

LawBiz®

Your practical guide to profit™

This is a printer frinedly version of http://www.lawbiz.com/e-mailed_newsletters/tip-6-28-11.html

LawBiz® TIPS – Week of June 28, 2011

www.lawbiz.com



We're coloring a map as we travel and we've already been through 5 states. Flying around the country is fun and I've gotten to see much of the U.S. ... but driving around the country gives me an entirely different perspective.

We live in a very large, very diverse and very beautiful country. As we approach the holiday, we should remember the values on human dignity and economic opportunity that our forefathers (and foremothers) fought to provide us. Lawyers are the bastion of that legacy. We must not take that lightly or suffer the slings and arrows thrown by some at our civil liberties. Join us as we travel ... See our calendar at www.lawbiz.com/roadshow and Facebook (www.facebook.com/lawbiztour). Our next presentations:

Fri, July 8 - Denver, CO

4pm: [The Metrics of Financial Performance](#) (Colorado Bar Association)

Mon, July 11 - Cheyenne, WY

3pm: [Managing Client Expectations and Collecting Fees](#) (Cheyenne Holiday Inn)

Have a great holiday....and a safe one.

lawbiz.com

In this issue:

[Show Me the Money](#)

[Collecting Your Fee: Getting Paid From Intake to Invoice](#)

[Video: Why Clients Refer Their Law Firm](#)

Featured Video:



Join LawBiz Forum



Show Me the Money

When money disappears...

Businesses have money; law firms are businesses; and businesses sometimes find their money has disappeared. When this happens in a law firm, either there has been an honest mistake, or there has been intentional theft that qualifies as fraud or embezzlement. Both inevitably

What Clients Are Saying:

reflect poor policies and procedures in handling everyday law office funds.

...and fraud is the culprit

When fraud is the culprit, the motivations for funds to go missing can be as varied as the people who take the money. Someone who has real or imagined financial hardship may lose his or her moral compass when money is readily available and not readily monitored. More often the real problem is that the opportunity is there. Lawyers in charge of the firm focus on their practices and rely on a trusted employee who has been with the firm for years and who is given free rein and little scrutiny.

Solution to financial victimization

The solution to being financially victimized is for firm management to insist that cash be handled by multiple people according to ironclad rules. Simply put, the more people who are involved in handling funds and financial records, and the more they are constrained by firm requirements, the less likelihood there is that any one person can cause problems. These should be the essentials of such policies for the firm's managing partner or chief financial officer:

- Deposit all client checks immediately and in person at your bank, even if the amount paid does not match what was billed; negotiate or correct the variance later.
- Don't allow the person who opens the mail to also create the bank deposits; don't allow the person who deposits the money to also do the bank reconciliations.
- Reconcile bank statements immediately upon receipt, at least monthly. This facilitates immediate recognition of irregularities that may be more than just transactional errors.
- Review all vendor bills, approve them and only then authorize checks for payment.
- Once bills are approved and checks written, review the now-approved bill concurrently with signing the check to confirm amounts and reason for the purchase.

Create a system of checks and balances

The net effect of this process is to create a system of checks and balances that no one person, or even several persons in collusion, can circumvent. It is another example of how important it is for a law firm to run as a business, with a businesslike approach to its daily operations. Financial trustworthiness is essential for any firm. When it comes to financial integrity, every document, check and ledger entry is important.

Collecting Your Fee: Getting Paid, From Intake to Invoice

"Ed Poll has done it again. He's created a down-to-earth guide for lawyers to collect their unpaid bills. The book is full of practical advice such as 'if you don't create a collection policy, your clients will create one for you.'"

"In the short time that Ed has been coaching me, his comments and guidance have been invaluable. Within weeks, he has improved my self-confidence immeasurably, guided me to run my law practice more like a business and most importantly, helped me obtain my goal of increasing my income while decreasing the time I spend working. It is a joy and pleasure working with Ed and I look forward to each coaching session. My only regret is that I did not start with you sooner."

JRL, Atlanta, GA

"I was initially reluctant to expend the money for Ed Poll's strategic planning session, but knew that in order to grow in an organized manner, I needed to spend the time in a one-on-one session. By the end of the first hour of our session, Ed helped me formulate a plan which, when implemented, resulted in an amazing return on the investment of the session. Ed then proceeded to analyze my financial statements and helped me to see my business in strictly financial terms - something us attorneys don't normally do. If we had concluded our session then, I would have felt that it was extremely worthwhile and would have felt that I had received my "money's worth." But I have now used Ed as my business coach for the past two years and have been extremely impressed with his practical approach to the practice of law. With Ed's encouragement, I find myself

The book offers lots of good advice on engagement letters, detailed bills, fee agreements, and intake forms. Plus it's loaded with useful forms. The CD contains forms for status reports, budgets, sample bills, collection letters. [Learn more.](#)

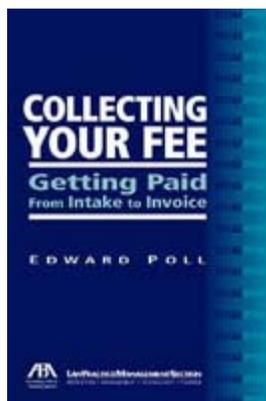
Now Available

Price: \$79 (Book with CD)

Call or Order Online at:

1-800-837-5880

lawbiz.com



coming up with creative ideas regarding how to grow my business. I now feel that I can engage in the business of law, leaving my team to engage in the practice of law."

KH, London, England

Ed Poll, LawBiz® Management

lawbiz.com | lawbizblog.com | lawbizforum.com | lawbizstore.com

(800) 837-5880 order phone | (310) 827-5415 office phone

©2011 LawBiz® Management. All rights reserved.

LawBiz® Management
421 Howland Canal
Venice, California 90291-4619
www.lawbiz.com
edpoll@LawBiz.com

Order Phone (800) 837-5880
Office Phone (310) 827-5415

© 06/28/2011 Edward Poll & Associates, Inc. All rights reserved.