D365 LEGAL

Billing Quick Start Guide

Fixed Fee Billing • Invoicing • Xero

d365.Global

INTRODUCTION

Billing in d365Legal

The **Legal Hub** supports several **billing** methods. For **d365Legal**, **Fixed Fee** billing is the primary billing process used for most matters.

This guide focuses on the day-to-day workflow from setting up **Fixed Fee** instalments through to generating Billing Events, creating invoices and synchronizing them with Xero.

Fixed Fee Schedule



OVERVIEW

Four Billing Arrangements

Set on the **Matter** > **Summary** > **Billable Type** > this drives how time and fees are captured and billed.

Fixed Fee

A pre-agreed instalment schedule drives billing. Hours are still logged for internal cost tracking, but don't directly set the invoiced amount.

Contingent Fee

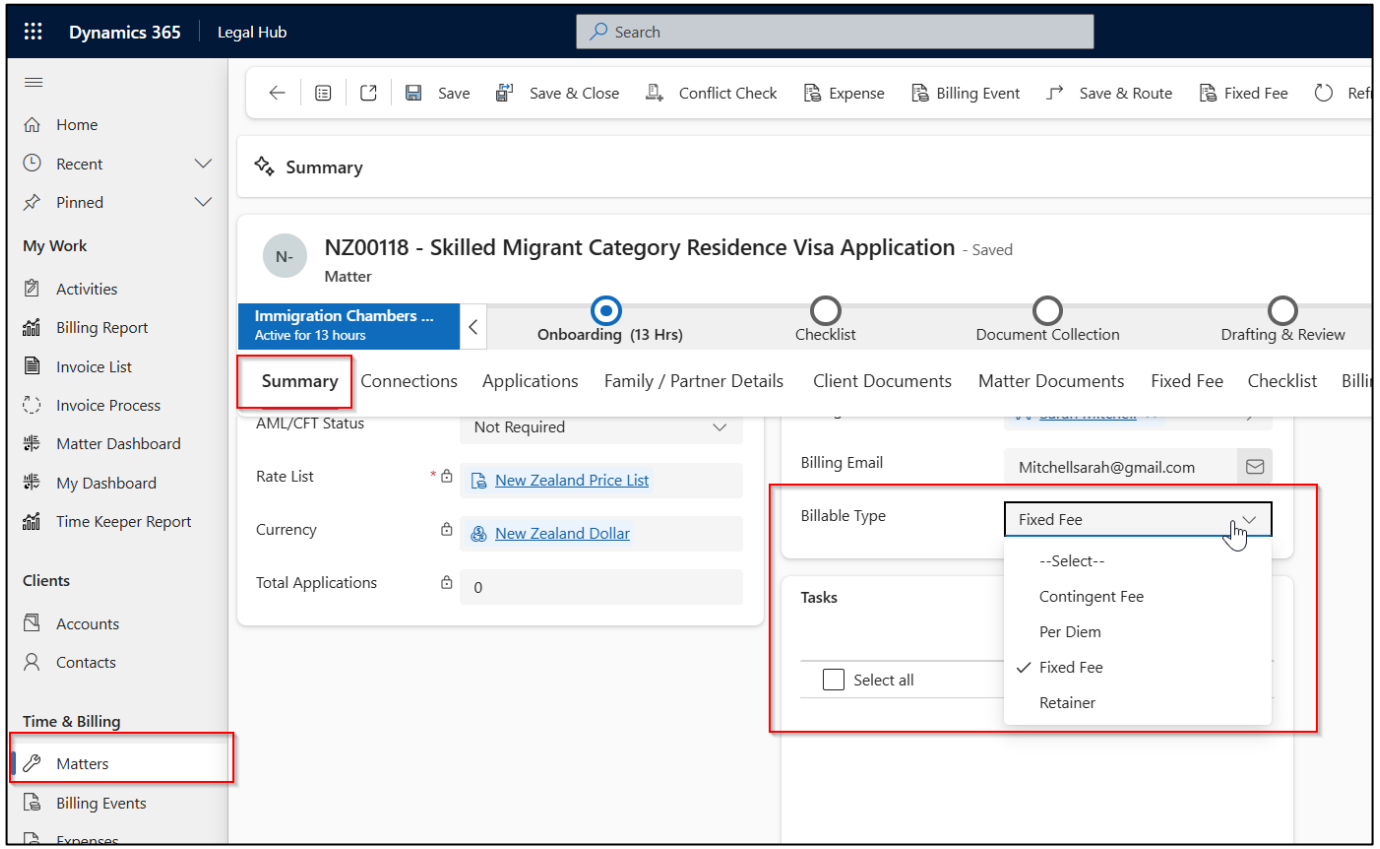
Fee depends on outcome (% of claim/settlement, capped). A single billing event is generated automatically when the matter settles.

Per Diem

The default. Fee earners log billable time (Billing Events) and disbursements (Expenses) as work happens; both invoice normally.

Retainer

A standing fee arrangement, billed on its own schedule outside the standard time/disbursement flow.



Fixed Fee is **the primary billing type** for **d365Legal**.

How Fixed Fee matters bill

d365.Global

Instalment schedule

The matter's fee is broken into instalments (amount + due date). The matter's **Expected Matter Value** is kept in sync automatically as the sum of all active instalments.

When an instalment falls due, use the **Generate Billing Events** dialog on the matter to raise the actual billable amount this creates the Billing Event that flows into invoicing or will be automatically processed overnight.

Once that Billing Event is invoiced, the instalment is automatically stamped Invoiced no manual bookkeeping needed.

Fee earners still log hours

Time is still logged as Billing Events for internal cost-tracking and realization reporting it defaults to Not Billable and doesn't itself create an invoice line.

Closing the matter

A Fixed Fee matter can't be closed while instalments remain Scheduled invoice or explicitly cancel them first.

Fixed Fee Billing Workflow

d365.Global

Main process for fixed-fee matters: schedule the fee, raise billing events, run the invoice, then sync to Xero.

1. **Matter** — Fixed Fee
2. **Schedule** — Fee line
3. **Due date** — Reached
4. **Raise** — Billing event
5. **Invoice** — Run
6. **Review** — Invoice
7. **Xero** — Sync

Billing Type: Fixed Fee is selected by default when a Matter is created.

Preferred setup

Use **Fixed Fee** unless a different billing arrangement is required.

Create one schedule line for each fee or instalment.

Before invoicing

Billing Events and **Expenses** must be Approved / ready to invoice.

Use today's **cutoff date** if invoicing immediately.

Xero sync

Invoices sync through the configured integration.

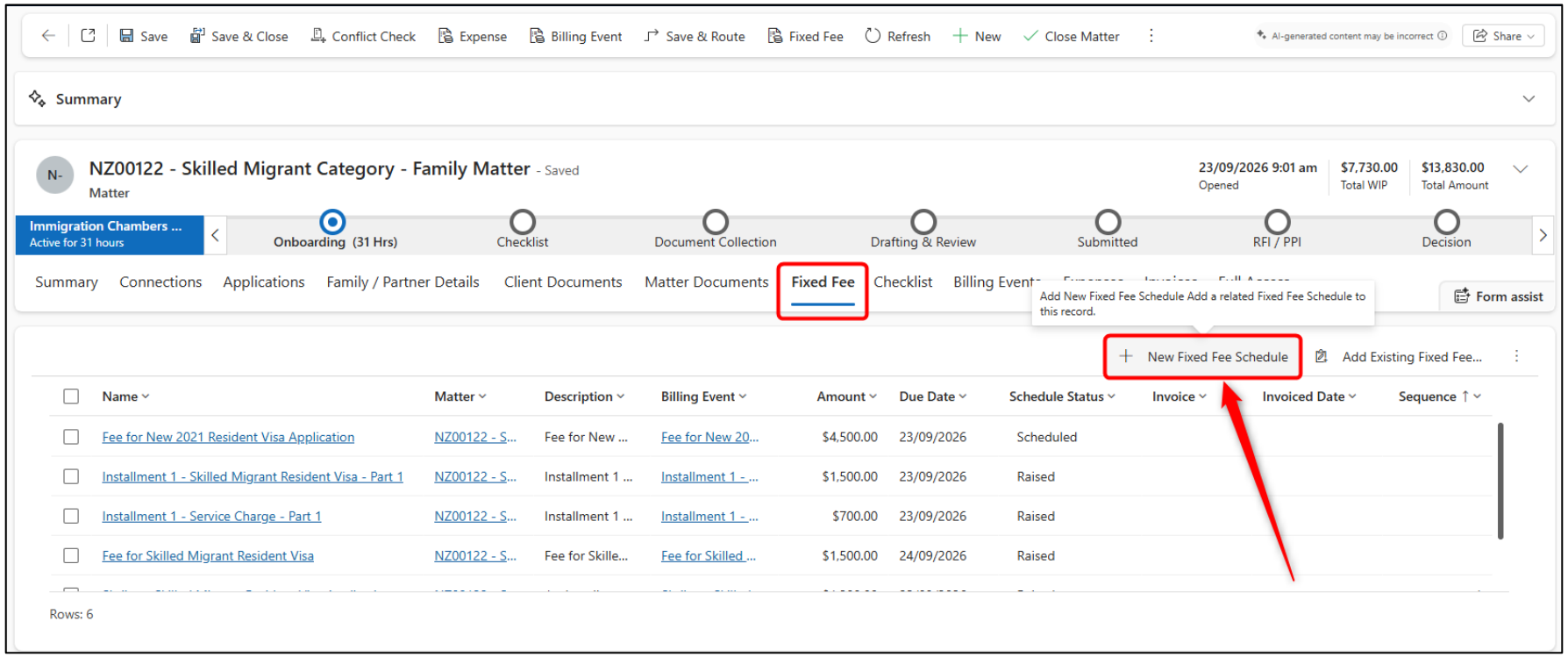
Use **Sync All** Now when you need to push immediately.

Create a Fixed Fee Schedule

Fixed Fee drives the schedule-based billing process used for most d365Legal invoices.

Steps

1. Open **Matter** > **Summary** > **Billing Details** or **Financial tab**.
2. Keep Billable Type as **Fixed Fee.**
3. Open the **Fixed Fee** tab. The **Fixed Fee tab** appears once the matter is Fixed Fee.
4. Select **+ New Fixed Fee Schedule** to create a schedule line.

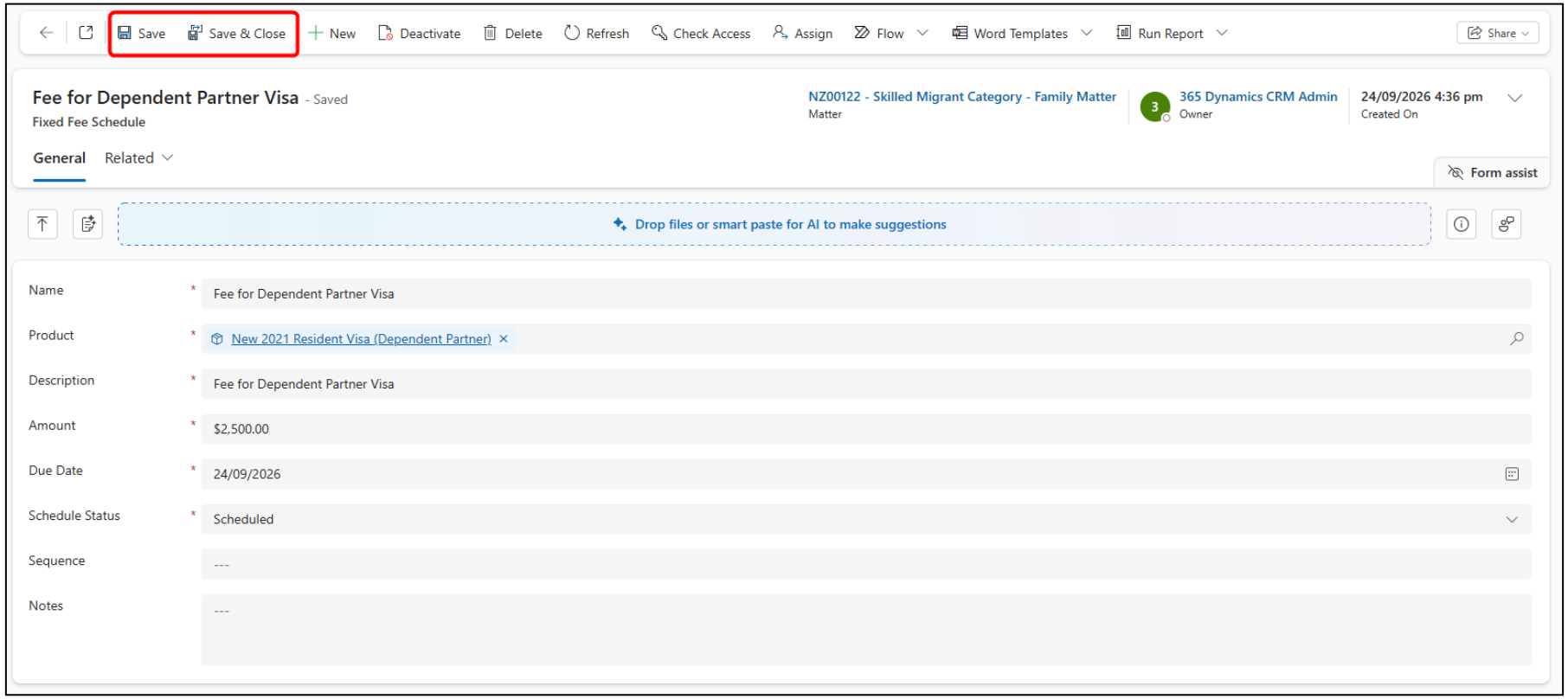


Complete the Fixed Fee Schedule

Each schedule line records the service/product, amount and due date for that instalment.

Steps

1. Complete the fields:
   - **Name**: meaningful fee description
   - **Product**: lookup to the service/product
   - **Description**: appears clearly for review
   - **Amount**: fee amount to be charged
   - **Due Date**: when it becomes eligible
   - **Schedule Status**: normally Scheduled
   - **Sequence**: optional instalment order
2. Click **Save** or **Save & Close** to save the fixed fee schedule.



Tips:

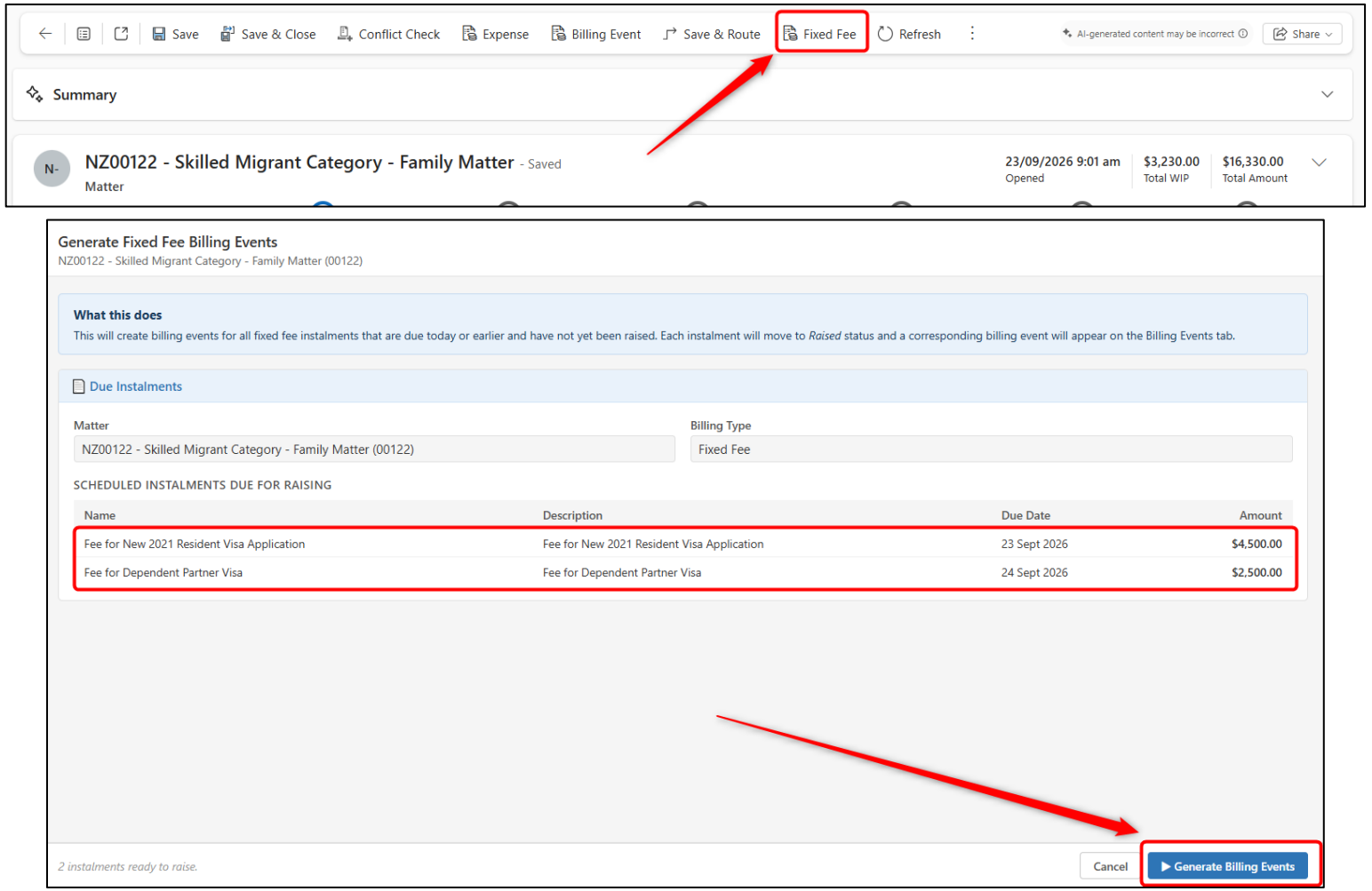
- Create a **separate Fixed Fee Schedule** record for each **instalment** or fee that needs to be billed.
- **Need to bill it today?** Set the Due Date to today.

Raise Due Fixed Fee Lines

Use the Fixed Fee command to convert due schedule lines into Billing Events.

Steps

1. From the **Matter top command bar**, select **Fixed Fee**.
2. The **Generate Fixed Fee Billing Events** window opens.
3. Review the Fixed Fee instalments that are due.
4. Select **Generate Billing Events**.
5. Once generated, each eligible **Fixed Fee Schedule** moves to **Raised** and a corresponding **Billing Event** is created.



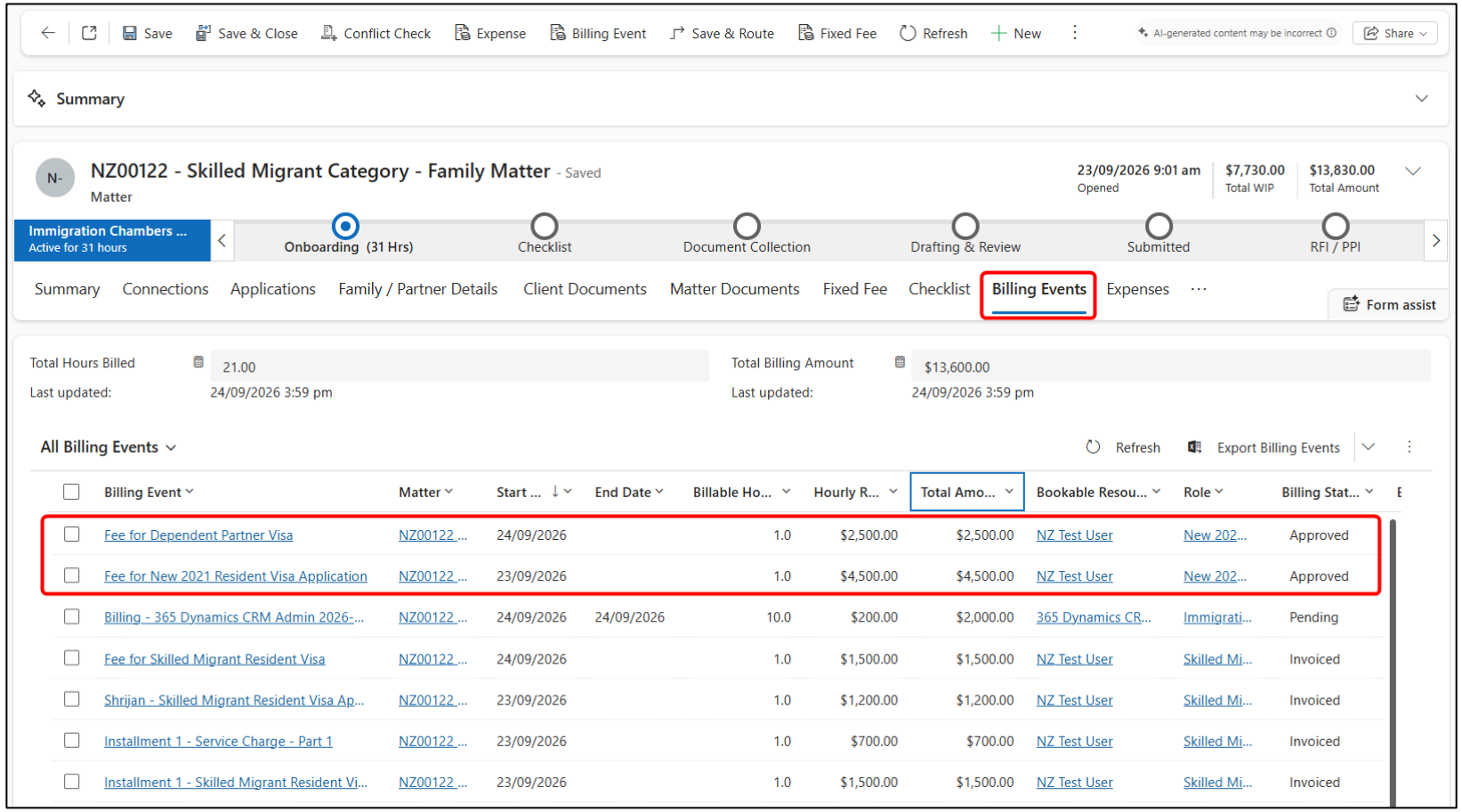
The screen shows Scheduled Fixed Fee instalments with a Due Date of today or earlier that have not yet been raised.

Review the Billing Events

Fixed Fee-generated **Billing Events** appear on the **Billing Events tab** and are ready for invoicing.

Steps

1. **Confirm Status: Fixed Fee**-generated events should appear as **Approved**. Approved events are ready for the **Invoice Process**.
2. **Review Values:** Check amount, date, product/role and matter. If something is wrong, correct it before invoicing.



Any **Billing Event** or **Expense** that needs to be included in an **invoice** must be **Approved** before running the invoice process.

Generating Invoices

d365.Global

Automated invoice run

- Runs per matter, picking up every Billing Event / Expense at the ready-to-invoice stage.
- Enforces the Matter's Invoice Minimum if the total (including tax) is below it, no invoice is created at all.
- Requires a Price List entry for every Product being billed a missing entry routes the line to Error rather than posting a corrupted $0 line.
- Applies per-line tax (Standard / Zero Rated / Exempt / No Tax) automatically.

Add Lines to Invoice (manual)

- From the invoice list, use Add Lines to attach specific Pending (or resolved Error) items to an existing New invoice for that matter.
- Useful for catching up an already-created invoice, or attaching a just-fixed item from the Error Queue.
- Same validation runs as the automated path — a line that still fails is skipped and flagged, not silently dropped.

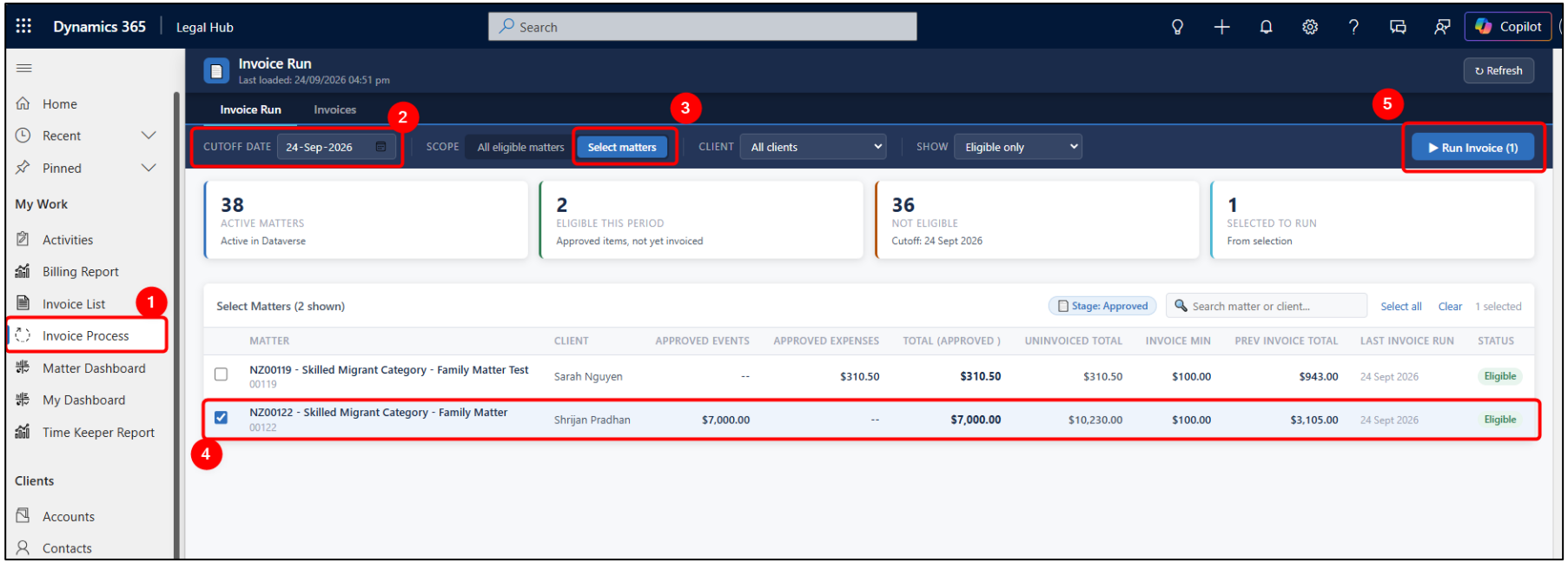
Run the Invoice Process

Invoice Process picks up approved Billing Events and approved Expenses based on the cutoff date.

Steps

1. Go to Time & Billing → **Invoice Process**.
2. Review the **Cutoff Date** and set the Cutoff Date to **today** if you want to invoice immediately.
3. Click **Select Matters**.
4. Review the eligible **Matters** and select the **Matter** you want to invoice.
5. Click **Run Invoice**.

- The **Invoice Process** picks up **eligible Approved Billing Events** and **Expenses** for the selected Matter up to the Cutoff Date



If **a Billing Event** or **Expense** is **not Approved**, it will not be included in the invoice run.

Review and Manage the Invoice

Once the invoice is generated, it can be accessed from **My Work** → **Invoice List** or **Time & Billing** → **Invoices**.

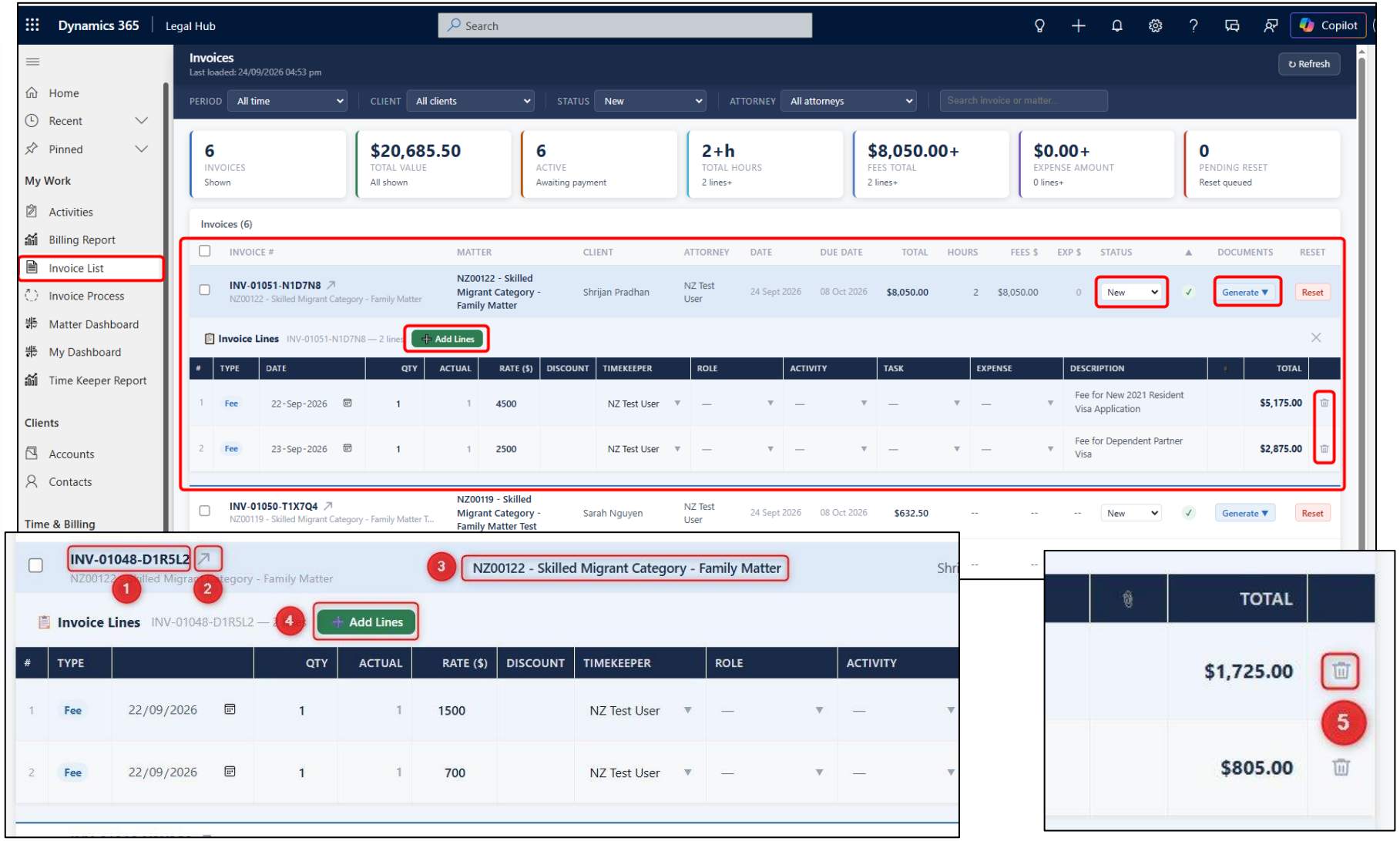
Review

From here you can:

- review the **invoice lines**
- edit **invoice details** while still in a New/Draft state
- **Generate Documents** (Tax Invoice, Ledes Statement, etc.)
- **Change the status of invoice from New to Billed**

Clicking on the **invoice name** will show the lines

1. Opens Lines
2. Opens Invoice
3. Opens Matter
4. Add Lines Billing or Expense
5. Remove lines (Set back Pending, Non Billable or associate different Matter)



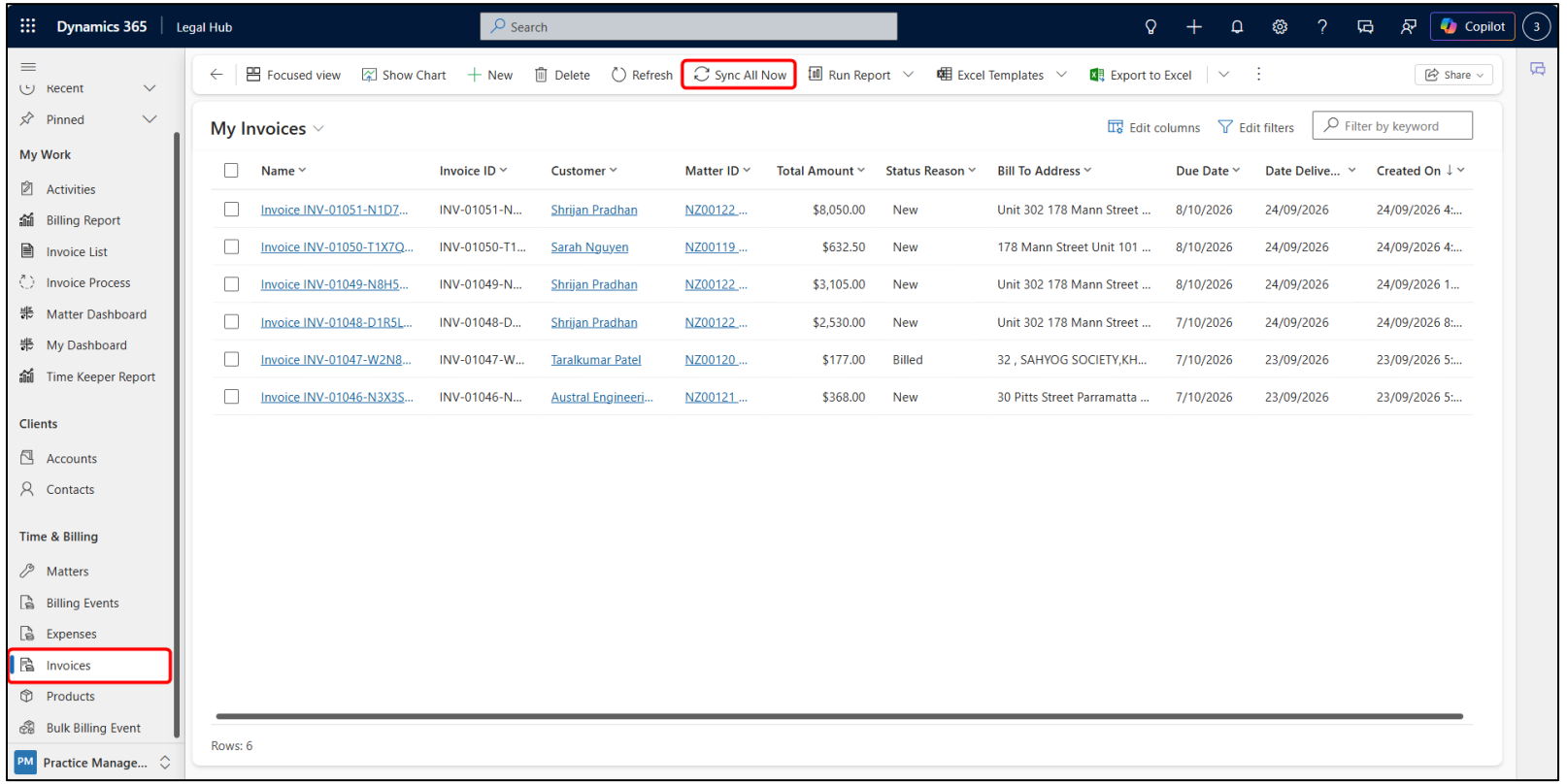
Sync the Invoice to Xero

Once the **invoice** has been generated in Dynamics and its status changed to **Billed**, it is **synchronized** with the relevant **Xero organization**. The integration is intended to run automatically approximately every **15 minutes**.

Steps

If you need to **sync immediately**:

1. Go to **Time & Billing → Invoices**
2. Make sure the invoices you want to invoice has status reason as **Billed**.
3. Select **Sync All Now** from the command bar.
4. Allow the sync to complete.
5. Open the invoice again to review the updated Xero information.



Important: Only those **invoices** with status changed to **Billed** will be **synchronized** from Dynamics to **Xero**.

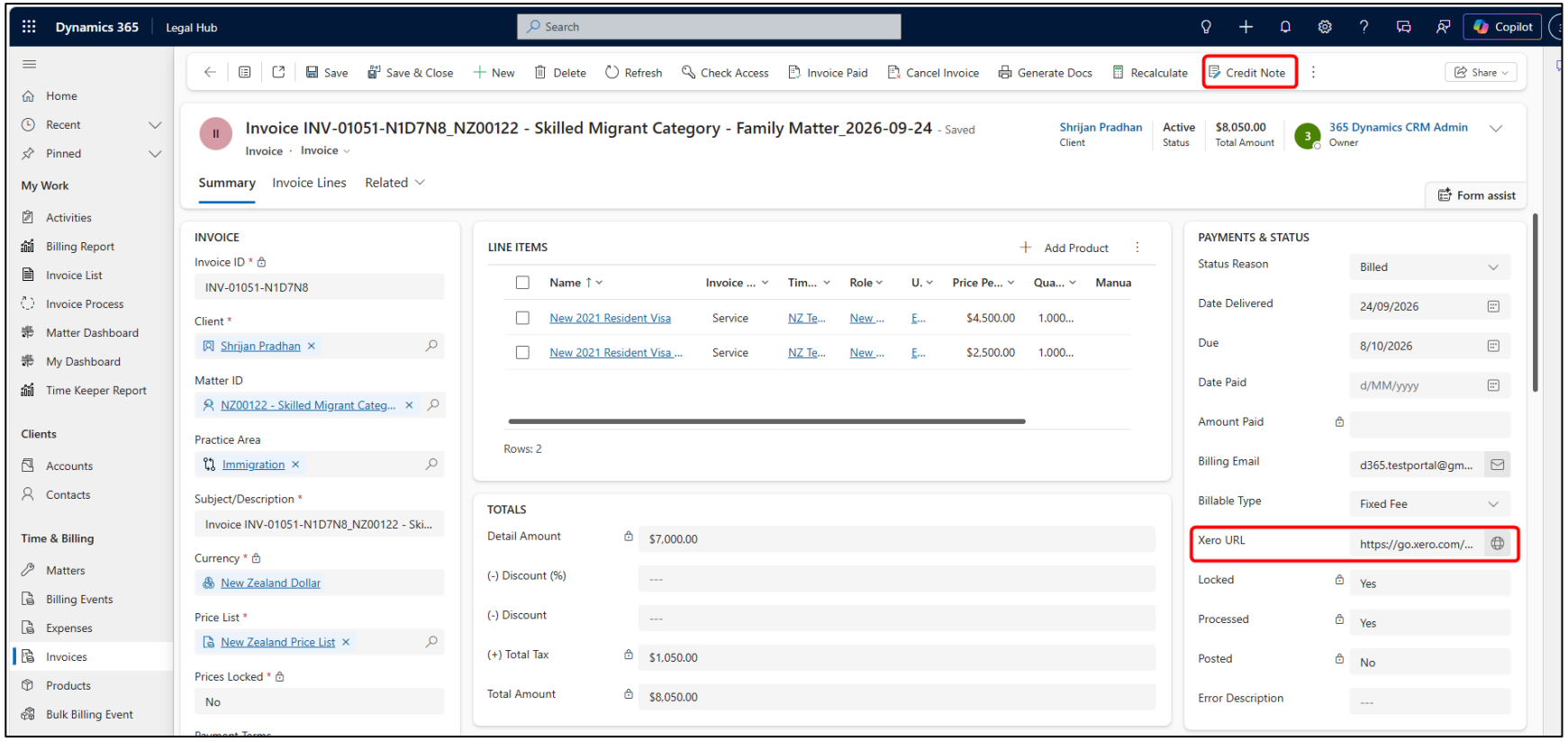
Sync the Invoice to Xero

d365.Global

After the invoice has successfully synchronized, a Xero URL is available on the Dynamics invoice.

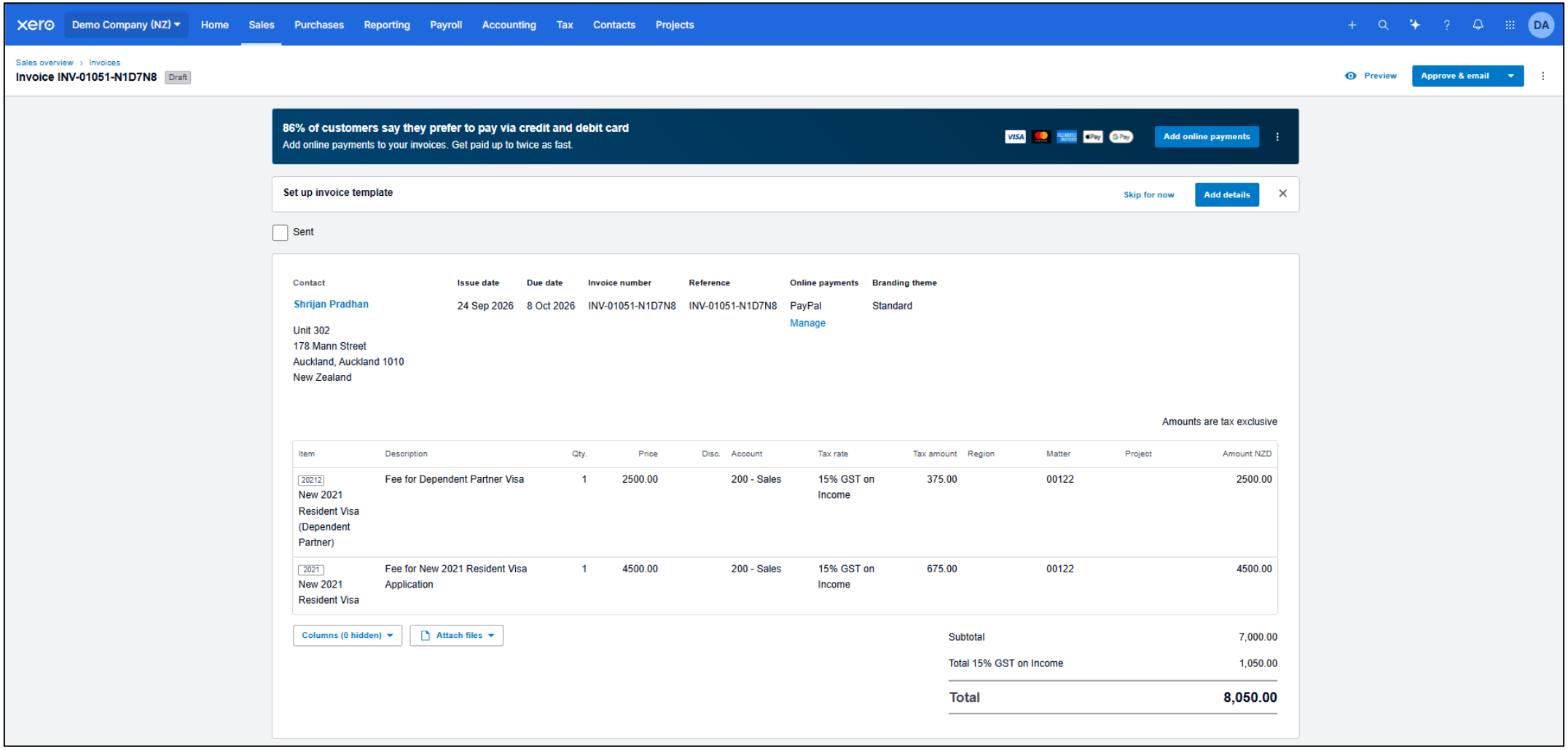
Notes

1. **Xero Draft**: The invoice has been created in Xero, and the Dynamics invoice is processed and locked from further line changes.
2. **Awaiting Payment**: Once the invoice is authorized / awaiting payment in Xero, the corresponding Dynamics invoice is treated as posted.



Invoice in Xero

Selecting the **Xero URL link** on invoice will open the corresponding invoice directly in **Xero**.



Changing or reversing an invoice

d365.Global

New / Draft

Fully editable. Add or remove lines, adjust amounts, run Add Lines to Invoice nothing is locked yet.

Processed (posted to Accounting Software)

Locked from line changes after posting. A Draft or Submitted Xero invoice may be deleted; an authorised wholly unpaid invoice may be voided through the controlled sync action.

Billed

Paid, part-paid or credited invoices cannot be voided. Use a credit note; any cash refund remains a separate finance action.

Credit-note correction Use the CRM Credit Note action as appropriate. The integration creates and allocates the Xero credit note, then writes the applied amount, remaining credit and updated balance/status back to CRM.

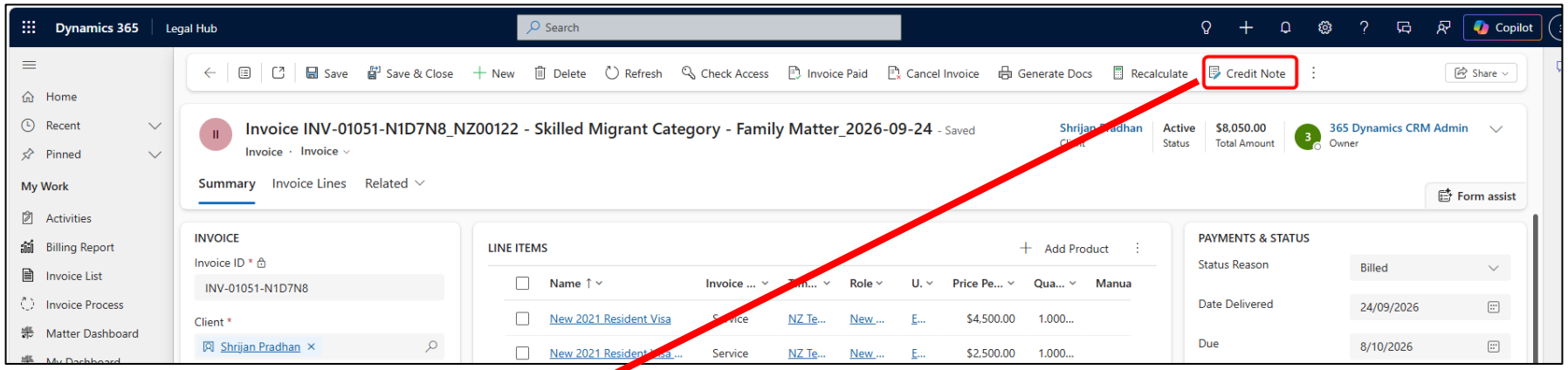
Creating a Credit Note

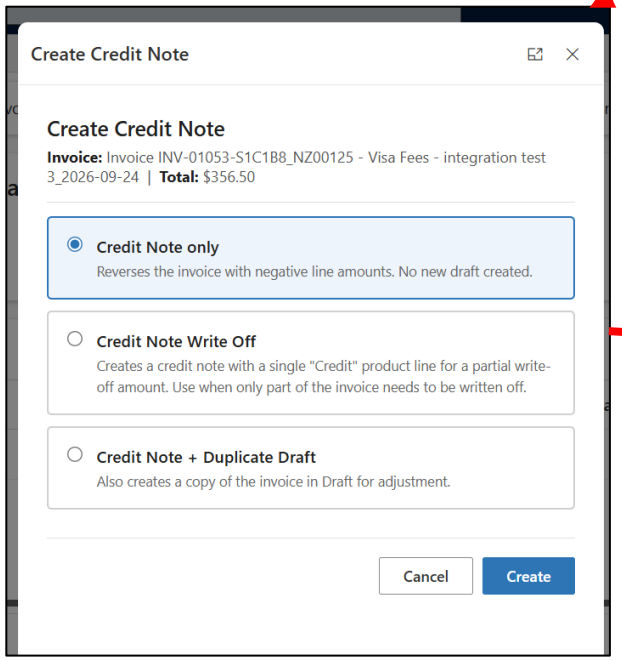
d365.Global

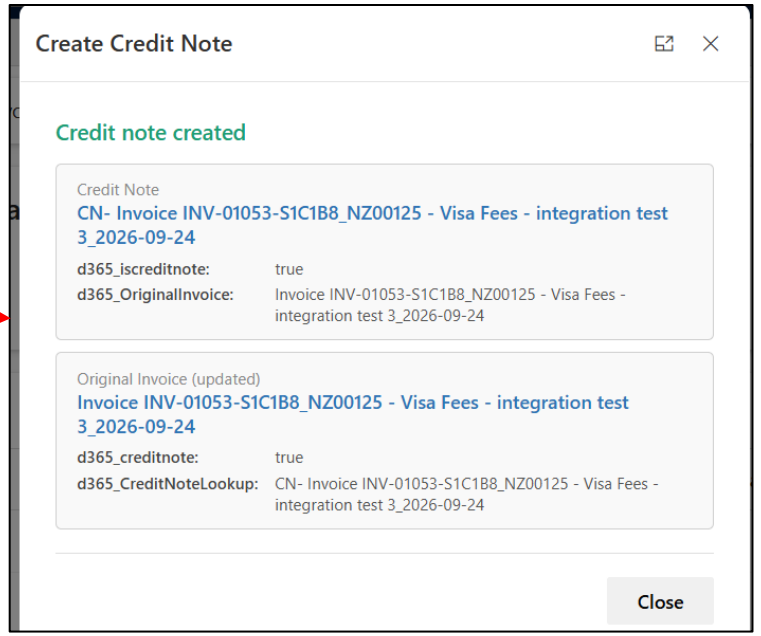
Steps

1. Open the original Invoice.
2. Select **Credit Note** from the command bar.
3. Choose the required Credit Note option.
4. Select **Create**.
5. Review the newly created Credit Note.

- **Credit Note only:** Reverses the original invoice using negative line amounts. No new draft invoice is created.
- **Credit Note Write Off:** Creates a Credit Note using a single Credit product line for a partial write-off.
- **Credit Note + Duplicate Draft:** Reverses the original invoice and also creates a duplicate Draft invoice that can be adjusted and reissued.





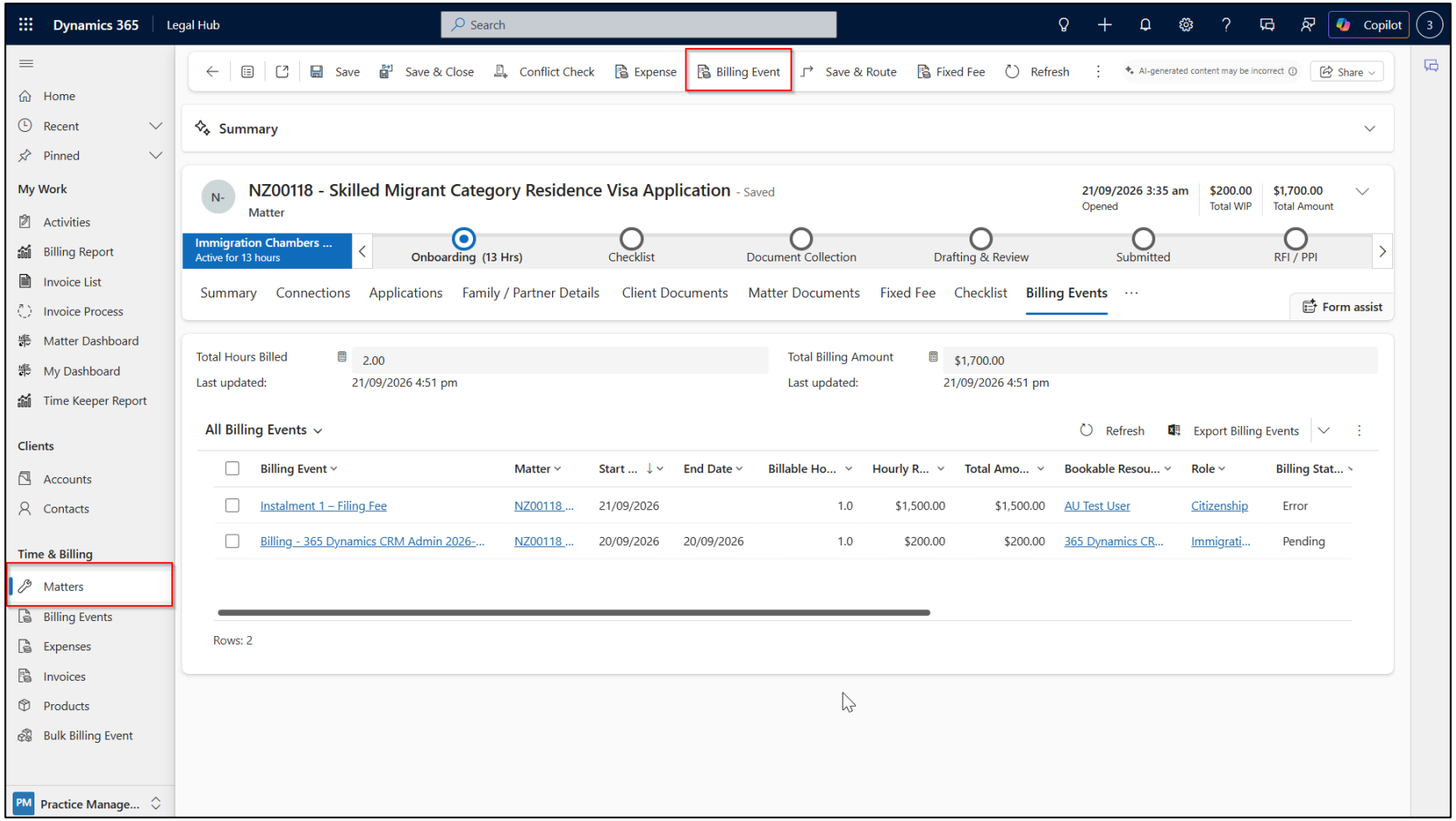


Creating a Billing Event

Billing Events can also be created manually when a charge needs to be added outside the Fixed Fee Schedule.

Steps

1. Open the relevant **Matter**.
2. From the top command bar, select **Billing Event**.

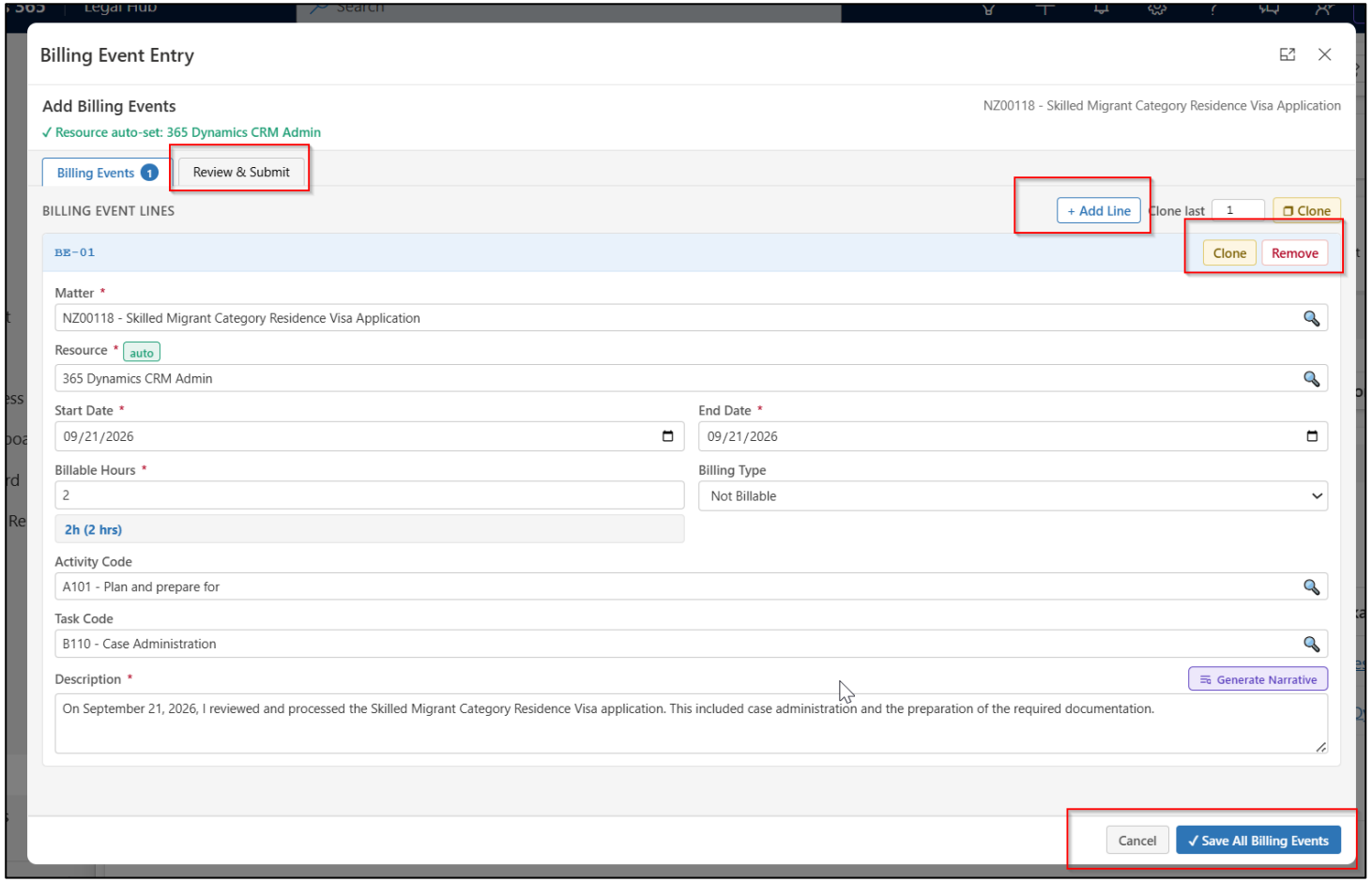


Creating a Billing Event

d365.Global

Steps

1. Complete the **Billing Event** details > hours, activity/task code (if applicable), and description
    - **Multiple Billing Events:** Use **+ Add Line** to enter multiple **Billing Events** in one session.
    - **Clone** : Use **Clone** to copy an existing line where similar work needs to be entered again.
    - **Generate Narrative:** Use Generate Narrative to improve the grammar and wording of the Description before saving.
2. **Save** the entry.
3. Ensure the item is **Approved** when it is ready to be invoiced.



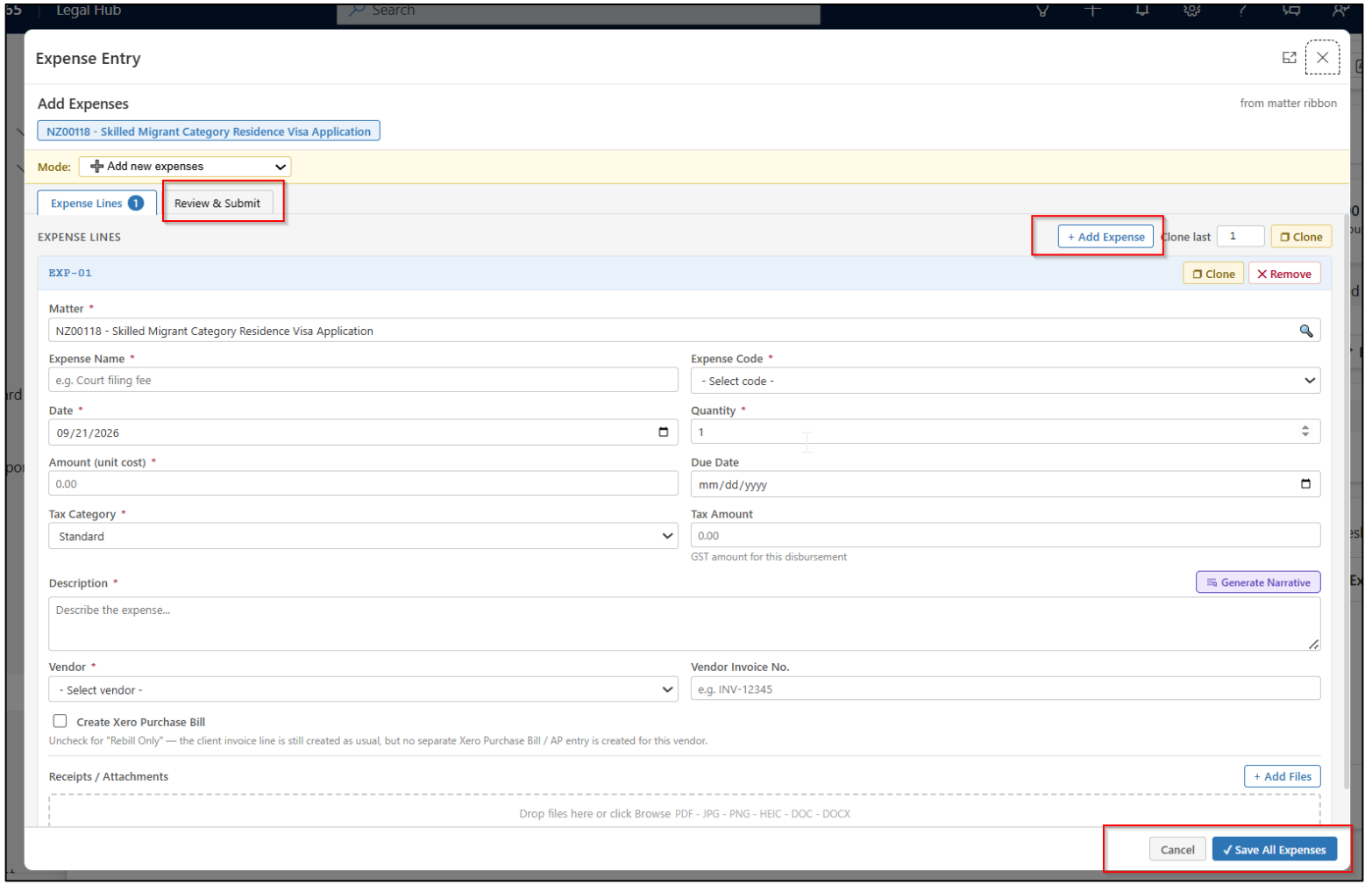
Important: Only create a separate billable Billing Event where an additional charge genuinely needs to be invoiced outside the Fixed Fee arrangement.

Creating an Expense

Use an Expense when d365Legal pays or incurs a cost that needs to be recorded against the Matter and, where applicable, passed on to the client

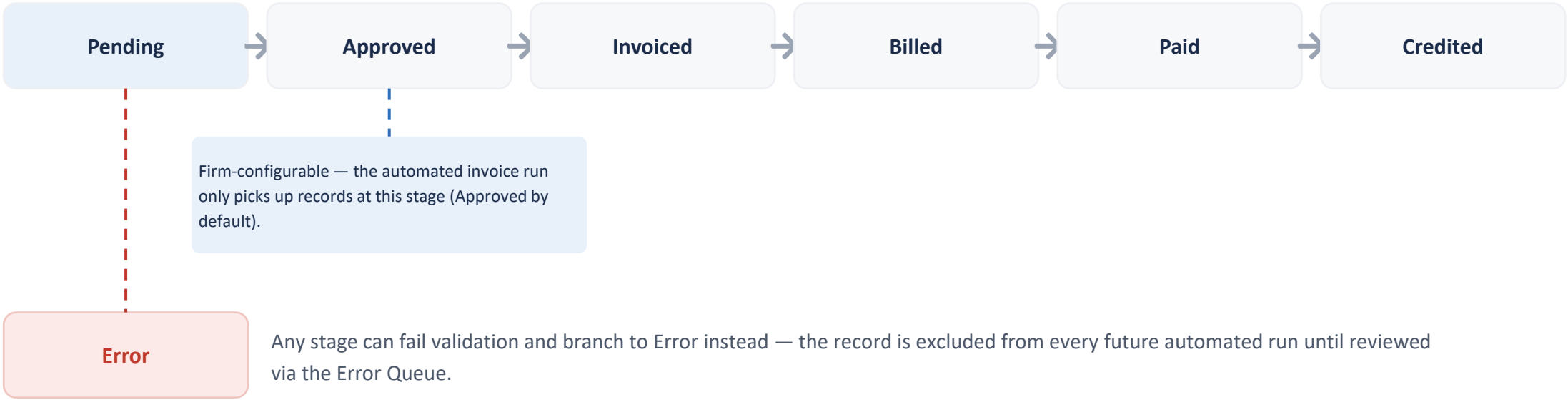
Steps

1. Open the relevant **Matter**.
2. From the top command bar, select **Expense**.
3. Complete the expense details.
   - Use **+ Add Expense** to enter more than one expense in the same session.
   - Attach a **receipt** or supporting **document** where required.
4. Review the entries under **Review & Submit**, then select **Save All Expenses**.
5. Ensure the **Expense** is **Approved** when it is ready to be included in an invoice



The status lifecycle

Every Billing Event and Expense moves through the same statuses — shown here with Error as the exception branch.



Note: This Error status covers CRM billing validation. Xero integration failures appear in Sync Requests and CRM validation-error fields, with separate correction and authorized-retry rules. If permanent failure [Retry Xero Sync required] will appear and use 'Retry Xero Sync' on Invoice or Expense record to clear and retry.

Xero Integration Overview

Dynamics and Xero are connected so that products, contacts, invoices and payment information can be kept aligned between the two systems.

1 Products

Products can be reconciled between Xero and Dynamics.

2 Contacts

Customer records can be matched, linked or created where required.

3 Invoices

Billed invoices from Dynamics are synchronized to Xero.

4 Payments

Payment information from Xero is returned to Dynamics during synchronization.

Most Xero administration is only required during initial setup or when new products, customers or exceptions need attention.

Xero legal entity configuration

One configuration row per Xero organisation. The same CRM Product can use different account and tax mappings in each company.

Tax mappings per legal entity (examples)

Standard sales / purchase

e.g. 15% GST codes

Zero Rated sales / purchase

0% still inside the GST system

No Tax sales / purchase

outside the GST system entirely

Tax resolution hierarchy

Explicit line or expense → party rule → Product/legal-entity override → Product default → approved legal-entity default. The category maps to this Xero organisation's TaxType.

Party tax rules

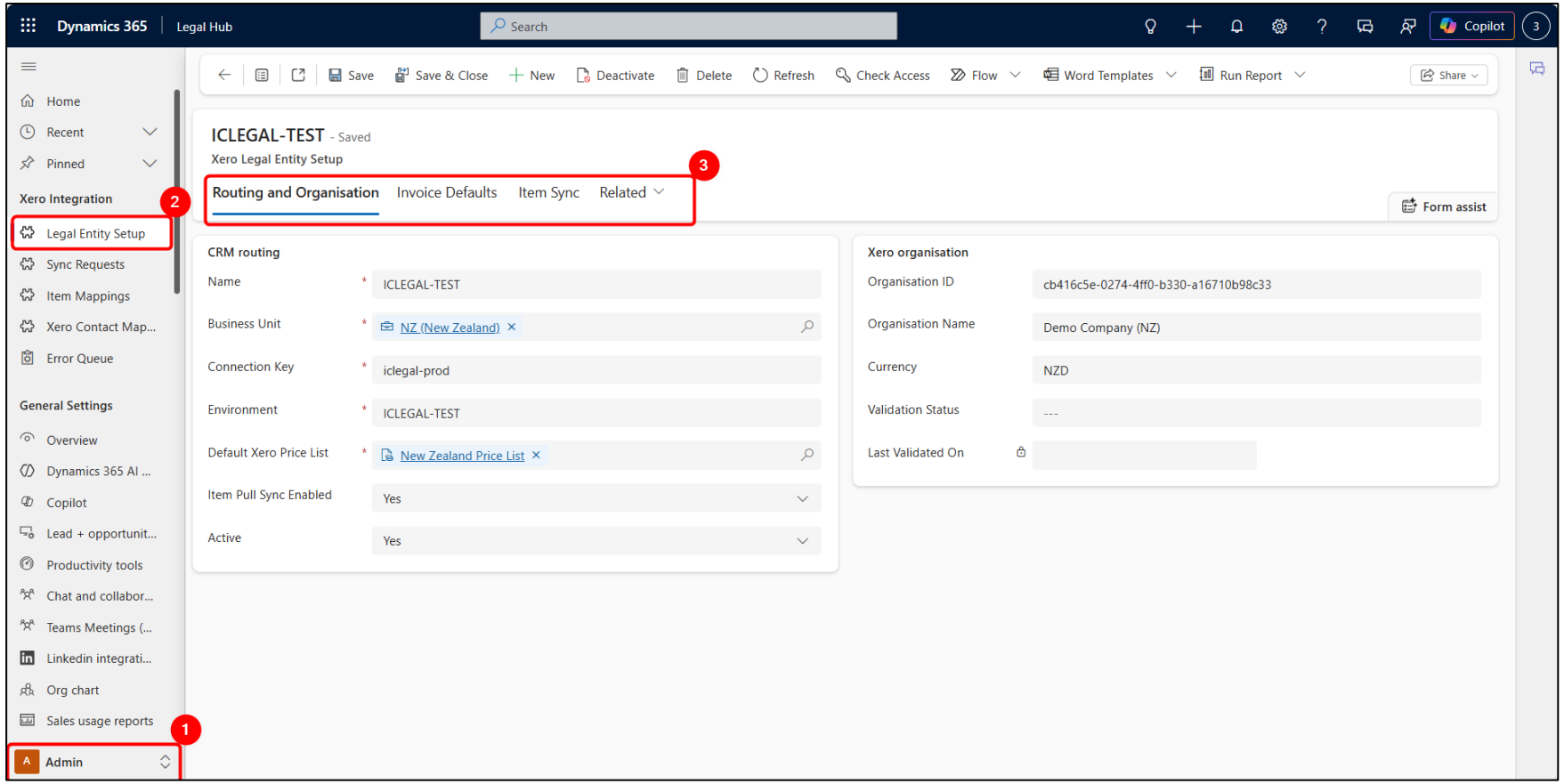
Configured per legal entity and Sales/Purchase direction for an Account or Contact, with optional Product/category and effective dates.

Xero Legal Entity Setup

The Legal Entity Setup defines which Xero organization Dynamics connects to and the defaults used for that organization.

Steps: Admin > Xero Integration > Legal Entity Setup

- **Routing & Organisation**
  - Business Unit
  - Xero Organisation
  - Currency
  - Default Price List
  - Connection
  - Item Sync Enabled
- **Invoice Defaults**
  - Draft / Authorized invoice behavior
  - Sales Account Code
  - Expense Account Code
  - Sales Tax Type
  - Purchase Tax Type
  - GST / tax defaults
- **Item Sync**
  - Enable or disable item synchronization
  - Default sales / purchase accounts
  - Default tax treatment
  - Product creation behavior



The correct **Legal Entity** determines which Xero organization, price list, account codes and tax settings are used during synchronization.

How billing reaches Xero

Routed by the record's Owning Business Unit

The invoice or expense owner determines its Owning Business Unit, which selects the active Legal Entity Setup. The Matter's Business Unit is not used by the current integration.

Invoices → Xero Invoices

Each eligible D365 invoice becomes one Xero sales invoice containing the corresponding lines; tax and account resolution happens per line.

Expenses → Xero Purchase Bills

Created only when Create Expense Bills is Yes on the routed Legal Entity Setup and the expense date is on or after its cutoff. Otherwise the expense can remain rebill-only.

Contact reuse within each Xero organisation

Within one Xero organisation, a CRM Account or Contact reuses its mapped Xero contact. Separate Xero organisations have separate contact records.

Scheduled or manual

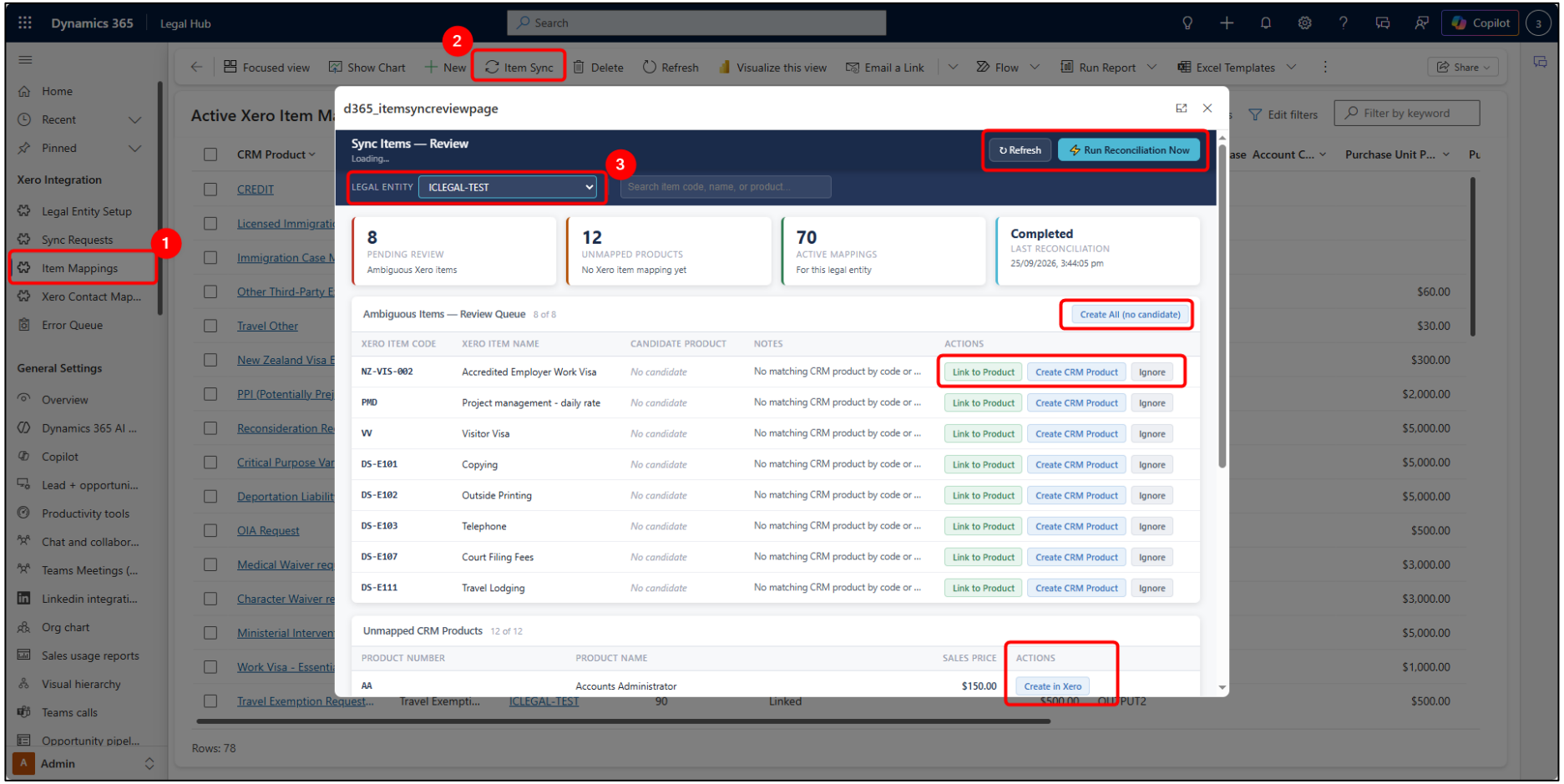
Supports optional scheduled processing and event-driven manual Sync Requests. Availability depends on environment; the current sandbox timer is disabled.

Xero Product/Item Sync

Products used for billing need to exist in both Dynamics and the relevant Xero organization.

Steps

1. On **Admin** Area > under **Xero Integration** > Select **Item Mappings**
2. Click **Item Sync** from the top command bar.
3. Select the relevant **Legal Entity**.



Xero Product/Item Sync

d365.Global

Ambiguous Items — Review Queue

Xero items that can't be automatically matched to a CRM product wait here. For each one, choose Link to Product, Create CRM Product, or Ignore.

Link to Product — now fully enriched

Linking to an existing product now sets its price and tax category, and creates a Price List Item for the legal entity if one doesn't exist — the same treatment a new product gets.

Create CRM Product

Creates a brand-new CRM product directly from the Xero item's own name, code and price.

Unmapped CRM Products

Products with no Xero item yet get a one-click Create in Xero, building the Xero counterpart automatically.

Run Reconciliation Now

Re-checks everything against Xero on demand. It can only resolve items matching a CRM product's exact code — a genuinely ambiguous item always needs a person to Link or Create.

Xero is treated as **the source of truth** for item accounting details such as account codes and tax settings.

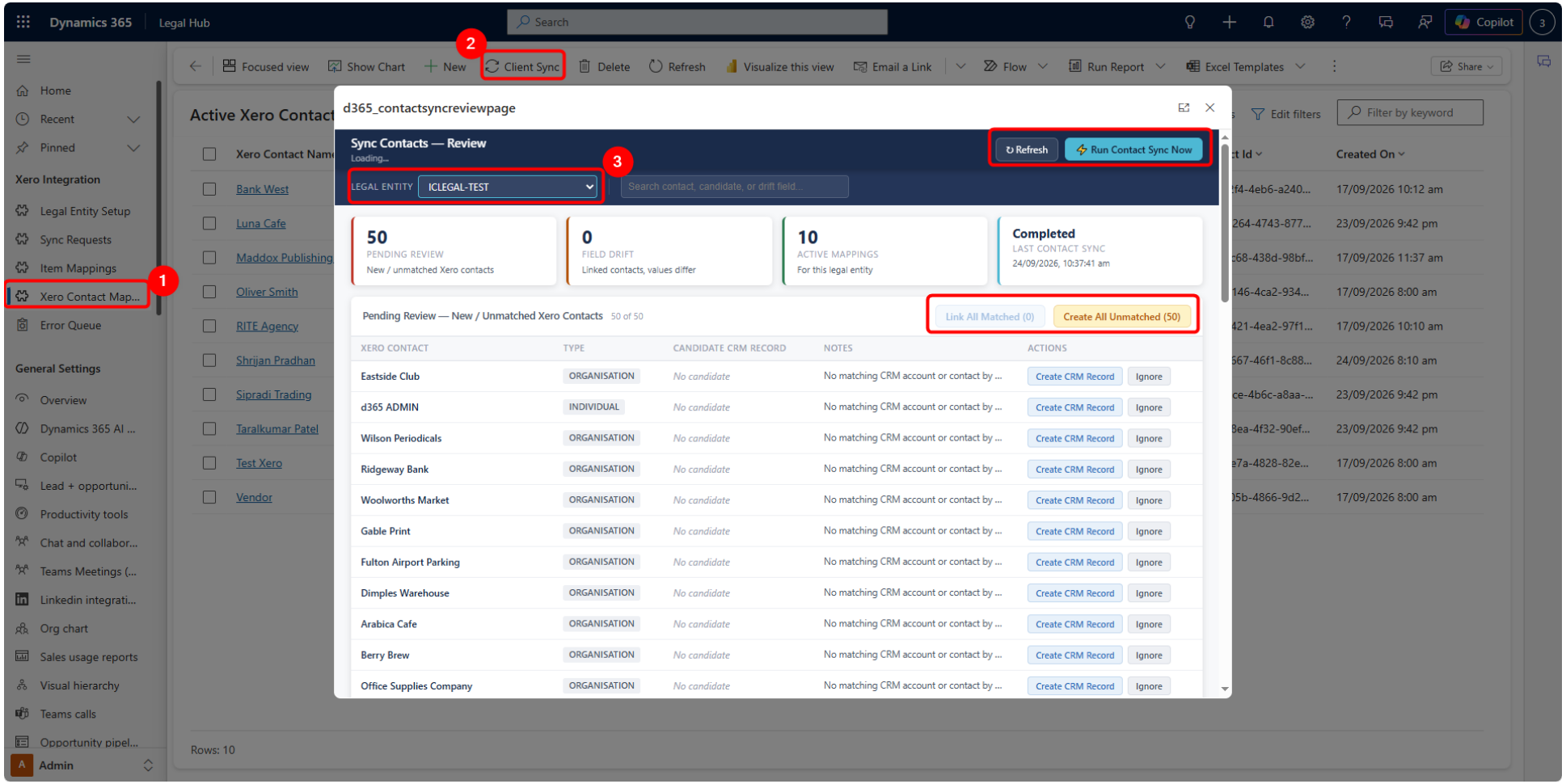
Xero Contact Mapping & Sync

d365.Global

Contact Mapping helps keep customer information aligned between Dynamics and Xero.

Steps

1. On **Admin** Area > under **Xero Integration** > Select **Xero Contact Mappings**
2. Click **Item Sync** from the top command bar.
3. Select the relevant **Legal Entity**.



Xero Contact Mapping & Sync

Pending Review	A Xero contact with no confident CRM match. Creating a CRM record lets you choose Organisation (Account) or Individual (Contact) before it's created.
Field Drift	An already-linked pair where CRM's phone, email or address has changed since it was last pushed to Xero — flagged for review rather than pushed automatically.
Ignore / Dismiss	Clears a Pending Review or Field Drift row without acting on it. A drift row reappears automatically if the underlying difference is still there next time.
Run Contact Sync Now	Re-checks CRM Accounts/Contacts against Xero on demand — on-demand only, same as Item Sync, never a background timer.
Still being finished	Creating/linking a record and pushing an approved change to Xero both need Xero's own Contact ID written back, so they wait on server-side support — for now, only Ignore and Dismiss are live.

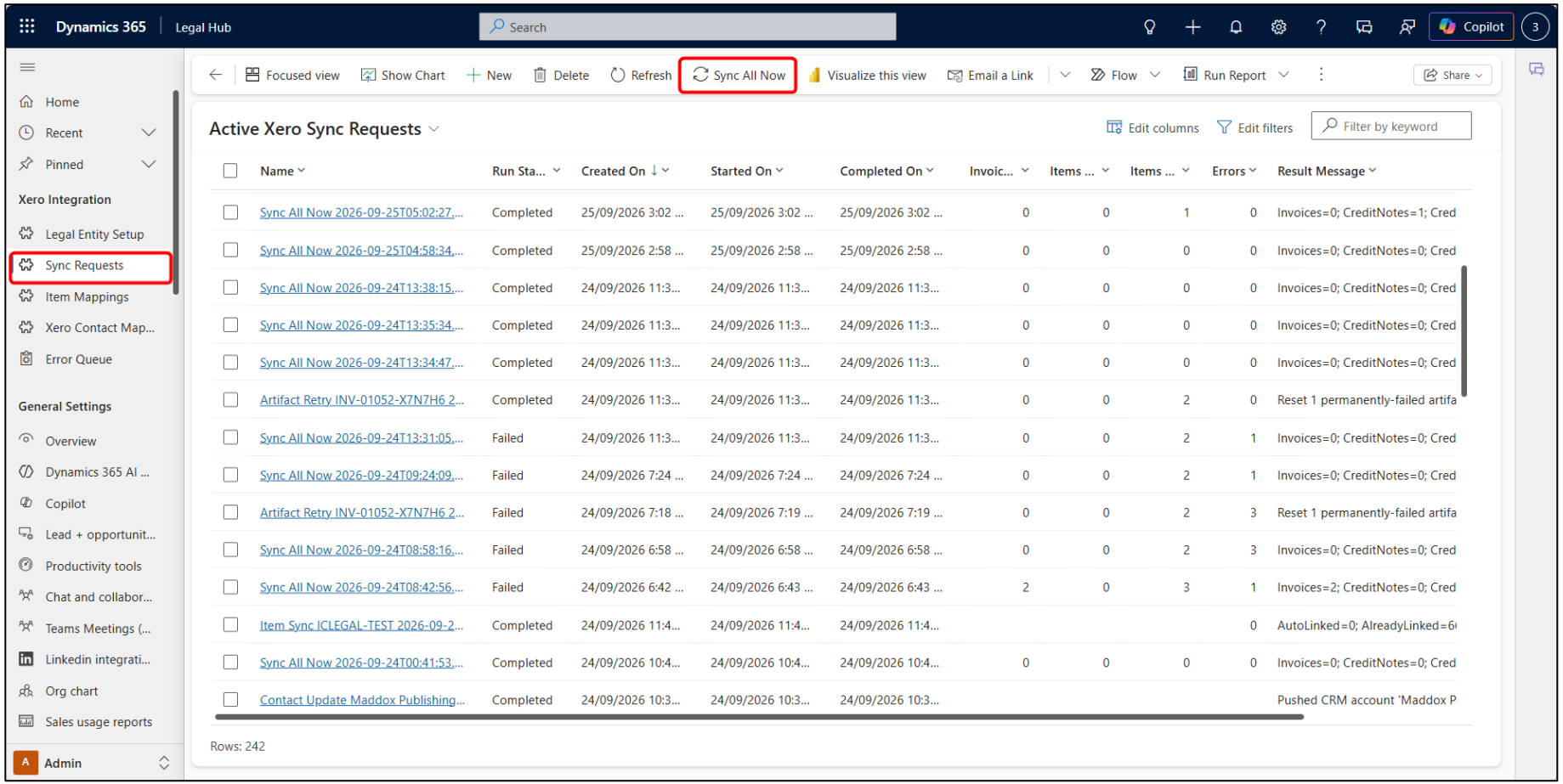
Contact Sync is generally an administrative maintenance task, rather than something users need to run every day

Xero Sync Requests

Contact Mapping helps keep customer information aligned between Dynamics and Xero.

Steps

1. On **Admin** Area > under **Xero Integration** > Select **Sync Requests**
2. From here, users can review:
   - Run Status
   - Created / Started / Completed On
   - Items Created
   - Items Skipped
   - Errors
   - Result Message
3. Select **Sync All Now** to queue the current CRM-to-Xero synchronization work immediately.



Use this area when you want to confirm whether a product, contact or invoice synchronization completed successfully or if an error needs attention

Retrying a failed Xero sync

The same Xero sync failures that used to need direct Azure access can now be found and retried from CRM directly.

Where the error shows

- Invoice → the Error Description field, cleared automatically the next time it syncs successfully.
- Standalone Expense → the same validation-error field the Error Queue already reads.
- Most failures are retried automatically on the next scheduled sync no action needed.
- A few are marked permanently failed after repeated attempts, so Xero isn't hammered with a request that will never succeed on its own. These need a person to act.

Retry Xero Sync

A button on the Invoice and Expense forms. Fix whatever the error describes, click it, and confirm it unblocks the sync and re-attempts it immediately, not on the next timer.

Check the result

Every retry queues a request in Active Xero Sync Requests, with a status and a result message the first place to check if a retry seems to have done nothing.

Using the Error Queue

A single screen listing every Billing Event / Expense stuck at Error status — with the reason and two ways to resolve it.

Common reasons an item lands here

- No Price List entry for the Role / Expense Code's Product on the matter's price list by far the most common cause.
- Missing LEDES coding Role, Timekeeper, Activity, Task or Phase Code on a LEDES-billed matter.
- Missing Expense Code on a LEDES-billed matter.
- An unexpected error while attaching the line to an invoice.

Reset

Clears the error and returns the record to the ready-to-invoice stage it's picked up automatically on the next invoice run. Use once the underlying issue (e.g. the Price List entry) is fixed.

Add to Invoice

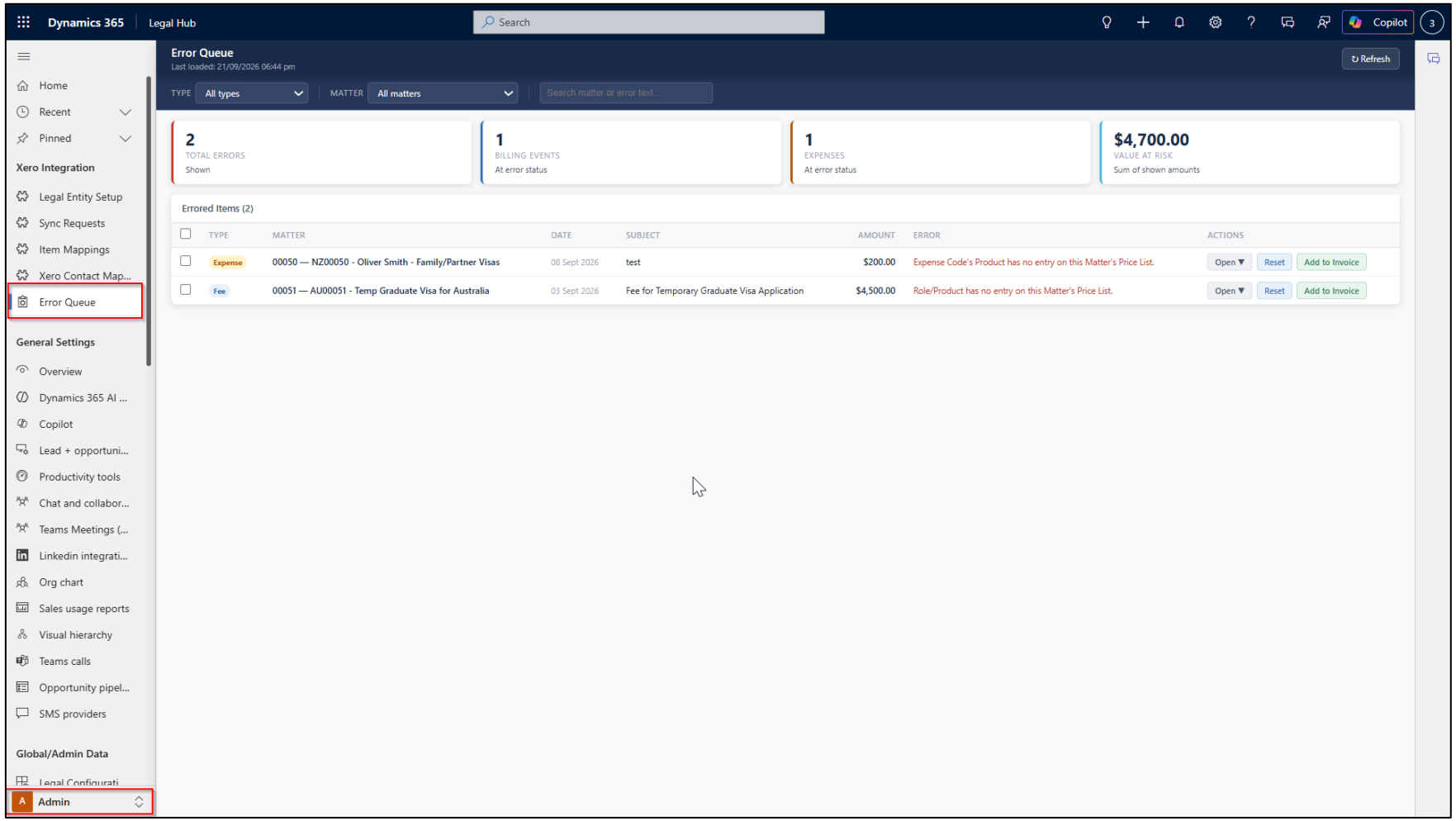
Attach the item directly to an existing open invoice on the same matter the error clears automatically on success. Also has an **Open** ▾ shortcut per row jump straight to the source record, the Matter, the Product, or the Price List to fix the root cause.

Using the Error Queue

The Error Queue lists every billing item stuck at error status, with the reason and next steps.

Steps

1. Change area to **Admin** from left bottom corner in left navigation pane.
2. Select **Xero Integration** > **Error Queue**
3. Review errored items, reason, and Open / Reset / Add to Invoice actions.



QUICK REFERENCE

Where to find things

Log time	Billing Event Entry (from the matter, or the bulk sitemap tool)
Log a disbursement	Expense Entry
Generate fixed-fee instalments	Generate Billing Events, on the matter
Review & manage invoices	Invoices screen; Xero Integration → Sync Tools / Sync Requests
Add pending/errored items to an invoice	Add Lines to Invoice, from the invoice list
Correct a Billed invoice	Credit Note action; controlled VoidInvoice only when Xero status allows
Resolve a failed billing item	Billing: Error Queue • Xero: Sync Requests/Retry • Setup: Legal Entity, Tax, Party & Product mappings

QUICK REFERENCE

d365Legal Billing Rules

Use this as the short version for day-to-day fixed-fee billing.

1 Fixed Fee Schedule

One line per fee or instalment.

Due Date controls eligibility.

Status usually starts as Scheduled.

2 Billing Events

Generated from due Fixed Fee lines.

Must be Approved before invoicing.

Manual time is for tracking unless otherwise billed.

3 Expenses

Use for disbursements and additional costs.

Attach receipts where relevant.

Approve before invoicing.

4 Invoices + Xero

Invoice Process picks up approved items.

Generate Tax Invoice document from Invoice List.

Use Sync All Now if immediate Xero push is needed.

End-to-end: Matter Fixed Fee → Fixed Fee Schedule → Generate Billing Events → Invoice Process → Invoice List → Xero Sync