

Law Firm Computer Consulting

Back-Up Receipts For Clients Conjures Up A Modern Technological Image

Providing back-up receipts for disbursements has become a critical component in the billing process as law firm clients are increasingly curious about the exact costs of hard disbursements, those paid by an accounts payable check. Clients are requiring firms to provide back-up receipts for items such as expert witness fees, court filing fees, travel, large document production, etc. Therefore, imaging is now more prevalent, and many law firms are recognizing the benefits of paperless processes and the increasing affordability of technologies available to support imaging.

For firms that have only a few clients requiring back-up, adding an imaging component may not be cost effective. However, if numerous clients require copies of disbursements and an increasing amount of A/P staff and time are involved, imaging invoices can provide many advantages such as expediting the billing process and client payment turn-around time, elimination of inefficient and repetitive processes, more efficient use of storage space, easier access to and retrieval of back-up information and improved client satisfaction.

Implementation of an imaging component requires more than simply adding new technologies – there are cultural, procedural and workflow changes that must be considered as well. A good place to start is with a best practices audit of the A/P and billing departments in order to identify how to effectively incorporate imaging so that it pays for itself in the long term. Map out current procedures, staffing and timelines and determine how they might change as a result of automating disbursement back-up. Firms should closely consider the following:

■ **SYSTEM** – Does the law firm's time and billing system enable the storage and retrieval of imaged invoices? Will the system allow scanned images to be assigned client/matter numbers and stored in the database? Can the system automatically check for and print available images for hard cost items at the time of billing? Does the system prompt A/P staff to scan vendor bills as they are entered in the A/P system? Will these images be accessible via the firm's document management system?

■ **HARDWARE** – What type of scanner is needed to support the volume of imaged documents? Will the scanner need to be shared with other departments? Does the staff responsible for scanning have an efficient computer system with the proper drivers?

■ **DESKTOP** – Is there enough memory/hard disk space for all of the images? If not, what are the costs associated with upgrading this equipment? Are there any additional software requirements?

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– RainMaker Software, Inc.
President Jim Hammond



■ **PROCEDURES** – Procedurally, when and how will images get scanned? Should the process begin in the mailroom as soon as an A/P invoice comes in, or should the A/P staff scan the image once it's entered into the system? Will secretaries be involved in the process at all? Does the manual labor saved on the back end justify the extra step of imaging as checks requests are processed? What should happen with the paper copies? Should they be shipped offsite or stored in cabinets for a certain amount of time? Is it necessary to scan all A/P invoices, or only for those clients requesting backup? How will staff roles change? How will this process be handled for business spread across several offices?

If your law firm's clients have not yet required copies of disbursements, be sure that it is coming. In pro-actively preparing to meet this need, consider the long-term benefits of invoice imaging.

*Written for BDPB Technology Advisors, LLC
by Jim Hammond, president of RainMaker Software, Inc.*

A Sound Data Backup Plan

New technology demands that increasing vigilance is needed to insure that backup of data is complete. Without such plans, firms that experience extensive systems breakdowns will have difficulty getting their operations back on line and are likely to suffer:

- Extensive business disruption.
- Loss of income because orders can not be filled.
- Loss of customers who will shift to a competitor.
- Litigation if contract agreements can not be met.
- Damage to the firm's reputation.
- Negative effects on the firm's credit rating.
- Adverse impact on employee safety and productivity.
- Penalties and fines based on contractual terms or on regulatory requirements.