

TITLE – SCANNING: NOT JUST FOR YOUR CASE FILES

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Most firms have implemented a digital copier or an all-in-one printer within the past two to three years. Both devices will scan the image of your document and then will either print, copy, or save the scanned image to a file. The scanning process is very fast compared to scanners from a few years ago. Unfortunately, firms use these devices typically to only scan case files. These devices and scanners are not just for scanning your case files. An area of your business that can benefit from the investment in your digital copier, your all-in-one printer, or your scanner is your general business accounting files and records. This is often an overlooked area by law firms for scanning. However, it is a very important area of your business where you will realize benefits by creating scanned images of bills, invoices, checks, deposits, bank reconciliations, timesheets, and more.

Although scanning accounting files and records will take additional time to scan, one benefit is that you do not have to store the hard copy accounting records for years. Once you start scanning your accounting records, maybe you will store only three to five years of hard copy files and once a year ends you are able to shred the oldest year stored. You will feel confident shredding since all of the accounting records have been scanned. You will have instant access to the accounting files. They will be right at your fingertips. You do not have to spend time going through your hard copy files to find a copy of an accounts payable invoice. Instead, you will go to the correct folder on your hard drive and have instant access to the stored images.

The following is an example of how to setup a file folder structure for your accounting records and some ideas of what records to scan. First, create a file folder called Accounting 2008 on your network file server or local C Drive. If you have a network at your office, you can secure the area of the file server where the accounting records will be stored. You are able to give “rights” or “permissions” only to those individuals who should have access to the documents. Whether you have a network or a stand alone pc to scan the files, you must have a good, reliable, daily backup in place. You would not want to spend the time scanning these files and lose them. You should have a nightly backup in place to backup your data to DVDs, Tapes, or a USB External HD.

Within the Accounting 2008 Folder, setup a folder called Accounts Payable. You will create a folder for each of your vendors in the Accounts Payable folder. Create a folder called Bank Statements and Reconciliations within the Accounting 2008 folder. If you want to separate the bank accounts, create a folder per bank account within the Bank Statements and Reconciliations folder. Create a folder called Client Paid Invoices. As clients pay their invoices, scan a copy of the paid invoice and the check. Create a folder called Deposits within the Accounting 2008 folder. Since you probably have multiple bank accounts, create a folder for each bank account within the Deposits folder. If you get payroll reports from ADP or Paychex, create a Payroll folder within Accounting 2008. As you receive copies of your payroll reports, scan them to this folder. The Accounting folder is also a good place to scan your tax return for the year. Create a folder within Accounting 2008 called Tax Returns. Scan your tax return and save it in the folder. If you have time sheets from staff, create a folder called Timesheets within the Accounting 2008 folder. If you have multiple staff, then you may want to create a separate folder for each person within the Timesheets folder.

The folder structure should look something like the following (where X is your drive letter):

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X:\Accounting 2008
X:\Accounting 2008\Accounts Payable
X:\Accounting 2008\Accounts Payable\(each vendor name)
X:\Accounting 2008\Bank Statements & Reconciliations
X:\Accounting 2008\Bank Statements & Reconciliations\Iolita Account
X:\Accounting 2008\Bank Statements & Reconciliations\Operating Account
X:\Accounting 2008\Client Paid Invoices
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X:\Accounting 2008\Deposits
X:\Accounting 2008\Payroll
X:\Accounting 2008\Tax Return
X:\Accounting 2008\Timesheets
X:\Accounting 2008\Timesheets\ (each staff person)

Once the folder structure is setup, you will need to think about the process of when the accounting documents will be scanned. Some firms scan some of the accounting files as they are received in the mail, such as, the accounts payable invoices. However, most of the accounting records will be scanned after they have been received or paid. For example, the deposits are scanned as the checks are received, the client paid invoices are scanned as they are paid and received from clients, and the time sheets are scanned once the staff has filled them out.

You will have instant access to all of the accounting records once they have been scanned. Scanning is not just for your case files!

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