



CONGRATULATIONS ON STARTING A NEW FIRM!

Congratulations on deciding to start your own law firm! The State Bar of New Mexico wishes you nothing but success. For your information, we wanted to make you aware of a number of resources that are available to support you in your new firm. While all or many of these items may already be taken care of by you, we wanted to make sure you had this information readily at hand and have tried to provide you with links to various resources in [blue](#), throughout this letter (use “Ctrl + Click” to access each link’s resource).¹

Following Best Practices

1. Self-Assessments

The State Bar Professional Practice Program has several online self-assessments available for you to consider completing. These self-assessments are designed to allow you to self-evaluate your practices, identify best practices, and offer resources to assist you in developing and following best practices. Each self-assessment is voluntary, confidential, and anonymous, and the State Bar will not see whether you have taken the assessment, nor any of your answers or resources to which you may be directed. Take a look at the self-assessments on the State Bar’s website available here: [Self-assessments](#).

2. Law Practice Management Course

In addition to the self-assessments, we encourage you to take the law practice management course offered by the Disciplinary Board, or a similar course offered by any number of CLE providers. For the course offered by the Disciplinary Board, look for the CLE program named “Ethicspalooza” and the section in that program called “Ethically Managing Your Practice.”

Financial Management

A common concern for lawyers in private practice is how to manage the financial aspects of their practice. Here are some initial considerations to take into account:

1. Required Written Fee Agreements

At the outset, be aware that you are required to have a written fee agreement for virtually all client representations. If you have not already done so, we recommend that you review [Rule 16-105 NMRA](#). Further, as a reminder, you may never charge a client an “earned when paid” or non-refundable fee.

2. IOLTA Account

Importantly, remember that all client funds must be kept separate from your own, including unearned retainers. Client funds should be deposited into an IOLTA, or attorney trust account, and you may withdraw your fees only after they have been earned. You must familiarize yourself with the proper handling of your attorney trust account and insure that you are in full compliance with [Rule 16-115 NMRA](#) and [Rule 17-204 NMRA](#). Further, Rule 17-204 requires that all attorneys who are not exempt from the trust accounting rules take an approved “hands-on training” continuing education course for the operation and maintenance of an attorney trust account. We encourage you to take this course as soon as possible. Contact the State Bar of New Mexico [NM State Bar Foundation CLE](#) for more details about the dates and times of the live and video replay programs. We also encourage you to review the [Trust Account Manual](#) as well as the [Trust Accounting Maintenance Checklist](#) both of which are available on the State Bar’s website.

3. Accountants and Bookkeepers

The rigors of practicing law are endless, and keeping your office running smoothly can be difficult. Many attorneys have determined that using the services of an accountant and/or bookkeeper can greatly assist them in keeping proper track of revenue, expenses, and IOLTA accounts. If you decide this might be of interest to you, consider asking a peer or mentor for a recommended accountant or bookkeeper and confirm that any professional you hire has experience with accounting in a law firm setting, including the requirements associated with an IOLTA. While this does not relieve you of your ultimate responsibility for the operation and management of your IOLTA, it may be of great assistance.

Professional Liability Insurance

While you likely already have practice management software, time management software, professional liability insurance and a support network of other New Mexico practitioners, here are some links for you to explore related to these and other related topics:

1. Professional Liability Insurance Mandatory Disclosure Requirements

As a reminder, [Rule 16-104\(C\) NMRA](#) requires you to disclose to your clients whether you carry professional liability insurance in minimum amounts as set forth in the Rule, and provides the required language for you to use in this disclosure. Although you are not required to do so, we urge you to consider obtaining professional liability insurance, as a comprehensive policy can offer many benefits, including protection of your personal assets and, in many policies, disciplinary defense coverage.

2. Professional Liability Insurance Brokers and Carriers

You can review a list of several professional liability insurance brokers and professional liability insurance carriers in New Mexico, here [Brokers and Carriers](#).

3. Professional Liability Insurance Tips

For articles discussing some practical issues associate with professional liability insurance, and other potential resources related to professional liability insurance compiled by the Lawyers Professional Liability Insurance Committee (“LPLIC”) please see [LPLIC Information](#).

Additional Resources

1. Practice Management Software

Law practice management software (“LPM software”) is technology designed to improve a law firm’s day-to-day operations. Good LPM software can help organize and manage cases, files, documents, tasks, calendars, deadlines, client and third-party contacts, time and billing, and overall law firm performance. Of course, there are numerous LPM software vendors and LPM software is not a “one size fits all.”

For a brief, informational article discussing common features of LPM software, please see: [Practice Management Software article](#). For a review of some of the LPM software offered by various companies please see [Capterra LPM Software List](#) or [Software Advice LPM Software](#).

2. Professional Practice Program

The Professional Practice Program (“PPP”) offers services and resources to State Bar members in the area of law practice management. This includes continuing education courses, ”how-to” manuals, workshops, and information, sample forms, checklists, and assessments on best practices for lawyers. You can access these resources here: [Professional Practice Program](#).

3. Ethics Questions

For ethics assistance, members can request a phone consultation through our Ethics Helpline at (800) 326-8155 or request an informal opinion from the ethics advisory committee in care of ethics@sbnm.org. To view formal opinions issued by the committee please see: [Ethics Advisory Committee Formal Opinions](#).

4. Succession Planning

To insure that your clients’ needs are met should you experience an unexpected interruption in your practice, you should develop a succession and transition plan. The New Mexico Lawyers Succession and Transition Committee compiled resources to assist you in developing just such a plan, available on the State Bar’s website at [Succession Planning Materials](#).

5. The New Mexico Judges and Lawyers Assistance Program

A change of employment, the pressures of a private practice, or sometimes just life itself can bring stress and challenges. The New Mexico Judges and Lawyers Assistance Program (“NMJLAP”) provides confidential assistance to judges, lawyers and law students who are facing challenges with substance use and abuse, and mental health issues. More information about those services and resources is available on the State Bar’s website at [NMJLAP](#).

6. New Mexico State Bar Sections

Finally, the State Bar of New Mexico has several sections organized around types as well as size of practice. All are designed to provide a support network of practitioners engaged in similar practices and facing similar challenges. We encourage you to consider joining one or more of these sections for additional support and resources. You can find information on these sections on the State Bar website at [Sections](#).

We wish you great success in your legal career. Again, congratulations!

ⁱ *The information and links/resources provided herein are for informational purposes only and are not intended to nor do they constitute legal advice to a lawyer or law firm. Further, this information and associated links and resources are not a substitute for independent analysis and research by a lawyer or law firm. Each lawyer and law firm are responsible for their own compliance with applicable rules and laws.*

