501 AR323
Billing and Receivables

Instructor Led Training

Rev 11/23/2021

Welcome to Cardinal Training

This training provides participants with the skills and information necessary to use Cardinal and is not intended to replace existing Commonwealth and/or agency policies.

This course, and the supplemental resources listed below, are located on the Cardinal website (www.cardinalproject.virginia.gov) under Learning.

Cardinal Reports Catalogs are located on the Cardinal website under Resources:

- Instructor led and web based training course materials
- Job aids on topics across all functional areas
- Variety of simulations
- Glossary of frequently used terms

The Cardinal screenshots included in this training course show system pages and processes that some users may not have access to due to security roles and/or how specific responsibilities relate to the overall transaction or process being discussed.

For a list of available roles and descriptions, see the Statewide Cardinal Security Handbook on the Cardinal website in the Security section under Resources.

Course Objectives

After completing this course, you will be able to:

- Enter a Standard Bill
- Generate an Invoice
- Adjust a Bill
- Maintain and Update Receivables
- Process Customer Statements

Agenda

1. Understanding Bills
2. Entering a Bill Online
3. Adjusting a Bill
4. Receivables Maintenance
5. Aging and Collections

Lesson 1: Introduction

1 Understanding Bills

This lesson covers the following topics:

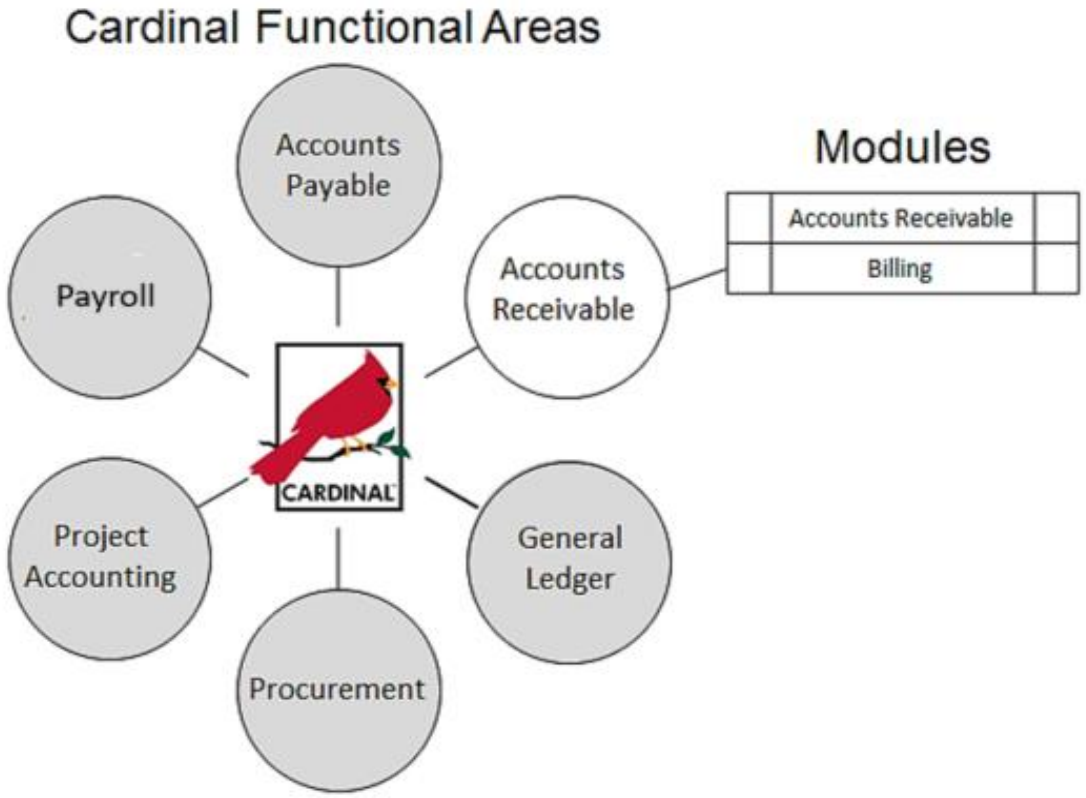
- Accounts Receivable Overview
- Key Concepts
- Billing Processes

Accounts Receivable Overview

The Accounts Receivable functional area of Cardinal is composed of two modules:

Accounts Receivable
The Accounts Receivable module manages the processing of payments that are due to the agency.

Billing
The Billing module involves creating invoices, reviewing and validating invoices, and managing billing and distribution cycles.



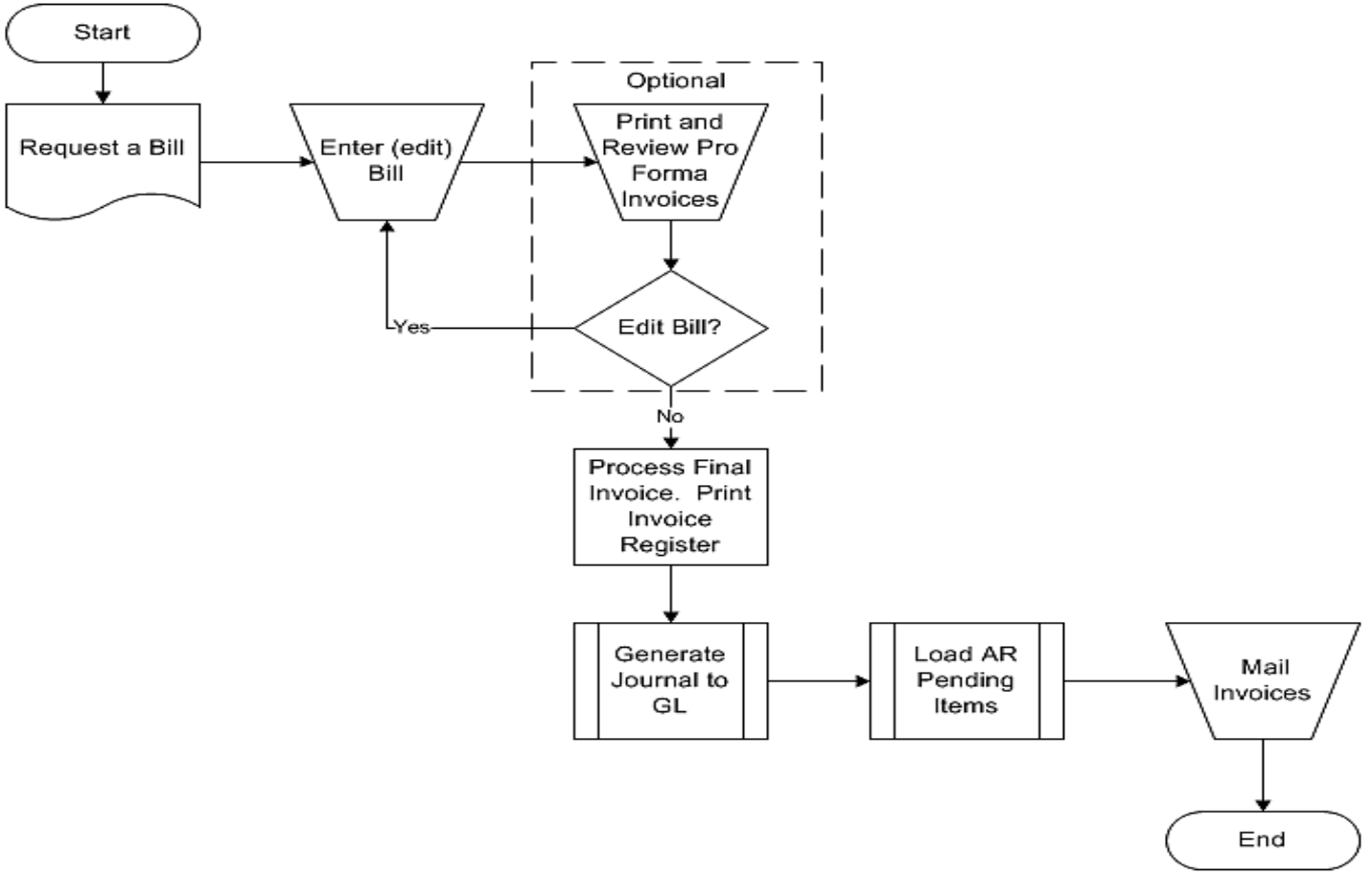
Key Concepts

Some key concepts in creating and processing bills include:

- Billing is a separate module within Accounts Receivable.
- The user can receive various types of requests to enter a bill online. Examples include accident reports, payable invoices, or inventory disbursement documents.
- Billing processing involves entering bill information, creating billing invoices, creating Accounts Receivable items, posting Accounts Receivable items, and creating billing invoice adjustments.
- Different types of billing invoices can be created:
  - Standard
  - Recurring
  - Installment
  - Consolidated
- Cardinal allows the creation and review of pro forma invoices prior to generating final invoices.

Billing Processes

The process flows for creating and processing bills is highlighted below.



Lesson 1: Summary

1 Understanding Bills

In this lesson, you learned:

- Accounts Receivable Overview
- Key Concepts
- Billing Processes

Lesson 2: Introduction

2 Entering a Bill Online

This lesson covers the following topics:

- Searching Invoiced Bills
- Entering a Standard Bill
- Entering a Recurring, Installment, and Consolidated Bill
- Reviewing Pro Forma Invoices
- Posting Receivables
- Budget Check Errors
- Viewing a Bill in Accounts Receivable

Bill Types

In Cardinal, there are four types of bills that can be entered:

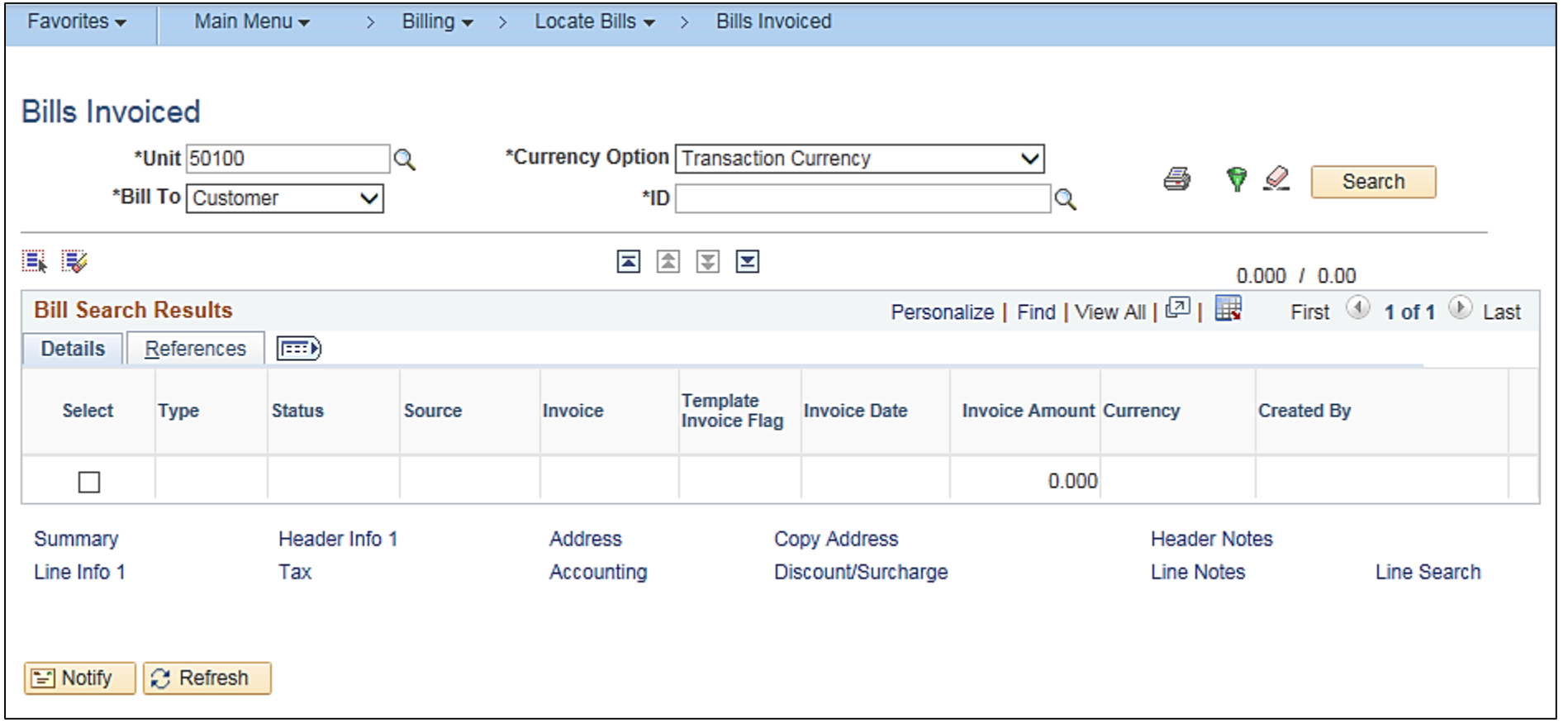
- Standard - bills created manually for one time use
- Recurring - bills or portions of bills that can be reproduced
- Installment - bills that are used to invoice customers in segments
- Consolidated - bills that are grouped or consolidated into a single invoice

Searching Invoiced Bills

Before entering a bill, first determine if the bill already exists by searching for it.

Navigate to the **Bills Invoiced** page using the following path:

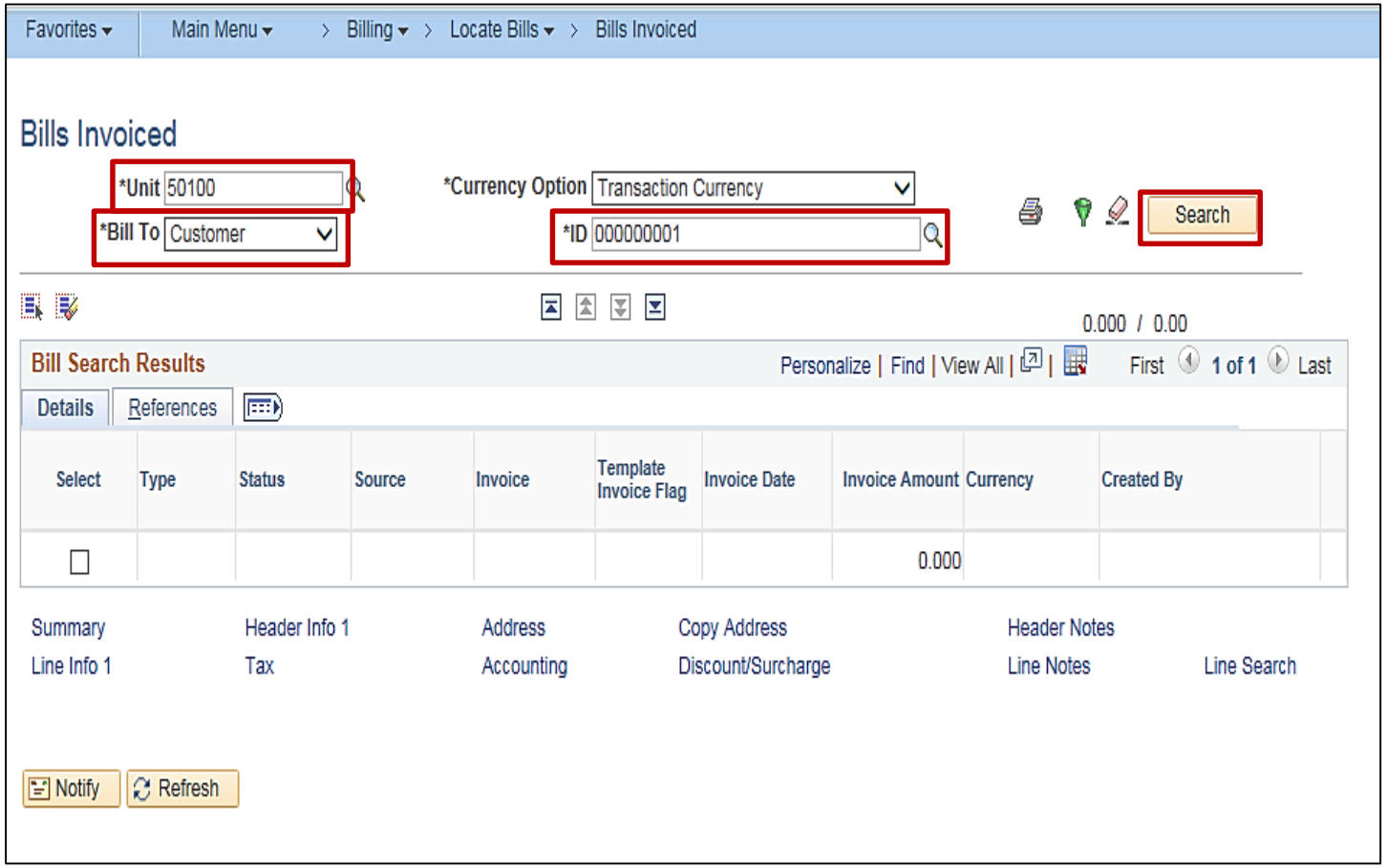
Main Menu > Billing > Locate Bills > Bills Invoiced



Searching Invoiced Bills (continued)

The **Bills Invoiced** page displays:

- The **Unit** defaults a business unit.
- The **Bill To** field has two options:
  - **Customer**
  - **Contract**
- This field defaults to **Customer**.
- The **ID** field is used to enter the Customer ID. Enter the Customer ID in the **ID** field or use the **lookup** icon to find it.
- Click the **Search** button.

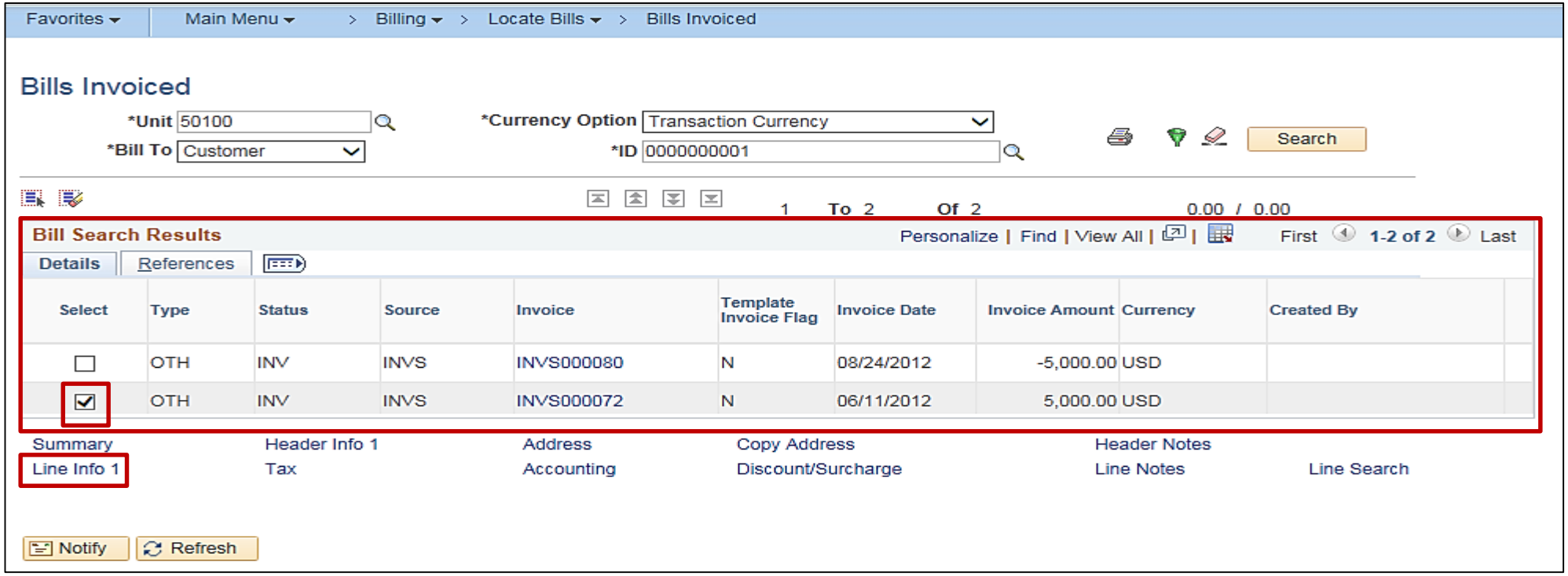


Searching Invoiced Bills (continued)

All bills that have been invoiced for this customer display. Check to see if the amount of the invoice to be paid is displayed in the **Invoice Amount** field.

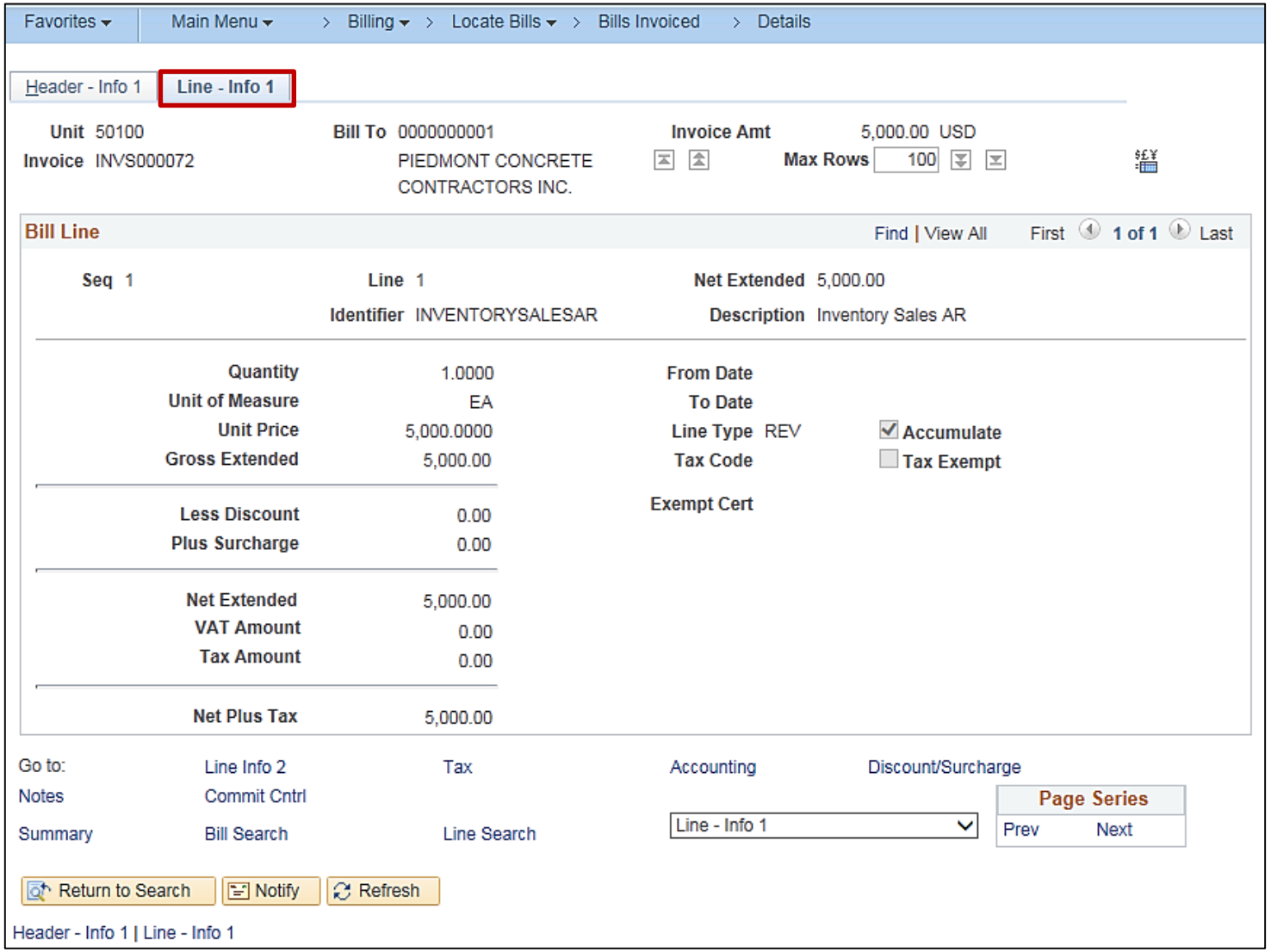
Review the Invoices to determine whether the bill has already been entered and invoiced.

- Click the **Select** box for any item that is a possible match.
- Click the **Line Info 1** link.



Searching Invoiced Bills (continued)

Review the information on the **Line – Info 1** tab to determine whether it is a duplicate of the bill.



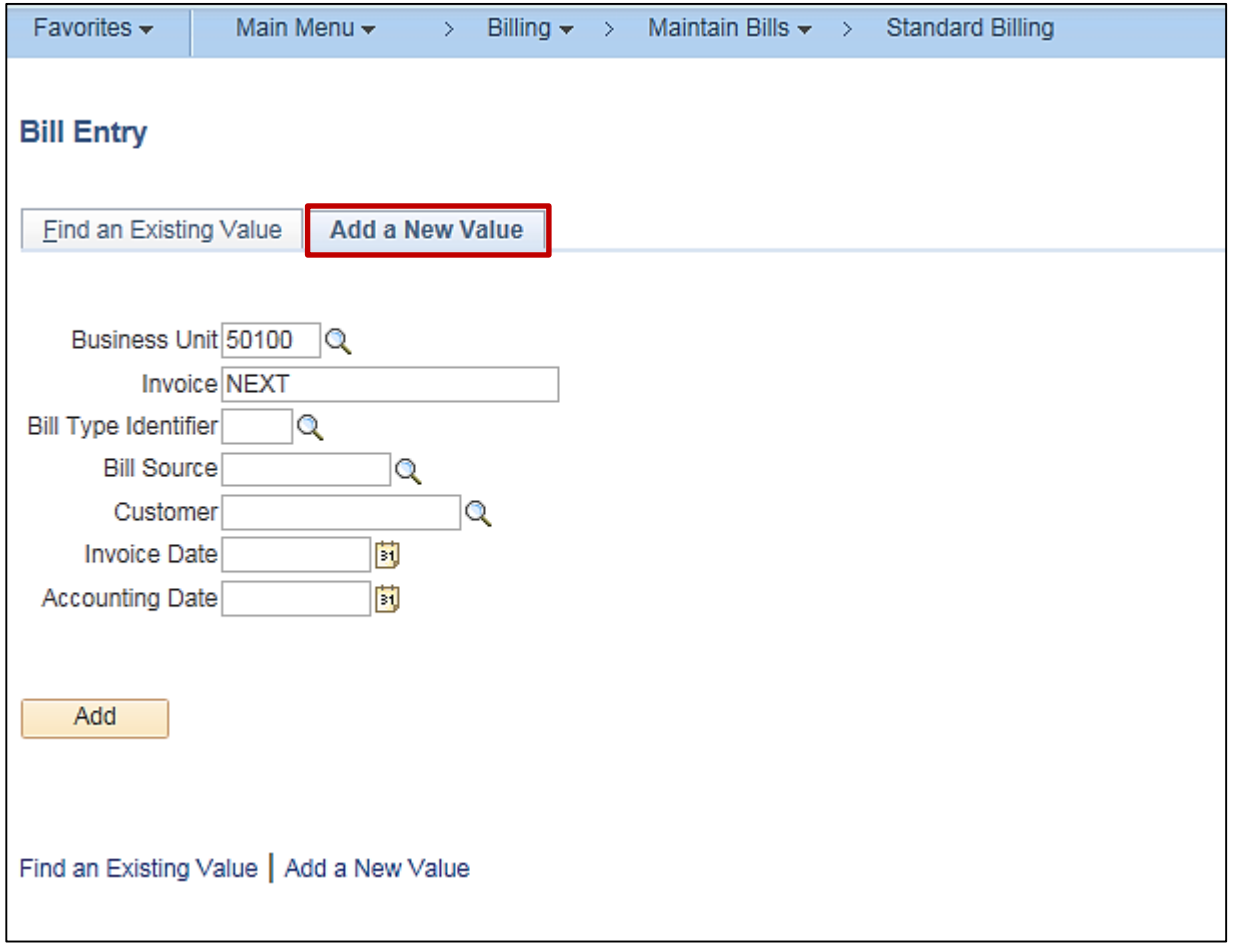
Entering a Standard Bill

Once it is determined that the bill has not been invoiced, the user can enter the bill.

Navigate to the **Bill Entry** page using the following path:

Main Menu > Billing > Maintain Bills > Standard Billing

Select the **Add a New Value** tab.



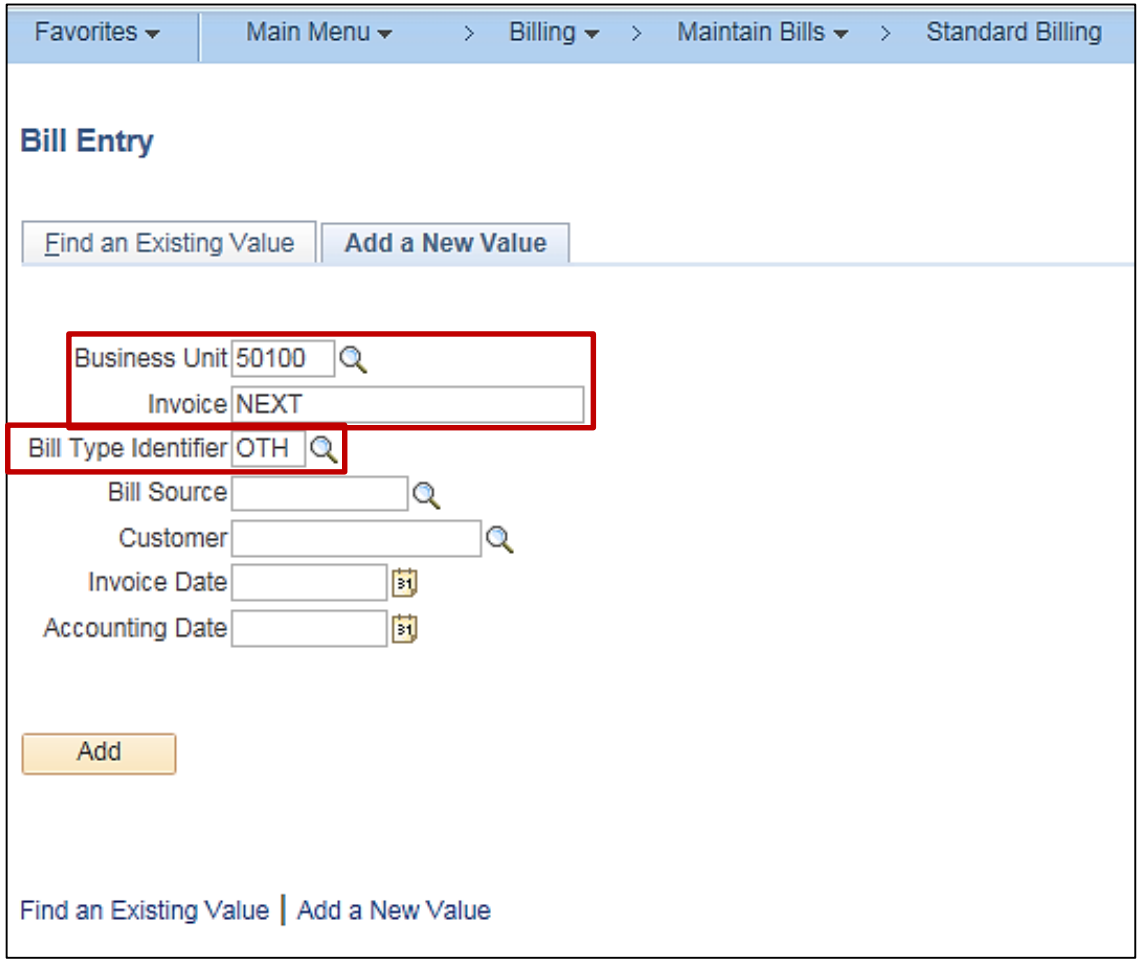
Entering a Standard Bill (continued)

The **Business Unit** defaults to the agency's business unit.

The **Invoice** field defaults to **NEXT**. Do not change it. Cardinal automatically assigns the number when the invoice is saved.

The **Bill Type Identifier** describes the type of entity being billed. There are four options:

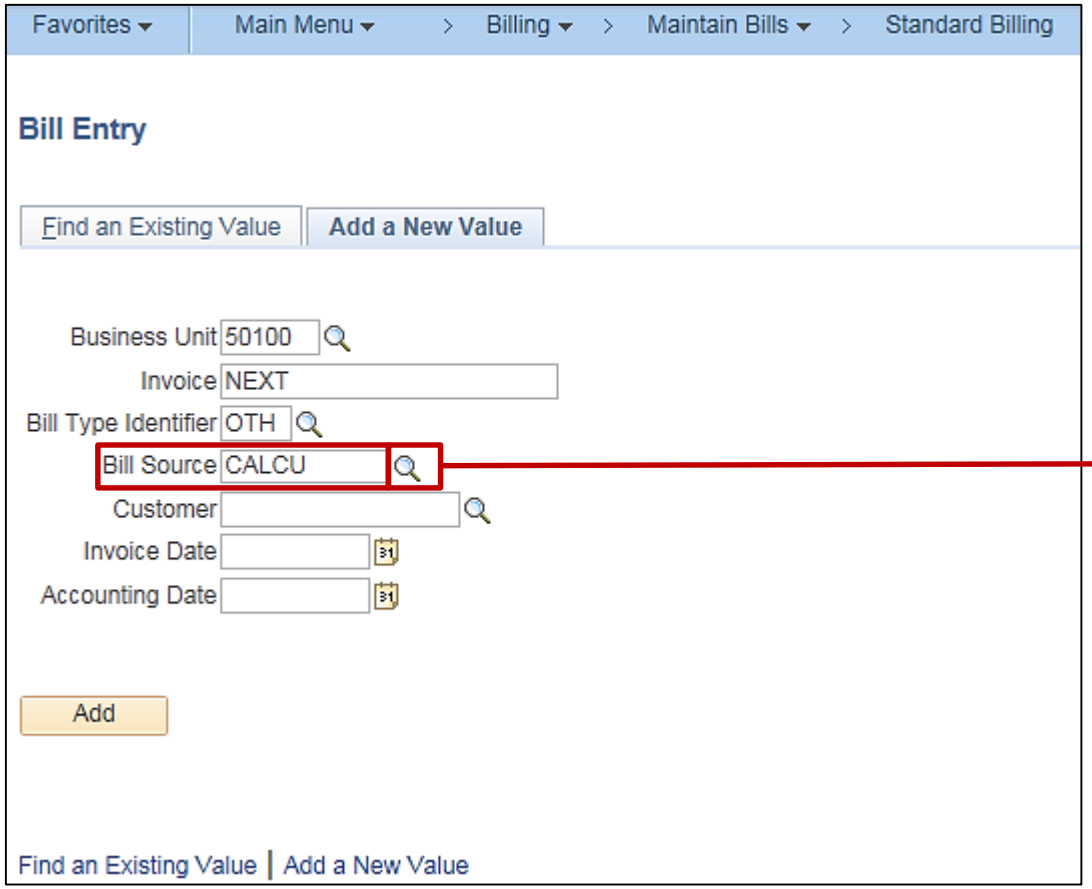
- **CCT** – City County Towns
- **FED** – Federal Billing
- **OTH** – Other
- **STA** – State Agencies

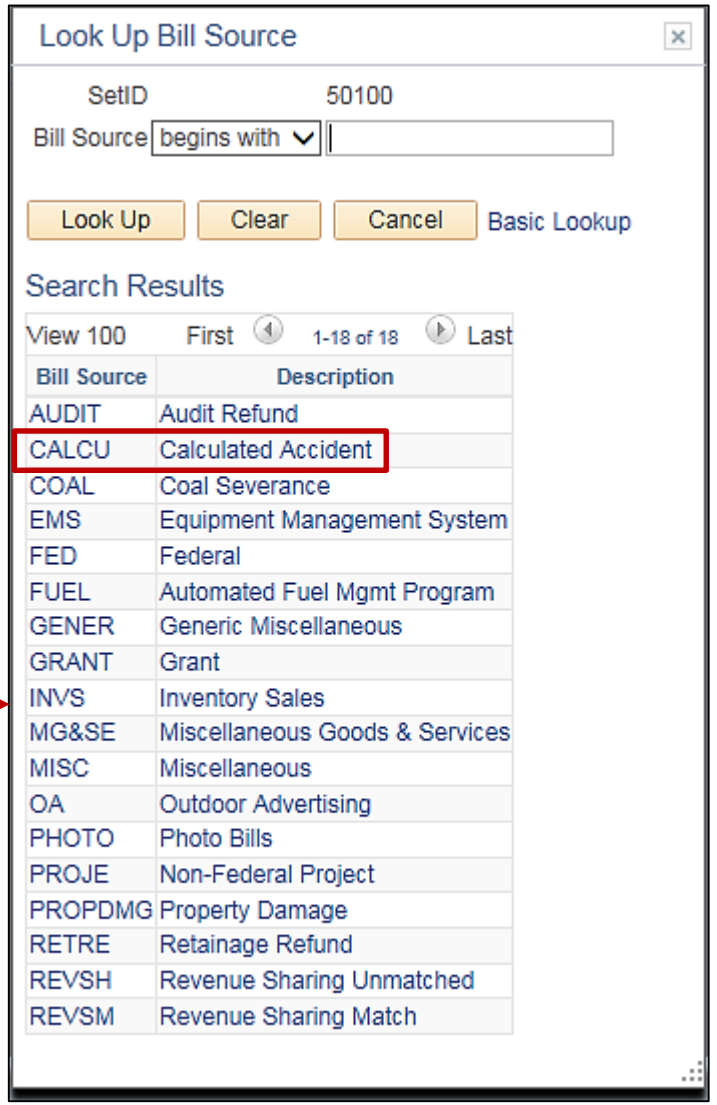


Entering a Standard Bill (continued)

The **Bill Source** describes what is being billed.

Click the **Look up** icon to select the option for the bill being entered.
For this scenario, **CALCU** is selected.





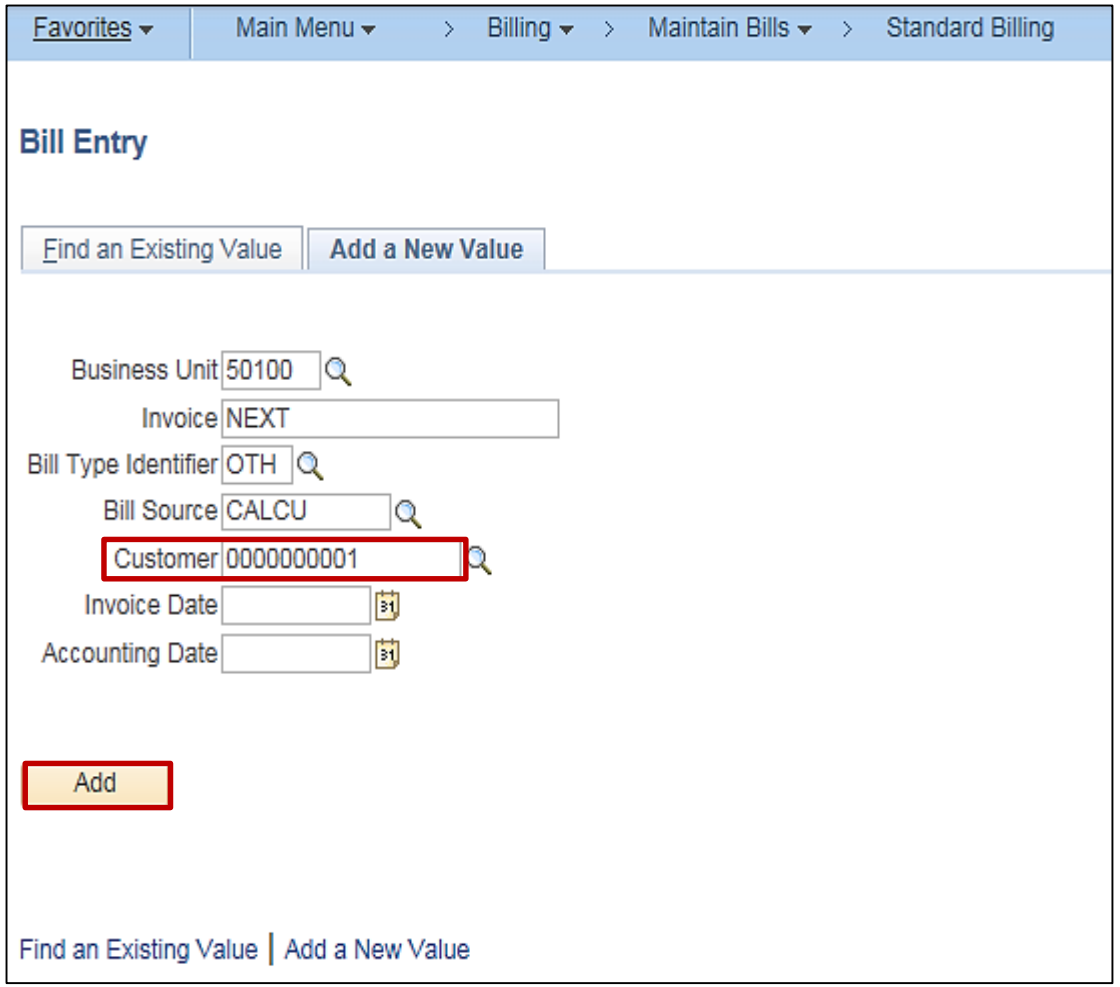
Entering a Standard Bill (continued)

Enter the Customer number in the **Customer** field. If the ID is not known, use the **Look-up** icon to search for it.

If the customer does not exist in Cardinal, you will need to create the customer. For more details about creating and maintaining customers, see the job aid entitled **501 AR323: Creating and Maintaining Customers** located on the Cardinal website in **Job Aids** under **Learning**.

The **Invoice Date** and **Accounting Date** fields default to the current date, when left blank.

Click the **Add** button.



Entering a Standard Bill (continued)

The **Header – Info 1** tab displays. The **Header** information applies to the bill. The following fields default from the **Add a New Value** page:

- **Status**
- **Type**
- **Customer**
- **Source**

The **Cycle ID** field identifies the billing cycle for the bill. Options include:

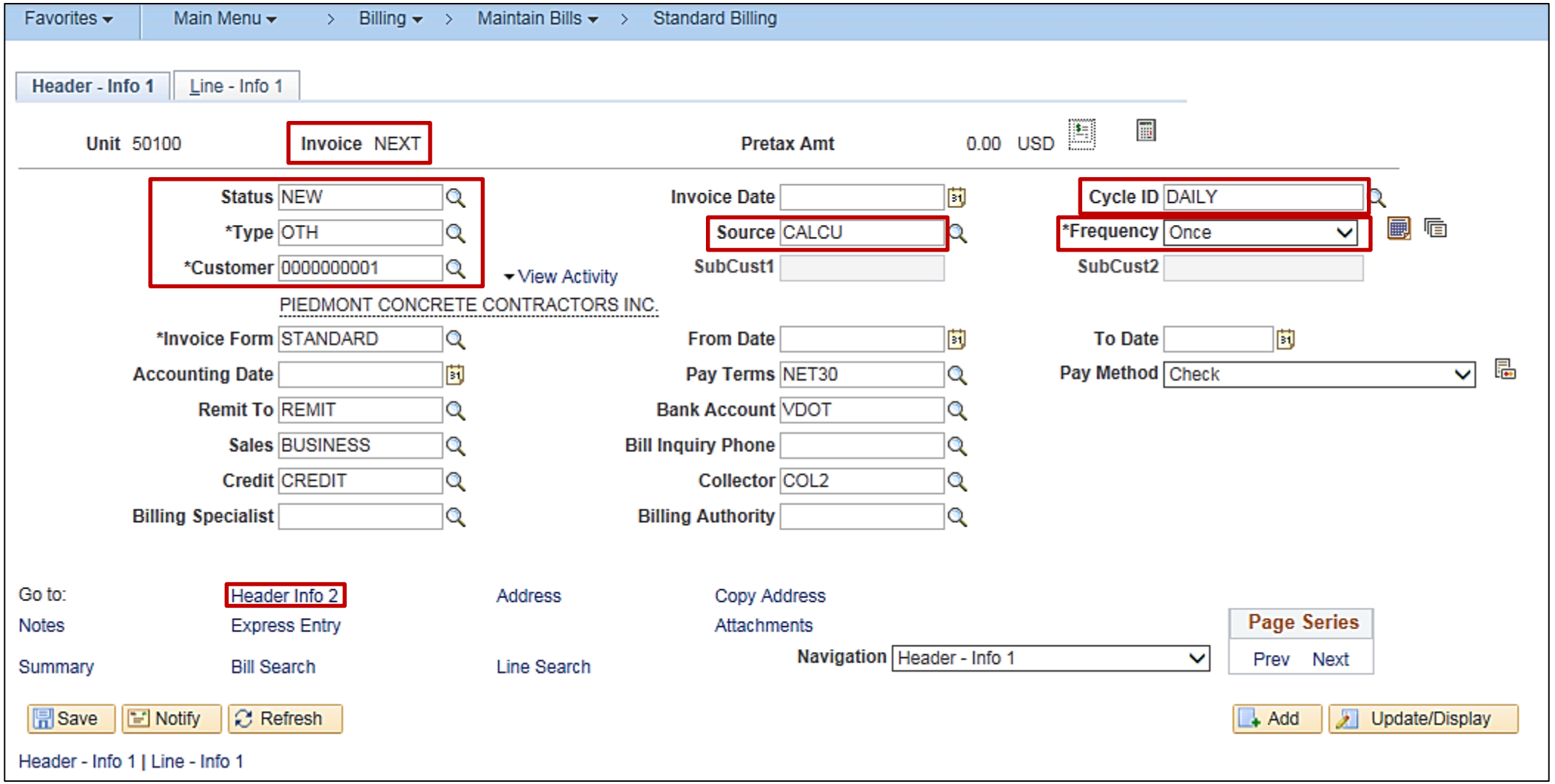
- **Daily**
- **Monthly**
- **Federal**
- **Monthly Installment**
- **Monthly Recurring**
- **Quarterly**

The **Frequency** field is used to determine the frequency of the billing cycle and defaults to **Once**. Other options include:

- **Installment**
- **Recurring**

Click the **Header Info 2** link.

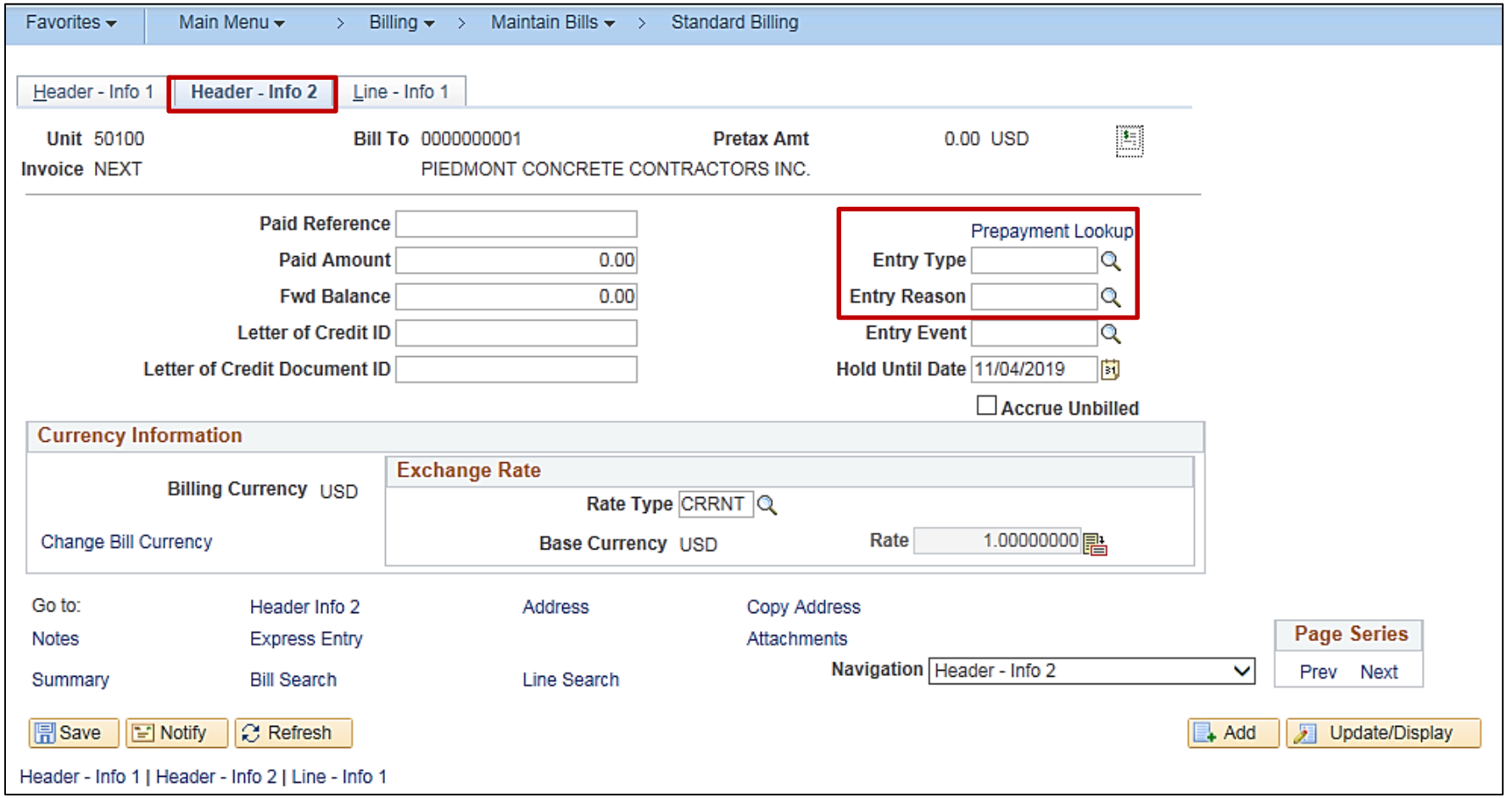
Entering a Standard Bill (continued)



Entering a Standard Bill (continued)

The **Header – Info 2** tab displays.

Click the **Entry Type** lookup icon.



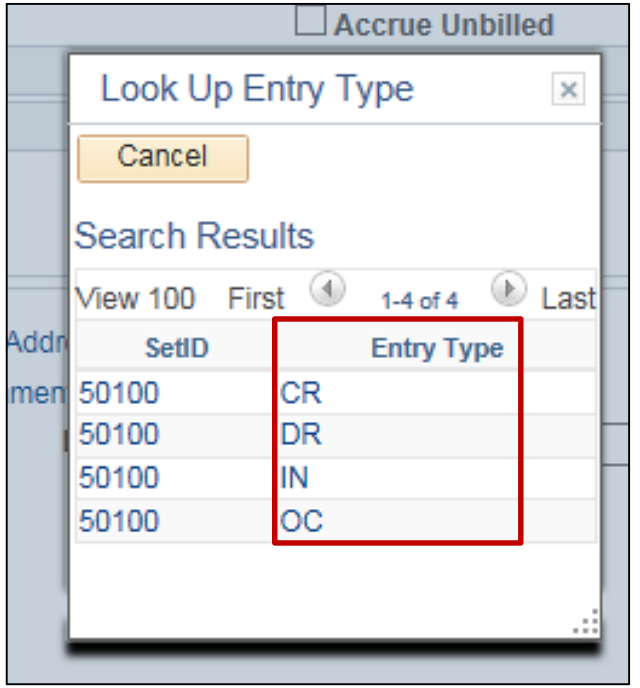
Entering a Standard Bill (continued)

The **Look Up Entry Type** page displays.

An **Entry Type** categorizes the pending items that create or update posted items within the system. Examples of Entry Types are Credit Memos (**CR**), Debit Memos (**DR**), Invoice (**IN**), and Late Payment Penalty (**OC**).

Every receivable transaction that is entered or generated by the system must have an entry type associated with it.

Select the **Entry Type**.



Entering a Standard Bill (continued)

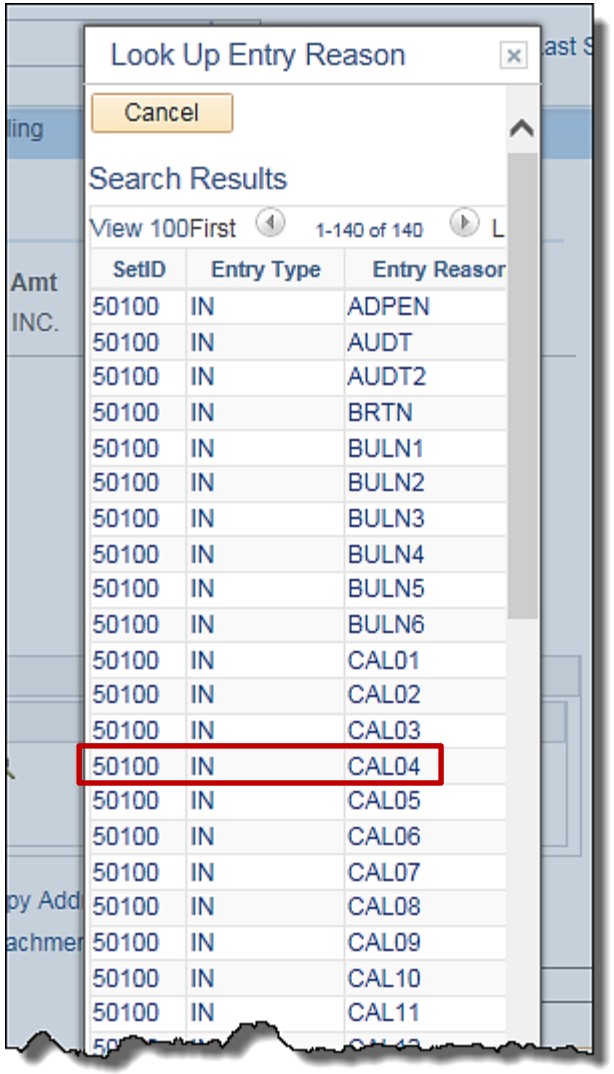
The **Entry Type** displays.

Next, select the drop-down for the **Entry Reason**.

The **Entry Reason** categorizes different uses for a single entry type. The reason that is associated with an item defines which accounting entries generate and can be used for reporting purposes. Entry reasons are also used to define accounting distributions of accounts (ChartField value) for each entry type.

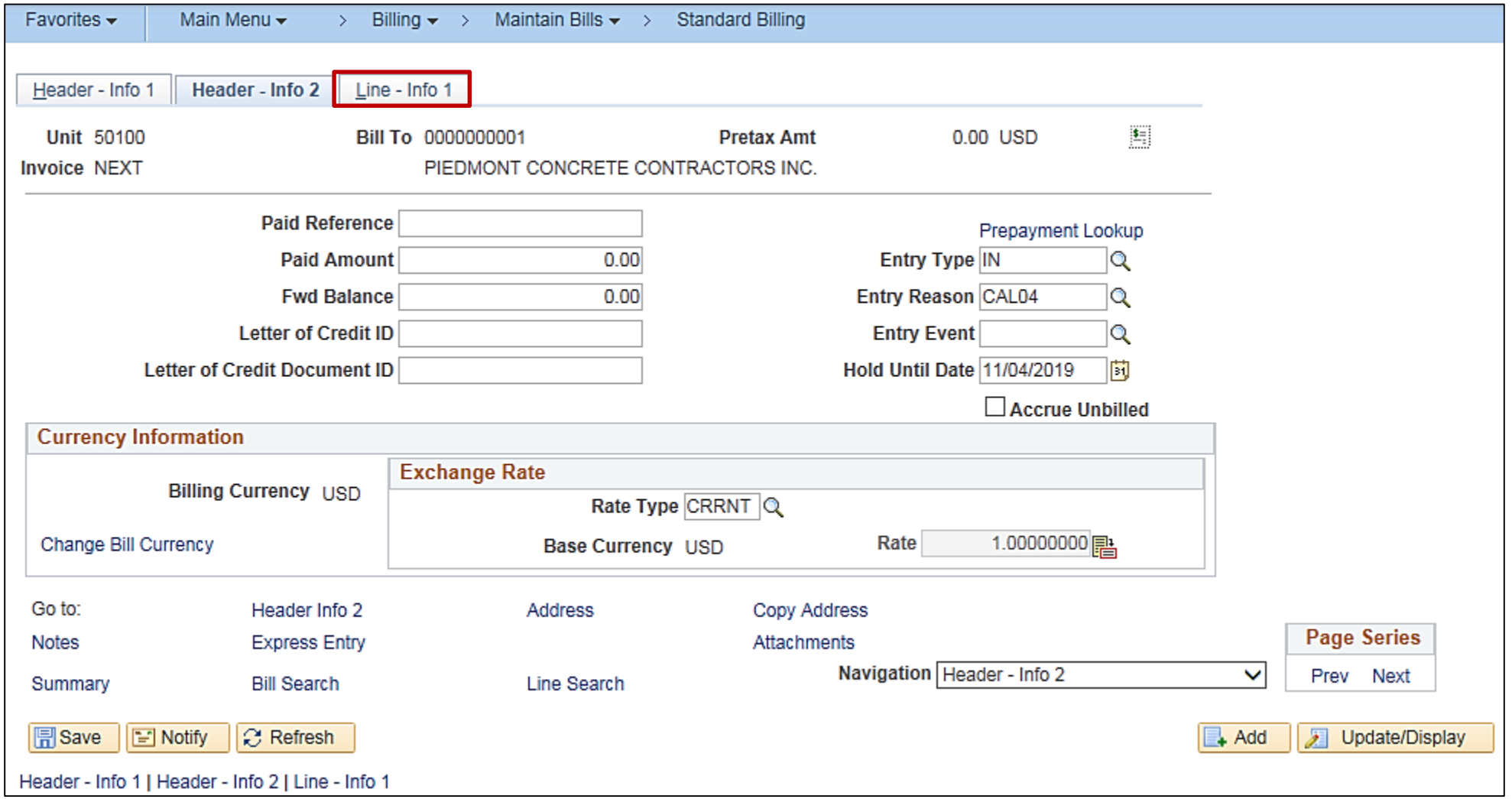
The **Look Up Entry Reason** page displays.

Select the **Entry Reason**.



Entering a Standard Bill (continued)

Click the **Line – Info 1** tab.



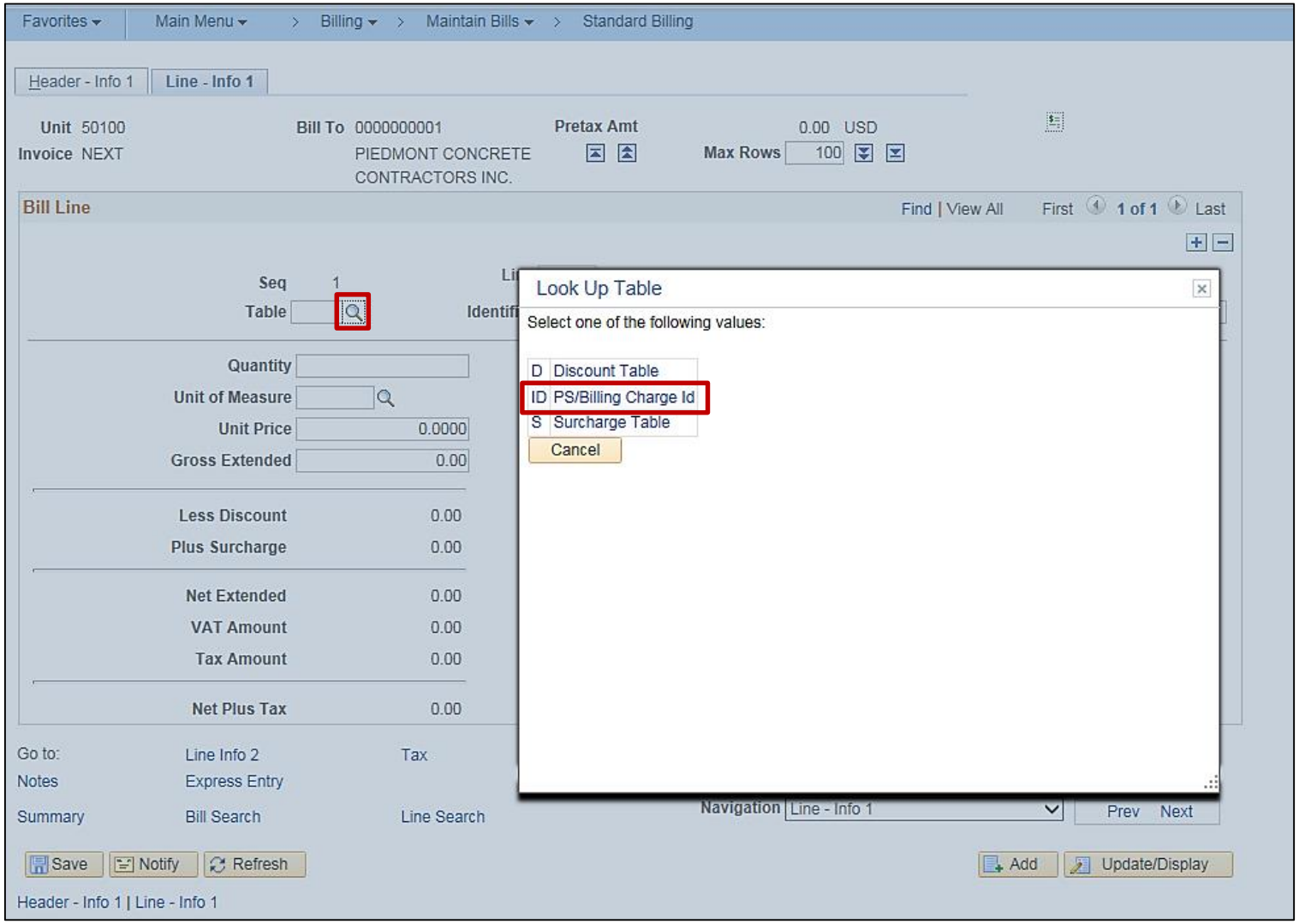
Entering a Standard Bill (continued)

The **Line – Info 1** tab is used to record required charge information.

The **Table** field determines the type of options available in the **Identifier** field.

Click the **Table** lookup icon and select **ID (PS/Billing Charge ID)**.

The **Discount Table** and **Surcharge Table** are not used in Cardinal.



Entering a Standard Bill (continued)

The **Identifier** field is used to select the item that is being billed and the associated charge distribution. Click the **Identifier** lookup icon to select the appropriate option. For this example we chose **PROPDMGAR-RICHMOND**.

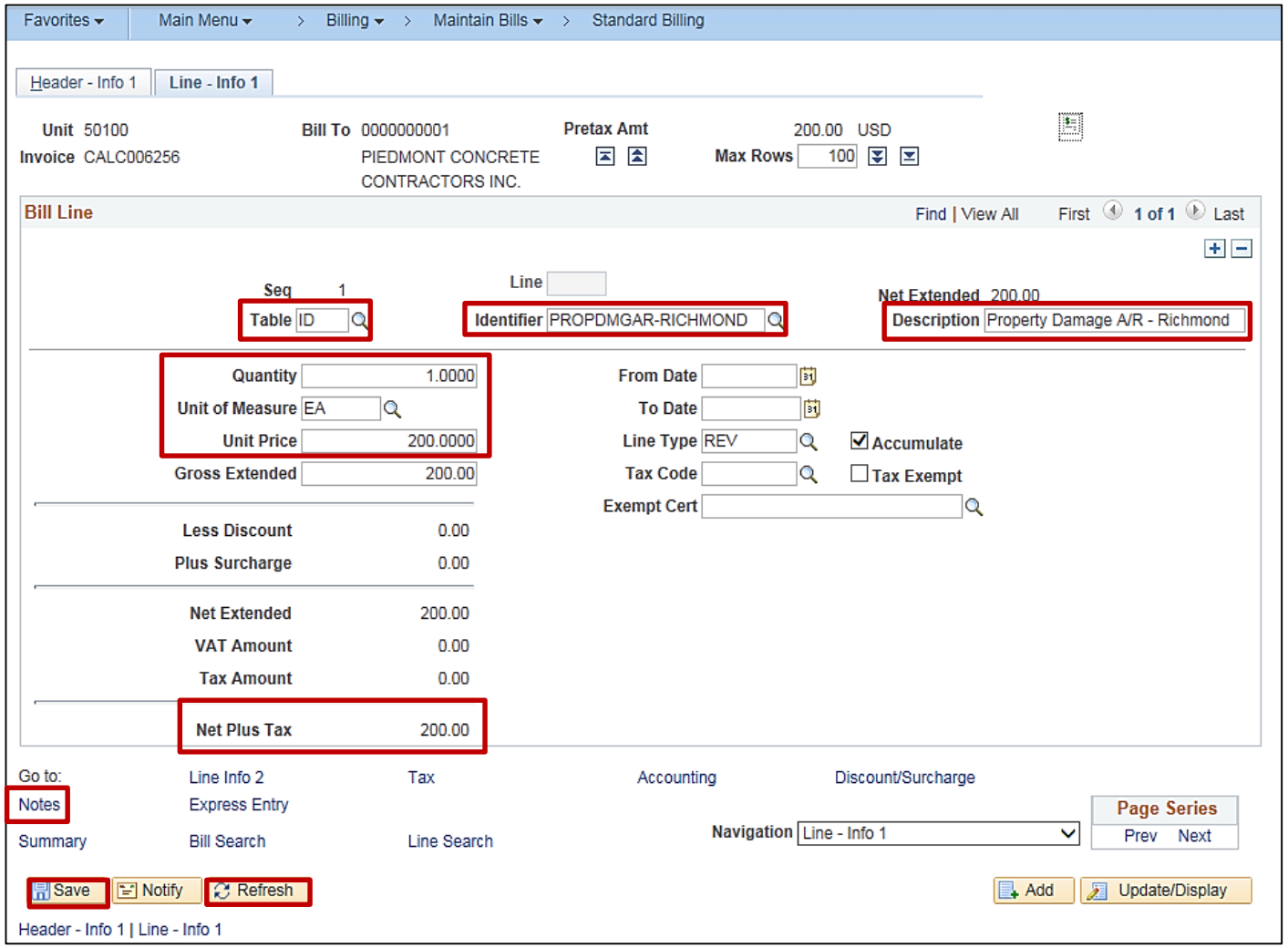
Once the Identifier is selected the **Description**, **Unit of Measure**, and **Unit Price** fields populate. Do not change them.

Enter the **Quantity**.

Click the **Refresh** button to see the bill total.

Notice the new **Net Plus Tax**. This is the amount that is shown on the bill.

When adding notes to the **Line**, click the **Notes** link.



Entering a Standard Bill (continued)

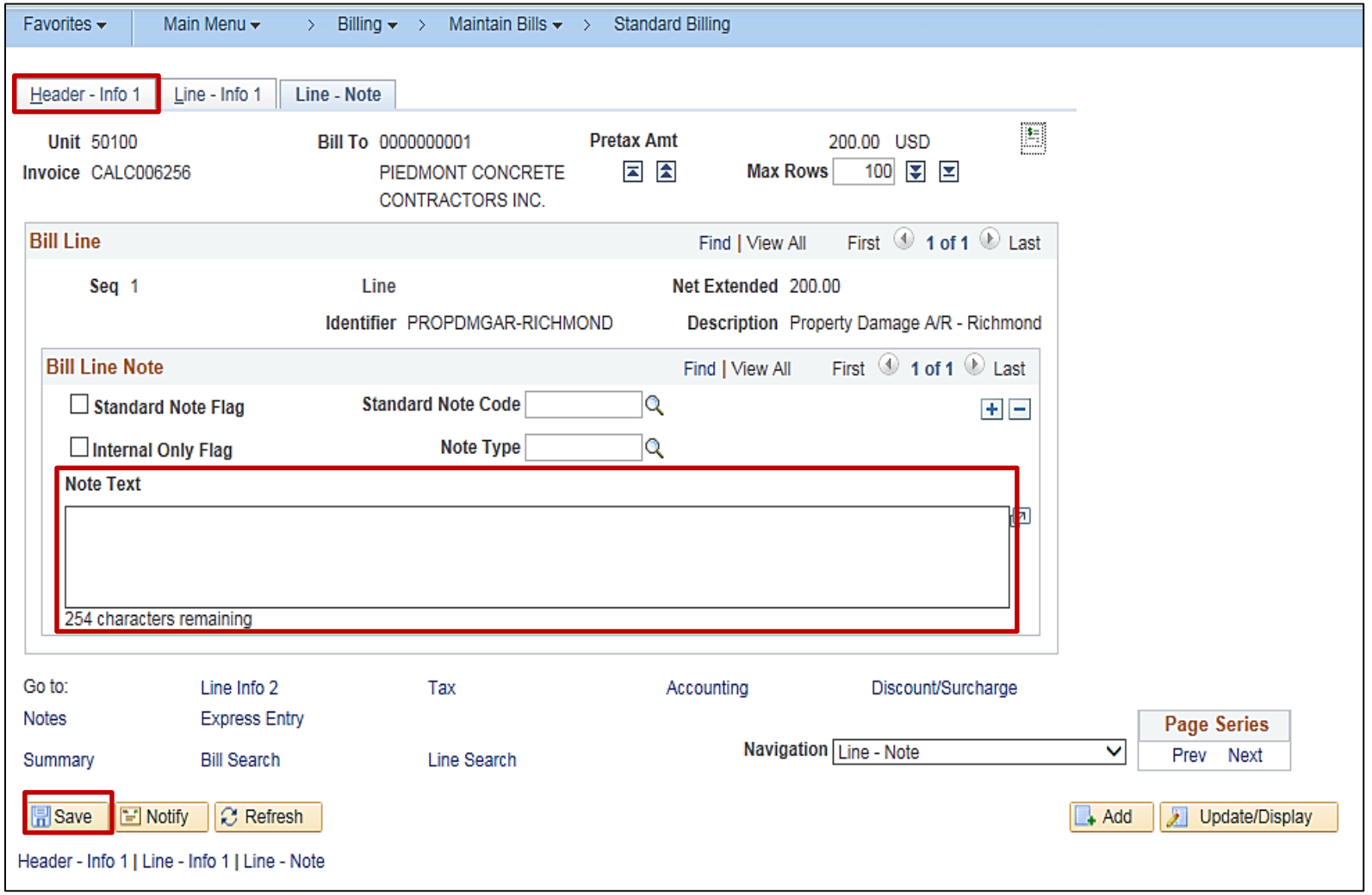
The **Line – Note** tab displays.

Line note text can now be added in the **Note Text** box.

Notes added here will appear on the invoice under each line.

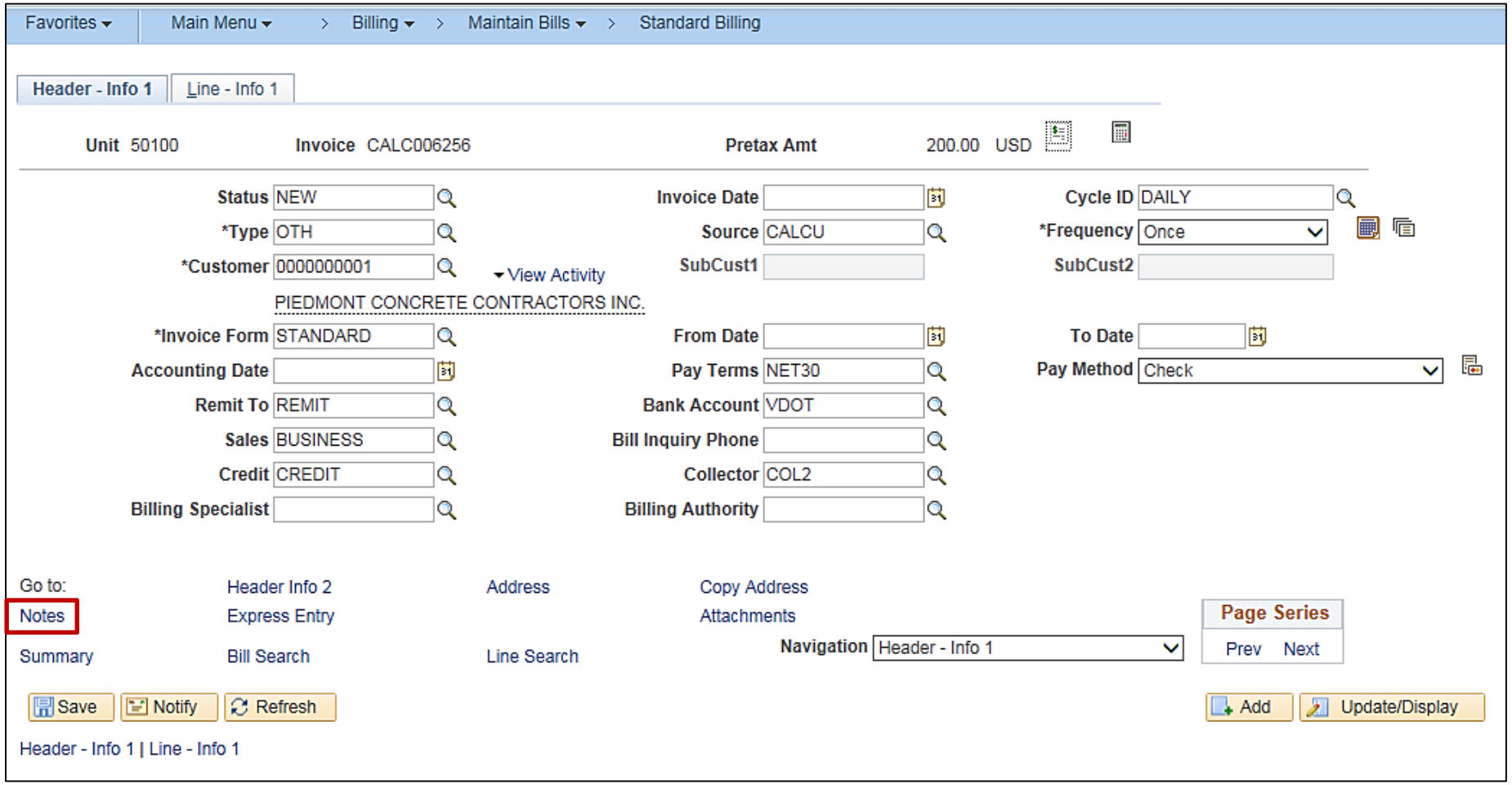
Click the **Save** button.

Notes can also be added to the Header. To add notes to the Header, click the **Header 1 Info** tab.



Entering a Standard Bill (continued)

Click the **Notes** link.



Entering a Standard Bill (continued)

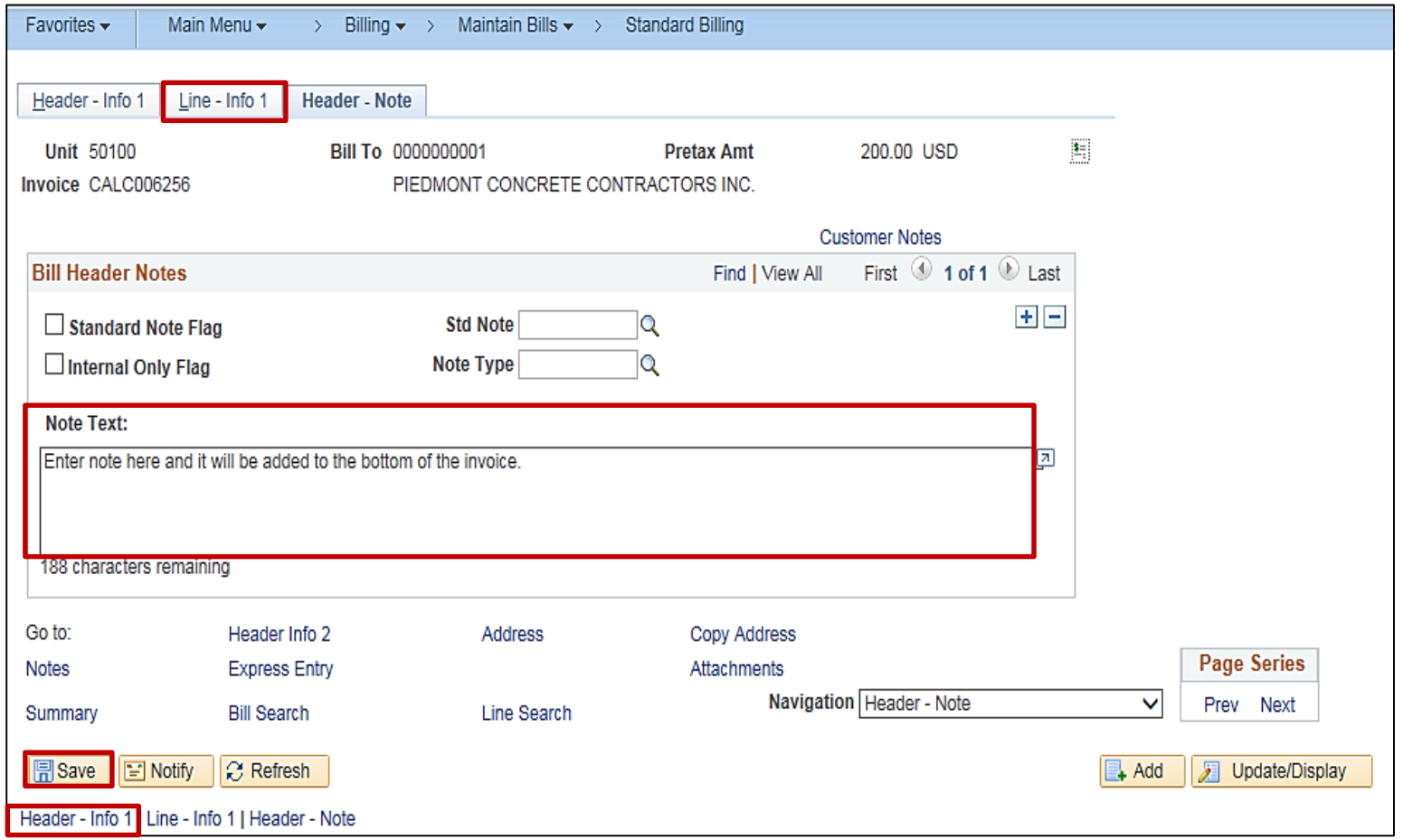
The **Header – Note** tab displays.

Header note text can now be added in the **Note Text** box.

Notes added here will appear at the bottom of the invoice.

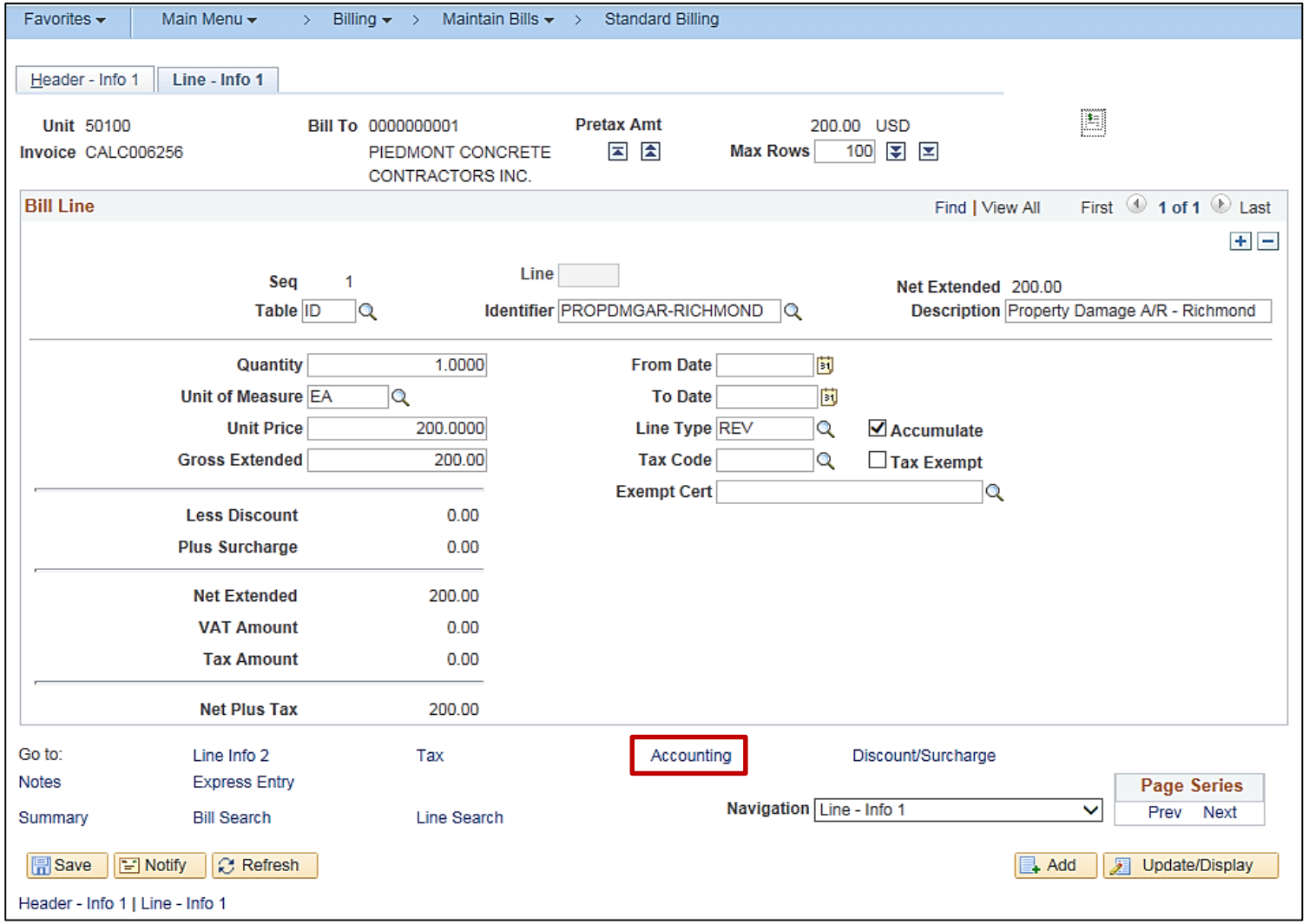
Click the **Save** button.

Click the **Line – Info 1** tab.



Entering a Standard Bill (continued)

Click the **Accounting** link.

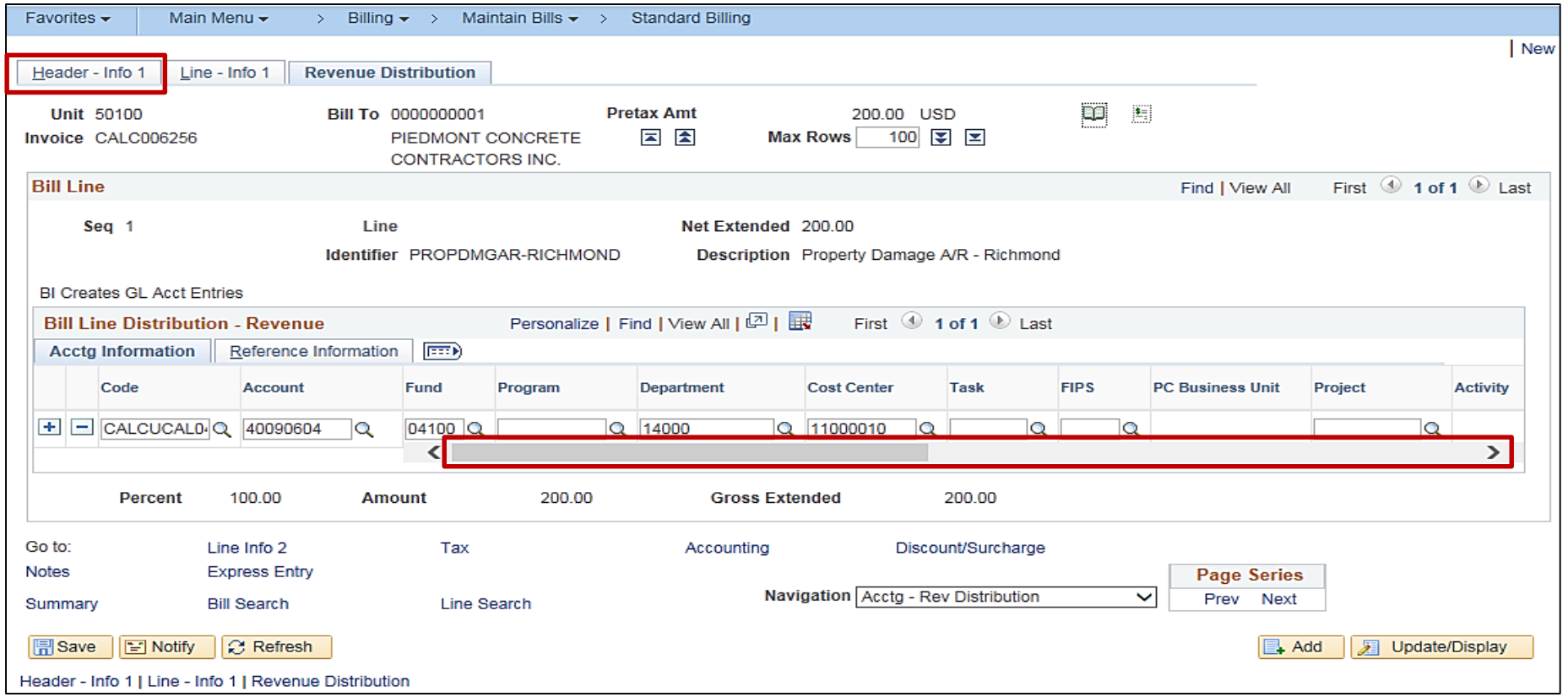


Entering a Standard Bill (continued)

The **Revenue Distribution** tab displays.

Review the accounting distribution showing in the **Acctg Information** tab and make changes if necessary. Use the scrollbar under the distribution to view all values.

Click the **Header – Info 1** tab.

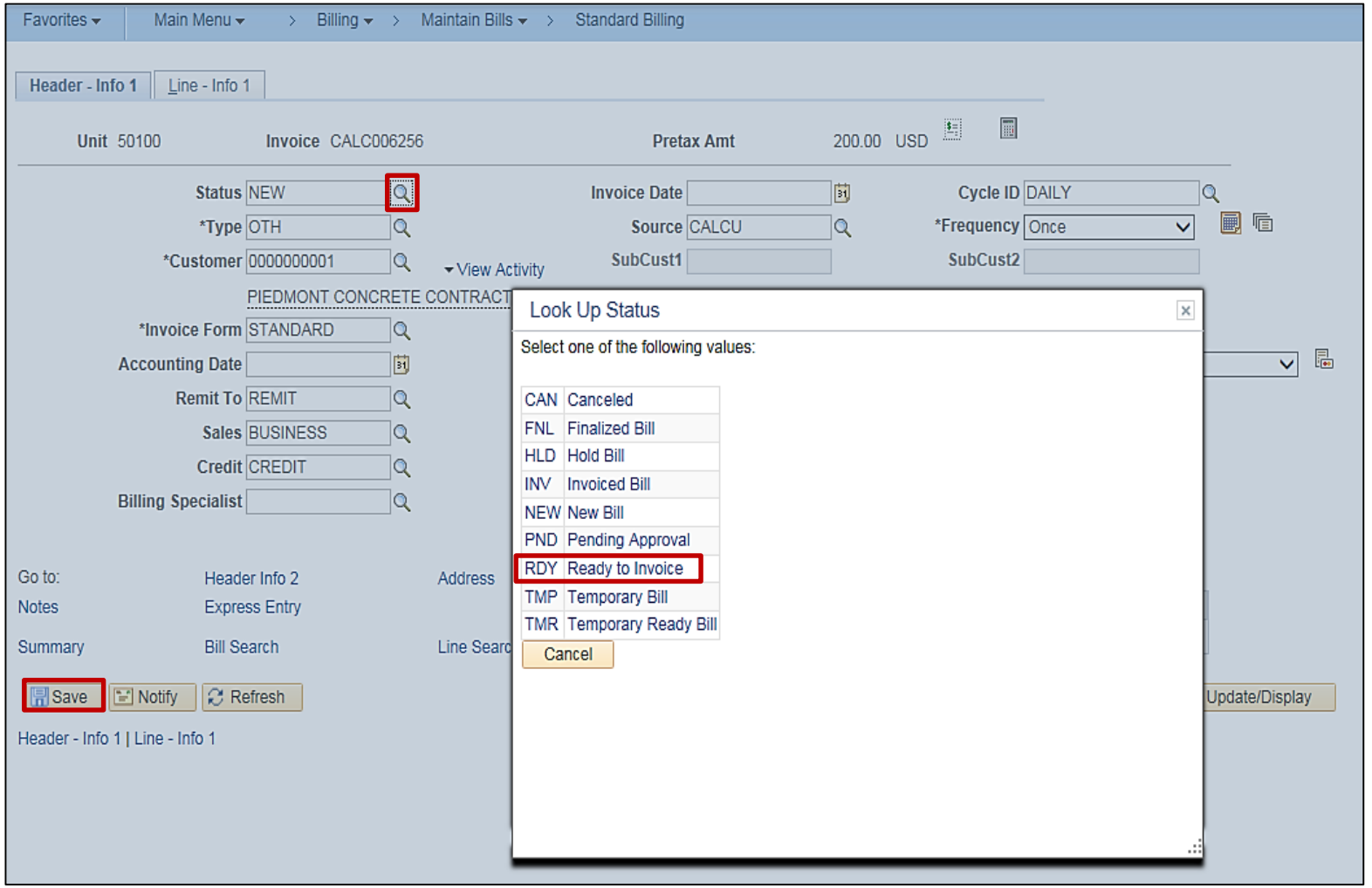


Entering a Standard Bill (continued)

Click the **Status** look up icon and select the **RDY** (Ready to Invoice) option.

After the **Status** is entered, click the **Save** button. The Invoice number field populates.

Once the invoice has been finalized and the bill status changes from **RDY** to **INV** (Invoiced), no further changes can be made to the billing data.



Entering a Recurring Bill

A recurring bill is one that occurs on a set schedule that allows for the reproduction of bills, or portions of bills, and the generation of invoices by using templates.

Associating a recurring bill template with a predefined schedule (using the **Recurring Schedule** fields) allows the user control over when and how often recurring bills are generated. A monthly fuel expense is an example of a potentially recurring bill.

Schedules automate and control the generation of recurring bills.

Recurring bills are generated monthly in Cardinal.

To create a recurring bill template, enter information on the original invoice (Standard Bill) template and set up recurring parameters.

For more detailed information about entering a recurring bill, see the job aid entitled **501 AR323: Entering a Recurring Bill** located on the Cardinal website in **Job Aids** under **Learning**.

Entering an Installment Bill

Installment billing is used to invoice customers in segments, with the total amount due divided equally, by percentage, or according to the configured definition.

Although rare, installment billing may be used when the customer is unable to pay the total amount billed at once.

Each installment bill includes the installment number, the number of installments, the installment amount due, and the total invoice amount.

Detailed installment billing information is entered manually.

For more detailed information about entering a recurring bill, see the job aid entitled **501 AR323: Entering an Installment Bill** located on the Cardinal website in **Job Aids** under **Learning**.

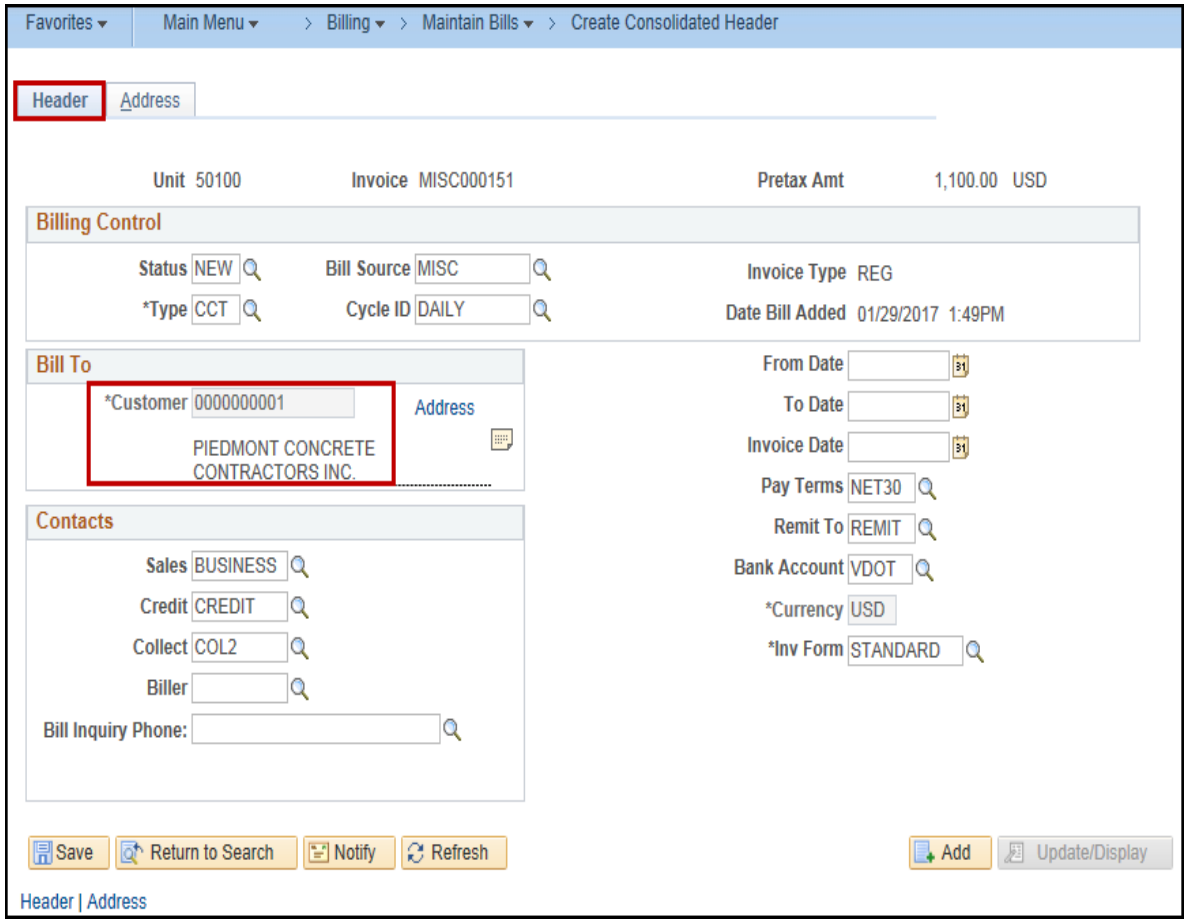
Entering a Consolidated Bill

Consolidated bills are bills that are grouped or consolidated into a single invoice. In order to consolidate bills, select individual bills for invoicing at the same time as one group.

Navigate to the **Header** page using the following path:

Main Menu > Billing > Maintain Bills > Create Consolidated Header

Create a consolidated bill header for the group of bills selected and specify the customer for the bill in the **Customer** field.



Entering a Consolidated Bill (continued)

To create a consolidated header, bills can be attached.

The bills the user has selected to attach to the consolidated header are invoiced at the same time as long as the bills are in **RDY** (Ready) status.

Navigate to this page using the following path:

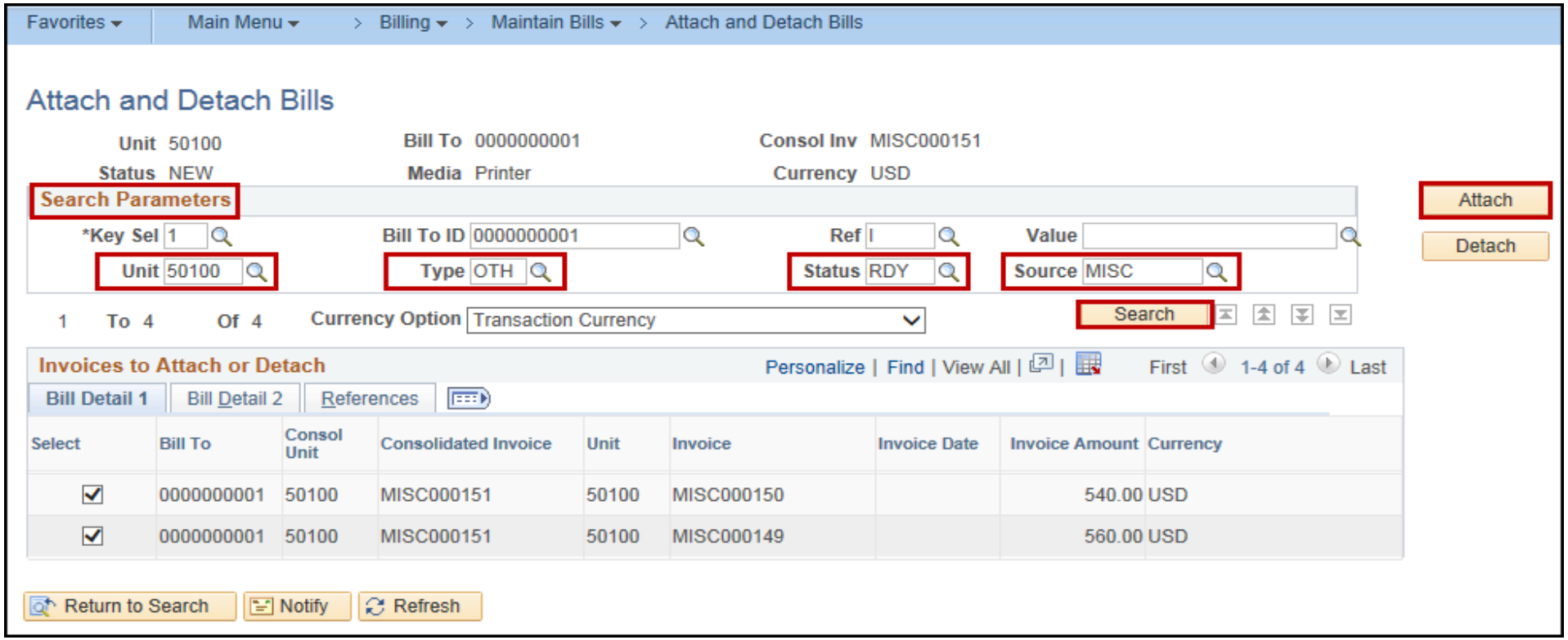
Main Menu > Billing > Maintain Bills > Attach and Detach Bills

Entering a Consolidated Bill (continued)

Search for an invoice to attach to a consolidated header by using the **Search Parameters**, such as **Type**, **Status**, and/or **Source**. After clicking the **Search** button, all invoices matching the criteria will be returned.

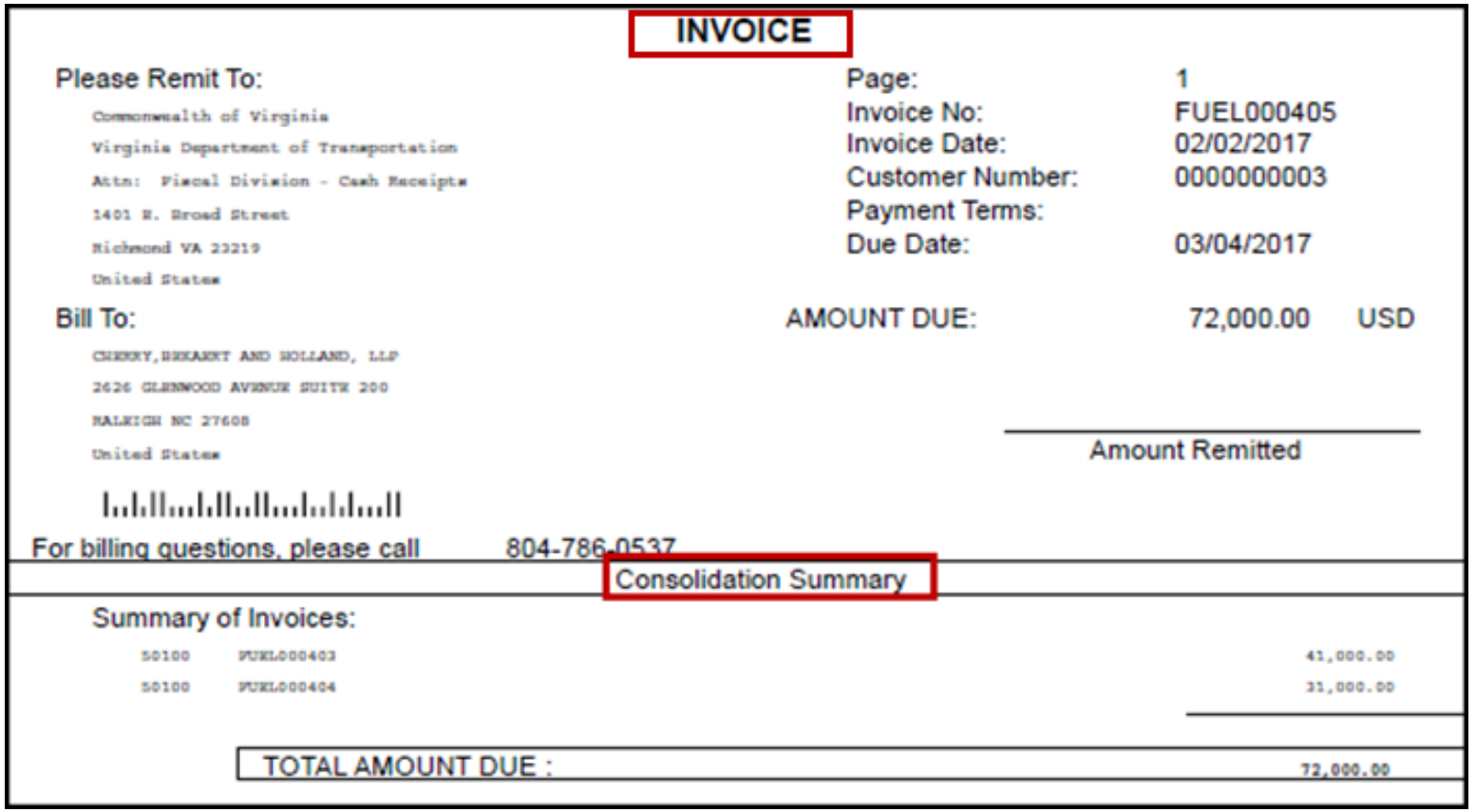
From the **Invoices to Attach or Detach** section**,** select the appropriate invoices and click the **Attach** button. For a detailed listing of the file extensions that are allowed as attachments in Cardinal, see the appendix section of this course.

The invoice is now attached to the consolidated header.



Entering a Consolidated Bill (continued)

The consolidated invoice will show a summary of the invoices included.



INVOICE

Please Remit To:

Commonwealth of Virginia
Virginia Department of Transportation
Attn: Fiscal Division - Cash Receipts
1401 E. Broad Street
Richmond VA 23219
United States

Page: 1
Invoice No: FUEL000405
Invoice Date: 02/02/2017
Customer Number: 0000000003
Payment Terms:
Due Date: 03/04/2017

Bill To:

CHERRY, BEKAERT AND HOLLAND, LLP
2626 GLENWOOD AVENUE SUITE 200
RALEIGH NC 27608
United States

AMOUNT DUE: 72,000.00 USD

Amount Remitted

For billing questions, please call 804-786-0537

Consolidation Summary

Summary of Invoices:

50100	FUEL000403	41,000.00
50100	FUEL000404	31,000.00

TOTAL AMOUNT DUE : 72,000.00

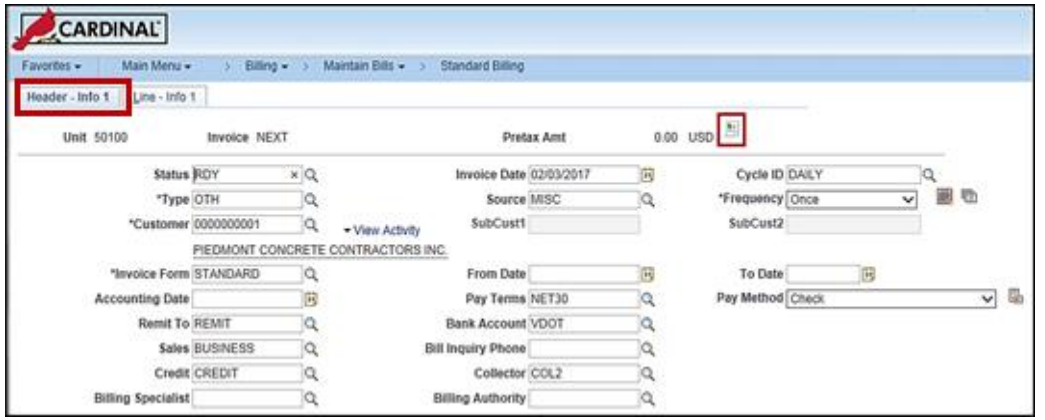
Pro Forma Invoices

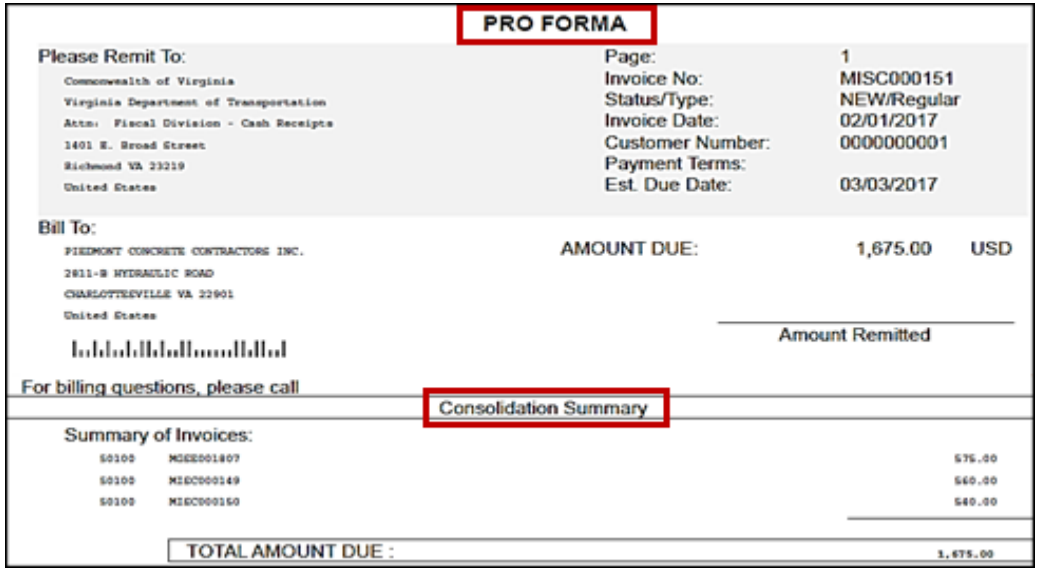
A **Pro Forma Invoice** is a copy of the billing invoice. It contains the same information as a final billing invoice.

To generate a **Pro Forma Invoice**, click the **Pro Forma** button on the **Header - Info 1** tab.

The user is not required to create and review **Pro Forma Invoices** during the invoicing process. However, running **Pro Forma Invoices** allows for reviewing and correcting of any discrepancies before the final bill is printed.

Cardinal will only generate **Pro Forma Invoices** for bills that have not been invoiced or finalized.





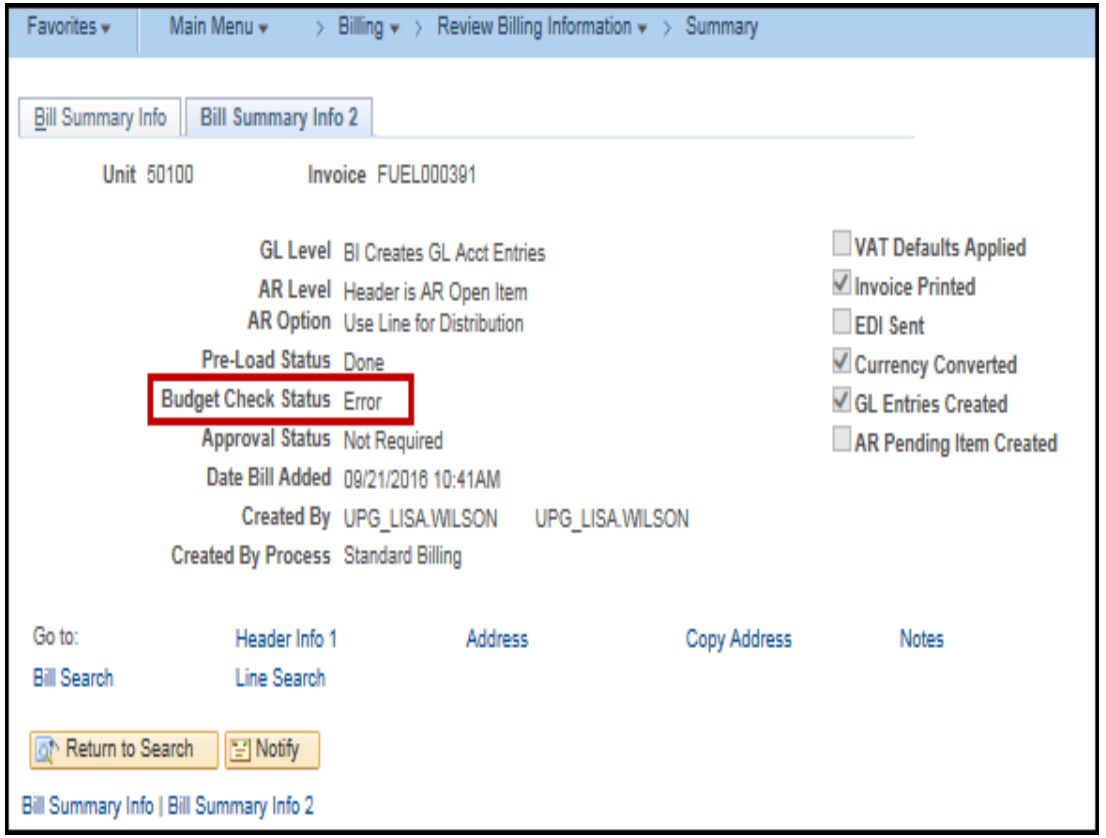
Budget Check Errors

An invoice will not be accepted for batch processing if it contains a **Budget Check Error**.

To determine if there are **Budget Check Errors** following batch processing, navigate using the following path:

Main Menu > Billing > Review Billing Information > Summary

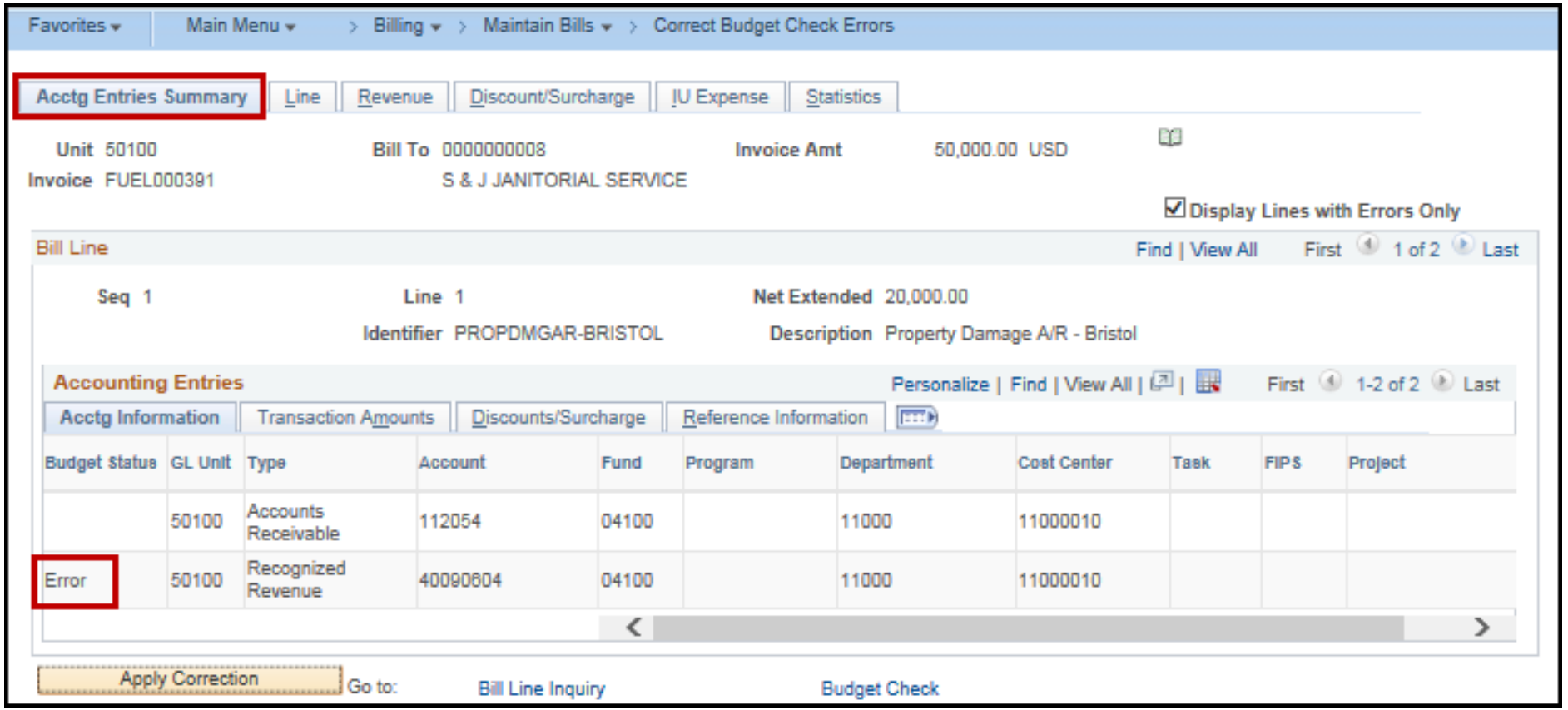
On **the Bill Summary Info 2** tab, check the **Budget Check Status**.



Budget Check Errors (continued)

If the **Budget Check Status** is **Error**, make corrections by navigating using the following path:

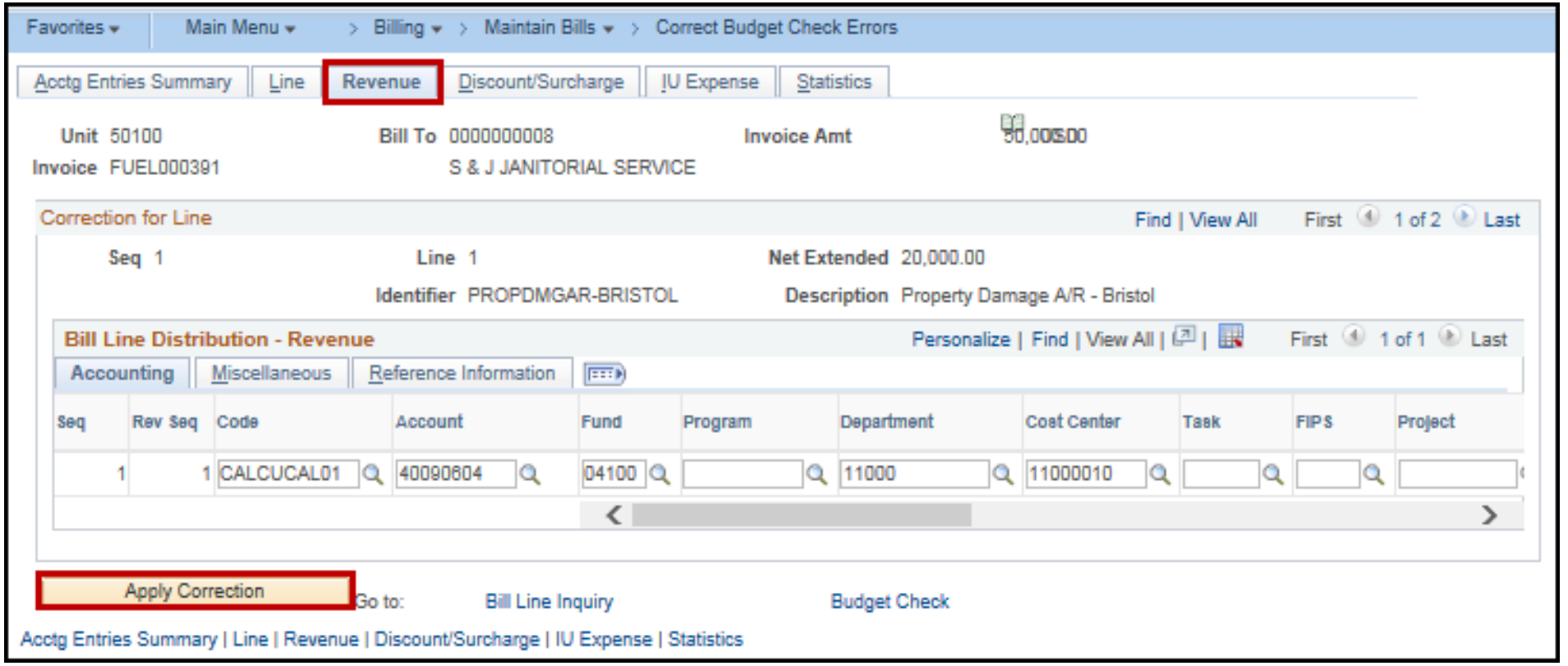
Main Menu > Billing > Maintain Bills > Correct Budget Check Errors



Budget Check Errors (continued)

If a ChartField error(s), go to the **Revenue** tab to make corrections.

Once the ChartField data is correct, click the **Apply Correction** button.



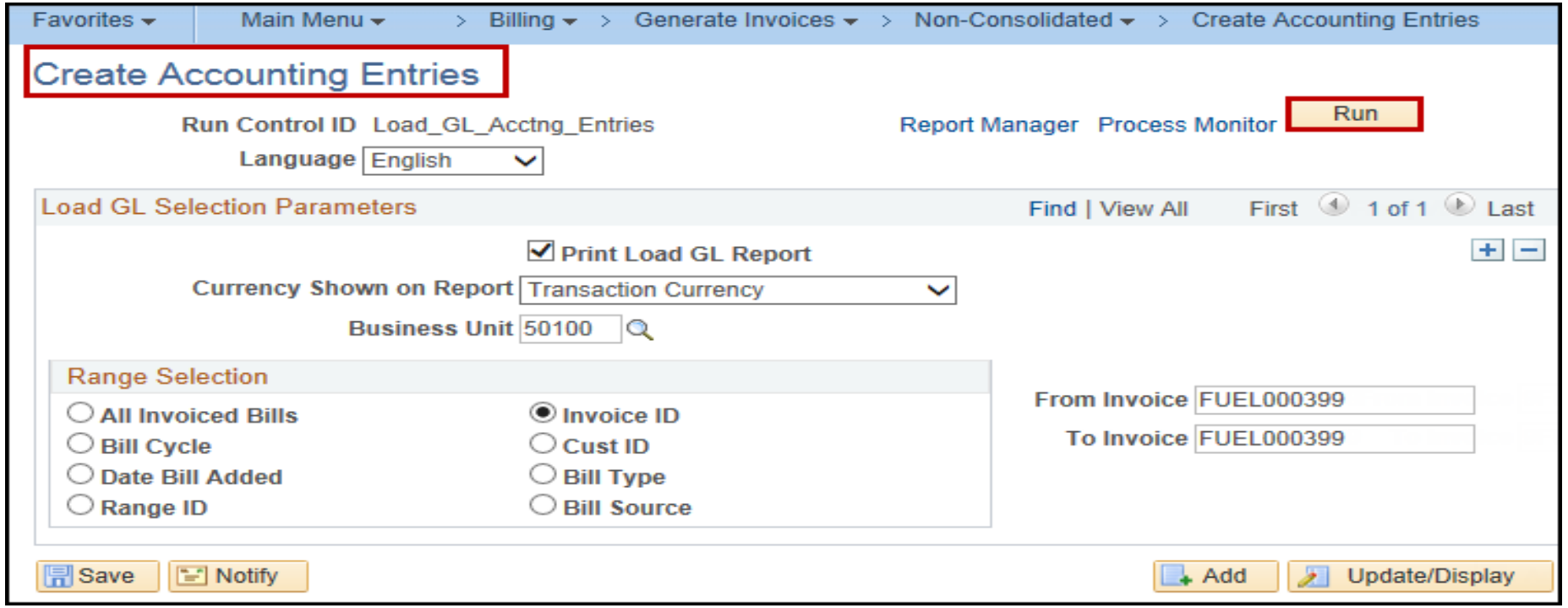
Budget Check Errors (continued)

Once the transaction is corrected, run the **Create Accounting Entries** process to regenerate the accounting entry.

Navigate using the following path:

Main Menu > Billing > Generate Invoices > Non-Consolidated > Create Accounting Entries

Click the **Run** button.



Budget Check Errors (continued)

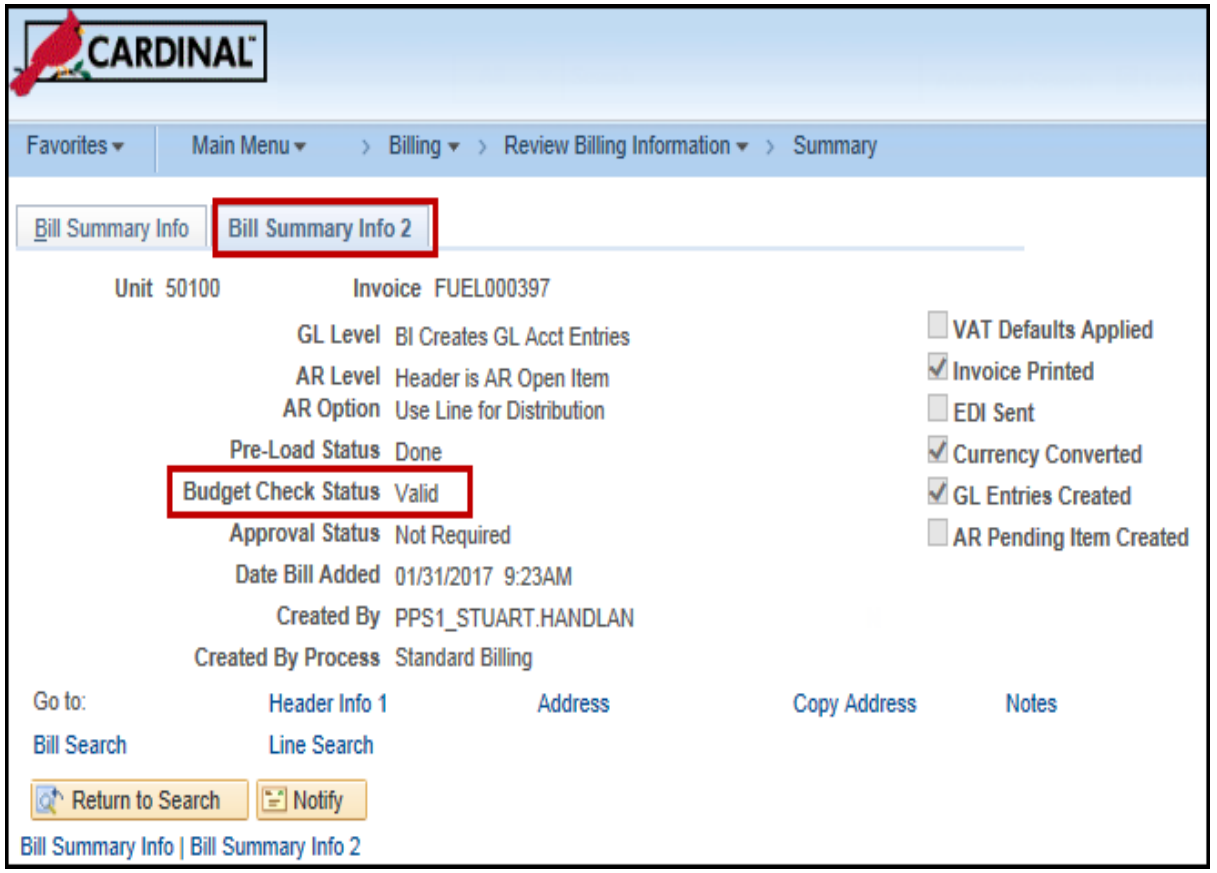
To verify that the transaction now passes budget check, navigate to the **Billing Summary 2** tab using the following path:

Main Menu > Billing > Review Billing Information > Summary

The **Budget Check Status** should read **Valid**.

Once the **Budget Check Status** is **Valid**, the invoice and its receivable related accounting entries are sent to the Accounts Receivable module during the batch process, Load AR Pending Items.

The **invoice** from the Billing module becomes a pending **item** in the Accounts Receivable module, where invoice information gets posted to customer accounts.

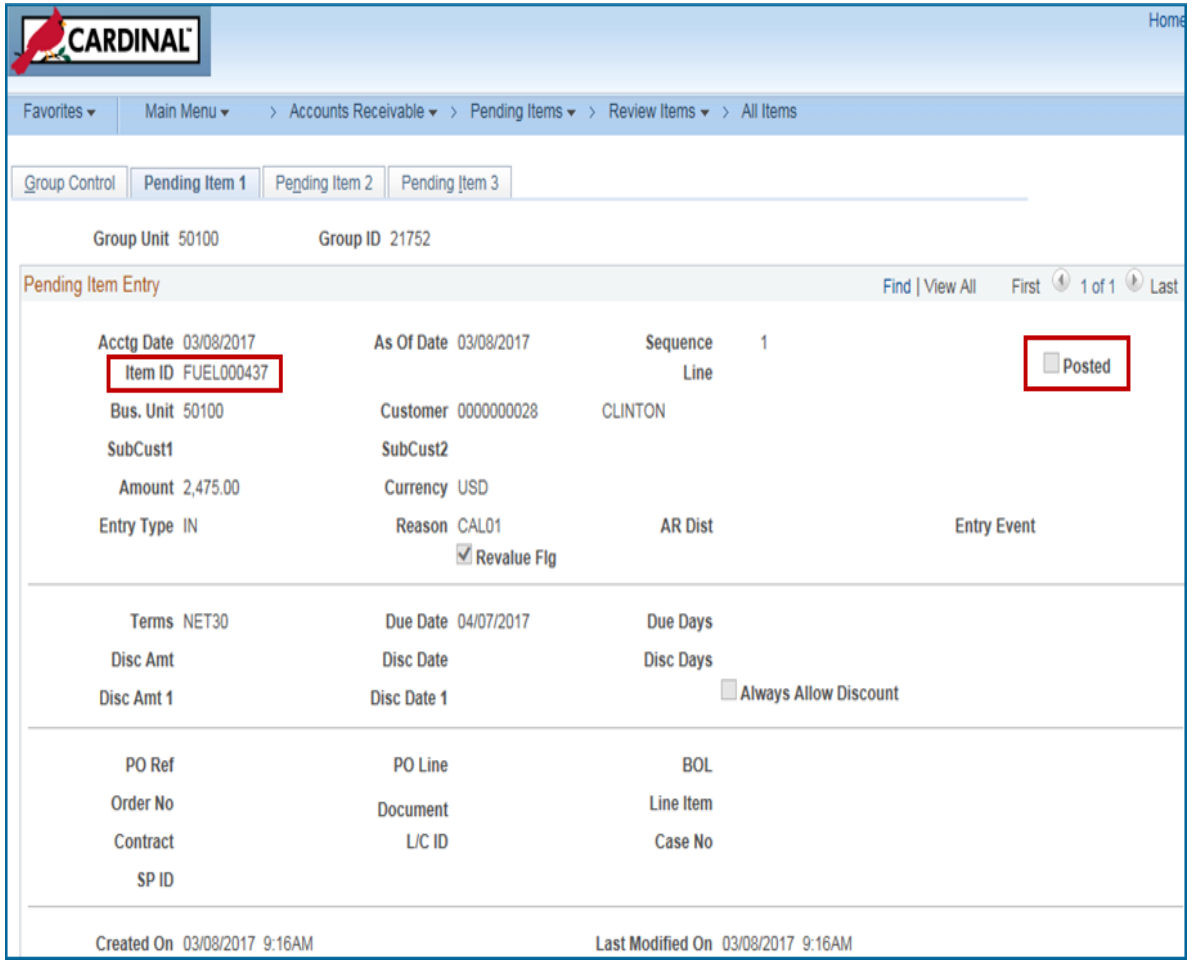


Posting Receivable Items

Posting Receivable Items is the execution of the ARUPDATE batch process that selects pending items generated from the billing module that are ready for posting and creates receivable items.

When items are posted in Cardinal Accounts Receivables, the system processes groups of pending items to update customer balances, item balances, and system-defined history details. In the Accounts Receivable module, the Item ID matches the invoice ID from the billing module.

The Item is edit checked and retains its valid Budget Status from the Billing module.

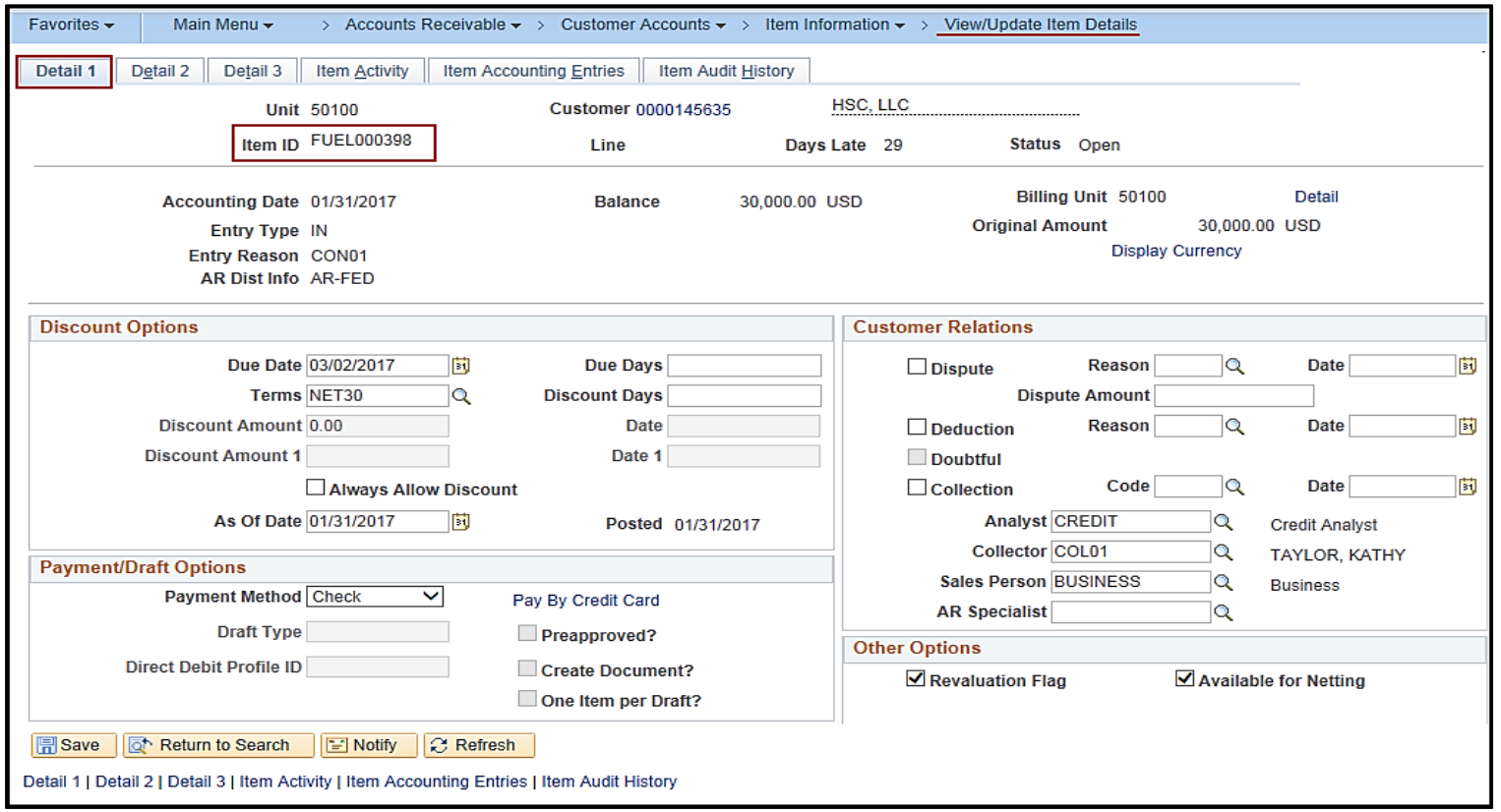


Viewing the Bill in Accounts Receivable

The details of the AR items are recorded on the detail, item activity, and the accounting entries pages.

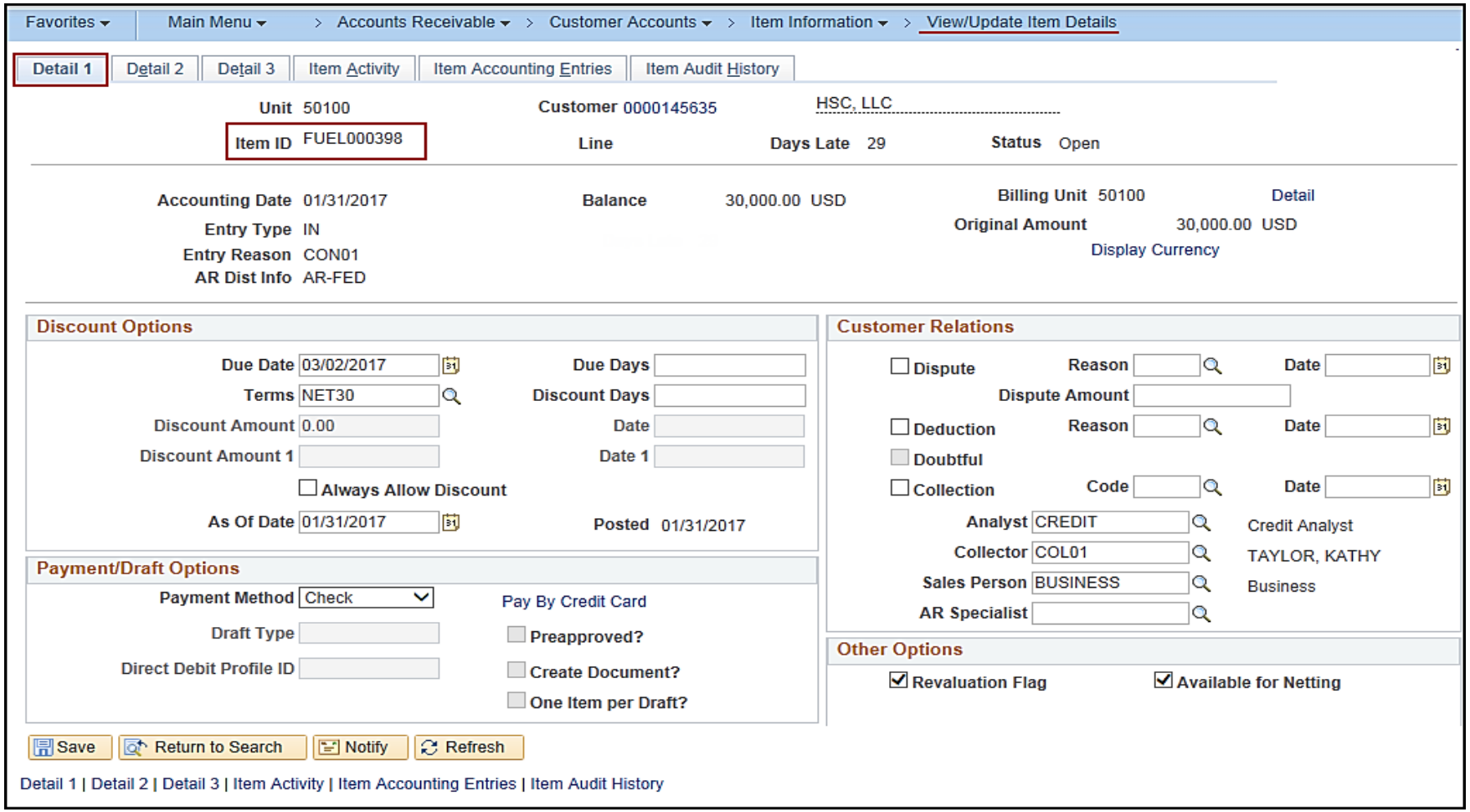
To view the item that was created, navigate to the **View/Update Item Details** page using the following path:

Main Menu > Accounts Receivable > Customer Accounts > Item Information > View/Update Item Details



Viewing the Bill in Accounts Receivable (continued)

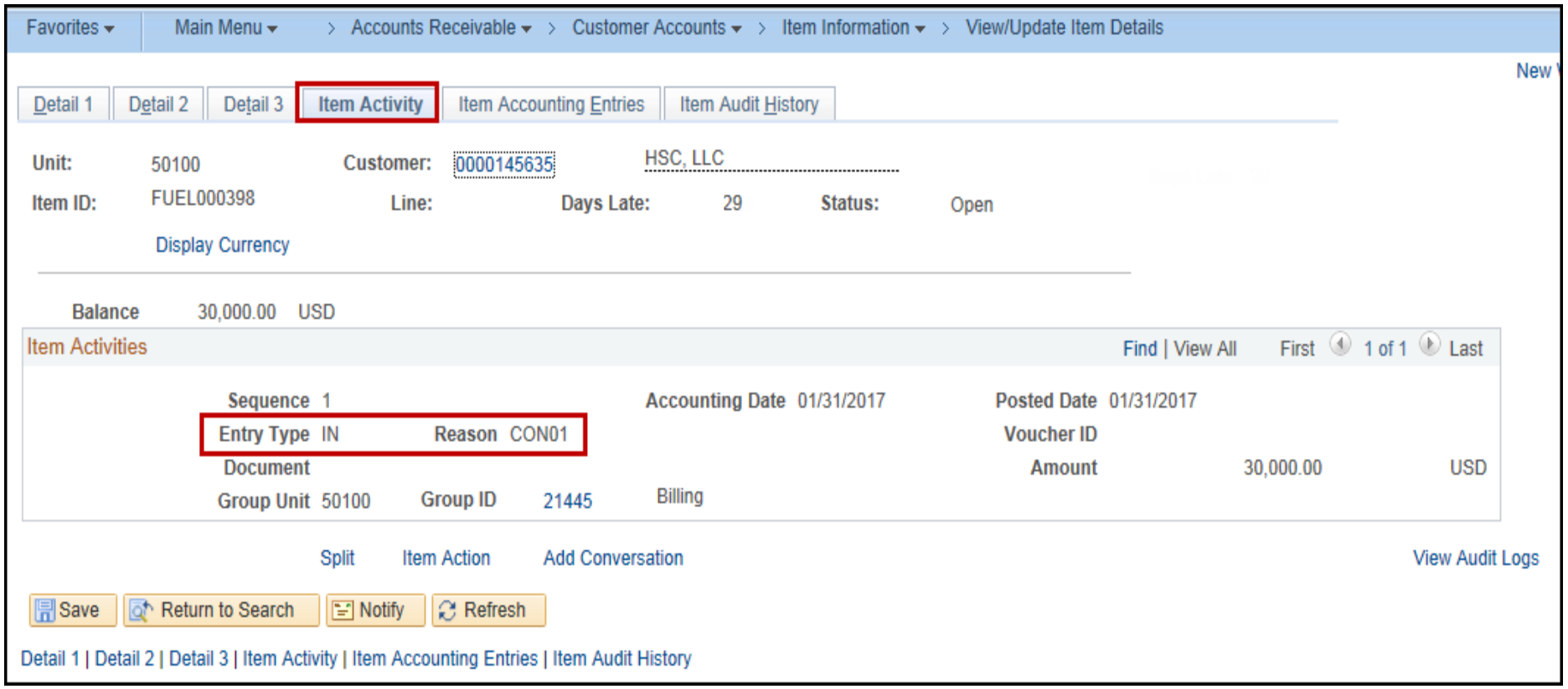
The **Details 1** tab displays. The information that was keyed on the bill displays on this page.



Viewing the Bill in Accounts Receivable (continued)

Next, click on the **Item Activity** tab. Use the **Item Activity** page to review all activity records for an item.

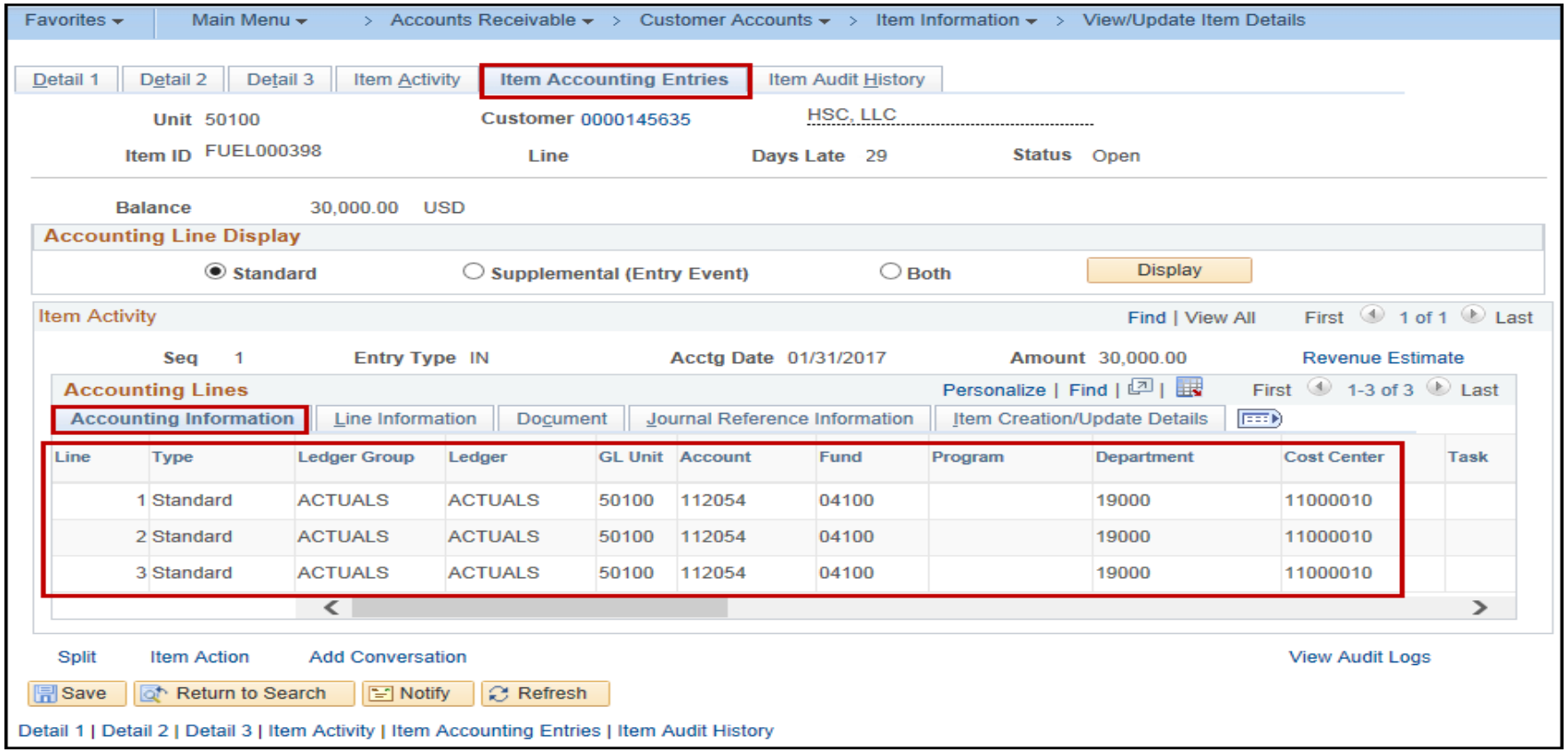
The **Entry Type** and **Entry Reason** entered on the bill are displayed here.



Viewing the Bill in Accounts Receivable (continued)

Next, click on the **Item Accounting Entries** tab. Use the **Item Accounting Entries** page to view the accounting entries for each item activity.

This screen shows the receivables side of the entry created in billing; the revenue or offsetting entry has already gone to the General Ledger.



Simulation: Enter a Standard Bill

You will now view a simulation that demonstrates how to **Enter a Standard Bill**.

Lesson 2: Search for a Bill Hands-On Practice

Now you have an opportunity to practice the lessons learned today in a training environment.

Your instructor will provide direction on how to log in and complete the exercise.

If you have any questions, please ask your instructor.

Lesson 2: Enter a Standard Bill Hands-On Practice

Now you have an opportunity to practice the lessons learned today in a training environment.

Your instructor will provide direction on how to log in and complete the exercise.

If you have any questions, please ask your instructor.

Lesson 2: Summary

2 Entering a Bill Online

In this lesson, you learned:

- How to search for existing bills.
- How to create a standard bill.
- Recurring bills allow for the reproduction of bills or portions of bills and the generation of invoices using templates.
- Installment bills are used to invoice customers in segments.
- Consolidated bills are bills that are grouped or consolidated into a single invoice.
- A pro forma invoice is a copy of the billing invoice. It contains the same information as a final billing invoice. You can use pro forma invoices to review bills before they are finalized.
- How to view and correct budget check errors.
- How to post receivables.
- How to view a bill in Accounts Receivable.

Lesson 3: Introduction

3 Adjusting a Bill

This lesson covers the following topics:

- Documenting a billing dispute
- Selecting an entire bill for adjustment
- Selecting a bill line for adjustment

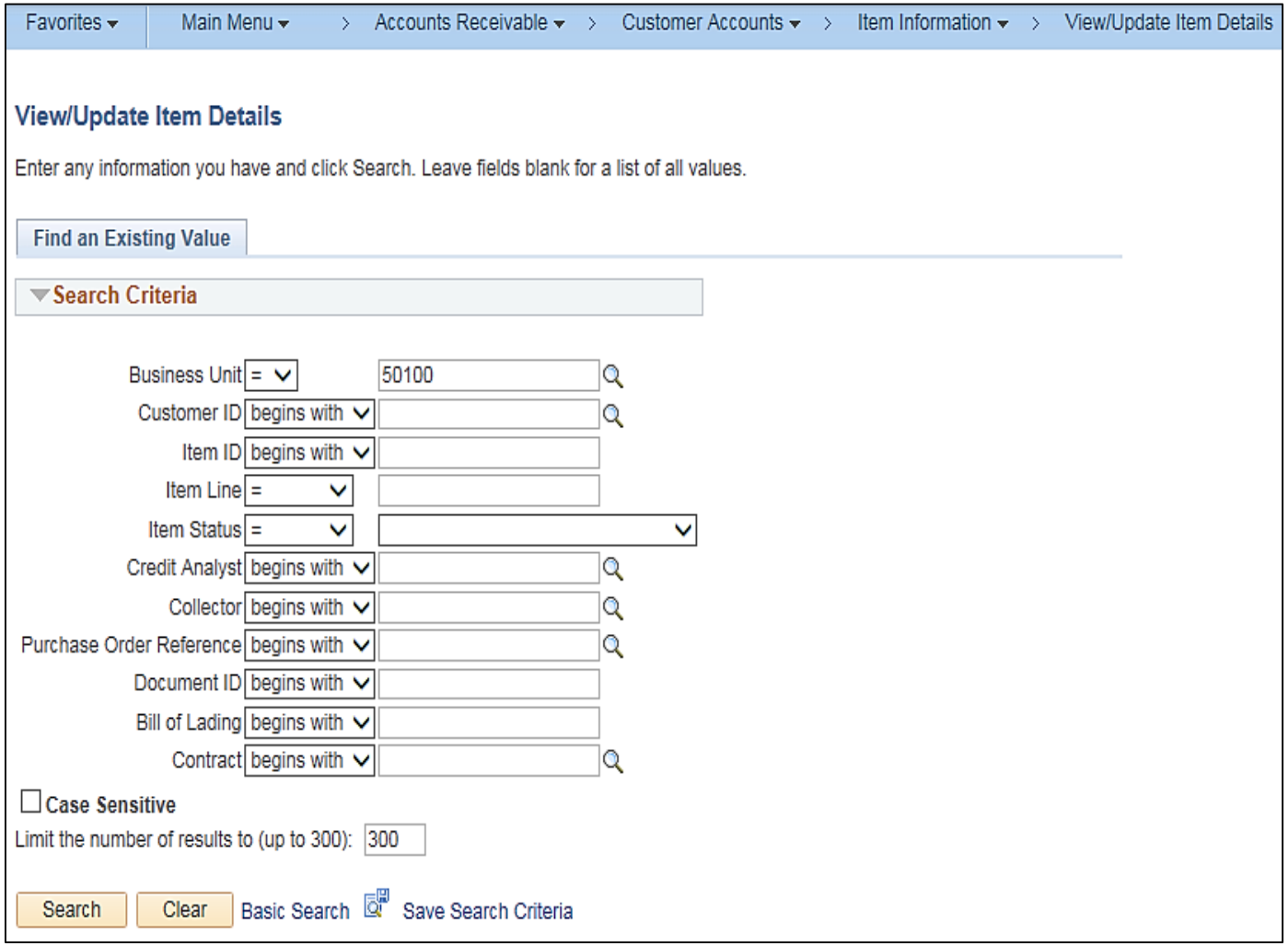
Documenting Billing Disputes

A dispute occurs when a customer disagrees with the bill. This could be a specific line, amount or the entire bill.

If a customer disputes a bill, you can enter some basic tracking information in Cardinal. Note that when a bill is in dispute, the Dunning Letter is not sent.

To document a dispute on a bill in Cardinal access the **View/Update Item Details** page using the following path:

Main Menu > Accounts Receivable > Customer Accounts > Item Information > View/Update Item Details



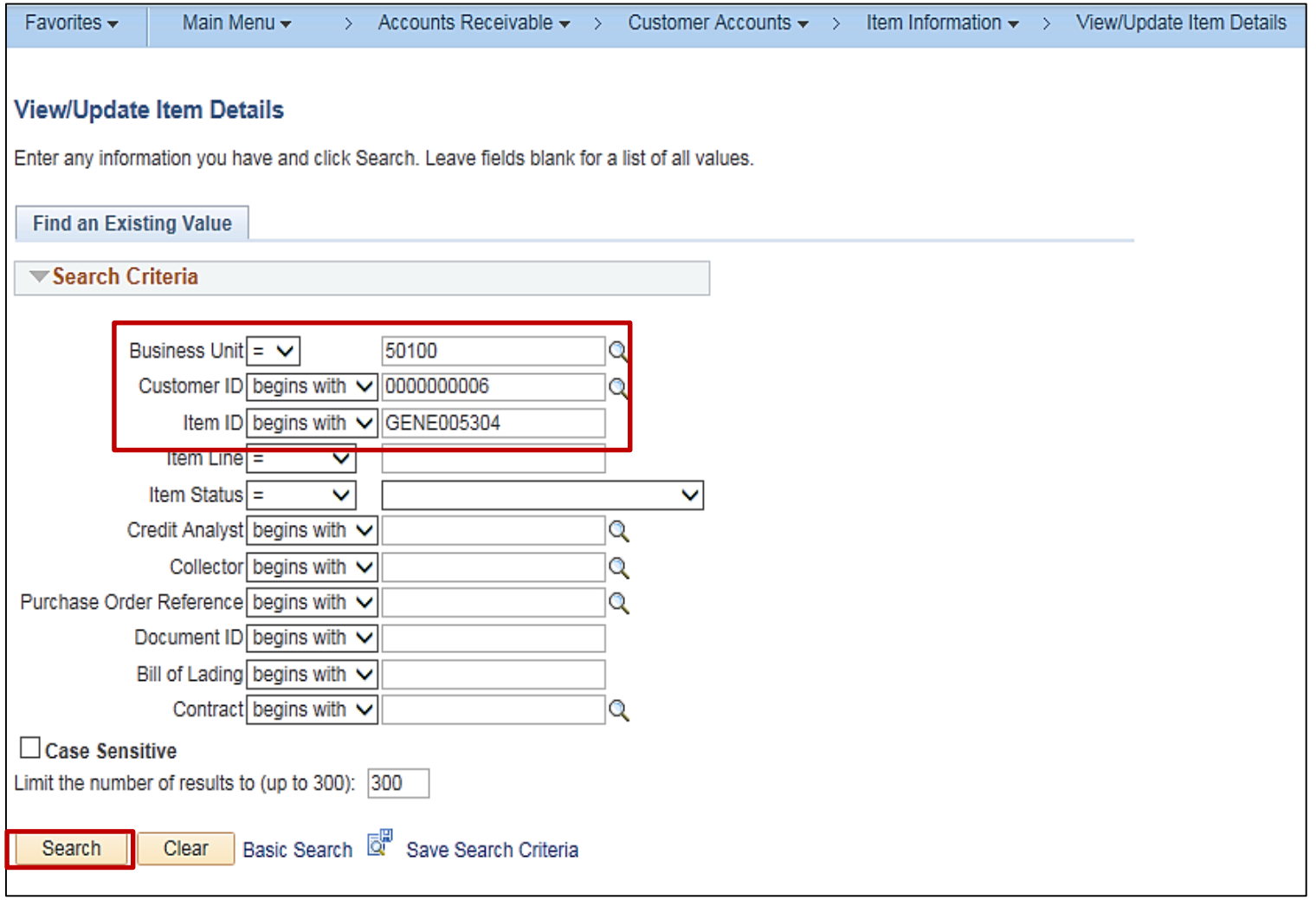
Accessing the View/Update Item Details page for a Dispute

The **Business Unit** field defaults.

Enter your search criteria for the bill you want to dispute.

For this scenario **Customer ID** and **Item ID** are entered.

Click the **Search** button.



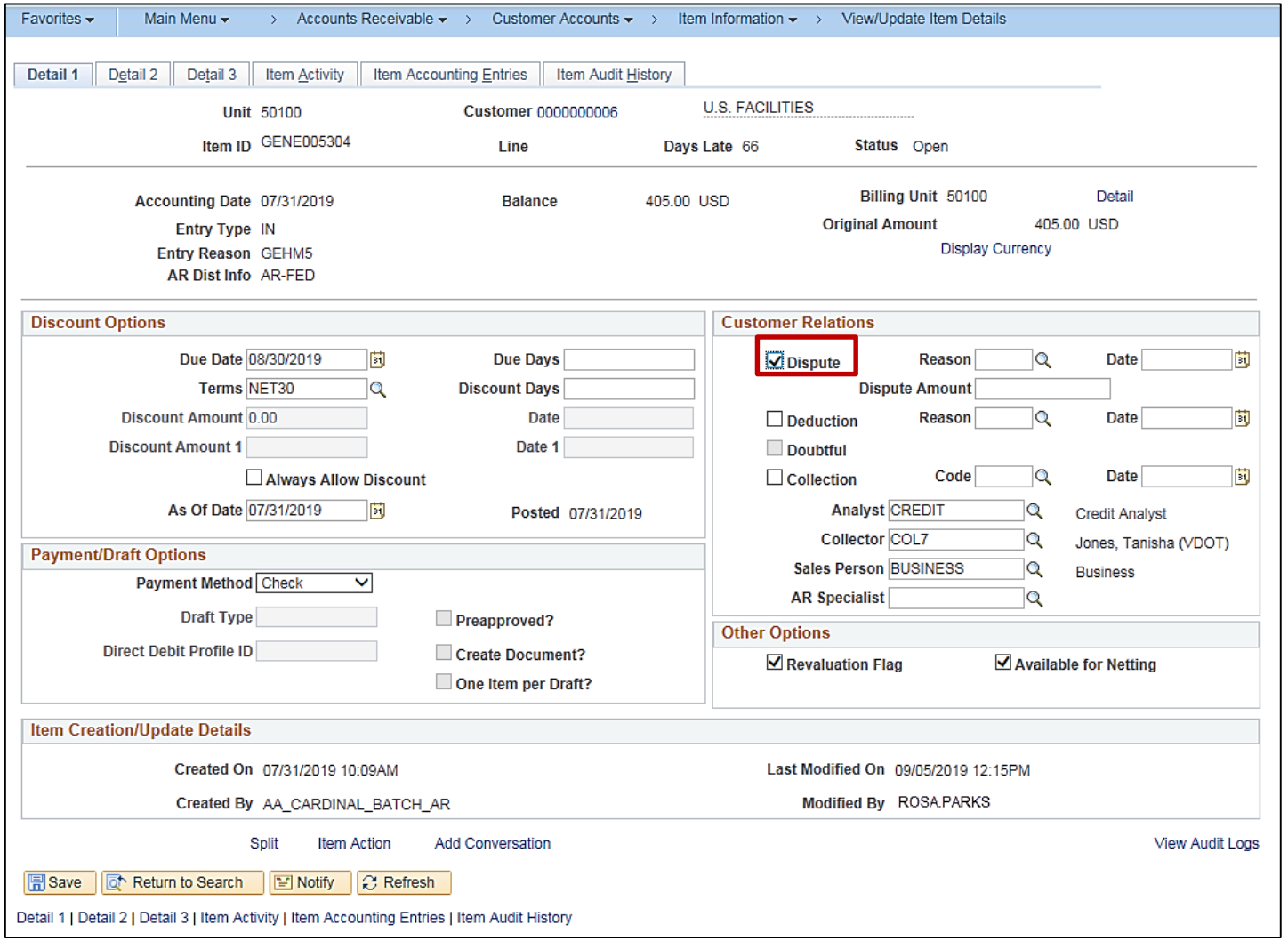
Entering Dispute Information

The **Detail 1** tab displays.

In this scenario, the customer is disputing $50 of the balance.

To enter a dispute:

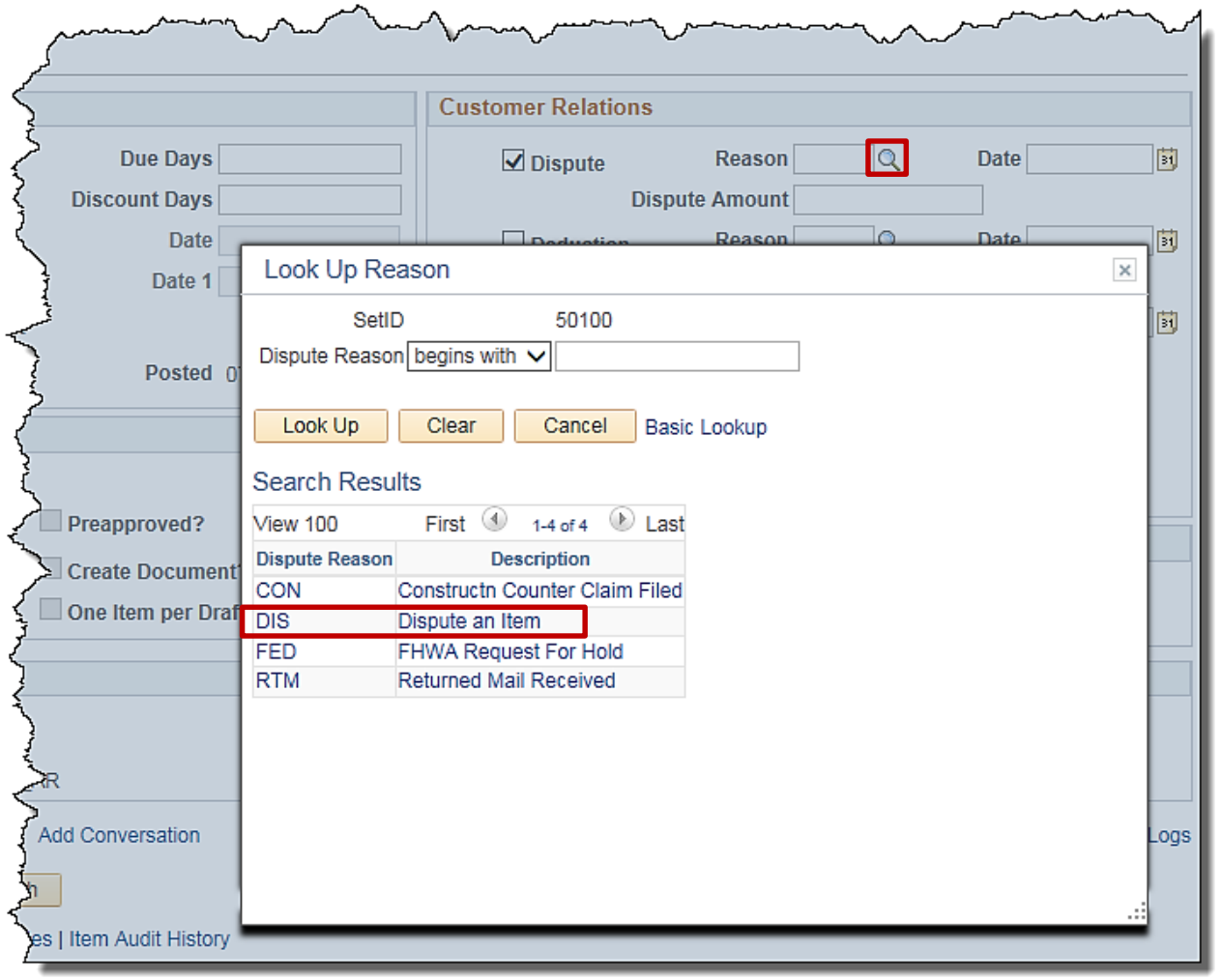
In the **Customer Relations** section of the page, click the **Dispute** checkbox.



Entering Dispute Information (continued)

Click the **Reason** lookup icon to select the reason for this dispute.

For this scenario, the reason is **DIS** for **Dispute an Item**.

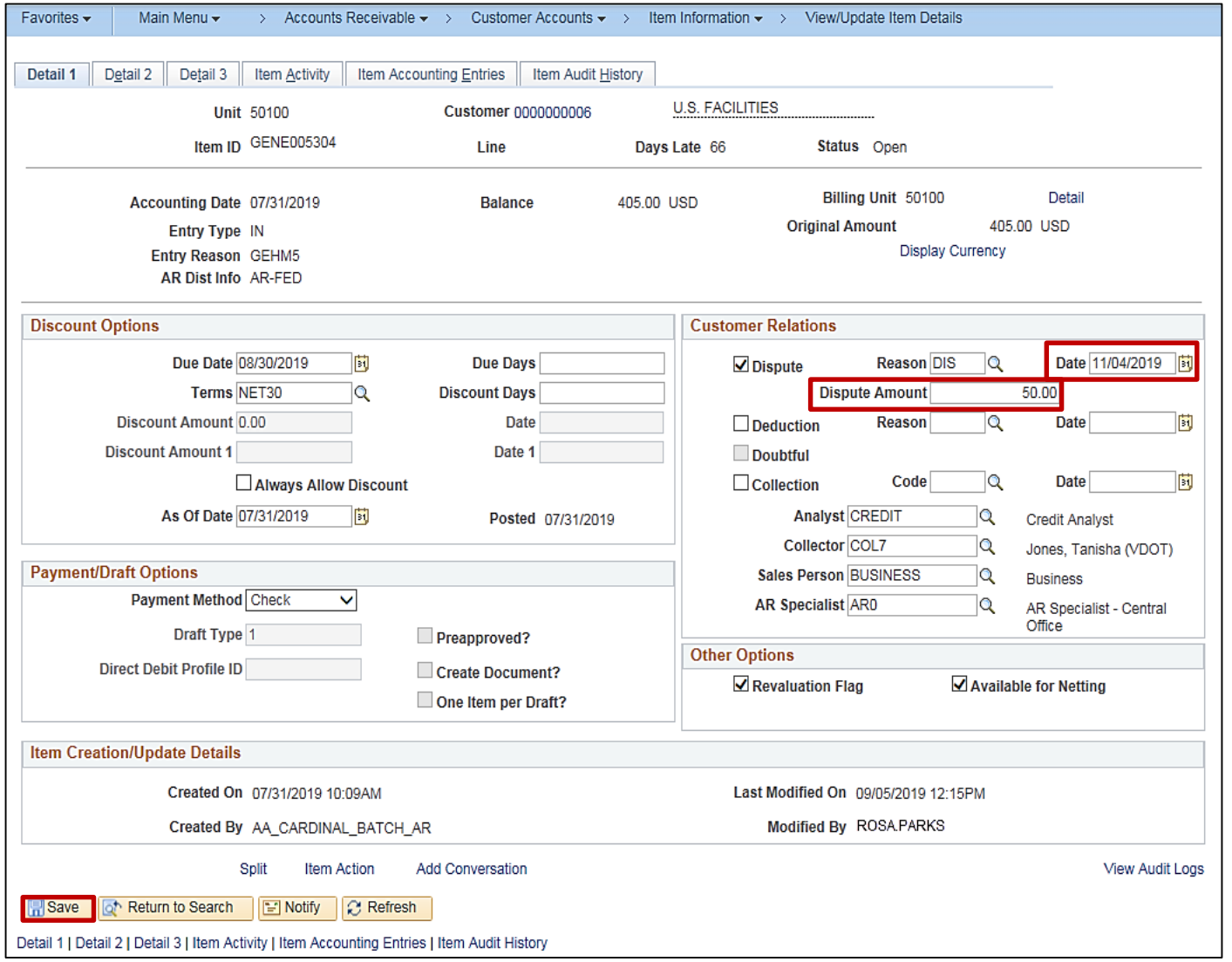


Entering Dispute Information (continued)

The **Date** field defaults to the current date.

The **Dispute Amount** field defaults with the full balance. If the customer is disputing a different amount, enter it in this field. For this scenario, the dispute is for $50.

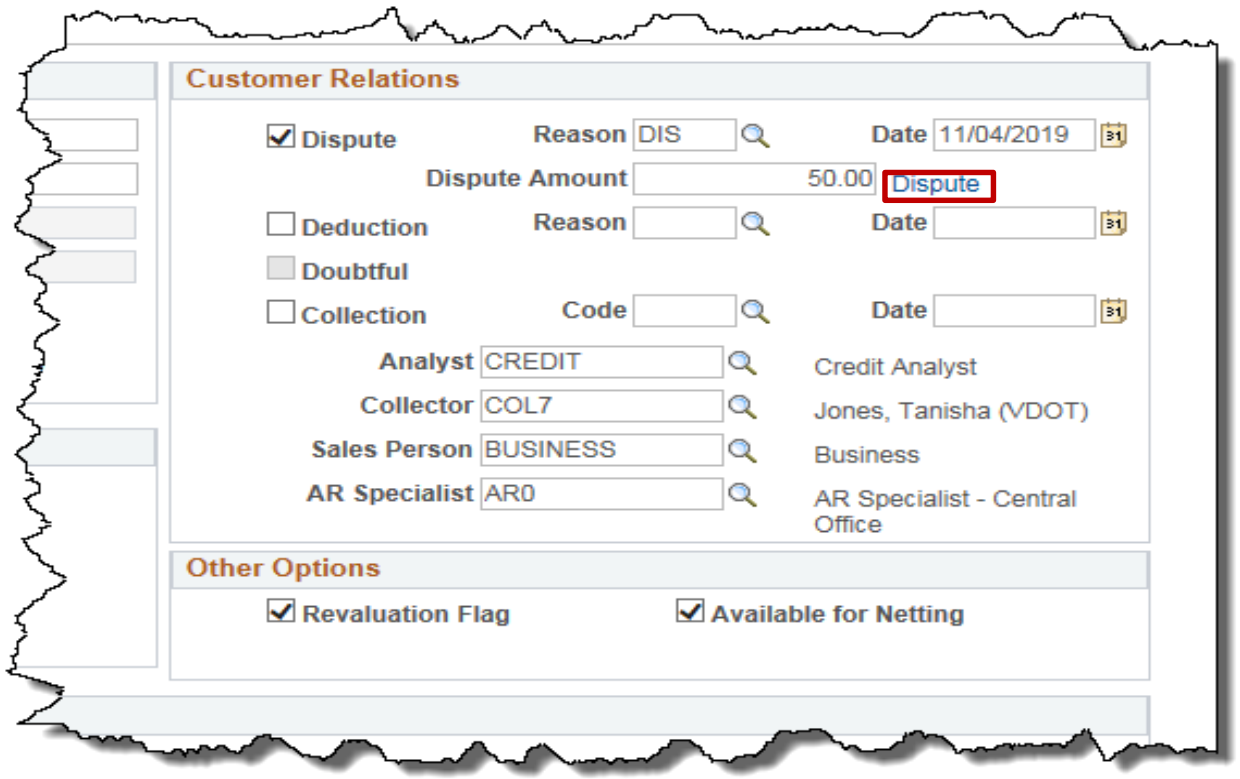
After completing your entries, click the **Save** button.



Entering Dispute Information (continued)

After clicking the **Save** button, a **Dispute** link displays on the page next to the **Dispute Amount** field.

Click the **Dispute** link to access information about the dispute.



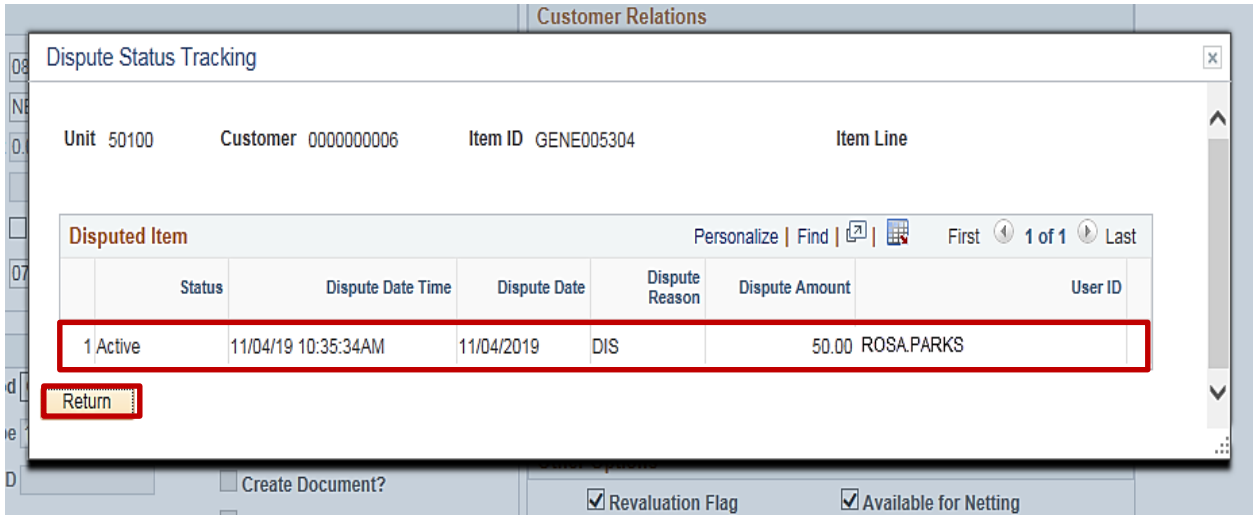
Dispute Status Tracking

The **Dispute Status Tracking** pop-up window displays. This tracks information related to when a dispute is added or removed from an item.

Information includes:

- **Status**: the status of the Dispute (**Active** or **Inactive**)
- **Dispute Date Time**: The date and time the dispute was added.
- **Dispute Date**: Date dispute was added/removed
- **Dispute Reason**: Reason that was selected from the drop down list.
- **User ID**: User ID of the person that entered the Dispute or removed the dispute

Click the **Return** button to return to the **View/Update Item Dispute** page.



Removing a Dispute

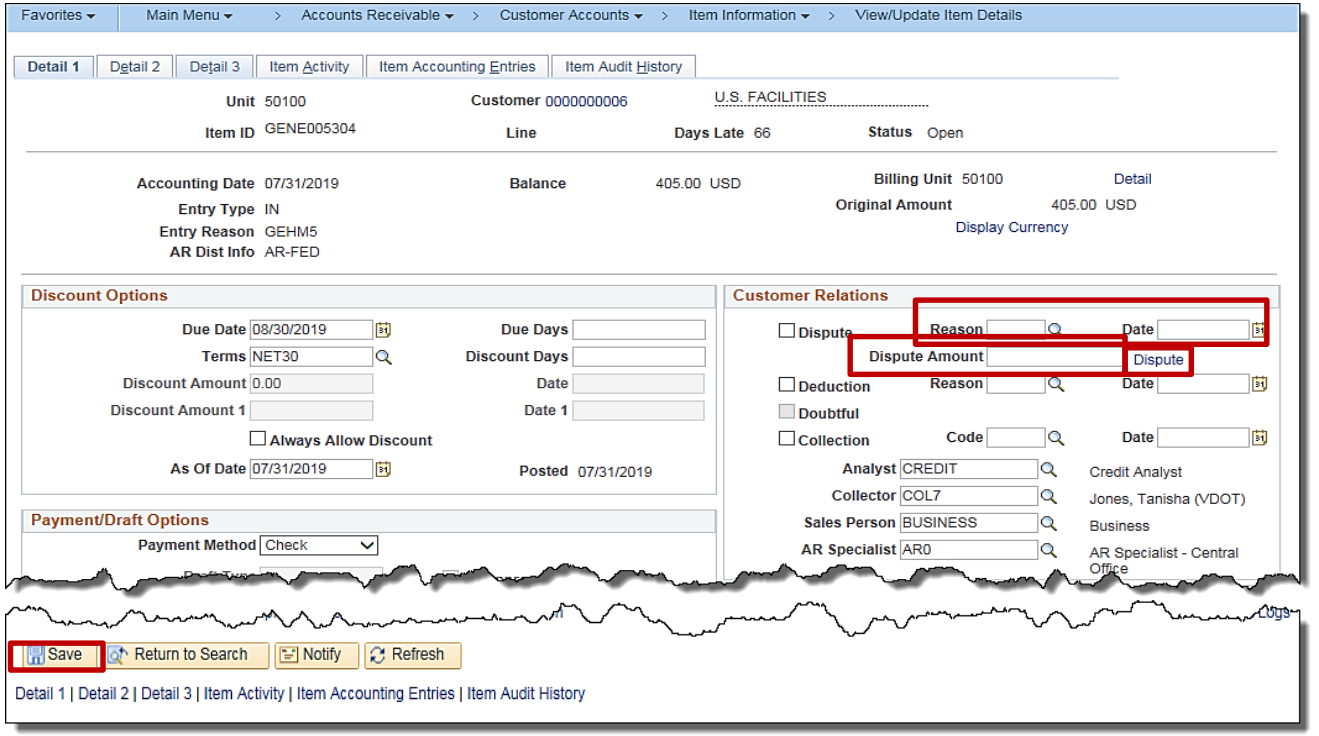
Once the dispute has been resolved, the Dispute status should be updated.

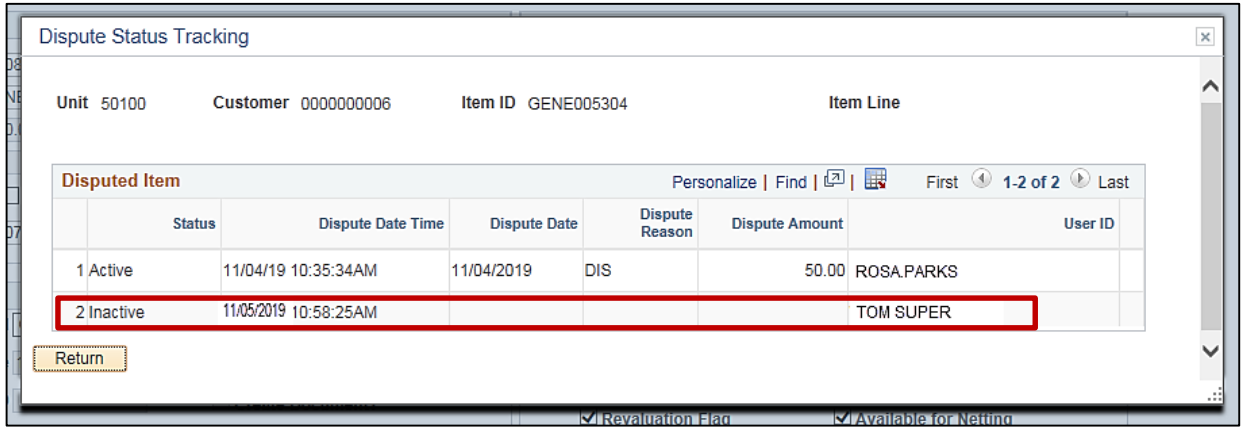
To remove a Dispute:

- Access the **View/Update Item Details** page.
- Uncheck the **Dispute** checkbox.
- The **Reason**, **Date** and **Dispute Amount** fields are cleared.
- Click the **Save** button.

The **Dispute** link remains on the page. This allows you to access the Dispute Status Tracking pop-up window.

When the **Dispute** link is clicked, a new line is added. The **Status** is **Inactive** to show the dispute has been removed. The **Dispute Date Time** field updates with the date and time the dispute was removed. The **User ID** field displays the ID of the person that removed it.





Adjusting a Bill

When a bill is disputed, you may need to:

- Adjust the entire bill
- Adjust a specific bill line
- Write-off the bill off

This next two topics in this lesson will address how to adjust a specific the entire bill or a specific bill line.

Write offs should be a rare occurrence and are covered in Lesson 4 of this course.

Selecting an Entire Bill for Adjustment

The **Adjust Entire Bill** function enables the functionality to adjust the bill either by crediting the entire bill or by crediting the original bill and rebilling. The credit and rebill actions are performed in one step.

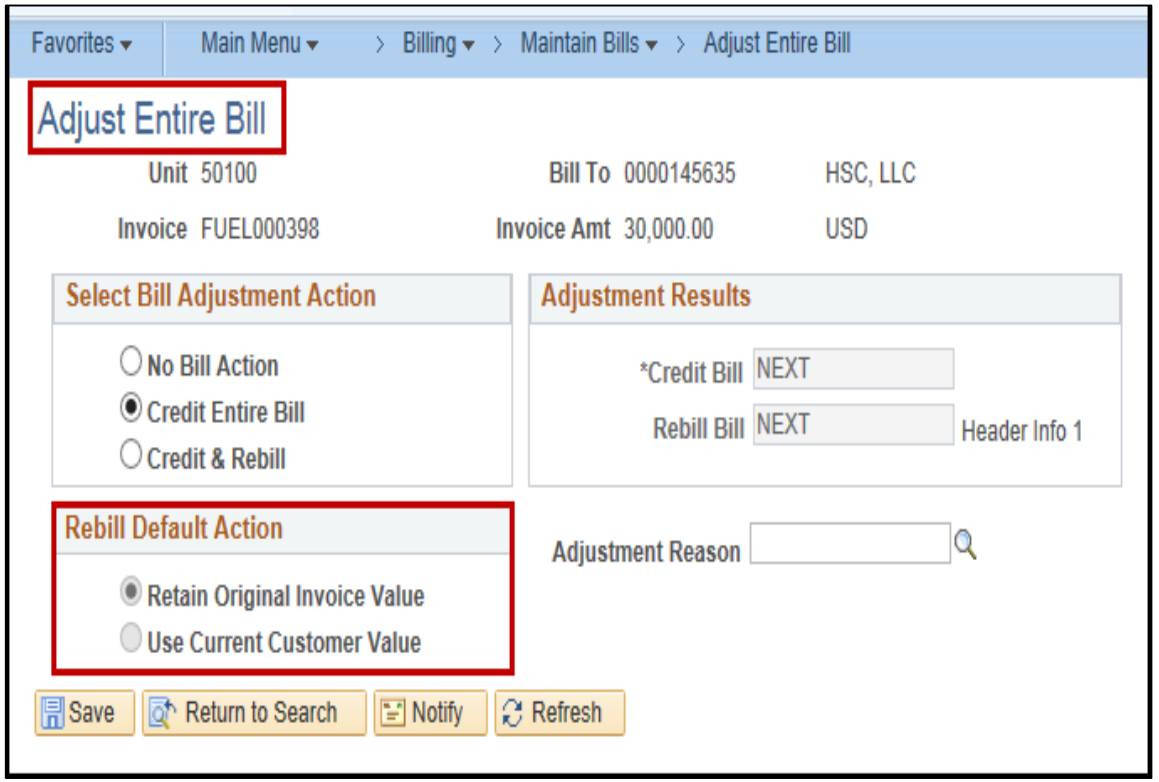
The **Rebill Default Action** allows:

- **Retain Original Invoice Value** and the original customer information, or
- **Use Current Customer Value** that will display the most current customer information

After the new bill is created, make modifications as required. The credited bill is created with a status of **RDY** and the rebill is created with a status of **NEW**.

Navigate to this page using the following path:

Main Menu > Billing > Maintain Bills > Adjust Entire Bill



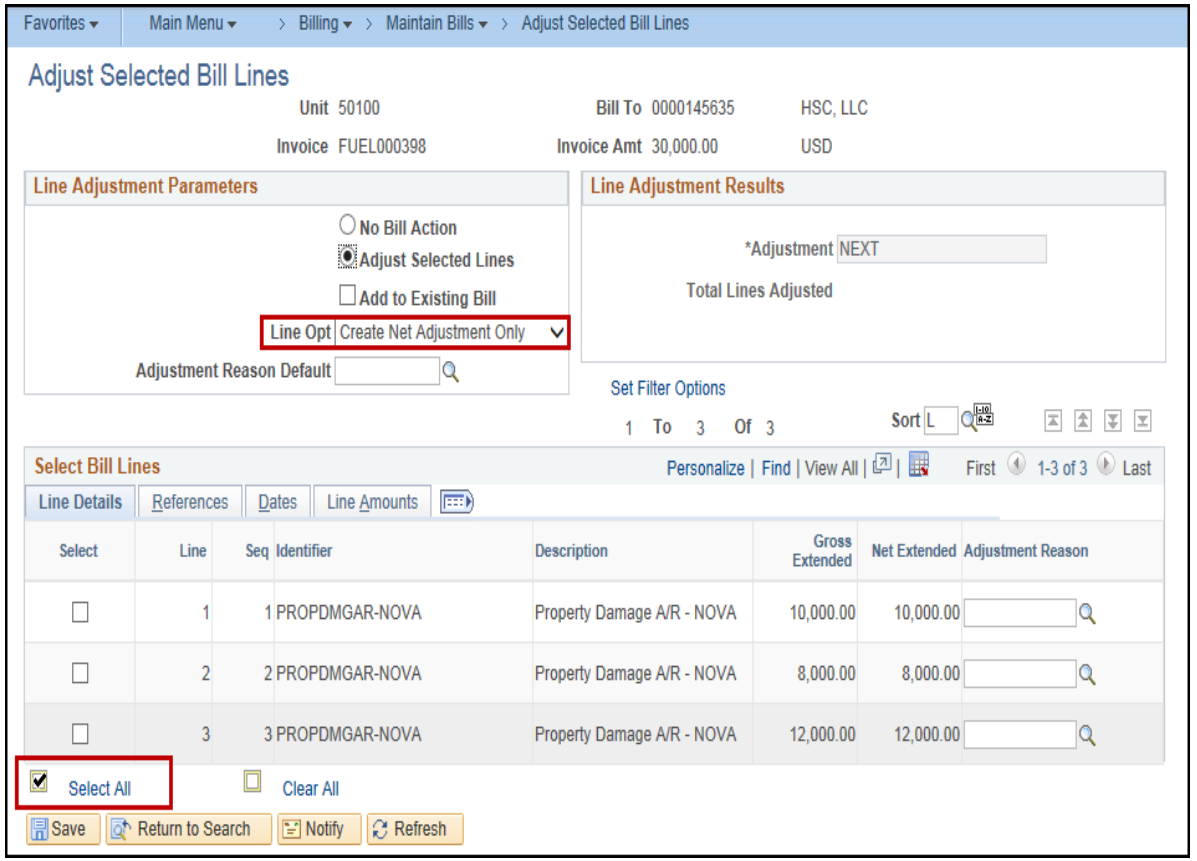
Adjusting Selected Bill Lines

Adjust a bill line after it has been entered, but do so before the invoice is generated

To adjust a bill line, the bill must have a status of **RDY** (Ready) or **NEW**. If the status is **INV**, the line cannot be adjusted.

Navigate to the **Adjust Selected Bill Lines** page using the following path:

Main Menu > Billing > Maintain Bills > Adjust Selected Bill Lines



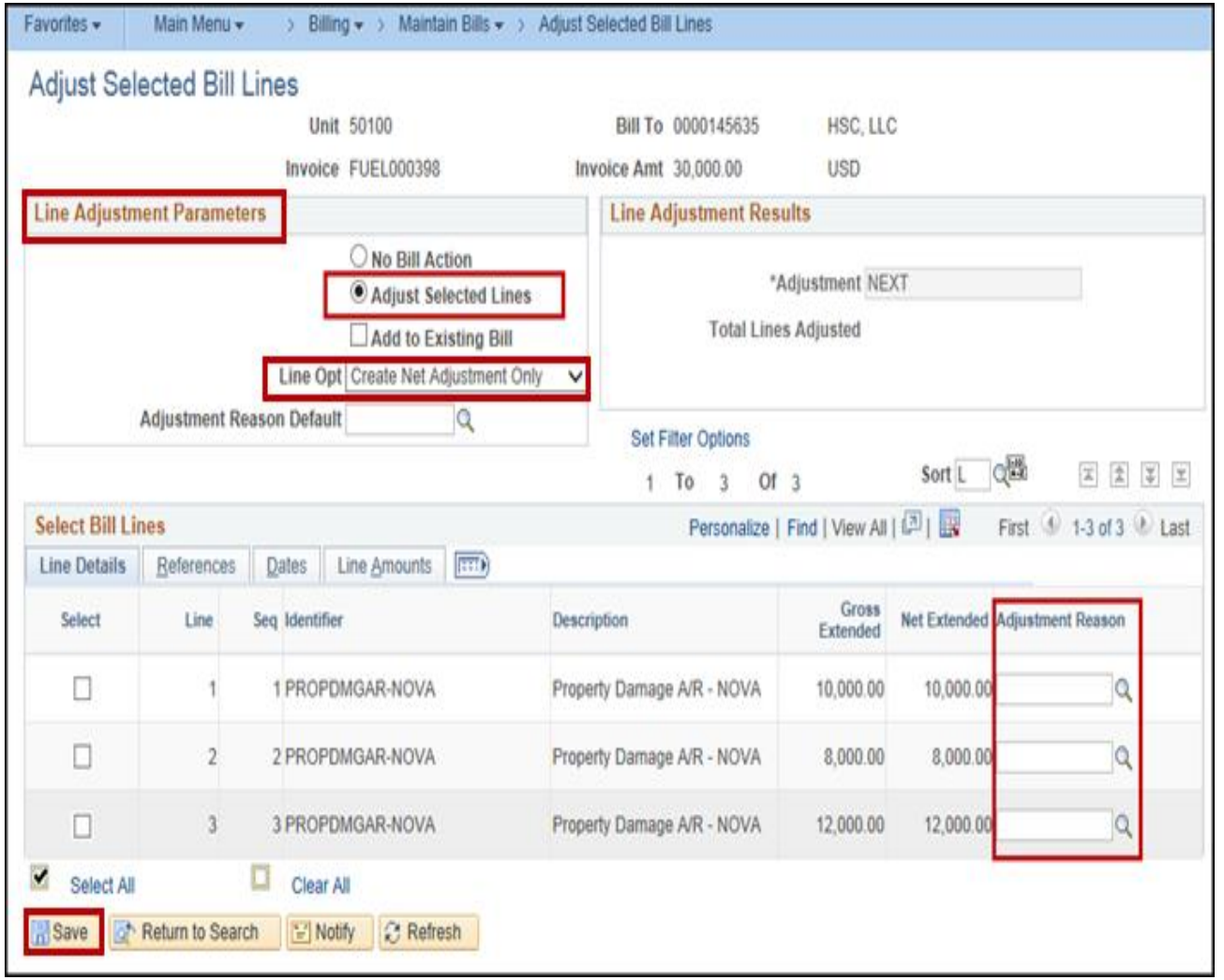
Adjusting Selected Bill Lines (continued)

Line Option under **Line Adjustment Parameters** can be populated with:

- Create net adjustment only
- Create reversal and rebill
- Credit line

The **Adjustment Reason** is then automatically set to add the lines to an existing bill or to automatically generate a new bill.

Possible reasons include **Return for Credit**, **Wrong Amount Billed**, **Wrong Customer Billed**, and **Wrong Item Billed**.



Simulation: Adjusting a Bill and Bill Line

You will now view a simulation that demonstrates how to **Adjust a Bill and Bill Line**.

Lesson 3: Adjusting a Bill Hands-On Practice

Now you have an opportunity to practice the lessons learned today in a training environment.

Your instructor will provide direction on how to log in and complete the exercise.

If you have any questions, please ask your instructor.

Lesson 3: Summary

3 Adjusting a Bill

In this lesson, you learned:

- The Adjust Entire Bill function enables you to adjust the bill either by crediting the entire bill or by crediting the original bill and rebilling.
- You may need to adjust a bill line after it has been entered, but do so before the invoice is generated. To adjust a bill line, the bill must have a status of RDY (Ready) or NEW. If the status is INV, the line cannot be adjusted.
- The process for setting up and removing a dispute in Cardinal.

Lesson 4: Introduction

4 Receivables Maintenance

This lesson covers the following topics:

- Maintaining and Updating Receivables
- Using a Maintenance Worksheet
- Writing-off a Bill

Maintaining and Updating Receivables

The Receivables Maintenance process helps users to accurately maintain receivables.

Maintenance is performed using a maintenance worksheet. A maintenance worksheet is a workspace for offsetting items, write-offs, or adjustments to clean up posted items.

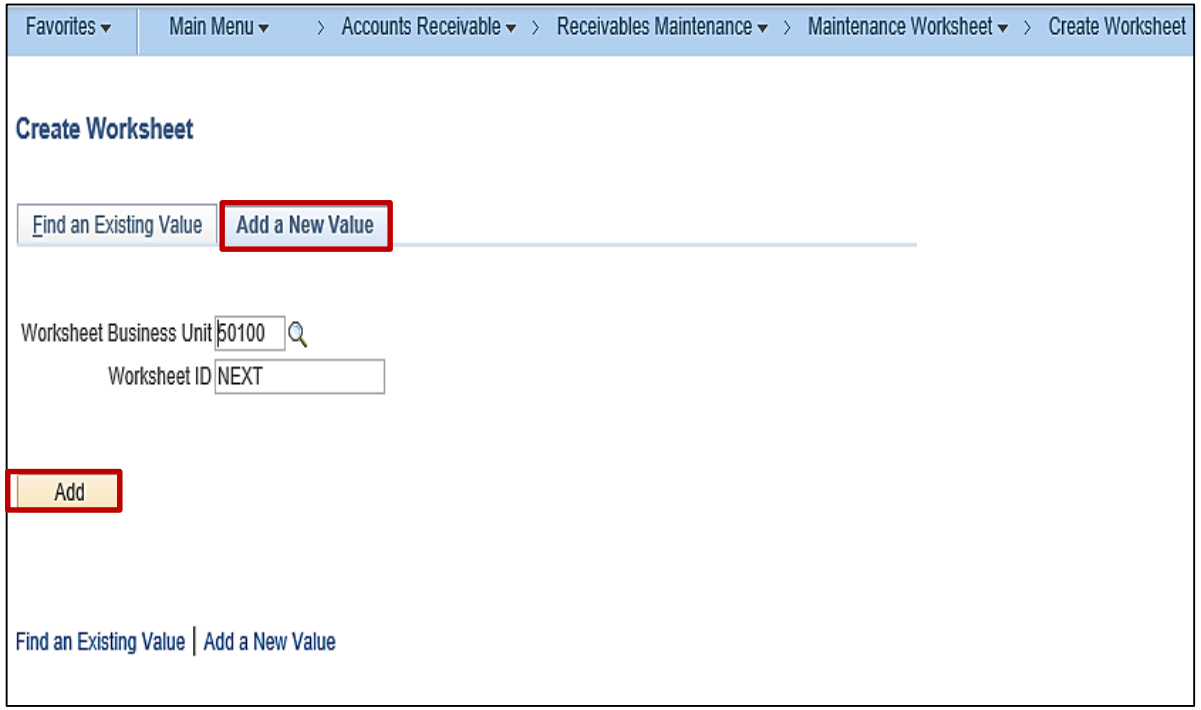
In Cardinal, receivables maintenance transactions can be credit or debit memos, adjustments, on-account payments, or matches. Maintenance worksheets are used to refund an item with a credit balance or to create a new refund item for a credit remaining from maintenance tasks.

To create a maintenance worksheet, navigate using the following path:

Main Menu > Accounts Receivable > Receivables Maintenance > Maintenance Worksheet > Create Worksheet

Click the **Add a New Value** tab.

Click the **Add** button.



Maintenance Worksheet

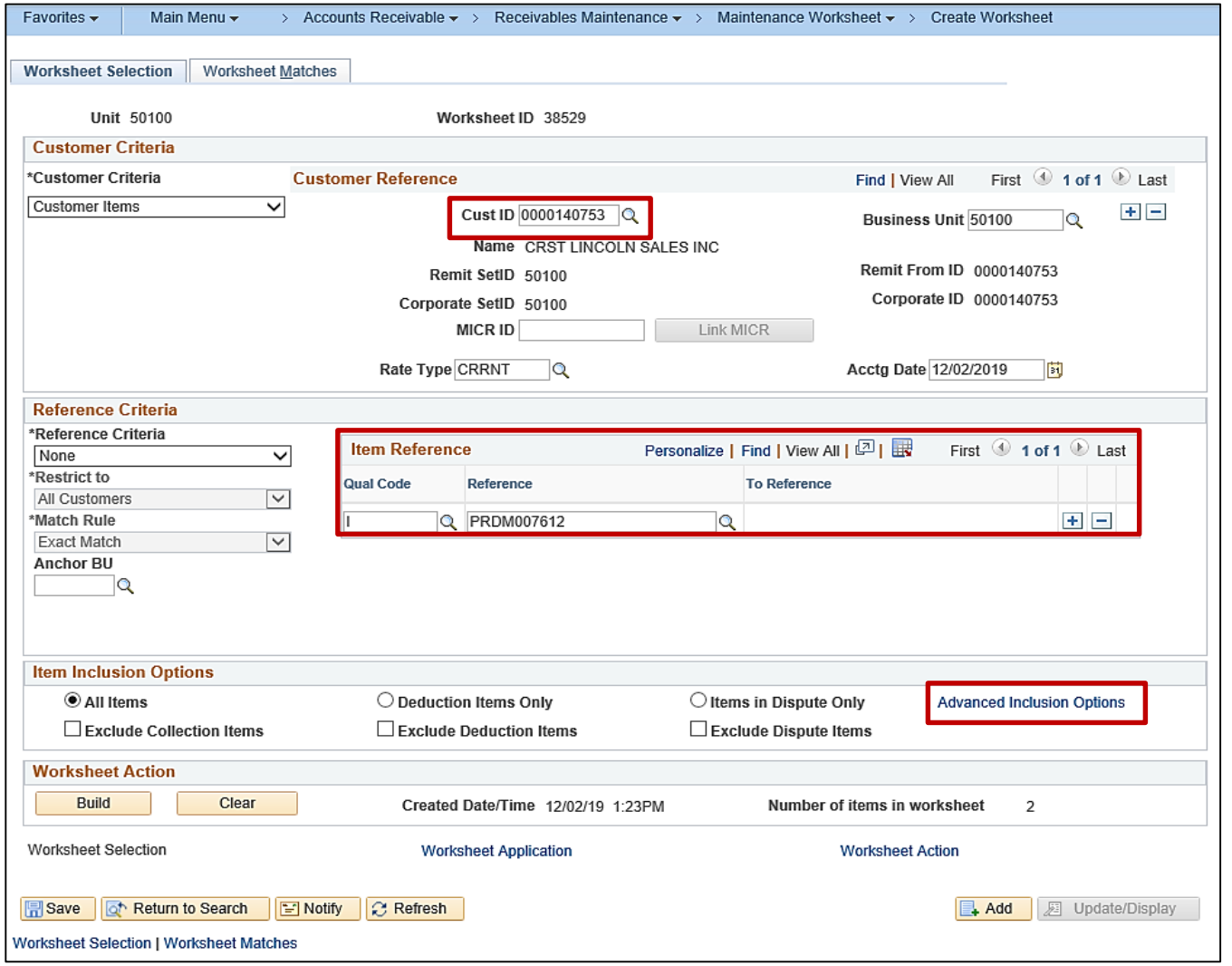
When creating a worksheet, specify **Customer Criteria**, **Reference Criteria** or a combination of the two.

For example, select a single **Customer ID** and an item by **Item Reference** as your search criteria.

Select all items for a customer without narrowing searches by leaving the **Item Reference** information blank.

Use the **Advanced Inclusion Options** for more extensive Search criteria.

Note: If you do not need to use the **Advanced Inclusion Options**, click the **Build** button.

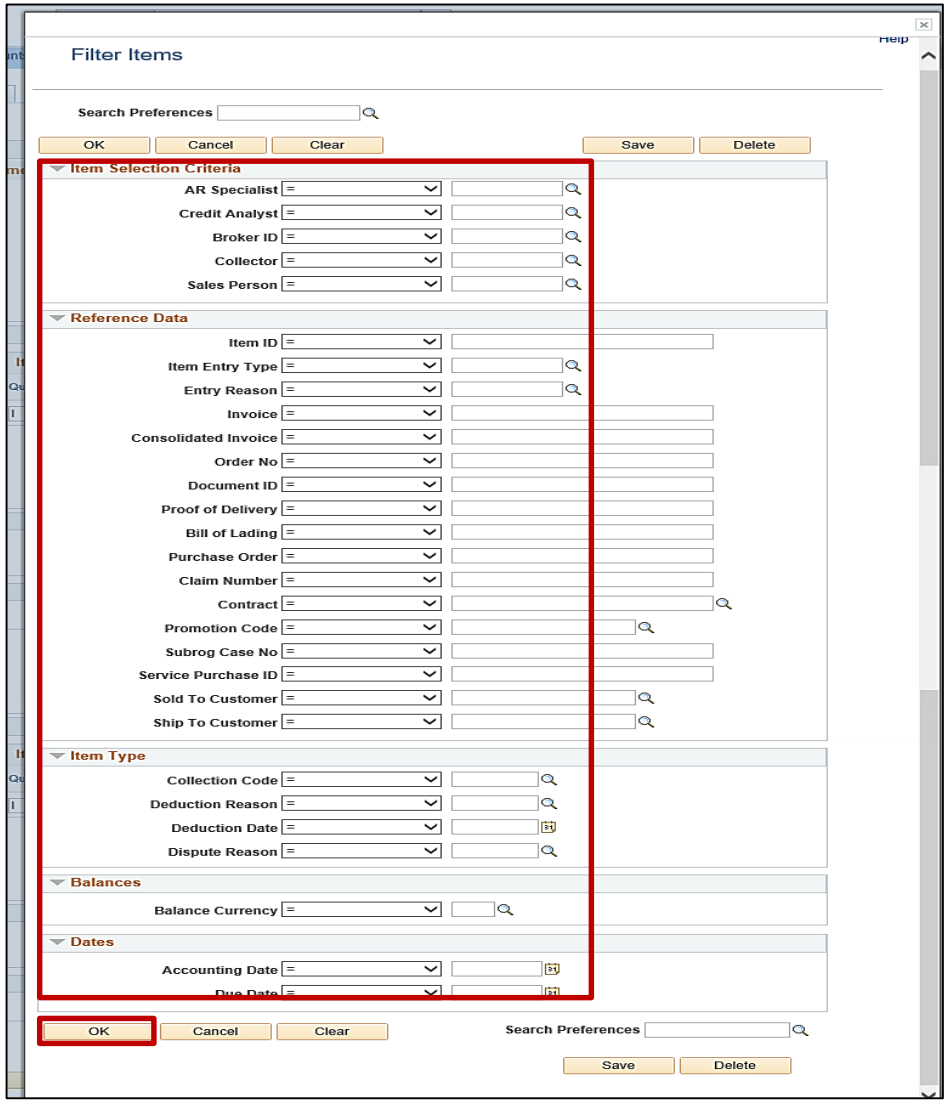


Advanced Inclusions Options

When you click the **Advanced Inclusion Options** link the **Filter Items** pop-up window displays. You can create, edit, and save selection criteria for items to include in the worksheet.

Filter items using:

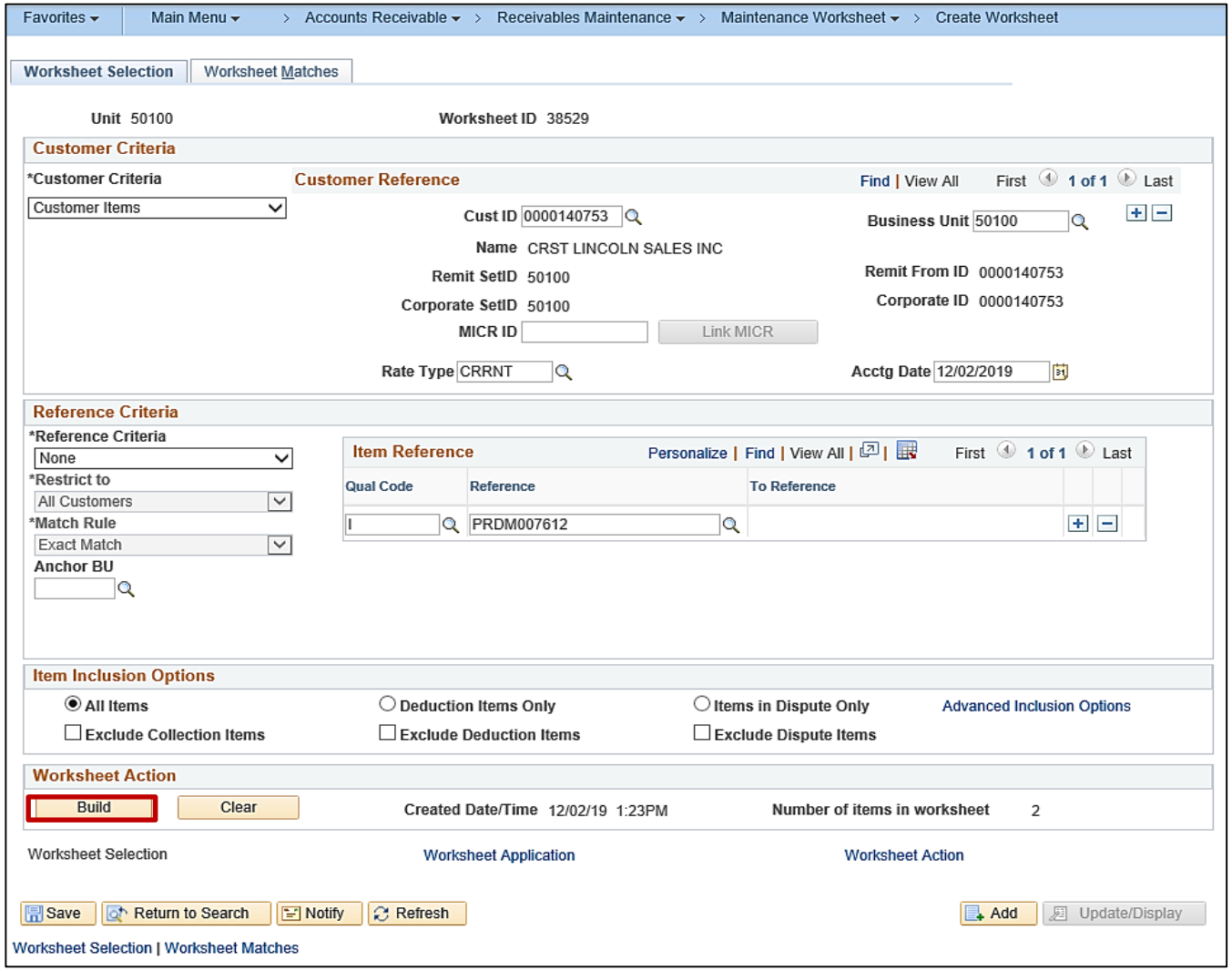
- **Item Selection Criteria**
- **Reference Data**
- **Item Type**
- **Balances**
- **Dates**



Maintenance Worksheet

After entering additional criteria, click **OK**. Cardinal returns the user to the **Worksheet Application** page.

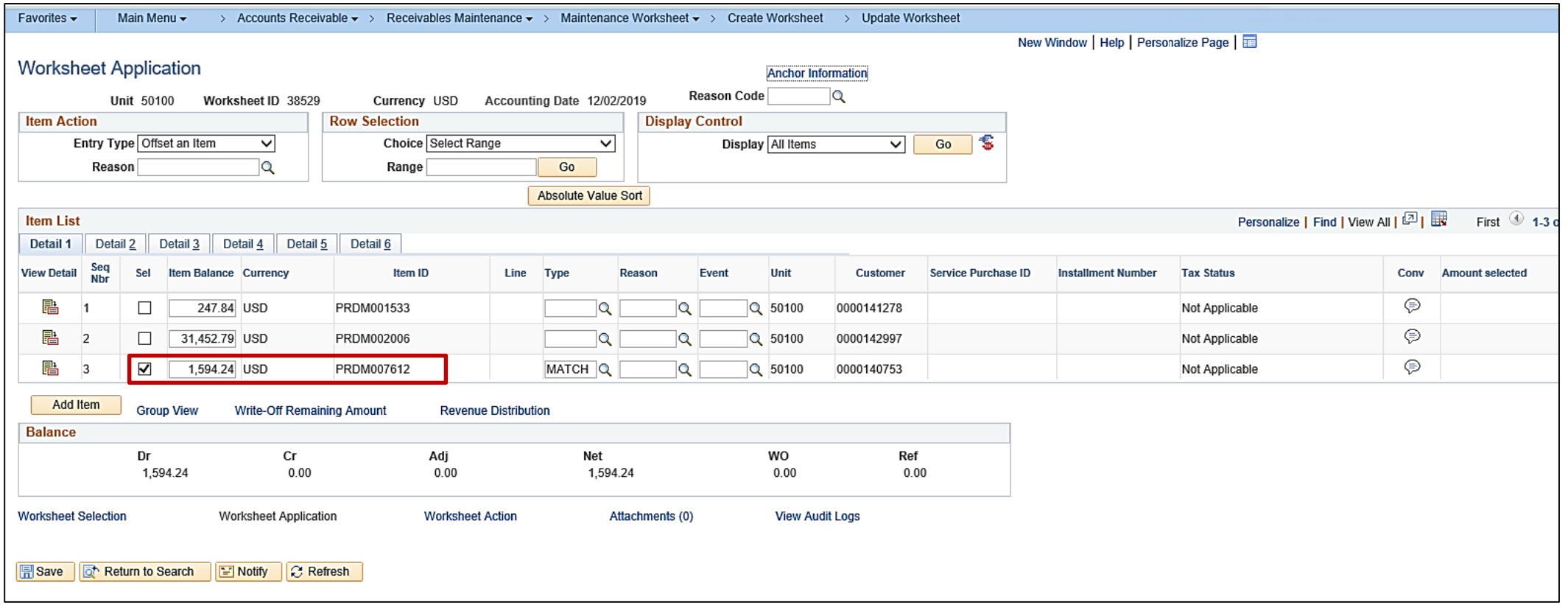
Click the **Build** button.



Worksheet Application

The **Worksheet Application** page displays.

Item(s) that match the information entered on the **Worksheet Matches** tab, display with a check in the **Sel** (Selection) column.



Worksheet Application

Enter an **Entry Type** and **Reason** under **Item Action**.

Select an item in the **Item List**. Select the **Type** and **Reason** in the **Item List**.

Click the **Save** button.

Click the **Worksheet Application** link.

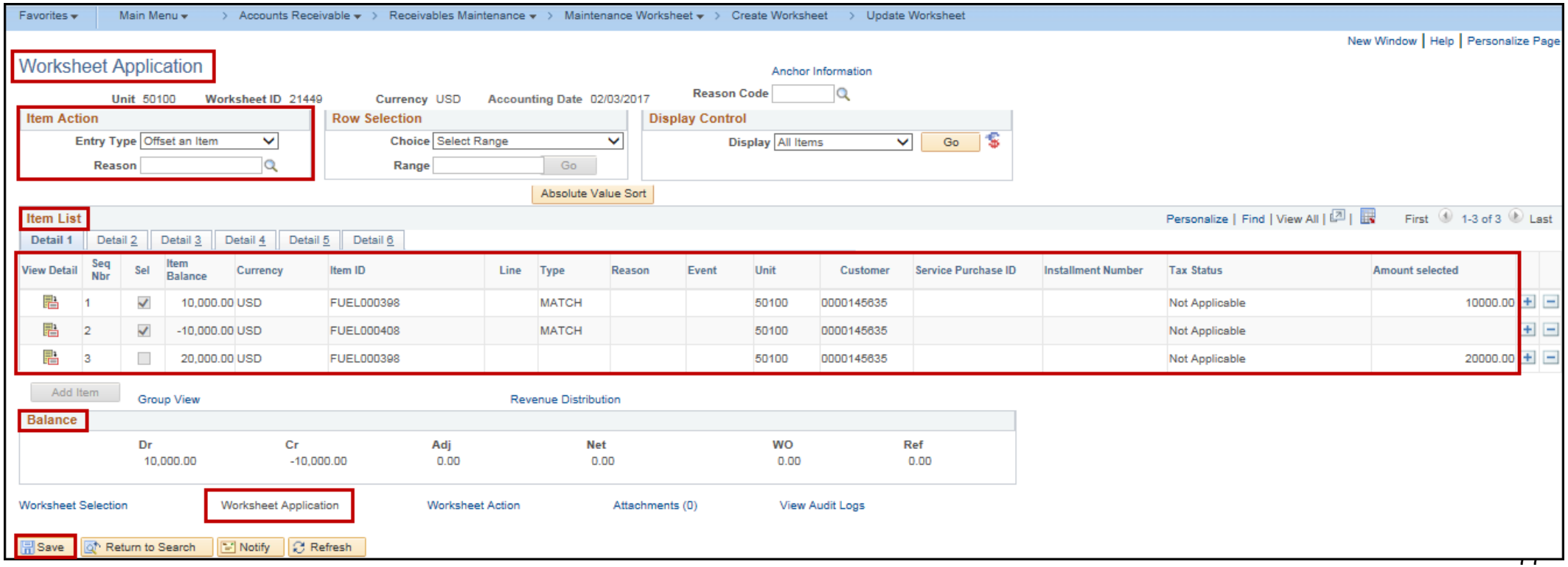
Worksheet Application

The **Worksheet Application** page displays. Enter an **Entry Type** and **Reason** under **Item Action**.

Select an item in the **Item List**. Select the **Type** and **Reason** in the **Item List**.

Click the **Save** button.

Click the **Worksheet Application** link.



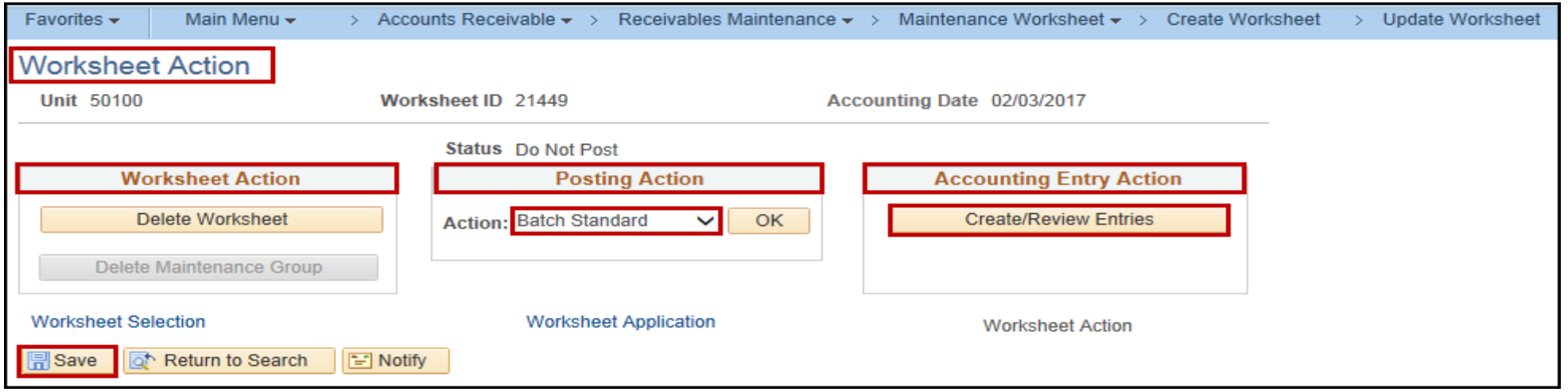
Worksheet Action

The **Worksheet Action** page displays.

Click **Create/Review Entries** to view the accounting entries. Then change the **Posting Action** to **Batch Standard**. If your role does not allow you to make this change, you will need to contact your Supervisor. This field must be changed in order for the Batch to process.

To delete a Worksheet on this page use the **Delete Worksheet** button.

Click the **Save** button.



Writing-off a Bill

Write-offs are created using maintenance worksheets. Write-offs are applied to items for such reasons as the account is in collections and the balance is over 1 year, the OAG deemed an account uncollectible, or the department does not have sufficient documentation to substantiate a receivable. Even though a write-off is entered, the debt is not forgiven, and other measures can be taken to collect the outstanding balance.

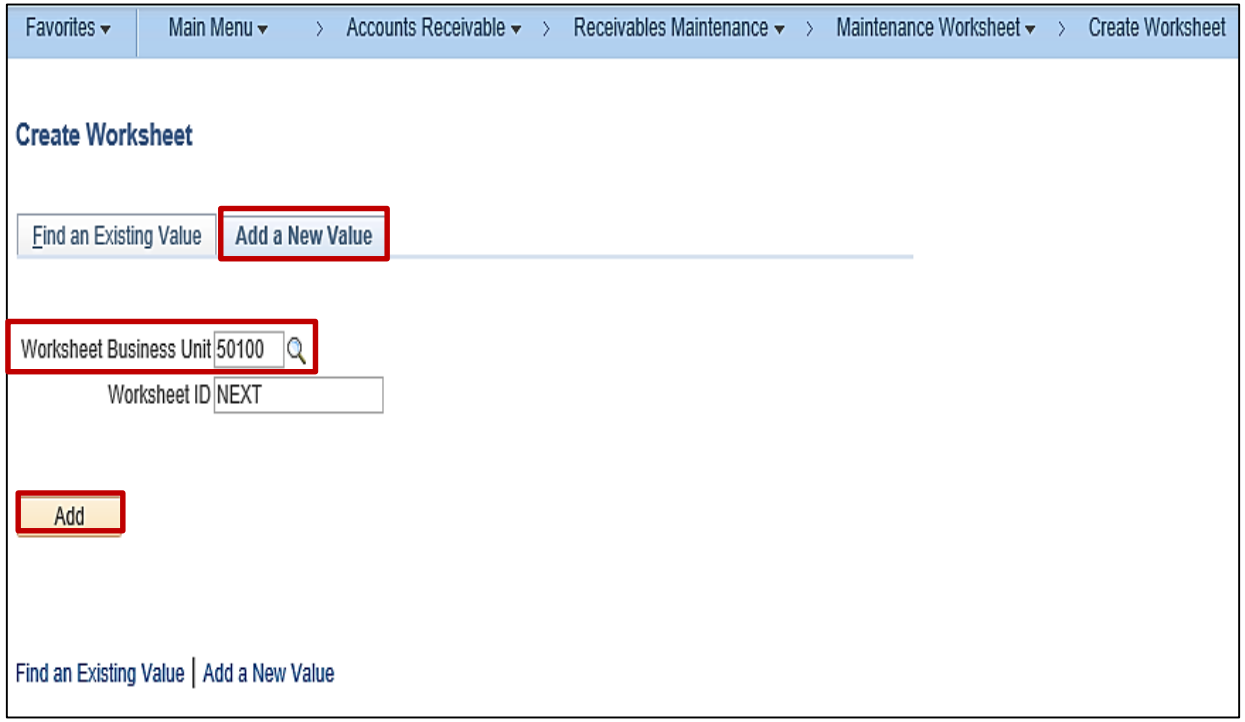
To write off a bill start by accessing the **Create a Worksheet** page. You can access this page using the following path:

Main Menu > Accounts Receivable > Receivables Maintenance > Maintenance Worksheet > Create Worksheet

Click the **Add a New Value** tab.

The **Worksheet Business Unit** defaults to **50100** and does not need to be changed.

Click the **Add** button.



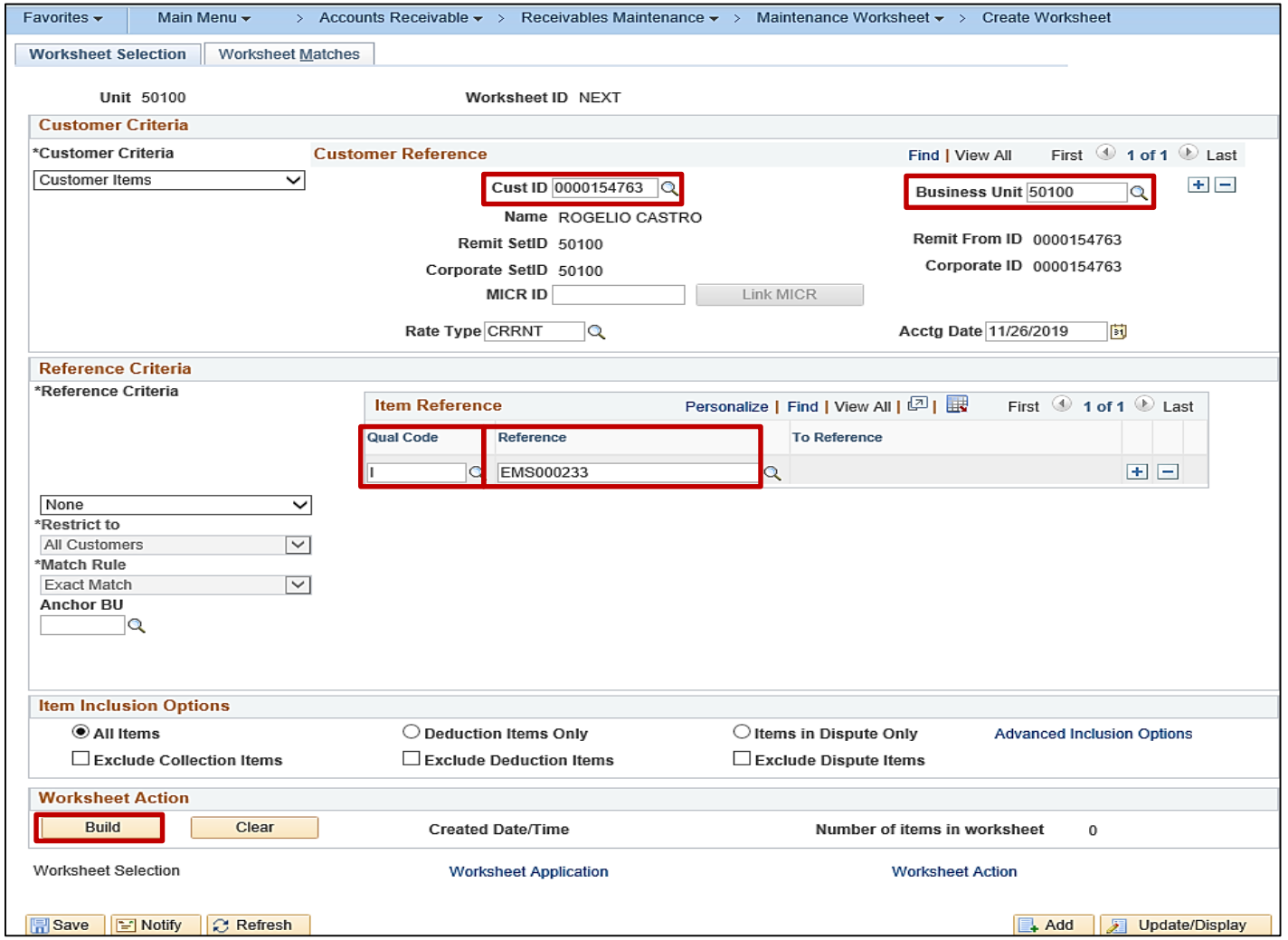
Writing-off a Bill (continued)

The **Worksheet Selection** page displays. Enter or select the following:

- **Cust ID**: Enter or select the customer ID number.
- **Business Unit**: Enter the business unit of 50100

In the **Item Reference** section:

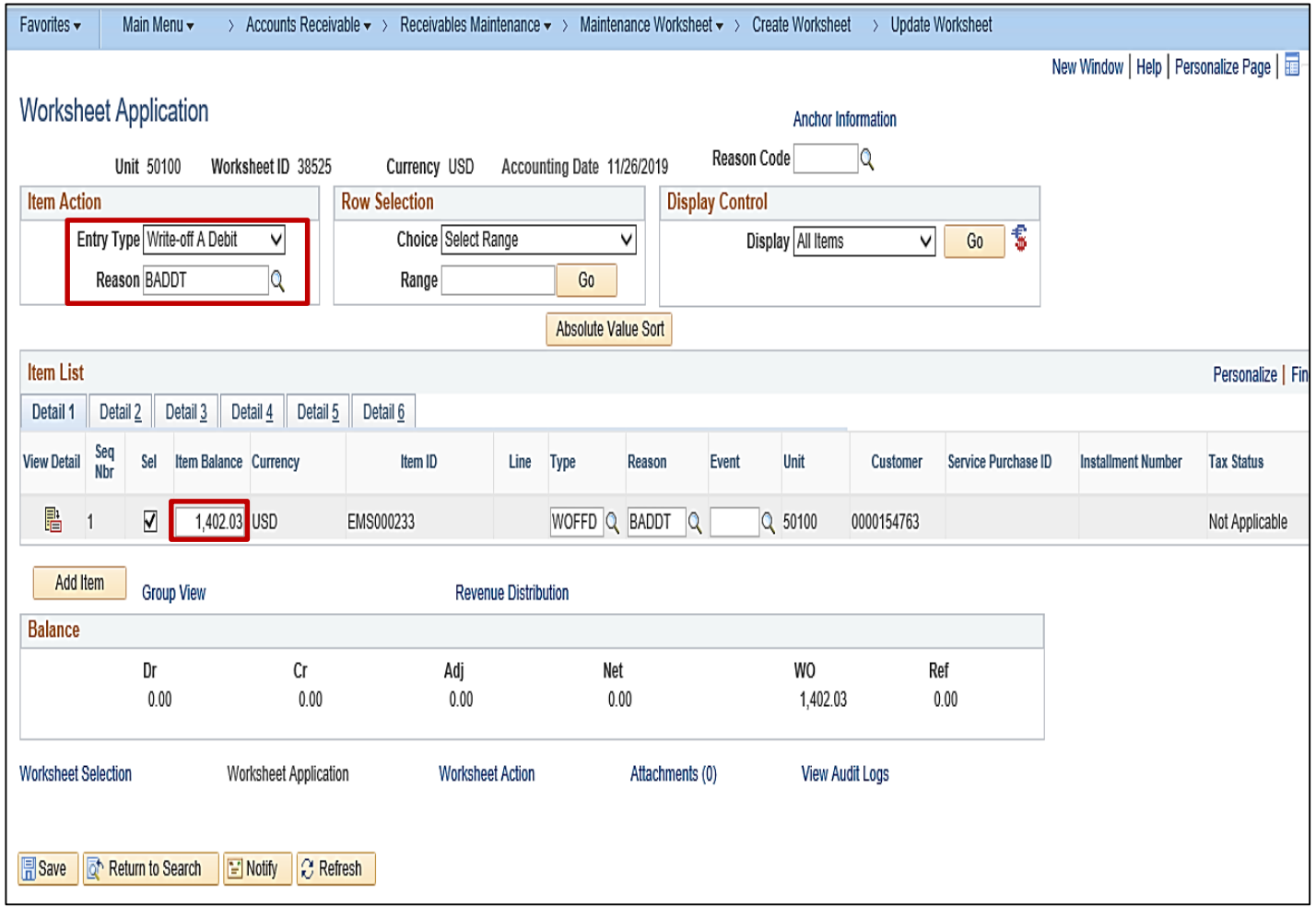
- **Qual Code**: Select **I** for Item
- **Reference field**: Enter or select the item number
- Click the **Build** button.



Writing-off a Bill (continued)

The **Worksheet Application** page displays.

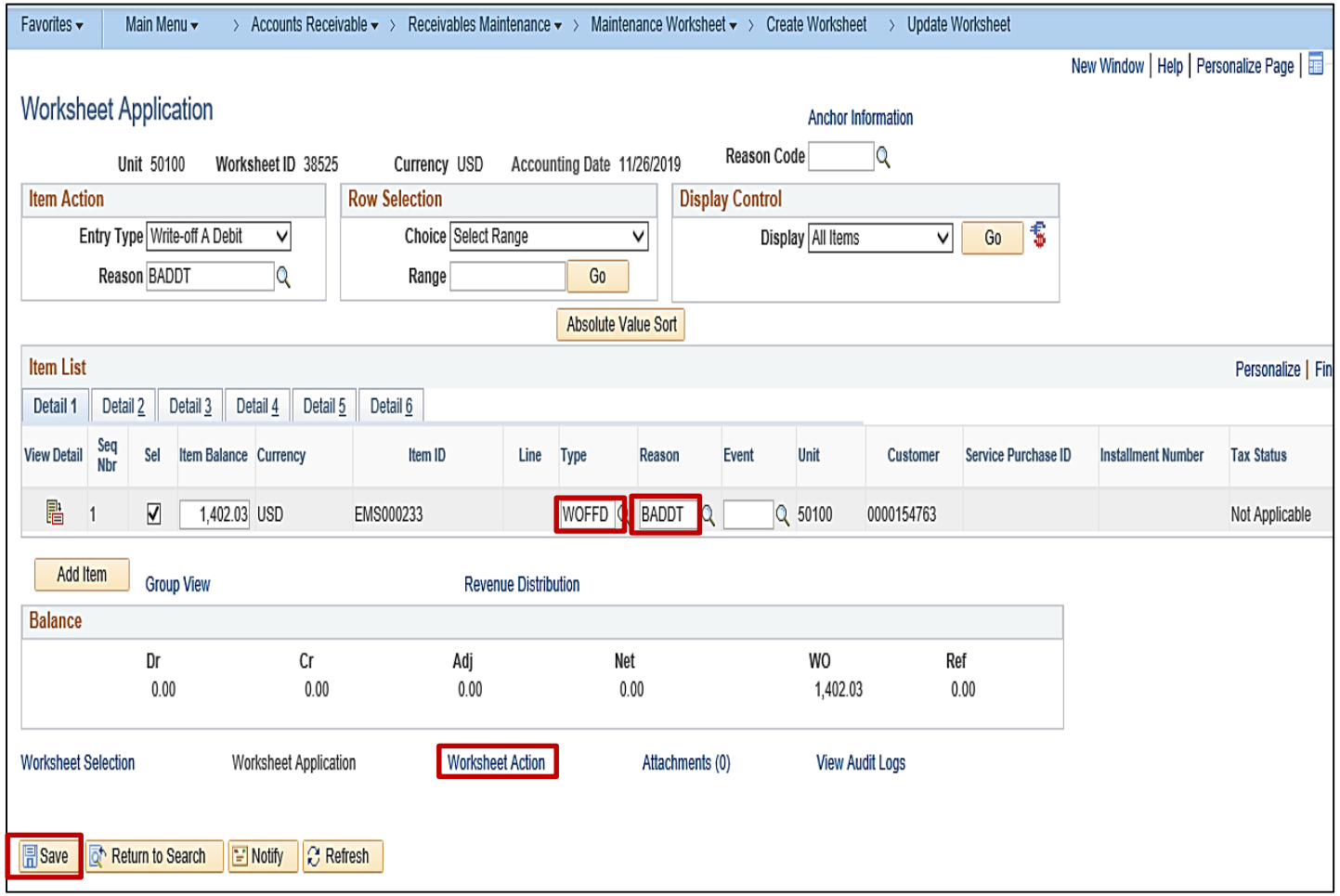
- Under the **Item Action** section:
  - **Entry Type**: select **Write-off a Debit** or **Write-off a Credit** based on which is appropriate. For this scenario, **Write-off a Debit** is selected.
  - **Reason**: select the appropriate reason **BADDT** (Bad Debt)
- In the **Item Balance** field, change the amount if not writing off the full debit. For this scenario the full debit is being written off so there are no changes needed.



Writing-off a Bill (continued)

- In the **Type** field, select **WOFFD**.
- After you select the **Type**, the **Reason** field defaults if you selected it in the **Item Action** section.
- Click the **Save** button.

  Note: If a pop-up window displays indicating you are not able to write-off the amount, you will need to submit a Help Desk ticket to have the amount you can write off increased. This requires the approval of the Fiscal Division Administrator documented in an email that can be attached to the Help Desk ticket.
- Click the **Worksheet Action** link at the bottom of the page.

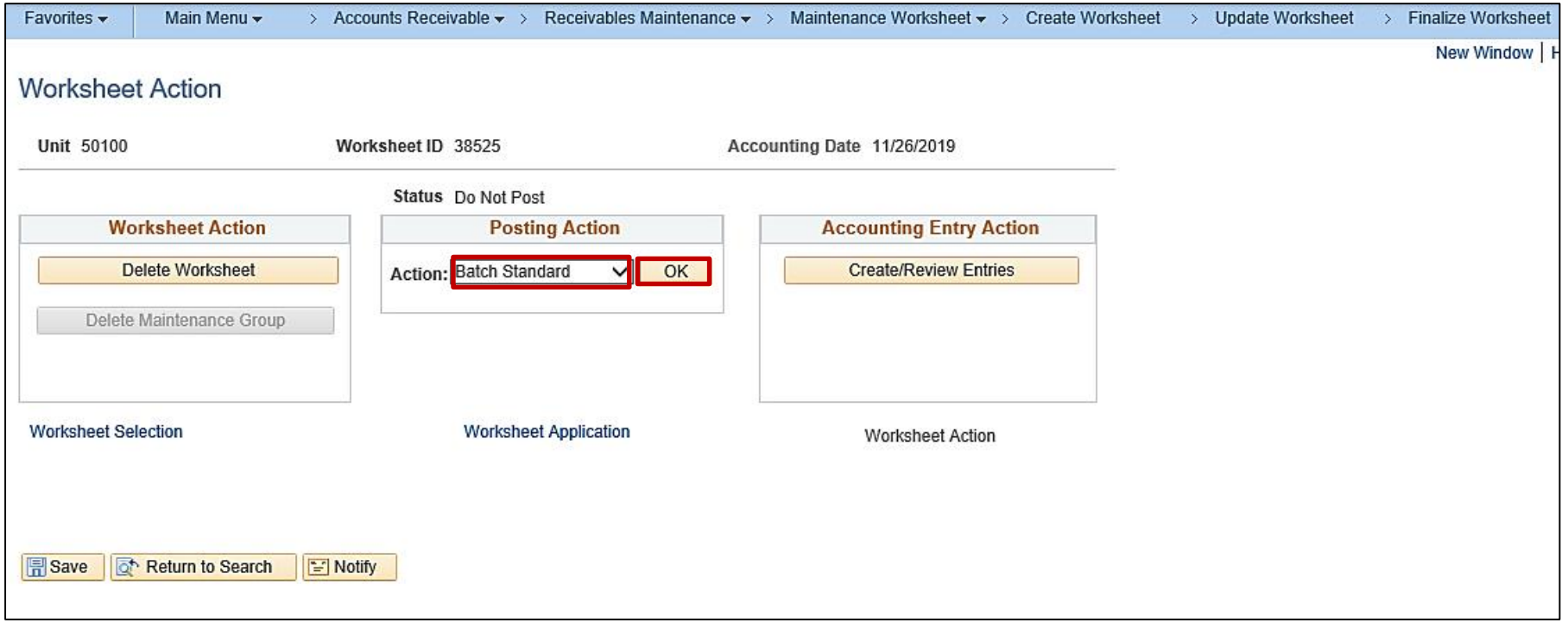


Writing-off a Bill (continued)

The **Worksheet Action** page displays.

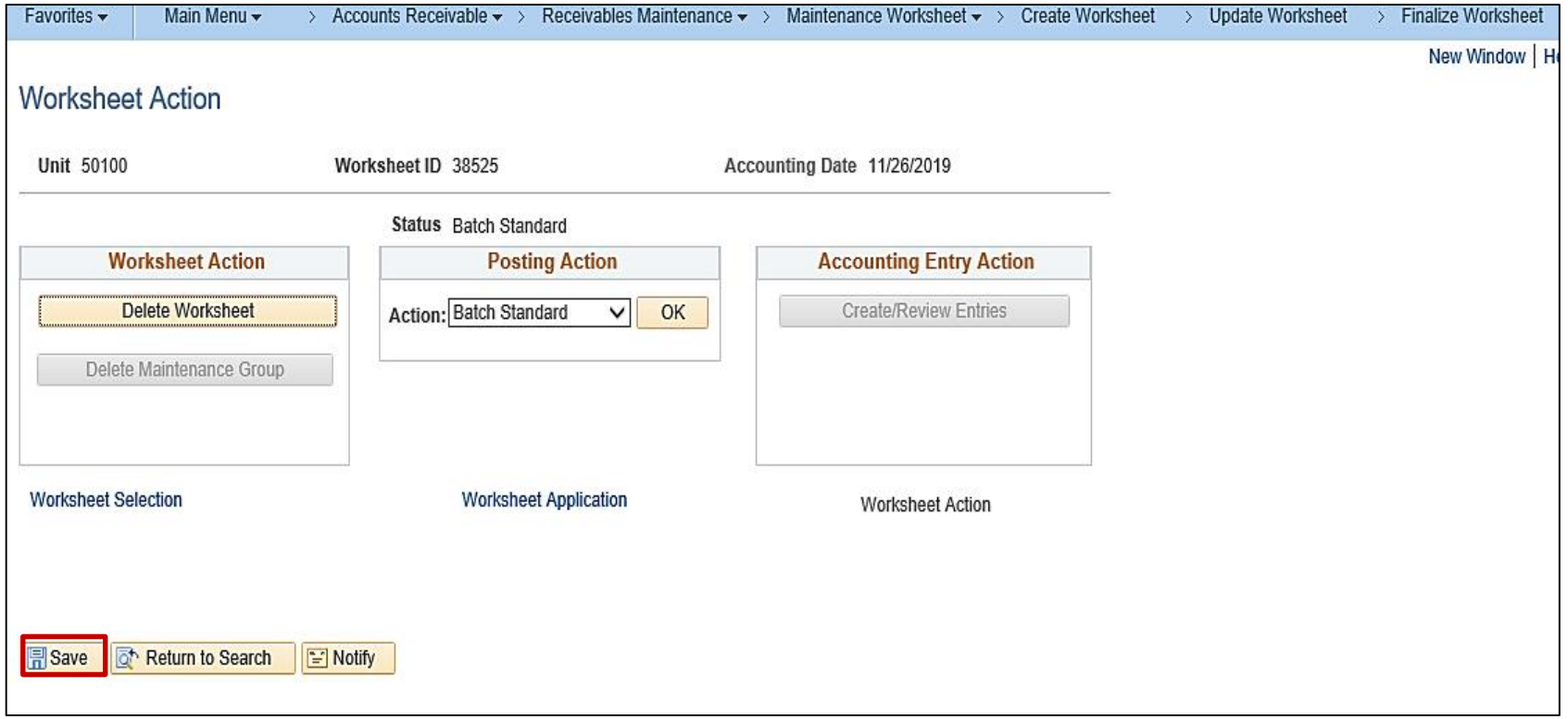
- Under the **Posting Action** section, in the **Action** field select **Batch Standard**. If your role does not allow you to make this change, you will need to contact your Supervisor. This field must be changed in order for the Batch to process.

- Click the **OK** button.



Writing-off a Bill (continued)

Click the **Save** button. The page is saved and the write off will process in batch. The batch process runs periodically during the day and overnight.



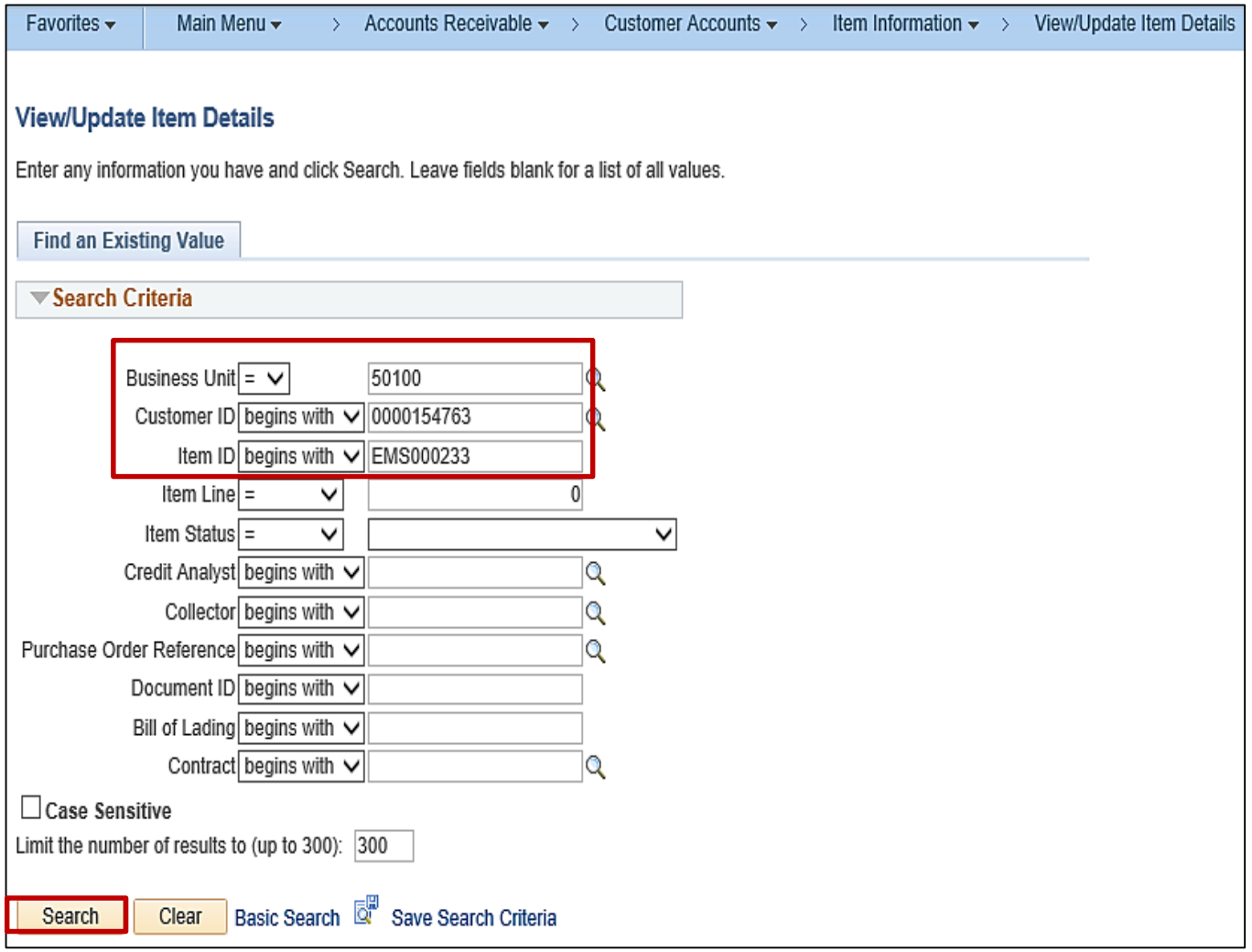
Reviewing a Write-Off after Processing

To verify that the write-off processed, access the **View/Update Item Details** page, using the following path:

Main Menu > Accounts Receivable > Customer Accounts > Item Information > View/Update Item Details

- The **Business Unit** defaults to **50100** and should not be changed.
- **Customer ID** – enter the Customer ID
- **Item ID** – enter the item ID number

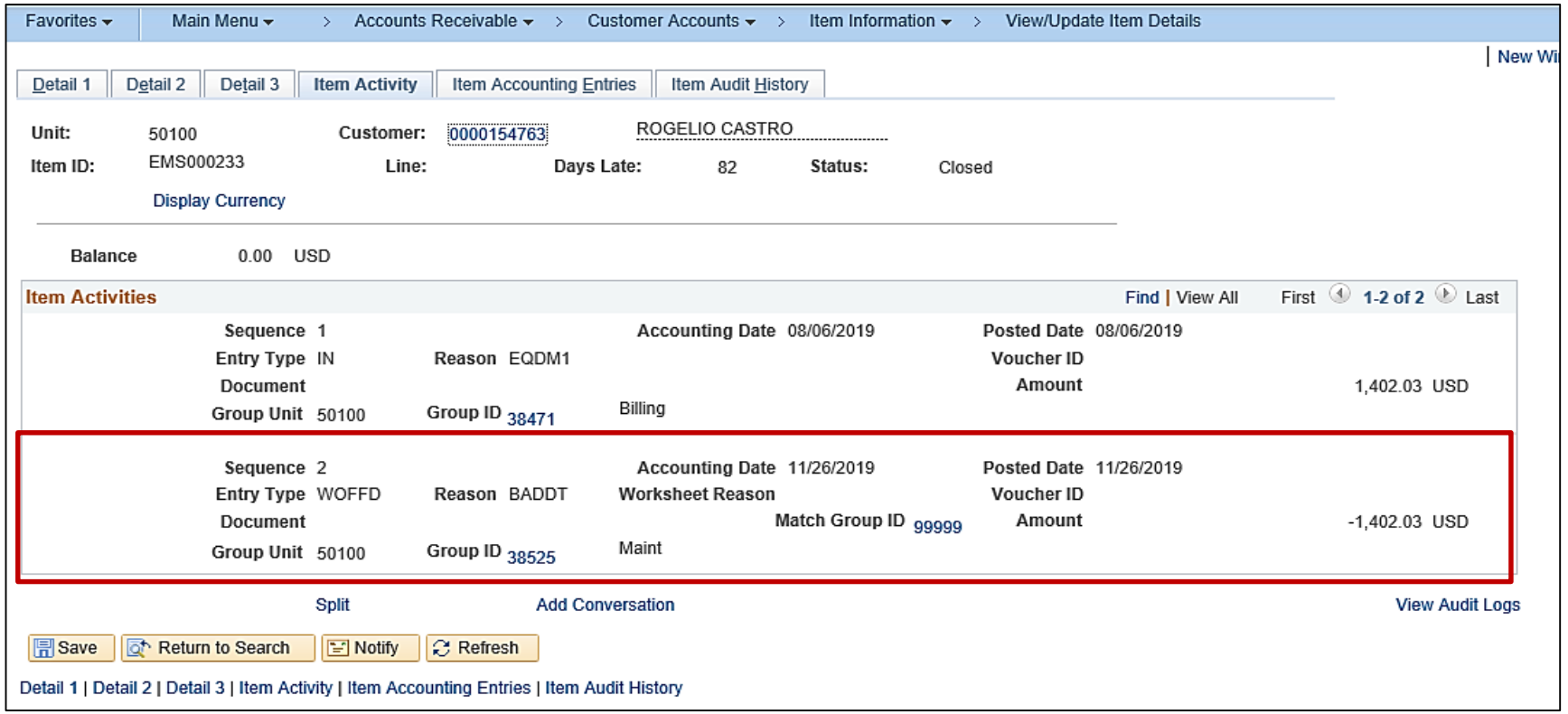
Click the **Search** button.



Reviewing a Write-Off after Processing (continued)

Click the **Item Activity** tab.

In the **Item Activities** section of the page, you will be able to see that the write-off processed.



Simulation: Adjusting Receivables – Credit Memos

You will now view a simulation that demonstrates how to **Adjust Receivables – Credit Memos** .

Lesson 4: Summary

4 Receivables Maintenance

In this lesson, you learned:

- How to Maintain and Update Receivables
- How to use a Maintenance Worksheet
- How to write-off a bill

Lesson 5: Introduction

5 Aging and Collections

This lesson covers the following topics:

- Aging and Collection Process
- Processing Customer Statements
- Past Due Notices

Aging and Collections Process

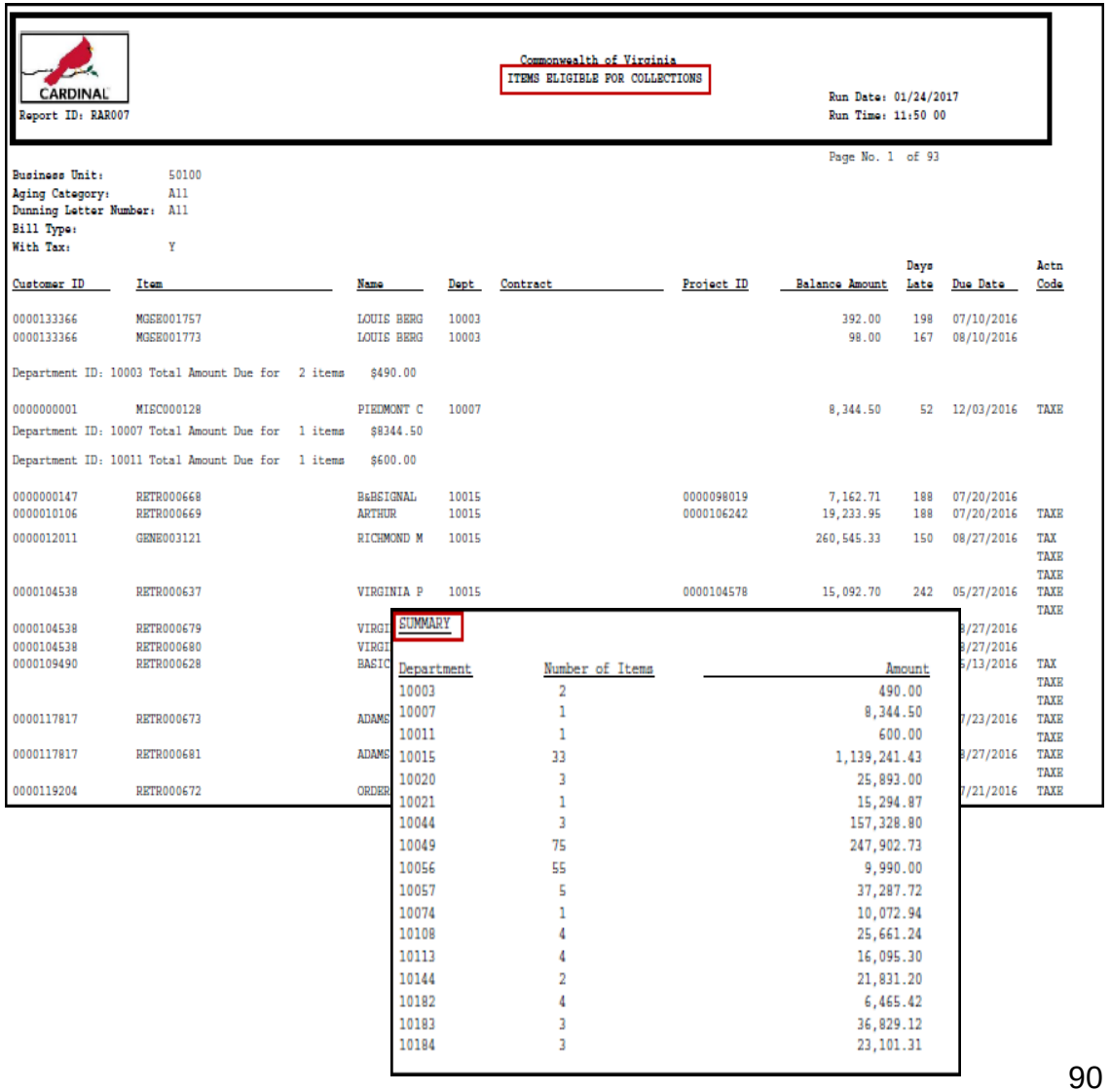
The Aging Process in Cardinal tracks the number of days a bill/invoice is unpaid.

Aging involves grouping receivables into past due categories.

The collection process involves using the **Items Eligible for Collections** Report to identify which items need to be sent for collections.

Navigate to this report using the following path:

Main Menu > Accounts Receivable > Receivables Analysis > Receivables Reports > Items Eligible for Collections



CARDINAL

Report ID: RAR007

Commonwealth of Virginia
ITEMS ELIGIBLE FOR COLLECTIONS

Run Date: 01/24/2017
Run Time: 11:50 00

Page No. 1 of 93

Business Unit: 50100
Aging Category: All
Dunning Letter Number: All
Bill Type:
With Tax: Y

Customer ID	Item	Name	Dept	Contract	Project ID	Balance Amount	Days Late	Due Date	Actn Code
0000133366	MGSE001757	LOUIS BERG	10003			392.00	198	07/10/2016	
0000133366	MGSE001773	LOUIS BERG	10003			98.00	167	08/10/2016	
Department ID: 10003 Total Amount Due for 2 items $490.00									
0000000001	MISC000128	PIEDMONT C	10007			8,344.50	52	12/03/2016	TAXE
Department ID: 10007 Total Amount Due for 1 items $8344.50									
Department ID: 10011 Total Amount Due for 1 items $600.00									
0000000147	RETR000668	B&BSIGNAL	10015		0000098019	7,162.71	188	07/20/2016	
0000010106	RETR000669	ARTHUR	10015		0000106242	19,233.95	188	07/20/2016	TAXE
0000012011	GENE003121	RICHMOND M	10015			260,545.33	150	08/27/2016	TAX
									TAXE
									TAXE
0000104538	RETR000637	VIRGINIA P	10015		0000104578	15,092.70	242	05/27/2016	TAXE
									TAXE
0000104538	RETR000679	VIRGI						8/27/2016	
0000104538	RETR000680	VIRGI						8/27/2016	
0000109490	RETR000628	BASIC						6/13/2016	TAX
									TAXE
									TAXE
0000117817	RETR000673	ADAMS						7/23/2016	TAXE
									TAXE
0000117817	RETR000681	ADAMS						8/27/2016	TAXE
									TAXE
0000119204	RETR000672	ORDER						7/21/2016	TAXE

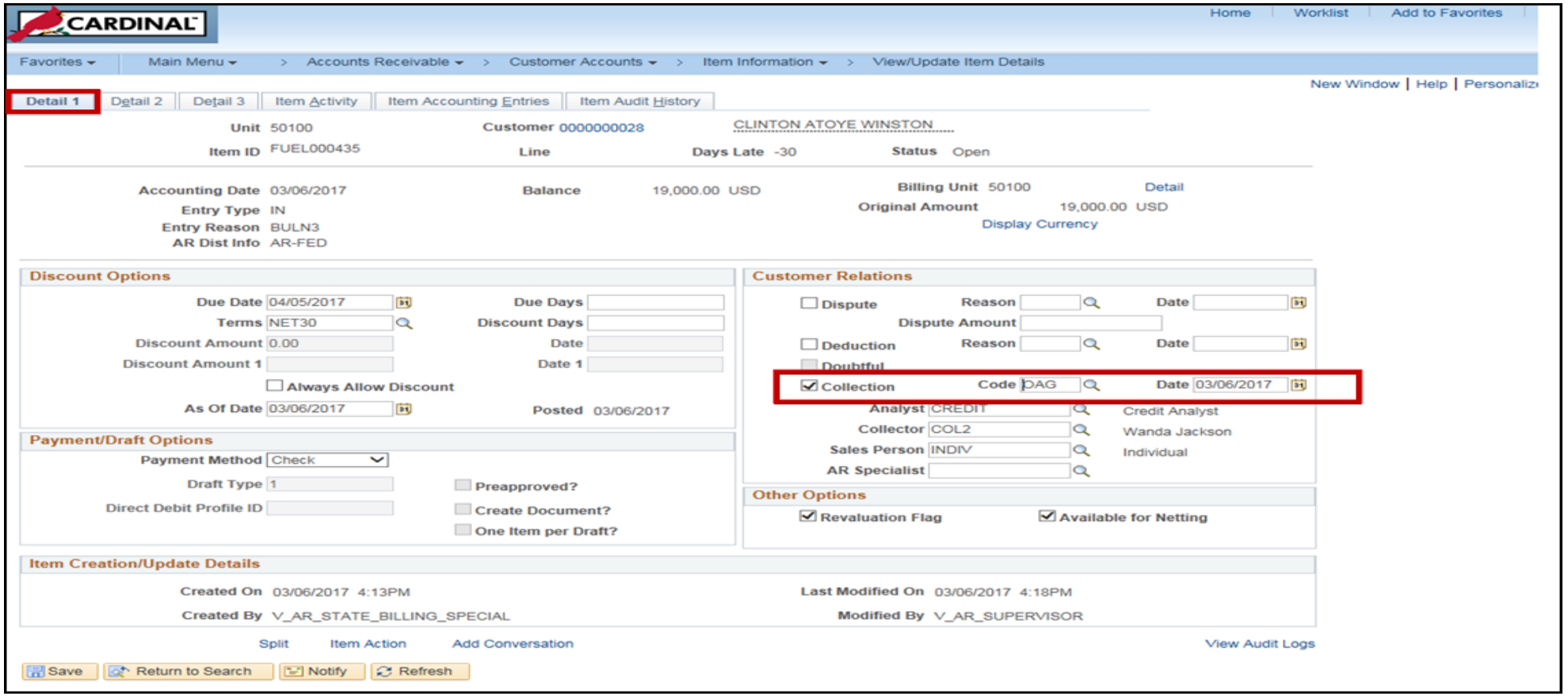
SUMMARY

Department	Number of Items	Amount
10003	2	490.00
10007	1	8,344.50
10011	1	600.00
10015	33	1,139,241.43
10020	3	25,893.00
10021	1	15,294.87
10044	3	157,328.80
10049	75	247,902.73
10056	55	9,990.00
10057	5	37,287.72
10074	1	10,072.94
10108	4	25,661.24
10113	4	16,095.30
10144	2	21,831.20
10182	4	6,465.42
10183	3	36,829.12
10184	3	23,101.31

Collections Process

Once an item is ready for the collections process, update the **Detail 1** tab.

The collection code is **INH** (**In House**) until the account is sent to an outside collection agency.



Past Due Notices

Past Due/Dunning Notices are sent to customers at two different intervals:

- 31 to 59 days past due
- Over 60 days past due

If a receivable is over 60 days past due and is not written off or sent to a collection agency, additional collection activities are initiated including:

- Sending statements of accounts
- Initiating debt set-off programs
- Follow up letters and telephone calls
- Placing customers in collection status

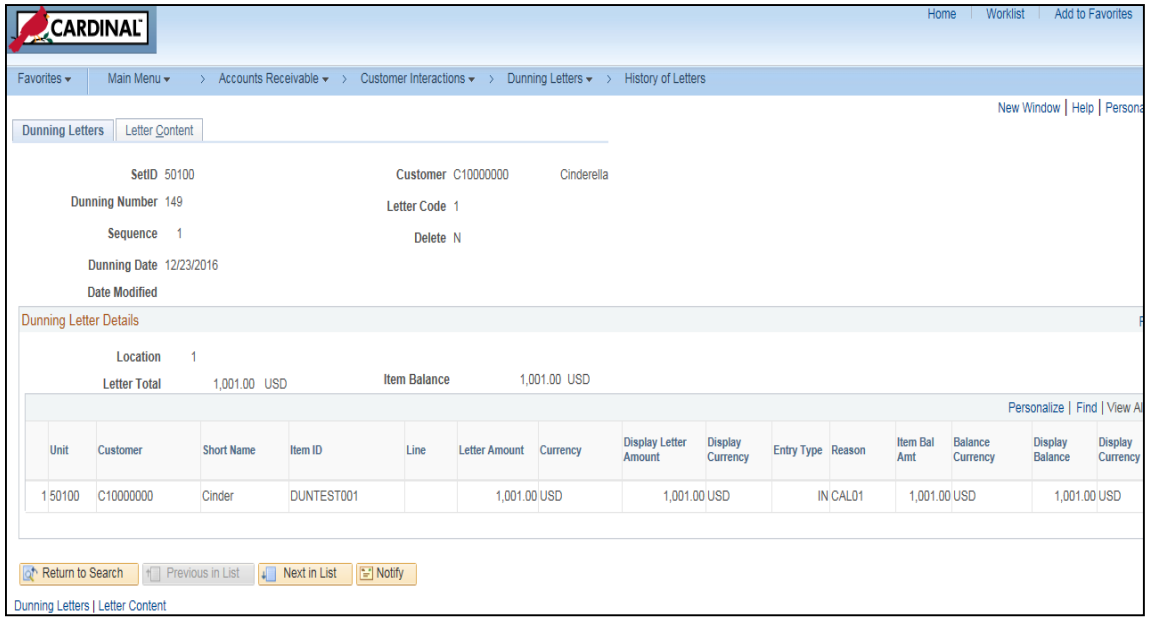
As receivables age, dunning letters generated by Cardinal become increasingly severe.

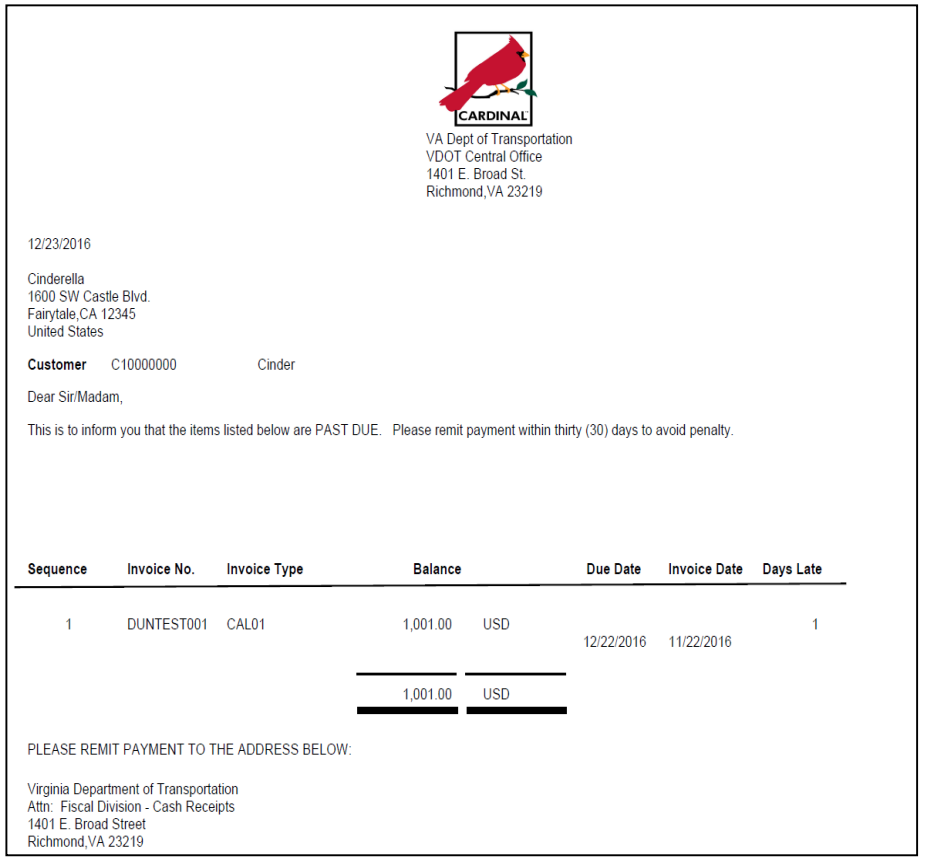
Past Due Notices (continued)

The dunning letter is used to notify customers of past due receivables as their accounts become delinquent.

A batch process runs monthly to prepare and print dunning letters. To view dunning letter history and letter content, use the following path:

Main Menu > Accounts Receivable > Customer Interactions > Dunning Letters > History of Letters

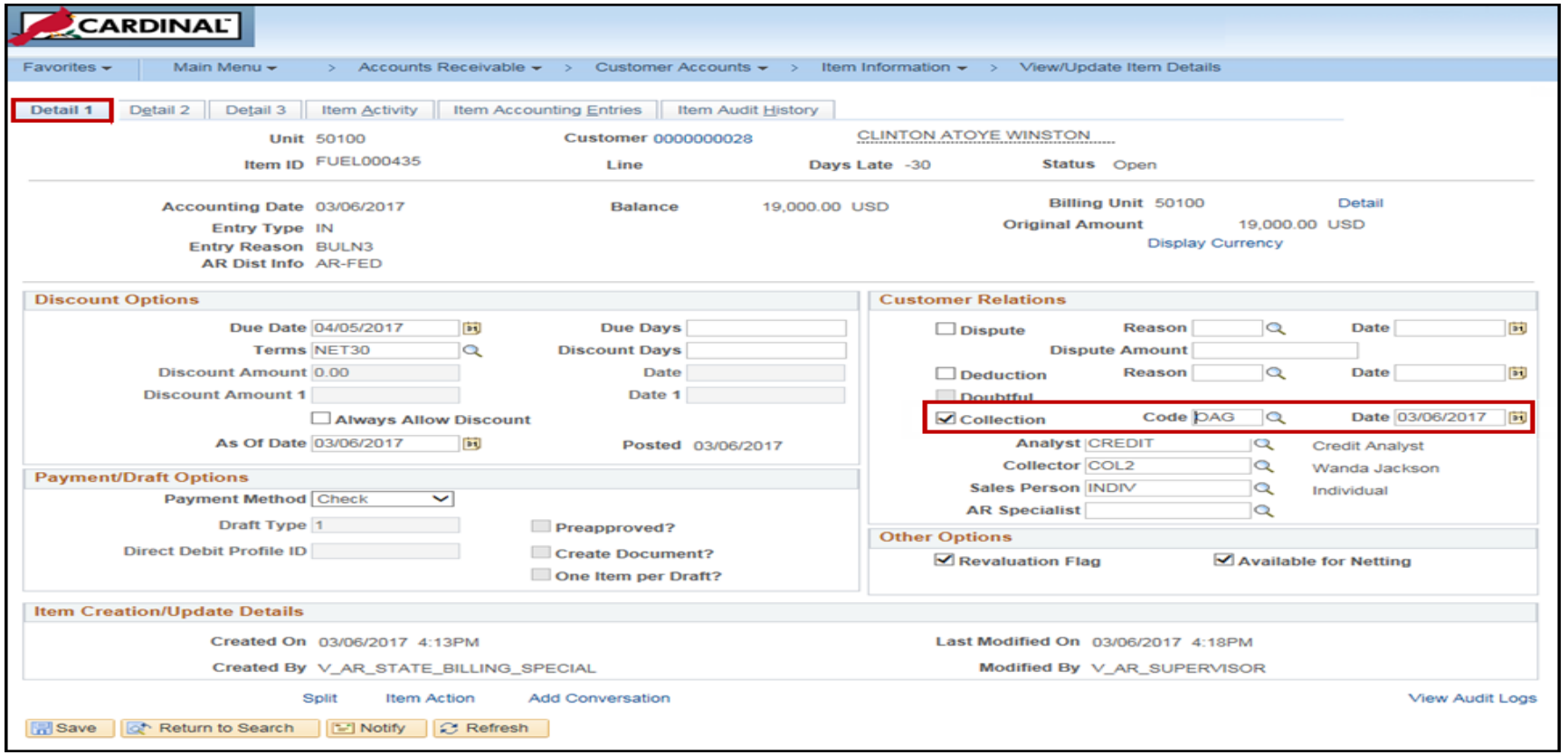




Past Due Notices (continued)

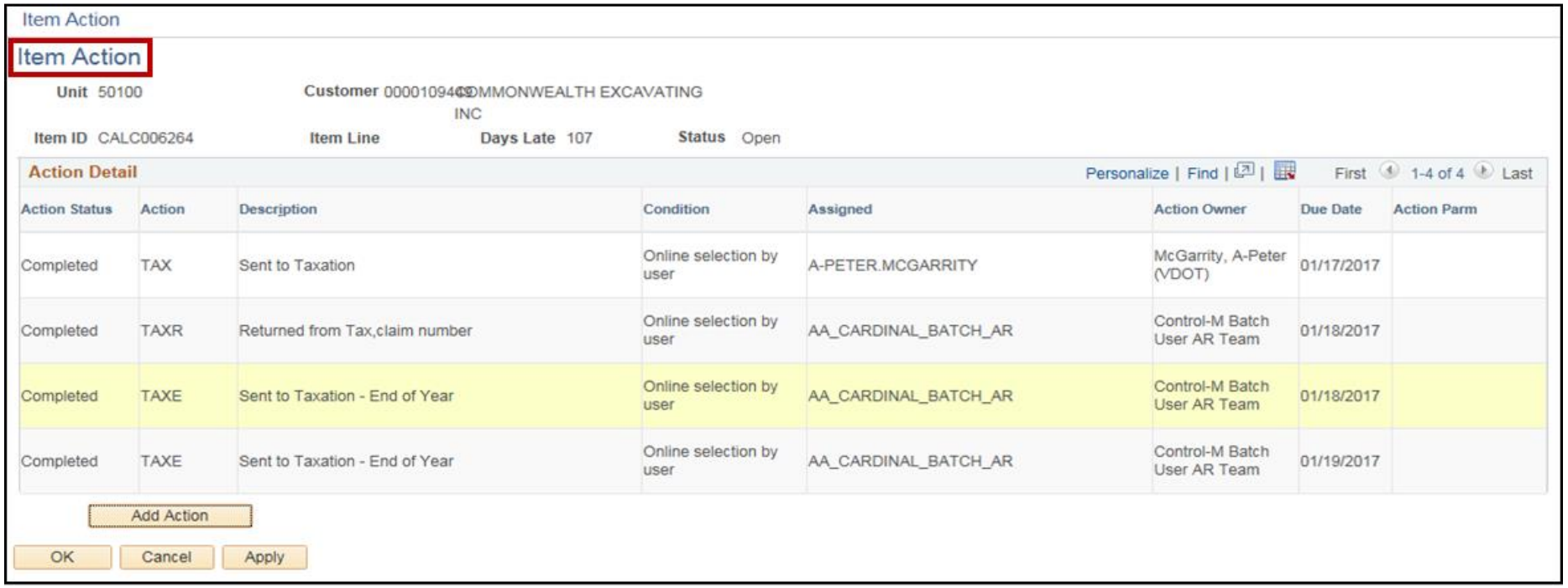
If in-house collection activities are not successful, the past due receivables are sent to the Office of the Attorney General (OAG) or a private collection agency.

Record this on the receivable in the comments/conversation panel and on the Customer Item Inquiry **Detail 1** tab by updating the **Code** to **OAG** or **EXT** (for External Collection) and entering the **Date** sent.



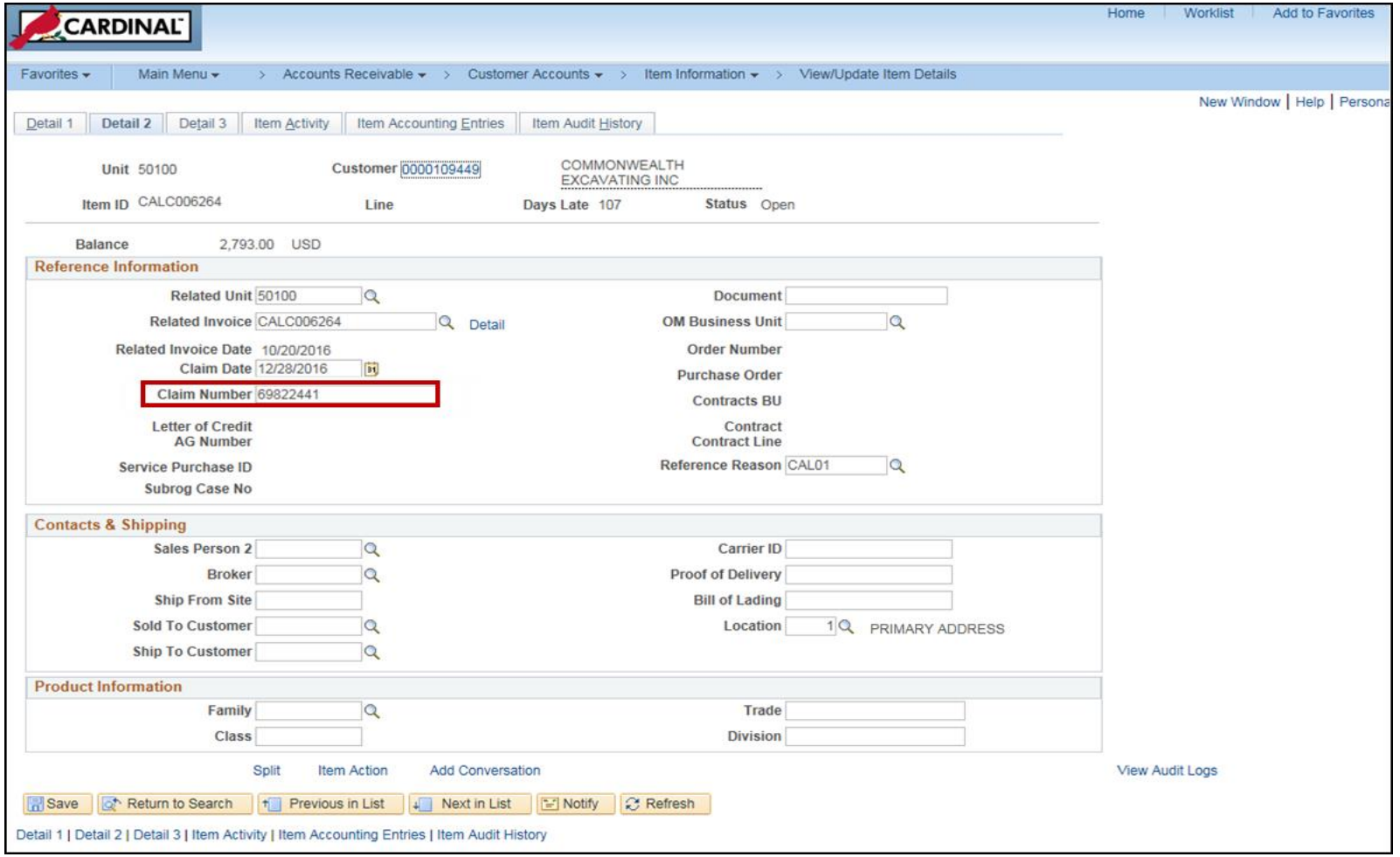
Past Due Notices (continued)

Debt Set-Off/Taxation information is located on the **Item Action** page/hyperlink.



Past Due Notices (continued)

Debt Set-Off /Taxation information is also located on the **Customer Item Inquiry** in the **Detail 2** tab.



Past Due Notices (continued)

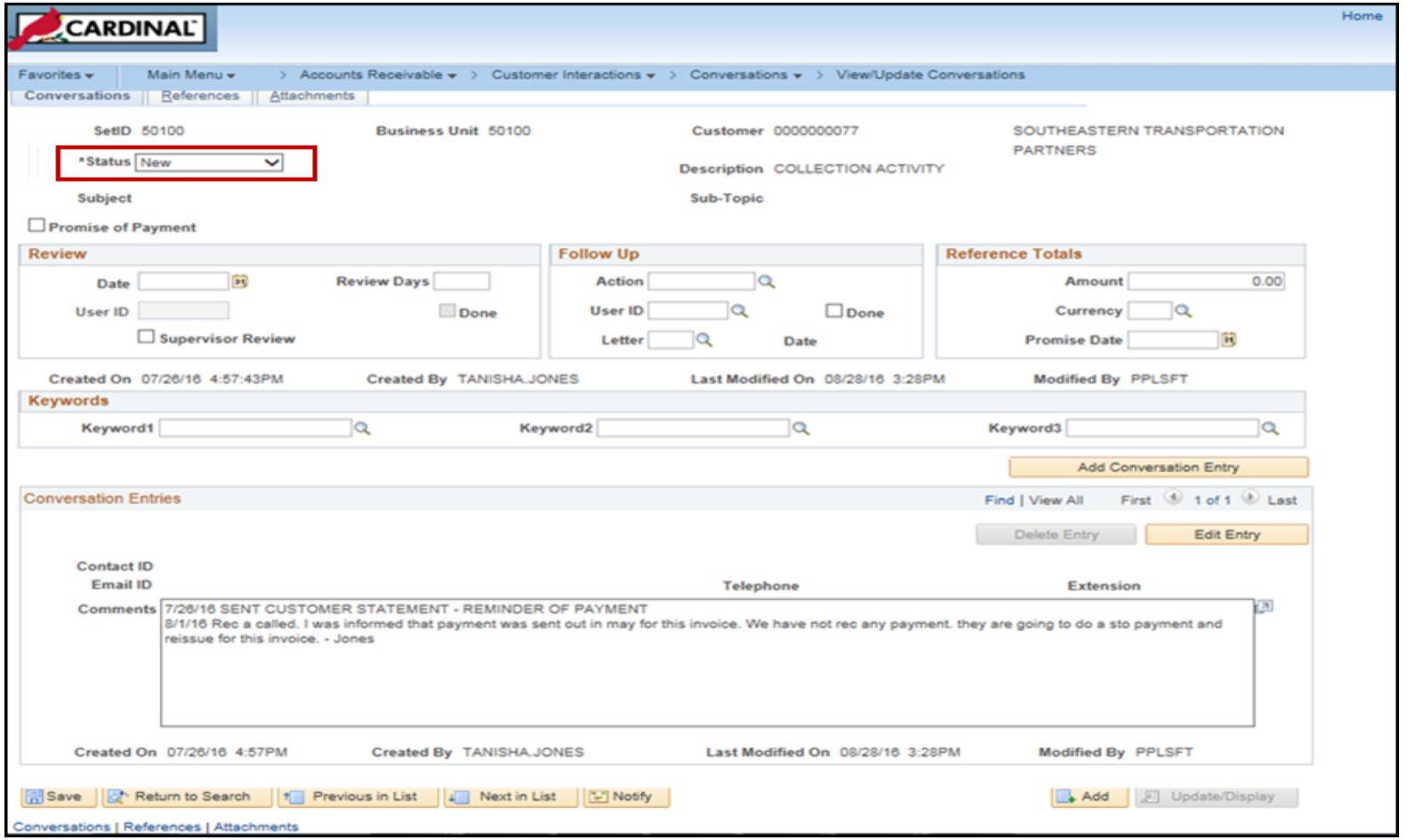
The Debt Setoff process creates a custom extract of non-project customer and past due receivable data that is sent to Taxation for Debt Setoff.

Taxation compares the non-project customer Social Security Number (SSN) or Employer Identification Number (EIN) to those of payees receiving payments for any state agency. If a match is found, the payment is intercepted and used to offset the past due debt.

Non-project receivables between 31-59 days are included in the Debt Setoff process.

Past Due Notices (continued)

If a non-project receivable is over 60 days past due and is manually sent to OAG (or another collection agency), this information is recorded on the **Conversations** tab and **Customer Relation** area of the **Customer Inquiry** screen.



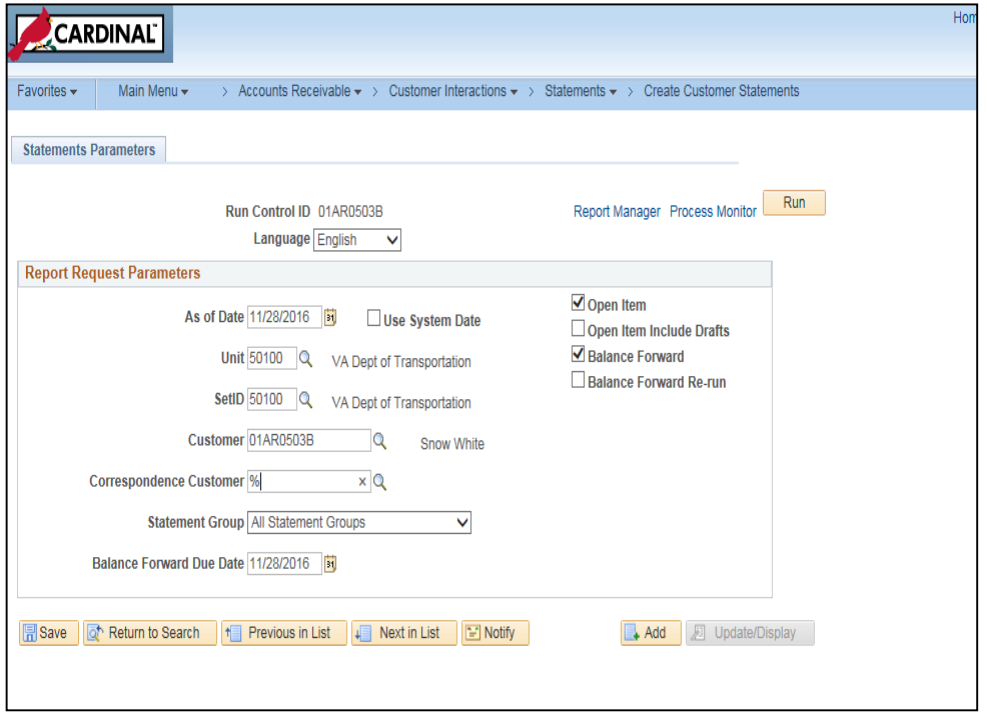
Processing Customer Statements

The Process Customer Statements function is run when customer statements are needed.

Customer statements provide an overview of the account status and are used by customers to verify and/or reconcile their accounting records.

Navigate to the **Create Customer Statements** page using the following path:

Main Menu > Accounts Receivable > Customer Interactions > Statements > Create Customer Statements

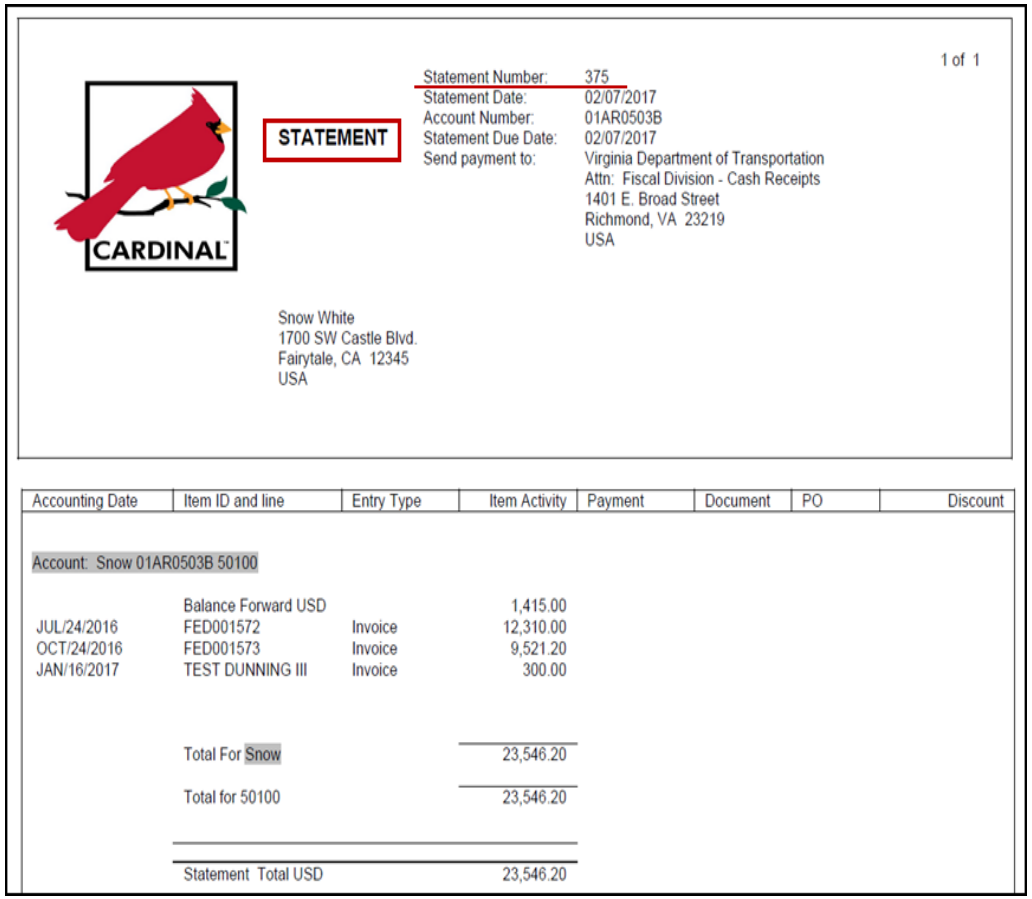


Processing Customer Statements (continued)

The customer statement includes all the activity for each item:

- Invoice
- Payments
- Matches
- Credit Adjustments

The statement also shows the number of items, the aging category, and the total amount by aging category.



1 of 1

CARDINAL

STATEMENT

Statement Number: 375
Statement Date: 02/07/2017
Account Number: 01AR0503B
Statement Due Date: 02/07/2017
Send payment to: Virginia Department of Transportation
Attn: Fiscal Division - Cash Receipts
1401 E. Broad Street
Richmond, VA 23219
USA

Snow White
1700 SW Castle Blvd.
Fairytale, CA 12345
USA

Accounting Date	Item ID and line	Entry Type	Item Activity	Payment	Document	PO	Discount
Account: Snow 01AR0503B 50100							
	Balance Forward USD		1,415.00				
JUL/24/2016	FED001572	Invoice	12,310.00				
OCT/24/2016	FED001573	Invoice	9,521.20				
JAN/16/2017	TEST DUNNING III	Invoice	300.00				
	Total For Snow		23,546.20				
	Total for 50100		23,546.20				
	Statement Total USD		23,546.20				

Simulation: Processing Customer Statements

You will now view a simulation that demonstrates how to **Process Customer Statements**.

Lesson 5: Summary

5 Aging and Collections

In this lesson, you learned:

- The Aging and Collection Process
- How to process Customer Statements
- How to generate Past Due Notices

Course Summary

AR323 Billing and Receivables

In this course, you learned:

- Enter a Standard Bill
- Generate an Invoice
- Adjust a Bill
- Maintain and Update Receivables
- Process Customer Statements

Course Evaluation

Congratulations! You successfully completed the **501 AR323: Billing and Receivables** course.

Your instructor will provide instructions on how to access the evaluation survey for this course.

Appendix

- Key Terms
- Allowed Extensions on Attachments in Cardinal
- Flowchart Key

Key Terms

Accounting Distribution Code: ChartField string that defines how a transaction is charged (i.e., which fund, program, department, account, etc.). Distribution codes simplify the process of generating accounting entries by defining a valid combination of ChartField values.

Billing Charge Code: Identifies the item or service being billed to the customer.

Bill Header: Overall bill information that applies to all lines in the bill including:

- Where the bill came from (bill source)
- Bill type
- Where the bill is going
- Customer information
- When the bill is sent to the customer
- Payment terms
- **Header - Info 1** contains general information and **Header - Info 2** contains additional information. This information is added when entering a regular bill.

Bill Line: An individual item on a bill that contains descriptive information such as name, quantity, and price.

Key Terms (continued)

Bill Source: Describes what the user is billing for.

Bill Source:	**Description**:
AUDIT	Audit Refund
CALCU	Calculated Accident
COAL	Coal Severance
EMS	Equipment Management System
FED	Federal
FUEL	Automated Fuel Mngt System
GENER	Generic Miscellaneous
GRANT	Grant
INVS	Inventory Sales
MG&SE	Miscellaneous Goods & Services
MISC	Miscellaneous

Bill Source:	**Description**:
MISC	Miscellaneous
PHOTO	Photo Bills
PROJE	Non-Federal Projects
PROPDMG	Property Damage
RETRE	Retainage Refund
REVSH	Revenue Sharing Unmatched
REVSM	Revenue Sharing Match

Key Terms (continued)

Bill Statements:

- **Invoice:** In the Accounts Receivable functional area, bill issued by the agency after having provided products or services to the customer.
- **Customer Statement:** A periodic summary of a customer's account activity that lists goods and/or services provided, billings, payments, etc.
- **Dunning Letter:** A request for payment that is past due.

Bill Status: A classification that identifies the bill's processing stage:

- **NEW:** bill has just been created
- **RDY:** bill is ready for batch processing
- **INV:** bill has been processed and is ready to go out
- **PND:** bill has been adjusted and is ready for review and approval

Bill Type: A category of activity that should be grouped together on a particular bill. Set default values at the bill type level.

There are four bill types entered in Cardinal:

- **Standard:** bill created manually for one time use
- **Recurring:** bills or portions of bills that can be reproduced
- **Installment:** bills that are used to invoice customers in segments
- **Consolidated:** bills that are grouped or consolidated into a single invoice

Key Terms (continued)

Bill Type Identifier: field is used to select the item that is being billed and the associated charge distribution. Click the **Identifier** lookup icon to select the appropriate option. Example: **BULLNOSE2**.

- **Bill Type Identifiers have a Charge Code:** For the **Identifier BULLNOSE2**, the **Charge Code** is **CALCOST.**
  - The **CALCOST Charge Code** populates the related accounting distributions as follows:
    - Billing: Revenue Side of GL entry – goes to GL
    - AR: AR side of GL entry – goes to AR

Business Unit: An operational subset of an organization. In Virginia, each state agency is an operational subset (or business unit) of the Commonwealth. The business unit number identifies each operational subset or agency of the Commonwealth.

Customer: Any entity responsible for paying the agency for goods and/or services. There are four general customer types in Cardinal which are used as **Bill Type Identifiers**:

- **CCT:** City, County, Towns
- **FED:** Federal Billing
- **OTH:** Other
- **STA:** State Agencies

Key Terms (continued)

Cycle ID: Identifies the billing cycle for the bill. Options include:

- Daily
- Monthly
- Federal
- Monthly Installment
- Monthly Recurring
- Quarterly

Entry Type: Categorizes pending items that create or update posted items within the system. Every receivable transaction must have an **Entry Type** associated with it. Examples of **Entry Types** include:

- Credit Memos (**CR**)
- Debit Memos (**DR**)
- Invoice (**IN**)
- Late Payment Penalty (**OC**)

Entry Reason: Categorizes different uses for a single entry type. The **Entry Reason** associated with an item defines which accounting entries generate and can be used for reporting purposes.

- **Entry Reasons** are used to define **accounting distributions** for **each Entry Type**.
- Example ➔**BULLNOSE3/BULLN3 ➔ CALCOST/Acctg Distribution Code**

Key Terms (continued)

Frequency: Entity used to determine the frequency of the billing cycle. Defaults to **Once**. Other options include:

- Once
- Installment
- Recurring

Note: **Invoice Status** uses the same codes.

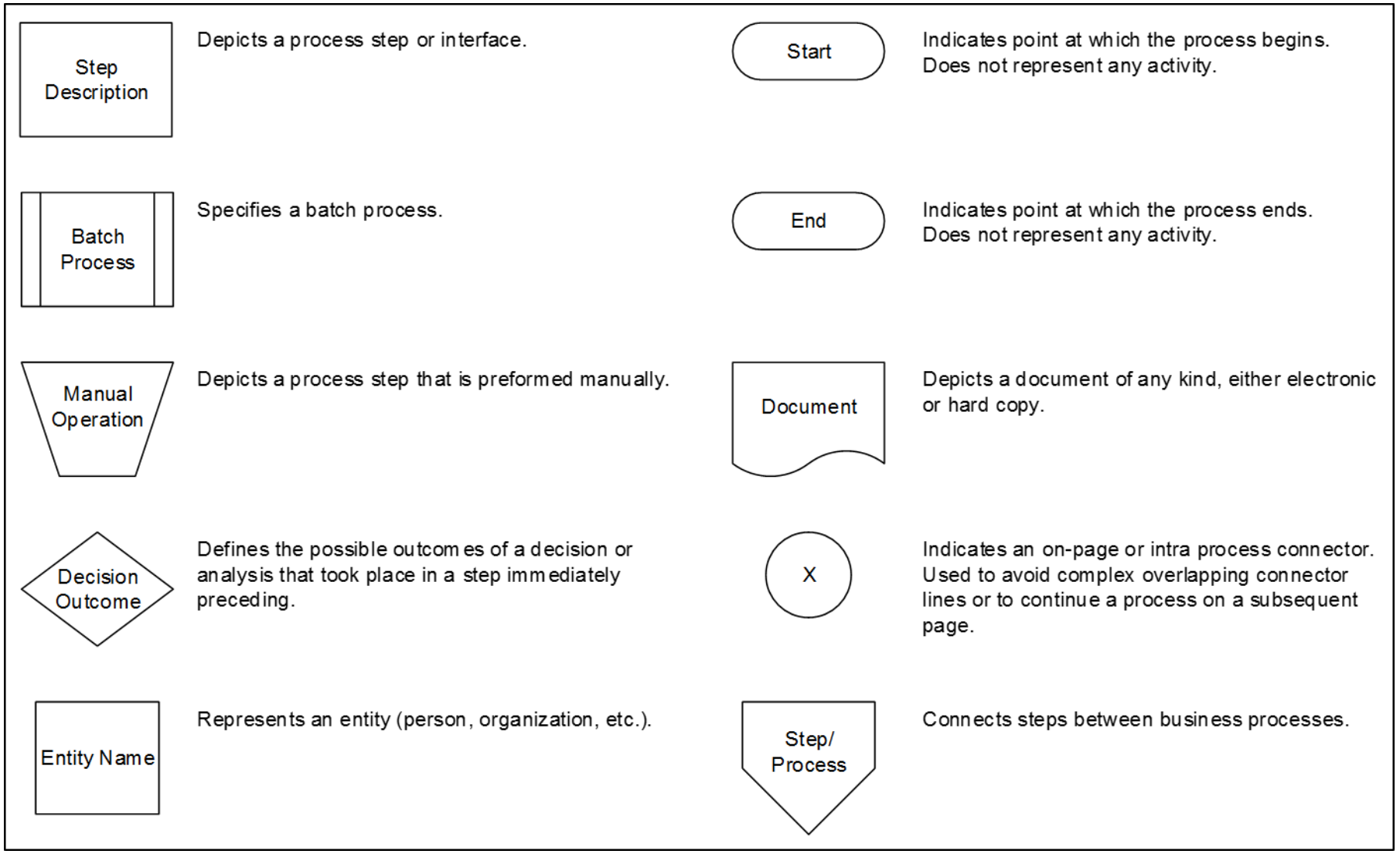
Invoice Status: The processing stage of the invoice. **Invoiced** means that an invoice has been printed and an invoice number has been assigned. A non-invoiced bill is one that has not been printed. **Invoice Status** values are the same values used for Bill Status. The most common statuses are:

- **NEW**
- **RDY** (ready)
- **PND** (pending)
- **INV** (invoiced)

Table: Field that determines the type of options available in the **Identifier** field. Click the **Table** lookup icon and select **ID (PS/Billing Charge ID)**.

Allowed Extensions on Attachments in Cardinal

The following is a list of file extensions that are allowed on attachments uploaded to Cardinal. You should only attach key supporting documents that either enhance the electronic Cardinal transaction approval process or are instrumental as part of the transaction history. The Cardinal system should not be relied upon to maintain agency documentation and should not be considered the official retention source of the agency. Supporting documents, as required by all applicable regulatory/governing bodies, should be maintained by the agency apart from the Cardinal attachment functionality.

Allowed Extensions on Attachments in Cardinal		
.BMP	.CSV	.DOC
.DOCX	.JPE	.JPEG
.JPG	.MSG	.PDF
.PNG	.PST	.RTF
.TIF	.TIFF	.TXT
.XLS	.XLSX	.XML

Flowchart Key