

PARALEGAL OUTSOURCING

A. Identify your needs:

1. Petition preparation
2. Due diligence
3. Direct debtor communications
4. Electronic filing
5. Post filing case administration
6. Trustee supporting documents (11 USC §521/FRBP §4002)
7. Litigation assistance
8. Single source or supplement to existing staff
9. Part time or full time

B. Types of assistance generally available:

1. Administrative – May not require bankruptcy background
2. Virtual Bankruptcy Assistant – Bankruptcy trained and experienced
3. Bankruptcy Paralegal – Bankruptcy educated, trained and experienced. Maintains legal resources and current CLE.

C. What can realistically be budgeted given your needs?

1. Retainers
2. Volume
3. Value received

D. Where to find help

1. Internet searches – state or area specific
2. Virtual support organizations (www.NSVBA.com)
3. Listservs
4. Conventions and workshops
5. Colleagues and other professionals

E. The Virtual Interview

1. Background, education, years/type of experience
2. Work product samples
3. Attorney references
4. Office equipment, automation, technologies, software

5. Privacy of information
6. Availability and turn-around times
7. Fees and how/when fees to be paid

F. Pros of Virtual Bankruptcy Support:

1. Support pool expanded
2. Decreased non-salary overhead
3. Availability outside normal business hours
4. Established case processing practice, procedure, forms
5. Paralegal Fees may be billable [In re Van Dyke, 296 B.R. 591 (Bankr.Mass., 2003)]:
 - a. Paralegal must be properly, trained, experienced, and adequately supervised;
 - b. Paralegal can never provide legal advice
 - c. Paralegal may only be delegated to work after attorney has met with client and determined tasks needed to be performed
 - d. Paralegal work must be itemized in detail and the fees justified
 - e. A properly drafted services agreement will go a long way to supporting these requirements

G. Cons of Virtual Support:

1. No face to face communication
2. No "eyes-on" immediacy/monitoring
3. No ability to meet personally with clients
4. Not necessarily working on your network
5. Unauthorized Practice of Law
6. Virtual may have other attorney-clients
7. Level of support received can outweigh the cons

H. Summary:

1. Mine for potential candidates based on needs
2. Ask for referrals from respected colleagues and professionals
3. Listen carefully to potential candidates to determine knowledge and confidence
4. Establish a respectful rapport
5. Pay promptly
6. Reap the benefits!