

## Reduce Outside Counsel Spending with Electronic Billing

Without an e-billing system, corporate legal departments waste time and money processing legal invoices work manually. Paper-intensive processes are both time-consuming and wasteful--involving receiving invoices, copying and filing them, entering invoice details into a spreadsheet, passing paper around from attorney to attorney for review and approval, and forwarding them to Accounts Payable for payment. An e-billing system can automate and streamline the invoice approval process saving companies time, effort, and money.

The 2007 ACC/Serengeti *Managing Outside Counsel Survey* found that clients who implement an e-billing system can save as much as 8-10% on their outside legal spending. This significant savings is generated by improving the client workflow, automating the invoice approval process, and identifying billing errors. Additional savings are realized by integrating the e-billing system with a company's Accounts Payable system thus eliminating data entry of invoice information.

### **CSC E-Billing Reduces Implementation Time and Costs without Seat Licenses**

CSC E-Billing<sup>sm</sup> is a comprehensive web-based electronic billing application designed to expedite the invoicing process for corporate legal

departments and reduce outside counsel spending. CSC E-Billing is optional module of CSC Matter Management<sup>sm</sup>. By utilizing CSC E-Billing along with CSC Matter Management, users can view legal invoices along with their associated matters and data. This helps companies reduce outside counsel spending by allowing legal bills to be reviewed in context.

By comparison, other matter management and e-billing software systems:

- Can take between 6 and 18 months to implement costing several hundred thousand dollars to millions, with high-priced implementation fees and costly consultants.
- Requires payment by seat licenses – which is actually a disincentive for wide-spread adoption - the more you collaborate, the more you pay.
- Requires IT support, with expensive annual fees and maintenance costs.

CSC E-Billing provides a cost-effective alternative:

- Web-based SaaS (Software as a Service) technology with turn-key implementation.
- A fixed annual subscription rate per year, with no seat licenses.
- Work-flow analysis, system configuration, training – all included.
- No need for expensive outside consultants or additional consulting fees.

A variety of other workflow rules can be established depending upon company needs. Routing rules can be driven by the matter name, the outside law firm, matter type or a host of other variables. CSC E-Billing clients have as many as 300 workflow rules in place for the processing of their invoices. The CSC Application Support team works with clients to help set up workflow rules and custom validations.

## **Custom Validations**

One of the most significant features of CSC E-Billing is the ability for clients to add custom validations. As an invoice is uploaded into the CSC E-Billing system, the custom validations are automatically checked against specific invoice attributes for accuracy. These validations check calculations, billing rates, special billing arrangements, and other billing guidelines as determined by the corporate law department.

For example, a company agrees with its law firm that the law firm will not charge for photocopying, or that associates are set at a lower hourly rate for a certain case. If the invoice contains a charge for photocopying, or higher than agreed upon rates, the invoice is automatically flagged or rejected (depending upon what the company requests). Custom validations help our customers identify deviations, enforce their billing guidelines and reduce the number of errors and mistakes reported by law firm and vendors in billing.

## **What other functionality does CSC E-Billing offer?**

### ***CSC XML Stream<sup>sm</sup>***

Extensible Markup Language (XML) enables different technology systems to communicate, transfer data and documents and eliminate data entry. CSC leads the industry with many successful XML installations that seamlessly integrate SOP, matter management data and documents, and e-billing data. CSC XML Stream<sup>sm</sup> ensures delivery of client data by automatically identifying transmissions, time and date-stamping the transmissions, providing alerts in the event of a failed transmission, and facilitating the auditing and recovery of each transmission file.

### ***Reporting***

The reporting function within CSC E-Billing is very flexible, easy to use, and allows for reporting as needed by individual users or for an entire group. Generate custom reports for better analysis of legal costs filtered by matter type, firm, or any criteria important to the company.

Users can create reports based on any invoice field that is captured. The on-demand Reporting Module enables CSC E-Billing users to quickly and efficiently generate custom queries on the fly. Running a report is a simple, two-step process and reports can be saved for later use. Sample CSC E-Billing reports include line item, vendor, and timekeeper reports.

CSC provides expert workflow implementation with its award-winning service, and limits charges to a minimal implementation charge in the first year of implementation.

### **How does CSC E-Billing work?**

The corporate law department's law firm (or vendor) uploads its invoices into CSC E-Billing using the LEDES 1998B or LEDES 2000 format. (LEDES is the Legal Electronic Data Exchange Standard and was created to standardize bill/invoice data transmitted electronically from a law firm to a corporate client.) When a law firm uploads invoices to CSC Matter Management, they only have access to those invoices uploaded by that firm. Invoices can also be manually uploaded into CSC E-Billing for firms not using the electronic method. Receipts and other documents can also be uploaded and attached to invoices, such as for meals and travel expenses.

Once an invoice is uploaded, the law firm has the ability to see the status of the invoice as it moves through their client's approval process. This is beneficial to law firms because they do not have to track down someone in the Legal Department to provide them with status of the invoice's approval. They can simply check on the status themselves.

Invoices are automatically routed through the client's organization, based on a custom rule set. Each designated reviewer receives an automatic e-mail alert to review the invoice. Reviewers

can edit, question, comment, approve or reject invoices. If reviewers make any edits, comments or questions on any line items, they are captured in the application and displayed with the invoice. A PDF summary accompanies the invoice as it passes through multiple authorization levels. After final approval, an accounts payable contact receives an e-mail alert linked with all approved bills, printable PDF summary files, and original invoice information in a downloadable XML file.

### ***Customizable Workflow Rules***

CSC E-Billing provides users with the ability to create customizable workflow rules so they can easily manage the approval and processing of invoices. These rules are set up to direct the invoices to the correct attorney or staff member and ultimately Accounts Payable (AP) for payment.

An example of a workflow rule is where invoices of a particular dollar amount are directed to different attorneys for approval and then to AP for payment. So, invoices between \$0.00 and \$199,999 first go to Attorney A, then Attorney B for approval, and finally to AP for payment. Invoices between \$200,000 and \$499,999 first go to Attorney A, then Attorney B, then Attorney C and finally to Accounts Payable for payment. It is automatic, efficient, and helps expedite the invoice review and approval process.

## How much can CSC E-Billing reduce outside counsel spending?

Customers that implement CSC E-Billing can expect to achieve substantial cost reductions with their annual outside counsel law firm and vendor spending. CSC E-Billing customers can expect to save up to 8-10%\* of their annual outside counsel spending.

## Five-Year Implementation of CSC E-Billing with Expected Annual Cost Savings

Year	Annual Attorney Bills	Cost Savings of 5%	Cost Savings of 8%	Cost Savings of 10%
2009	\$3,000,000	\$150,000	\$240,000	\$300,000
2010	\$3,100,000	\$155,000	\$248,000	\$310,000
2011	\$3,200,000	\$160,000	\$256,000	\$320,000
2012	\$3,300,000	\$165,000	\$264,000	\$330,000
2013	\$3,400,000	\$170,000	\$270,000	\$340,000
		<b>\$800,000</b>	<b>\$1,280,000</b>	<b>\$1,600,000</b>

The Bottom Line: CSC E-Billing will save your legal department time and money

To learn more about CSC E-Billing, contact us at 800.927.9801 Ext. 3678 or [tturner@cscinfo.com](mailto:tturner@cscinfo.com).

\* The 2007 ACC/Serengeti Managing Outside Counsel Survey reports that companies implementing matter management systems can save between 8-10% on outside counsel costs.

\*\*Savings of 5%, 8% and 10% are provided for comparison purposes. This sample analysis assumes an 8% savings. Pricing varies based on the number of vendors, invoices, and other factors.