

Legal Finance Compliance Program

For organizations looking to contain costs from outside counsel spend, our tech-enabled review of law firm and vendor invoices and enforcement of billing guidelines has shown incredible ROI. For one client, our team of two averaged \$12 million in savings per year, and achieved a grand total of \$70M in savings.

Our formalized legal finance compliance program includes strict protocols for rigorous cost containment workflows. We follow an agile, iterative four-step process as part of our holistic, engagement to payment process management protocol:

Step 1: Initial Set-Up/Assessment

Our team conducts an in-depth assessment of the client's legal invoicing infrastructure, including evaluations of billing processes and enforcement protocols. We identify gaps in cost containment, and make suggestions for guideline revisions. We also are involved in vendor onboarding, which minimizes conflict, uncovers potential cost savings, and encourages transparent relationships with outside counsel.

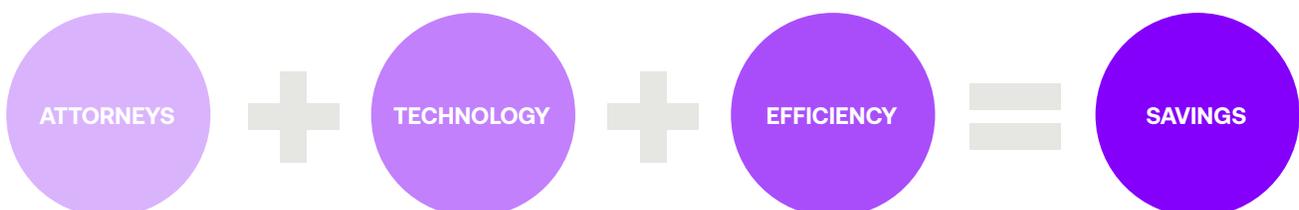
Forecasting: We work with outside counsel to develop internal benchmarks to predict and contain future costs. During the forecasting stage we collect law firm or vendor projections, utilize statistical forecasts, and conduct a business impact analysis.

Step 2: Invoice Analytics

Using state of the art technology, the team dives into review and adjust, while continuing analysis of the billing process, capturing data, and providing recommendations for improvements while working closely with in-house and outside counsel. With proprietary technology built into the program, in-house counsel is able to easily access and monitor real time invoice finance tracking. The technology used goes beyond uniform task based management codes and recently allowed our legal finance compliance lawyers to uncover an additional \$9 million in savings that would have otherwise been paid out.

Step 3: Resubmissions/Appeals

The review includes a baked-in appeal process for outside counsel. Communication is key to success, and the reviews and adjustments conducted hold their value so the errors are not repeated going forward, resulting in continual savings for the company.



Step 4: Tracking/Reporting/Training

We provide reports monthly, including invoice review platform reports, monthly/quarterly/yearly progress reports on percentage of savings segmented per matter/overall, and consistent monitoring of invoices against billing guidelines. We conduct ongoing training, and, we request feedback from our client's in-house attorneys regarding vendors and law firms to refine the engagement to payment process to maximize its efficiency and cost savings.

The Importance of Manual Review:

Technology is helpful in aiding with the ease and efficiency of payment, tracking and reporting; however, the human element is required for success. A team of attorneys will conduct the first-level review of each invoice submitted to the company. Our project managers conduct training and provide oversight to the attorney teams. Our algorithm can shorten the amount of training time needed based on the most common billing offenses, and we conduct routine quality control to ensure consistency.



Legility Legal Finance Compliance Program Overview

We manage the lifecycle of engagement from start to finish:

Request for Proposal: Develop questions, manage responses and negotiate optimal pricing for law firms and vendors.

Onboarding – Financial Integration: Establish finance related and IRS required documentation for new firms and vendors.

Infrastructure: Develop an efficient, compliant legal finance program to include onboarding, billing, and compliance guidelines.

Contracts: Draft, negotiate and manage engagement letters, master service agreements, and privacy agreements.

Financial Management: Manage all financial aspects of the legal matter including:

- **Invoice Review:** With state-of-the-art technology, we review for strict compliance with guidelines and reasonableness. We identify specific trends and uncover opportunities for efficiency.
- **Financial Planning and Reporting:** Work directly with finance to ensure accurate accounting and capture of legal spend.

Forecasting: Forecasting services for specific matters meeting the materiality threshold, as well as the overall legal department.

Matter Conclusion: Matter conclusion services to ensure appropriate disposition of electronically stored information (ESI) to limit data storage expenses.



Let's change the business of legal together.

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