How to:
# Create Billing Group for Contract With Retentions.

Overview

Billing Groups connects multiple orders for reporting and processing. A billing group must be used for Progress (Partial Billing) and percentage Billing, but orders can be can be grouped together simply for reference. When orders are in a billing group they are treated as units under a single header.

On large contracts, for example a new apartment block, the work may take several weeks or months to complete; you may want to generate progress claims each month for complete works through-out the project and; the main contractor may have retentions. Billing Groups is an excellent way of managing all of this.

Billing Group Options

To create a billing group, highlight the order, use the icon ![icon] and select Create New Billing Group
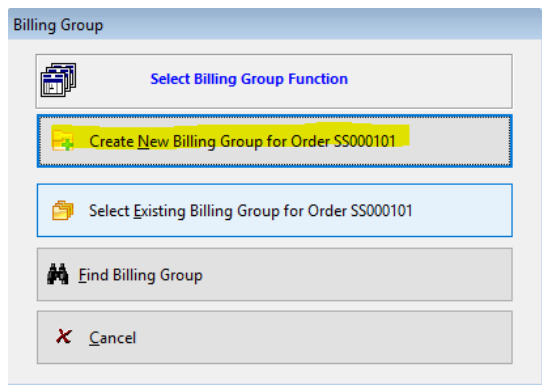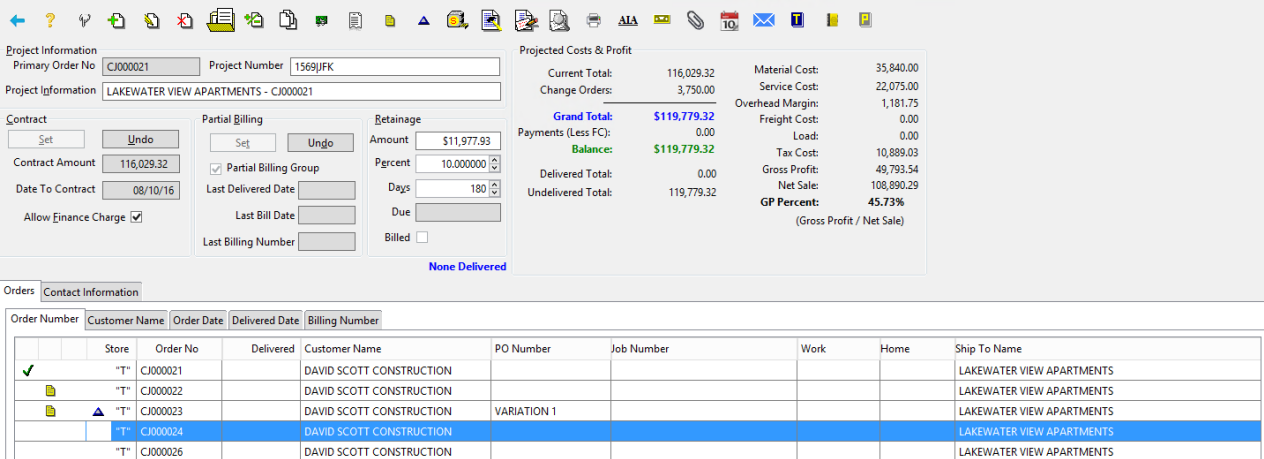

Create New Billing Group will create a new billing group for the highlighted order as the primary order.

Select Existing Billing Group – choose this option to add the current order to an existing billing group.

Find Billing Group – this option allows searching of particular billing groups by number and this will then store the order inside the billing group.

New Billing Group

Primary Order Number – this is the original invoice number. It is indicated in the list by a green tick or check mark.

Project Number – The Billing Group Number is displayed in this field. You have the ability to choose what goes here. One suggestion could be the customers' contract number for this project. Whatever you choose make it meaningful.

Project Information – Enter the name of the Billing Group. If not edited, the default Billing Group name will be "Billing Group for Invoice XXXX". This name will be shown on billing group related reports so it is recommended this name be something meaningful such as the name of the project. In this example I have chosen "Lakewater View Apartments – CJ00021" as this is where the work is being done. I have also included the Primary Order Number as this is useful to have as part of the project information when printing billing group reports.

Contract – Setting a contract permanently sets the contract amount and baseline. A contract date and amount are recorded. An Undo button is available in case the contract is set by mistake.

If a Billing Group is in Contract, a new order is added or an existing order is changed (other than change orders), and the Current Total for the billing group no longer equals the Original Contract Amount, then the Contract Amount, Current Total and Discrepancy Amount will display in bold red text.

In this example the contract is set for $116,029.32.

Allow Finance Charge – Select this option to allow a finance charge on the current billing group.

Partial Billing – Setting a billing group as a partial billing group allows billing notices to be generated and retainage (retention) to be added to the billing group.

Creating/Undoing Partial billing is done via buttons rather than a check box so these processes can be password protected.

Last Billing Number – shows how many billings have taken place in the billing group. This number will increase each time an order has been job costed and billed.

Retainage – A check box indicates retainage has been billed. Until retained has been billed, it will recalculate with changes in the billing group total.

The retainage can be changed either by entering the amount or the percentage. Editing one will cause the other one to automatically recalculate.

Amount – displays the total amount of retainage for this billing group

Percentage - Enter the percent of retainage held on this billing group and this will automatically calculate the amount.

Here in Australasia we are likely to swing between entering amount and percent depending on where we are in the contract as our retainage changes as the contract grows in revenue and, as the project draws to a conclusion.

Days – Enter the amount of retainage days for this billing group. If the days are left at zero the retainage will be automatically billed on the final bill.

After the retainage is due (all orders have been job costed and the retainage days are met), a bill button will become available. Click the button to create a retainage billing notice and change the status to Billed.

A report of retainage to be billed can be found in the report section of Order Entry (*Order Entry > Reports > Retainage Due).*

Projected Costs & Profit

This section allows viewing what has affected the job total. Any Change Orders (variations) and payments will display here. This information will be included on the Billing Notice

Current Total – total of all orders which are not change orders in the billing group.

Change Orders – total all the orders marked as change orders (variations).

Grand Total – is the grand total to be billed for all customers in a particular billing group. In a commercial contract this should be the contract amount plus all the variations.

Payments – this is where the sum of all payments made are recorded for the billing group.

Delivered Total – this is the total of all job costed orders within the billing group.
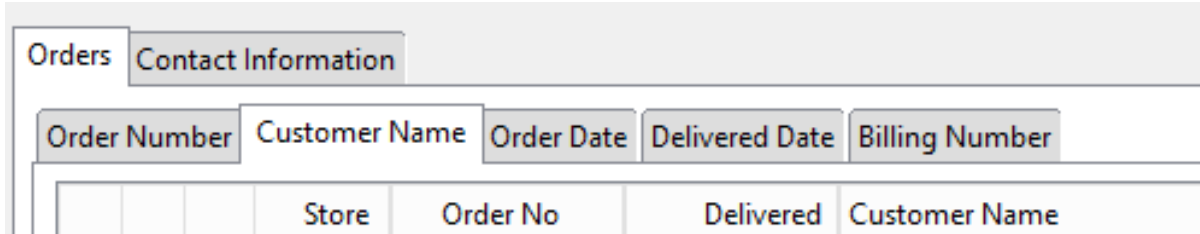
Undelivered Total – this is the total of all open orders, still to be job costed.

In addition, costs, GP dollars and percent can be seen.   Costs and GP are the sum of the costs and GP for each order in the billing group. These figures are estimated until all orders within the billing group is job costed.

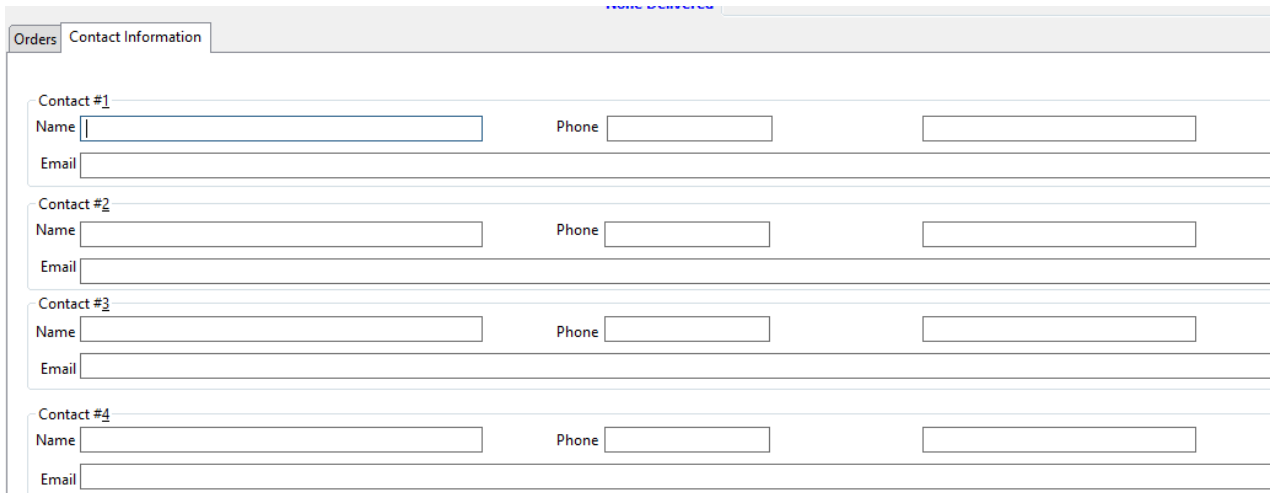# Create Billing Group for Contract With Retentions.

Viewing Orders

The billing group information can be sorted by clicking on the following tabs

Contact Information
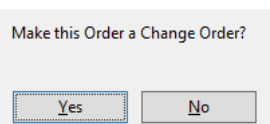
Contact details for the project can be entered using the contact information tab
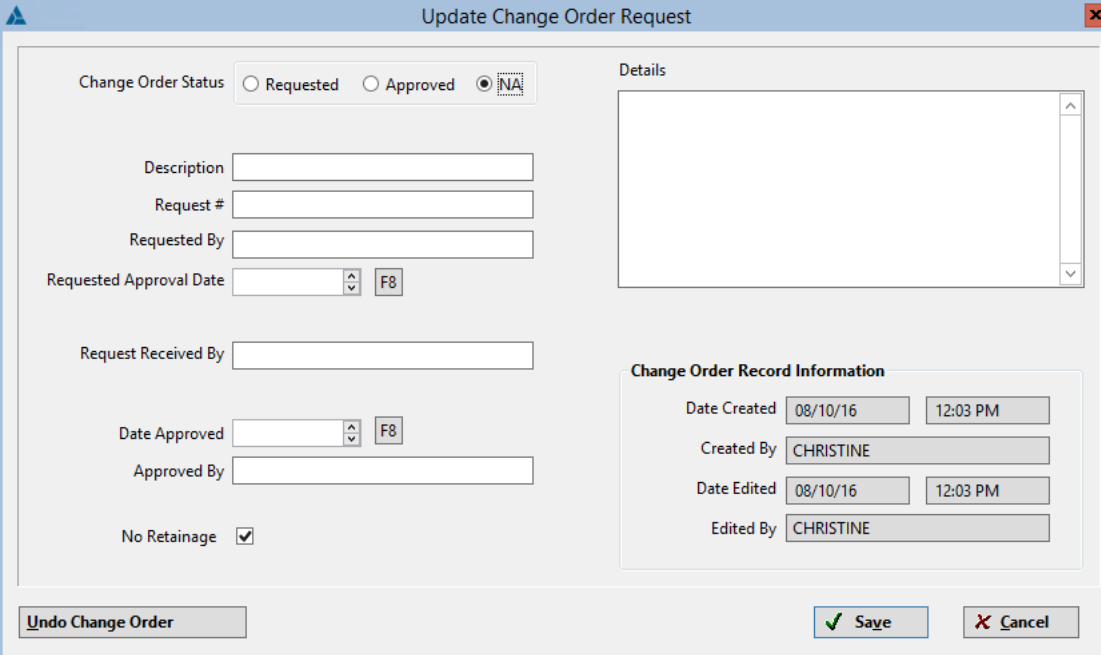

Change Orders

These are variations to the contract amount, known in Australasia as Variations. An order can be marked as a change order by clicking the change order icon in the menu bar

The sytem askes for confirmation   click yes and the following Change Order Request screen will appear allowing tracking of information regarding the change order request.

Change Order Status – Choose Requested, Approved or NA (not tracking change order information).

Description – Type a description (required field).

Request Number – Type in the Variation number if you have it or some other meaningful number.

Requested by – Type in the name of the person from your organisation requesting the variation.

Requested Approval Date – Type a date or use F8 to select date from the calendar. This is the date you have requested approval for the variation from the customer.

Request Received by – Type in the name of the person to whom you sent the variation request.

Date Approved – Type a date or use F8 to select date from the calendar. This is the date you received your approval.

No Retainage – check this box if retention is not to be calculated on this change order.

Details – use this field to type in any details of the change order you require.

Change Order Record Information - this records the user creating the change order and date and any time it is edited.

The change order button in the Billing Group brown will be red if the status is 'Requested" and blue if the status is "Approved" or "NA".

To undo a change order, click the change order button. On the update change order screen, click the Undo Change Order button. The system asks for confirmation.
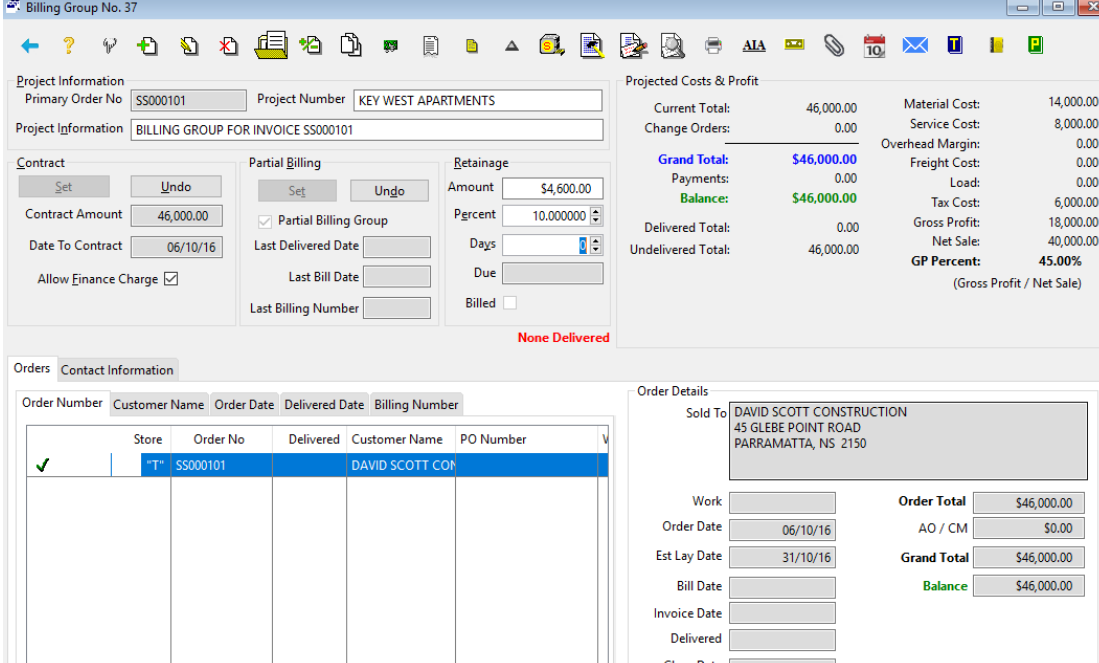
Partial Billing

Partial billing (progress claims) is designed to bill out sections of a job, as they are completed. For instance, a job for $46,000 has 200BLM of carpet and installation, to be installed into 10 units @ 20BLM per unit. Five units are to be installed in the 1st month with the balance in the 2nd month. At the end of the first month 100BLM of carpet and installation can easily be exported to another order and billed and job costed.

This feature allows for income and costs to be incrementally posted to your financial statements as each portion of the job is completed.

Partial Billing – How it Works

On completion of the first part of the contract, split and export 100blm carpet and install to a new order, this will automatically be inserted into the billing group. Job Cost the order as usual.

Print an invoice and Billing Notice.

This will show the value of the order with the retainage to be with-held.

CATS CARPET SUPER STORE
23 JOHNSTON STREET
ANNANDALE, NSW 2045
Telephone:

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SS000101

Billing Notice #1

Sold To	Ship To
DAVID SCOTT CONSTRUCTION	DAVID SCOTT CONSTRUCTION
45 GLEBE POINT ROAD	KEY WEST APARTMENTS
PARRAMATTA, NSW 2150	HARBOURSIDE.
	PARRAMATTA, NSW 2150

Original Contract Number	Telephone	Original PO Number	Contract Date
SS000101		BALANCE	06/10/16

Billing	Reference	Date	Purchase Order Number	Contract	Billed
None	SS000101		BALANCE	$23,000.00	$0.00
1	SS000102	30/10/16	FIRST 5 UNITS	$23,000.00	$23,000.00
				$46,000.00	$23,000.00

Previously Billed:	23,000.00
Current Billed:	0.00
Total Billed:	$23,000.00

Retainage (10.00%):	-2,300.00
Total Finance Charges:	0.00
Less Discounts:	0.00
Payments Received:	0.00
Current Due:	$20,700.00

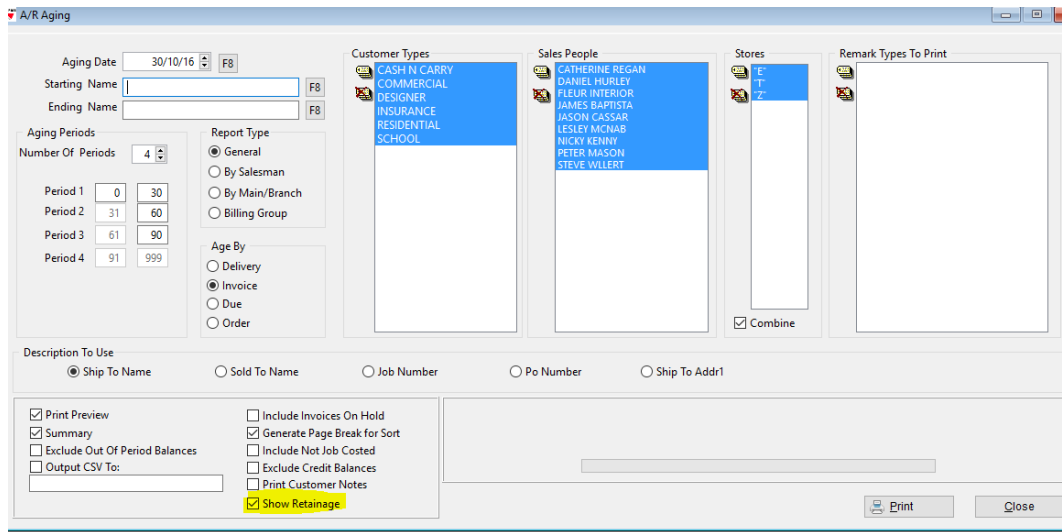06/10/16   11:20AM

Test Message for Header notes

Sales Representative(s):
LESLEY MCNAB

Process the $20,700 when received. The order details on the bottom right of the billing group show the highlighted order, whereas the Projected Cost & Profit on the top right show the contract in total details.

When an Ageing Report is created in the Accounting Module from the AR there is a check box to tick to show retainage separately from other debts.

Percentage Billing

Billing Groups allows for percentage billing, that is where you bill of a percentage of the order instead of on a line by line basis. When using the Percentage Billing feature, the portion to bill will be expired to a separate order within a billing group. This process puts a negative line(s) on the original order and creates lines on the new order showing the percentage billed amount.

RFMS Australasia strongly advise e-learning session to discuss and train percentage billing to avoid the errors others have made when using this feature therefore this feature is not discussed in this document.