

NAFE MEMBER NEWS

National Association of Forensic Economics

NAFE Member News
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Note from the President

Summer Board Meeting

The NAFE Board of Directors held its annual summer board meeting July 24-25. The following are meeting highlights.

Results of Ethics Balloting

The number of members voting in the recent ethics balloting was very high indeed. It is wonderful to see such a large number take an interest in the governance of *your* organization. NAFE members were overwhelming in reaffirming the importance of ethical practice in forensic economics.

	<u>Number</u>	<u>Comments</u>
Total Ballots Returned	289	41
Voting yes	262	31
Voting no	26	9
Abstaining	1	1
Mailed	6/18/2004	
USA	698	
Foreign	15	
Mailed after 6/18/04	22	
Total Mailed	735	

Based on the support and suggestions, the NAFE Board voted unanimously to approve the Statement of Ethical Principles and Principles of Professional Practice (SEP/PPP or SEPPPP) that is printed in this newsletter and available on the NAFE website, as a pledge of all members, effective October 1, 2004. Each NAFE member will be responsible for adherence to the principles set forth in this Statement. The Statement will be available to the public.

Implementation of the SEP/PPP

It is the sense of the NAFE Board, and your President, that the SEP/PPP is best enforced through the individual actions of NAFE members, rather than NAFE itself. No plans have been made to establish tribunals or other processes to adjudicate complaints against members.

As of October 1, 2004, all NAFE members may be assumed to have pledged to

follow the SEP/PPP. Corporate or institutional members will be assumed to have pledged the SEP/PPP, just as other members. It should be noted, that the SEP/PPP does not apply to activities where the member is not preparing or providing evidence to the trier of fact in a litigation setting. Thus, the SEP/PPP does not apply, for example, to auditing of financial statements, or transactional valuations of business interests. It does not apply to consulting activities in litigation situations where the member is not preparing or presenting evidence for the trier of fact. Thus, such activities, whether being performed by an employee or partner of an institutional member, are not subject to the SEP/PPP.

Any members who feel that they cannot abide by this pledge may convert their Memberships to Subscriptions at no change in fees.

The benefits of membership include access to NAFE-L, the NAFE Newsletter, the right to vote and hold office in the organization. Corporate or institutional members are no different from regular members under the by-laws of NAFE, but under Missouri law, such members cannot be officers. Institutional and corporate members are entitled to one subscription to

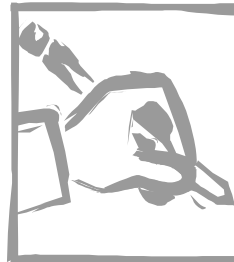
NAFE journals, newsletters, and a designated representative may vote and have access to the NAFE-L.

Merger of the *Journal of Forensic Economics* and the *Litigation Economics Review*

In 2004, NAFE hopes to have published 4 issues of the *Journal of Forensic Economics (JFE)* and 1 issue of the *Litigation Economics Review (LER)*. Despite the strenuous efforts of Jack Ward, Mike Piette, Steve Shapiro and Pat Gaughan, our two journals have continued to experience an insufficient number of appropriate high quality submissions to allow the journals to "catch up" within an acceptable period of time. In an effort to catch up and yet maintain and improve the quality of NAFE publications, the NAFE Board has

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(continued)

directed the Editors of the *Litigation Economics Review (LER)* and the *Journal of Forensic Economics (JFE)* to execute a merger, as of January 1, 2005, of the two journals into a single journal with the title *Journal of Forensic Economics*. The *LER* will publish a final issue, completing volume 6, before the end of 2004. Rather than reduce the number of issues of the *JFE* to two per volume, as the Board authorized one year ago, the Board has directed that the new *JFE* publish 3 issues per volume. Papers already submitted to the *LER* will be forwarded, with permission of the authors, to the new *JFE*.

The NAFE Board wishes to thank Pat Gaughan and Steve Shapiro for their fine service to NAFE in producing the *LER* over the past years. Likewise, the NAFE Board thanks Jack Ward and Mike Piette for their efforts in producing the *JFE*.

The NAFE Board has appointed Jack Ward to the new position of Editor Emeritus of the *JFE*, effective January 1, 2005. As a founder of our organization as well as the first Editor of the *JFE*, Jack Ward is owed a tremendous debt of gratitude by NAFE. That debt has continued to build up over the years as Jack and his business have continued to contribute resources for the betterment of NAFE. NAFE and the *JFE* are fortunate that

Jack is willing to continue to serve the organization in this new position, as advisor, policy-maker, and long-run planner for the new *JFE*.

The NAFE Board has appointed Mike Piette and Steve Shapiro as Co-Editors of the new *JFE*, effective January 1, 2005. The new *JFE* will continue the special features that were previously included in the *LER*. Since some of these features are not subject to the double-blind peer reviewing process to which research articles are subject, the *JFE* will prominently display an explanation of this distinction, and separate these two categories within each issue.

Special Thanks to Jack Ward!

The following resolution was approved at the Summer Board Meeting: *The NAFE Board formally thanks Jack Ward for all of his contributions, his time, and his employees' time and money, and Kurt Krueger's time and energy on behalf of NAFE, including the web site.*

Stephen Horner

North 2004—Nashville

MISSOURI VALLEY ECONOMIC ASSOCIATION NASHVILLE—OCTOBER 14-16, 2004 Organizer: Gary Skoog, Vice President, Northern Region

As first announced in the May Newsletter, NAFE's Midwest region will host 2 sessions at the Missouri Valley Economics Association meetings in Nashville TN, Oct. 14-16, against the backdrop of the Smoky Mountains.

The NAFE sessions will be Friday 1-5. Papers in the first session will be as follows:

An Analysis of Four Educational Venues for Life Care Planning Certification: Implications of Current Course Offerings and Teaching Methods Against Expert Standards for Competency
Penelope Caragonne, Caragonne and Associates, LLC, Dallas, TX

Discussant

Cindy Collier, Valuation Solutions, Columbus OH

Punitive Damages, Patrick Fitzgerald, Oklahoma City University, Oklahoma City, OK

Discussant:

Mark Cohen, Vanderbilt University, Nashville, TN

A Billion Dollar Man, Mike Nieswiadomy, University of North Texas, Denton, TX

Discussant

James Rodgers, Pennsylvania State University, State College, PA

The second, practice-oriented session, will be organized by MVEA President Gary Latanich.

The host hotel is the Maxwell House Millennium, 800-457-4460 (room rate is \$99 until Sept 23, 2004). A registration form may be found at <http://ecedweb.unomaha.edu/mvea/registrationform04.pdf>.

If you try to register at the hotel over the web, then a code is required. When prompted for the code number use the following number: 14066. The MVEA web page is www.mvea.net; you will see a link that takes you directly to the Millennium Maxwell House Hotel.

South 2004—New Orleans

**SOUTHERN ECONOMIC ASSOCIATION
NEW ORLEANS—NOVEMBER 21-23, 2004
Organizer: Kurt V. Krueger, Vice-President, Southern Region**

The annual meeting of the Southern Economic Association will be held in New Orleans, LA at the Fairmont Hotel, November 21-23, 2004 (Sunday to Tuesday). There will be three NAFE sessions slated for Sunday, November 21, as listed below.

Sunday, November 21, 2004

8:00 a.m. - Paper Session

Title: Issues in Forensic Economics

Organizer: Kurt V. Krueger, John Ward Economics, Prairie Village, KS

Understanding Lost Social Security

Author: Robert W. Cook, University of Richmond, Richmond Virginia

Discussant: Jim Rodgers, Penn State University, State College, Pennsylvania

A Primer on Earnings Growth and Discounting

Author: Gary R. Albrecht, Albrecht Economics, Winston-Salem, NC

Discussant: Anthony H. Riccardi, AHR Associates Albany, NY

10:00 a.m. Session - Roundtable

*Differences between the Roles of a Forensic Economist for the Plaintiff and for the
Defendant in Personal Injury/Wrongful Death Litigation*

Organizer: Thomas R. Ireland, University of Missouri-Saint Louis, St. Louis, MO

Roundtable Participants:

Thomas R. Ireland, University of Missouri-Saint Louis, St. Louis, MO

Jim Rodgers, Penn State University, State College, Pennsylvania

Anthony H. Riccardi, AHR Associates Albany, NY

Allyn Needham, Shipp, Needham & Durham, Fort Worth, TX

Forensic economists are called upon to play somewhat different roles when hired by attorneys representing defendants than the roles they are asked to play when hired by attorneys representing plaintiffs. On the plaintiff side, an economist knows from the outset that he will become a named expert if the case is not settled in early mediation and that he or she will be asked to prepare a report of damages. On the defense side, the first assignment is often to read and develop opinions about the report of the plaintiff economist before preparing a report. At that point, the defense economist may be assigned a purely rebuttal role or may be asked to develop his or her own opinions about damages. This roundtable will focus on some of the differences between these roles, with an emphasis on the ethical constraint that there should be no essential differences between methods used on the plaintiff and defense sides when calculating damages.

1:00 Session - Workshop

Workshop on Calculating Work Probabilities using the Markov Increment-Decrement Worklife Expectancy Model

Organizer: Kurt V. Krueger, John Ward Economics, Prairie Village, KS

In this workshop we will use computer spreadsheets to compute work probabilities from the Markov increment-decrement worklife expectancy model. As opposed to using a sum of years of future expected work, work probabilities allow annual expected value calculations of lost earnings and associated present value calculations. If participants bring their own notebook computer, they can make the calculations themselves with software provided; otherwise participants can follow along with a projected computer screen. All participants will receive data and software to make their own calculations once returning to their own office.

National 2005—Philadelphia

ALLIED SOCIAL SCIENCE ASSOCIATIONS

PHILADELPHIA—JANUARY 7-9, 2005

Organizers: Frank Slesnick, Bellarmine University and Frank Tinari, President-Elect

The NAFE sessions are now set for the 2005 ASSA meeting to be held in Philadelphia January 7-9, 2005. The requested time slot for Session I is Friday, January 7 and the remaining sessions on Saturday, January 8. This promises to be an outstanding program. Please contact Frank Slesnick at fslesnick@bellarmine.edu if you have any questions.

See you in Philadelphia!

Friday, January 7

NAFE Board meeting, membership meeting, and reception

Session I

American Time Use Survey and Forensic Economics
Jay Stewart, Staff Economist, Bureau of Labor Statistics

Saturday, January 8

Session II

The Effect of the Loss of a Parent on the Future Earnings of a Minor Child
Rick Gaskins, Gaskins Associates, James Rodgers, Pennsylvania State University, and
Lawrence Spizman, SUNY/Oswego

*Assessing Economic Damages in Personal Injury and Death in the UK:
A Comparison with Damages Assessment in the United States*
John Ward, University of Missouri Kansas City

Statistical Examination of the 911 Victim Compensation Fund Awards: Calculated vs. Actual Economic Awards
Frank Tinari, Seton Hall University, Kevin Cahill, Tinari Economics, and Elias Grivoyanis, Yeshiva University

Session III

*Probability Mass Functions and Their Characteristics for Years of Inactivity, Years of Retirement, and
Years to Retirement Within a Markov Model*
Gary Skoog, Legal Econometrics, Inc., and James Ciecka, DePaul University

Problems With Using Government Measures of Disability to Estimate Potential Earnings Loss
David Jones, Economic Consultant

Estimating Earning Capacity: An Options Approach
Frank Raymond, Bellarmine University, and Frank Slesnick, Bellarmine University

Session IV

Valuing Household Services: A New Look at the Replacement Cost Approach
David Rosenbaum, University of Nebraska, and Ella Reeves, University of Nebraska

Disposition of Decedent Health Care in a Wrongful Death Valuation
Greg Faulk, Belmont University

*Punitive Damages and Tort Reform: a Review of Important Recent Cases and the Impact on
Economic Incentives for Risk Management*
Patrick Fitzgerald, Oklahoma City University, and Kevin Marshall, IPSIS

NAFE Winter Meeting 2005—Aruba

SEVENTH NAFE WINTER MEETING
 PALM BEACH, ARUBA—JANUARY 28-29, 2005
 Organizers: Jim Rodgers and Art Eubank

Deadline for Paper and/or Roundtable Proposals November 1, 2004

Jim Rodgers and Art Eubank are putting together the 7th NAFE Winter Meeting on the island of Aruba. The conference will take place at the Aruba Marriott, which is located along Palm Beach, Aruba. Paper abstracts and/or roundtable/panel discussion proposals are invited for four sessions, two each on Friday and Saturday mornings, January 28 and January 29, 2005. Discussants and session chairs are also being sought for these sessions. Submit abstracts of papers, roundtable session proposals, and offers to serve as a session chair or discussant to Jim Rodgers and Art Eubank no later than November 1, 2004. Our addresses are:

James D. Rodgers
 347 Koebner Circle
 State College, PA 16801
 814-237-9322
 814-238-0323 (Fax)
jdr@psu.edu

Art Eubank
 Eubank Economics, Inc.
 8 South Michigan Ave., Suite 1510
 Chicago, IL 60603
 312-372-0600; 312-372-0606 (Fax)
art@eubankeconomics.com

The Aruba Marriott Resort and Stellaris Casino is located on the northwestern edge of Aruba on Palm Beach. The address is LG Smith Boulevard #101, Palm Beach, Aruba, Dutch Caribbean. Phone: 011 (297) 586-9000; Fax: 011 (297) 586-0649. The airport code for Aruba is AUA. The website of the hotel is

<http://marriott.com/property/propertyPage/auaar>.

Another web site with more information is: <http://www.marriottaruba.com/>

For all room reservations, contact Sandy Berardis at Centre for Travel, 114 Heister Street, State College, PA 16801, by calling 1-800-255-2140, Ext. 121. Sandy's email address is

sandy@cftrav.agencymail.com

The registration fee for NAFE members attending the conference is \$75.00. This fee is levied to cover the cost of the breakfast to be served in the conference room before the start of the session each morning, and to cover any other charges associated with the conference room. There is no registration fee for spouses or others traveling with a NAFE member. The cost of a hotel room at the conference hotel will be \$239.00 per night for either a single or a double room. To this room rate must be added taxes, currently at a level of 19.2%. Hence, the charge per room per night will be \$284.89. There may be other incidental charges for maid service and fees, and for baggage handling. Hence, the estimated costs per night are approximately \$290.00. The room rates are available for the nights of Thursday, January 27 through Saturday, January 29, and, subject to availability, for the previous Monday through Wednesday nights, January 24-26, and for three nights (Sunday, Monday and Tuesday) following the meeting, January 30, 31, and February 1. However, the hotel is more or less fully booked during this time of the year. Attendees should make their hotel reservations through Sandy Berardis, rather than on their own, as the room rate we are given by the hotel and the free conference room the hotel provides are based on a guarantee of a minimum number of rooms night being sold. If you wish, Sandy also can make your airline and car rental reservations. Hotel room charges and the registration fee must be paid in full by October 1, 2004. After this date, rooms at the Aruba Marriott may be booked on a space-available basis.

East 2005—New York City

**EASTERN ECONOMIC ASSOCIATION
NEW YORK CITY, MARCH 4-6, 2005**
Organizers: Rick Gaskins, Vice-President, Eastern Region

CALL FOR PAPERS, PROGRAMS AND PARTICIPANTS

The Eastern Economic Association will hold its annual conference in New York City at the Sheraton New York Hotel and Towers, March 4–6. Conference information is available at <http://www.iona.edu/eea/conferences/conferences.htm>

NAFE plans to have 3 to 4 sessions, probably all on Saturday, March 5th, including a special session with representatives of the BLS on Bureau of Labor Statistics Data and Forensic Economics. Paper abstracts, panel discussion proposals, suggestions for special sessions, session organizers/chairs and paper discussants are sought for these sessions. Please contact the NAFE sessions organizer:

Rick R. Gaskins
Gaskins Associates, PC
7183 Stillwater Court
Frederick, MD 21702-2988
301-698-9777
rrgaskins@aol.com

West 2005—San Francisco

**WESTERN ECONOMIC ASSOCIATION INTERNATIONAL
SAN FRANCISCO – JULY 4-8 (NAFE SESSIONS WILL BE ON JULY 7TH AND 8TH)**
Organizer: Tyler J. Bowles, Vice-President, Western Region

CALL FOR PAPERS AND PROGRAMS **Deadline: March 15, 2005**

In 2005, the 80th annual conference of the Western Economic Association International will be held July 4th -8th at the San Francisco Marriot. NAFE sessions will be held on the 7th and 8th. Interested presenters, discussants, and session chairs should contact:

Tyler J. Bowles
3530 Old Main Hill
Utah State University
Logan, Utah 84322-3530

435.797.2378
tbowles@econ.usu.edu

International 2005—Dublin, Ireland

**NATIONAL ASSOCIATION OF FORENSIC ECONOMICS
INTERNATIONAL CONFERENCE
DUBLIN, IRELAND—MAY 27-28, 2005
Organizer: John O. Ward**

Announcing
The Second International Summer Conference
of the National Association of Forensic Economics
Dublin, Ireland
May 27-28, 2005

This year's conference in Dublin will continue the theme of comparing procedures and methodologies for calculating damages in PI/Death and Commercial Litigation in the U.S. with those used in other common law countries. Our meeting in Dublin will have the same format as this year's meetings in Edinburgh, Scotland. We will hold registration to a maximum of 20 participants from the U.S., Ireland and the United Kingdom. We have group reservations at the Fitzwilliam Hotel in Dublin for May-26-29, with provision of registration for two days before and after the conference. The Fitzwilliam is a 5-star hotel with two excellent restaurants. We have a rate of 240 Euros/night (\$288) inclusive of VAT, and a full breakfast. The registration fee is \$120 which covers the meeting room registration, lunch and other refreshments. Please confirm your intent to participate, along with your registration fee made out to John Ward Economics and mailed to John Ward Economics, Ste 235, 8340 Mission Road, Prairie Village, Kansas 66206. You can e-mail me at Wardjo@umkc.edu.

Room registration can be made through https://secure.hotelfindersonline.com/dublin_new/book-now.htm or by calling 866 770 1555, toll free and asking for the "NAFE Group." We will have a follow-up meeting in Belfast on May 30 on the issue of ethics case studies for those wishing to extend their stay in Ireland.

The preliminary program will be as follows:

May 27

8:30-10:00-Session I

Calculating Economic Damages in PI/Death litigation in Ireland: Comparing the U.S. and U.K Experience

10:15-11:30— Session II

What is the U.S. Damages model: Strengths and Deficiencies?

11:30-1:00 Lunch

1:00-3:00— Session III

Commercial Damages in the U.S. and Ireland

May28

9:00-11:00

Breakfast Meeting – general discussion on ethical issues in a forensic practice.

All sessions are in an open discussion format. We invite paper submissions on any the above topic areas. Submissions should be sent to Jack Ward. Mathias Kelly, past head of the UK Bar Counsel, has indicated he will attend again next year, and we have invited members of the Irish Supreme Court to attend at Mathias' suggestion. Spouses may participate in a concurrent session on "Managing a Forensic Economic Practice; Office Issues" on May 28. On May 30 the Belfast luncheon meeting will be held at a hotel yet to be selected. Seven of this year's participants have already signed up for next year, so make your plans early.

FYI etc.

Minutes of NAFE Board of Directors Meeting July 24 – 25, 2004 Chicago, IL

Present: Stephen Horner, Tyler Bowles, Rick Gaskins, Beth Gunderson, Kurt Krueger, Jerry Martin, Gary Skoog, Frank Tinari, Jack Ward, Steve Shapiro, Jim Rodgers, and George Schieren

President Horner opened the meeting at 8:00 am, July 24, and welcomed everyone.

Schieren presented the minutes from the meeting in San Diego and the meetings since then. It was moved and seconded (Krueger; Gunderson) that **the minutes of the January 3, 2004 be approved**. The motion passed: 7 – yes, 0 – no, 0 – abstain. It was moved and seconded (Krueger; Gunderson) that **the minutes of the March 29, 2004 electronic meeting be approved**. The motion passed: 7 – yes, 0 – no, 0 – abstain. It was moved and seconded (Krueger; Gunderson) that **the minutes of the May 19, 2004 electronic meeting be approved**. The motion passed: 7 – yes, 0 – no, 0 – abstain.

Schieren presented the 6-month financial statement, noting that since the books were closed, large checks have been written to Allen Press for journal printing and UMKC for supplies and support. It was moved and seconded (Gaskins; Martin) that **the financial statement be accepted**. The motion passed: 7 – yes, 0 – no, 0 – abstain. Schieren reported that NAFE has 816 members, as of July 1, 2004.

Krueger reported that the Southern Economic Association meetings will be the Sunday – Tuesday immediately preceding Thanksgiving, making it even more difficult than usual to get paper presenters. So far he has received two paper proposals and a round table proposal. Gaskins reported that he anticipates up to four sessions at the 2005 Eastern Economic Association meeting in New York City in late February. Skoog reported that NAFE will return to the Missouri Valley Economic Association meeting this year in Nashville October 14 – 16. There will be two NAFE sessions on the program. The following was moved and seconded (Skoog; Krueger): **The NAFE Board of Directors authorizes a contribution of \$300 for the institutional cocktail party at the Missouri Valley meetings**. The motion passed: 7 – yes, 0 – no, 0 – abstain. Bowles reported that NAFE sponsored six sessions, with attendance of approximately 40, at the Western Economic International meetings in Vancouver in July of this year. The 2005 meetings will be in San Francisco. There was interest expressed in having the NAFE sessions on July 8 and 9, if possible.

Tinari reported that at the ASSA meetings in Philadelphia in January NAFE will have three paper sessions with three papers each. An additional session will be a Bureau of Labor presentation about the American Time Use Survey.

Ward reported that the NAFE Summer International program in Edinburgh had fifteen participants and excellent presentations on the British system of calculating economic damages. The 2005 meeting will be in Dublin, with two speakers. The following was moved and seconded (Krueger; Gunderson): **The NAFE Board of Directors approves the use of the “NAFE” name with the 2005 Summer International conference and advances \$1100 for the room deposit**. The motion passed: 7 – yes, 0 – no, 0 – abstain.

Rodgers reported that the NAFE Winter International program was held in Hawaii in 2004 with twelve people attending. The 2005 conference will be held in Aruba, with twelve participants already signed up. **The NAFE Board of Directors approves the use of the “NAFE” name with the 2005 Winter International conference and advances \$1500 for the room deposit**. The motion passed: 7 – yes, 0 – no, 0 – abstain.

Because of the occasional instance when a scheduled participant in a conference fails to meet his/her obligations, board members thought it desirable to ensure that every participant appreciate the seriousness of their commitment. The following was moved and seconded (Gunderson; Krueger): **Each program organizer will send to every participant the following statement about responsibility: “It is expected that persons who agree to be on the program of forensic economics sessions will protect time from business encroachments (trials, depositions, getting too busy with cases, etc.). If you cannot do that, it would be better to limit your plans to attendance at forensic economics meetings rather than committing to be on the program. Illness or a death in the family are always acceptable reasons for backing out of a conference where you have agreed to be on the program. It would be better not to agree to be on the program unless you are willing to go to extremes to keep the commitment.”** The motion passed: 7 – yes, 0 – no, 0 – abstain.

There was discussion of the idea of having a printed set of instructions, guidelines, and helpful ideas available for each program organizer. It was moved and seconded (Martin; Gaskins) that **the Board authorizes the President to appoint a committee to develop a set of guidelines for program organizers**. The motion passed: 6 – yes, 1 – no, 0 – abstain.

There was discussion of some subscribers to the NAFE-L maintaining a “concealed identity.” It is not a problem in terms of numbers, with there being maybe one or two at any given time. It is the sense of the Board that there should not be anyone with concealed identity on the NAFE-L. Before the Nominating Committee report was presented, Shapiro was recused from the meeting. Gaskins explained how the Nominating Committee had solicited input from all NAFE members for suggested persons to be put in nomination. The committee recommendations were: **Larry Spizman for Eastern Vice-President, and Steve Shapiro for At-large Vice-President**. The Board of Directors accepted these recommendations with 7 – yes, 0 – no, 0 – abstain. These two nominees, along with any others nominated by the membership through procedures specified in the bylaws will be voted on by mail ballot and the new directors announced at the annual membership meeting in Philadelphia in January.

Ward reported for the *Journal of Forensic Economics* that the term of office for three sub-editors had expired. Mike Piette will notify President Horner of the new appointments.

Shapiro reported for the *Litigation Economics Review*, and in place of Mike Piette for the *Journal of Forensic Economics*. There was an extended discussion of the dearth of submissions for both journals. The number of submissions continues its recent downward trend and the acceptance rate is down because the quality of the submissions has fallen. The *LER* is about 30 months behind in its publication schedule, and the *JFE* is about 16 months behind. There should be one issue of the *LER* the rest of this year, one additional regular issue of the *JFE*, and one special issue of the *JFE*. Because there was great support for continuing to maintain the quality of the journals, but a recognition that it has become increasingly difficult to secure scholarly papers (a problem also faced by conference organizers), there was discussion of a merger between the two journals. The clear benefit of such a merger would be that it would become possible to maintain the quality of the journals while not falling farther and farther behind in the publication schedule. There might be some cost savings, but that would depend on the ultimate frequency and size of the combined journals. With the narrowing of the original difference between the journals of “applied” and “scholarly” having blurred over the years, a merged journal would need to make a very explicit distinction for the articles included. The following was moved and seconded (Martin; Gaskins): **Be it resolved that the Journal of Forensic Economics (JFE) and the Litigation Economics Review (LER) will be combined. The Board hereby instructs the editors of both journals to operate as a committee to effect a transition to a combined JFE and LER operating as one journal under the name Journal of Forensic Economics, effective January 1, 2005. The combined journal operating as the Journal of Forensic Economics will publish at least three issues per year.** The motion passed: 7 – yes, 0 – no, 0 – abstain.

FYI etc. (continued)

The following was moved and seconded (Gunderson; Skoog): *The Board appoints Jack Ward to be Editor Emeritus of the Journal of Forensic Economics, and appoints Mike Piette and Steve Shapiro to be Co-Editors of the Journal of Forensic Economics, effective January 1, 2005.* The motion passed: 7 – yes, 0 – no, 0 – abstain.

President Horner described the situation with the NAFE office in Kansas City. Nancy Eldredge, the long-time and only Executive Secretary NAFE has had, is moving to Mount Union, Pennsylvania this fall. The NAFE office always has been located on the UMKC campus, with office space provided by the university, and various office support services (copying, mail, etc) provided by the university. In light of Nancy's impending move, NAFE needs to decide where its offices will be located and who will run the office. The possible options range from having Nancy continue doing everything, but from rural Pennsylvania, to contracting with Allen Press (the printer of the *JFE* and *LER*) for most of the services, to employing someone at the same or different location. After considerable discussion of many possibilities and their ramifications, the following was moved and seconded (Martin; Bowles): *The Board authorizes the President and Executive Director to contract with Allen Press to handle membership records and dues receipts for approximately thirteen thousand dollars per year.* The motion passed: 7 – yes, 0 – no, 0 – abstain.

It was moved and seconded (Gaskins; Krueger) that *the Board authorizes the President and Executive Director to contract with Nancy Eldredge to continue at her current salary through February 2005. They are further authorized to negotiate a contract period for Nancy Eldredge for up to an additional six months beyond February 2005. If deemed necessary by the President and Executive Director to extend the contract period beyond August 2005, they will seek the Board's permission for such an extension.* The motion passed: 7 – yes, 0 – no, 0 – abstain.

It was moved and seconded (Gunderson; Skoog) that *the Board authorizes Mike Piette and Steve Shapiro to investigate the labor market in Connecticut and develop by December 15, 2004 an operating budget for JFE and NAFE operations.* The motion passed: 7 – yes, 0 – no, 0 – abstain.

The results of the membership balloting on the proposed Statement of Ethical Principles and Principles of Professional Practice were discussed. Of the 735 ballots mailed out, 289 were returned. There were 262 voting "yes," 26 voting "no," and 1 abstention. After discussion of several minor word changes, the following was moved and seconded (Krueger; Skoog): *The NAFE board establishes the following statement as a condition of membership in NAFE as of October 1, 2004*

**Statement of Ethical Principles and Principles of Professional Practice
National Association of Forensic Economics (NAFE)**

When providing expert opinion for use as evidence by the trier of fact, a NAFE member pledges, as a condition of membership, adherence to the following:

1. Engagement

Practitioners of forensic economics should decline involvement in any litigation when they are asked to assume invalid representations of fact or alter their methodologies without foundation or compelling analytical reason.

2. Compensation

Practitioners of forensic economics should not accept contingency fee arrangements, or fee amounts associated with the size of a court award or out-of-court settlement.

3. Diligence

Practitioners of forensic economics should employ generally accepted and/or theoretically sound economic methodologies based on reliable economic data. Practitioners of forensic economics should attempt to provide accurate, fair and reasonable expert opinions, recognizing that it is not the responsibility of the practitioner to verify the accuracy or completeness of the case-specific information that has been provided.

4. Disclosure

Practitioners of forensic economics should stand ready to provide sufficient detail to allow replication of all numerical calculations, with reasonable effort, by other competent forensic economics experts, and be prepared to provide sufficient disclosure of sources of information and assumptions underpinning their opinions to make them understandable to others.

While it is recognized that practitioners of forensic economics may be given a different assignment when engaged on behalf of the plaintiff than when engaged on behalf of the defense, for any given assignment, the basic assumptions, sources, and methods should not change regardless of the party who engages the expert to perform the assignment. There should be no change in methodology for purposes of favoring any party's claim.

This requirement of consistency is not meant to preclude methodological changes as new knowledge evolves, nor is it meant to preclude performing requested calculations based upon a hypothetical--as long as its hypothetical nature is clearly disclosed in the expert's report and testimony.

6. Knowledge

Practitioners of forensic economics should strive to maintain a current knowledge base of their discipline.

7. Discourse

Open, uninhibited discussion is a desired educational feature of academic and professional forensic economic conferences. Therefore, to preserve and protect the educational environment, practitioners of forensic economics will refrain from the citation of oral remarks made in an educational environment, without permission from the speaker.

8. Responsibility

Practitioners of forensic economics are encouraged to make known the existence of, and their adherence to, these principles to those retaining them to perform economic analyses and to other participants in litigation. In addition, it is appropriate for practitioners of forensic economics to offer criticisms of breaches of these principles.

The motion passed: 7 – yes, 0 – no, 0 – abstain.

It was moved and seconded (Krueger; Gunderson) that *the Board authorizes the President and Executive Director to revise the membership form to reflect the new Statement of Ethical Principles and Principles of Professional Practice.* The motion passed: 7 – yes, 0 – no, 0 – abstain.

It was moved and seconded (Bowles; Martin) that *the Board authorizes the President and executive Director to select the location for the 2005 summer Board meeting.* The motion passed: 7 – yes, 0 – no, 0 – abstain.

It was moved and seconded (Gunderson; Skoog) that *the Board formally thanks Jack Ward for all of his contributions, his time, and his employees' time and money, and Kurt Krueger's time and energy on behalf of NAFE, including the web site.* The motion passed: 7 – yes, 0 – no, 0 – abstain.

There being no further business, the meeting was adjourned at 9:50 am, July 25.

Respectfully submitted,
George A. Schieren, Executive Director

FYI etc. (continued)

Nomination of Candidates for NAFE Board Positions

At the 2004 summer board meeting, the NAFE Board of Directors approved unanimously the recommendations of the Nominating Committee (composed of Stephanie Rizzardi Pearson – chair, James Cieccka, Rick Gaskins, and Robert Taylor). The slate of candidates is listed as the “Board Nominations” on the form below.

Using the form below, another candidate for President-Elect can be placed on the ballot under the by-laws if nominating forms for that candidate are submitted by at least 40 members; a candidate for a Vice-President position can be placed on the ballot if forms are submitted by at least 20 members. If you wish to propose an alternative nominee for any of the listed slots, send your suggestion(s) using the form below to the NAFE office (P.O. Box 30067, Kansas City, MO 64112-0067) postmarked no later than October 1, 2004.

The official ballots will be mailed to NAFE members on or about November 1, 2004. The ballots will contain the names of the candidates recommended by the Nominating Committee and approved by the NAFE Board, and, in addition, any candidates qualified by the petition provisions described in Article Four, Section 2(c) of the NAFE by-laws. Accompanying the ballot will be some information about the professional qualifications and background of each candidate. The ballot will also allow write-ins for each position being filled.

Returned official ballots postmarked no later than December 1, 2004, will be counted. The election results will be certified in December by the NAFE Executive Director and announced by the NAFE President at the annual membership meeting on Friday, January 7, 2005, at the ASSA meeting in Philadelphia.

Any questions should be directed to the NAFE office: Phone: 816-235-2833, or email umkenafe@umkc.edu

Form for Submitting Alternative Nominations for NAFE Board Positions

Please return postmarked no later than October 1, 2004 to NAFE, P.O. Box 30067, Kansas City, MO 64112-0067

Vice-President at Large—3 year term

Board Nomination: Steven Shapiro

Alternative Nomination: _____

Eastern Vice-President—3 year term

Board Nomination: Lawrence Spizman

Alternative Nomination: _____

Print your name: _____

Signature: _____

Upcoming and Noteworthy

**American Academy of Economic and Financial Experts
Seventeenth Annual Meeting March 30-April 1, 2005
Las Vegas, NV**

The 2005 AAEFE Meeting dates are March 30th (6pm - 8:30pm), March 31st (9:30am to 5:30pm), and April 1st (9:30am to about 4pm). The times noted do not include the very worthwhile discussions at our receptions. This will be the 17th annual meeting held in Las Vegas at the Imperial Palace. Full details will be provided in the *Meridian* (the AAEFE newsletter).

**American Rehabilitation Economics Association (AREA)
May 12-15, 2005**

Location to be announced

The 2005 AREA Spring Conference is scheduled for Thursday-Sunday, May 12-15, 2005.

Pre-Conference sessions begin Thursday, May 12th

Main Conference sessions begin Friday, May 13th

Updates as they become available can be found at: <http://a-r-e-a.org/>

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The Census 2000 5% Public Use Microdata Sample is used to create the Census 2000 reports.

The **Education** report (502 pages) presents earnings tabulations by:

- Education by gender, race (all, White, non-Hispanic White, Hispanic, Black, Asian or Pacific Islander, American Indian or Alaska Native), and age group

- Education by state of residence, gender, race (all, White, non-White), and age group

The **Occupation** report (420 pages) presents earnings tabulations by:

- Major Occupation (23 occupations) by education by gender and age group

- Detailed Occupation (477 occupations) by gender, race (All, White, non-White) and age group

The **American Community Survey (ACS)** is designed to replace the long-form of the U.S. Decennial Census. Full implementation of the ACS begins July 2004. In this first Expectancy Data report using the ACS (200 pages) we present earnings tabulations by:

- Education by gender, race (all, White, non-Hispanic White, Hispanic, and Black), and age group

- Detailed Occupation (477 occupations) by gender and age group

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MARK YOUR CALENDARS

(Details on these meetings inside)

NAFE 2004

MISSOURI VALLEY ECONOMIC ASSOCIATION

<http://ecedweb.unomaha.edu/mvea.htm>

NASHVILLE—OCTOBER 14-16

SOUTHERN ECONOMIC ASSOCIATION

<http://www2.bus.okstate.edu/ecls/sea>

NEW ORLEANS—NOVEMBER 21-23

NAFE 2005

ALLIED SOCIAL SCIENCE ASSOCIATIONS

<http://www.vanderbilt.edu/AEA/anmt.htm>

PHILADELPHIA—JANUARY 7-9

NAFE WINTER MEETING

PALM BEACH, ARUBA—JANUARY 28-29

EASTERN ECONOMIC ASSOCIATION

<http://www.iona.edu/eea/>

NEW YORK CITY, MARCH 4-6

NAFE INTERNATIONAL SUMMER CONFERENCE

DUBLIN—MAY 27-28

WESTERN ECONOMIC ASSOCIATION

<http://www.vanderbilt.edu/AEA/anmt.htm>

SAN FRANCISCO—JULY 4-8