

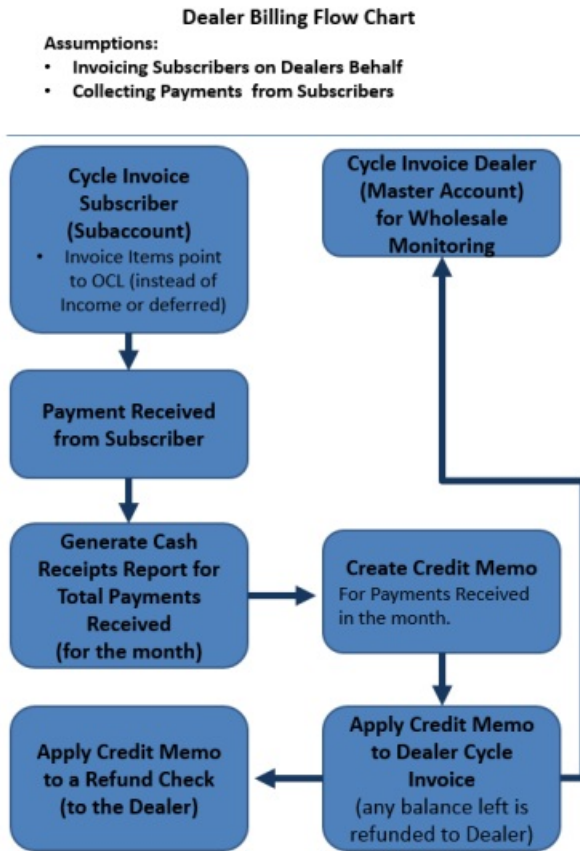
3rd Party Dealer Billing

Last Modified on 09/13/2024 4:28 pm EDT

This document is designed to describe options on how to process transactions in SedonaOffice where your company is billing and collecting payments on behalf of an Alarm Company (Dealer).

This process uses a certain set of G/L Accounts and Branch to isolate accounts to be billed and process payments.

Below is a flowchart describing the process.



Setup

Creating G/L Accounts, Branch, Category, and Invoice Items are needed to isolate third-party billing and payment processing.

G/L Accounts

New G/L Accounts:

- G/L account to be used for Invoice Items (OCL) for RMR billed to subscribers.
- G/L account to be used for creating a credit memo on the Dealer Account for payments received from the Dealer's subscriber accounts (same G/L account used for subscriber RMR).
- A/R type account for posting/processing 3rd party dealer invoices and clearing when payments are received.

Branch

- Branch for 3rd Party Dealers and the Dealers accounts.

Category

- Category – 3rd Party Dealer Billing

Invoice Items

- Invoice Items for invoices; set up as non-deferred (subscribers); point to OCL account.
- Invoice Item for Credit Memo to the Dealer for Payments received; point to same OCL account used for subscriber RMR.

Process

Setting up Recurring Lines

Recurring Lines are created for the items that will be billed to the Dealer and for the items that will be billed to the subaccounts.

AA Alarms, Inc. (Master Account)
Customer Information
Sub Accounts
Payment Options
Bill To
AA Alarms, Inc.
Contacts
Activity Ledger
Aging
Collections
Contacts
Credit Memos
Deferred Income (Unposted)
Documents
EFT History
Inner Office Message
Invoices

AA Alarms, Inc.
PO Box 123
Plymouth, MI 48170

Balance Due: \$0.00
Master RMR : \$5.00
Master RAR : \$60.00
Customer Type: Commercial
Chain Account:

Customer #	Site Name	Branch	Address	City	Master RMR	Sub RMR
700-1	Walters, Berney	3rd Party Billing	123 Main	Plymouth, MI	5.00	25.00
700-2	Mason, Gloria	3rd Party Billing	4555 Starkweather	Plymouth, MI	5.00	25.00
	Total				\$10.00	\$50.00

Dealer RMR:

Recurring Edit 700-1

Site and System
Walters, Berney
123 Main
Plymouth, MI 48170

System 700-1
Intrusion

Panel Type

Recurring Setup | Royalties / Commissions

Recurring Information

Recurring Item: MON
Description: Wholesale Monitoring
Sub Item Of:
Bill Cycle: Monthly

RMR Amount: \$5.00
Cycle Amount: \$5.00
Next Cycle: May 2013
Recurring Start: 5/1/2013
Recurring End:
Intrusion Group #: 0

AA Alarms, Inc.
PO Box 123
Plymouth, MI 48170

Receivable to Master

Renewal
Rate Increase
Override %: 0
PO Number
PO Expires
Reference
Memo

Subaccount RMR:

Recurring Edit 700-1

Site and System
Walters, Berney
123 Main
Plymouth, MI 48170

System 700-1
Intrusion

Panel Type

Recurring Setup | Royalties / Commissions

Recurring Information

Recurring Item: 3rd Party Dig Mon
Description: Digital Monitoring
Sub Item Of:
Bill Cycle: Monthly

RMR Amount: \$25.00
Cycle Amount: \$25.00
Next Cycle: May 2013
Recurring Start: 5/1/2013
Recurring End:
Intrusion Group #: 0

Walters, Berney
123 Main
Plymouth, MI 48170

Receivable to Master

Renewal
Rate Increase
Override %: 0
PO Number
PO Expires
Reference
Memo

Cycle Billing

Subaccounts

Subaccounts that are being invoiced on behalf of the Master Account are cycled through the Cycle Invoicing process within the Accounts Receivable module.

- The 3rd Party Billed accounts are cycled in a separate batch, by selecting the 3rd Party Billing Branch only.
- When posting the cycle batch, make certain to change the A/R account to the 3rd Party Billing A/R Account.

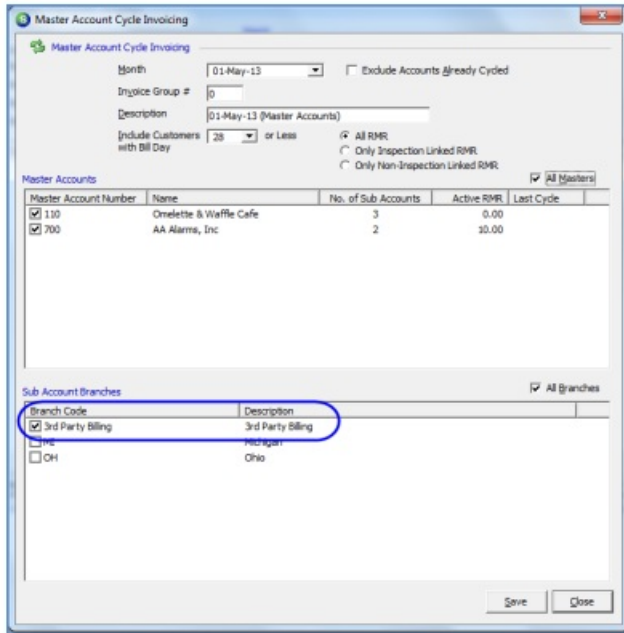
G/L Transaction for Cycle Invoices created for 3rd Party Billed Subaccounts:

Reg No.	Date	Type	Reference	Name	Branch	Amount	Balance
113805	5/1/2013	INV	1014	Walters, Barney	3rd Party Billing	26.50	26.50
113806	5/1/2013	INV	1015	Mason, Gloria	3rd Party Billing	26.50	53.00

Account	Description	Debit	Credit	Memo	Branch	Category
110999	3rd Party A/R	26.50		Cycle Invoice	3rd Party Billing	
290999	3rd Party Billing Invoices		25.00		3rd Party Billing	3rd Party Billing
250110	Sales Tax Payable Michigan		1.50		3rd Party Billing	

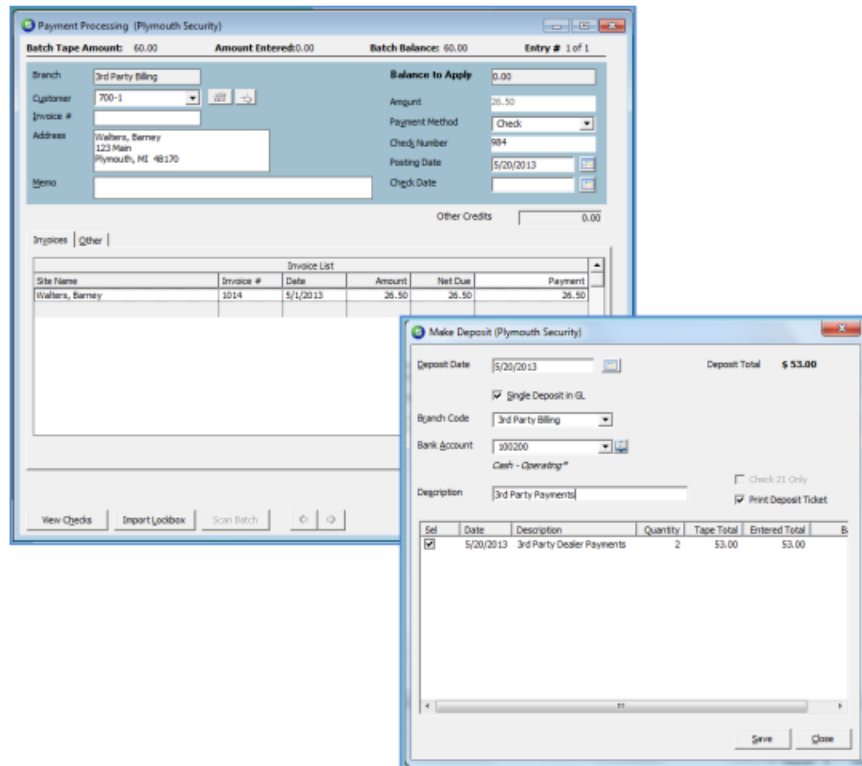
Master Accounts

3rd Party Master Accounts are billed using the same current process. If you wish to invoice these Master Accounts in a separate batch, you may do so by selecting the 3rd Party Billing Branch only.



Payment Processing - Subaccounts

As payments are received from the Subaccounts, the A/R account is cleared for the invoices being paid.



G/L Transaction for 3rd Party Subaccount Payments:

Account Register (Plymouth Security)

Account Code: 110999 Branch: 3rd Party A/R

From Date: Thru Date: Rag Type:

Reg No.	Date	Type	Reference	Name	Branch	Amount	Balance
113805	5/1/2013	D/W	2014	Walters, Barney	3rd Party Billing	26.50	26.50
113806	5/1/2013	D/W	3015	Mason, Gloria	3rd Party Billing	26.50	53.00
113808	5/20/2013	PRMT	41940	Walters, Barney	3rd Party Billing	-26.50	26.50
113809	5/20/2013	PRMT	41941	Mason, Gloria	3rd Party Billing	-26.50	0.00

List Count = 4

Journal Entry (Plymouth Security)

Register No. 113809 Register Type: CHK

Journal Information

Branch: 3rd Party Billing
 Date: 5/20/2013
 Primary Account: 100990
 Undeposited Funds*
 Reference: 6933

Show Job Costing Show Branches

General Ledger						
Account	Description	Debit	Credit	Memo	Branch	Category
100990	Undeposited Funds*	26.50			3rd Party Bill	
110999	3rd Party A/R		26.50		3rd Party Bill	

Dealer Subaccount Payments Credit Memo

A credit memo is manually created and will be posted on the Master Account for the amount of payments collected from the 3rd Party billed subaccounts. This may be done as each payment batch is posted or one credit memo at the end of the month for all payments received within the accounting period.

Credit Memo (Plymouth Security)

Customer ID: 700-1 Category: 3rd Party Billing Credit Account: 240218 Tag Group: M

Credit Memo

AA Alarms, Inc
 PO Box 123
 Plymouth, MI 48170

Site Address: Walters, Barney
 123 Main
 Plymouth, MI 48170

Item List

Item	Description	Qty	Rate	Amount	Memo
3rd Party Payments	3rd Party Payments Received	1	53	53.00	

Description: Credit on Account
 Credit Reason: 3rd Party Dealer Payments
 Memo: May 2013 payments collected from subaccounts.

Journal Entry (Plymouth Security)

Register No. 113811 Register Type: CRMEMO

Journal Information

Branch: 3rd Party Billing
 Date: 6/20/2013
 Primary Account: 240218
 Unapplied Credit Memos*
 Reference: 3018

Show Job Costing Show Branches

General Ledger						
Account	Description	Debit	Credit	Memo	Branch	Category
240218	Unapplied Credit Memos*		53.00	Credit on Account	3rd Par	
260009	3rd Party Billing Invoices	53.00			3rd Par	3rd Party Billing

This credit memo is then applied to the Master Account invoice for wholesale monitoring fees. What is left over of the credit memo may then be turned into a refund check to the Master Account.

700 AA Alarms, Inc. (Master Account) (Plymouth Security)

AA Alarms, Inc. (Master Account)
 Customer Information
 PO Box 123
 Plymouth, ME 48170

Balance Due: (\$43.00)
 Total Active RAR :
 Total Active RAR :
 Customer Type: Commercial

Bill Contacts	Contact	Phone	Fax	E-Mail
Open Invoices	\$10.00			
Invoice #	Site Name	Description	Date	Amount
0516	Sub Account(S)	Recurring	5/1/2013	\$0.00
				Net Due
				\$0.00
				Late Fee
				\$0.00
Open Credits	\$53.00			
Credit #	Site Name	Credit Type	Date	Amount
0518	Waters, Barney	CREDIT	5/20/2013	\$53.00
				Balance
				\$53.00

Credit for 3rd party subaccount payments received.

Apply 3rd party payment credit to the Wholesale monitoring invoice for the Master Account.

Check to Dealer for Subaccount Payments

After paying off the Master Account's wholesale monitoring invoice, the balance of the credit will be turned into a refund check to the Master Account

Apply Customer Credit 700

AA Alarms, Inc.
 PO Box 123
 Plymouth, ME 48170

Credit Amount and Balance
 Credit Amount: 43.00
 Balance: 0.00

Credit Date: 5/20/2013
 Apply Date: 5/20/2013

Invoice: Other

Miscellaneous
 G. Account:
 Category Code:
 Amount: 0.00

Advance Deposit
 Job:
 Amount: 0.00

Refund Check
 Amount: 43.00
 Pay To: AA Alarms, Inc.

Unapplied Cash
 Amount: 0.00

Memo
 3rd Party Subaccount Payments - May 2013

Save Close

"T" Accounts

<p>110999 3rd Party A/R</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border-top: 1px solid black; border-bottom: 1px solid black; width: 50%; text-align: center;">1 100</td> <td style="border-top: 1px solid black; border-bottom: 1px solid black; width: 50%; text-align: center;">3 100</td> </tr> <tr> <td style="border-left: 1px solid black; border-right: 1px solid black; height: 50px;"></td> <td style="border-left: 1px solid black; border-right: 1px solid black; height: 50px;"></td> </tr> </table>	1 100	3 100			<p>290999 3rd Party Billings</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border-top: 1px solid black; border-bottom: 1px solid black; width: 50%; text-align: center;">4 100</td> <td style="border-top: 1px solid black; border-bottom: 1px solid black; width: 50%; text-align: center;">1 100</td> </tr> <tr> <td style="border-left: 1px solid black; border-right: 1px solid black; height: 50px;"></td> <td style="border-left: 1px solid black; border-right: 1px solid black; height: 50px;"></td> </tr> </table>	4 100	1 100			<p>Cash</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border-top: 1px solid black; border-bottom: 1px solid black; width: 50%; text-align: center;">3 100</td> <td style="border-top: 1px solid black; border-bottom: 1px solid black; width: 50%; text-align: center;">6 90</td> </tr> <tr> <td style="border-left: 1px solid black; border-right: 1px solid black; height: 50px;"></td> <td style="border-left: 1px solid black; border-right: 1px solid black; height: 50px;"></td> </tr> </table>	3 100	6 90		
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2 10	5 10													
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5 10	4 100													
6 90														

1. Post 3rd Party Cycle Invoices
 2. Post Dealer Wholesale Monitoring Cycle Invoice
 3. Payment Received from 3rd Party Subaccount
 4. Credit Memo for Dealer Payments
 5. Apply Dealer Credit Memo to Dealer Wholesale Monitoring Invoice
 6. Apply Balance of Dealer Credit Memo to Refund Check to Dealer
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