

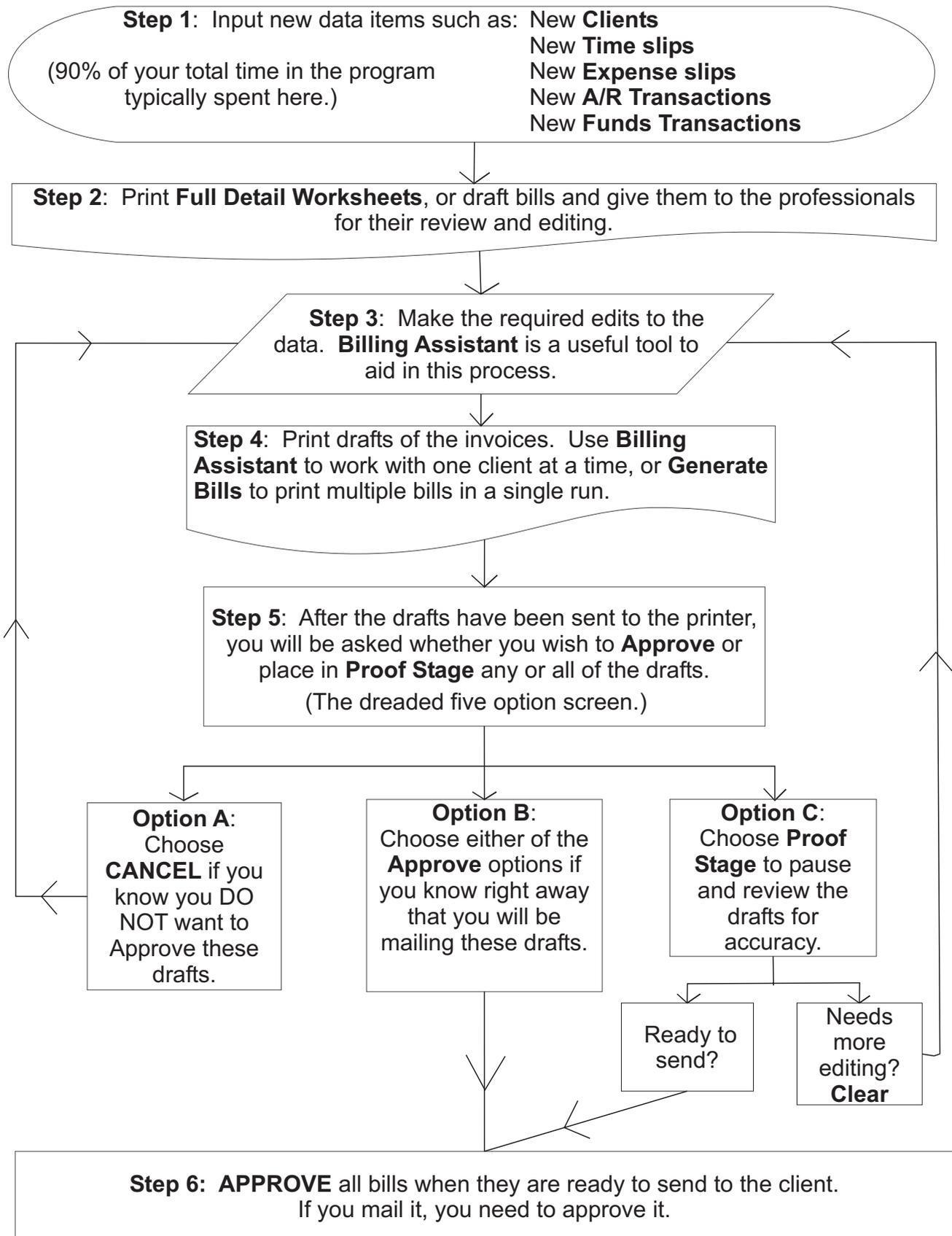
STEP BY STEP GUIDE TO THE BILLING CYCLE

For use with Timeslips® versions 9 and higher

- Step 1: Input data such as: -New *Clients*
 -New *Time Slips*
 -New *Expense Slips*
 -New *Transactions*
- Step 2: Print *Full Detail Worksheets*, and give to the attorneys for their review and editing.
- Step 3: Make the required edits to the data. *Billing Assistant* is a useful tool to aid in this process.
- Step 4: Print drafts of the invoices. Use *Billing Assistant* to work with one client at a time, or *Generate Bills* to print multiple bills in a single run.
- Step 5: After the drafts have been sent to the printer, you will be asked whether you wish to *Approve* or place in *Proof Stage* any or all of the drafts. (The dreaded five option screen.)
- A. IF you know right away that ALL of these drafts are incorrect, or do not wish to eventually approve the drafts, simply click on *CANCEL*. Nothing will be captured or approved and you will simply have printed a draft. Go to Step 3.
- B. IF you know right away that ALL or SOME of the drafts just printed are 100% perfect and will be mailed, you can *Approve* immediately. Choosing one of the *Approval* options (all or some) will take you to Step 6.
- C. IF you are unsure at the time of printing whether the bills are 100% perfect and ready to be mailed (e.g., the partner needs to look at them for further review/edits), place the invoices in *PROOF STAGE* while you review the printouts. Timeslips® will capture the invoice information for later processing. Upon further review:
- I. IF the printout is 100% perfect and ready to mail, go to Step 6.
- II. IF there are further changes that need to be made:
 a. *MOVE* the bill from *PROOF STAGE* to *REVISION STAGE* if you want to keep working with the **same subset** of selected slips, and go to Step 3.
 b. *CLEAR* the bill from *PROOF STAGE* if you want to be able to choose a **different subset** of selected slips, and go to Step 3.
- Step 6: *APPROVE* all bills once they are 100% perfect and ready to mail to clients. It is recommended that a backup of the database be performed immediately prior to approval, and change the backup name from “Timeslips Backup.bku” to the date (e.g. 101899.bku).

Caveat: If it is discovered that a bill should not have been approved, you have a limited window of opportunity to use *Undo Approval* to reverse the process. However, it is not advisable to rely heavily on this feature because there are database operations that can render this feature unavailable. *Undo Approval* should be considered an EXTRAORDINARY measure.

Step by Step Guide to The Billing Cycle



KEY TO USING DIFFERENT TRANSACTION TYPES (For use with Timeslips® versions 9 and higher)

All money that comes into, or goes out of, the firm can be divided into two broad categories. **OUR MONEY** is money that goes in the operating account and can be used to pay the expenses of the firm (like the office rent, and employee salaries). **THEIR MONEY** is everything else. This includes, settlement checks that have not cleared the bank, retainer funds, prepaid fees, trust funds, and any other type of funds that you are holding on behalf of, or in care of, your client. As a general rule, anytime you see the words ACCOUNT or FUNDS in Timeslips, this refers to trust/retainer money. Transaction types in Timeslips® can be grouped together by whether they concern Our Money or Their Money as follows:

Our Money - A/R Transactions

(Operating Account)

Their Money - Funds Transactions

(Retainer/Trust Account)

PAYMENT -

This should be used when the client is paying an amount that they already owe you, and you are going to deposit it in your operating account. You have already earned the money, and nothing further is required for you to do in order to make the money yours. This is the **most common transaction** for most businesses.

CREDIT -

This should be used when the firm is basically forgiving/eating a legitimate charge. You are essentially saying to the client, "We earned this amount, but we are not going to ask you to pay it." This is used to adjust billed balances, as opposed to adjustments which adjust unbilled balances. Other similar topics, No Charge slips and Do Not Bill slips.

WRITE OFF -

This is used when you want to write off bad debt for an invoice that has already been billed and Approved. This would be used to keep an audit trail for charges that your firm will not be compensated for, and especially for accrual basis accounting.

REFUND -

This is used when the client pays you too much, and you have to give the excess back. This will increase the client's A/R balance. This hardly ever happens, and as such this type of transaction is **rarely** used..

INVOICE -

This is used to enter an invoice that was not billed in Timeslips, but you want the balance to show in Timeslips. This is most commonly used when you create a new client that has a balance being carried forward from a different program, or any other type of invoice generated outside Timeslips.

REVERSE PAYMENTS -

This is used to account for a bounced check. There must be a payment already entered for the current client in order for this transaction to be available.

PAYMENT TO ACCOUNT -

This should be used when the CLIENT (and only the client) gives the firm trust/retainer money. It will have the effect only of increasing the amount of client funds.

DEPOSIT TO ACCOUNT -

This is similar to the Payment to Account, except here the deposit is coming from a third party source, such as a settlement check from an insurance company. It also has the effect only of increasing the amount of client funds.

PAYMENT FROM ACCOUNT -

This transaction is how you pay your firm with funds in the client funds account. This transaction will deduct the amount from the client's funds, and credit the A/R balance due the firm. It will appear as a PFA when looking at funds transactions, and as a PAY when looking at A/R transactions.

WITHDRAWAL FROM ACCOUNT -

This should be used to reflect ANY type of payment out of the client funds account that is NOT a payment to the firm. This includes, any type of payment made with a trust/retainer check on behalf of a client, and refunds of unused retainer money to a client at the end of a case. It **ONLY** has the effect of decreasing the amount of client funds.

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