

OPINION NO. 9

- Adopted: September 10, 1976.
- Amended: June 22, 1977, June 23, 1983, December 4, 1987, September 15, 1989, September 18, 1998, August 1, 1999, and January 27, 2005.
- Repealed: January 26, 2006.

1998 Committee Comments

In the nine years since the Lawyers Professional Responsibility Board last revised this Opinion, there have been significant changes in the ways attorneys may maintain their trust account books and records, most notably the rise of the personal computer and bookkeeping software as essential office equipment. Moreover, the Director's Office has reviewed hundreds of lawyers' trust accounts since 1990 through the administration of the overdraft notification program. This experience has given the Director insight into the most common record-keeping pitfalls and confirmed the types of records that lawyers must maintain to satisfy their ethical obligations to protect client funds.

The revised Opinion eliminates the requirement of separate cash receipts and disbursements journals, in favor of a more detailed chronological check register that records all trust account transactions, including the identity of the client and the purpose of the transaction. This simplifies manual record-keeping and comports with most software packages that allow input of all relevant information into one computer screen.

Routine monthly printing of hard copies of electronic records is required to allow reconstruction of trust account records in the event of a hardware failure. Attorneys should implement electronic backup procedures depending on the volume of activity in the trust account. For moderate to high volume trust accounts, weekly or even daily backups to floppy disks or mirrored network servers may be appropriate.

Wire transfers may be used for large denomination transactions provided that the lawyer or law firm creates the proper written authorization. The Board does not recommend that attorneys use wire transfers for transactions under \$10,000; checks signed by an attorney remain the primary means of properly disbursing funds from a trust account.