

Billing Systems for Small Firms

by Sandor Goldstein and Ian Duncan

We've heard from many smaller consultants and businesses how difficult it is to find the right system for tracking time and billing. Many firms keep notes on scraps of paper or an improvised spreadsheet in their early days, but need something more robust as they grow beyond two or three people and need to track multiple clients and projects. But lots of systems are simply too expensive for companies of our size, and cheaper options often do not have the capabilities that our complex practices may need. Here some ideas from two actuarial consultants who have found systems that work very well for them. And please share your thoughts on these or other options that we should pass on to the section's membership.

One accountant recommended the timekeeping system built into QuickBooks (the software many companies use for accounting and billing) because the system would automatically generate invoices. However, it is not configured for professional timekeeping (so would require work to set up) and more importantly, can require purchase of an expensive server version. A search of the internet will show many alternatives. A couple of Web-based systems seem promising but all require a fairly hefty amount of configuration and resource time to learn.

Ian received helpful advice from David Evans of Geode Software, a Web site development firm. (Some members of the section may remember that David spoke at a session during the 2005 Annual Meeting in New York.) Being a developer, David has developed a timekeeping system for Geode that had all the features consultants are looking for—it is Internet based (so can be accessed by remote employees), allows set up of multiple clients, projects and categories of time, and is easy to use. Better still, Geode gave Ian's firm a copy for free, provided they paid for Geode's time to set it up on the server. The system allows access to management reports, which can also be downloaded as the basis for monthly billing. Ian continues to use QuickBooks to generate invoices but provides the Geode system output as detailed backup. The lack of integration into QuickBooks is a minor issue, but overall the simplicity and ease of use makes this worthwhile as a system for the whole firm.

An option Sandor recommends is called Professional's Choice Time and Billing, from Choice Technologies. It is a very easy to use system yet has considerable flexibility. It is intended for small and medium size firms, and has worked well for Sandor's firm with five billing consultants. Besides tracking billable time, it can also track non-billable time by various categories and report on these time categories in a number of different formats.

Whenever a time and expense entry is recorded, it is stored in various databases and is used for billing, maintaining receivable balances and producing various management reports. The system can produce a virtually unlimited number of reports for managing your practice. Bills can be printed in nine different formats. The cost of the system is fairly modest, varying with the number of users. It starts at \$99.95 for each of the first 10 users, up to a maximum of \$999.95 for an

unlimited number of users.

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