

The **Financial** EdgeTM

Concepts Guide for Accounts Receivable

101911

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FE-ConceptsGuideforAccountsReceivable-2011

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Concepts and Considerations



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Accounts Receivable 7 is a departure from our previous **Accounts Receivable** applications. It breaks new ground in functionality that is both powerful and easy to use. However, like all new software applications, you will need to configure **Accounts Receivable 7** specifically for your organization to get the most out of it. You will also need to understand how the system works to become a proficient user.

This guide looks at the important areas of **Accounts Receivable 7** and discusses settings and concepts you should understand in order to make the right decisions for your organization. Once you have read this guide and feel comfortable with the new concepts and considerations, you should read the “Setting Up Accounts Receivable” chapter of the *Getting Started Guide*, which provides a detailed checklist of tasks with step-by-step procedures for successfully implementing **Accounts Receivable 7**.

Fundamental Changes

Accounts Receivable 7 is designed to help nonprofit organizations track the services and products they provide to clients. It gives you the capability to send bills and statements to clients, even third party payers. The flexible billing system is straight forward and easy to use, allowing third party payments from payers with no relationship to the client. With **Accounts Receivable 7**, you track and process incoming payments, update the shared **Financial Edge** Bank Register, and post information to **General Ledger** to create financial statements.

Because **Accounts Receivable 7** has undergone a total redesign, it contains many fundamental differences from our previous AR applications. This section takes a look at those fundamental differences.

Terminology Changes

Note: You can customize the “Service Provider” terminology with a business rule in *Configuration*.

The changes we have made in terminology moving from **Accounts Receivable 6** to **Accounts Receivable 7** signify the fundamental differences between the applications. We have moved to terms that are more familiar to nonprofit organizations and better represent how most organizations operate. The following table compares the differences in basic terminology.

Accounts Receivable 6	Accounts Receivable 7
Customer is now...	Client
Sales Person is now...	Service Provider (customizable)
Debit Memo is now...	Charge
Credit Memo is now...	Credit

Optional Unapplied Payment Account

We know all organizations are different. Some need to track project balances and transaction codes on balance sheets while others do not. With **Accounts Receivable 7** we have taken this into consideration and designed a system that can efficiently meet the needs of both types of organizations by making the unapplied payment account optional. In **Accounts Receivable 6**, the unapplied payment account was known as the suspense account.

Warning: The General business rule for designating a single AR summary account versus multiple accounts is extremely important and will impact your organization’s success using **Accounts Receivable 7**.

If your organization's accounting methodology requires tracking project balances and transaction codes, the powerful features in **Accounts Receivable 7** enable you to do that with multiple AR accounts. On the other hand, if your organization does not need those features you can configure **Accounts Receivable 7** to use a single AR summary account by enabling a business rule in *Configuration*. This business rule configures your system to use a single AR summary account while never posting applications.

If you choose to use a single AR account while never posting applications, you will not need an account for unapplied payments. For more information about this business rule, including information to help you decide if it is right for your organization, see "Using a Single AR Summary Account and Never Posting Applications" on page 6.

Flexible Billing

Accounts Receivable 7 offers a truly flexible billing solution that helps nonprofit organizations process payments in a variety of ways to improve the revenue collection and recognition process. Any payment, no matter who submits it, can be used to pay charges for any client or organization in the system. You can assign payment responsibility for individual charges, but even those charges can be paid by anyone.

With **Accounts Receivable 7**, you can assign payment responsibility for individual charges to multiple people or organizations. You can also apply one payment to multiple clients' accounts, as well as apply payments automatically or manually.

Many nonprofit organizations, especially health and human services organizations, earn revenue through fees for services rendered. The fees for these services are often subsidized by multiple parties, like private foundations or state and federal government organizations. Unfortunately, subsidized payments often require your organization to pay an expense before actually receiving payment from the subsidy provider. This is a complicated, yet necessary, process to track accurately. **Accounts Receivable 7** provides the tools you need to efficiently and accurately track payments from multiple parties, including subsidized payments that occur on a reimbursable basis.

If a fee is subsidized, your organization needs the ability to bill both the service recipient and the third party without losing track of the total revenue earned for a particular service fee, which you can do in **Accounts Receivable 7**. Revenues can be categorized by fund restrictions and be distributed across a variety of characteristics, including grants, locations, and initiatives.

An area of billing that is often overlooked is statements. All too often clients are left confused by statements that do not communicate the big picture, as well as individual responsibilities. To help make statements more user-friendly and accurate, we have improved the system for determining who receives statements and added more flexible statement options so you can include specific information for each recipient. For more information about statements, see "Flexible Statements" on page 4.

How Flexible Billing Works in Accounts Receivable 7

This section provides an example of how flexible billing works in **Accounts Receivable 7**. Please remember that this is simply one example of the powerful multi-party flexible billing capabilities of the system.

Let's start at the beginning. Say your organization, which for this example provides addiction counseling services, adds an Individual Client record for a client named Jim Brady. By default, the individual client appears on the Payers tab of the Individual Client record and is shown to be responsible for 100% of any charges. However, your organization knows that Jim is not solely responsible for payment. Social Services has agreed to pay 80% of his counseling expenses, so they are added to the system using an Organization record, then added to Jim's Individual Client record as a payer. If additional payers are known for this client, they can be added to the Payers tab as well and the responsibility for charges can be split or left for the original payer.

Now that Jim Brady is a client, he registers for several counseling sessions. Remember, just because Jim Brady and other payers are documented as responsible for payments, they are not the only parties who can submit payments for charges due. The payers listed on the Client record are default only. Anyone can submit a payment for Jim Brady.

Once registered, Jim Brady attends several counseling sessions and is now the owner of a \$100.00 charge. As the owner of a charge, Jim is the client who has ultimate payment responsibility for the charge. He submits a payment of \$20.00, which leaves a balance of \$80.00. Social Services, who agreed to help Jim pay for his counseling sessions, submits an \$80.00 payment. Social Services was previously added as a payer on Jim's client record, but even if they were not previously designated as a payer, they could still submit a payment for Jim and it could be assigned to Jim's charges without issue.

The example of Jim Brady and Social Services sharing payment responsibility is only one instance of how **Accounts Receivable 7** efficiently handles multi-party billing situations. Many other complex billing situations can also be handled efficiently and easily in **Accounts Receivable 7**.

For more detailed information about payments and flexible billing, see the *Records Guide for Accounts Receivable*.

Flexible Statements

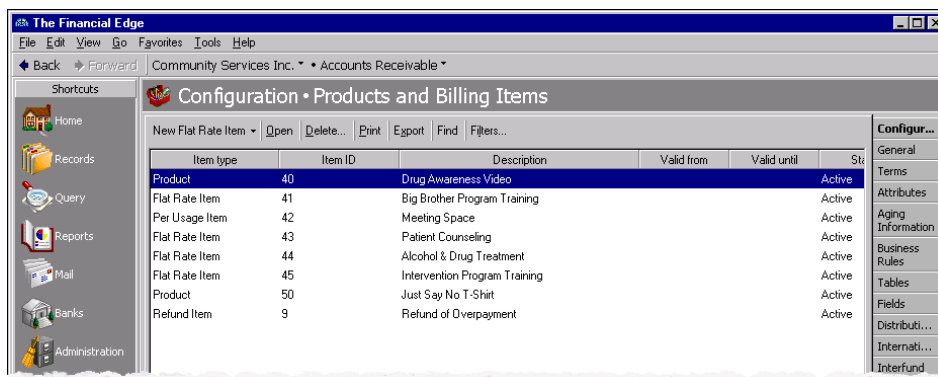
To complement the flexible multi-party billing system in **Accounts Receivable 7**, we have designed and implemented a flexible system for dispersing customized statements to all parties connected to a payment. Sending statements that are easy to understand and accurately communicate information to multiple payers is vital for collecting revenue, as well as promoting client satisfaction.

With **Accounts Receivable 7**, we have simplified the statements process while also providing flexibility that makes printing and sending statements quick, accurate, and efficient. Now when generating statements, you can send all payers a statement customized for their specific payment responsibilities. Sending meaningful and accurate statements is one area of multi-party billing that often becomes difficult, which can result in confused payers. With **Accounts Receivable 7**, we have simplified the statements process while also providing flexibility that makes printing and sending statements quick and easy.

For more detailed information about payments and flexible statements, see the *Records Guide for Accounts Receivable* and the *Mail Guide*.

New Products and Billing items

The new product and billing interface in **Accounts Receivable 7** is more comprehensive than previous versions and includes functionality your organization can use to track both products and services. This new functionality provides enhanced tracking of products vs. services, and includes multiple service types such as Flat Rate Items and Per Usage Items. You can access the Products and Billing Items page in *Configuration*, as well as in *Records*.



In **Accounts Receivable 7**, you can create the following types of product and billing item records, some designed specifically for tracking service offerings.

Flat Rate Items. Flat rate items are helpful if you provide products or services that are always the same price and are not offered in a quantity.

Products. Products are helpful if you sell items that may be purchased in quantity. For example, you may offer self-help books or audio tapes. With Products you can also set up pricing schedules for seasonal price changes or other scheduled price fluctuations.

Per Usage Items. Per usage items are helpful if you offer products or services that are billed incrementally. For example, a per usage item could be an hourly rate for counseling services.

Refund Items. If your organization anticipates offering refunds to your clients, you can set up Refund Items to make the refund process more efficient.

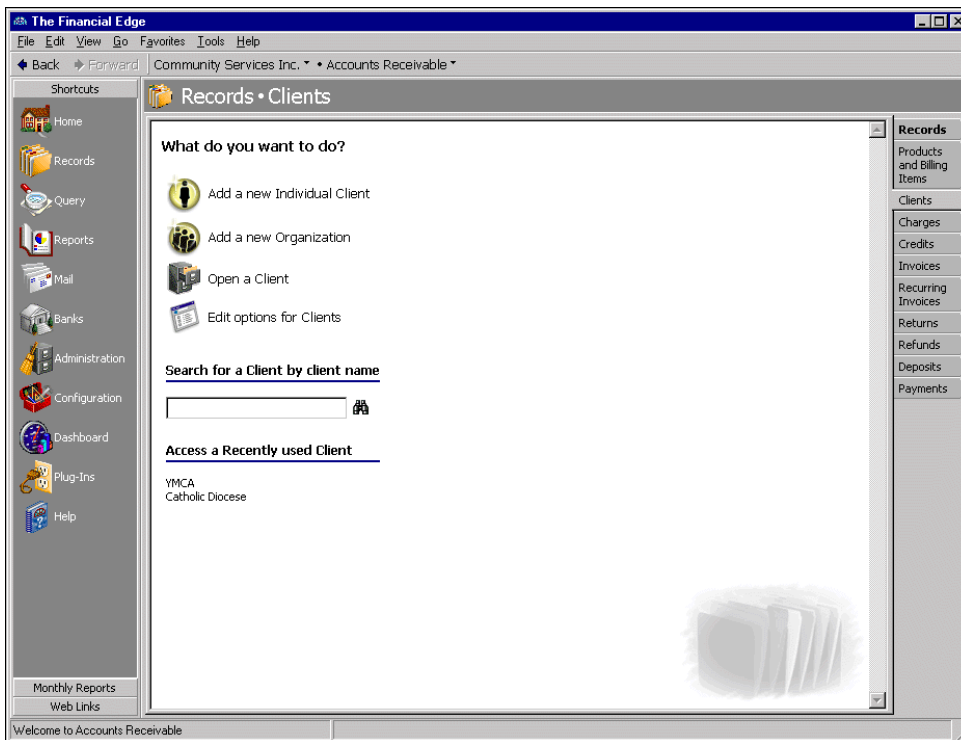
Finance Charge Items. If your organization assesses finance charges or late charges for overdue balances, you can set up Finance Charge Items.

Sales Tax Items. If your organization collects sales tax on behalf of government bodies for items or services rendered, you can establish Sales Tax Billing Items. Once you establish Sales Tax Billing Items, you can associate them with subsequent billing item records.

For more information about Products and Billing Items, see “Setting Up Products and Billing Items” on page 17.

New Client Records

Many organizations have clients who are individuals, as well as clients who are organizations or groups. With **Accounts Receivable 7**, you can add specific records to the system that accommodate both individual clients and organization clients. You add client records on the Clients page of Records in **Accounts Receivable 7**.



Individual Client Records. The Individual Client record is designed for tracking information about an individual person involved in transactions with your organization. You can use the Individual Client record to store individual-specific information including, biographical data, posting information, payments and credits, distributions, attributes, and notes.

Organization Records. The Organization record is designed for tracking information about organizations, groups or companies involved in transactions with your organization. On the Organization record, you can store the client’s organizational data, posting information, payments and credits, distributions, attributes, and notes.

For more information about both Individual Client and Organization records, see “Client Records” on page 18.

Accounts Receivable 7 Concepts and Settings to Consider

Because **Accounts Receivable 7** is a departure from our previous **Accounts Receivable** applications, it is important that you understand the new core concepts and settings so you can configure **Accounts Receivable 7** for optimal performance. If you take a few minutes now to read and understand this information, while also looking at the needs of your organization, you can set up the system for maximum success. Once you understand the information presented, you should be ready to configure settings that take advantage of the powerful and easy to use functionality we have included in **Accounts Receivable 7**.

Using a Single AR Summary Account and Never Posting Applications

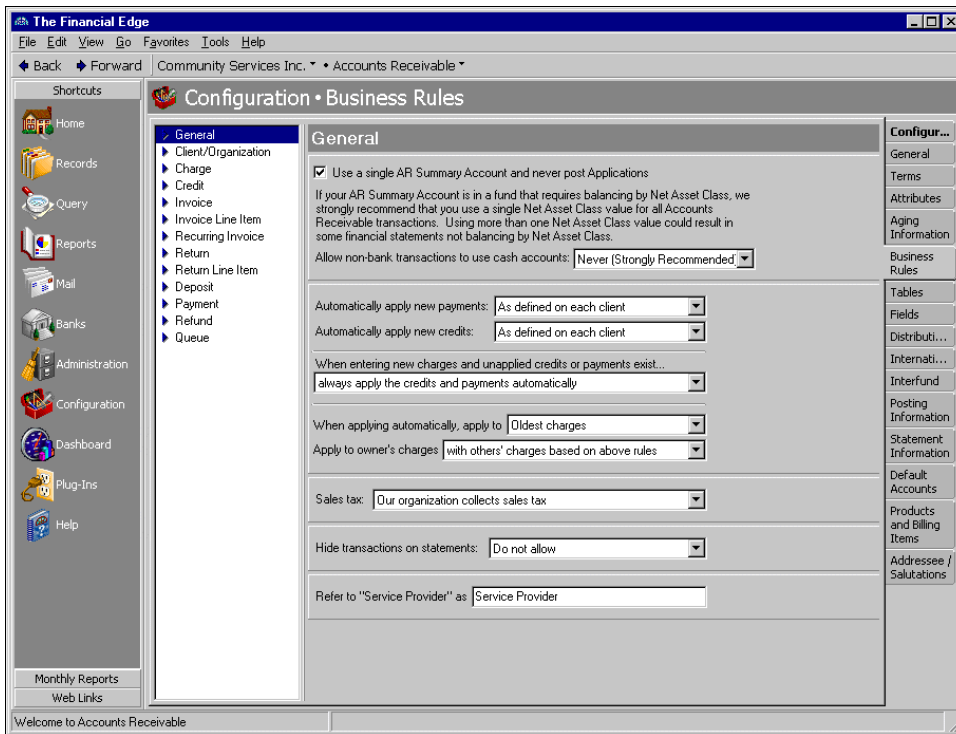
Warning: The General business rule for designating a single AR summary account vs. multiple accounts is extremely important and will impact your organization’s success using **Accounts Receivable 7**.

Configuring General business rules properly for your organization is extremely important to your overall success using **Accounts Receivable**. One of the most important General business rules to consider is the **Use a single AR Summary Account and never post Applications** rule, which makes fundamental changes to the program. For example, if you choose to use a single AR summary account while never posting applications, an unapplied payment account is no longer needed. However, if you choose to use multiple AR accounts instead, you will need to use an unapplied payment account.

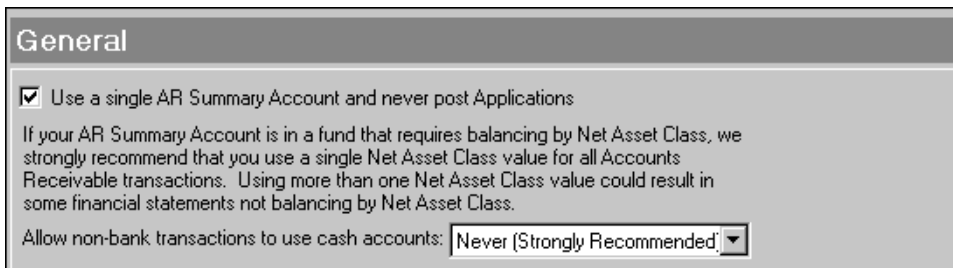
If you enable the **Use a single AR Summary Account and never post Applications** rule and your AR summary account is in a fund that requires balancing by net asset class, we strongly recommend that you use a single net asset class value for all accounts receivable transactions. We recommend using Unrestricted Net Assets as the default net asset class value. Using more than one net asset class value can result in some financial statements not balancing by net asset class.

To make sure you choose the right settings for your organization, we strongly recommend that you take time to review the General business rules carefully before making any decisions. We also recommend that you read the information in this section before deciding on your AR summary account settings. It explains the changes that will affect your system if you use a single AR summary accounts vs. multiple AR summary accounts.

You can view the General business rules from the Configuration page in **Accounts Receivable**. Once on the Configuration page, click **Business Rules** and select General in the tree view.



The **Use a single AR Summary Account and never post Applications** business rule can greatly simplify your receivables process, as well as your reconciliation to the general ledger. If this rule is enabled, all receivables flow through one AR summary account in the general ledger and you are never required to apply payments. This also means you do not need an unapplied payment account.



Using a single AR summary account helps your organization streamline the receivables process and general ledger reconciliation. By using this business rule you also avoid having to use an unapplied payment account. However, before you decide whether to use a single AR summary account, you need to decide whether it is the right decision for your organization.

To help you decide if using a single AR summary account is right for your organization, take a moment to answer the following questions about your daily operations.

- Do you need to track project balances on balance sheet accounts?
- Do you need to track transaction codes on balance sheet accounts?
- Do you need to use multiple AR summary accounts?
- Do you need to use multiple net asset class values on AR transactions (Unrestricted, Temporarily Restricted, Permanently Restricted)?

If you answered “no” to all of the above questions, then we recommend using one AR summary account and never posting applications. To learn how to configure your system to use only one AR summary account, see the next section.

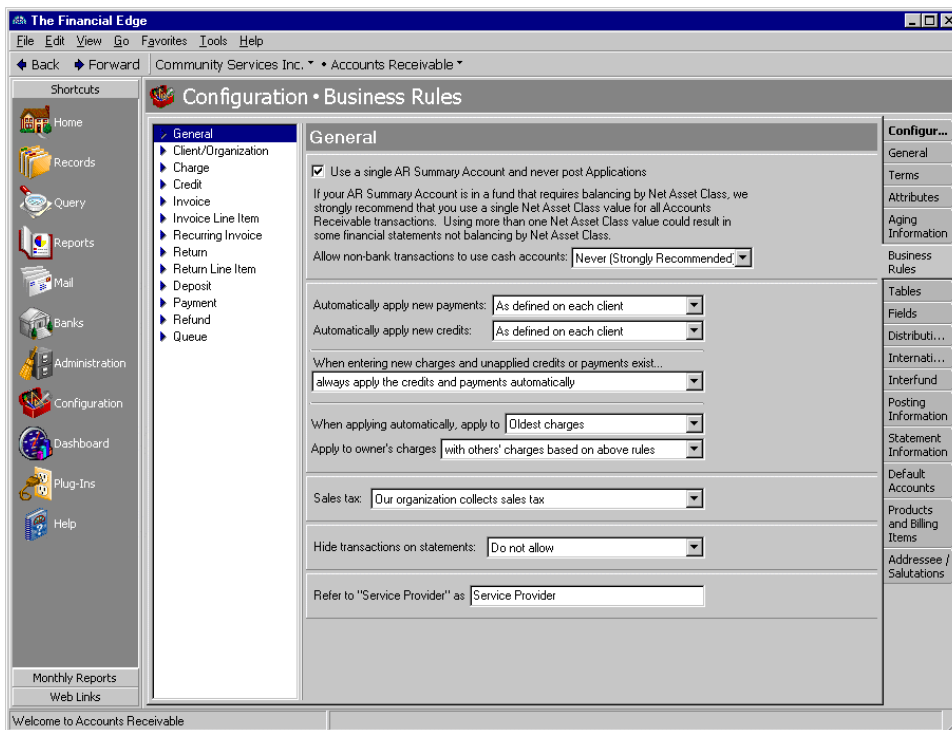
Configuring Your System to Use a Single AR Summary Account

Warning: You must post all AR transactions before configuring your system to use a single AR summary account.

If you determine that using one AR summary account while never posting applications will benefit your organization, you can enable the corresponding rule in *Configuration*. If you choose to enable this rule, we also recommend designating a single net asset class. You must post all AR transactions before configuring your system to use a single AR summary account.

Note: For more information about *Accounts Receivable Configuration*, see the *Configuration Guide for Accounts Receivable*.

To activate the business rule designating a single AR summary account, as well as other related rules, access the Configuration page in *Accounts Receivable* and click **Business Rules**. The Business Rules page appears.



Note: For new installations, the **Use a single AR Summary Account and never post Applications** rule is marked by default. To disable this rule, which means you will need to use an unapplied payment account, remove the corresponding checkmark.

Use a single AR Summary Account and never post Applications. We recommend using this business rule if (1) you use an AR summary account in a fund that does not require projects or transaction codes on balance sheet accounts, (2) if balancing by account segment is NOT enabled, and (3) you can use Unrestricted as the single net asset class value for all *Accounts Receivable* transactions.

If you mark **Use a single AR Summary Account and never post Applications**, the default AR account (the unapplied payment account) is never required and charges, credits, and payments are always posted to the same AR summary account. As a result, because projects and transaction codes are not used on AR summary transactions, application records are never posted.

Note: If you mark **Use a single AR Summary Account and never post Applications**, the unapplied payment account is not required and the receivables process is streamlined.

If you use this business rule and your AR summary account is in a fund that requires balancing by net asset class, we strongly recommend that you use a single net asset class value for all accounts receivable transactions. We recommend using Unrestricted Net Assets as the default net asset class value. Using more than one net asset class value can result in some financial statements not balancing by net asset class.

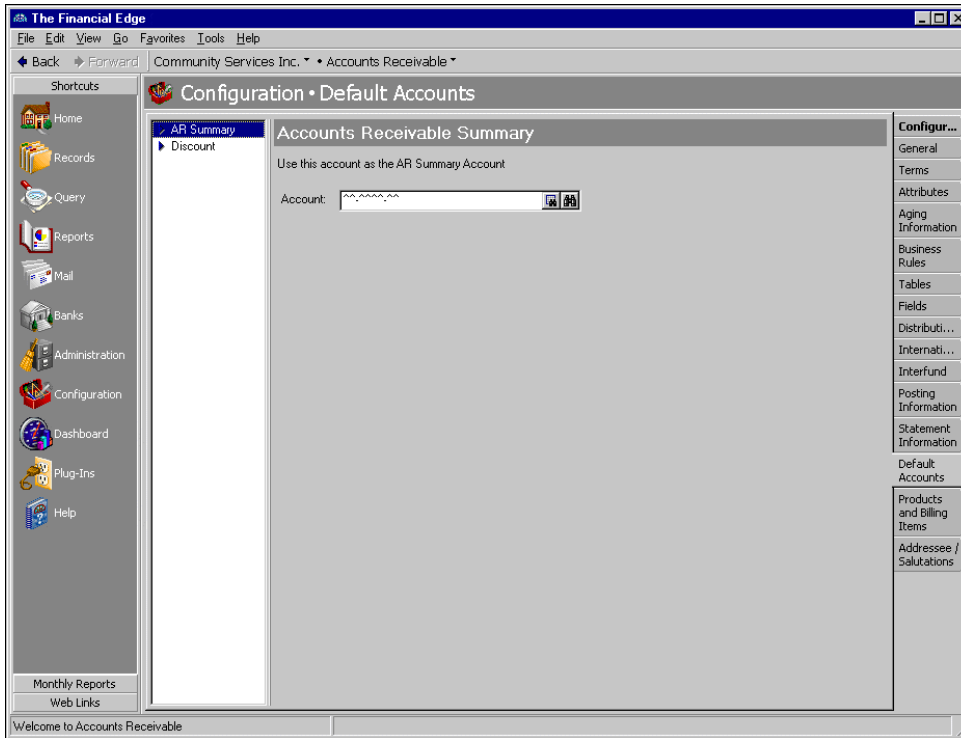
Warning: We do not recommend changing your net asset class or switching between one and multiple AR summary accounts once activity has been entered. If you do decide to change these settings, you must post all transactions first.

Using a single AR summary account and never posting applications streamlines your receivables system while also making several changes to the program.

- On the Default Accounts page of *Configuration* you will not be able to designate multiple default accounts by fund and the reclassification account is hidden.
- On all transactions, users should assign only the single net asset class value your organization has designated as the default.
- On selected transactions, the AR distribution is hidden.

AR Summary and Default Accounts

One of the first concepts you should consider when setting up **Accounts Receivable 7** is how to configure AR summary accounts. How you configure AR summary accounts depends on the tracking requirements of your organization. You designate summary accounts on the Default Accounts page of *Configuration*.



Warning: The General business rule for designating a single AR summary account versus multiple accounts is extremely important and will impact your organization’s success using **Accounts Receivable 7**.

In **Accounts Receivable 7**, you can either establish multiple AR summary accounts or a single AR summary account, which eliminates the need for an unapplied payment account. To enable the system to use a single AR summary account, access the General Business Rules page in *Configuration*, and mark **Use a Single AR Summary Account and never post Applications**. To use multiple AR summary accounts, clear the **Use a Single AR Summary Account and Never Posting Applications** checkbox. The AR summary account options displayed on the Default Accounts page in *Configuration* depend on whether you have set the system to use a single or multiple AR summary accounts. For more information about the single AR summary account business rule, see “Using a Single AR Summary Account and Never Posting Applications” on page 6.

If you are using a single AR summary account, which is recommended, you can define only one default AR summary account in *Configuration*.





If you have opted to use multiple AR summary accounts, you can specify an account hierarchy with a primary default account and several secondary default accounts to use in certain circumstances. With multiple summary accounts you also can enter reclassification accounts, which the program uses to ensure debit accounts balance.



Accounts Receivable Summary

You can also define AR Summary Accounts on Clients and on Products/Billing Items

Build the default AR Summary Account by combining the Fund of each Charge's Revenue Account with these segment values:

Account:  

Unless a Fund has its own AR Summary Account defined in the table below, use this account as the default AR Summary Account, creating interfund entries as needed:

Account:  

If you always want to use a specific AR Summary Account for a particular Fund, enter it here:

#	AR Summary	Account Description	Fund Description

Note: Enter default accounts carefully. *Accounts Receivable* does not verify that account numbers exist until you use them in a distribution. Then, based on your business rules, the program either creates the account automatically, prevents creating the account, or asks if you want to add the account.

If you are using multiple AR summary accounts, you have the option of establishing default reclassification accounts. If you use a single AR summary account, the default reclassification accounts are not needed and are therefore unavailable. Defining a single AR summary account is the recommended method, as long as your organization meets the requirements. For more information about specific requirements for using the single AR summary account business rule, see “Using a Single AR Summary Account and Never Posting Applications” on page 6.

The default AR summary accounts you enter in *Configuration* are used only if no summary accounts are defined on the Individual Client, Organization, or Product and Billing Item records. If a summary account is defined on a client record, that account is always used for corresponding client charges.

Remember, regardless of whether you use single or multiple AR summary default accounts, you must define default account(s) or you will receive an error message when adding charges, credits, payments, refunds, invoice line items, and return line items.

Note: You can add AR summary accounts on client records and Product and Billing Item records.

You can also define default accounts for unapplied payments and discounts. By defining a default account for unapplied payments, you designate an account that automatically appears on new payment records, which helps to ensure that unapplied payments are held in an account separately from the AR summary account. This improves reconciliation and helps you determine the unapplied payment balance. The unapplied payment account is limited to a single account and masking is not applicable.

GL distribution when unapplying payments. When you unapply a payment from a charge or advance deposit that has been posted after the application, the program needs to correct the GL distribution information by moving the amount to the appropriate GL account. The program compares the Unapplied Payment Account value to its GL distribution information and determines if a distribution row exists to accommodate the unapplied payment amount. When a row exists, the unapplied amount is moved to the distribution row.

If a row does not exist, the program adds the unapplied amount to a new row. When posting to *General Ledger* again after unapplying, the unapplied payment information is tracked so you can account in *General Ledger* for changes made to the payment.

Note: To determine the section of the account number representing the associated fund, see the Configuration page of *General Ledger*. From the Configuration page, click **Account Setup, Account Structure**.

GL distribution when unapplying credits. When you unapply credits from a charge or advance deposit that has been posted after the application, the program needs to correct the GL distribution information by moving the amount to the appropriate GL account. The program compares the Unapplied Payment Account value to its GL distribution information and determines if a distribution row exists to accommodate the unapplied amount.

When a row exists, **Student Billing** uses the fund associated with the **DR Account Number** field on the credit to determine how the CR account information should be set. The associated fund is compared with the **AR Summary Account by Fund** grid to determine a match. If a match exists, the unapplied amount is successfully applied to the distribution row. When the associated fund cannot find a matching fund in the **AR Summary Account by Fund** grid, the account specified above the grid is used. As a reminder, the **AR Summary Account by Fund** grid is enabled only if you marked the **Unless a Fund has its own AR Summary Account defined in the table below, use this account as the default AR Summary Account, creating interfund entries as needed** business rule in **Configuration, Default Accounts, AR Summary**.

When a distribution row does not exist, **Student Billing** adds the unapplied amount to a new row. When posting to **General Ledger** again after unapplying, the unapplied payment information is tracked so you can account in **General Ledger** for changes made to the credit.

The discount default accounts are optional and can be used whether you set up single or multiple summary accounts. By defining default accounts for discounts, you can efficiently apply the correct discounts when needed. For example, a discount entered on an invoice posts a credit to the specified AR summary account and debits the default discount revenue account entered in **Configuration**.

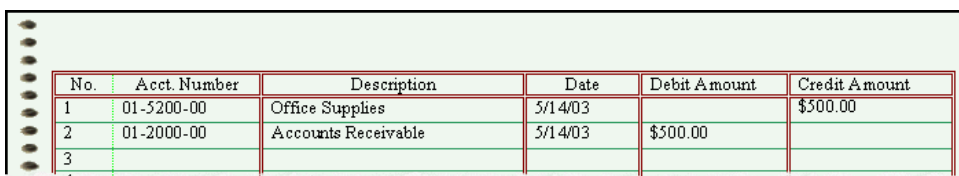
After determining whether your organization should use a single AR summary account or multiple summary accounts, you can access **Configuration** and set up the summary accounts that best suit your accounting needs. For information about setting up default accounts, see the *Configuration Guide for Accounts Receivable*.

Examples of AR Summary Accounts and Other Default Accounts

On the Default Accounts page, you can designate specific accounts to use in distributions. You can set default accounts that automatically balance by fund and segment when you enter debit accounts, or you can specify an account hierarchy with a primary default account and several secondary default accounts to use in certain circumstances. Used in conjunction with the security option to hide credit columns, default accounts give administrators control of their bookkeeping system by specifying which accounts to use for specific transactions.

When you mark **Build the default Account by combining the Fund of each Charge's Revenue Account with these segment values** and enter an account number, **Accounts Receivable** uses that account as the default for transactions in the same fund. For example, you designate account *-2000-00 as the default accounts receivable summary account, with ** representing any fund used in data entry and 00 representing an additional segment. The fund segment of the field automatically defaults to ** and cannot be edited. You enter an invoice that credits account 01-5200-00. **Accounts Receivable** inserts default debit account 01-2000-00 automatically.

Default account: *-2000-00



No.	Acct. Number	Description	Date	Debit Amount	Credit Amount
1	01-5200-00	Office Supplies	5/14/03		\$500.00
2	01-2000-00	Accounts Receivable	5/14/03	\$500.00	
3					

Note: You set fund and segment balancing requirements in **General Ledger Configuration**.

If you enter credit account 05-5200-30, then **Accounts Receivable** inserts 05-2000-30 as the default debit account to ensure the transaction balances by fund and segment (if required to balance by segment).

Default account: **-2000-00

No.	Acct. Number	Description	Date	Debit Amount	Credit Amount
1	01-5200-30	Office Supplies-Admin.	5/14/03		\$500.00
2	01-2000-30	Accounts Receivable	5/14/03	\$500.00	
3					

Warning: You should add interfund entries before entering records to ensure that debits and credits in different funds remain in balance. If no appropriate interfund entry exists for non-balancing accounts, you cannot save the distribution.

When you mark **Unless a Fund has its own AR Summary Account defined in the table below, use this account as the default AR Summary Account, creating interfund entries as needed** and enter an account, that account becomes the default for all transactions unless you specify other default accounts to use in certain situations. For example, you designate account 01-2000-00 as the default accounts receivable summary account, with 01 representing the fund and 00 representing an additional segment. In the grid, you enter secondary account 05-2100-50 to use with fund 05 transactions. If you enter an invoice that credits account 01-5200-00, the program inserts the primary default debit account 01-2000-00 automatically.

Primary default account: 01-2000-00

Secondary default account: 05-2100-50

No.	Acct. Number	Description	Date	Debit Amount	Credit Amount
1	01-5200-00	Office Supplies-Admin.	5/14/03		\$500.00
2	01-2000-00	Accounts Receivable	5/14/03	\$500.00	
3					

If you enter an invoice that credits account 03-5200-00, then **Accounts Receivable** again enters default account 01-2000-00 and uses an interfund entry you have created to balance the funds.

Primary default account: 01-2100-00

Secondary default account: 05-2100-50

No.	Acct. Number	Description	Date	Debit Amount	Credit Amount
1	03-5200-00	Office Supplies-Admin.	5/14/03		\$500.00
2	03-7000-00	Transfer (interfund entry)	5/14/03	\$500.00	
3	01-7000-00	Transfer (interfund entry)	5/14/03		\$500.00
4	01-2000-00	Accounts Receivable	5/14/03	\$500.00	
5					

However, if your invoice credits an account in fund 05, such as 05-5820-30, the program inserts the secondary account code, and the segment changes to balance the transaction (if required to balance by segment). As a result, **Accounts Receivable** inserts the secondary default debit account 05-2000-30.

Primary default account: 01-2000-00

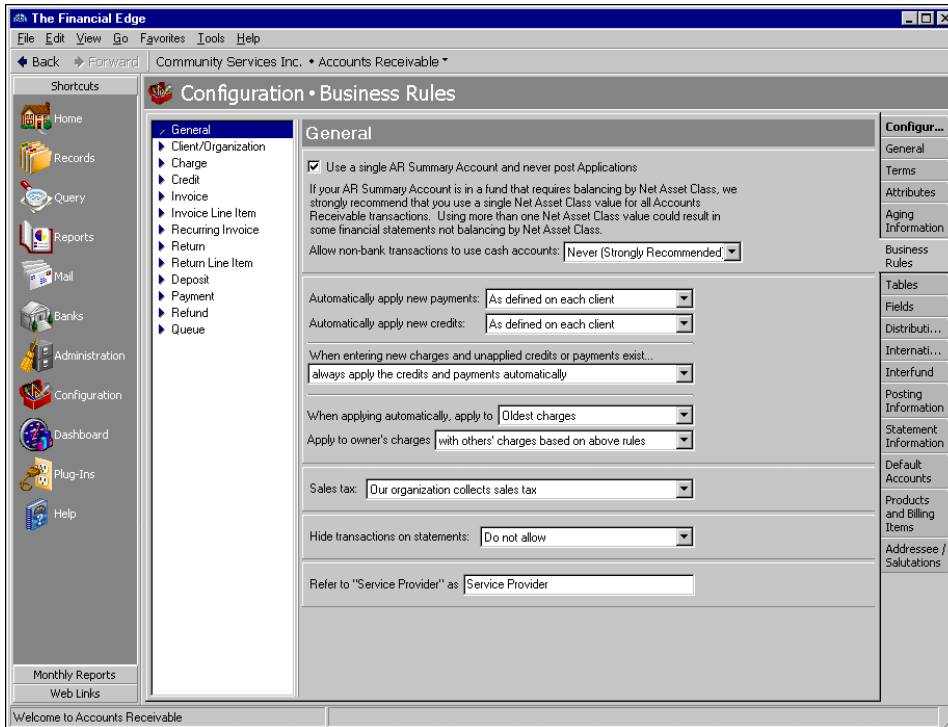
Secondary default account: 05-2100-50

No.	Acct. Number	Description	Date	Debit Amount	Credit Amount
1	05-5820-30	Office Supplies-Admin.	5/14/03		\$500.00
2	05-2000-30	Accounts Receivable	5/14/03	\$500.00	
3					

Business Rules to Customize Billing

To enhance the flexible billing system in **Accounts Receivable 7**, we have included several business rules your organization can use to customize billing. You should review these business rules before implementing your billing methodology, as the settings discussed may help you streamline your day-to-day operations. For more detailed information about using business rules, see the *Configuration Guide for Accounts Receivable*.

Business rules affect all users and are usually defined by the system administrator. To view and change business rules, access the Configuration page and click **Business Rules**. The General Business Rules page appears.



Automatically apply new payments. With this business rule, you can select when to automatically apply new payments. You can select Always, Never, or As defined on each client. If you select As defined on each client you will also need to mark **Automatically apply new payments** on the Defaults tab of the client record.

Automatically apply new credits. With this business rule, you can select when to automatically apply new credits. You can select Always, Never, or As defined on each client. If you select As defined on each client you will also need to mark **Automatically apply new credits** on the Defaults tab of the client record.

When entering new charges and unapplied credits or payments exist. With this business rule, you can select what happens when new charges are entered and unapplied credits or payments exist. You can select always apply the credits and payments automatically, never apply the credits and payments automatically, or ask each time whether to apply the credits and payments automatically.

When applying automatically, apply to. With this business rule, you determine whether automatic payment and credit applications are first applied to the oldest charges or the most recent charges. The default setting is Oldest charges.

Apply to owner’s charges. This business rule is for clients and organizations that may be responsible for multiple sets of charges. This rule defines how an owner’s payments and credits are applied when the owner is responsible for multiple sets of charges. You can select with others’ based on above rules, before applying to others’ charges, or only after applying to other’s charges.

The default option is with others’ based on above rules, which means that payments and credits should be applied to the most recent or oldest charges first as designated by the previous business rule.

The next option, before applying to others’ charges, means that payments made by an owner are applied to that owner’s charges before being applied to subsequent charges for which the owner may be responsible.

The last option, only after applying to other’s charges, means that payments submitted by an owner are first applied to all charges the owner is responsible for other than his/her own.

Sales tax. With this business rule, you designate whether your organization collects sales tax. If you select Our organization does not collect sales tax, the related sales tax fields and columns on charges, invoice line items, recurring invoice line items, credits, and return line items are disabled to streamline data entry.

Warning: If you enable the **Hide transactions on statements** business rule, it is the user’s responsibility to hide the corresponding charges and credits to avoid out-of-balance statements.

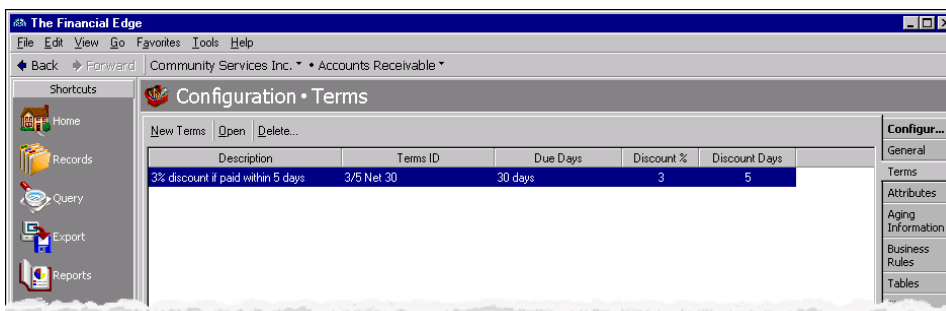
Hide transactions on statements. With this business rule, you determine whether the **Hide this transaction on printed statements** checkbox appears on charges and credits. By marking the checkbox on charges and credits, you can hide erroneous transactions. If this business rule is enabled, out-of-balance statements are possible because each user is responsible for consistently hiding the same amount of charges and credits.

Payment Terms Discounts

Note: If you decide to offer terms discount, you need to use invoices with returns and line items, instead of individual charges and credits.

In **Accounts Receivable 7**, terms are payment rules you establish for payments from your customers. Terms specify how long a customer who purchases on account can wait to pay an invoice. Terms may also include discount provisions for early payment of an invoice.

To customize **Accounts Receivable 7** for your organization, you need to decide whether to offer terms discounts for prompt payment. If you determine that your organization should offer terms discounts you can establish the terms in *Configuration*. To set up payment terms, access the Configuration page in **Accounts Receivable** and click **Terms**. The Terms page appears



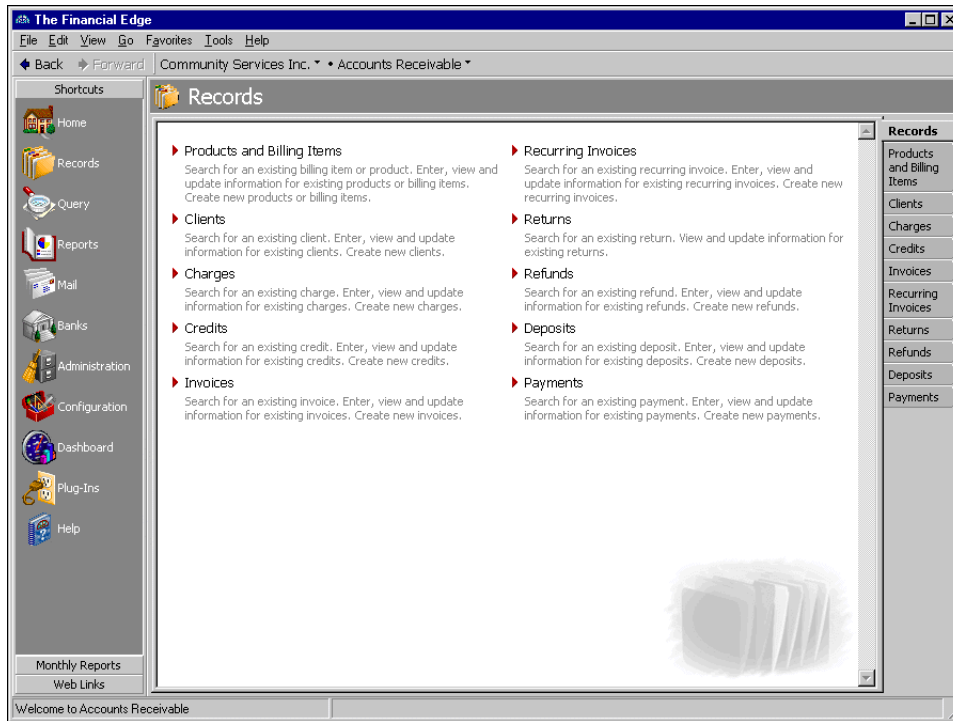
Note: Terms are not shared between **Accounts Payable** and **Accounts Receivable**. The payment terms you enter in **Accounts Receivable** are not used in **Accounts Payable**.

On the Terms page you can define payment terms for invoices, so you can offer your clients discounts if they make early payments. For example, if you offer a 3/5 net 30 discount that gives clients a 3% discount if they pay within 5 days, you can easily track payments to ensure the client receives a discount. With Terms, you can also designate a number of days until a payment is due and record the percentage of discount you give if the payment is made within a certain number of days. The Terms page displays each term's identification code, description, due days, discount percentages, and discount days. From this page you can add, edit, and delete terms.

For more information about setting up payment terms, see the *Configuration Guide for Accounts Receivable*.

Using Charges and Credits vs. Invoices and Returns

Another decision your organization needs to make that affects how you use **Accounts Receivable** is whether to use individual charges and credits, invoices and returns, or a combination of both sets of records when dealing with clients. You add charges, credits, invoices, returns, and other transaction records on the Records page of **Accounts Receivable 7**.



To decide which types of records are right your organization, consider the following questions about your daily operations.

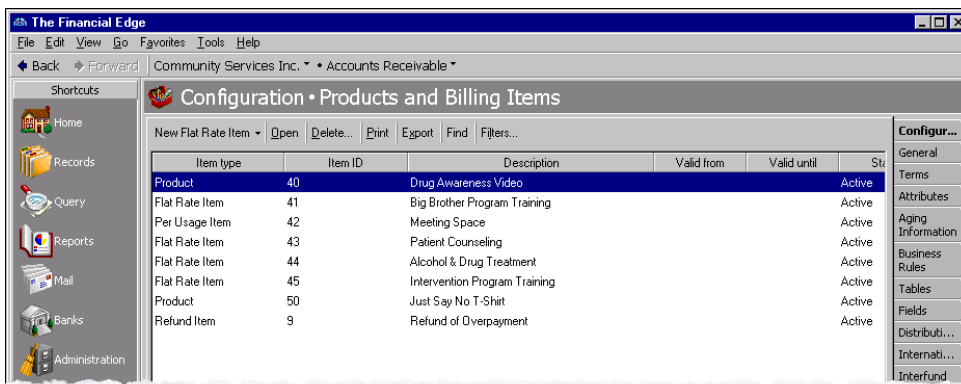
- Does your organization offer terms discounts?
- Does your organization need to group multiple services or products into a single client order?

If you answered “yes” to the above questions, then we recommend using invoices, returns, and line items for maximum efficiency. If you answered “no” to the above questions, then we recommend using charges and credits. However, if you answered “yes” to one question and “no” to the other, your organization may need to use a combination of invoices, returns, line items, charges and credits.

Once you decide which receivable records are best for your organization, you should review the business rules available for each record. Business rules are settings your organization can use to control and customize **Accounts Receivable**. For more information about business rules, see the *Configuration Guide for Accounts Receivable*. For more information about using charges, credits, invoices, returns, and line items in **Accounts Receivable**, see the *Records Guide for Accounts Receivable*.

Setting Up Products and Billing Items

Of great importance to any accounts receivable system are the products and services being offered. How you set up products and billing items in **Accounts Receivable 7** depends on the types of products or services your organization provides to clients. You may find that you will need to use a combination of billing items and products, or simply one type. You set up products and billing items on the Products and Billing Items page of *Configuration*. You can also add products and billing items from *Records*.



With **Products and Billing Items** in **Accounts Receivable**, your organization can create product and billing item records for any items and services you provide to clients. Usually a supervisor configures the product and billing item records to define the items and services your organization offers to clients. As your organization grows, you can continue adding billing items as needed.

Using product and billing item records saves time when creating other **Accounts Receivable** records, including charges and invoices. By creating products and billing items, you can save time by selecting previously created items from a drop-down list, instead of entering the item information from scratch each time.

Creating product and item records not only saves time, it can also improve consistency and decrease errors in your organization's charges and invoices. Because you do not have to re-enter product or item characteristics such as the item description, ID number, and quantity for items that are purchased on a regular basis, you can be sure the data entries match. You simply select the product or item from previously created product records that have been reviewed for accuracy. To quickly create new product records, you can add them on the fly and use them again later.

Many nonprofit organizations offer services to clients instead of tangible items or goods. **Accounts Receivable 7** offers the flexibility to set up billing items and products that can be used for services, as well as hard goods. Our system provides flexibility by offering a wide variety of record types to use for establishing products, services, and billable items. In **Accounts Receivable**, you can create the following types of product and billing item records.

Flat Rate Items. Flat rate items are helpful if you provide products or services that are always the same price and are not offered in a quantity.

Products. Products are helpful if you sell items that may be purchased in quantity. For example, you may offer self-help books or audio tapes. With Products, you can also set up pricing schedules for seasonal price changes or other scheduled price fluctuations.

Per Usage Items. Per usage items are helpful if you offer products or services that are billed incrementally. For example, a per usage item could be an hourly rate for counseling services.

Refund Items. If your organization anticipates offering refunds to your clients, you can set up Refund Items to make the refund process more efficient.

Finance Charge Items. If your organization assesses finance charges or late charges for overdue balances, you can set up Finance Charge Items.

Sales Tax Items. If your organization collects sales tax on behalf of government bodies for items or services rendered, you can establish Sales Tax Billing Items. Once you establish Sales Tax Billing Items, you can associate them with subsequent billing item records.

Which Products and Billing Items Are Right for You?

You create product and billing item records from the Products and Billing Items page of *Configuration*. For increased efficiency, you can also create product and item records from the Products and Billing Items page of *Records*, or to save time, directly from charge or invoice records.

To decide which types of products and billing items are right for your organization, consider the following questions about your daily operations.

- Does your organization vary the price of products based on quantity purchased? If yes, we recommend using Product records. If you do not vary prices based on quantity purchased, you can use Flat Rate Items and Per Usage Items.
- Does your organization offer products or services that are always the same price? If so, we recommend using Flat Rate Items and Product records.
- Does your organization offer products or services based on usage? For example, if you offer counseling services, they may be charged by the hour. If your organization offers products or services based on usage, we recommend using Per Usage Items.

For more information about setting up and using products and billing items in **Accounts Receivable 7**, see the *Configuration Guide for Accounts Receivable*.

Considerations for Revenue Accounts

When setting up revenue accounts in **Accounts Receivable 7**, you should consider your organization's revenue tracking needs, including the level at which you need to report revenue. You should also think about the types of things for which you need to report revenues. Do you want a general revenue account or a specific revenue account for each product? Do you need to track revenue by product and billing item, by client, or by another measure?

Each organization is different and revenue tracking needs are different as well. With **Accounts Receivable 7**, you have many options for tracking revenue, including by product or billing item, by client, or other methods.

If your organization needs to track revenue by product and billing item, **Accounts Receivable 7** has an efficient solution using default AR accounts on product and billing item records. Using default accounts on products and billing items can help streamline data entry and make the process of tracking revenue on the product level more efficient.

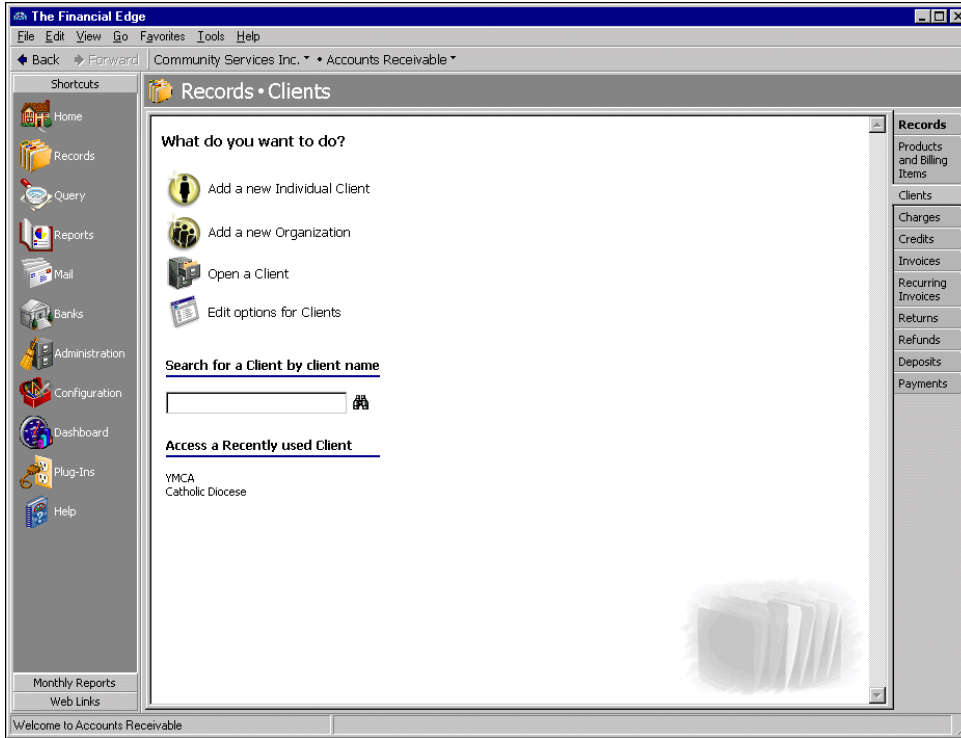
If your organization would rather track revenue by client, you can establish default revenue accounts on each client record. If no default accounts are established, revenue accounts must be entered manually or you can load a distribution previously created in *Configuration*.

For more information about default revenue accounts and distributions on products, billing items, and clients, see the *Records Guide for Accounts Receivable*.

Client Records

Client records are the primary records in **Accounts Receivable** and they serve as the foundation on which you build other records such as charges, invoices, refunds, returns, payments, and credits. On the client record, you can store information such as the client's addresses, contacts, or credit limit, and you can track a history of changes. Much of the information you add to client records appears as defaults on other record types. This means the more detail you add to the client record, the less you will have to add to other records later. You can create regular invoices, recurring invoices, charges, and credits directly from client records.

In **Accounts Receivable 7**, you can add client records specifically for individuals or organizations. The Individual Client record differs from an Organization record in that it contains individual-specific biographical fields, including gender, ethnicity, SSN, and religion. The Organization record offers the ability to have multiple contacts associated with an organization name, which is not available on an Individual Client record. You add client records to the system on the Clients page of *Records*.



Note: The **Class** field on **Accounts Receivable 6.4** Client records has been replaced with the **Client type** field in **Accounts Receivable 7.2**. When you convert your **Accounts Receivable 6.4** Client records, the entries in the **Class** field are moved to the new **Client type** field.

By default, all customers in your **Accounts Receivable 6.4** database convert as Organization Clients in **Accounts Receivable 7.2**. However, before converting your **Accounts Receivable** data, you can add an “AR7Individual” attribute to specific customer records that you want to convert as Individual Client records. This attribute should be a Yes/No attribute type. When the customers with the new attribute are converted, they will be in the system as Individual Client records. For more information about this process, see the “Accounts Receivable Setup and Data Considerations” section of the *Conversion Planning Guide*.

Individual Client Records

When you add a new client, you are creating a new record in the database. On the Client 1 tab, you can store the client's biographical data and contact information. On the Client 2 tab, you can manage information about the client's financial history. For example, you can record the client's credit rating, credit limit, and whether the record should be flagged so you can send a dunning letter if the client fails to pay. Using the **Statement code** field, you can specify how often statements should be mailed.

The screenshot shows a software window titled "Ashley Smith" with a menu bar (File, Edit, View, Client, Favorites, Tools, Help) and a toolbar. Below the toolbar are tabs for "Statements", "History of Changes", "Recurring", and "Activity". Under "Statements", there are sub-tabs: "Client 1", "Client 2", "Defaults", "Addresses", "Attributes", "Notes", "Media", "Actions", "Relationships", and "Payers".

The form fields are as follows:

- Client Name: Ashley Smith
- Client ID: 14
- Status: Active
- Client type: Health/Human Services
- Service Provider: Dr. Wilson
- Gender: Female
- Birth date: 05/09/1965
- Age: 37
- Religion: (empty)
- Ethnicity: (empty)
- User ID: (empty)
- PIN: (empty)
- Country: United States
- Address: 76 Parks St.
- City: Springfield
- State: VA
- ZIP: 44543

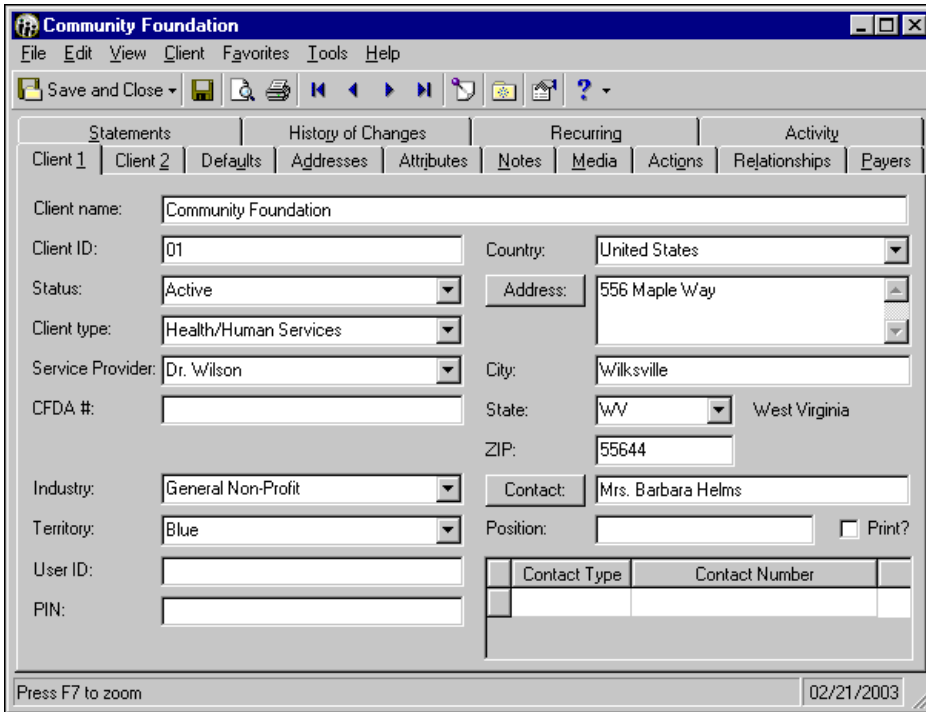
At the bottom right, there is a date field showing 02/21/2003. A table with two columns, "Contact Type" and "Contact Number", is located at the bottom right of the form area.

Note: We recommend you set the business rule in *Configuration* to check for duplicate clients automatically and specify the criteria for duplicates. For more information about business rules, see the *Configuration Guide for Accounts Receivable*.

If you enter common values repeatedly for multiple client records, you can create a default set with these values to save time during data entry. The values are defaults only and you can still change fields on a record. From the menu bar of the record, select **Client, Load Defaults from** to select an existing default set or create a new default set for the record type. For more information about default sets, see the Program Basics chapter in the *Program Basics Guide*.

Organization Records

When you add a new Organization record, you are creating a new record in the database. On the Client 1 tab, you can store the client’s organizational data and contact information. On the Client 2 tab, you can manage information about the organization’s financial history. For example, you can record the their credit rating, credit limit, and whether to flag the record so you can send dunning letters should the organization fall behind in payments. Using the **Statement code** field, you can note custom information about the client’s statements, such as whether they should be billed weekly or monthly.



If you enter common values repeatedly for multiple client records, you can create a default set with these values to save time during data entry. The values are defaults only and you can still change any field on a record. From the menu bar of the record, select **Client, Load Defaults from** to select an existing default set or create a new default set for the record type. For more information about default sets, see the Program Basics chapter in the *Program Basics Guide*.

Using the Service Provider Field

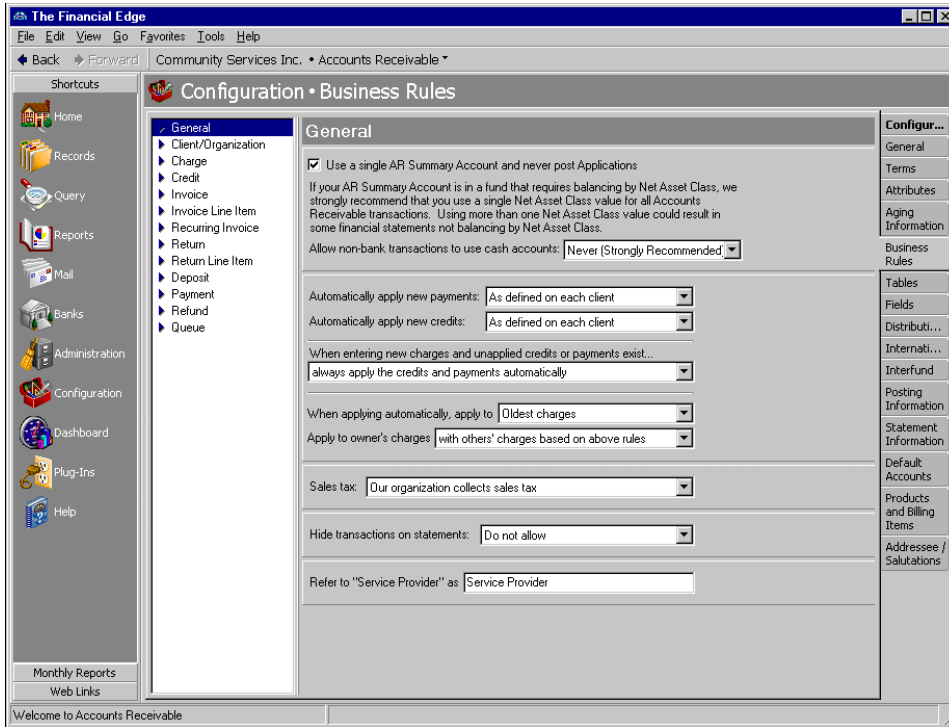
Many nonprofit organizations provide services instead of items. With **Accounts Receivable 7**, we have taken this into consideration and designed the system to handle services, as well as hard goods. When offering services, it is often beneficial to track who in your organization provides services for each client, which you can do with the **Service Provider** field on client records.

Note: The **Service Provider** field also appears on Product and Billing Item records so you can designate a specific provider with the product or service they provide.

With the **Service Provider** field, you can efficiently and accurately track who in your organization provides services. When you add a client record, you can designate a default service provider. If the service provider changes, you can adjust the client’s record accordingly. For example, if your organization provides counseling services and each client sees a specific counselor, you can designate the corresponding counselor on the client record in the **Service Provider** field.

To increase efficiency, you can quickly and easily add staff members to the **Service Provider** field drop-down list by accessing the Service Provider table from the Tables page in *Configuration*, as well as from client records and products and billing items.

A useful feature of the **Service Provider** field is the ability to customize the field name using a business rule in *Configuration*. To change the name of the **Service Provider** field, access the General Business Rules page in *Configuration* and enter a new name in the **Refer to Service Provider as** field.



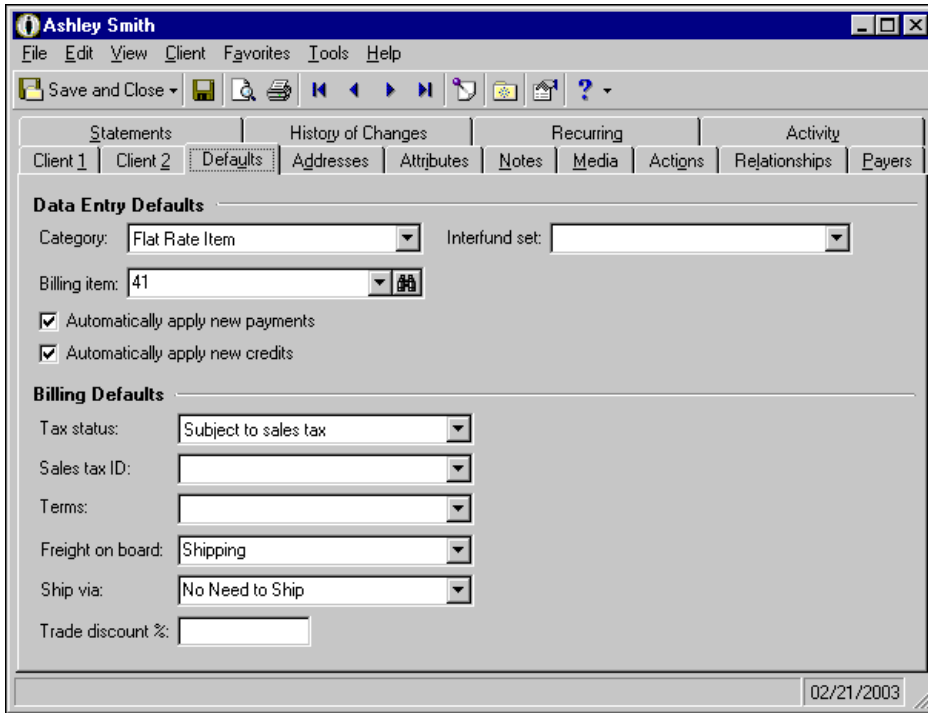
Your organization can change the name “Service Provider” to a term that better communicates the role service providers play in your organization. For example, if your organization provides counseling services, you could change the name of the field from “Service Provider” to “Counselor”.

Refer to "Service Provider" as:

For detailed information about the **Service Provider** field and other tables in *Configuration*, see the *Configuration Guide for Accounts Receivable*.

Using Default Information on Client Records

The Defaults tab on client records contains data entry and billing defaults you can use to speed the process of adding new transactions for a client. When you add information on the Defaults tab and create a new transaction such as a charge or invoice, the defaults appear automatically so you do not have to enter the information from scratch. These defaults are only field entries, so you can change them on the transaction record.



Setting Up Client Payer Information

On the Payers tab of a client record, you can manage details about the individuals or organizations that are financially responsible for charges. You can add payers, open each payer's client record, or view payer information such as their relationship to the client, client identification number, and the amount of charges they are responsible for paying. You can also add and view billing item exception information.

The screenshot shows a software window titled "Ashley Smith" with a menu bar (File, Edit, View, Client, Favorites, Tools, Help) and a toolbar. Below the toolbar are several tabs: Statements, History of Changes, Recurring, Activity, Client 1, Client 2, Defaults, Addresses, Attributes, Notes, Media, Actions, Relationships, and Payers. The "Payers" tab is active, displaying the text: "When charges are added to Ashley Smith, assign payment responsibility to:" followed by buttons for "Add Payer", "Open Payer's Record", and "Remove Payer", and a "Remaining: 0%" indicator.

Payer Name	Relationship	Client ID	Responsible for Paying
Ashley Smith	N/A	14	25.00
Department of Social Services	N/A	10	75.00

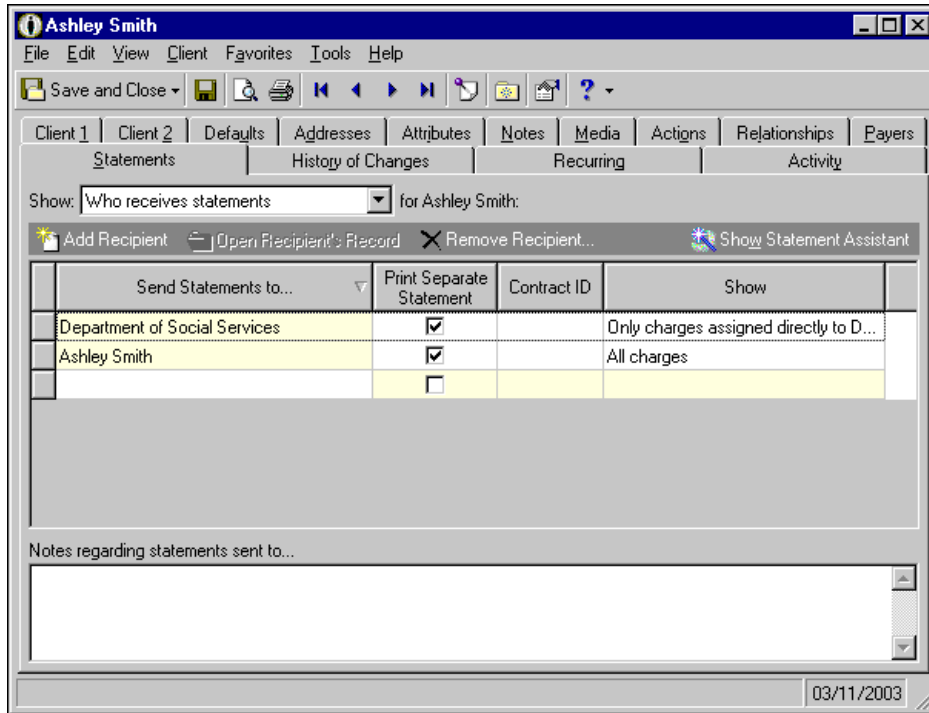
Below the Payers table is an "Exceptions:" section with buttons for "Add Billing Item Exception" and "Remove Exception", and a "Payer Distribution" indicator.

Type	Product / Billing Item ID	Payer Name	Relationship	Client ID	Responsible for Paying

The date "02/21/2003" is displayed in the bottom right corner of the window.

Setting Up Client Statement Information

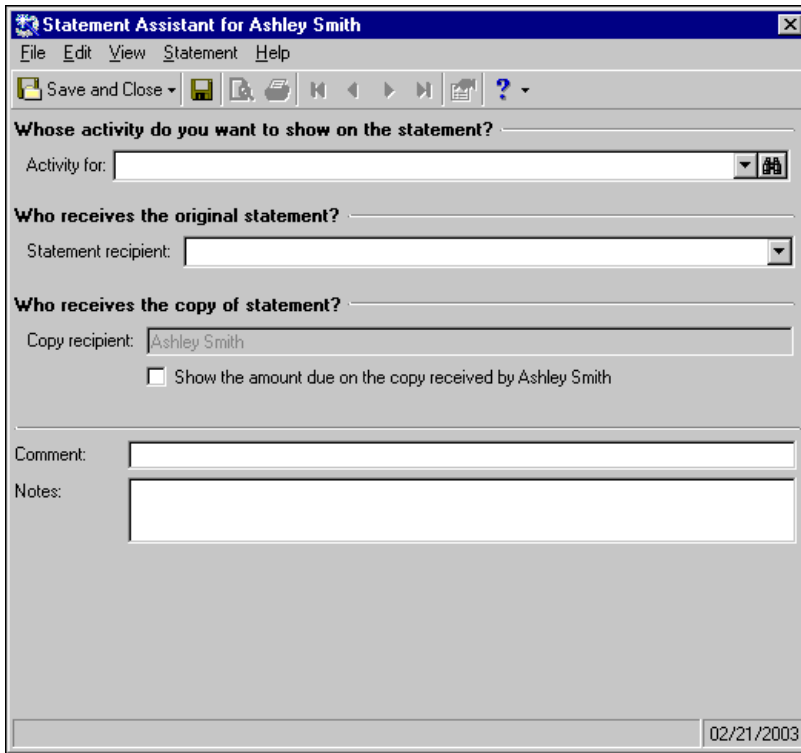
On the Statements tab of client records, you can designate which payers receive billing statements or copies of statements, and you can add notes and comments that appear on statement copies.



The Statements tab is organized into four distinct grids you view by selecting an item in the **Show** field. Fields and columns on the Statements tab vary depending on the field entry you select.

- To view all recipients who receive billing statements for the current client, select “Who receives statements”.
- To view all clients whose statements are sent to the current client, select “Whose statements are sent”.
- To view clients who receive copies of the current client’s billing statement, select “Who receives copies of statements”.
- To view clients whose statement copies are sent to the current client, select “Whose statements are sent as copies”.

To make the process of setting up and dispersing statements as efficient as possible, we have added the Statement Assistant to the Statements tab. To access the Statement Assistant, click **Show Statement Assistant** on the action bar of the Statements tab.



The screenshot shows a dialog box titled "Statement Assistant for Ashley Smith". It has a menu bar with "File", "Edit", "View", "Statement", and "Help". Below the menu bar is a toolbar with icons for "Save and Close", "Print", "Back", "Forward", and "Help". The dialog is divided into several sections:

- Whose activity do you want to show on the statement?**: A section with a label "Activity for:" followed by a dropdown menu.
- Who receives the original statement?**: A section with a label "Statement recipient:" followed by a dropdown menu.
- Who receives the copy of statement?**: A section with a label "Copy recipient:" followed by a text box containing "Ashley Smith". Below this is a checkbox labeled "Show the amount due on the copy received by Ashley Smith".
- Comment:**: A text box.
- Notes:**: A larger text box.

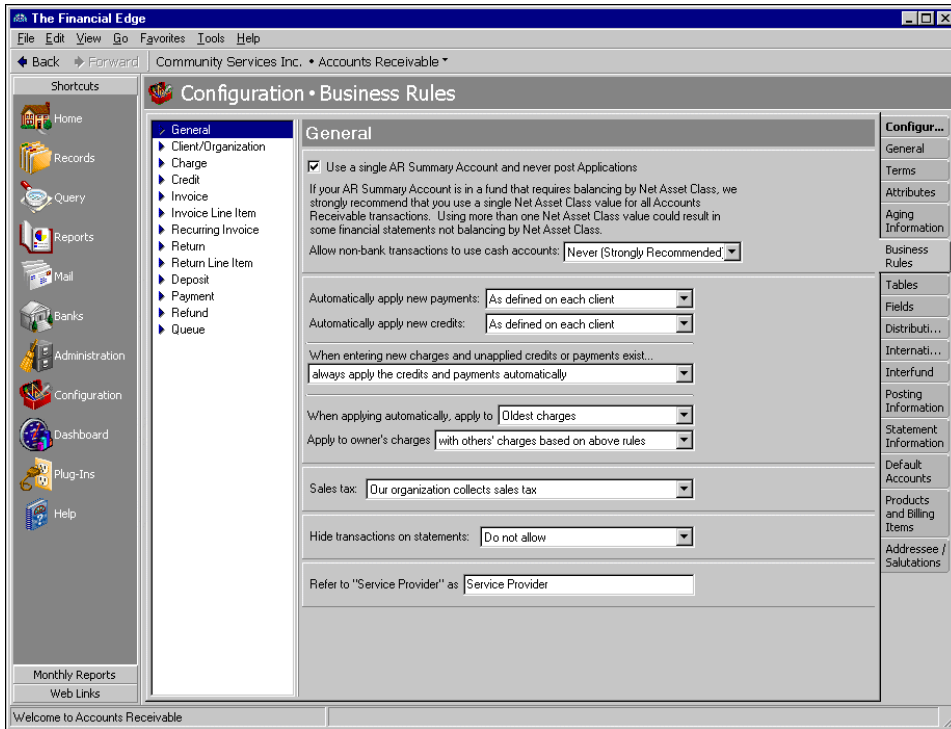
At the bottom right of the dialog, there is a date field showing "02/21/2003".

The Statement Assistant is an additional screen that provides an easy to understand interface that you can use to set up statements for individual parties. Using the Statement Assistant, you can clearly define who receives a statement and control the information included on the statement.

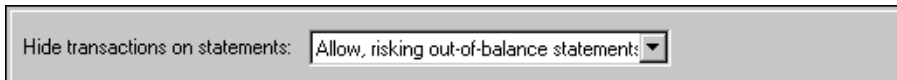
Hiding Transactions on Statements

Warning: If you enable the **Hide transactions on statements** business rule, it is the user's responsibility to hide the corresponding charges and credits to avoid out-of-balance statements.

Occasionally a member of your organization may make a data entry error that you would rather not print on a client statement. Even after these mistakes are corrected they could still cause confusion for clients if they appear on statements. In **Accounts Receivable 7**, we provide a helpful business rule you can use to hide erroneous transactions so they will not appear on statements. If you choose to use this option, it is important that you hide both the charges and all corresponding credits to avoid out-of-balance statements. You enable this business rule by accessing the General Business Rules page in *Configuration*.



In the **Hide transactions on statements** field, select “Allow, risking out-of-balance statements” to enable this business rule. To disable this rule so no transactions can be hidden, select “Do not allow”.



With the **Hide transactions on statements** business rule, you determine whether the **Hide this transaction on printed statements** checkbox appears on charges and credits. By marking the checkbox on charges and credits, you can hide erroneous transactions. If this business rule is enabled, out-of-balance statements are possible because each user is responsible for consistently hiding the same amount of charges and credits.

To enhance this functionality and give you a way to check the hidden transactions, you can run a transaction query for all hidden transactions. Once you run the transaction query, verify that the charges and credits are equal to determine if the settings are correct.

Entering Payments

In **Accounts Receivable 7**, payments are directly linked to bank account deposits. The deposit records the amount of cash, checks, EFTs, or other payments you receive from the client and deposit into your bank account. The payment record helps your organization track payments by recording why the client gave you the money and to which charges it should be applied. After you create a payment and apply it to the client’s charges, it reduces the client’s balance due. Because payments are directly related to deposits, you cannot create a standalone payment. Instead, you must first open the associated bank deposit before adding or applying a new payment. You can create payment records on the Payments page of *Records*, or directly from a deposit in *Banks*.

Each payment record consists of multiple tabs that are used for entering various types of payment information, including transaction and distribution information. For example, on the Payments tab, you enter basic information including the client who the payment is for, the total amount, and payment method.

Payment Type	Details	Amount
Accounts Receivable	<Partially applied>	\$50.00

Payment Distributions

On the GL Distribution tab of a Payment record, you can add payment distributions, which contain account distribution information such as credit and debit accounts, amounts to distribute, and whether to classify distributions using projects, classes, or transaction codes. To save time when entering payment distributions, you can pre-define distributions in *Configuration*, which can then be loaded in the distribution grid to quickly and easily assign activity to accounts. **Accounts Receivable** automatically verifies that all distributions balance when you save the payment, so you are assured the distributions will post.

Every payment must have an associated credit account, either a default from the Defaults tab of the client record or a manual entry in the **CR Account Number** column. When you define credit accounts, **Accounts Receivable** automatically inserts default debit accounts from the Accounts Receivable Summary information on the Default Accounts page of *Configuration*. The Supervisor can establish security settings to hide the debit account columns.

Negative Distributions

To optimize the integrity of your accounting data, negative distributions are not supported in **Accounts Receivable 7.2**. Instead of negative distributions, we recommend using miscellaneous entries. Using miscellaneous entries is the preferred accounting method and provides a clear picture of related accounting data by enabling you to see both the debit and credit columns in the distribution grids of various **Accounts Receivable** records. For information about converting negative distributions that may exist in your **Accounts Receivable 6.41** data, see the *Conversion Planning Guide*.

Applications

On the Accounts Receivable Detail tab of a payment record, you manage applications using the applications screen, which you access by clicking the down arrow beside **Add/Edit Applications**.

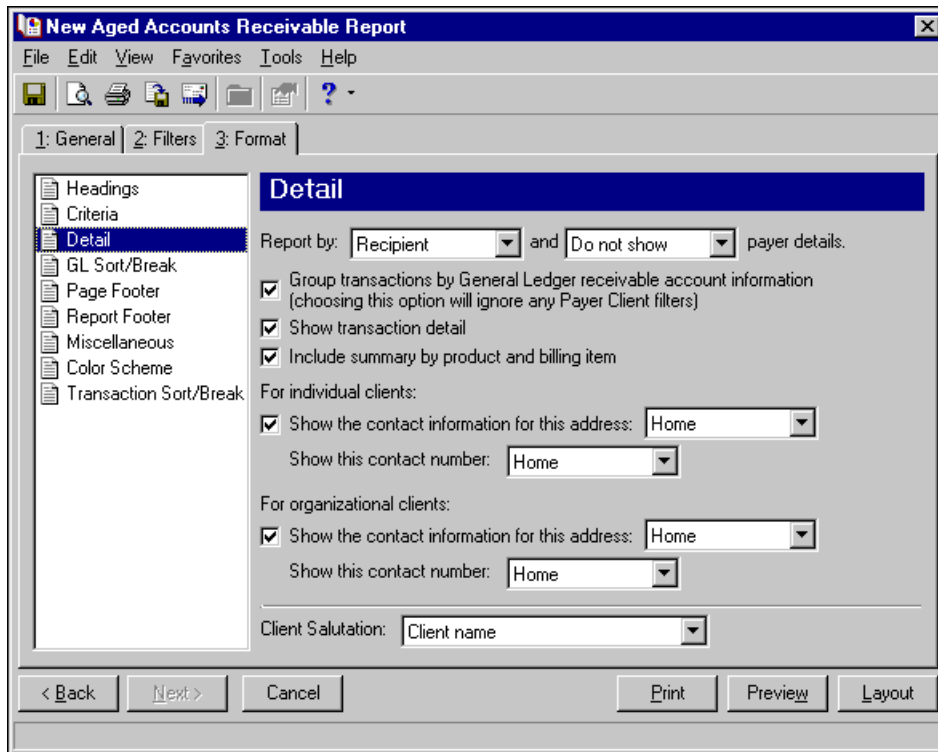
Date	Type	ID	Description	Owner	Distributed To	Available	Apply?	Applied
01/24/2003	Refund	4	Refund of Overpay...	Department of Hea...	Department of Hea...	\$0.00	<input checked="" type="checkbox"/>	\$7.00
12/23/2002	Charge	4	Alcohol & Drug Tre...	Brian Fox	Brian Fox	\$50.00	<input type="checkbox"/>	
12/23/2002	Charge	9	Patient Counseling	John Williams	John Williams	\$20.00	<input type="checkbox"/>	
12/23/2002	Charge	10	Patient Counseling	Department of Hea...	Department of Hea...	\$20.00	<input type="checkbox"/>	
12/23/2002	Line Item	2	Alcohol & Drug Tre...	Brian Fox	Brian Fox	\$50.00	<input type="checkbox"/>	
12/23/2002	Line Item	6	Patient Counseling	Josh Levy	Josh Levy	\$20.00	<input type="checkbox"/>	
12/23/2002	Line Item	10	Patient Counseling	John Williams	John Williams	\$20.00	<input type="checkbox"/>	
12/23/2002	Charge	11	Patient Counseling	Josh Levy	Josh Levy	\$20.00	<input type="checkbox"/>	
12/30/2002	Line Item	5	Patient Counseling	Department of Hea...	Department of Hea...	\$20.00	<input type="checkbox"/>	

With the applications screen, you can add and edit applications, apply payments and credits to the payment, and unapply applications. For more information about payments and applications, see the *Records Guide for Accounts Receivable*.

Formatting Detail on Reports

Like other *Financial Edge* programs, *Accounts Receivable* has tab-based report parameter files you use to customize reports. The basic parameter file contains three tabs on which you enter information: General tab, Filters tab, and Format tab. If you have worked with *Financial Edge* reports before, these tabs will look and feel familiar. However, the Format tab for *Accounts Receivable* reports is much more powerful than what you are familiar with in *General Ledger* and *Accounts Payable*. When it comes to formatting your *Accounts Receivable* reports, no settings are more important than the **Detail** options you configure on the Format tab.

To get the most out of producing reports in *Accounts Receivable*, you must understand how to effectively set up and format your reports. The most important aspect of formatting is establishing the detail requirements. You configure the detail requirements by accessing the Format tab of a report parameter file. On the Format tab, you select **Detail** in the box on the left. The **Detail** options appear and you can configure the report to include the information you need.



Two **Accounts Receivable** reports that rely heavily on **Detail** settings are the Aged Accounts Receivable Report and the Open Item Report. With the Aged Accounts Receivable Report, you can configure the **Detail** settings to report by payer and show/not show recipient details. You can also report by recipient and show/not show payer details. With the Open Item Report, you can configure the **Detail** settings to report by payer in detail or summary and show/not show recipient details. You can also report by recipient in detail or summary and show/not show payer details.

The **Detail** settings for Aged Accounts Receivable Reports and the Open Item Reports are just a few examples of the powerful configuration settings available on the Format tab of **Accounts Receivable** reports. For more detailed information about setting up reports and configuring detail effectively, see the *Reports Guide for Accounts Receivable*.

Summary

Accounts Receivable 7 offers new powerful solutions designed to help all nonprofit organizations streamline receivables while offering unmatched reporting capabilities. After reading this guide, you should have a better understanding of the new concepts in **Accounts Receivable 7**, as well as the recommended considerations to make before implementing. By understanding these new concepts and considerations you will help prepare your organization for success. To make sure you are prepared, please take a moment to review the “Checklist of Considerations” below.

For more information about setting up **Accounts Receivable 7**, including a chronological checklist of tasks, see the “Setting Up Accounts Receivable” chapter of the *Getting Started Guide*.

Checklist of Considerations

Once you have read this guide, review the following checklist to make sure your organization is on the path to success with **Accounts Receivable 7**. If you feel that you have not adequately considered a specific item, refer back to the pages indicated for review.

- Do you need an account for unapplied payments? Or can your organization use a single AR account while never posting applications? For review, see “Using a Single AR Summary Account and Never Posting Applications” on page 6.
- Consider the optimal configuration of AR summary accounts in your organization. For review, see “AR Summary and Default Accounts” on page 10.
- Consider how setting business rules to customize billing can benefit your organization. For review, see “Business Rules to Customize Billing” on page 14.
- Does your organization need to establish payment terms? For review, see “Payment Terms Discounts” on page 15.
- Should your organization use charges and credits or invoices and returns? For review, see “Using Charges and Credits vs. Invoices and Returns” on page 16.
- Does your organization offer services? Consider the products and billing items to offer to clients. For review, see “Setting Up Products and Billing Items” on page 17.
- Consider the optimal configuration of AR revenue accounts to use for your organization. For review, see “Considerations for Revenue Accounts” on page 18.
- Consider the new Individual Client and Organization client records and how your organization can use them to track clients more effectively. For review, see “Client Records” on page 18.
- Consider how payments are entered in **Accounts Receivable 7** and review the best methods for your organization. For review, see “Entering Payments” on page 27.

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