

Chapter 2.08: Advanced Credit (Dunning Options)

Introduction

This document is for users who are charged with establishing and managing credit, collecting on slow accounts, and have general responsibilities for accounts receivables.

Dunning Messages

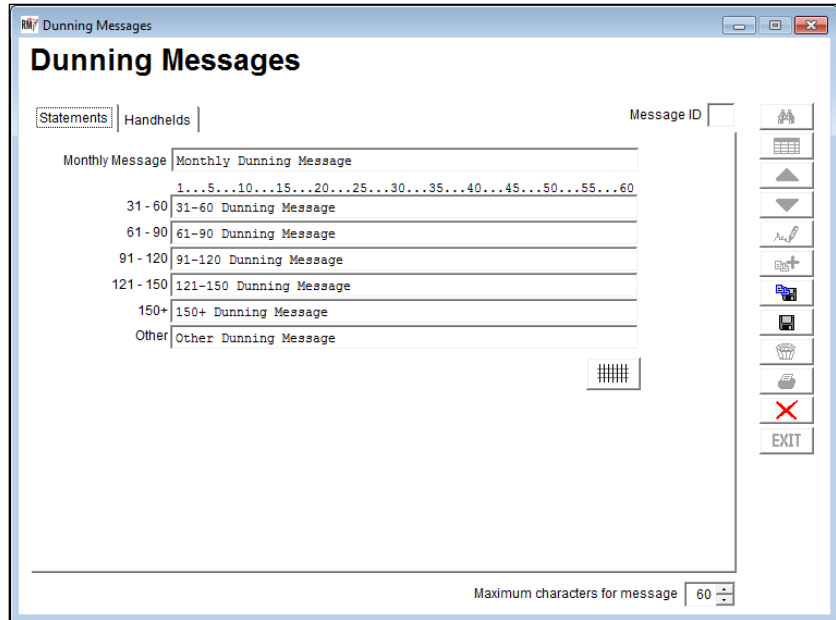
Dunning Messages are designed to print past due messages on monthly statements and handheld receipts. These messages will appear based on the rules established within their assigned *Credit Class Codes*.

Dunning Message Setup

The *Dunning Messages* option can be found under *Lists > Customer Setup Codes > Dunning Messages*.

Statements Tab

The *Statements* tab is designated for messages that will be included on your customer's monthly statements.



Fields:

Message ID: This one-character message identification is used as a reference within the *Credit Class Codes* screen.

Monthly Message: Enter a standard message that will print on each customer's statement.

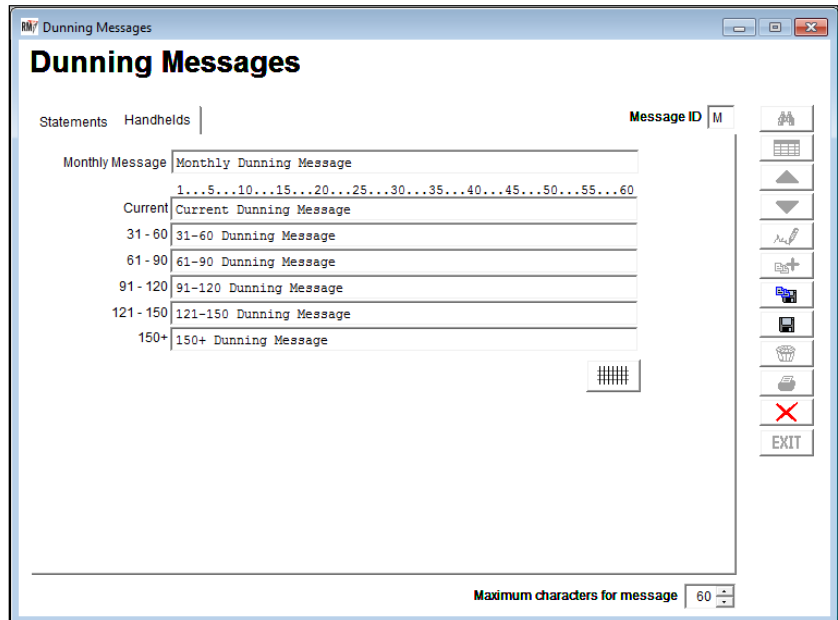
Current: Enter a message that will print on each customer's statement that is carrying a current balance.

31-XXX Days Messages: Enter the past due message that you would like to appear on each customer's statement next to each aging level.

Maximum Characters for Message:
Enter the maximum amount of characters you want per message.

Handhelds Tab

The *Handhelds* tab is designated for messages that will be included on printed handheld receipts.



Category	Message
Monthly Message	Monthly Dunning Message 1...5...10...15...20...25...30...35...40...45...50...55...60
Current	Current Dunning Message
31 - 60	31-60 Dunning Message
61 - 90	61-90 Dunning Message
91 - 120	91-120 Dunning Message
121 - 150	121-150 Dunning Message
150+	150+ Dunning Message

Maximum characters for message: 60

Fields:

Monthly Message: Enter a standard message that will print on each customer's handheld receipt.

Current: Enter a message that will print on each customer's receipt that is carrying a current balance.

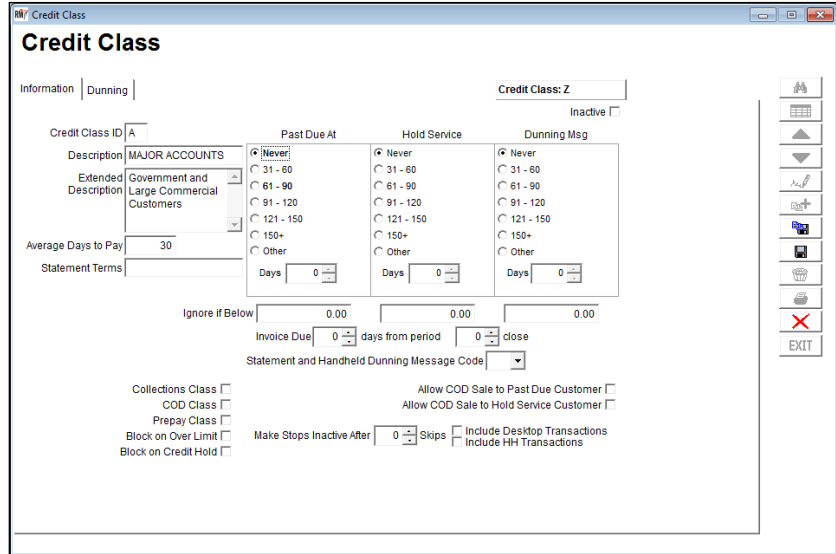
31-XXX Days Messages: Enter the past due message that you would like to print on each customer's receipt next to each aging level.

Maximum Characters for Message: Enter the maximum amount of characters you want per message.

Credit Class (Dunning Message)

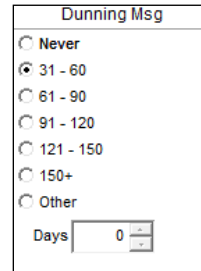
Each *Dunning Message* created will need to be assigned to a *Credit Class Code* in order for the messages to be printed on receipts and statements.

Navigate to *Lists > Customer Setup Codes > Credit Class Codes*.

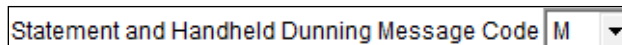


Follow the steps below to complete the process:

1. Choose the appropriate aging bucket under the 'Dunning Msg' category that will qualify for the *Dunning Message*:



2. Select the Dunning Message that will be assigned to the Credit Class Code within the 'Statement and Handheld Dunning Message Code' field:



3. Repeat these steps on each *Credit Class Code* to properly set up and assign your new *Dunning Messages*.

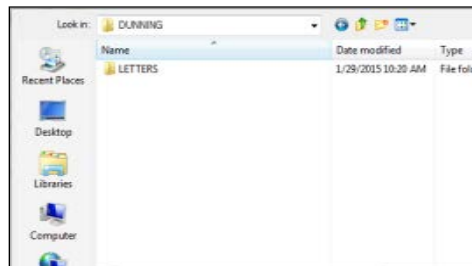
Dunning Letters

Letters can be mailed to your customers to motivate them to pay their outstanding balances. By using Microsoft Word document templates, you will have many formatting options, and the letters will contain any past due message you would like to convey to your customers.

The following section will guide you through the process of creating, setting up, and processing your *Dunning Letters*.

Step 1: Format an existing Template

Browse to the Route Manager directory on your PC and navigate to the *Dunning > Letters* directory to view the existing document templates created for you.



The files will resemble the following:

Name	Date modified	Type
Sample_Dunning_Notice_A	12/2/2014 11:42 AM	Microsoft
Sample_Dunning_Notice_B	12/2/2014 11:42 AM	Microsoft
Sample_Dunning_Notice_C	12/2/2014 11:42 AM	Microsoft
Sample_Dunning_Notice_D	12/2/2014 11:42 AM	Microsoft
Sample_Over Credit Limit_A	12/2/2014 11:42 AM	Microsoft

Double click on any of the files to view them in Microsoft Word. A sample of 'Dunning_Notice_A' is displayed below:

Your Company Name Company Address City, ST, Zip Phone Number	Account # «cust_id»
DATE OF NOTICE: June 5, 2008	
 «cust_name» «cust_add» «cust_add2» «cust_city»,«cust_state» «cust_zip»:	
Dear «cust_cort»:	
This is a reminder that your account «cust_id» is past due, in the amount of «pdue». Please send payment by «due_date» to keep your account up to date.	
Our records indicate that your last payment was on «cfin_lpdate» for the amount of \$«cfin_lpamt».	
If you have any questions about your bill, please feel free to give us a call at (xxx) xxx-xxxx.	
Sincerely,	
«emp_name» Customer Sales Representative	

Any portion of each letter can be modified, and each sample letter is slightly different.

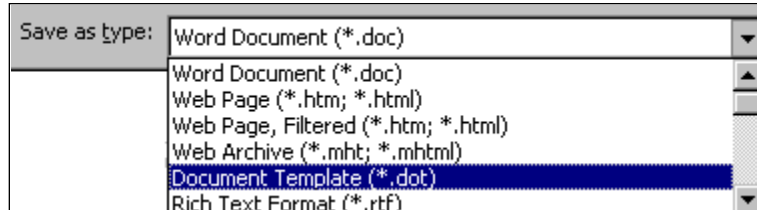
The custom fields in each letter, such as: <<cust_name>> are used by Route Manager to insert the pertinent information relevant to each account. Make sure not to change the format of any of these fields. Each custom field can be moved around the letter if necessary.

On the top-left portion of the screen, enter your company's information and make any changes you wish to the body of the letter. A sample file with company information entered may resemble the following:

Advantage Water Deliveries 147 S. Broadway Ave. Turlock, Ca. 95380 209-632-1122	Account # «cust_id»
DATE OF NOTICE: June 5, 2008	
 «cust_name» «cust_add» «cust_add2» «cust_city», «cust_state» «cust_zip»:	
Dear «cust_cort»:	
This is a reminder that your account «cust_id» is past due, in the amount of «pdue». Please send payment by «due_date» to keep your account up-to-date.	
Our records indicate that your last payment was on «cfin_lpdate» for the amount of \$«cfin_lpamt».	
If you have any questions about your bill, please feel free to give us a call at (209) 632-1122.	
Sincerely,	
«emp_name» Customer Sales Representative	

Once you have completed all of your changes, save the new file by following the steps below:

1. In Word, click on *File* and select **Save As**.
2. On the *Save As* screen, change your file type to *Document Template (.dot)*.



3. Browse to the *Dunning > Letters* folder within your RMA directory.
4. Give your letter a name, and click **Save**.

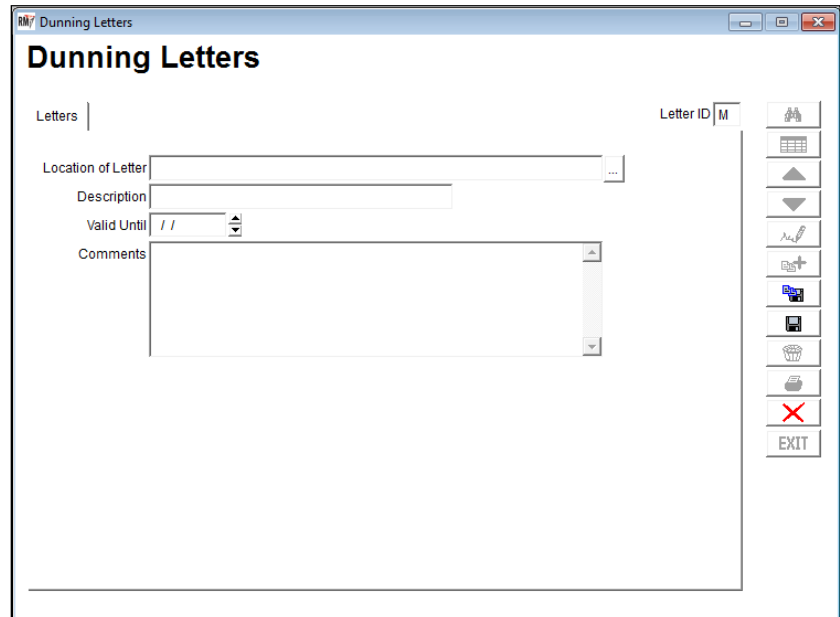
NOTE: Your letter's name should not contain any spaces. You may substitute spaces with dashes (-) or underscores (_) to make the naming convention easier to understand.


Repeat the steps above for each *Dunning Letter* that you would like to use.

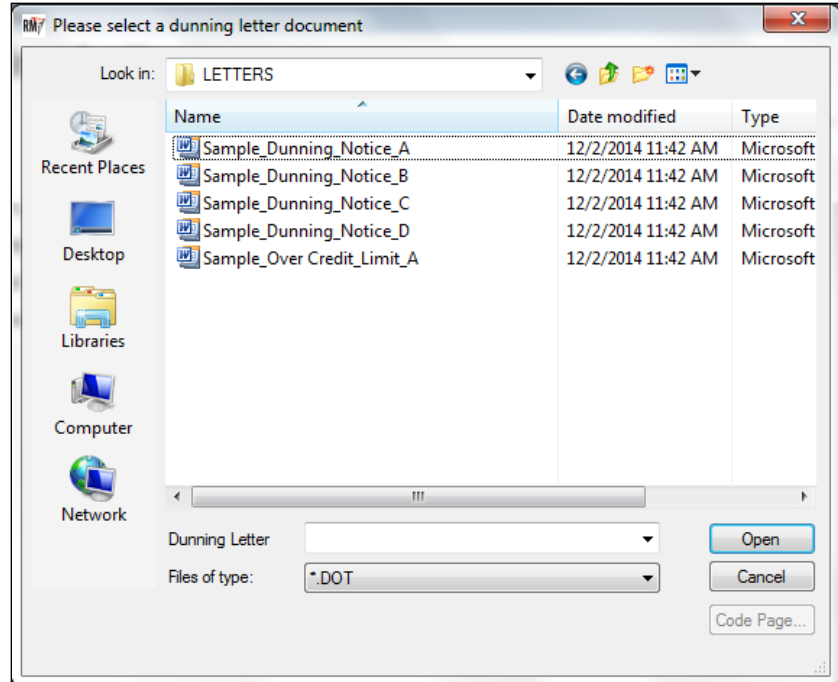
Step 2: Assign the Dunning Letter Template in Route Manager

The *Dunning Letters* screen allows you to link each template to the Route Manager program.

Navigate to *Lists > Customer Setup Codes > Dunning Letters*, and select the **Add** key. Enter a single character 'Letter ID' in the top right corner of the screen that will be used to represent the *Dunning Letter* in the program.

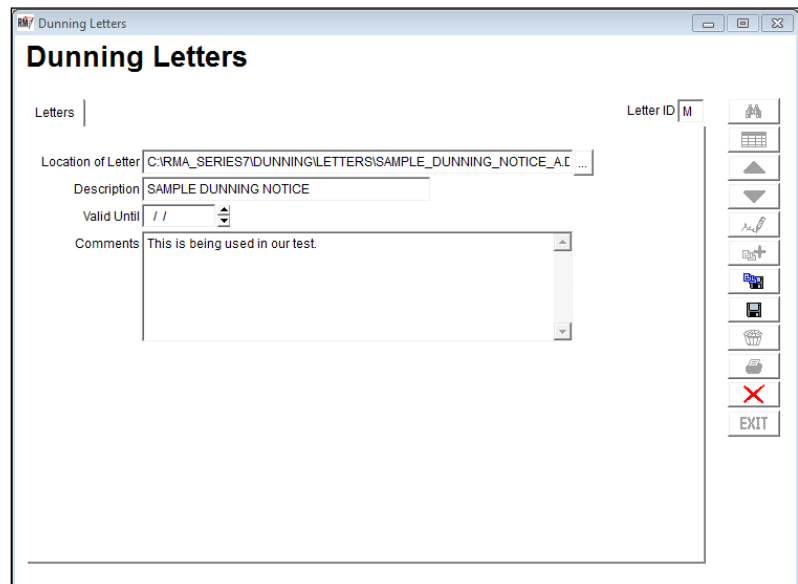


Select the 'Location of Letter' browse  button and navigate to the *Dunning > Letters* folder within the Route Manager directory. Double-click on any of the *Dunning Letters* that you created in the previous section.



NOTE: If you saved the file as .DOC, make sure to change the 'Files of Type' field to include 'All Files.'

Enter a *Description* and *Valid Until* date — if the date is left blank, the letter will never expire. An optional *Comment* can be entered to further identify the letter, if desired.

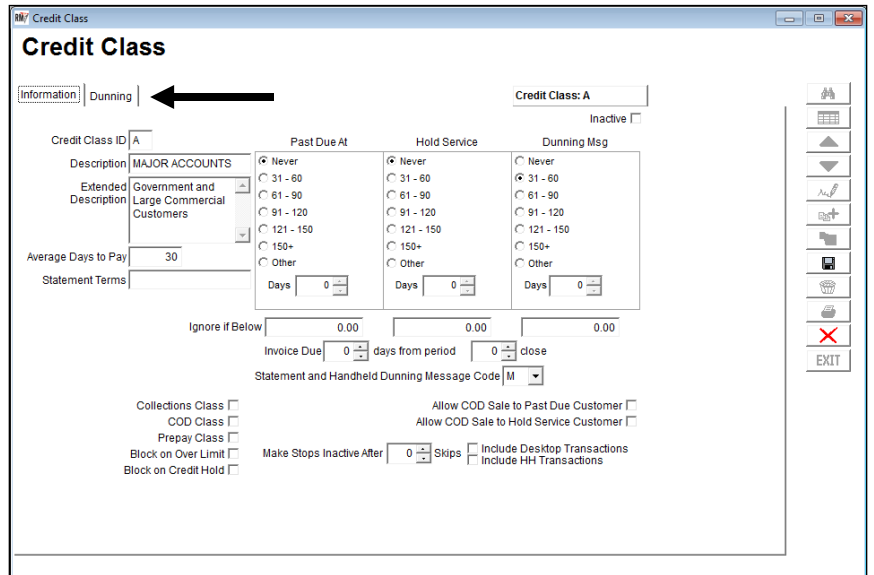


Click the **Save** key to complete the process. Repeat the steps above for each *Dunning Letter* that you created.

Step 3: Dunning Letter Setup within Credit Class

The system identifies each account that qualifies for a *Dunning Letter* based on their assigned *Credit Class Code*.

Navigate to *Lists > Customer Setup Codes > Credit Class Codes*, and select the *Dunning* tab.



Credit Class

Information | **Dunning** | Credit Class: A

Credit Class ID: A Inactive

Description: MAJOR ACCOUNTS

Extended Description: Government and Large Commercial Customers

Average Days to Pay: 30

Statement Terms:

Past Due At: Never, 31 - 60, 61 - 90, 91 - 120, 121 - 150, 150+, Other. Days: 0

Hold Service: Never, 31 - 60, 61 - 90, 91 - 120, 121 - 150, 150+, Other. Days: 0

Dunning Msg: Never, 31 - 60, 61 - 90, 91 - 120, 121 - 150, 150+, Other. Days: 0

Ignore if Below: 0.00, 0.00, 0.00

Invoice Due: 0 days from period, close

Statement and Handheld Dunning Message Code: M

Collections Class Allow COD Sale to Past Due Customer

COD Class Allow COD Sale to Hold Service Customer

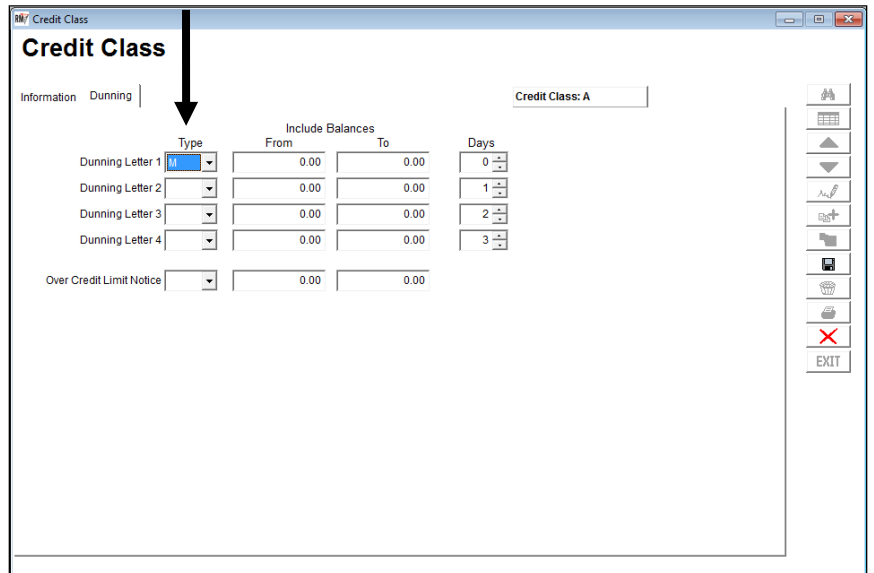
Prepay Class

Block on Over Limit Make Stops Inactive After 0 Skips Include Desktop Transactions

Block on Credit Hold Include HH Transactions

Modify (on right toolbar)

Click **Modify** and assign up to five letters to each *Credit Class Code* by selecting one from each dropdown in the *Type* field.



Credit Class

Information | **Dunning** | Credit Class: A

Dunning Letter 1: Type [M], From 0.00, To 0.00, Days 0

Dunning Letter 2: Type [], From 0.00, To 0.00, Days 1

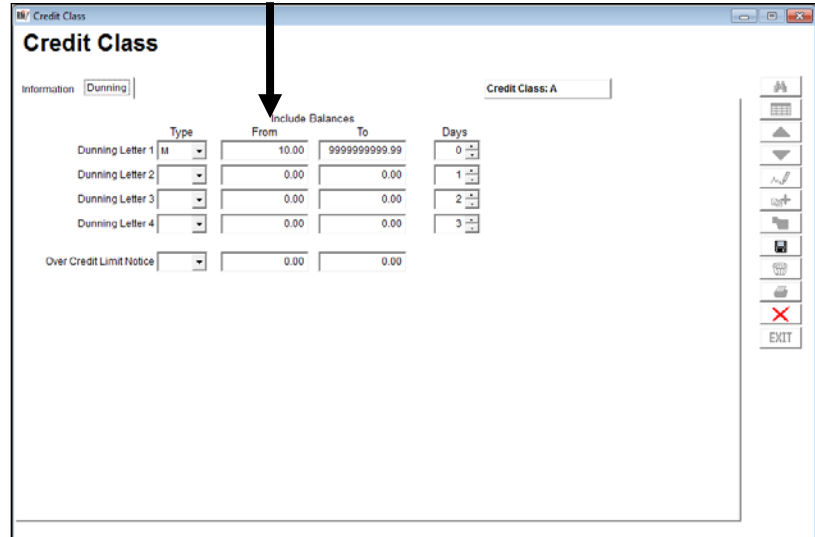
Dunning Letter 3: Type [], From 0.00, To 0.00, Days 2

Dunning Letter 4: Type [], From 0.00, To 0.00, Days 3

Over Credit Limit Notice: Type [], From 0.00, To 0.00

Modify (on right toolbar)

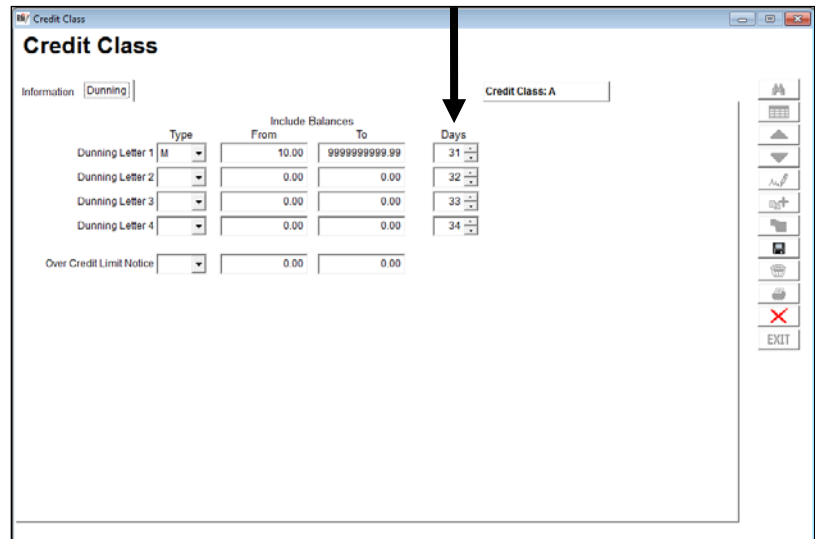
Next, establish the minimum past due balance a customer should have to qualify for the *Dunning Letter* — the minimum below has been set to 10.00.



The screenshot shows the 'Credit Class' window with 'Dunning' selected in the Information field and 'Credit Class: A' in the top right. A table lists dunning letters with their respective 'From' and 'To' balance values and 'Days' past due.

	Type	Include Balances		Days
		From	To	
Dunning Letter 1	M	10.00	999999999.99	0
Dunning Letter 2		0.00	0.00	1
Dunning Letter 3		0.00	0.00	2
Dunning Letter 4		0.00	0.00	3
Over Credit Limit Notice		0.00	0.00	

Lastly, establish the number of days past due the customer's balance should be in order to qualify for the current letter.



The screenshot shows the 'Credit Class' window with the same settings as the previous image, but the 'Days' field for 'Dunning Letter 1' is now set to 31.

	Type	Include Balances		Days
		From	To	
Dunning Letter 1	M	10.00	999999999.99	31
Dunning Letter 2		0.00	0.00	32
Dunning Letter 3		0.00	0.00	33
Dunning Letter 4		0.00	0.00	34
Over Credit Limit Notice		0.00	0.00	

Repeat these steps in each *Dunning Letter* field, you can assign the same letter to options 1-4, or use separate letters for each.

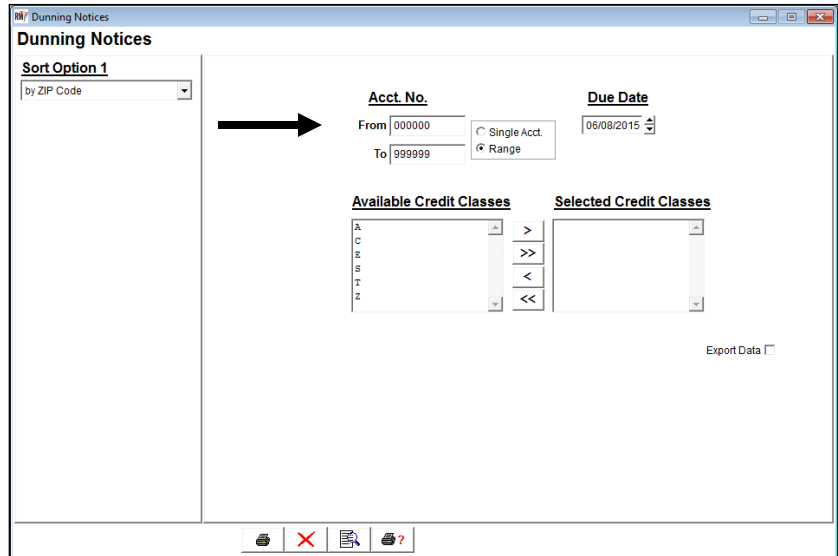
NOTE: Additionally, an 'Over Credit Limit' letter can be created and attached to each *Credit Class Code*.

Save your changes and repeat each step on each *Credit Class Code* that will utilize *Dunning Letters*.

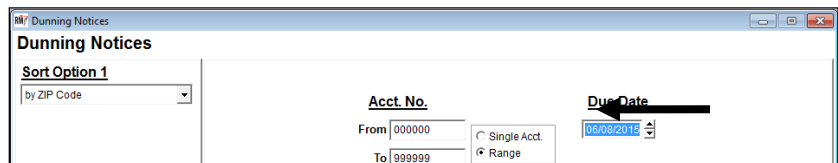
Step 4: Processing Dunning Letters

To generate your *Dunning Letters* and mail them to your customers, browse to *Reports > Dunning Notices* and follow the steps below.

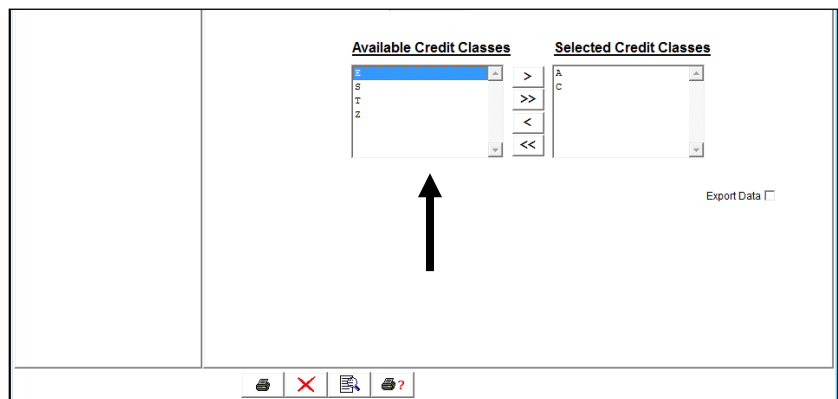
1. Enter the *Account Number* range that you would like to include when generating the letters.



2. Enter the 'Due Date' that you would like to print on each letter. This option is only applicable on letters that contain the custom due date field.



3. Add all of the Credit Class Codes that you would like to generate letters for to the 'Selected Credit Classes' field by using the available arrow keys.



4. Select the **Preview** or **Print** key to generate the *Dunning Letters*. A preview of a standard 30-day dunning letter is displayed below.

Advantage Water Deliveries
147 S. Broadway Ave.
Turlock, Ca. 95380
209-632-1122

Account # 000116

DATE OF NOTICE: June 5, 2008

Express Food and Fuel
122 E MAIN
Ceres, CA 95307:

Dear Bob,

This is a reminder that your account **000116** is past due, in the amount of **376.34**. Please send payment by 06/20/2008 to keep your account up-to-date.

Our records indicate that your last payment was on **10/11/2005** for the amount of \$ **11.25**.

If you have any questions about your bill, please feel free to give us a call at (209) 632-1122.

Sincerely,

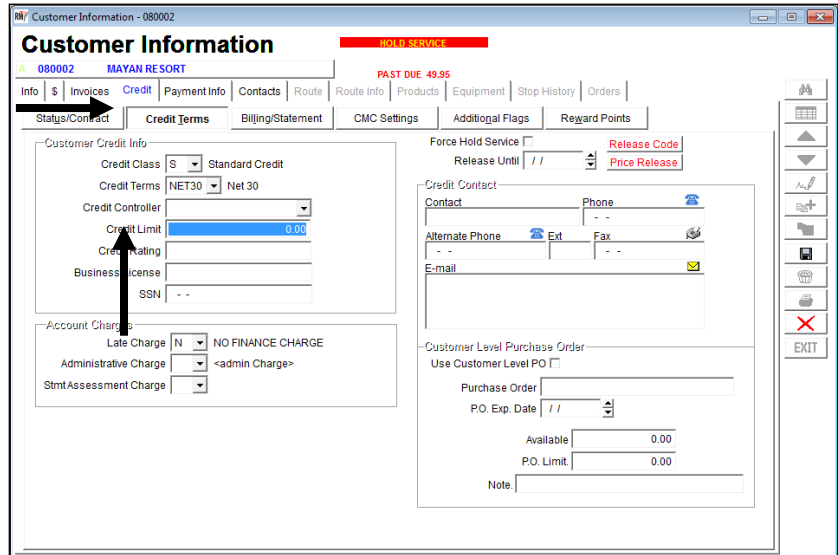
Lyle, Jerry
Customer Sales Representative

This concludes the tutorial on generating *Dunning Letters*. The next section includes additional features available when processing *Dunning Letters*.

Over Credit Limit Notices

In order for you to be able to generate 'Over the Credit Limit' notices in Route Manager, you must specify a *Credit Limit* on each customer's account prior.

Navigate to *Lists > Customer Information > Credit* tab, and select the *Credit Terms* button. Click the **Modify** key and enter the amount in the *Credit Limit* field.

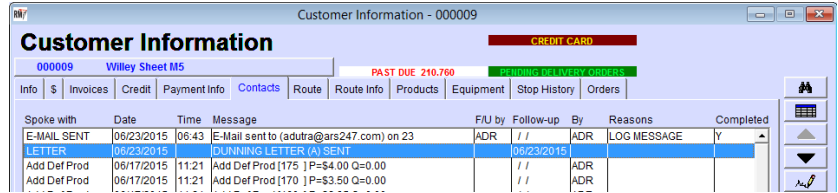


Save your changes to complete the process. Customers that exceed their credit limit will now be included when you generate *Dunning Letters*.

NOTE: This option will only work on *Credit Class Codes* that include an assigned 'Over Credit Limit' letter.

Dunning in Customer Information

An entry will be made on the *Contacts* tab of each account that receives a *Dunning Letter*, for reference.



Customer Information - 000009

Customer Information CREDIT CARD

000009 Willey Sheet M5 PAST DUE 210.760 PENDING DELIVERY ORDERS

Info \$ Invoices Credit Payment Info **Contacts** Route Route Info Products Equipment Stop History Orders

Spoke with	Date	Time	Message	F/U by	Follow-up	By	Reasons	Completed
E-MAIL SENT	06/23/2015	06:43	E-Mail sent to (adutra@ars247.com) on 23	ADR	///	ADR	LOG MESSAGE	Y
LETTER	06/23/2015		DUNNING LETTER (A) SENT					
Add Def Prod	06/17/2015	11:21	Add Def Prod [175]P=\$4.00 Q=0.00		///	ADR		
Add Def Prod	06/17/2015	11:21	Add Def Prod [170]P=\$3.50 Q=0.00		///	ADR		

Technical Information

The following formatting options are provided to assist you as you create your own *Dunning Letters*.

List of Available Dynamic Codes:

Field	Field Name	Description	Location in Route Manager
1	CUST_ID	Account Number	Customer Info Tab
2	CUST_NAME	Customer Name	“
3	CUST_SS	Customer SSN	“
4	CUST_BZLIC	Customer Business License	“
5	CUST_CONT	Customer Contact Name	“
6	CUST_C_PHN	Contact Phone Number	“
7	CUST_ADD	Customer Address Line 1	“
8	CUST_ADD2	Customer Address Line 2	“
9	CUST_CITY	Customer City	“
10	CUST_STATE	Customer State	“
11	CUST_ZIP	Customer ZIP Code	“
12	CUST_PHONE	Customer Phone Number	“
13	CUST_PHNEX	Customer Phone Extension	“
14	CUST_FAX	Customer FAX Number	“
15	CUST_EMAIL	Customer Email Address	“
16	SREP_ID	Sales Rep ID 1	“

Field	Field Name	Description	Location in Route Manager
17	EXTRA	Extra Data Field	“
18	CUST_SDATE	Customer Start Date	Customer Credit Tab
19	CUST_SRSN	Customer Start Reason	“
20	CUST_EDATE	Customer End Date	“
21	CUST_ERSN	Customer End Reason	“
22	CUST_TYPE	Customer Type Code	“
23	CFIN_CRLIM	Credit Limit	Customer Credit Tab → Credit button
24	CFIN_LTRAN	Last Transaction Date	Customer Financial(\$ tab
25	CFIN_LSDAT	Last Statement Date	“
26	CFIN_LPDAT	Last Payment Date	“
27	CFIN_LPAMT	Last Payment Amount	“
28	TTOTAL	Total Amount Due	“
29	TCURRENT	Current Month's Total Due	“
30	PDUE	Total Past Due Amount	“
31	OVERLIMIT	Amount exceeding Credit Limit	
32	T30DAY		
33	T60 DAY		
34	T90 DAY		
35	T120 DAY		

Field	Field Name	Description	Location in Route Manager
36	CRLIM_CODE	Dunning Letter Code for Over Credit Limit	Credit Class → Dunning tab
37	DUNN_CODE	Dunning Letter Code	“
38	DUE_DATE	Due Date	Dunning Notice Report Form

Formatting Options

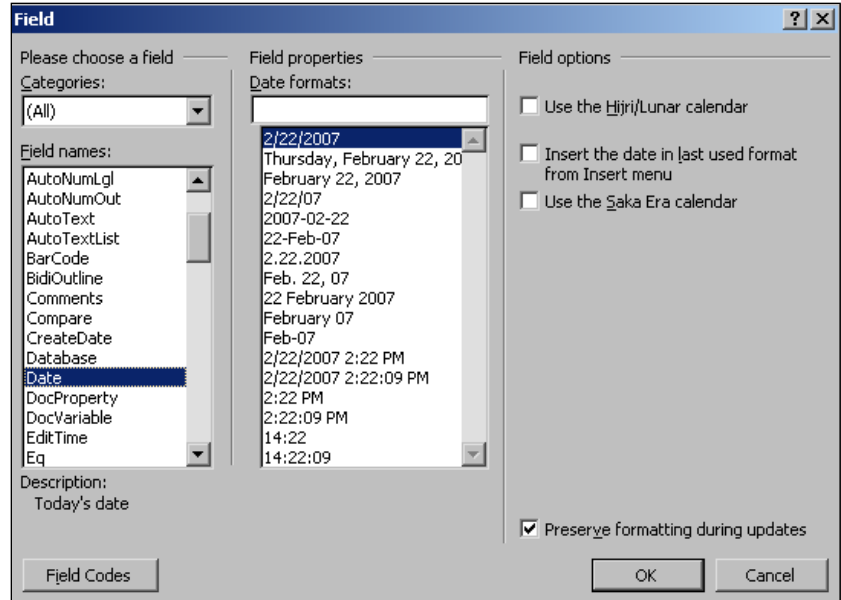
This section includes additional formatting recommendations that you may find useful.

Tips:

- ▶ Select different fonts and sizes.
- ▶ Make text stand out by formatting it in Bold letters.
- ▶ Another way of making your text stand out is to make it italic.
- ▶ You can make any date entered on your template dynamic so that your letters automatically use the date they were sent, and not when the template was created.

Inserting Dynamic Dates - Older Versions:

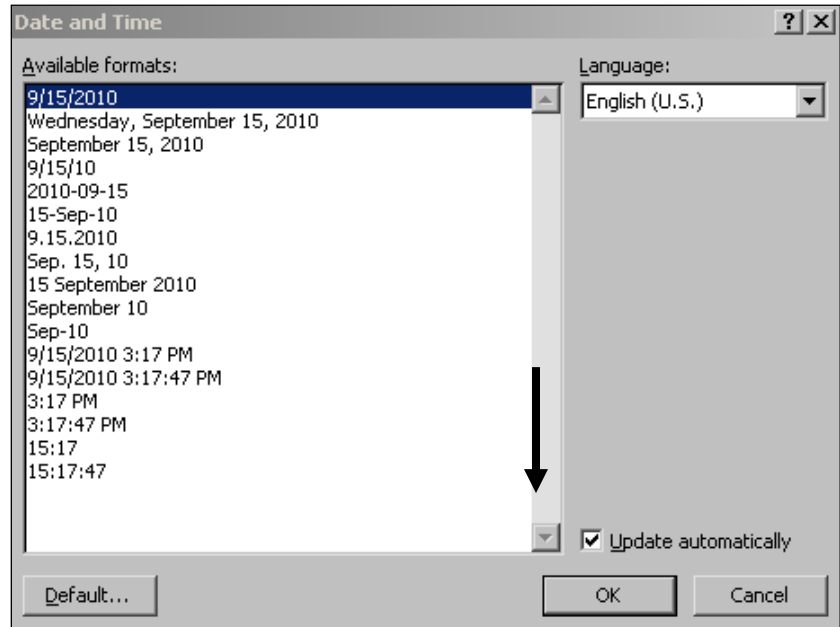
Place your cursor where you would like the date to be entered, and click on *Insert > Field* on the menu bar. In the *Field Names* column, scroll down and select **Date**. Then, on the *Date Formats* column, select the format desired.



Click **OK** to complete the process.

Inserting Dynamic Dates - Older Versions:

Place your cursor where you would like the date to be entered, and click on *Insert > Date & Time* on the menu bar. Select the desired format and check the 'Update Automatically' option to use a dynamic date on the letter.



Click **OK** to complete the process.

Sample Dunning Notices

Company Address
City, ST Zip
Phone Number
Account # «cust_id»

DATE OF NOTICE: February 18, 2016

«cust_name»
«cust_add»
«cust_add2»
«cust_city», «cust_state» «cust_zip»:

Dear «cust_cont»

This is a reminder that your account «cust_id» is past due in the amount of «pdue». Please send payment by «due_date» to keep your account up to date.

Our records indicate that your last payment was on «cfin_lpdatt» for the amount of \$«cfin_lpdamt».

If you have any questions about your bill, please feel free to give us a call at (xxx) xxx-xxxx..

Sincerely,

«emp_name»
Customer Sales Representative

Document Name: Sample_Dunning_Notice_A.dot

Your Company's Address

ACCT # <<cust_id>>

City, State Zip

DATE OF NOTICE February 18, 2016

<<cust_name>>
<<cust_add>>
<<cust_add2>>
<<cust_city>>, <<cust_state>> <<cust_zip>>

DEAR <<cust_cont>> :

While reviewing our records we noticed your account is past due in the amount of \$<<pdue>>. We believe this to be an oversight on your part. To prevent your account from further action please remit payment for the past due amount. If you prefer to pay the full balance on your account at this time, please submit payment in the amount of \$<<total>>. If you need to make payment arrangements or to pay with your Visa, MasterCard, Discover, or American Express card over the phone, please contact our customer service department at: 1-800-xxx-xxxx.

If you have any questions regarding your account, or require additional information, you may reach a representative at (xxx) xxx-xxxx. between the hours of 8:00 am and 5:00 pm, Monday through Friday.

In the event that your payment has crossed this letter in the mail, please accept our apologies and disregard this notice.

Thank you

<<emp_name>>
Customers Sales Representative

Document Name: Sample_Dunning_Notice_B.dot

DATE OF NOTICE: February 18, 2016
Account # «cust_id»

«cust_name»
«cust_add»
«cust_add2»
«cust_city», «cust_state» «cust_zip»
«cust_phone»

Dear: «cust_cont»

Your account «**cust_id**» is now past due in the amount of «**pdue**». The total balance on your account is «**ttotal**». If you have not already done so, please remit payment at your earliest convenience..

In the event that your payment has crossed this letter in the mail, please accept our apologies and disregard this notice.

If you have any questions about your bill, please feel free to give me a call at (xxx) xxx-xxxx.

Sincerely,

«**emp_name**»
Customers Sales Representative

Document Name: Sample_Dunning_Notice_D.dot

Over Credit Limit Sample Notice

Your Company Name
Your phone number
Company Address
City, State Zip

Account # «cust_id»

DATE OF NOTICE: February 18, 2016

«cust_name»
«cust_add»
«cust_add2»
«cust_city», «cust_state»«cust_zip»

Dear «cust_cont» :

Your account «cust_id» has exceeded your credit limit. Although your account is still in good status, for us to deliver any more products payment must be made in full. Your account balance is currently \$«ttotal» and your credit limit is \$«cfin_crlim». After payment is received, your account will be taken off credit hold and services will be rendered.

Our records indicate that your last payment was submitted on «cfin_lpdatt» for the amount of \$«cfin_lpdamt». Please call our accounting department to make payment arrangement or to pay over the phone by credit card.

If you have any questions regarding your account, please call us at (xxx) xxx-xxxx.

Sincerely,

«emp_name»
Customer Sales Representative

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