

SUCCESSION PLANNING – CHECKLIST

Succession planning can cover a range of various scenarios: Death, Disability, or Incapacitation; Retirement or Wind Down; Mergers or Splits. This checklist is provided as a guideline when considering the various scenarios and is not meant to be all inclusive.

Have a thorough and up-to-date Office Procedure Manual that includes information documenting where data is filed or stored electronically, and how to access the information.

❖ CLIENT INFORMATION AND MANAGEMENT CHECKLIST

➤ CLIENT LIST

- NAMES, ADDRESSES, PHONE NUMBERS, EMAIL ADDRESSES
- AUTHORIZED CLIENT CONTACTS
- HOW THE OPEN/ACTIVE FILES ARE ORGANIZED
- LOCATION OF CLOSED FILES

➤ CONFLICT CHECKS: ADVERSE/ALLIED PARTIES

➤ RETAINER/ENGAGEMENT AGREEMENTS FOR EVERY MATTER

➤ COPIES OF ALL BILLING STATEMENTS TO CLIENTS AND FULL CLIENT ACCOUNTING LEDGER HISTORY

➤ CALENDAR AND TASK LIST FOR EVERY MATTER (MANUAL AND/OR ELECTRONIC)

➤ TIMELINE – ASSESSING THE STATUS OF EVERY CLIENT AND MATTER

➤ ORIGINAL CLIENT DOCUMENTS LOCATION, RETENTION AND DESTRUCTION POLICIES

❖ DIGITAL CHECKLIST

Digital assets are often overlooked, but are a critical and significantly growing percentage of a firm's assets.

➤ CREATE A LIST OF ALL DIGITAL "ASSETS" USED BY EMPLOYEES AND FAMILY MEMBERS.

- EMAIL ACCOUNTS
- CLOUD BASED PRACTICE MANAGEMENT, BILLING AND ACCOUNTING SYSTEMS
- SOCIAL MEDIA ACCOUNTS
- WEBSITE DOMAIN
- PASSWORD MANAGER PROGRAMS/WEBSITES
- ONLINE BANKING WEBSITE
- PAYROLL WEBSITE
- CREDIT CARD WEBSITES
- CREDIT CARD MERCHANT
- COURT WEBSITES

- BAR ASSOCIATION WEBSITES
- LEGAL RESEARCH WEBSITES
- BACKUP SITES
- RECORD ACCESS REQUIRED FOR SITES AND PROGRAMS
 - LOG-IN IDS
 - USER NAMES
 - PASSWORDS
 - SECURITY QUESTIONS
 - MASTER KEYS FOR PASSWORD MANAGERS (E.G., ROBOFORM, LASTPASS, ETC.)

❖ FIRM'S FILES AND RECORDS

- FEIN, STATE ACCOUNT NUMBER(S)
- FEDERAL AND STATE TAX RETURNS AND SUPPORTING DOCUMENTS
 - 941 (FED. W/H, FICA, MEDICARE)
 - STATE (SUTA) AND FEDERAL UNEMPLOYMENT (FUTA 940)
 - STATE INCOME TAX
 - LOCAL INCOME TAX
- EMPLOYER/EMPLOYEE BENEFITS PLANS
 - SIMPLE IRA, 401(K), PROFIT SHARING, SEP, QNEC
 - INSURANCE - HEALTH, LIFE, DISABILITY INSURANCE, DENTAL, VISION
 - HSA, FSA
 - PTO, SICK
- CORPORATE FILING STATUS
- PARTNERSHIP/OPERATING AGREEMENT
- WHERE ARE THE KEYS TO THE OFFICE AND WHO HAS THEM
- HOW TO ACCESS VOICEMAIL
- POST OFFICE BOX LOCATION
- BANK ACCOUNT INFORMATION
 - BANK NAME, ADDRESS, AND CONTACT
 - ALL OPERATING AND TRUST ACCOUNT INFORMATION
 - AUTHORIZED SIGNERS FOR ALL ACCOUNTS
 - CREDIT CARD MERCHANT INFORMATION
 - SAFE DEPOSIT BOX INFORMATION
- SCHEDULE OF ASSETS
 - FURNITURE

- COMPUTERS AND EQUIPMENT
 - BACKUP EQUIPMENT AND ACCESS
 - AUTOMOBILES
 - BUILDINGS
 - SAFE OR LOCK BOX COMBINATION
- INSURANCE POLICIES
- PROFESSIONAL LIABILITY (CONFIRM IF TAIL INSURANCE IS INCLUDED)
 - PROPERTY (LIABILITY, WIND, FIRE, FLOOD, ETC.)
 - AUTO
 - KEY MAN
 - BUSINESS INTERRUPTION
 - LOSS OF VALUABLE DOCUMENTS
 - WORKERS' COMPENSATION
 - TAIL INSURANCE COVERAGE
- VENDOR AGREEMENTS AND LIABILITIES
- RENTAL/LEASE AGREEMENTS
 - LINE OF CREDIT/LOANS
 - EQUIPMENT (COMPUTERS, COPIERS, PRINTERS, TELEPHONE, HIGH SPEED INTERNET, CELL PHONES, ETC.)
 - DOCUMENT/FILE STORAGE/DESTRUCTION SERVICES
 - ADVERTISING CONTRACTS
- PAYROLL INFORMATION
- EMPLOYEE PERSONAL INFORMATION
 - EMPLOYMENT HISTORY
 - SALARY/COMPENSATION AND HISTORY FOR EVERY EMPLOYEE
 - RETIREMENT PLAN INFORMATION
- DESIGNATE ANOTHER ATTORNEY TO CLOSE THE PRACTICE IN THE EVENT OF DEATH, DISABILITY, IMPAIRMENT OR INCAPACITY AND HAVE A WRITTEN AGREEMENT OUTLINING THEIR RESPONSIBILITIES.
- SHOULD THIS ATTORNEY ALSO ACT AS YOUR PERSONAL ATTORNEY?
 - SIGNED CONSENT AUTHORIZING THE ATTORNEY TO CONTACT CLIENTS FOR INSTRUCTIONS TO TRANSFER FILES, AUTHORIZATION TO OBTAIN EXTENSIONS OF TIME, ETC.
 - BANK AUTHORIZATION TO SIGN ON GENERAL OR TRUST ACCOUNTS, TAKING INTO CONSIDERATION THAT ATTORNEY'S ACCESS TO YOUR ACCOUNTS, ESPECIALLY THE TRUST ACCOUNT. DECIDE WHEN ACCESS IS GRANTED (E.G. ALL TIMES, SPECIFIC TIMES, OR THE HAPPENING OF A SPECIFIC EVENT).

- INFORM STAFF AND SPOUSE OF THE AGREEMENT AND THE ASSISTING ATTORNEY'S CONTACT INFORMATION.
- UPDATE ANY RETAINER AGREEMENTS TO IDENTIFY THE ASSISTING ATTORNEY.

❖ PRESERVATION OF ATTORNEY TRUST ACCOUNT RECORDS

- DETAILED RECORDS OF ALL DEPOSITS AND WITHDRAWALS FROM ALL ATTORNEY'S TRUST ACCOUNTS WITH DETAILED DESCRIPTIONS OF DEPOSIT DATE, PAYEE AND EXPLANATION; DEPOSIT SLIP DETAILS.
- DETAILED BANK RECONCILIATION REPORT ITEMIZING ALL CLEARED AND OUTSTANDING TRANSACTIONS FOR EACH MONTH; BANK STATEMENTS; CANCELLED CHECKS; BANK NOTICES; CHECK AND DEPOSIT IMAGES PROVIDED BY THE BANK.
- A REPORT WITH ALL CLIENT/MATTER BALANCES FOR EVERY TRUST ACCOUNT WITH THE TOTAL BALANCING TO EACH RESPECTIVE BANK RECONCILIATION REPORT.
- DETAILED TRUST LEDGER FOR EVERY CLIENT'S ACTIVITY EVERY THE TRUST ACCOUNT, INCLUDING A RUNNING BALANCE; THE TOTALS OF THE TRUST LEDGERS MUST BALANCE TO THE RECONCILED BALANCE FOR THAT TRUST ACCOUNT.
- COPIES OF RETAINER AGREEMENT/COMPENSATION AGREEMENT/ENGAGEMENT LETTER FOR EVERY CLIENT.
- COPIES OF ALL BILLING STATEMENTS TO CLIENTS, INCLUDING ALL TRANSACTIONS IN THE TRUST ACCOUNT FOR THAT PERIOD.
- COPIES OF ALL INVOICES AND STATEMENTS RECEIVED FROM OTHERS AND PAID OUT OF THE TRUST ACCOUNT.
- COPIES OF ALL IOLTA PROGRAM DOCUMENTATION AND COMPLIANCE.