

# Law Office Management Chapter 13

## Chapter 13

### *Tab Text*

# File and Records Management

## OBJECTIVES

After completion of this chapter, you should be able to:

- Organize a legal file.
  - Maintain a legal file.
  - Open a legal file.
  - Perform a conflict-of-interest check.
  - Discuss file organization procedures.
  - Prepare a file for closing and retention.
  - Discuss file retrieval procedures.
  - Prune a file for closing and schedule it for destruction.
  - Discuss essential documents in a law firm.
  - Explain when to keep or discard a document.
  - Explain how filing systems are categorized.
  - Categorize subjects.
  - Discuss the various types of coding systems for files.
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# Key Terms

## ***Tab Text***

1. **Automatic data collection:** The data entry method used in bar code technology.
  2. **Best evidence rule:** The requirement that court must admit the best evidence that is available to a party and procurable under the existing situation.
  3. **Central file control:** A system that documents the location of each file.
  4. **Classification:** The process of separating items into categories.
  5. **Closed-file list:** A list of closed files by name, number, and closed-file number.
  6. **Controlled access:** The access and retrieval of a firm's files are controlled by a specific system.
  7. **Courtesy copy:** A document that is sent to a person for informational purposes only.
  8. **Custodial:** Relating to a person who has custody of another person or thing and is expected to act in its best interests.
  9. **Date stamp:** To a stamp a document with the date it was received.
  10. **File number index:** An index containing sequential file numbers and case names indicating the next available file number.
  11. **Jukebox:** A device that contains many CDROMS and allows retrieval of a document upon request.
  12. **Master client list:** A list of active clients; does not include closed files.
  13. **New case memorandum:** A form used to provide information about a case so that a file may be opened.
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14. **Numeric index:** An index in numeric order that lists files and the date opened. The purpose is to inform the file clerk of the next number in sequence when opening files.

15. **Preclient:** A person who consults an attorney but does not formally retain the services of the attorney.

16. **Preclient file:** A file containing notes of interview or consultation to be retrieved if the client retains the firm.

17. **Primary case name:** The name used to identify a case; consisting of the first-named plaintiff and the first-named defendant.

18. **Primary recipient:** A person to whom a document is directed or addressed.

19. **Pruning:** To discard unnecessary documents from a file.

20. **Purge:** To clear or discard.

21. **Rich media:** Image-based technology that is visual rather than text oriented.

22. **Secondary recipient:** A person to whom a document is sent for informational purposes only.

23. **Symbologies:** Language used in bar code technology.

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# Answers to Chapter Review Questions

Law Office Management Chapter 13



The screenshot shows a software interface with a sidebar on the left containing several buttons: 'Key Terms', 'Answers to Chapter Review...', 'Examples for Discussion', 'Possible Answers to Assignments', 'New Case Memorandum', 'Case Cover Sheet', 'File Index Sheet', and 'Quiz'. The main content area is titled 'Answers to Chapter Review Questions' and contains the following text:

*Following are answers to the Chapter Review Questions found in the text.*

1. The three types of filing systems are centralized, decentralized, and automated (p. 426).
2. Classification of documents is separating documents by type (p. 426).
3. The six types of numeric coding systems are straight, coded, calendar, standard, account and combination (p. 427).
4. Alphanumeric coding is applying a number to each letter of the alphabet so cases are filed in both alphabetical and numerical order (p. 433).
5. Bar codes are used for more efficient document handling, more accurate indices, and decreased retrieval time (p. 437).

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  5. Bar codes are used for more efficient document
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handling, more accurate indices, and decreased retrieval time (p. 437).

6. A pre-client file is a file established for potential clients who have not formally retained a firm (p. 439).

7. It is important to do a conflict check for new clients to determine if the firm has a conflict of interest in representing the client (p. 440).

8. In a small case, correspondence is inserted on the left side of a folder in chronological order with the most recent on top (p. 443).

9. The function of a case cover sheet is to monitor the status of a case (p. 444).

10. The three value determinations for a document are operational value, technical value, and legal value (p. 448).

11. A document pertaining to a client's case may not be discarded (p. 449).

12. Before a file is closed, the following functions must be completed:

- A. The file must be reviewed to make sure that all final documents have been completed;
- B. The final bill must be paid by the client;
- C. A disengagement letter must be sent to the client;
- D. The file must be pruned for closing;
- E. The status of the file must be changed from active to inactive;
- F. Original documents must be returned to the client; and
- G. Electronic records must be deleted. (p. 454)

13. File pruning is the act of discarding unnecessary documents from the file (p. 454).

14. A closed-file index is a document that contains the following information:

- A. File name;
- B. Active file number, if a numeric coding system;
- C. Closed-file number;
- D. Date file opened; and
- E. Date file closed (p. 457).

15. A records retention schedule is a schedule that

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lists the time period a file must be retained to comply with state and federal statutes. It is developed by researching the requirements for records retention found in state and federal law (p. 458).

16. The five ethical considerations of file and records management are:

- A. Preserve client's property;
  - B. Conflict-of-interest checks;
  - C. Promptly return file to the client;
  - D. Records retention; and
  - E. Preserve confidentiality (p. 460).
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# Examples for Discussion

## ***Tab Text***

### **1. Alphabetical Client Files by Subject**

Sharon would have to look for Nelson's file in the litigation, real property, or probate area. It is possible that the file would not be found in these three areas if the Nelson case is a bankruptcy or domestic case. There are obvious problems with File and Records Management 105 this system. It wastes employee time in looking for a file and thus wastes the firm's resources. It is also frustrating, which reduces employee morale. The system could be improved if it were reorganized into an alphabetical system or numerical system. Another suggestion would be to create an alphabetical cross-index that would direct firm employees to the appropriate category.

### **2. Missing Files**

There may be no problem with the system. The problem is that firm employees, particularly the managing partner, do not participate in the system, causing hardship for other employees. Julie should discuss the problem with management. Management can either encourage the managing partner to participate in the system or implement a new system.

### **3. Too Many Files**

Darrel should change the procedures by opening only one main file per case. As the case grows, the files can be categorized and expanded. Experience has shown, however, that files are filled to their maximum before they are expanded, causing messy and tattered files. This problem can be eliminated if each case were opened with a partitioned file folder made of heavy stock. Those files with multiple file folders should be inserted into a file sleeve that will hold all the files. Whenever a file is needed, all files will be pulled, thus keeping all files together.

### **4. An Embarrassing Moment**

It is obvious that the judge, jury, and client

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would not be impressed with Ann's lack of file organization. Even though a paralegal is responsible for file organization, the attorney has the responsibility to supervise the paralegal and make sure file organization procedures are completed. This incident reflected on Ann's supervisory responsibilities.

#### **5. What About the Closed Files?**

Since the closed files belonged to Smith & Jones prior to the merger, their obligation for the files went with them to the new firm. Therefore, the new firm, Smith, Jones, Black & White are responsible for the files. The fact that the responsible attorneys left the firm prior to the merger is irrelevant to Smith & Jones' obligation for the files. They may destroy the files IF the retention period on the files has expired. The files should be shredded or destroyed by a supervised destruction process. The managing partner should have all closed files reviewed to determine if the closing procedures were completed and insert them in the new firm's retention schedule for closed files.

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## Possible Answers to Assignments



**Key Terms**

**Answers to Chapter Revie...**

**Examples for Discussion**

**Possible Answers to Assignments**

**New Case Memorandum**

**Case Cover Sheet**

**File Index Sheet**

**Quiz**

### Possible Answers to Assignments

*Following are possible answers to Assignments provided in the text. The responses below are a guide to what an instructor would look for within the student's response. Some assignments are based solely on individual experience and/or opinion, and a general response for such questions is not provided.*

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4. Individual student response.
5. Individual student response.

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7. Individual student response.

# New Case Memorandum

## Tab Text

*An example.*  
(Also called a New Matter Sheet)

### New Case Memorandum

Date \_\_\_\_\_ Responsible Attorney \_\_\_\_\_

#### CLIENT INFORMATION

Name \_\_\_\_\_ New  Old

Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Phone: (Home) \_\_\_\_\_ (Work) \_\_\_\_\_

Place of Employment \_\_\_\_\_

Address \_\_\_\_\_

Department \_\_\_\_\_ Position \_\_\_\_\_

#### CASE INFORMATION

Matter Name \_\_\_\_\_

Type of Matter \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_

Statute of Limitations \_\_\_\_\_

#### FEE AND BILLING INFORMATION

Deposit Received \$ \_\_\_\_\_ for Retainer  Costs  Fee

Fee to be Billed:  Hourly  Contingency \_\_\_\_%  Fixed Fee of \$ \_\_\_\_\_

Payable \_\_\_\_\_

#### INSTRUCTIONS

\_\_\_\_\_

\_\_\_\_\_

Conflict Check Made by \_\_\_\_\_ on \_\_\_\_\_

File Opened \_\_\_\_\_ File No. \_\_\_\_\_ By \_\_\_\_\_

## **Case Cover Sheet**

***Tab Text***

*[Click here for an example.](#)*

## **File Index Sheet**

### ***Tab Text***

*[Click here for an example.](#)*

## Quiz

### *Tab Text*

[Click here to take the Chapter Quiz.](#)

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