

The original All-in-One®
Software Suite for
Case and Financial Management

Back Office Product Sheet



Allocated General Ledger

Product Features

- Takes into account that some attorneys use more resources than others
- Supports multiple allocation methods; each GL income/expense account can have its own allocation formula or method
- Supports prior period reallocations
- Allocates income and overhead in a fair and consistent way but isn't overly difficult to administer
- Identifies profit centers that don't cover any part of their overhead allocation
- Allocation formulas and methods are easy to maintain
- Period by period allocation processing is automatic; no need to setup and run recurring GL journal entries

Every firm needs accurate net-profit-per-attorney reporting after accounting for indirect income and expense allocations. Although this requires an investment of time, effort and continual adjustment, it provides the information vital to making profitable business decisions. This is because expense reduction alone is not the key to profitability.

For this reason, PerfectLaw® provides allocated G/L processing that creates secondary allocation journals and ledgers from standard G/L journals and ledgers. This processing allocates expenses and income into profit centers and/or individual attorney accounts. User-defined allocation formulas (methods) can be developed and applied to each income or expense account.

Benefits

- Provides an accurate cost/revenue picture for smart decision making
- Supports and optimizes expense reporting and decision making with respect to timekeepers, initiating attorneys and billing attorneys
- Provides meaningful guidelines for setting compensation
- Helps determine whether your rates need adjustment
- Promotes leverage – identifying and favoring profitable associates, i.e. the ones that produce more revenue than their total cost (both direct and indirect)

Functions

- Tracks direct costs as expenditures directly for each timekeeper, i.e. salary, payroll taxes, benefits, and any expense you can fairly and accurately assign to a timekeeper.
- Tracks Indirect costs, otherwise known as overhead expenses, defined as anything that is not a direct cost – these include rent, support staff and admin salaries, equipment costs, etc.
- Calculates accurately and allocates “overhead per attorney.” Simply dividing total expenses by the number of attorneys doesn't cut it, since not everyone carries the same proportion of the overhead.
- Calculates accurately in detail how much each timekeeper costs your firm and how much profit he or she generates
- Provides accurate, detailed allocated income statements for each timekeeper or attorney

PERFECTLAW®
ALL-IN-ONE® SOFTWARE

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