

RME_x Management Training: Remittance Statements/Client Receivables



- Identifying The Areas Associated With Remittance Statements And Receivables
- Working With Client Options That Affect The Remittance Statements
- Understanding Remittance Statements
- Understanding Client Receivables
- Updating Client Receivables

Identifying The Areas Associated With Remittance Statements And Receivables

What accounts paid?

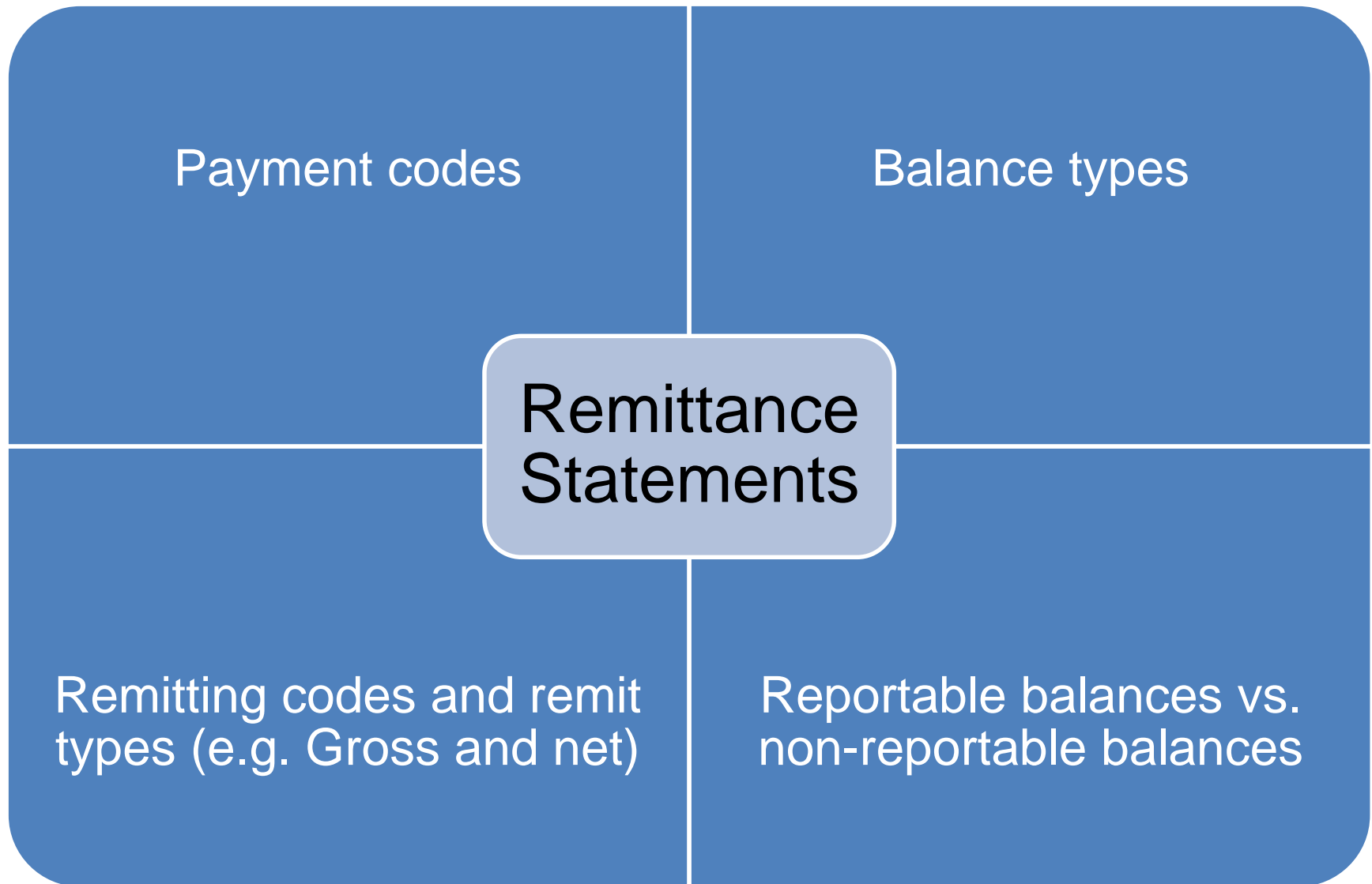
Where the payment was made?

**Remittance
Statements**

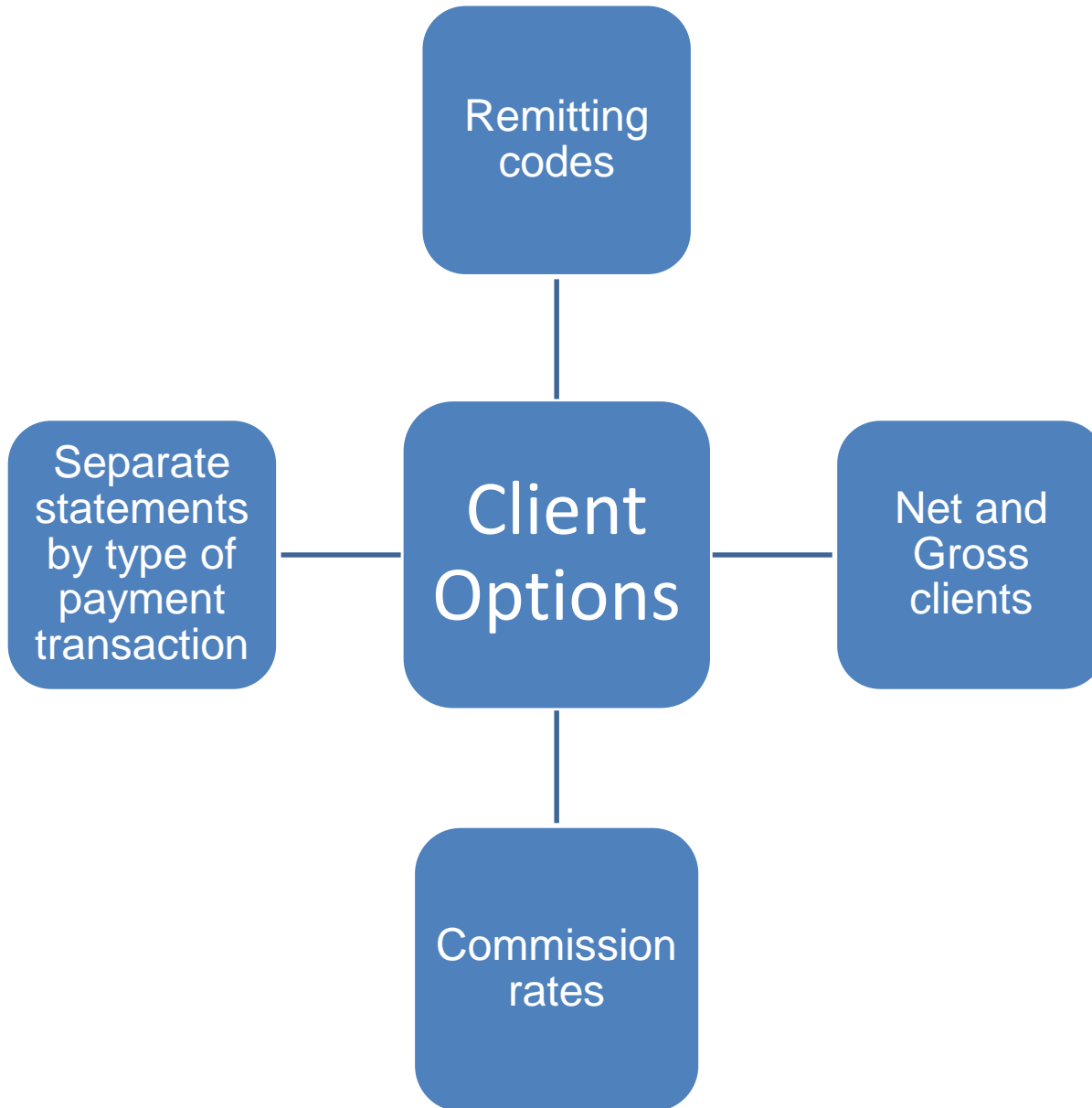
How much of the payment is owed to the client and the agency?

What prior balance(s) is owed to the agency (check amount included and current amount due to agency)?

Identifying The Areas Associated With Remittance Statements And Receivables



Working With Client Options That Affect The Remittance Statements – Client Master Level



Working With Client Options That Affect The Remittance Statements – Client Master Level

RMEx “Plain Paper” Statement

			Client	1010	Ending date 10-30-12		
DEBTOR NAME	CODE	DATE	PAID	PAID	DUE	DUE	BALANCE
YOUR ACCOUNT#		PAID	YOU	TO US	YOU	TO US	AFTER
PREVIOUS BALANCE							
		CURRENT				75.00	
		30 DAYS				.00	
		60 DAYS				.00	
		90 DAYS				.00	
		120 DAYS				100.00	
GROSS, CLIENT	T	10/09/12		50.00	25.00	25.00	800.00
4081614000951279							
GROSS, CLIENT		10/09/12	100.00		50.00	50.00	700.00
4081614000951279							
OUR CHECK ENCLOSED FOR	50.00	TOTALS	100.00	50.00	75.00	250.00	
PLEASE REMIT TO US	250.00						
TOTAL COLLECTED	150.00						

Working With Client Options That Affect The Remittance Statements - Client Master Level

Management Menu > Client update

Client Update (Page 2)

Company Name QUANTRAX .7 BOX - COMPANY 99
Client Code 000201

STATEMENT INFORMATION

Remitting Code	M	Type (GBNC)	G	Sort Type (0,1,2)	0	Prior Bal.(N)	<input type="checkbox"/>
Statement to	ST MARY'S HOSPITAL						
Attention of	JOHN DOE					NOTE-Remit code is	
Address						case-sensitive	
	PO BOX 879524						
City-State-Zip	NEW YORK		NY	20814			
Check Payable to	ST. MARY'S REGIONAL HOSPITAL					Grp.Stm. (Y)	<input type="checkbox"/>
Sales Tax (Y)	<input type="checkbox"/>	Rate	.00	Separate Directs (Y)	<input type="checkbox"/>	Bal.Types	<input type="checkbox"/>
				Combine Pri/Int (Y)	<input type="checkbox"/>	Hold Checks (Y)	<input type="checkbox"/>
				Adj.Code for holds	<input type="checkbox"/>	Days to hold	<input type="checkbox"/>

COMMISSION INFORMATION

Standard Rate	50.00	%	High Rate	75.00	%			
Other Rate	.00	%	Use for Skip,Fwd,Legal,Add.ch(Y)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Fee Code	<input type="checkbox"/>							
Commission Code	<input type="checkbox"/>	Days with no commission / Type	<input type="checkbox"/>	/	<input type="checkbox"/>			
Per-Acct/Letter Charge, %	.00	<input type="checkbox"/>	Special Rate of	.00	%	for	<input type="checkbox"/>	days
Rate for Contact Series	.00	%	Current Rate	.00	%			

F1-New Selection F3-Search F7-Exit F8-Lookup F12-Update ENTER-More

Working With Client Options That Affect The Remittance Statements – Payment Posting

Payment transaction menu > Debtor/Agency entry

Debtor/Agency Payment Transaction Entry

Company name	QUANTRAX .7 BOX - COMPANY 99		
Company Code	99		
Payment date	101012	Original posting date	
Details on Part Pmt. (Y,A,D)	D		
Payment code	01		
Balance code (P,I,1-9,0,X,L)	P		
Adjustment code			
Amount	50.00		

You can enter a case# and use F6 to add notes.

Enter ONE of the following :

1. Acct number	952175	Initials	CN	Client Ref	
2. Street address		Initials		(or date for reversal)	
3. Client number		Client Acct#			
(or Group#)		Other info.			
Fwd.Agent Retained	.00	Session totals #			
		(F22 to reset) \$.00
Credit to Collector		Credit to split			
Special Commission	.00	Amount	.00	Last entry -	
Receipt required (Y,C)		Type (CA,CK,CC,MO,OT)			
SC-0095 Account information must be entered				Ref#	

F1-Inq F3-Tran F4-Del F9-Last F12-Adj F13-Rcp F15-PD/CC F20-Batch F24-Num.Acct#

Identifying The Areas Associated With Remittance Statements And Receivables – Payment Report

Payment transaction menu > Payment reports for Period > Payments by client for period

Payments by client for a period of time

Payment date range 100112 to 102512

Client numbers (if individual clients
are required)

001015				

Enter "Y" if group report is required

Omit legal information and show
commission percentage (Y)

Identifying The Areas Associated With Remittance Statements And Receivables – Payment Report

Payment transaction menu > Payment reports for Period > Payments by client for period

Date : 11/29/12 23:24:47

Page : 1

Req by DELIGHT2

PAYMENTS BY CLIENT FROM 10/10/12 TO 10/15/12

Company : U Owe Us Collections

Client	----Paid To Agency----		----Paid To Client----		--From Legal Accounts--	
	Amount	Commission	Amount	Commission	Amount	Commission
001015 NET CLIENT	150.00	75.00	50.00	25.00	.00	.00
TOTALS	150.00	75.00	50.00	25.00	.00	.00

Understanding Remittance Statements – Balance Types

System Control menu 1 > Balance Types > Options for the company

Balance Types

Company name QUANTRAX .7 BOX - COMPANY 99

Balance type descriptions 1. x 2. 3.

(Other than primary and 4. 5. 6.

standard interest) 7. 8. 9.

10.

Balance	Client	-COMMISSIONS-	--COLLECTORS--	Int	--F.AGC	COM--	Payment			
	Stmt-Y	Taken-Y	Rate	Credit-Y	Split-Y	(Y)	Taken-Y	Rate	Dist.	
PRIMARY (P)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=".00"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value="999.99"/>	<input type="text" value="1"/>
1. (1)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=".00"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=".00"/>	<input type="text" value="2"/>
2. (2)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=".00"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=".00"/>	<input type="text" value="3"/>
3. (3)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=".00"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=".00"/>	<input type="text" value="2"/>
4. (4)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=".00"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=".00"/>	<input type="text" value="4"/>
5. (5)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value="100.00"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=".00"/>	<input type="text" value="4"/>
6. (6)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=".00"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=".00"/>	<input type="text" value="4"/>
7. (7)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=".00"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=".00"/>	<input type="text" value="5"/>
8. (8)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=".00"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=".00"/>	<input type="text" value="4"/>
9. (9)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=".00"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=".00"/>	<input type="text" value="5"/>
10. (10)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=".00"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=".00"/>	<input type="text" value="6"/>
INTEREST (I)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=".00"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text" value=".00"/>	<input type="text" value="4"/>
Stmt.codes (P,1-10,I,Fwd,Legal)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
									Prop.dist. (Y)	<input type="checkbox"/>

Understanding Remittance Statements – Balance Types

Payment Codes

APPEAR on Statements

- 01 paid agency
- 02 forwarding agency payment
- 11 direct payment to client
- 52 AR adjustment (optional)
- 21 Agency NSF
- 31 Client NSF
- 59 Bill client and increase debtor balance
- 71 Overpayment refund client

DO NOT APPEAR on Statements

- Adjustments (payment codes 40-49)
- Balance types can keep transactions from appearing
- Payment code 52 may or may not
- Payment Code 72 Refund to debtor
- Payment Code 73 Overpayment adjustment
- Payment Code 90 collector commission adjustment

Understanding Remittance Statements

- The statement below is for a remit type of G = gross client statement
- This is where you will send 100% of the money the agency collects to your client and bill them for your fees on payments made to the agency and the payments made to the client

			Client	1010	Ending date 10-30-12		
DEBTOR NAME	CODE	DATE	PAID	PAID	DUE	DUE	BALANCE
YOUR ACCOUNT#		PAID	YOU	TO US	YOU	TO US	AFTER
PREVIOUS BALANCE							
		CURRENT				75.00	
		30 DAYS				.00	
		60 DAYS				.00	
		90 DAYS				.00	
		120 DAYS				100.00	
GROSS, CLIENT	T	10/09/12		50.00	25.00	25.00	800.00
4081614000951279							
GROSS, CLIENT		10/09/12	100.00		50.00	50.00	700.00
4081614000951279							
OUR CHECK ENCLOSED FOR	50.00	TOTALS	100.00	50.00	75.00	250.00	
PLEASE REMIT TO US	250.00						
TOTAL COLLECTED	150.00						

Understanding Client Receivables

Client statements menu > Client receivables entry

Client Accounts Receivable Inquiry

Client 1010 GROSS CLIENT

Reference	Description	Date	Transaction Amount	Reference Total	Comment	
1110010000	Statement	10/01/11	50.00	50.00	Check	100.00
1110150000	Statement	10/15/11	.00	.00	Check	.00
1110160000	Statement	10/16/11	50.00	50.00	Check	.00
1201310000	Statement	01/31/12	.00	.00	Check	.00
1210100000	Statement	10/10/12	75.00	75.00	Check	50.00

Client statements menu > Client receivables entry

- Reference #** - this number is printed on each statement and the first 6 digits indicate the year, month, and day the statement was run

- Description** – indicates type of AR transaction
 - Statement** – indicate a statement was created
 - Statement Credit** – indicates a statement created was applied to the AR
 - Statement Credits** are typically seen with Net statements and will be applied when the client has a prior balance. When the statement is processed, it will look at outstanding AR and if you are sending a check to the client and the client owes you money, we will reduce the amount sent to the client by the amount owed, if the amount collected is enough to pay off prior balance.
 - Payment** – indicates a payment was made
 - Adjustment** – indicates an adjustment was made to the AR

- Date** – indicate the date the transaction occurred

- Transaction Amount** – shows amount of transaction. For statements it indicate how much is owed to the agency.

Client statements menu > Client receivables entry

- Reference Total** – indicate the balance due for the transaction amount. So, if you post a \$50.00 payment to line 1 of this AR the Transaction Amount will show \$50.00 and the Reference Total will show \$0.00.

- Comment** – this field will show the following:
 - Check and amount** – when a statement is run. If you are billing client or the in the case of a Net remit, you may see “Check 0.00” since there is no money owed to the agency.
 - Payment** – if the transaction indicates a payment was applied.
 - Adjustment** – if the transaction indicates an Adjustment was made the AR.
 - STM.DATE mmddyy** – this indicates a statement credit was applied to the statement date indicated on the comment line.
 - Check No** – indicates a statement credit. This type of statement credit needs to be looked at closely and could be an incorrect statement credit for various posting reasons. This can occur when payments applied to AR are NOT applied to the correct Reference #, thus creating a credit balance on the client AR.

Types of Statements

- Gross client statement
- Gross client statement with separate statement for returned check
- Gross statement with separate statement for direct payments (payment code 11)

- Main statement
- Direct statement
- Balance statement

- Net client statement
- Net clients statement with separate statement for returned checks

- NOTE: If the client wants both a direct and balance type statement, when a direct payment is made to balance type 3, that payment will show up on the direct statement NOT the balance type statement. Only payment type 01 will show on the balance type statement, when is set up for separate direct statements, as shown below. List different types of statements

10/16/12	01-3	PAID AGENCY	100.00	600.00	01
10/16/12	11-3	PAID CLIENTS	100.00	500.00	01

When running statements:

- **RULE-** Don't post any client payments until you have completed your weekly statements
- **RULE:** Don't post any debtor payments until all client payments have been applied
- **RULE: Group Statements** – all clients must have the same 'Group Code'
- **RULE:** Per case reports **MUST** be run prior to statements.

Any Way To Run A Client AR Report



I wonder

1. Can a payment transaction appear on statement more than once?

No, once it has appeared it will not appear on another statement.

2. Can I rerun a statement for one client?

Yes, create unique remitting code, run a test statement, and put remit code back to original.

3. If the balance type 5 was posted as transaction type 11, but the client statement option is not checked.

- **Does the system still put this on the statement anyway at 100% commission?**
- **If it does show up on the statement, wouldn't it also show on the A/R?**

Yes, even if a balance is non-reportable it will appear on the statement if the transaction was posted as paid to client. Double check the ones that appeared on the statement to make sure they are charging the client 100%, especially since they are set up for no commission, you want to make sure you get the money back from the client.

I wonder

4. What can I do with overpayments?

Refund to the debtor using a payment code 72, refund to the client using payment code 71 or adjust the balance to zero using payment code 73.

5. Why would per case/ per letter charges not appear on a client statement?

You have specified that the client is per case but you did not specify an amount. Because you ran the statements prior to running the per case report. The report must always be run prior to the statements being processed.

6. What happens if I transfer an account from one client to another?

The transactions posted prior to the transfer will appear on the old client statement and all futures will be applied to the new client.

7. Why do Per Case charges not appear on “Statement Report”?

Per Case charge appear on an “Invoice Report”

I wonder

8. Why does my statement say “Statement Credit”?

- If you do run client statements a week later after running month-end, DO NOT post client payments to the receivables during this period. This will cause client receivable issues and statement issues regarding balances.
- If the client is a Net client and they owe you a prior balance.
- If you have a gross client with separate balance type statement and an NSF was posted to the separate balance type will create a statement credit for the amount of the NSF amount due to the agency

9. What happens if a client is set up for separate directs and separate balance types. Where will that transaction appear?

If a transaction qualifies for a client direct statement and a balance type statement, it will always appear on the client direct statement.

I wonder

10. What happens if you run statements twice?

Receivables will be aged – If not include prior balance, will generate a statement saying owes nothing. If include prior balance it will not show. Another AR item will be created.

Updating Client Receivables – Client Agency Payments

Payment transaction menu > Client/Agency Entry

Client/Agency Payment Transaction Entry

Company Name	QUANTRAX .7 BOX - COMPANY 99
Company Code	<input type="text" value="99"/>
Client Number	<input type="text"/>
Client Name (first 5 characters)	<input type="text"/> (optional)
Payment Code	<input type="text"/>
Payment Date	<input type="text" value="060916"/>
Amount	<input type="text" value=".00"/>
Invoice Number	<input type="text"/>
Omit Code 52 from Statement (Y)	<input type="text"/>
Reference	<input type="text"/>

Updating Client Receivables – Accounts Receivable Adjustments

Payment transaction menu > Client/Agency Entry

Client/Agency Payment Transaction Entry

Company Name	QUANTRAX .7 BOX - COMPANY 99
Company Code	<input type="text" value="99"/>
Client Number	<input type="text" value="000002"/>
Client Name (first 5 characters)	<input type="text"/> (optional)
Payment Code	<input type="text" value="52"/>
Payment Date	<input type="text" value="060916"/>
Amount	<input type="text" value="75.00"/>
Invoice Number	<input type="text"/>
Omit Code 52 from Statement (Y)	<input type="checkbox"/>
Reference	<input type="text"/>

Exercises – Remittance Statements/Client Receivables

In your system, use COMPANY 98

Print and review the following reports:

1. Enter and post the following payment transactions on accounts for a NET client. Make sure the accounts have a commission rate.
 - a. Paid Agency \$25.00
 - b. Paid Client \$30.00
 - c. Return check Agency \$25.00
 - d. Paid Agency \$500.00

2. Run the payment summary to check your numbers.

3. Run a test statement.
 - a) Are you billing the client?
 - b) Is there check for the client?

4. Change the client to a gross remit. Run the test statement again. Can you explain the results?

Exercises – Remittance Statements/Client Receivables *(continued)*

5. Enter a balance adjustment on one of the accounts on the statement.
 - a. Enter it with a date that falls within the statement date range.
 - b. How do you expect the statements to change? Run a test if you are not sure.

6. You discover that the commission on one payment is wrong. How would you correct this?

7. For the above, you would reverse the payment with the wrong commission (you could use today's date for the reversal), change the commission rate on the account, and re-enter the payment. Try that.
 - a. Run a test statement. Does the statement reflect the changes correctly?
 - b. What if you did not want the positive and negatives to show on the statement?

8. Run the live statement.
 - a. Check the client receivables inquiry.
 - b. Are you seeing the new receivable?
 - c. If you sent a check to the client, is that amount showing?
 - d. What is the significance of the "Invoice number"?

Exercises – Remittance Statements/Client Receivables (*continued*)

In your system, use COMPANY 98

9. Look at client inquiry. Does the receivable show on the first screen?
10. Run the Client receivables reports. There are different reports. Some relate to the A/R open items, while others refer to the receivables and their aging. What are the differences?
11. Enter and post a partial payment against the receivable. Review the information on the client receivables inquiry. Look at other areas that show receivables. Do you understand what happened?
12. The client disputed the balance and you want to adjust the balance on that invoice to zero. How would you do that? Enter an A/R adjustment to handle this.
13. Run the inquiry and receivables reports and compare them with the previous reports
14. Try to run the live statements for the same period. How does the system warn you, so you do not run statements for a period that has already been processed?
15. You forget if you have run the statements for a given period. How can you check?

RMEx Management Training: Remittance Statements/Client Receivables

Thank you!