

Chapter 3.12: End-of-Month Procedures

Overview

This chapter describes essential month-end procedures as well as other items that may be useful to your company as you create and follow a monthly routine. Provided (at the end of this document) is a checklist that you can use as a template for your own procedures. Using a checklist will help you stay on task and avoid problems once you have established your routine.

It may take several months before you discover a routine that works perfectly for you. In this chapter we will address three distinct topics:

- ▶ Processes
- ▶ Reports
- ▶ Backup routines

It is important to have a standard routine that you follow each month to eliminate time-wasting problems.

If additional help is needed with your end-of-month procedures, contact Advantage Route Systems.

Processes

“Month End Close” needs to take place in order to reset accounting totals, archive customer history, and perform various critical operations. This is also the time to print out critical reports that are needed on a month-to-month basis. There are several steps and processes that you need to go through to complete this successfully. This section will define the major items and why you need to do them.

As you read about these processes, it is a good idea to have a copy of your checklist — located at the end of this chapter — in front of you so you can easily follow it and add to it as needed. You can also cross off any of the suggested items that are not important to you. As you complete this section, you will end up with your own Month-End Checklist that has been tailored to suit your needs. With this, you can refine and update the checklist as required to fully meet the needs of your business as it changes and grows.

Finish all batches (Post all current invoices)

If you have any route data that has not been posted or mail payments that are not in for the current period, you will want to do this first. Clean up all field work before you start the month-end procedures.

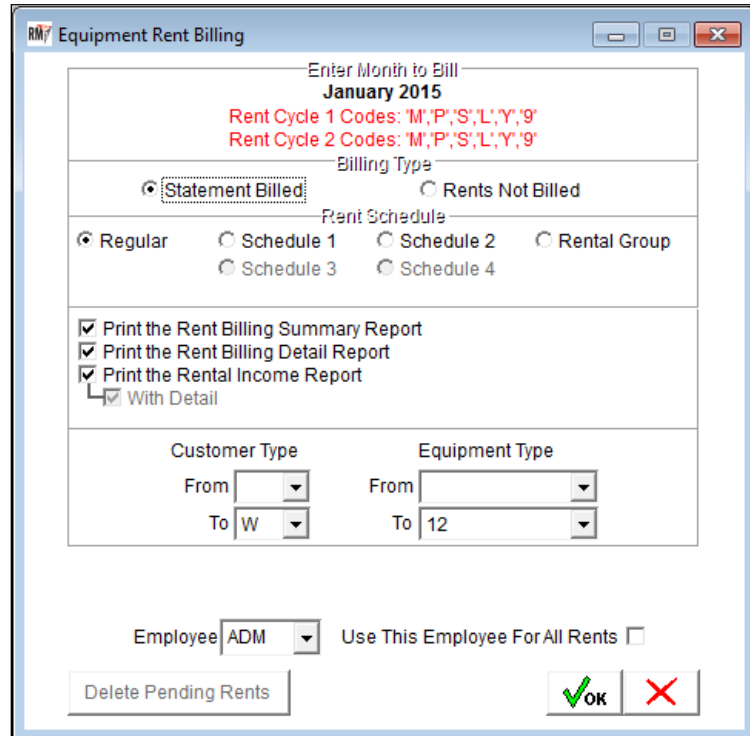
NOTE: Before continuing with the month-end procedures, the module date should be set to the last day of the period you are closing. This is very important if, for any reason, you are not posting on the last working day of the month.

Backup your data

A good backup is not only important, it is essential if something goes wrong. It is a good idea to put a note in the “Comments” section of the backup screen for reference. *See the Backup Routines section on page 11 in this document for additional info.*

Generate Rents not billed

Generating “Rents Not Billed” as opposed to “Statement Billed” will ensure all customers receive their monthly rental charge, no matter if they are statement billed or handheld billed. If they haven’t been billed this period—and are supposed to be—this option will bill both desktop and handheld billed accounts that qualify. This is quite handy if some of the handheld billed customers did not receive a rental charge for the month.



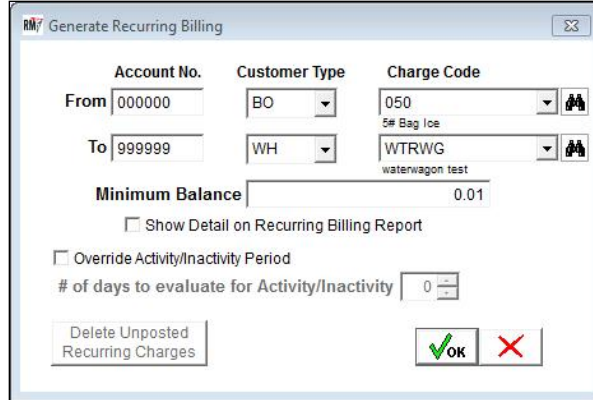
Post Rents

After generating rents, verify that the totals and number of customers are accurate from the “Rent Billing Summary” and “Detail” reports printed when the rent is generated. Once this information is verified, post the rental invoices.

NOTE: If you are prorating rentals, the totals on the report printout show the actual prorated totals (not the preview window).

Generate Recurring Billing Charges

If you charge customers a “Recurring Charge” for statement postage or any other reason, you will need to use this option.



RM7 Generate Recurring Billing

Account No. From: 000000 To: 999999

Customer Type: BO (selected), WH (dropdown)

Charge Code: 050 (# Bag Ice), WTRWG (waterwagon test)

Minimum Balance: 0.01

Show Detail on Recurring Billing Report

Override Activity/Inactivity Period

of days to evaluate for Activity/Inactivity: 0

Buttons: Delete Unposted Recurring Charges, OK, X

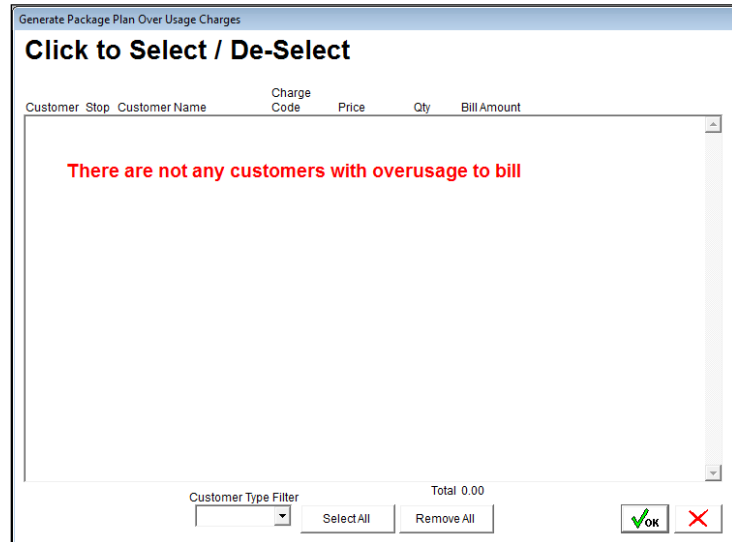
Post Recurring Billing Charges

Verify the amounts generated and post the new “Recurring Fee” invoices.

Generate Over-Usage Charges (Package Plan Module)

If you are using the “Package Plan” module, it is necessary to bill your customer’s over-usage charges at the end of every month. This option will bill customers for any items designated in the plan that exceeded — and were not billed — their allotted quantities.

Modules > Package Plans > Over Usage Charges



Generate Package Plan Over Usage Charges

Click to Select / De-Select

Customer	Stop	Customer Name	Charge Code	Price	Qty	Bill Amount
There are not any customers with overusage to bill						

Customer Type Filter: [Dropdown] Total: 0.00

Buttons: Select All, Remove All, OK, X

Post Over-Usage Charges

Verify the amounts generated and post the new over-usage charges.

Calculate Monthly Charges (Package Plan Module)

If you are using the “Package Plan” module, it is necessary to bill monthly charges at the end of every month. The accounts that should be billed will automatically appear in the screen. Click “OK” to generate a report and the Package Plan invoices.

Generate Package Plan Charges

Generate Package Plan Charges For:
12/01/2014 - 12/31/2014

Click to Select / De-Select

Customer	Stop	Customer Name	Plan Code	Description	Last Billed	Bill Amount		
080002	01	MAYAN RESORT	PLANB	planb	/ /	25.000	YES	
000004	01	PRO CAL CONSTRUCTION	PLANA	Package Plan A	06/10/2011	30.000	YES	
000006	01	FISCALINI CHEESE COMPAN	PLANA	Package Plan A	06/10/2011	30.000	YES	
000011	01	RUSTY DEARDORFF	PLANA	Package Plan A	06/10/2011	30.000	YES	
001256	01	ANA MANCINI	PLANA	Package Plan A	06/10/2011	30.000	YES	

Count: 5 Total: 145.00

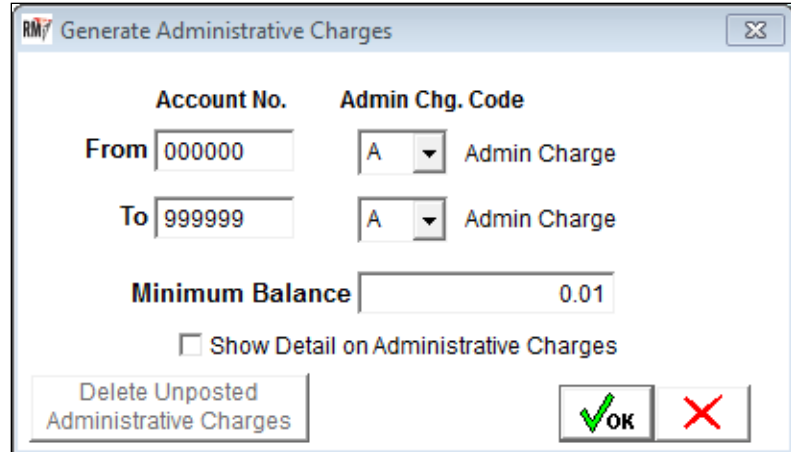
Customer Type Filter:

Post Monthly Package Plan Charges

Verify the amounts generated and post the new monthly Package Plan charges.

Administrative Charges

Use this option if you bill your customers an administrative charge or “Convenience Fee”. You can enter a minimum balance on the screen to keep the system from generating a charge on accounts with balances less than the amount entered.



The screenshot shows a software window titled "Generate Administrative Charges". It contains the following fields and controls:

- Account No. From:** Text box containing "000000"
- Account No. To:** Text box containing "999999"
- Admin Chg. Code:** Two dropdown menus, both set to "A". The first is labeled "Admin Charge" and the second is also labeled "Admin Charge".
- Minimum Balance:** Text box containing "0.01"
- Show Detail on Administrative Charges:** An unchecked checkbox.
- Buttons:** "Delete Unposted Administrative Charges", "OK" (with a green checkmark), and "X" (with a red X).

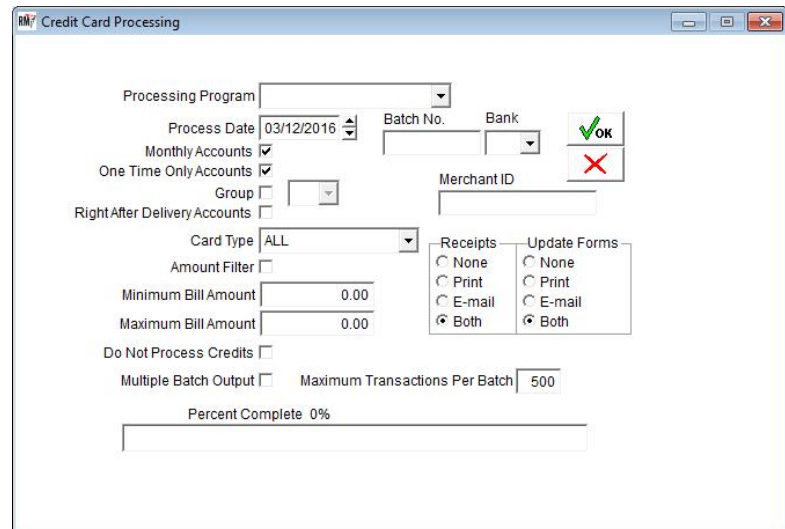
Post Administrative Charges

Verify the amounts generated and post the new administrative charge invoices.

Generate Credit Card Payments

If you process monthly credit card payments, you will want to do them at this time. This may eliminate the need to send statements and certainly can avoid late charges billed to your customers.

Transactions > Payments > Credit Cards > Process



The screenshot shows a software window titled "Credit Card Processing". It contains the following fields and controls:

- Processing Program:** A dropdown menu.
- Process Date:** A date field set to "03/12/2016".
- Batch No.:** A text box.
- Bank:** A dropdown menu.
- Merchant ID:** A text box.
- Monthly Accounts:** A checked checkbox.
- One Time Only Accounts:** A checked checkbox.
- Group:** A dropdown menu.
- Right After Delivery Accounts:** An unchecked checkbox.
- Card Type:** A dropdown menu set to "ALL".
- Amount Filter:** An unchecked checkbox.
- Minimum Bill Amount:** A text box set to "0.00".
- Maximum Bill Amount:** A text box set to "0.00".
- Do Not Process Credits:** An unchecked checkbox.
- Multiple Batch Output:** An unchecked checkbox.
- Maximum Transactions Per Batch:** A text box set to "500".
- Receipts:** Radio buttons for "None", "Print", "E-mail", and "Both". "Both" is selected.
- Update Forms:** Radio buttons for "None", "Print", "E-mail", and "Both". "Both" is selected.
- Percent Complete:** A progress bar showing "0%".
- Buttons:** "OK" (with a green checkmark) and "X" (with a red X).

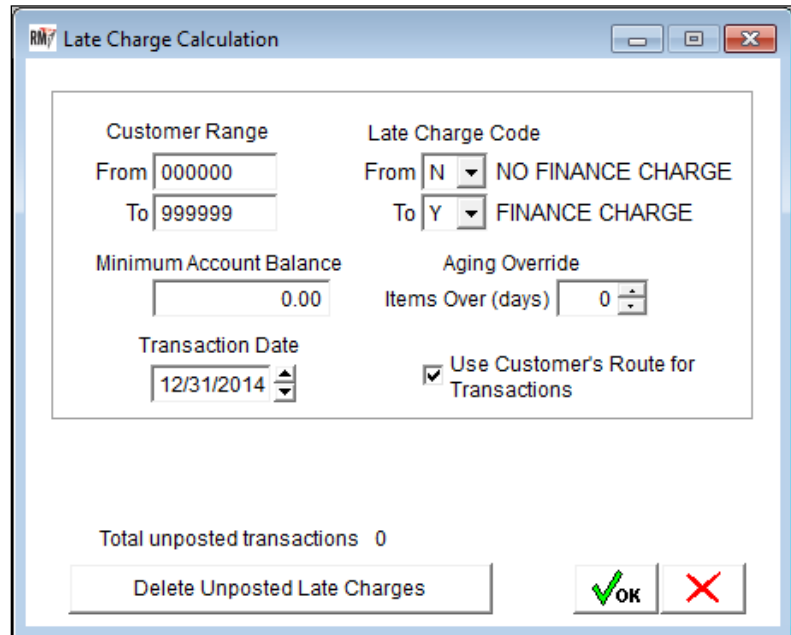
Post Payments

Once you have imported the credit card payments and verified the totals, Post the new credit card payments.

Generate Late Charges

This option is used for processing "Finance Charges" or "Late Fees" on your customer's accounts. You can

enter a minimum balance on the screen to keep the system from generating a late charge on accounts with balances less than the amount entered.



RM7 Late Charge Calculation

Customer Range
From 000000
To 999999

Late Charge Code
From N NO FINANCE CHARGE
To Y FINANCE CHARGE

Minimum Account Balance
0.00

Aging Override
Items Over (days) 0

Transaction Date
12/31/2014

Use Customer's Route for Transactions

Total unposted transactions 0

Delete Unposted Late Charges

OK X

Post Late Charges

Verify the amounts generated and post the new late charge invoices.

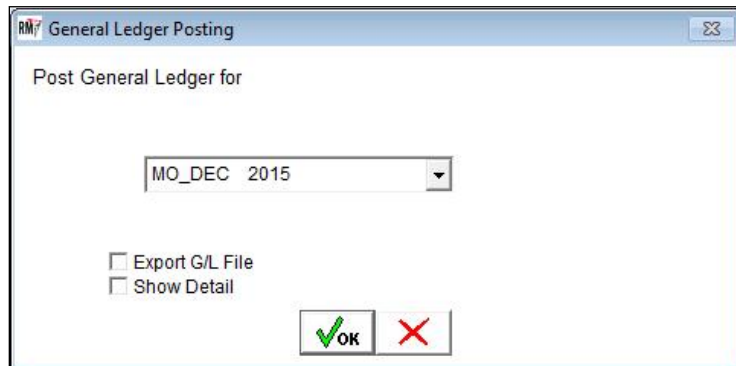
NOTE: Should you ever run into a problem with Rentals, Recurring Charges, or Late Charges after they have already been generated, you can go back into each screen and choose the option "DELETE UNPOSTED CHARGES" to save time deleting each one individually.

Print Month-End Reports

Refer to *Reports* in the next section and the *Month-End Checklist* at the end of this document for further detail.

General Ledger Postings Report

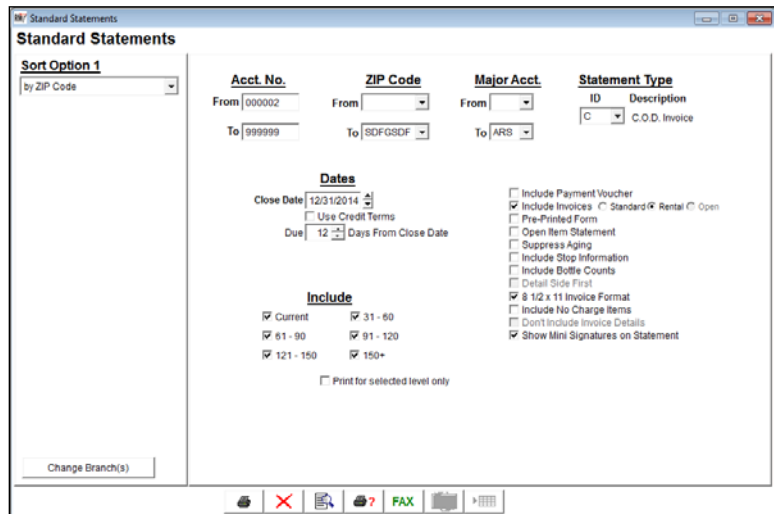
This function creates a G/L Posting from your Accounts Receivable transactions. You will receive a summary and detail report for the current period which includes all general ledger posted totals. This report is important for the accounting department to use for third-party accounting programs such as QuickBooks or Peachtree. It is important to review the *General Ledger Postings* report and make sure it is in “balance” before you proceed.



Customer Statements

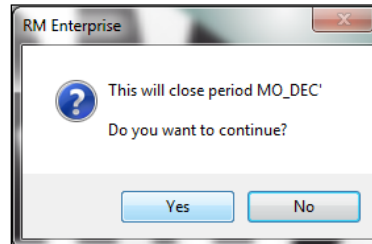
There are many statement options available within Route Manager (refer to User Guide B). Statements should be setup prior to this step under *Lists > Customer Setup Codes >* and *Statement Codes*. Depending on how you set up your system, you may need to repeat this step two or three times for each type of statement you use (e.g., E-mail, Matrix, In-house). Repeat as needed.

Reports > Statements > Standard Statements



Close Period

This is one of the last and most crucial steps of the process. While it is fairly simple to do, it is extremely difficult to recover from if things go wrong, because so many data files are affected. This is why timing is everything and data-backups are so important.



During this process, the following activities take place:

- ▶ **Automated Backup:** A backup will automatically be created during 'Close Period' unless you have not specified the backup directory. For further information on the auto-backup function, refer to "Backup Routines" on page 11 in this document.
- ▶ **Customer file:** The customer's aged balance is updated.
- ▶ **Invoice file:** All monthly invoices are copied to a history file and the monthly invoice file is cleared.
- ▶ **Payment File:** All monthly payments are copied to a history file and the monthly payment file is cleared.

Process first batches for new month

Once the period is closed, you are now ready to start postings again for the next month. While it is possible to delay the month close for several days – new transactions for the next month are simply held until they are ready. It is advisable to complete this process as quickly as possible. Keeping several days of un-posted transactions in your system is generally not a good idea.

Reports

Most reports are run after all of the month-end processes have been completed. Each organization will find some reports more useful than others. On the checklist provided at the end of this chapter, you will find some reports listed that many companies find useful. In the Route Manager program, you will find over 100 reports that you can use to evaluate various phases of your business and use in making executive decisions.

At month-end, you will want to run several of these reports so they can be part of your permanent records. Some reports can only be generated from data in the current month. **It is essential that you run these before you close your period.**

As you determine the reports that you like and use the most, you will want to add their names to the checklist. It is also a good idea to include the options for each report so you can run them in the same manner each time, to remain consistent. It is a good idea to take a screen shot of the report entry screen (and even a sample of the first page of the output) to save with your records so there is no misunderstanding as to how to generate the report.

Saving Paper

Instead of generating a small mountain of paper during each month-end, you may find it more beneficial to convert the reports to a .pdf file. This is a standard format to be read by a PDF Viewer. You would be creating an “electronic” version of the data that cannot be altered. If you are careful how and where you save the files, they can be as safe as a paper copy, and more convenient. They can be retrieved if you need them for an audit or other purposes.

If you think this could help your company, you will need to install the software and printer needed to create PDF reports and decide where to store the files. You may also want to come up with a consistent naming convention for the files so you can easily find them in the future.

NOTE: Refer to the supplemental document: “Custom Forms and PDF files” for further information on creating PDF reports.

Backup Routines

Another essential part of the month-end process is backing up your data. This is necessary to help prevent an unforeseen disaster if your hard drive crashes or otherwise becomes unusable. It can also serve to help make data accessible after the period close. All of the backup routines available are discussed in this section.

Within Route Manager

You can backup the data using a built-in backup routine within Route Manager. If you would like to do this, follow the steps below:

- ▶ Go to *File > Local Settings* you will need to indicate where to create the backup file (on the *Directories* tab).
- ▶ Go to *File > Backup/Restore > Backup Data Files* to create a backup. Be sure to enter a note like: “Before Month Close.” This will help you identify the data in case you need to restore it.
- ▶ Remember the file name: whenever you use the Route Manager backup utility, it creates a file “RM2KD.zip”. The data that is backed up into this file is located in the RMA\Data directory. If you choose to have more than one backup copy, the files will be named: RM2KD2.zip, RM2KD3.zip, etc.

Outside of Route Manager

At a bare minimum, just prior to starting the month-end process, you will want to manually create a backup copy. This can be done by copying the data to another hard drive on your network, making a tape backup, or copying to more permanent media such as:

- ▶ CD-ROM
- ▶ DVD
- ▶ Removable Drive
- ▶ Zip Disk

All of the data within the program is stored in the “Data” folder that generally resides within the Route Manager folder — your company may use a different folder name for the program, make sure you choose the correct one.

If you find you typically use the data frequently after you make a backup, then it would be good idea to have it accessible on the network.

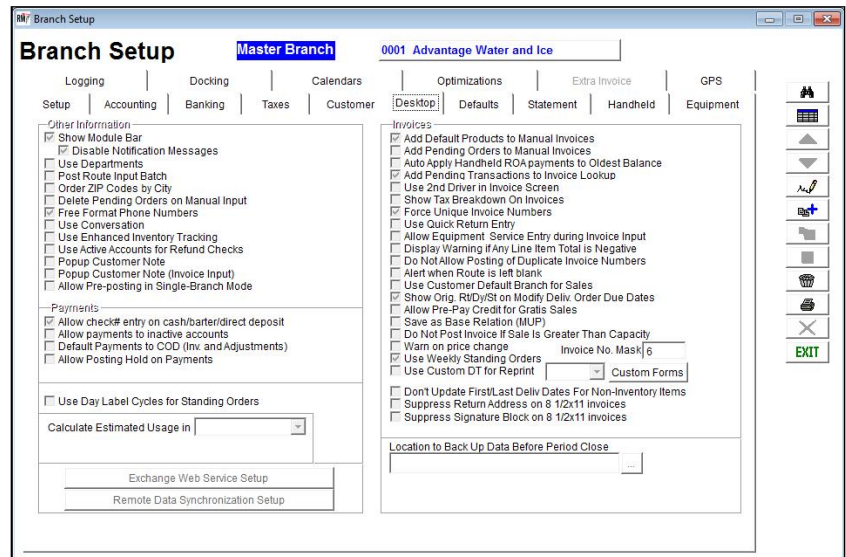
If you typically make a backup and never use the data again, except for a full-blown emergency, CD’s, tapes, or other media may be adequate.

Functional Backup Copy

If you find that you never have time to run all of your reports and need to keep going back to your data, then you may find it useful to make the data more accessible by creating a complete backup of the software in a separate directory. In addition, you will want to have an icon available to users to make it easy to access this data. In order to be able to access a backup copy of the program, all of the files and folders associated with RMA must be copied to a second directory.

Automated Backup

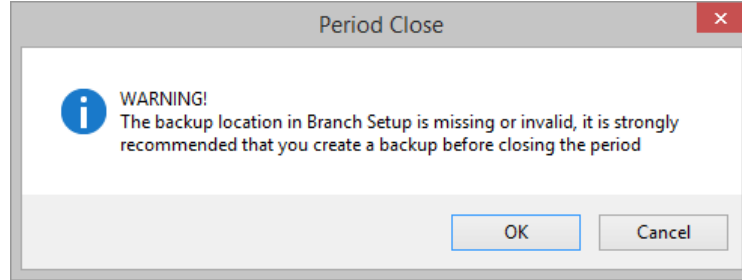
A backup will automatically be created after selecting the “Close Period” option — unless a month-end backup directory has not been established under *File > Branch Setup > Desktop* tab (below). Enter the location to create and store the backup in.



The automated backup uses a simple naming convention based on the month and year and will store all of your month-end backups in the directory established.

NOTE: It is important to create backups externally as well as internally. If the computer fails, it will be extremely important to have a backup on some form of external media.

If the directory is left empty, the following will be displayed when selecting the “Close Period” option:



NOTE: It is strongly recommended to establish the backup directory within *Branch Setup* before proceeding.

Month-End Checklist

The Month-End Checklist lists the steps to follow during the month-end process. Please use it as a guide for successful month-end closing. You can copy this checklist into Word or Excel (any document editor) and customize it to meet your needs. Always update the checklist with new reports or processes that you regularly do for month-end so that it is up-to-date.

Date:	Time:	Who:	Month End Processing Checklist	Refer:
			1. Post last batch of regular Transactions	
			2. Back-up Data Files	
			3. Generate Rent Charges/Rents Not Billed / Post Rentals	
			4. Generate Recurring Billing Charges/ Post Charges	
			5. Generate Over-Usage Charges (Package Plan Only) / Post Charges	
			6. Generate Monthly Package Plan Charges (Module) / Post Charges	
			7. Calculate Administrative Charges / Post Charges	
			8. Calculate Credit Card Payments / Post Payments	
			9. Calculate Late Fees / Post Charges	
			10. Print Monthly Reports: <ul style="list-style-type: none"> ▶ Business Pulse Report ▶ Aging Analysis ▶ Sales Detail Report ▶ General Ledger Posting Report ▶ Any other relevant reports 	
			11. Customer Statements	
			12. Close Period	
			Complete: Start next month's processing	

Summary

Month end is an important time. It is important to do these processes with exactness and keen awareness so that you do not make mistakes. Any mistake during this process can cause disastrous results. Take your time and ALWAYS use the checklist that you have created.

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Advantage Route Systems, Inc.

3201 Liberty Square Parkway

Turlock, CA 95380 USA

Phone: 1.209.632.1122

Web Site: www.AdvantageRS.com

Email: info@AdvantageRS.com

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