

Settlement disbursement checklist

For any case system and any bank. Three stages: before the client signs, before the first payment leaves trust, after the last check clears. October 2026.

1. Before the client signs

	The settlement agreement and the gross amount match, payor by payor.
	Every lien has a written final amount (billed, agreed, to be paid); Medicare has issued the final demand.
	The fee is calculated on the basis in the signed fee agreement; any referral or co-counsel fee is disclosed.
	Case costs are itemized from the ledger, not estimated.
	Government and subrogation claims (Medicaid, ERISA, other) are listed with their letters.
	Any holdback has an amount, a reason and a release condition written on the statement.
	The statement foots to the penny: gross – fee – costs – liens – government – other – holdback = net to client.

2. Before the first payment leaves trust

	The settlement funds have cleared in the trust account; the client's ledger shows the deposit.
	The client has signed; the signed statement is saved to the case.
	Each payee: legal name, mailing address or verified bank account, tax ID where a 1099 applies.
	Each check has its enclosures ready: lien release, settlement letter, remittance detail with the case name.
	Staff prepared the payouts; a different person — the signer — approves them.
	The case's trust balance after all payouts is zero, or exactly the holdback.
	Costs are reimbursed to operating and the fee is paid to operating as part of the same disbursement; nothing else leaves trust.

3. After the last check clears

	Every payment is posted to the client ledger and the books with the check number and date.
	Check images and the mailed documents are saved to the case.
	Any check uncashed at 30, 60 and 90 days is followed up; at your void window, voided and reissued, and the void sent to the bank.
	The holdback is released when its condition is met, and the release is documented.
	The trust account is reconciled three ways at month end, and the reconciliation is kept.

The illustrative Westbrook & Vale example: Ramirez v. Northgate Freight, \$185,000 gross; fee \$61,660.50; costs \$15,000; liens \$25,230; ERISA \$9,400; \$5,000 held; net paid now \$68,709.50. Template with the math: disbo.com/resources/settlement-statement-template.

In Disbo, stages 2 and 3 run from the signed statement: staff prepare, your signer approves, checks print on your own account and mail with the documents, ACH goes to a bank the payee linked once, and each payment posts to the case and your books. Reconciliation export is in beta. disbo.com/how-it-works