interviews. The Commission does not pay the student's expenses for these trips; however, law firms usually do pay for the students' travel expenses.

Often the law firms offer their first choices advanced commitments at the end of the office visits or soon thereafter. However Association of American Law School (AALS) guidelines prohibit law firms (or the Commission) from demanding a response (i.e., including a deadline for acceptance) prior to November 1st of each year. After November 1st, advanced commitment offers can include an expiration deadline for acceptance of the advanced commitment offer.

# Scope and Objectives

The objective of the audit survey was to improve the likelihood of Commission success in obtaining advanced commitments from the most qualified law students. Audit steps included a phone survey of sixteen of the 162 AALS member law schools, interviews of Commission staff involved in the process and summer interns.

## Audit Results

The Office of Administrative and Personnel Management (OAPM) has overall responsibility for promoting the advanced commitment program in the Commission. Currently, OAPM:

- arranges for Commission staff attorneys to participate in on-campus interviews of third year law students,
- permits applicants to submit applications throughout the year,
- encourages hiring divisions and offices to offer advance commitments to the promising summer interns prior to their return to law school, and
- assists in maintaining the information concerning opportunities for law students on the SEC website.

OAPM is also planning to acquire software to link up to OCI PLUS, OCI PLUS is an on-line law student database established to enhance the on-campus interview process. We commend them for their efforts. We are making several recommendations to further strengthen the program.

The Division of Enforcement has enhanced their law student intern hiring procedures as well. For example, changes within the past two years include:

- maintaining a standing hiring committee,
- increasing their participation in job fairs,
- trying to bring applicants in for interviews in September,
- encouraging all legal interns to pursue permanent position at the Commission,
- requiring applicants to respond to offers within the month, except in unusual circumstance, and
- providing final decision letters to all applicants interviewed by the hiring committee, and to all applications sent directly to Enforcement for legal intern or staff attorney positions.

## **COMMISSION BROCHURES**

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In light of the competitive market, it is important that the Commission effectively market itself to outstanding rising third year students. The schools in our survey indicated that they accumulate brochures from recruiting law firms and make them available to their students before the campus interviews start.

The Commission has scheduled final editing of its brochure for August 15th. Even if printed and mailed out on that day, the Commission's brochure will not be available for some students making decisions regarding with which law firms to interview.

### **Recommendation A**

The Office of Administration and Personnel Management and the Office of General Counsel should accelerate their schedule for revising the recruiting brochure and ensure that it is received by the law schools as soon as possible (*e.g.*, emergency printing, over night mail).

## **TIMING OF ADVANCED COMMITMENTS**

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The hiring divisions and offices usually form their hiring committees with insufficient time available to interview outstanding summer interns during their internships<sup>1</sup>. This may require the student intern to travel back to Washington for interviews, This disrupts the now ex-interns' law school studies, causes the students to incur unreimbursed travel expenses, and prevents the Commission from providing the earliest advance commitment offer the student is likely to receive<sup>2</sup>. Failure to interview interns during their internship is undesirable from both the Commission's and intern's perspectives.

### **Recommendation B**

The Office of Administrative and Personnel Management should develop policies that encourage hiring divisions and offices to establish their hiring committees in June so that they can take advantage of the opportunities associated with summer interns.

## **COMMISSION WEBSITE**

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The Commission has a website that provides information concerning opportunities for law students. The section entitled "Law Clerk Positions" provides information on the Commission's advanced commitment policy and procedures. The current Website, however, could be improved.

For example, the website could better focus its marketing message. Research concerning the priorities of people now in their 20's indicates that they prize qualities (*e.g.*, the

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<sup>1</sup> An exception is the Division of Enforcement, as discussed above.

<sup>2</sup> The student can immediately accept the Commission's offer or await further offers. The Commission can send a follow-up letter with an acceptance deadline after the November 1st date that the AALS specified.

importance of the work, quality of life issues, personal autonomy, early assignment of work responsibilities) that differ from the preferences of other generations (e.g., job security). Further, the website states that the Commission will accept applications only between August 1 and November 1 of each year. As discussed above, campus interviews have begun by August 1st at some schools and November 1 is the first day that deadlines for acceptance of advanced commitments can be imposed (per AALS rules). Also, a salary range should be given, rather than a GS level, since it is unlikely that law students would be able to compare the GS level to starting salaries offered by law firms.

### **Recommendation C**

The Office of Administrative and Personnel Management, in conjunction with the hiring divisions and offices, should revise the website to make it more effective at recruiting outstanding students.

## **ACKNOWLEDGMENT AND EXPIRATION OF ADVANCED COMMITMENTS**

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Currently, advanced commitments are not sent out with a provision for acknowledgment (e.g., self-addressed cards included) or expiration, for those sent out after November 1st. Such information could improve decision making by the hiring divisions and offices and improve the overall effectiveness of the program.

### **Recommendation D**

The Office of Administrative and Personnel Management, in conjunction with the hiring divisions and office, should review the clerical aspects of the advanced commitment process.

## **ACKNOWLEDGMENT OF CANDIDACY STATUS**

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Law firms usually respond within 2-4 weeks of initial student contract (*i.e.*, receipt of an application or resume) with correspondence clearly either:

- making an offer of employment ( even for next years summer intern candidates)
- inviting the student for further interviews, or
- notifying the student that the firm is unable to extend either an offer of employment or an invitation for further interviews.

Currently, the Commission sends employment offers and invitations for further interviews, but does not send denial letters. This practice is not competitive with those of law firms and can affect the reputation of the Commission as a humane employer. Some students may forgo alternative opportunities, while awaiting a response from the Commission, or may feel compelled to take another, less desirable offer due to the uncertainty of the Commission's recruitment process.

## **Recommendation E**

The Office of Administrative and Personnel Management, in conjunction with the hiring divisions and office, should establish clerical procedures that ensure candidates are notified of the Commission's decision, regardless of what that decision is.

cc: James Clarkson  
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