

A stylized logo graphic consisting of a dark grey line forming a right-angled triangle pointing upwards and to the right, with a white line extending from the right angle, also pointing upwards and to the right.

STONERIDGE CONNECT

2018 Client Conference



Reducing AR Expense



About the Speaker

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Agenda

- Background
- Accounts Receivables Expense
 - What's Costing you \$\$ today?
 - ACH Payments
 - Credit Cards
 - Checks
 - Wires
 - Preferred Payment Method
- Personalization
- Next Steps

Background

- Sr. Billing & Collections Manager
 - \$220 Million in Revenue
 - 30,000+ Invoices & payments per month
 - Mix of low & high value receivables
 - Multi-currency
 - Start-up to Enterprise client-base
 - Variety of billing models

Accounts Receivables Expenses

- What's costing you \$\$ today?
 - When was the last time you looked at expenses specific to Accounts Receivables?
 - What type of expenses are easiest control?
 - Bank Fees
 - Transaction Fees.....All the Transaction Fees.....
 - Inefficient Staff Time

Automated Clearing House Payments

- Do you have clients paying by ACH?
 - I found this to be the lowest cost payment method across clients for recurring receivables
 - How do I do this in NAV or Business Central?

Customer Card – Bank Account

01905899 · Elkhorn Airport

General

No.: 01905899
Name: Elkhorn Airport
Balance (\$):
Balance Due (\$):
Credit Limit (\$):
Blocked:
Document Sending Profile:

Address & Contact

Address
Address: 105 Buffalo Dr.
Address 2:
City: Elkhorn
State: MB
ZIP Code: ROM 0N0
Country/Region Code: CA
[Show on Map](#)

Invoicing

Customer:
Tax Registration No.:
GLN:
Tax Liable:
Tax Area Code: *
Tax Identification Type: Legal Entity
Tax Exemption No.:

Payments

View - Customer Bank Account List - 01905899 · Elkhorn Airport

CRONUS USA, Inc. ?

Code Name
DEMO ACH

New - Customer Bank Account Card - 01905899 · DEMO ACH · NATALIE'S BANK

CRONUS USA, Inc. ?

01905899 · DEMO ACH · NATALIE'S BANK

General

Code: DEMO ACH Phone No.: 763-444-4444
Name: NATALIE'S BANK ZIP Code: 55125
Address:
Address 2:
City: St. Paul
State / ZIP Code: MN
Country/Region Code: US
Bank Branch No.:
Bank Account No.: 25412694132549
Transit No.: 123456789

Communication

Transfer

Bank Code:
SWIFT Code:
IBAN:
Bank Clearing Standard: FedwireRoutingNumber
Bank Clearing Code:

OK

- Collect Customer Bank Name, ABA (Routing) number and Account Number
- Collect Banking details for Wire Transfer (helpful if you are receiving regular wires)

Cash Receipt Journal

Edit - Cash Receipt Journal - ACH-Automated Clearing House - US

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HOME ACTIONS NAVIGATE

Manage Process Prepare Posting History Send To Page

Batch Name: ACH

Posting Date	Document Type	Document No.	Account Type	Account No.	Description	Amount	Bal. Account Type	Bal. Account No.	App... (Yes...)	Applies-to Doc. Type	Applies-to Doc. No.
4/26/2018	Invoice	20180426-ACH-001	Customer	01454545	New Concepts Furniture	-50,000.00	G/L Account		<input checked="" type="checkbox"/>	Invoice	G00003
4/26/2018	Invoice	20180426-ACH-002	Customer	10000	The Cannon Group PLC	-52,169.68	G/L Account		<input checked="" type="checkbox"/>	Invoice	00-16
4/26/2018	Invoice	20180426-ACH-003	Customer	49633663	Autohaus Mielberg KG	-6,271.95	G/L Account		<input checked="" type="checkbox"/>	Invoice	103010
4/26/2018		20180426-ACH-004	Bank Account	WWB-OPER...	World Wide Bank	108,411.52	G/L Account		<input type="checkbox"/>		

Incoming Document Files

Attach File

Name	Type

- Save SEPARATE Cash Receipt Journals by payment method
- Strongly encourage the following:
 - Standard Document Number Format like 20170501-ACH-001
 - Copy & Paste from Excel to NAV/Business Central

Credit Card Payments

- Do you have clients paying by Credit Card?
 - Most Customers expect the ability to pay by credit card
 - Payments into NAV
 - ISV
 - Integration
 - Manual

Manually Recording Credit Card Payments

Edit - Cash Receipt Journal - CREDITCARD-CreditCard Payments

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HOME ACTIONS NAVIGATE

Delete Incoming Document Apply Entries... Reconcile Card Insert Conv. \$ Rndg. Lines Post Post and Print Test Report... Ledger Entries Email as Attachment Microsoft Excel Refresh Find

Batch Name: CREDITCARD

Posting Date	Document Type	Document No.	Account Type	Account No.	Description	Amount	Bal. Account Type	Bal. Account No.	App... (Yes...)	Applies-to Doc. Type	Applies-to Doc. No.
4/26/2018	Invoice	20180426-VISA-001	Customer	01454545	New Concepts Furniture	-50,000.00	G/L Account		<input checked="" type="checkbox"/>	Invoice	G00003
4/26/2018	Invoice	20180426-VISA-002	Customer	10000	The Cannon Group PLC	-52,169.68	G/L Account		<input checked="" type="checkbox"/>	Invoice	00-16
4/26/2018	Invoice	20180426-VISA-003	Customer	49633663	Autohaus Mielberg KG	-6,271.95	G/L Account		<input checked="" type="checkbox"/>	Invoice	103010
4/26/2018		20180426-VISA-004	Bank Account	WWB-OPER...	World Wide Bank	108,411.52	G/L Account		<input type="checkbox"/>		

Incoming Document Files

Attach File

Name Type

- When is this effective?
 - Smaller Volume
 - Payment Plans

Credit Card Payments

- Payment Processor & Payment Gateway
 - Are you sending Level III data?
 - When was the last time you shopped rates?
 - What are your “all in rates” – thinking about the end-to-end transaction?
 - How are you performing reconciliations?
 - Daily or Weekly
 - How are you managing disputes?

Credit Card Disputes

- Recurring Journal
- What's the next step after the financial transaction is recorded?
- Filtered list view saved in NAV/Business Central to show open receivables? Block customer due to credit hold?

Check Payments

- Do you currently process checks by hand (manual entry and physical bank deposit)?
- Lockbox services
- Copy & Paste from Excel

Check Deposit

Edit - Deposit - BDEP01002 (DEFAULT) CRONUS USA, Inc. ?

HOME ACTIONS NAVIGATE REPORT

View Edit New Delete Manage Post... Post and Print... Deposit Test Report OneNote Refresh Clear Filter Go to Process Report Show Attached Page

BDEP01002 (DEFAULT)

General

No.: BDEP01002 ... Difference: 7,707.31

Bank Account No.: WWB-OPERATING Posting Date: 4/26/2018

Total Deposit Amount: 60,000.00 Document Date: 4/26/2018

Total Deposit Lines: 52,292.69

Lines

Functions Line New Find Filter Clear Filter

Account Type	Account No.	Description	Document Date	Document Type	Document No.	Credit Amount	Applies-to Doc. No.	Applies-to Doc. Type	Amount	Applies-to ID
Customer	01905899	Elkhorn Airport	4/26/2018	Payment	001201	123.00	103032	Invoice	-123.00	
Customer	30000	John Haddock Insurance Co.	4/26/2018	Payment	1059745	52,169.69	00-4	Invoice	-52,169.69	

- Include leading zeros for check number

Check Payments

- Recurring Journal – NSF Checks
- What happens after an NSF Check?

Wire Payments

- Are you pulling this information from a bank statement? How often?
- Wires can be affordable for high value transactions – in many cases an \$8-\$25 inbound wire fee is less expensive than the comparable Credit Card fee (2.9%+)

Preferred Payment Method

- Establish a Preferred Payment Method
- Communicate within your organization
- Promote method of payment on sales orders/invoices & customer statements
- (shameless plug on my blog for invoice word document layout)

Personalization

- User Specific: Quick lists for customers in arrears
- User Specific: (shameless plug of Noelle's blog post [here](#))
- Shared: Recurring Journals – great way to set up journals to reduce errors when entering transactions (i.e. Monthly Bank Fees)

Next Steps

- Use great content from Jack's presentation to extract payment method & rates out of NAV
- Determine Preferred Method of Payment
- Communicate Preferred Method of Payment
- Create Journals per Payment Method
- Configure personalization & quick-lists for AR Staff
- Cross-shop for payment processors/gateways

Related Links

- ACH Payments: <https://www.nacha.org/ach-network>
- Level 2 vs. Level 3 data: <https://www.chargelogic.com/reduce-credit-card-processing-fees-for-business-to-business-and-government-sales>
- Noelle's blog post: <https://stoneridgesoftware.com/blog/>