



501 INTRO120: Billing and Accounts Receivable Overview

Web Based Training



Welcome

Welcome to Cardinal Training!

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

This course provides an overview of the Accounts Receivable functional area.

These training materials include diagrams, charts, screenshots, etc., that clarify various Cardinal tasks and processes. The screenshots are taken from Cardinal and show pages that not all users can access. They are included here so you can see how your specific responsibilities relate to the overall transaction or process being discussed. See your agency's Security Handbook, located on the Cardinal website, for a list of all available roles and descriptions.





Course Objectives

After completing this course, you will be able to:

- Understand the two Accounts Receivable modules: Accounts Receivable and Billing
- Identify the five Accounts Receivable processes:
 - Set up and Maintain Customers
 - Generate Bills and Create Receivables
 - Maintain Receivables
 - Collections and Aging
 - Enter Funds Receipts and Apply Payments
- Understand how Accounts Receivable integrates with other Cardinal functional areas and interfaces with external entities





Lesson 1: Introduction to Accounts Receivable

This lesson covers the following topics:

- Billing and Accounts Receivable Overview
- Key Concepts



Billing and Accounts Receivable Overview

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

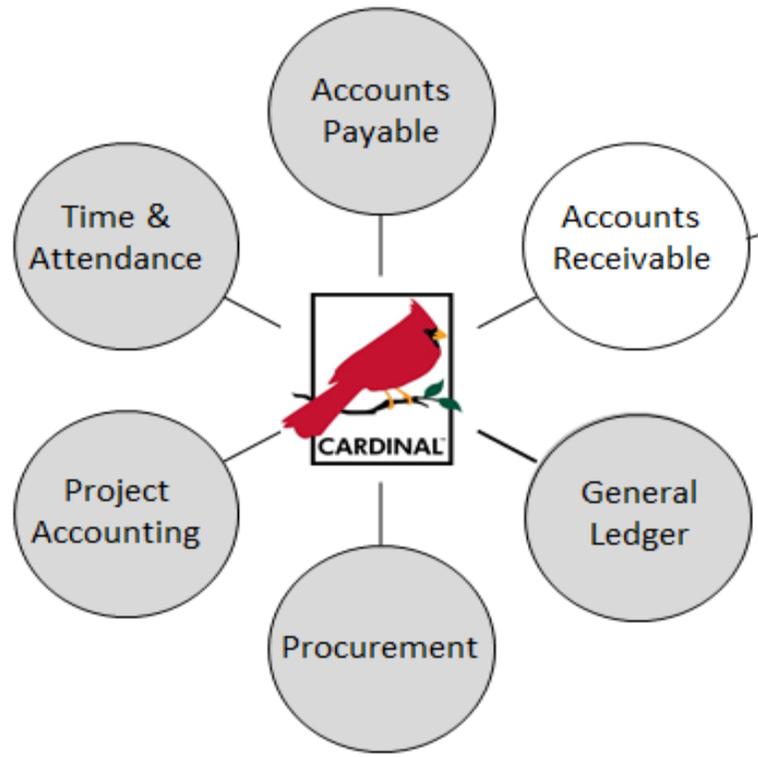
Accounts Receivable

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

Billing

The Billing module includes the processes for creating invoices, reviewing and validating invoices, and managing billing and distribution cycles.

Cardinal Functional Areas



Modules

	Accounts Receivable	
	Billing	



Key Concepts

Key concepts in Billing and Accounts Receivable include:

- Billing and Accounts Receivable are two separate modules within the Accounts Receivable functional area.
- These two modules support five key processes in the Accounts Receivable functional area:
 - Set up and Maintain Customers
 - Generate Bills and Create Receivables
 - Maintain Receivables
 - Collections and Aging
 - Enter Funds Receipts and Apply Payments
- Four types of billing invoices can be created in Cardinal:
 - Standard
 - Recurring
 - Installment
 - Consolidated



Key Concepts (continued)

- You can either apply payments received against accounts receivable items, or you can enter them as direct journals (when there is no related accounts receivable item).
- The Accounts Receivable functional area integrates with Project Costing and General Ledger, and interfaces with the Department of Taxation and the Federal Highway Administration.



Lesson 1: Summary

In this lesson you learned:

- The Accounts Receivable functional area is composed of two modules: the Accounts Receivable module and the Billing module.
- There are five processes contained within the Billing and Accounts Receivable modules:
 - Set up and Maintain Customers
 - Generate Bills and Create Receivables
 - Maintain Receivables
 - Collections and Aging
 - Enter Funds Receipts and Apply Payments



Lesson 2: Accounts Receivable Processes

This lesson covers the following topics:

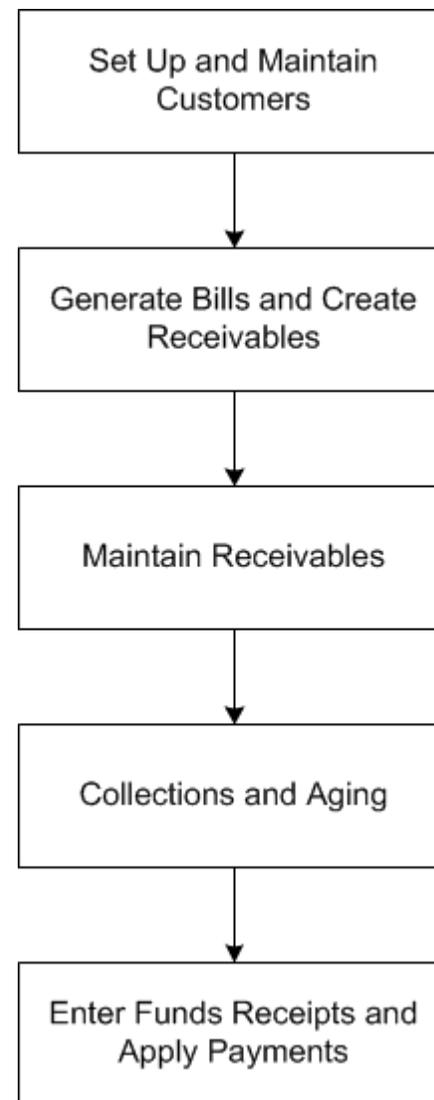
- Accounts Receivable Functional Area
 - Set up and Maintain Customers Process
- Billing Module
 - Generate Bills and Create Receivables Process
- Accounts Receivable Module
 - Maintain Receivables Process
 - Collections and Aging Process
 - Enter Funds Receipts and Apply Payments Process



Accounts Receivable Functional Area

Key processes in the Accounts Receivable functional area are:

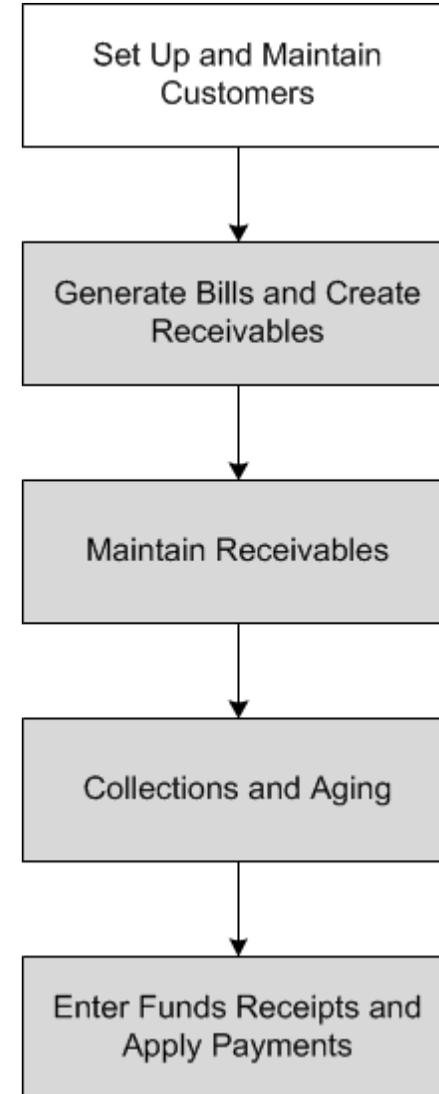
- Setup and Maintain Customers - Enter and maintain customers, billing, and miscellaneous information.
- Generate Bills and Create Receivables - Enter billing information, create billing invoices, and create and post Accounts Receivable items.
- Maintain Receivables - Maintain accurate receivable balances using refunds, write-offs, debit / credit memos, non-sufficient funds, and transferring receivable amounts.
- Collections and Aging – Collect payments for receivables and identify and calculate the age of receivable balances in order to initiate appropriate collection procedures.
- Enter Funds Receipts and Apply Payments – Create deposits and apply payments to appropriate accounts receivable items.





Set Up and Maintain Customers Process

The Set Up and Maintain Customers process includes the initial setup of customers as well as ongoing maintenance.



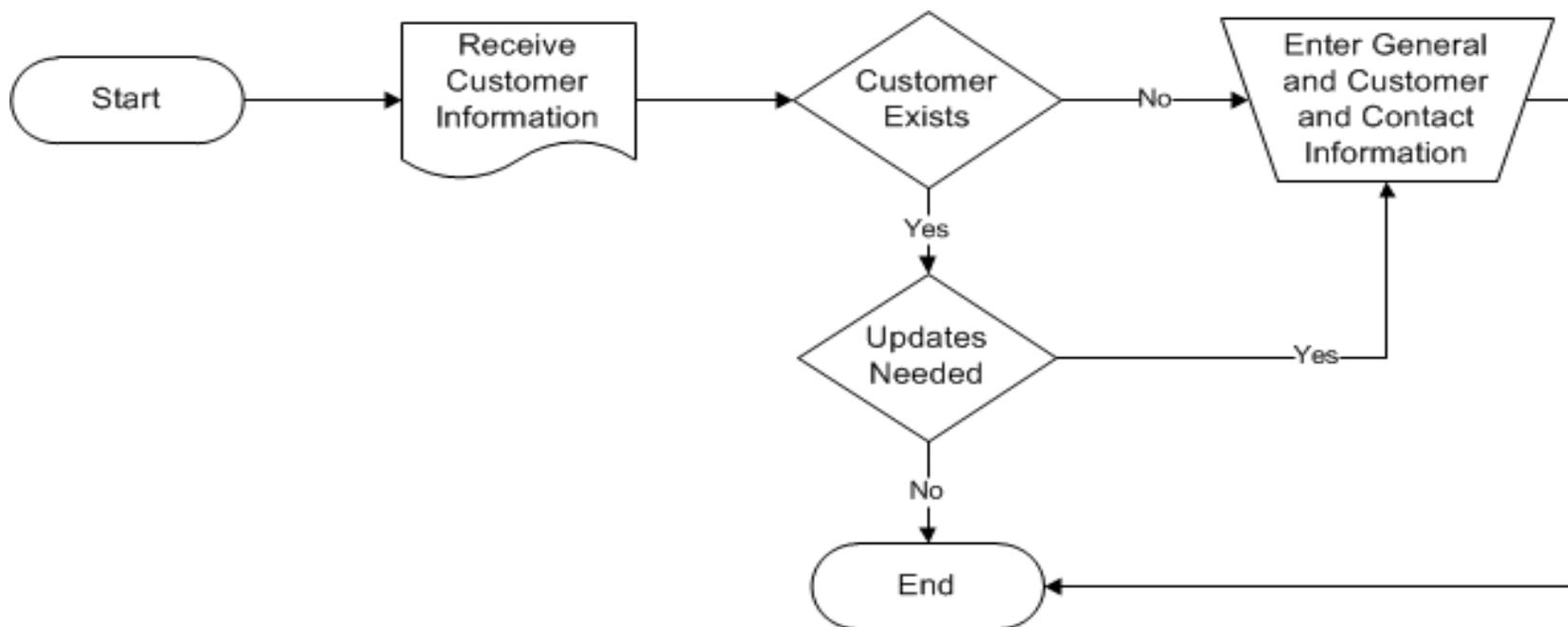


Set Up and Maintain Customers Process (continued)

The Set Up and Maintain Customers process involves

- Receiving customer information
- Determining whether the customer already exists
- Manually entering or updating customer information billing information, and contact information.

Once customers are created, they are available for use in the Billing and Accounts Receivable modules.





Set Up and Maintain Customers Process (continued)

The Set Up and Maintain Customers process involves several key steps:

- Receive Request to Set Up a Customer – A request may come from an external source (e.g., a State Police accident report), or it may come from another functional area (e.g., request from Project Accounting to bill another agency for costs related to a project).
- Verify the Customer Does Not Already Exist – Check the customer master records and verify that the customer has not already been entered.
- Enter General Information – You can enter general information for a new customer or update general information for an existing customer.
- Enter Billing Information – You can select various billing options for a customer, bill types, cycles (daily, monthly quarterly, etc.), forms, and payment methods (credit card, check, etc.).
- Enter Customer Contact Information – Customer contact phone and address information can be entered / updated.
- Maintain Customer Information – You can update customer type / general information, update correspondence options, and create attachments and notes.



Set Up and Maintain Customers Process (continued)

You access the Set Up and Maintain Customers processes on the **Customers** menu.

You can navigate to this page using the following path: **Main Menu > Customers**

Select the **Customer Information** link, then select **General Information**.

The screenshot displays the CARDINAL web application interface. At the top left is the CARDINAL logo. The top right navigation bar includes links for Home, Worklist, Add to Favorites, and Sign out. Below the navigation bar, the breadcrumb path is shown as Favorites > Main Menu > Customers. The main content area is titled 'Customers' and contains a sub-section 'Manage customer information.' This section is divided into four main categories, each with a folder icon:

- Contact Information**: Create and maintain contact information.
- Customer Information**: Create and maintain customer information. This category includes sub-links for [General Information](#), [Corporate Customer Tree](#), and [Corporate Tree Messages](#).
- Conversations**: Review and update customer conversations. This category includes sub-links for [Update Conversations](#), [Select Conversations to Review](#), and [Need Supervisor Review](#).
- Review Customer Information**: Review customer address, messages, credit available, or credit/purchase history. This category includes sub-links for [Attachments](#), [Messages](#), and [Notes](#).

At the bottom of the main content area, there is a **Reports** section with a folder icon, which includes sub-links for [Customers by Unit](#), [Customers by SetID](#), [Contacts by Unit](#), and [6 More...](#)



Set Up and Maintain Customers Process (continued)

The **General Information** pages store the information needed to manage customers. including names and addresses, contact information, payments terms, and billing and shipping information.

The screenshot displays the 'General Information' page for a customer in the CARDINAL system. The breadcrumb trail is 'Favorites | Main Menu > Customers > Customer Information > General Information'. The page has tabs for 'General Info', 'Bill To Options', 'Ship To Options', 'Sold To Options', and 'Miscellaneous General Info'. The 'General Info' tab is active, showing the following details:

- SetID: 50100 Customer ID: NEXT General Info Links: ...More
- *Status: Active (dropdown) Copy From Customer Level: Regular (dropdown)
- *Date Added: 06/07/2011 (calendar icon) *Since: 06/07/2011 (calendar icon) *Type: Individual (dropdown)
- *Name 1: [text input] *Short Name: [text input]
- Name 2: [text input]
- Email ID: [text input]
- Currency Code: [text input with search icon] Rate Type: [text input with search icon]

The 'Roles' section contains the following options:

- Bill To Customer [Bill To Selection](#)
- Ship To Customer [Ship To Selection](#)
- Sold To Customer [Sold To Selection](#)
- Broker Customer
- Indirect Customer
- Correspondence Customer [Correspondence Selection](#)
- Remit From Customer [Remit From Selection](#)
- Corporate Customer [Corporate Selection](#)
- Consolidation Customer

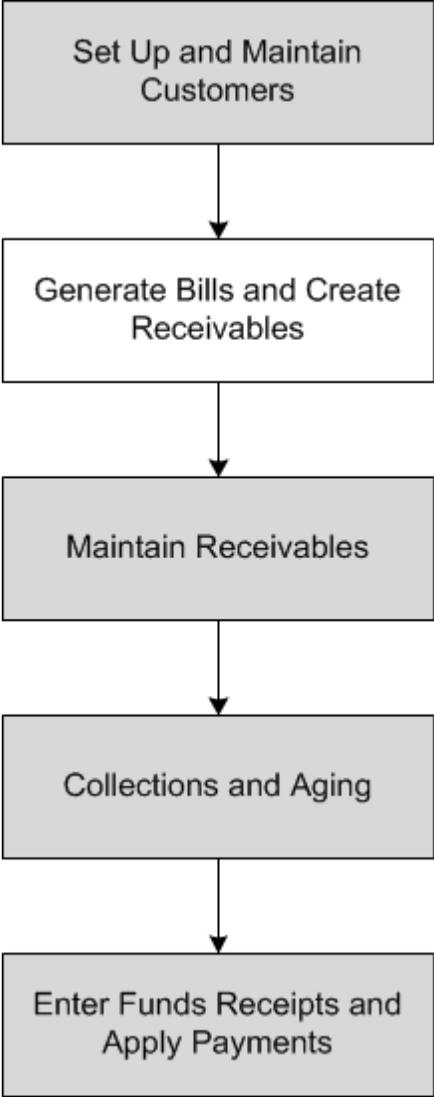
The 'Consolidation Business Unit' field is empty. The 'Federal Attributes' section includes:

- Federal Customer
- Trading Partner Code: [text input]
- Disbursing Office: [text input]



Generate Bills and Create Receivables

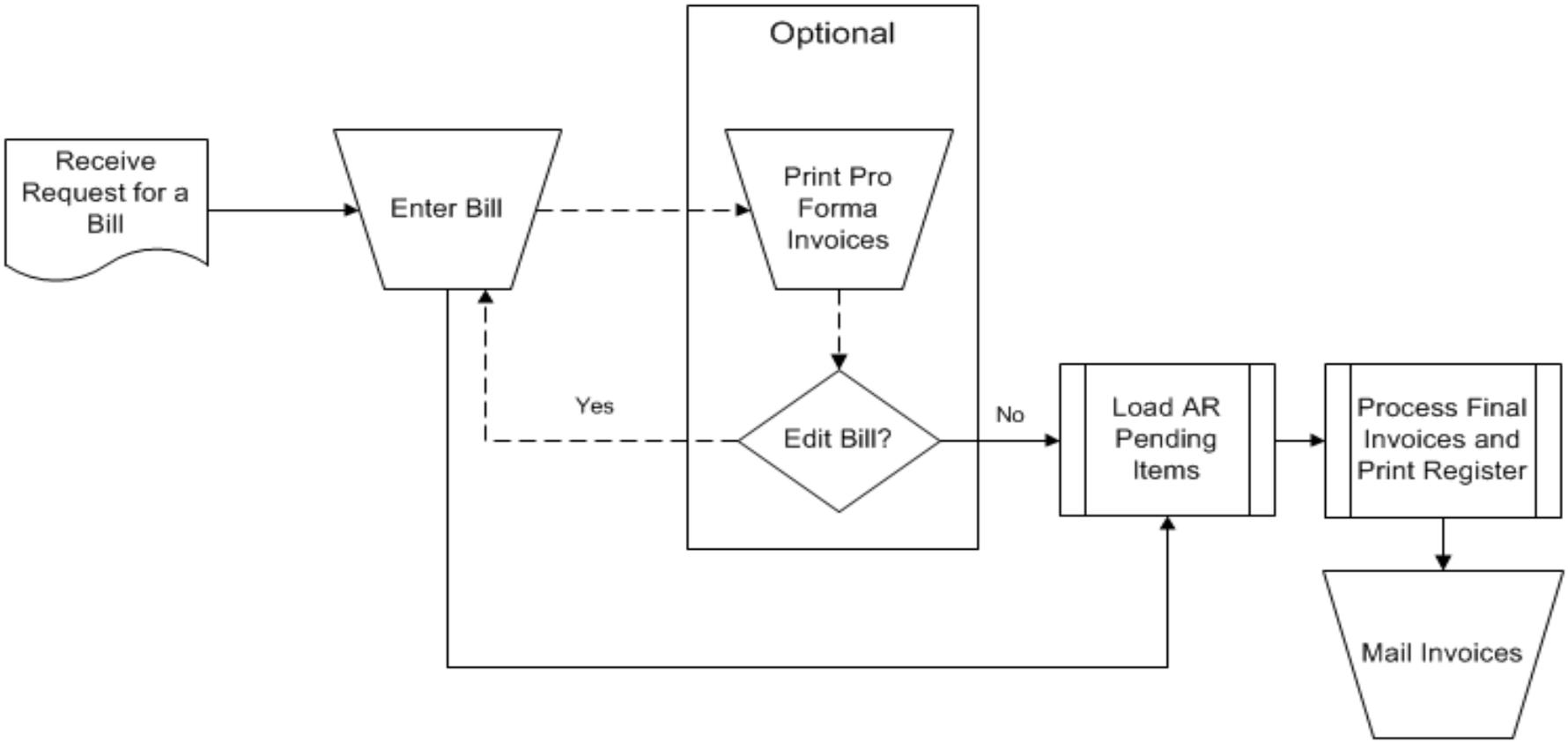
The Billing module contains the **Generate Bills and Create Receivables** process.





Generate Bills and Create Receivables (continued)

The **Generate Bills and Create Receivables** process includes entering bill information, creating, reviewing and validating invoices, managing billing cycles, and creating receivables.





Generate Bills and Create Receivables (continued)

The key steps in the Generate Bills and Create Receivables process are:

- Enter Online Bills – You can create standard bills, recurring bills, installment bills, and consolidated bills.
- Create Invoices – An invoice is a bill that has been processed and is ready to go out to a customer. Invoices are created for billable transactions interfaced from external source systems or bills entered online. Invoices can be created as PDFs.
- Edit Bills – You can adjust an entire bill or a portion of a bill.
- Process Invoices – Once processed, you can print the Invoice Register and mail the invoices to your customers.
- Post Receivables – The billing process generates accounts receivable which are then posted to General Ledger.



Generate Bills and Create Receivables (continued)

The Billing processes are accessed on the **Billing** menu.

You can navigate to this page using the following path: **Main Menu > Billing**

For example, to create a standard bill you select the **Maintain Bills** link, then select **Standard Billing**.

The screenshot shows the CARDINAL Billing menu. At the top, there is a navigation bar with 'Home', 'Worklist', 'Add to Favorites', and 'Sign Out'. Below this is a breadcrumb trail: 'Favorites | Main Menu > Billing'. The main content area is titled 'Billing' and contains a grid of menu items. Each item is represented by a folder icon, a title, a brief description, and a list of sub-links. The items are: 'Interface Transactions' (Review, correct, and apply pending interface activity), 'Manage Billing Worksheet' (Review and approve pending billing activity from Contracts, Projects and Grants), 'Maintain Bills' (Create bills; define schedules, templates, and consolidation and assign status), 'Generate Invoices' (Finalize bills, print documents and reports, and apply billing activity), 'Locate Bills' (Search for bills and bill lines that match selected criteria), and 'Review Billing Information' (Review bill summaries, billing detail, and pending items or accounting entries). The 'Review Processing Results' item is partially visible at the bottom left.

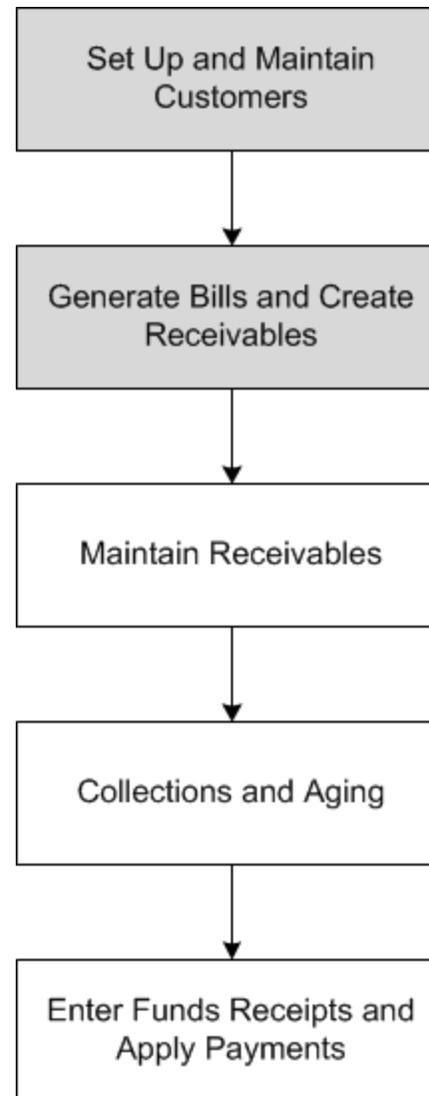
Interface Transactions Review, correct, and apply pending interface activity. Review Pending Transactions Update Pending Transactions Process Billing Interface 4 More...	Manage Billing Worksheet Review and approve pending billing activity from Contracts, Projects and Grants. Update Billing Worksheet Review Contract/Project Bills Letter of Credit Summary 2 More...	Maintain Bills Create bills; define schedules, templates, and consolidation and assign status. Express Billing Standard Billing Installment Bill Schedules 20 More...
Generate Invoices Finalize bills, print documents and reports, and apply billing activity. Non-Consolidated Consolidated Process Credit Cards 3 More...	Locate Bills Search for bills and bill lines that match selected criteria. Bills Not Invoiced Bills Invoiced Lines Not Invoiced Lines Invoiced	Review Billing Information Review bill summaries, billing detail, and pending items or accounting entries. Summary Details Installment Bill Schedule 9 More...
Review Processing Results View errors by invoice and bills marked in progress by a process step. Review Invoice Errors Review Email Invoice Log		



Accounts Receivable Module

The Accounts Receivable processes include:

- Maintain Receivables – To update receivable balances, you can adjust receivable balances (including refunds), create a write-off, record non-sufficient funds, and transfer receivable amounts.
- Collections and Aging – These processes allow you to identify and analyze aged receivables in order to initiate the appropriate collection procedures.
- Enter Funds Receipts and Apply Payments – These processes allow you to create deposits and apply payments to Accounts Receivable or create direct journal entries to send to General Ledger.

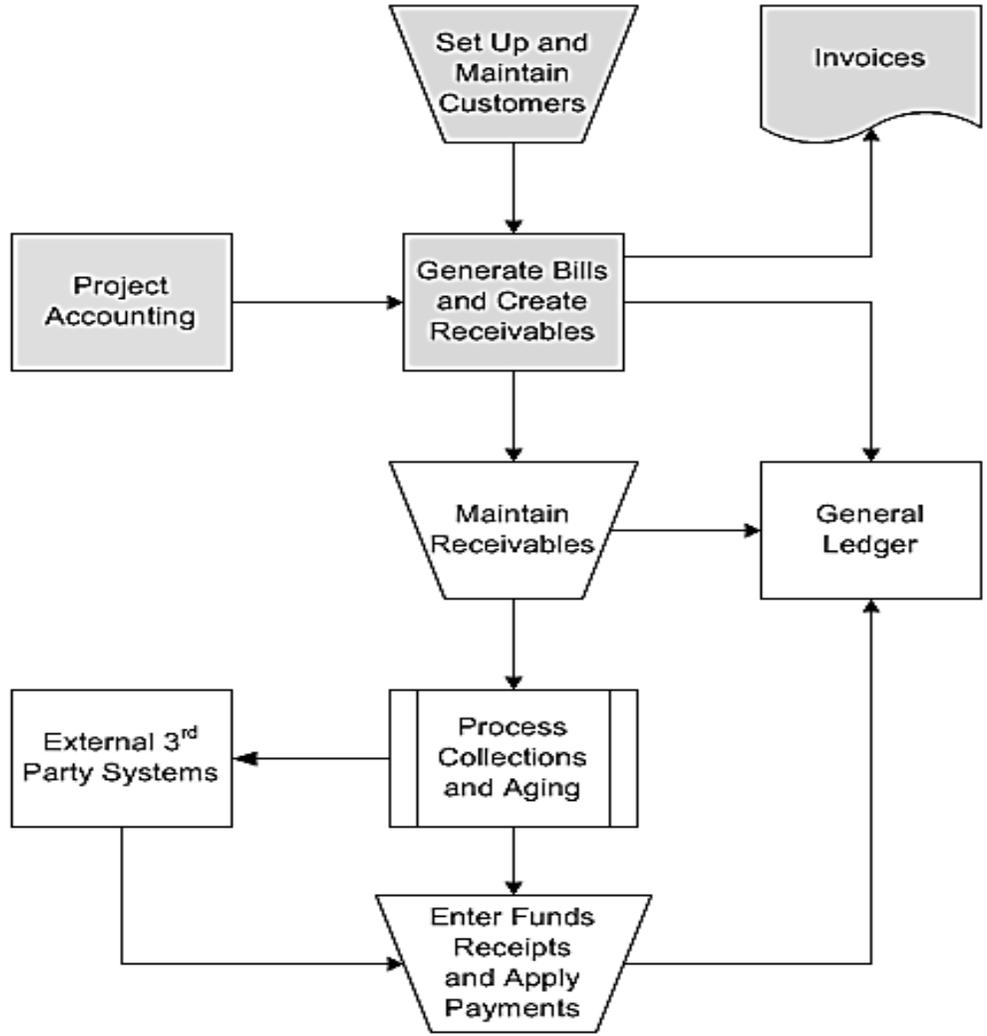




Accounts Receivable Module (continued)

The Accounts Receivable module posts entries generated during these processes to General Ledger. General Ledger updates Accounts Receivable with identifying information (Journal ID, Date, etc.) so entries can be easily traced through Cardinal.

Accounts Receivable also shares Collections and Aging data with external 3rd party systems.





Accounts Receivable Module (continued)

The **Accounts Receivable** menu option gives access to the major functions in Accounts Receivable.

You can navigate to this page using the following path:

Main Menu > Accounts Receivable

The screenshot shows the CARDINAL web application interface for the Accounts Receivable module. The top navigation bar includes the CARDINAL logo, a breadcrumb trail (Favorites | Main Menu > Accounts Receivable), and utility links (Home | Worklist | Add to Favorites | Sign Out). The main content area is titled "Accounts Receivable" and contains a grid of functional tiles:

- Pending Items:** Enter and review pending items. Sub-items: Online Items, External Items, Review Items, Reports.
- Payments:** Enter, apply, and review payments and generate payment reports. Sub-items: Online Payments, Apply Payments, Direct Journal Payments, 2 More...
- Customer Accounts:** Access Receivables customer accounts. Sub-items: Collections Workbench, Customer Information, Item Information, Customer Reports.
- Customer Interactions:** Review and process customer actions, conversations, and correspondence. Sub-items: Actions, Conversations, Statements, 3 More...
- Receivables Maintenance:** Process maintenance and transfer worksheets and perform automatic maintenance. Sub-items: Reclassify Open Item, Maintenance Worksheet, Transfer Worksheet.
- Receivables Analysis:** Run the Receivables Aging process and generate reports. Sub-items: Aging, Review Receivables Information, Receivables Reports, Request Risk Scoring.
- Receivables Update:** Run Receivables Update process, correct posting results, and unpost groups. Sub-items: Request Receivables Update, Correct Posting Errors, Unpost Groups, 6 More...



Maintain Receivables

The Maintain Receivables process helps end users to manage receivable balances.

Maintenance is performed using a maintenance worksheet, which is a workspace for offsetting items, write-offs, or adjustments.

Receivables maintenance items include debit or credit memos, adjustments, on-account payments, and matches. Maintenance worksheets can be used to refund an item with a credit balance or to create a new refund item for a credit remaining from maintenance tasks.



Maintain Receivables (continued)

You can navigate to the **Create Worksheet** page using the following path:

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

The screenshot displays the 'Create Worksheet' page in the CARDINAL software. The breadcrumb navigation at the top reads: **Favorites | Main Menu > Accounts Receivable > Receivables Maintenance > Maintenance Worksheet > Create Worksheet**. The page is divided into several sections:

- Customer Items:** A dropdown menu is set to 'Customer Items'. Below it are fields for: Cust ID (000000002), Name (DEPT OF CONSERVATION & RECREATION), Remit SetID (50100), Corporate SetID (50100), Rate Type (CRRNT), and MICR ID. Business Unit (50100), Remit From ID (000000002), Corporate ID (000000002), and Acctg Date (01/11/2013) are also visible, along with a 'Link MICR' button.
- Reference Criteria:** Includes 'Reference Criteria' (None), 'Restrict to' (All Customers), 'Match Rule' (Exact Match), and 'Anchor BU' (50100).
- Item Reference:** A table with columns: Qual Code, Reference, and To Reference.
- Item Inclusion Options:** Radio buttons for 'All Items' (selected), 'Deduction Items Only', and 'Items in Dispute Only'. Checkboxes for 'Exclude Deduction Items' and 'Exclude Dispute Items'.
- Item Selection Filter:** Fields for 'Acctg Date From', 'AR Specialist', 'Acctg Date To', 'Deduction Reason', and 'Broker ID'.
- Worksheet Action:** 'Build' and 'Clear' buttons. 'Created Date/Time' is 01/11/13 11:11AM. 'Number of items in worksheet' is 6.
- Worksheet Selection:** A dropdown menu for 'Worksheet.Application'.
- Footer:** Buttons for 'Save', 'Return to Search', 'Previous in List', 'Next in List', 'Notify', 'Refresh', 'Add', and 'Update Display'.



Collections and Aging

The aging process is a tool used to calculate the age of outstanding customer accounts receivable balances. This process runs nightly and automatically categorizes receivables by date.

The Aging process updates summary aging information that appears on various inquiry pages.

Management and collection departments rely on aging to identify delinquent accounts and take appropriate action



Collections and Aging (continued)

There are several aging reports that show the history and category of the item. For example, you can use the **Aging Summary by Unit** report to see aged open balances for every customer in a business unit.

You can navigate to this page using the following path:

Main Menu > Accounts Receivable > Receivables Analysis > Aging > Aging Summary by Unit Rpt

The screenshot shows the 'Aging Summary By Unit' report configuration screen in the CARDINAL software. The breadcrumb path is: Favorites | Main Menu > Accounts Receivable > Receivables Analysis > Aging > Aging Summary by Unit Rpt. The report title is 'Aging Summary By Unit'. The 'Run Control ID' is 'AGING' and the 'Language' is set to 'English'. There are buttons for 'Report Manager', 'Process Monitor', and 'Run'. The 'Report Request Parameters' section includes: 'As of Date' (06/07/2011), 'SetID' (50100 - VA Dept of Transportation), 'Aging ID' (empty), 'Amount Type' (Base Curr), 'Rate Type' (empty), and '*Display Option' (Include All). Below this is a 'System Activity' table with columns for '*Business Unit' and 'Description'. The table contains one row: 50100 | VA Dept of Transportation. At the bottom, there are buttons for 'Save', 'Notify', 'Add', and 'Update/Display'.

*Business Unit	Description
50100	VA Dept of Transportation



Enter Funds Receipts and Apply Payments

Payments may or may not correspond to an open Accounts Receivable item.

- If the payment corresponds to an Accounts Receivable item, the **Payment Predictor** batch process will select that data to create and save a worksheet.
- If the payment does not correspond to an Accounts Receivable item, it will be recorded as a Direct Journal.

You can enter identifying information for payments related to receivable items. This identifying information, such as an **Item ID** or **Customer ID**, is entered to aid application of payments that reduce the receivable balances.



Enter Funds Receipts and Apply Payments (continued)

Deposits and payments posted to the Accounts Receivable module are posted to the invoices created in the **Billing** module.

You can navigate to this page using the following path:

Main Menu > Accounts Receivable > Payments > Online Payments > Regular Deposit

The screenshot shows the CARDINAL software interface for a Regular Deposit entry. The breadcrumb path is: Favorites | Main Menu > Accounts Receivable > Payments > Online Payments > Regular Deposit. The interface includes a 'Delete Deposit' button, fields for Unit (50100) and Deposit ID (NEXT), and various input fields for Accounting Date (06/07/2011), Bank Code, Bank Account, Deposit Type, Control Currency, Format Currency (USD), Rate Type, and Exchange Rate. Below these are two summary tables: Control Totals and Control Data.

Control Totals			
Control Total Amount:	0.00	*Count:	0
Entered Total Amount:	0.00	Count:	1
Difference Amount:	0.00	Count:	-1
Posted Total Amount:	0.00	Count:	0
Journalled Total Amount:	0.00	Count:	0

Control Data	
*Received:	06/07/2011
*Entered:	06/07/2011
Posted:	
Assigned:	V_SUPER_AR
User:	V_SUPER_AR

Buttons at the bottom: Save, Notify, Refresh, Add, Update/Display.



Lesson 2: Checkpoint

Now is your opportunity to check your understanding of the course material. Read the question, select your answer and click **Submit** to see if you chose the correct response.



Which of the following is **NOT** an Accounts Receivable process in Cardinal?

- Generate Bills and Create Receivables
- Collections and Aging
- Create Requisitions
- Maintain Receivables

Adjust bills is one of the Generate Bills and Create Receivables sub-processes:

- True
- False



Lesson 2: Summary

In this lesson, you learned about the following processes:

- Setup and Maintain Customers
- Generate Bills and Create Receivables
- Maintain Receivables
- Collections and Aging
- Enter Funds Receipts and Apply Payments



Lesson 3: Billing and Accounts Receivable Integration and Interfaces

This lesson covers the following topics:

- Integration with General Ledger and Project Accounting
- Interfaces



Integration with General Ledger and Project Accounting

Accounts Receivable sends accounting entries to the General Ledger.

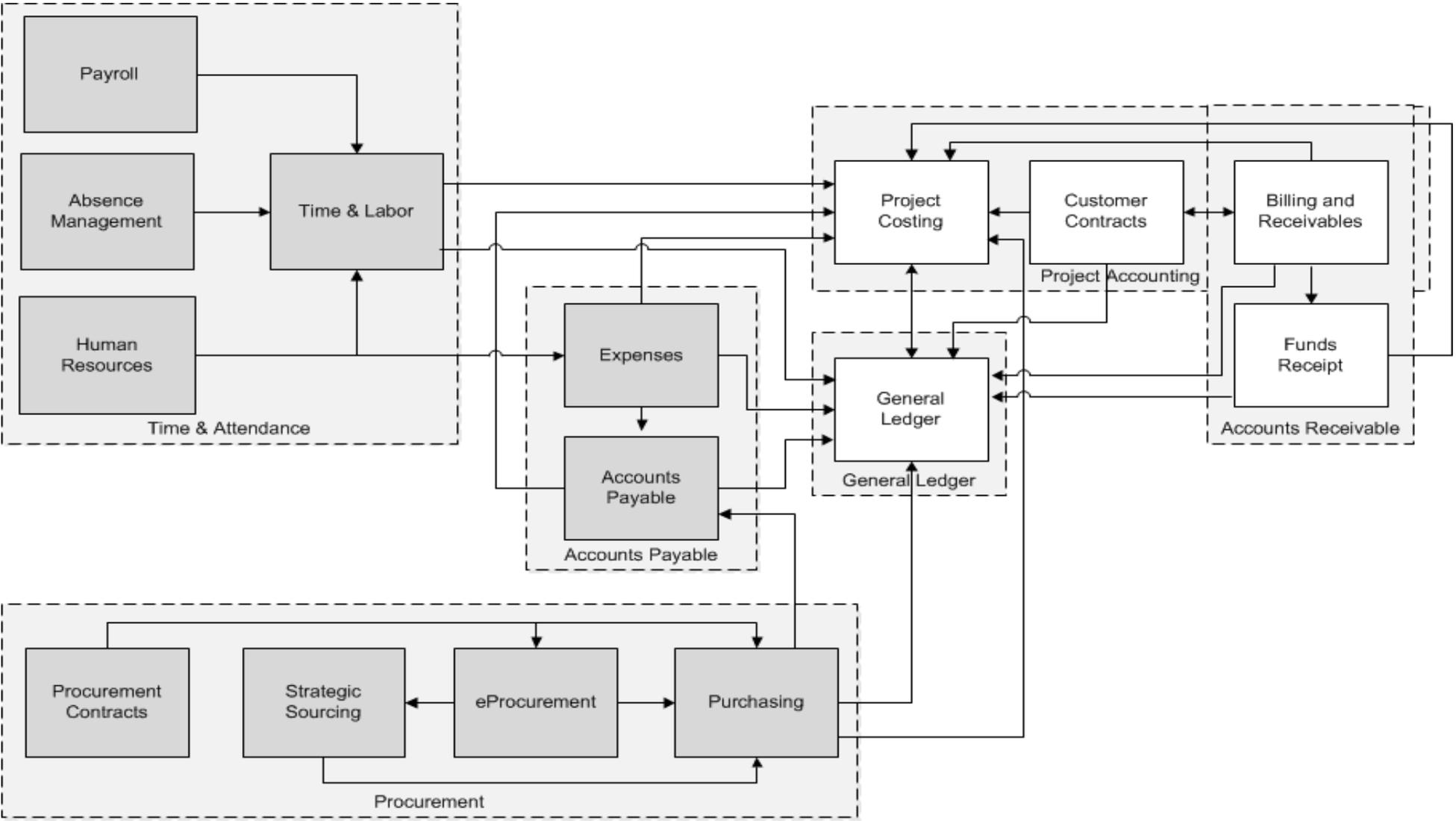
The Project Accounting Customer Contracts module sends project billing data to the Billing module in the Accounts Receivable functional area. The Billing module then creates the related invoices and accounting entries.

Once the invoices are final, related billing data is available to upload to the Customer Contracts and Project Costing modules.

Adjustments made to billing or receivables create entries that update project information in the Project Costing module.



Integration with General Ledger and Project Accounting





Interfaces

Accounts Receivable also interfaces with other systems outside of Cardinal, including the following:

Department of Taxation: Accounts Receivable sends and receives collection data to and from the Department of Taxation during the Collections and Aging process. Accounts Receivable receives payment data from the Department of Taxation in the Enter Funds Receipts and Apply Payments process. These interfaces allow us to collect past-due receivables from any payments another state agency might make to the customer.

Federal Highway Administration (FHWA): Cardinal Accounts Receivable also sends Project Billing Data to FHWA on a daily basis.



Lesson 3: Checkpoint

Now is your opportunity to check your understanding of the course material. Read the question, select your answer and click **Submit** to see if you chose the correct response.



The Project Accounting Customer Contracts module sends project billing date to the Billing module in the Accounts Receivable functional area?

- True
- False



Lesson 3: Summary

In this lesson, you learned:

- The Accounts Receivable functional area integrates with two other functional areas in Cardinal: General Ledger and Project Costing.
- The Accounts Receivable functional area interfaces with other major systems including Department of Taxation and the Federal Highway Administration.



Course Summary

In this course, you learned:

- The Accounts Receivable functional area is composed of two modules: Accounts Receivable and Billing.
- The five Accounts Receivable processes are:
 - Set Up and Maintain Customers
 - Generate Bills and Create Receivables
 - Maintain Receivables
 - Collections and Aging
 - Enter Funds Receipts and Apply Payments
- Accounts Receivable integrates with other Cardinal functional areas and interfaces with external entities.



Course Evaluation

Congratulations! You have successfully completed the **501 INTRO120: Billing and Accounts Receivable Overview** course. Please use the evaluation link to assess this course.

[Click here to access the survey](#)

Once you have completed and submitted the survey, close the survey window. To close the web based training course, click the 'X' button in the upper right corner.





Appendix

- Key Terms
- Flowchart Key



Key Terms

Aging Process: Tool that calculates the age of outstanding customer accounts receivable balances. Management and collection departments rely on aging reports to identify delinquent accounts and take appropriate action.

Customer: An entity responsible for paying the agency. In Cardinal there are four general customer types available: Government (Federal City , County, or Town), Business, Individual, or State Agency.

Deposits: Payments received from customers. A payment can be applied to multiple items for a single customer or to multiple items from different customers.

Installment Billing: Method used to invoice customer in segments, with the total amount due divided equally.

Invoice: Bill issued by an agency for their participation in project costs or for amounts due to an agency for goods or services.

Receivables: Amounts owed to the agency from individuals or other entities (including state, federal and local governments, individuals or businesses).



Key Terms (continued)

Open Items: Amounts billed to a customer but not paid, also known as **Pending Items**.

Pending Items: Receivables that have not yet been posted to an account in Cardinal.

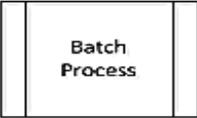
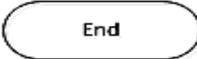
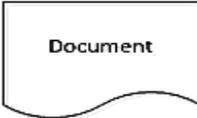
Pro Forma: Preview of a Billing Invoice, allowing you to print and view invoices before you finalize the bill.

Receivables: Amounts owed to the Department from individuals or other entities (including state, federal and local governments, individuals or businesses).

Recurring Billing: Method used to reproduce bills or portions of bills on a set schedule, and generate invoices by using templates.



Flowchart Key

Flowchart Key			
	Depicts a process step or interface.		Indicates point at which the process begins. Does not represent any activity.
	Specifies a batch process.		Indicates point at which the process ends. Does not represent any activity.
	Depicts a process step that is performed manually.		Depicts a document of any kind, either electronic or had copy.
	Defines the possible outcomes of a decision or analysis that took place in a step immediately preceding.		Indicates an On-Page or Intra Process Connector. Used to avoid complex overlapping connector lines or to continue a process on a subsequent page.
	Represents an entity (person, organization, etc.).		Connects steps between business processes.