

CHECKLIST FOR STARTING A LAW PRACTICE

*This checklist is designed simply as a guideline to provoke thought when considering starting a law practice.
It is not meant to be all inclusive.*

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PLANNING/BUDGETING

- Review The Practice Resource Center's Start A Law Firm pages at LegalFuel.com
- Do self-assessment about starting a practice
 - Tolerance for Risk
 - Managerial Skills
 - Marketing Skills
 - Confidence Level in Legal Skills
- Write a Business and Marketing Plan
 - How much do you need to live for a year?
 - Projection of gross receipts
 - Projection of overhead and expenses
 - Projection of net receipts
 - Cash flow projections
 - Projection of hours worked
 - Marketable experience
 - Setting fees to make a profit
 - Written fee agreements

MARKETING PLAN/PRACTICE DEVELOPMENT

- Potential Client Base
- Advertising
 - Business Cards
 - Yellow Pages ads
 - Website
 - Google AdWords
 - Social Media - Twitter, Facebook, LinkedIn
 - TV, radio, billboard
 - Office signage
 - Sign up for Lawyer Referral Services through The Florida Bar
 - Firm brochure
 - Client newsletters
 - Join civic organizations and Bar sections and committees
 - Speak at CLE programs
 - Update your personal information on file with the Bar to include your website

FORMS OF PRACTICE

- Considerations in Selecting Form of Practice
 - Taxation
 - Liability
 - Succession/Dissolution
- Solo Practice
- Incorporate with Florida Department of State www.sunbiz.org
 - Partnership
 - Professional Corporation
 - Articles of Incorporation
 - Shareholders, officers, chief operating officer
 - Statement of Good Standing from Clerk of Supreme Court
 - Limited Liability Company
 - Articles of Organization
 - Members

- Limited Liability Partnership
- Consult with CPA
- Specialized/General Practice
- Partnership Agreement in writing
 - Capital/equity from partners
 - Withdrawal/retirement issues
 - Compensation and profit distribution
 - Each partner's role in the practice
 - Managing Partner
 - Rainmaker
 - Others

OFFICE SPACE/LOCATION CONSIDERATIONS

- Office Building
 - Image, upscale, informal
 - Square footage
 - ADA considerations
 - Parking
 - Services, janitorial
 - Expansion Opportunities
 - Renovation Needs
- Location
- Office sharing
- Renting, leasing
- Purchasing/buy into a law practice
- Working from home

ACCOUNTING NEEDS

- Consult with CPA
 - Set up accounting procedures
 - Chart of accounts
 - Profit and loss statements
 - Balance sheets
 - Cash Flow Statement
 - Quarterly and annual tax returns
 - Payroll services
 - Bank and trust accounting systems/reconciliation procedures
 - Software compatible with accountant

START UP COSTS/CREDIT SOURCES

- Highly suggested that enough cash or a line of credit be available to cover start-up costs and at least the first 6 months to one year of operating expenses plus personal living expenses.
- Sources of credit
 - Local bank/Credit Union
 - Personal, business loan
 - Home equity, home refinance
 - Line-of-credit to be drawn upon as needed
 - Lease, equipment loans
 - Family loans/private investor loans
 - Personal savings

BANK ACCOUNTS

- Trust account (separate account)
 - IOTA account (forms available at www.flabarfdn.org/iota)
- Business operating account for expenses/payroll
- Short term savings

- Safety deposit box
- Firm credit card
- Investments
- Checks, deposit slips. Order different colors for operating account and trust account
- Set up law firm credit card merchant account (LawPay is Member Benefit)
- Retirement plan

TECHNOLOGY

- Choose cloud or traditional software
- Choose cloud/hosted or traditional network (including website hosting)

Software Suggestions:

- Backup or disk cloning software
- Calendaring and docketing
- Conflicts checking
- Case Management
- Document assembly
- E-mail
- Office Suite Software
- Other specialized or practice specific software
- PDF creator
- Presentation Software (such as PowerPoint)
- Time and billing/accounting
- Virus protection for computers
- Voice Recognition for dictation
- Review software options at LegalFuel.com
- Review Bar Member Benefits at www.floridabar.org/memberbenefits

Hardware:

- Choose Mac or PC
- Computer or Laptop
- External drives for daily computer backups
- Printers
- Network hardware for office network
- Desktop scanner (scanning and for faxing)
- Smart phone
- Tablet
- Label Printer

OFFICE EQUIPMENT/SERVICES/SUPPLIES

- Multifunction Business Device (Printer, Scanner, Copier, Fax)
- Shredder or Contract with Shredding service
- High speed Internet access or DSL line
- Telephone System/Service
 - Equipment/answering machine
 - Voice mail/manual message system
 - Answering service
 - Local and long distance carrier
 - Conference calling
 - Music on hold
 - Cell phone/service
- Postage scale/mail equipment
 - Establish UPS and FedEx accounts
- Office furniture for lawyer(s), staff, reception area, file cabinets, conference, room furniture, carpeting and area rugs, book shelves, art work/office decorating needs
- Office supplies, paper, envelopes, pens, staplers, good quality file folders, etc.

- Business cards, announcements
- Order public information brochures from the Bar for clients

LIBRARY/LEGAL RESEARCH

- Online legal research provider (FastCase is Bar Member Benefit)
- Purchase new or used law books (ABA Books are a Bar Member Benefit)
- Local law library
- Law school library
- Courts library
- Internet research

OFFICE SYSTEMS/PROCEDURES

- Develop office manual/operating procedures manual
 - Standard procedures/policies for practice
 - Personnel issues/benefits
- Docketing, calendaring, tickler system
 - Computer (dual-system is highly recommended)
 - Manual
- File organization
 - Alpha/numeric
 - Centralized/decentralized
 - Opening file procedures
 - Closing file procedures/retention/storage/destruction
 - Document maintenance
 - Offsite - safety deposit box
 - Computer backup
 - Fireproof files
 - Forms used in practice
 - Client interview form
 - Engagement/non-engagement letters
 - Written fee agreements
 - Practice specific checklists
 - Billing Statement Form
 - General client correspondence, notices, etc.
 - Client survey form after conclusion of representation
- Client billing procedures
 - Regular monthly statements even if no amount due
 - Detailed billing statement
 - Expense billing
 - Costs to be billed
 - legal assistant time/paralegal time
 - telephone expenses
 - duplicating expenses
 - computerized legal research
 - mailing costs
 - others
 - Collection policy
 - Credit cards for payment
- Client Relations Policy
 - Setting appointments, introducing staff
 - Returning phone calls, e-mail messages
 - Client intake form/survey at conclusion of representation
 - Keeping clients informed
 - Send copies of work, documents

- Communicating Fees
 - Clear discussion about fees
 - Written fee agreements/engagement letters
- Accounting Procedures
 - Bank account reconciliation
 - Cash Flow Statement
 - Accounts Receivables/Payables
 - aging review
 - Expense Approval System
 - Counter signature requirement on checks
 - Others

INSURANCE PROTECTION

- Professional liability
- Workers' Compensation
- Health Plan
- Car Insurance for business use
- Property (liability, wind, fire, earthquake, etc.)
- Loss of valuable documents
- Life
- Disability
- Business Interruption

PERSONNEL

- Legal Assistant/Paralegal
 - Full-time
 - Part-time
 - Temporary
 - Hours, flex-time
 - Sharing personnel with other professionals
 - Training
- Employee benefits
 - Vacation, holidays
 - Sick leave
 - Overtime policy
 - Medical insurance
 - Retirement Plan
 - Others
- Secure I-9 forms, W-4 forms, confidentiality agreement, employment applications, etc.

MISCELLANEOUS

- Visit The Practice Resource Center's website LegalFuel.com
- Register d/b/a name (if applicable)
- Obtain city or county business licenses or permits
- Order Post Office Box (if needed)
- Build a forms file
- Become a notary or have someone on staff or close by that is available
- Develop a disaster recovery plan for your office, files, computer, etc.
- Develop a plan for your illness, incapacity or death.
- Attend law practice management CLEs.
- Join Solo and Small Firm Sections to network with other solo and small firm lawyers.
- Change address with the Bar
- Call the Bar's Ethics Hotline with prospective ethical questions 800-235-8619.
- Join local bar associations.