

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.*

I. PLANNING/BUDGETING

- ☐ 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
 - ☐ 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

II. MARKETING PLAN/PRACTICE DEVELOPMENT

- ☐ Potential Client Base
- ☐ Advertising
 - ☐ Yellow Page ad
 - ☐ Website
 - ☐ TV, radio, billboard
 - ☐ Office signage
 - ☐ Sign up for county Lawyer Referral Services
 - ☐ Sign up for lawyer search services
 - ☐ Firm brochure
 - ☐ Client newsletter
 - ☐ Join civic organizations
 - ☐ Produce community seminars
 - ☐ Announcements
 - ☐ Speak at CLE programs

III. FORMS OF PRACTICE

- ☐ Considerations in Selecting Form of Practice
 - ☐ taxation
 - ☐ liability
 - ☐ succession/dissolution
- ☐ Solo Practice
- ☐ 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

IV. 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

V. 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

VI. 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

VII. BANK ACCOUNTS

- ☐ Trust account (separate account)
 - ☐ IOLTA account, if applicable
- ☐ Business operating account for expenses/payroll
- ☐ Short term savings
- ☐ Safety deposit box
- ☐ Firm credit card
- ☐ Investments
- ☐ Checks, deposit slips, endorsement stamp
- ☐ Set up account to accept credit cards
- ☐ Retirement plan

VIII. TECHNOLOGY

- ☐ Software
 - ☐ Word processing
 - ☐ Time and billing/accounting
 - ☐ Calendaring and docketing
 - ☐ Conflicts checking
 - ☐ Case Management
 - ☐ Document assembly
 - ☐ Office Suite Software
 - ☐ Word processing
 - ☐ E-mail
 - ☐ Spreadsheet
 - ☐ Presentation Software (such as PowerPoint)
 - ☐ Others
 - ☐ Virus protection for computers
 - ☐ Voice Recognition
 - ☐ Other specialized or practice specific software
- ☐ Hardware
 - ☐ Computers
 - ☐ Operating system
 - ☐ Back-up system
 - ☐ Lease or purchase
 - ☐ Printers
 - ☐ Network/Firewall
 - ☐ Scanners
 - ☐ CD-ROM
 - ☐ Laptop Computer
 - ☐ Personal Digital Assistant (PDA)

IX. OFFICE EQUIPMENT/SERVICES/SUPPLIES

- ☐ Fax Machine
- ☐ Photocopier
- ☐ Scanner
- ☐ Shredder
- ☐ Dictation equipment/Voice Recognition Software
- ☐ Internet Service Provider
- ☐ Email address
- ☐ High speed Internet access or DSL line

- ☐ Telephone System
 - ☐ Equipment/answering machine
 - ☐ Voice mail/manual message system
 - ☐ Answering service
 - ☐ Local and long distance carrier
 - ☐ Conference calling
 - ☐ Music on hold
 - ☐ Cell phone/service
 - ☐ Pager
- ☐ 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

X. LIBRARY/LEGAL RESEARCH

- ☐ Online legal research provider
- ☐ Purchase new or used law books
- ☐ Local law library
- ☐ Law school library
- ☐ Courts library
- ☐ Internet research
- ☐ CD-ROM
- ☐ CLE Deskbooks

XI. 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

XII. 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

XIII. 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

XIV. MISCELLANEOUS

- ☐ Call WSBA's Law Office Management Assistance Program www.lomap.org
 - ☐ Lending library
- ☐ 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 such as LOMAP's Traveling Seminar.
- ☐ Join Solo and Small Firm Sections to network with other solo and small firm lawyers.
- ☐ Change address with your bar
- ☐ Call your bar's Ethics Counsel with prospective ethical questions 206-727-8284 or 800-945-WSBA.
- ☐ Join local bar associations
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