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What Should be Imported Into Your New Legal Billing Software?

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If you're moving to a new legal billing or practice management software, it's a good idea to understand all the possibilities of what can be imported. What can be transitioned over will be contingent upon the export capabilities of your current software as well as what import technology your new billing software includes.

In this post, I will detail everything you should be able to import along with some of the 'gotchas' that can result from what's imported into your new legal billing software.



1. Rates/rate tables

If you're a midsize law firm that's been in your current legal billing software for over 10 years, there's a good chance you have more than 100 rate tables. You've accumulated this many rate tables because every time one timekeeper had a slightly different rate, you had to create a new table.

When you're discussing how to bring your rates into the new software, it's important that you understand holistically how the program handles rates. Some allow you to create rate tables system-wide and assign the rate tables to clients/matters, while others require you to set up your timekeeper's rate every single matter.

If you don't convert the rate tables properly, it can create a huge headache for your firm when you go to run your first round of bills out of the new legal billing software. When you're scoping your conversion, make sure the vendor includes a line item detailing what the rate table conversion will

look like.

2. Attorneys' initials

This is important if you expect the attorneys initials to show up on the client's bill. Make sure the vendor can import the initials for you and display the initials on the bill layout.

3. Origination/compensation breakdowns

A lot of law firms use their legal billing software to track and calculate attorney compensation. This can include origination (an attorney earning a percentage of all fees received on a case for bringing in the client) and production (attorneys are compensated a percentage of the fees received on payments allocated to the attorney's fees).

It's more common for a cloud-based, legal billing software to track origination only, although some track origination and production. Make sure you understand what the legal billing software's functionality includes and if they can import your originators and the compensation percentages, so you're not stuck setting this up yourself.

4. Fee arrangements

Similar to origination, you want to make sure the new legal billing platform can import your fee arrangements so you don't have to set them up manually.

This could include whether the matter requires eBilling files (LEDES 1998b, LSS, etc...) or is a flat fee matter (what is the agreed upon flat fee and when are the clients supposed to be billed), a subscription matter (how much does the client pay and how often), split billing matter (who are the involved clients and what percentage of the bill is each client paying), or contingent matter (are we billing expenses or not).

The vendor needs to import this information for you, so you're not having to reenter it once you're live in the new software program.

5. Fee WIP

All of your fee WIP (work in progress), meaning it has not been placed on a pre-bill or posted bill, should be imported from your previous system. A good number of vendors will be able to import this data into your new system, but you'll want to confirm this before purchasing.

6. Unbilled expenses

Speak with the software vendor about how they can bring over expenses that have not been billed to the client. If your new and old billing software includes accounting, there is a good chance they won't be able to tie hard costs back to the vendor bill or check in your conversion.

7. Matter starting balances vs. full billing history

There are a few options when it comes to importing your clients' billings. Some vendors won't

bring any billing into the system and others will provide you with different options.

Matter starting balances

This is the most basic of billing data imports. If you choose this option, your first bills out of the new system will include your client's previous balance, but you will not be able to reproduce old bills because the full history wasn't imported.

Full billing history

If you opt for and if the vendor can provide full history, you'll be able to pick up right where you left off in your old system. This option will give you the ability to see previous client bills and run reports (including compensation reports). A full history import will include all client bills, with the individual fee and expense entries as they were in the previous software.

8. Payments

Typically, you'll only import payments into your new software if you're importing full billing history. If you import payments, you'll get the individual payments and payment distributions for compensation reports.

9. Trust balances vs. transaction history

In my experience, the majority of law firms decided to bring over a trust balance. Although, some family law firms want to see full history. This decision is typically based on whether or not law firm clients' need to see a full history of trust transactions on their bill.

We hope this article will help you in asking the right questions to your potential software provider. If you have questions for us, feel free to reach out.

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