

Practice Advisory

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A simple step to minimize fee disputes

Do your clients know what to expect when they receive your bill? Has a client ever expressed surprise at the amount of your fee? With “busy” season fast approaching, it is timely to remember the importance of your engagement letter. The contents of this letter, when properly explained at the *beginning* of the engagement, can help to ensure that your client understands exactly what services will be performed and how your fee for those services will be determined.

Consider including in your engagement letter matters such as the nature and extent of work to be performed, the client’s responsibility to provide certain information on a timely basis, the expected timing of the finished product and the basis on which your fee will be charged.

Take a moment now to review the contents of your engagement letters, update them to reflect the changing needs of your clients and discuss the contents with each client before you commence the engagement. Reduce or eliminate the expectation gap through proper communication!

This discussion, along with clear and timely communication throughout the engagement, particularly if you find that you are unable to meet your original commitment with respect to timing or fees, will minimize fee disputes and improve client relationships.