Military Traffic Management Command (MTMC)

Transportation Financial Management System – MTMC (TFMS-M)

Standard Operating Procedures

Accounts Receivable

Version 1.0
September 30, 2002

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1. Accounts Receivable Overview

This document contains the Standard Operating Procedures (SOP) for the Accounts Receivable module of the Transportation Financial Management System – MTMC (TFMS-M). It is intended to provide summary instruction on accessing and using those features of the Accounts Receivable module that apply to users located at Headquarters MTMC.

The Defense Finance and Accounting System (DFAS) manages the bulk of the Accounts Receivable functions for MTMC, and MTMC personnel do not need access to that functionality. In the Accounts Receivable area, MTMC is responsible for the creation of new customer accounts, editing or updating customer accounts when needed, and running pre-defined reports. An ad-hoc query system exists within TFMS-M, but it is used only by data base administrators and is not discussed in this SOP.

2. Creating Customer Accounts

Before transactions with a customer can be posted to TFMS-M, that customer must have a record in the TFMS-M database. MTMC can become aware of a new customer through several ways. DFAS may notify MTMC of a new customer, or the customer information appears on a new Transportation Activity Code (TAC) listing or on a request to perform services (such as a Military Interdepartmental Purchase Request (MIPR)). Additionally, the new customer may be identified when a record posting was rejected by a TFMS-M feeder system (such as CAB or LRS) because the record cited a customer that was not in the database.

Each TAC is associated with only one customer. A single customer, however, may be associated with more than one TAC. It is important, therefore, to determine whether or not a customer identified on a new TAC is already associated with another TAC and is on file, or whether this customer has not yet been entered into the database.

2.1. Customer Identifying Data

To verify the presence or absence of this customer in the database, you must identify the payment method and the financial accounting station used by the customer.

2.1.1. Payment Method

There are, in general, three payment methods. These are IPAC (Integrated Payment and Collection), cross-disbursement, and check drawn. Look for the customer on the IPAC customers listing provided by DFAS. (This list is stored on the MTMC RMF public drive in the file RMSDOCS\TACADDRESS\IPAC.XLS.) If the customer is on that list, the customer payment type is IPAC. If not on this list, check whether the document indicates a customer Line of Accounting (LOA) or an accounting station. If either or both of these exist, the payment type is cross-disbursement. If the customer is not on the DFAS IPAC list and has neither an LOA nor an accounting station, then the payment type is check drawn.

2.1.2. Financial Accounting Station Code

After identifying the payment method, look up the station code in the CAB list of station codes. If there is a customer listed there with a name similar to the name of the customer in question, and the listed customer has the same payment method as the customer in question, assume that the listed customer is the same as the customer in question. Write the customer number on the TAC printout or MIPR. If there is no match, assume that the customer is a new customer and create a record.

2.1.3. Customer Identification Number

Each customer record has a unique Customer Identification Number. This is a 13 character alphanumeric string made up of the following elements.

Positions 1 - 2 are a two-digit numeric code identifying the service or agency of the customer. The code for the Army, for example, is 21. This can be found as the first two numeric characters of the customers Line of Account (following any leading alphabetic or special characters).

Positions 3 - 8 are a six digit Accounting Station Identification Code. Codes in the LOA for the Army consist of an "S" followed by 5 digits. Change the "S" to a "0" (zero) to obtain the 6-digit code. Codes in the LOA for the Navy are an "N" followed by 6 digits; for the Air Force, the codes are an "F" followed by 6 digits; and for the Marine Corps the code is an "M" followed by 6 digits. In each of these cases, drop the letter and use the 6 digits as the Accounting Station Identification Code. Other DOD activities use a 6-digit code with no leading alpha character. In this case, use the 6-digit number for the Accounting Station Identification Code.

Position 9 is always an underscore character (_).

Positions 10 – 13 are a type code and sequential number differentiating customers that have Customer Identification Numbers that are identical up to the point of the underscore. If the customer activity is related to cargo operations (i.e., is reported on a TAC), a "C" is placed in position 10 and positions 11 – 13 are used for the sequential numeric identifier. If the customer activity is cost-reimbursable (e.g., is reported on a MIPR), an "M" is placed in position 10 and positions 11 – 13 are used for the sequential numeric identifier. If the customer activity is reported on a MIPR that deals with cargo operations, place "CM" in positions 10 – 11 and use positions 12 – 13 for the sequential numeric identifier.

2.2. Standards and Abbreviations

In entering data, it is important to observe certain standards and conventions, particularly in abbreviations and punctuation. Failure to do so will complicate record retrieval later, and may result in duplicate records being created by minor variations in the data presentation.

The customer master is case-sensitive. Intel and INTEL, for example, are treated as two different customers. It is very important to enter all customer names in upper case and follow the provided naming standards:

Enter all customer names in uppercase	INTEL not Intel
Do not enter periods in between initials	AT&T not A.T.&T
Do not use "THE" as the first word in the customer name	DUBLIN GROUP not THE DUBLIN GROUP
Do not use periods at the end of abbreviations	ST not ST.

Use the following abbreviations:

Street	ST
Avenue	AVE
Boulevard	BLVD
Lane	LN
Court	CT
North	N
South	S
East	E
West	W
Building	BLDG
Company	CO
Corporation	CORP
Incorporated	INC
Suite	STE
Room	RM
Number	NO
Floor	FL
Limited	LTD

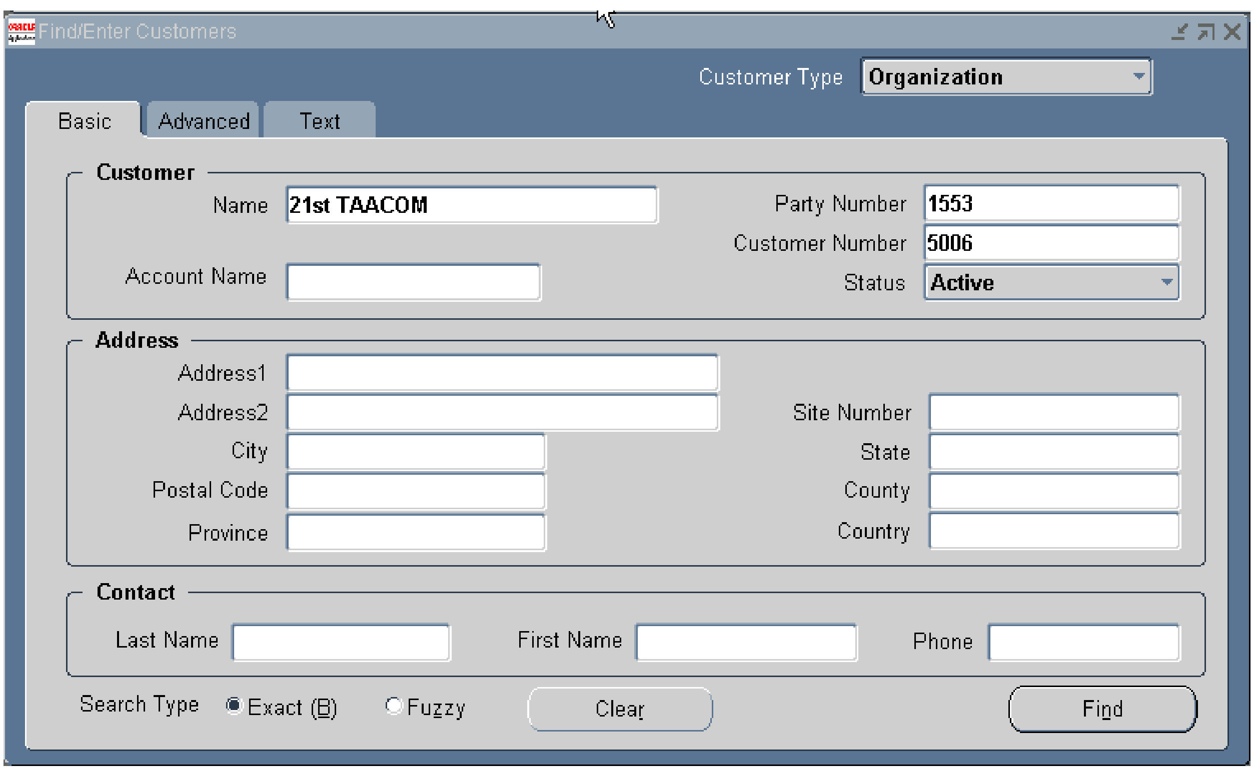
2.3. Create a new customer record

Customer records may be created using either the quick method or the standard method. The quick method lets you enter minimal basic information about the customer. The standard method enters all information. A record created with the quick method can later be expanded to include additional information by calling up the record under the standard method and adding the additional data. Both the quick and standard methods are described below.

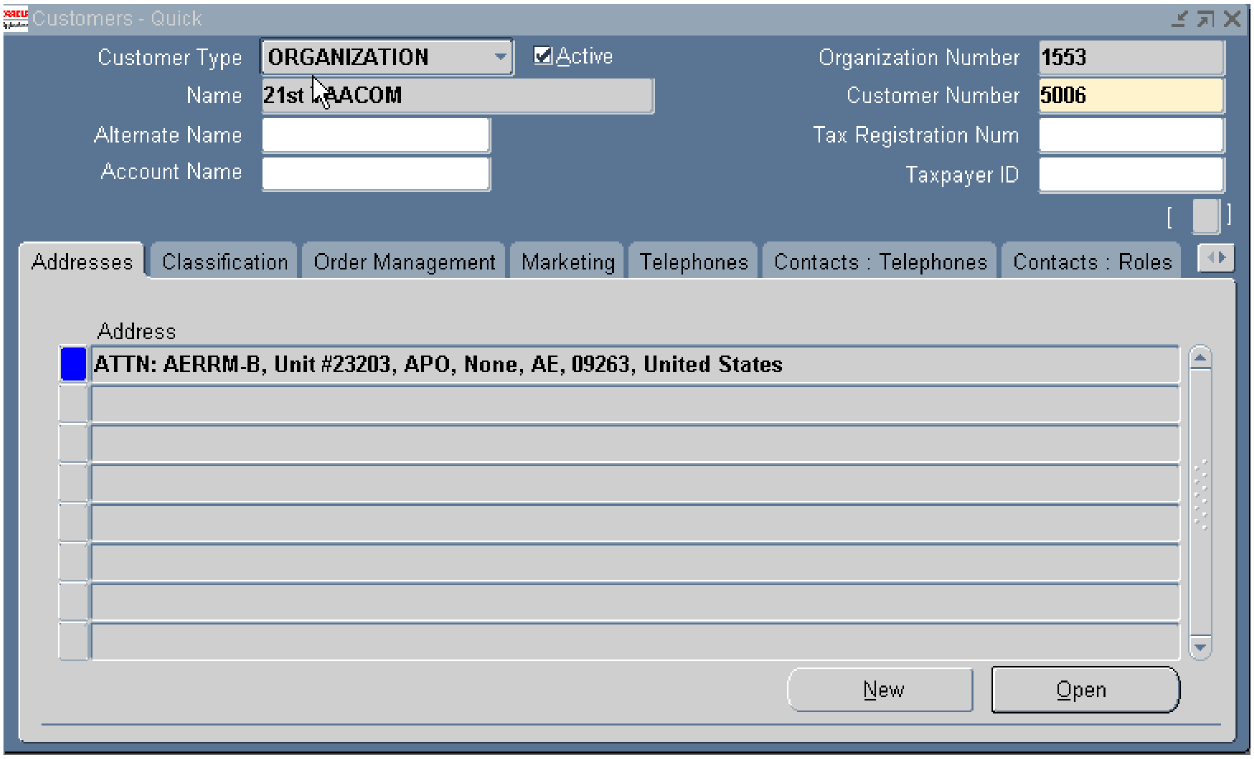
2.3.1. Enter a New Customer (Quick Customer Entry)

Use Quick Customer Entry to enter minimal customer information. More detailed information can be added later using Standard Customer Entry.

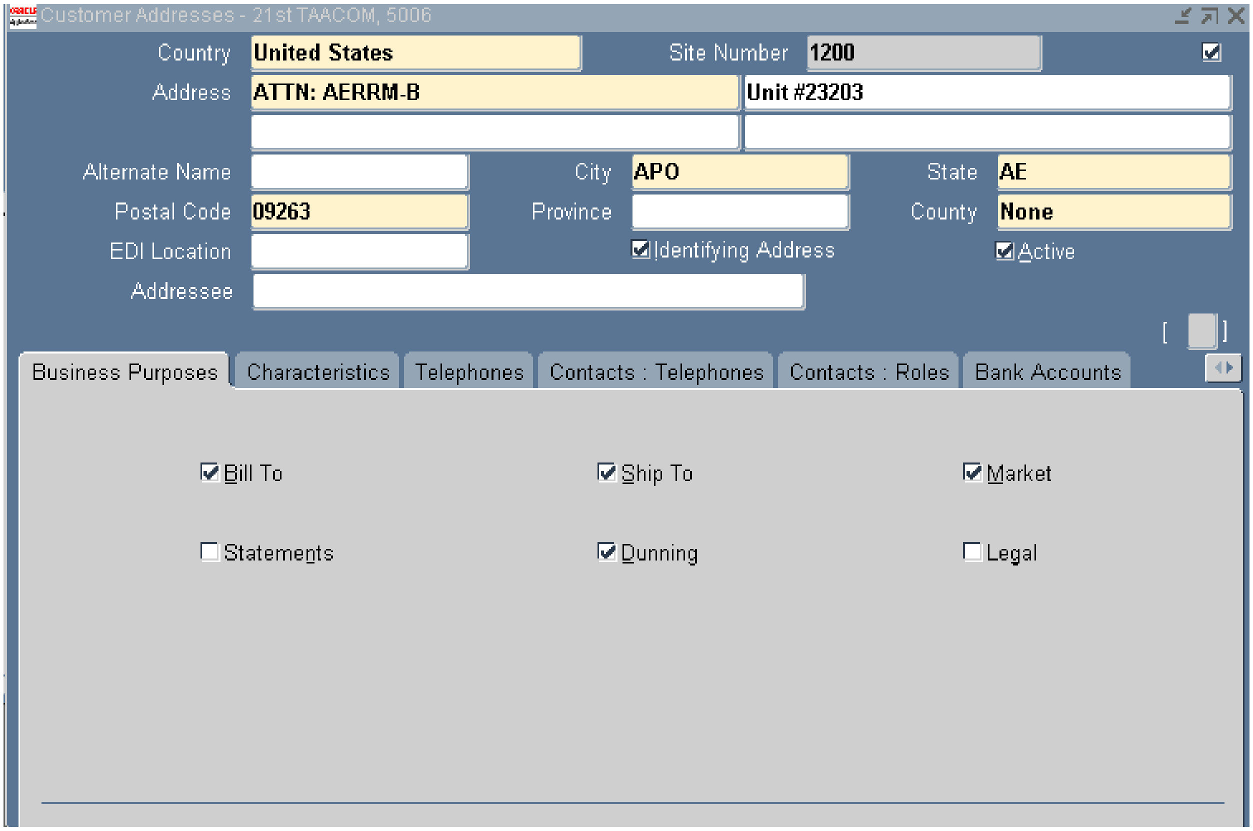
Go to the data entry screen by navigating to Customers, Quick, Find/Enter Customer.



2.3.1.1. Enter search information in the Find/Enter Customers window and click **Find**. The Customers – Quick window will appear.



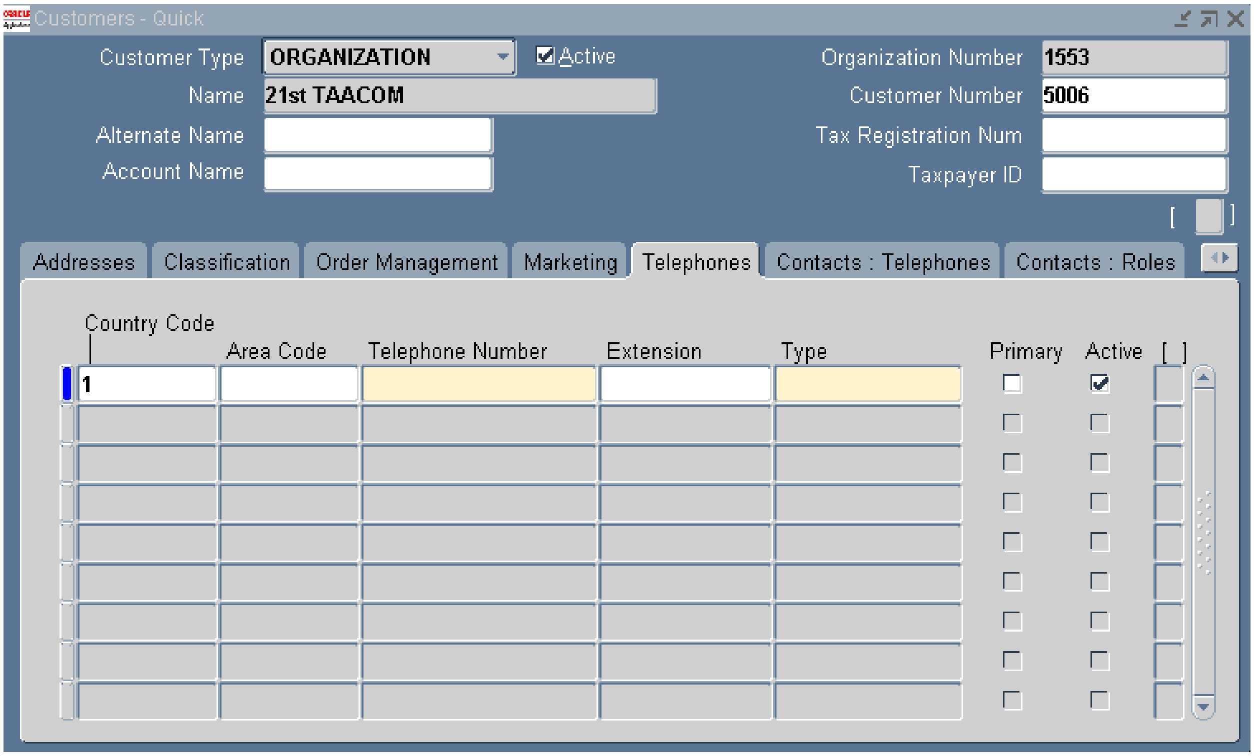
2.3.1.2. To view the details of a specific address, select the **Open** button. To enter a new address, select the **New** button. Choosing either of these options displays the Customer Addresses window.



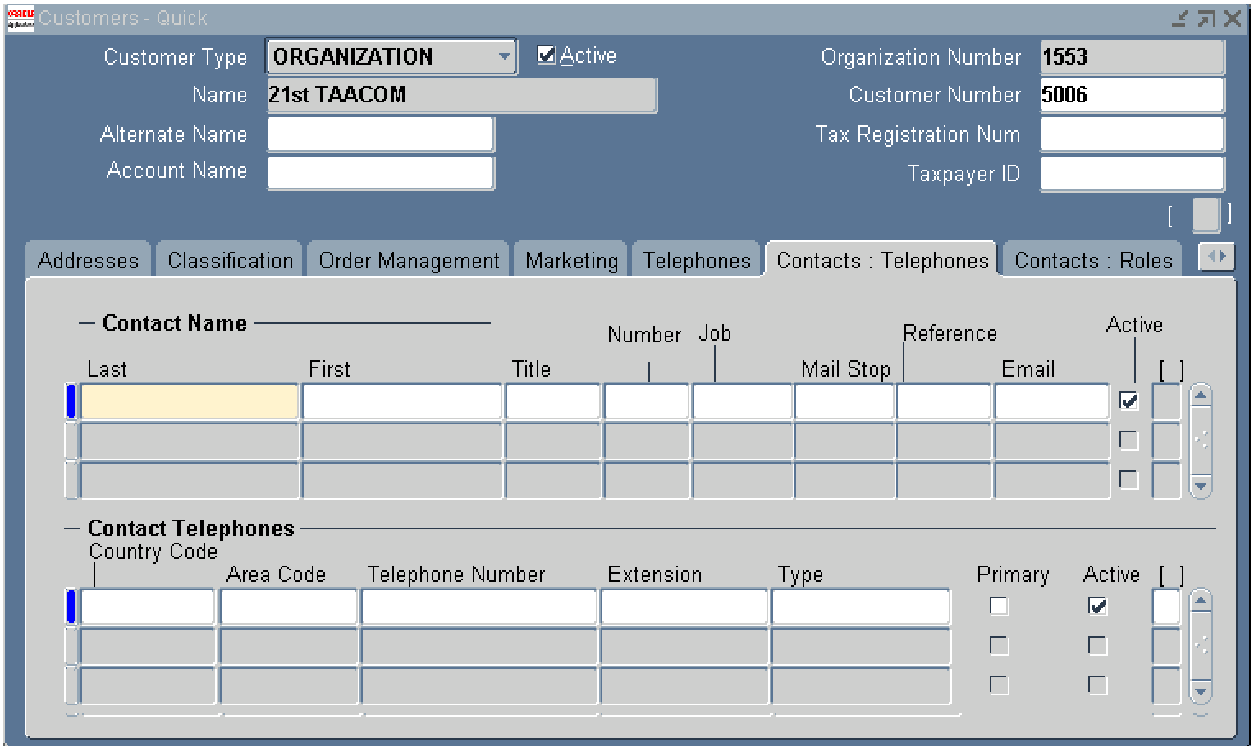
2.3.1.3. Select the business purposes for this address. More than one business purpose usage can be entered for each address. The usages are defined as:

- Bill To: Send invoices to this address.
- Ship To: Send goods or services to this address.
- Dunning: Send customer's dunning letters to this address.

2.3.1.4. Click on the Telephones Tab and enter **Telephone information** for this Customer (Optional)

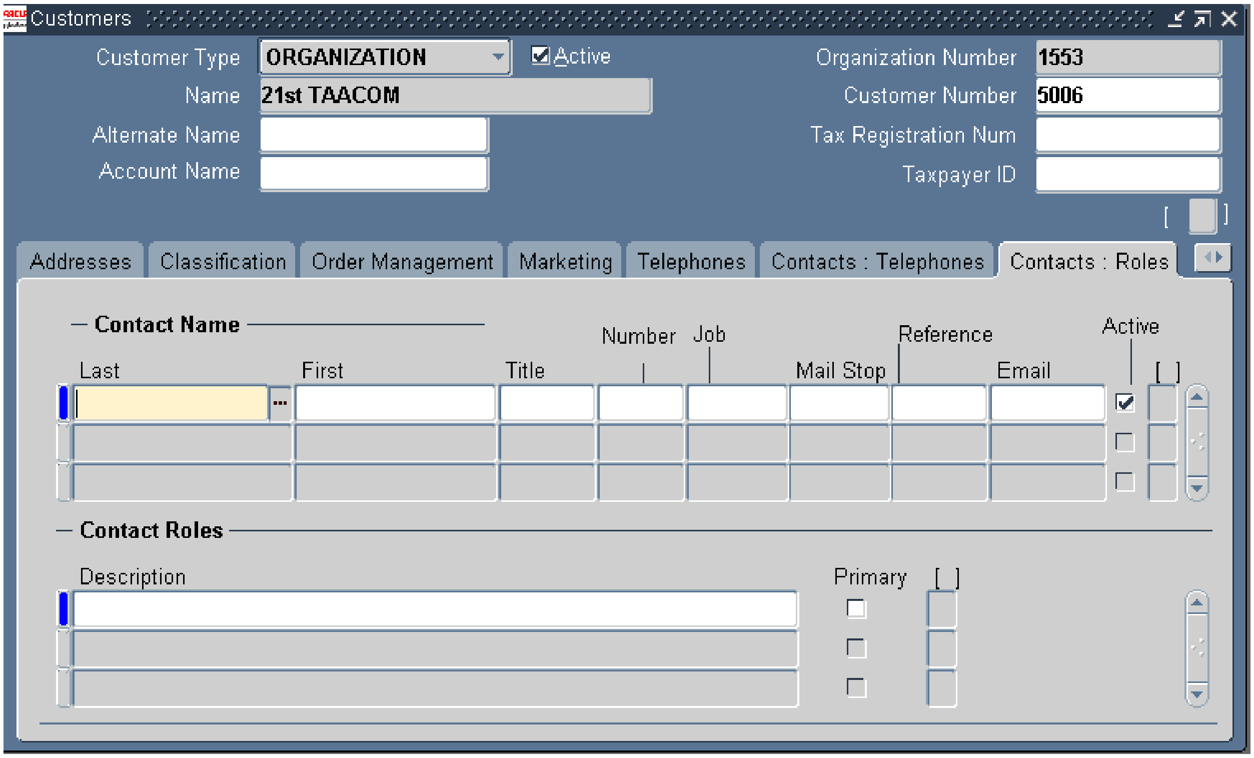


2.3.1.5. Click on the Contacts : Telephones tab to enter the contact details, including Last and First name, Title, Job, Mail Stop, and Reference (only the Last and First name are required when entering contacts).



2.3.1.6. Enter telephone numbers for each contact (Optional). If a phone number is entered, the Area Code, Telephone Number, and Type are required. Types must be set up in advance and then may be selected from the List of Values.

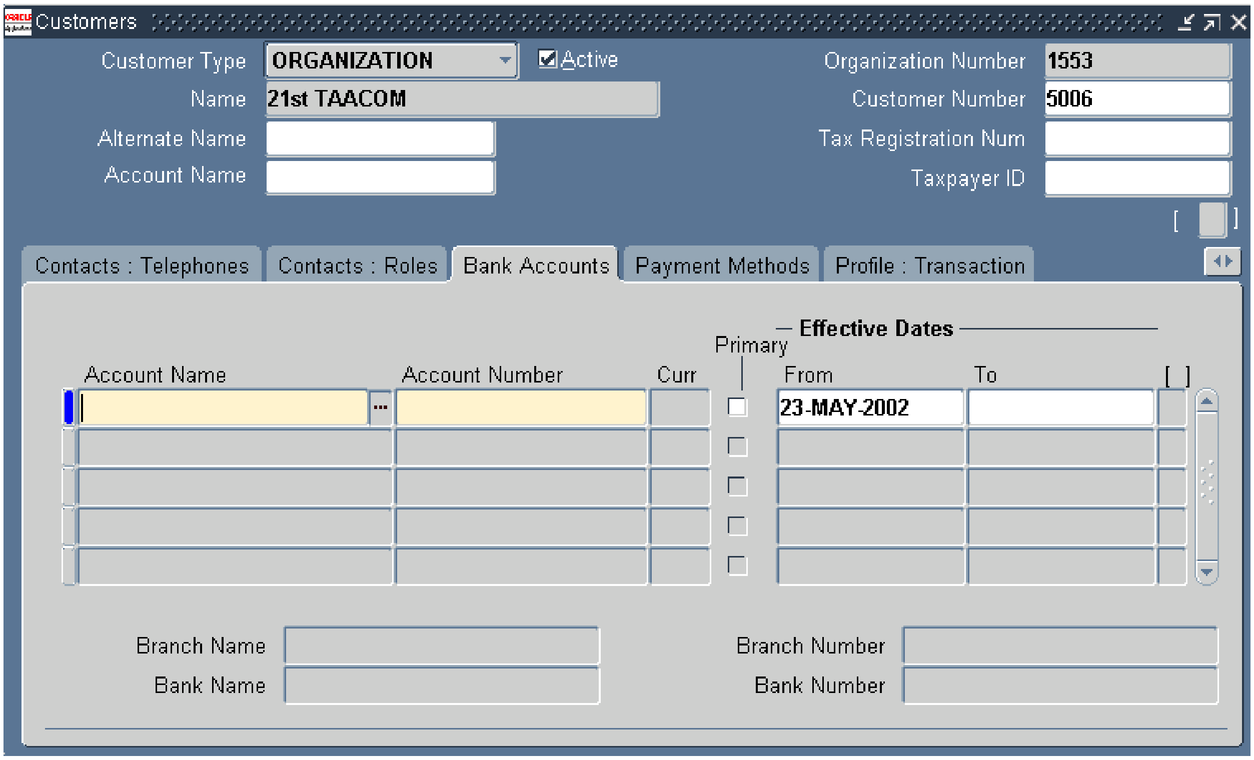
2.3.1.7. Click on the Contact : Roles Tab.



2.3.1.8. Complete the following for Contact Roles:

- Description: Select from the list of values to indicate the contact's function. Each contact may have multiple roles.
- Primary: To indicate that this is the primary role for this contact, check the check box. A contact may have only one primary role.

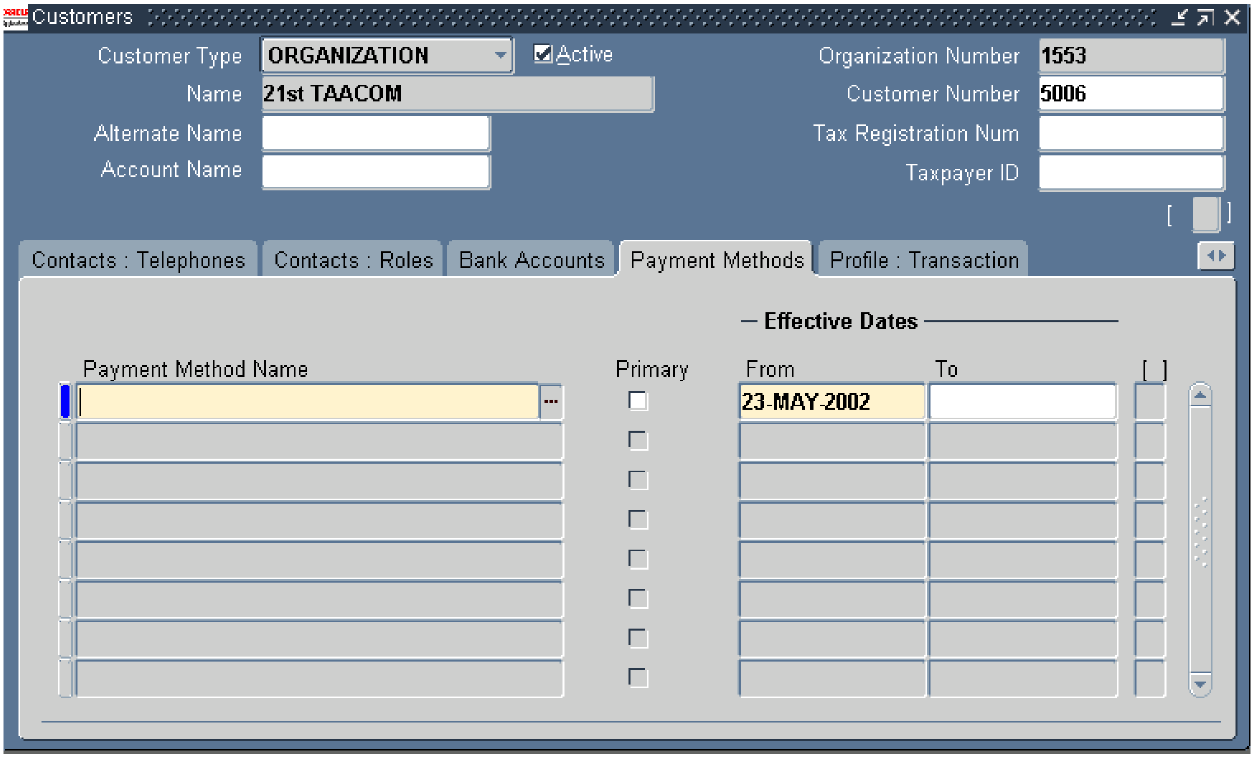
2.3.1.9. Click on the Bank Accounts Tab.



2.3.1.10. Complete the following information for the Bank Accounts Tab (Optional):

- Account Name: Enter account, or select an account from the list of values.
- Account Number: Defaults in if the Account Name is entered.
- Primary: Check the check box if this bank account is the primary one for this customer or customer address.
- Effective Dates: Enter the **dates** for this bank account to be active in the **From** and **To** fields. If an end date is not specified, the system will use this bank account indefinitely.
  - **Note:** Information should only be filled in if the transactions have been automated with the Customer's bank's information system.

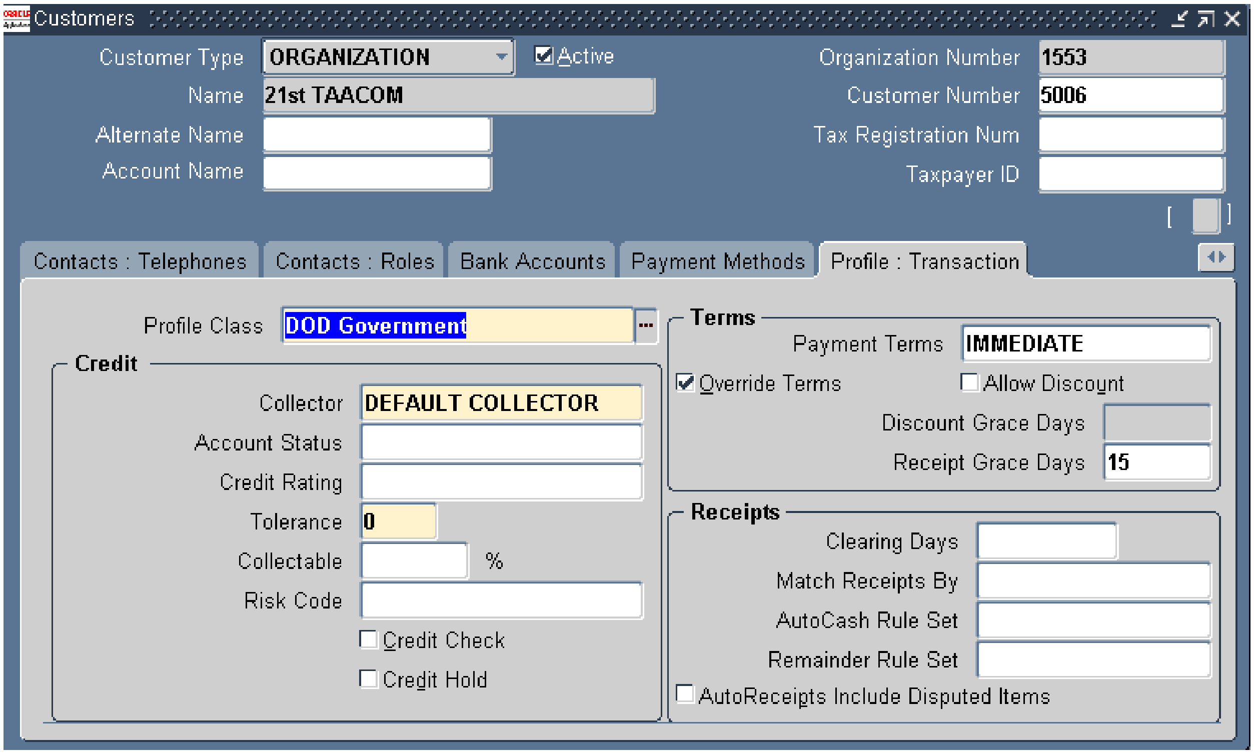
2.3.1.11. Click on the Payment Method Tab.



2.3.1.12. Complete the following for the Payment Method Tab:

- Payment Method Name: Enter or select one from the list of values.
- Primary: To use a particular payment method as the default, check the check box next to that payment method.
- Effective Dates: Enter the dates that this payment method will be active. Change the **From** field to a date in the future if necessary. Leave the **To** field blank to make the payment method to be active indefinitely.

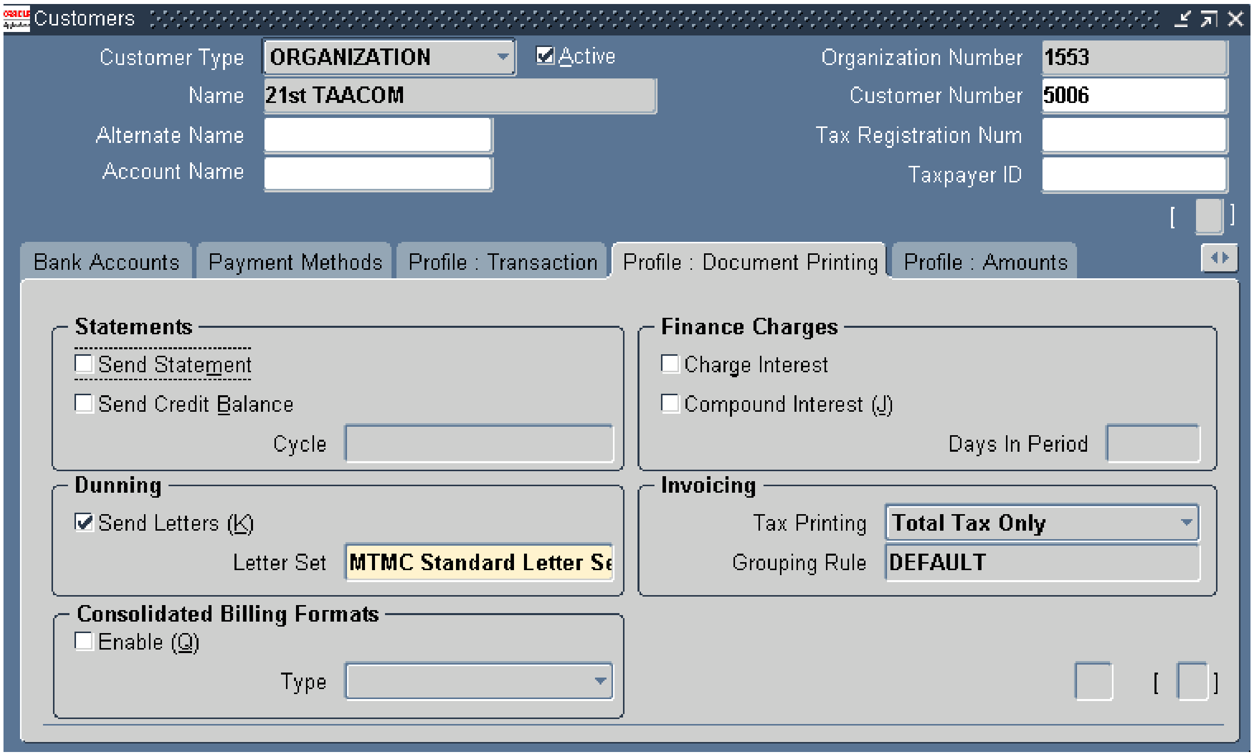
2.3.1.13. Click on the Profile: Transactions Tab.



2.3.1.14. The initial values in this tab will default in from the Profile Class designation at the customer level. These values can be updated at any time. This region is used to update credit, payment terms, or receipt information**.**

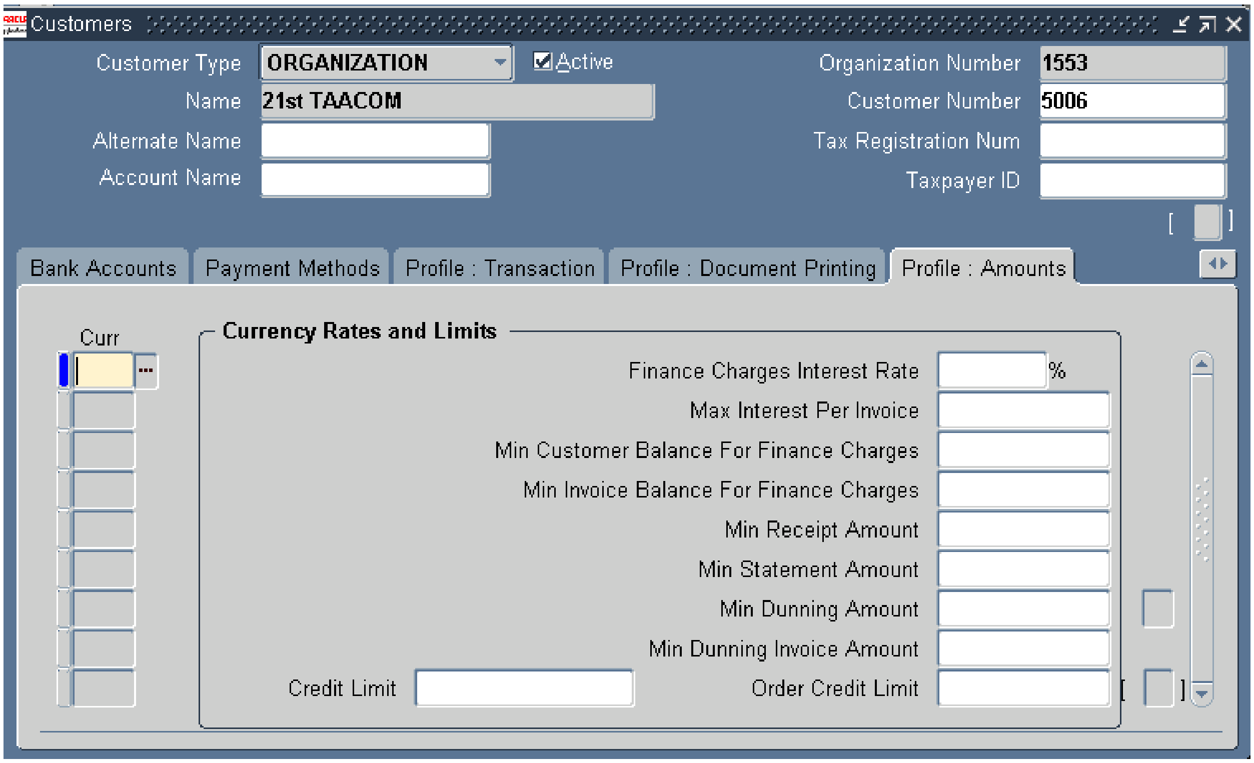
– **Note:** Not all fields in the Customer Profile Classes window appear in the **Profile: Transaction** alternate region.

2.3.1.15 Click on the Profile: Document Printing Tab to update statement, dunning, finance charges, invoicing, and consolidated billing information.



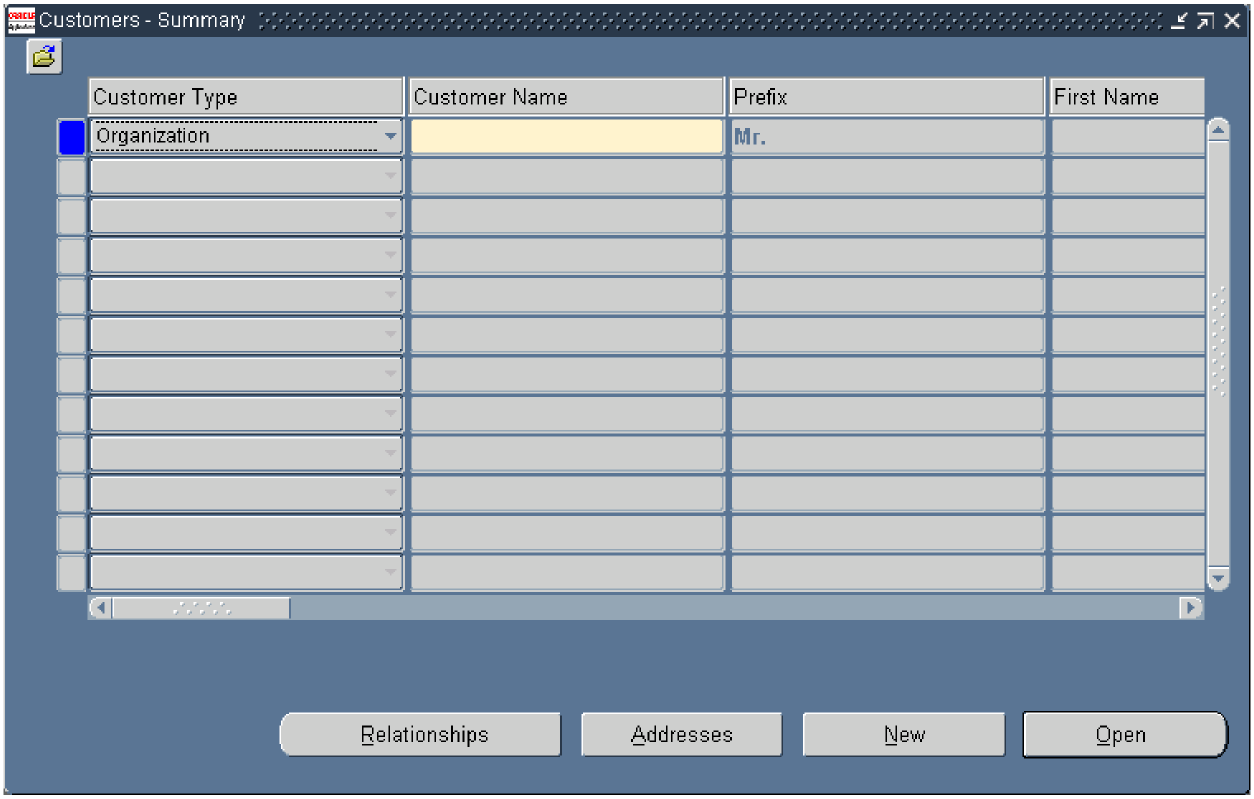
2.3.1.16. Click on the Profile Amounts Tab to update **rates** and **limits** for each currency in which this customer does business.

- **Note:** The changes made at the customer level only affect the profile class for this customer; they do not affect other customers using this profile class.

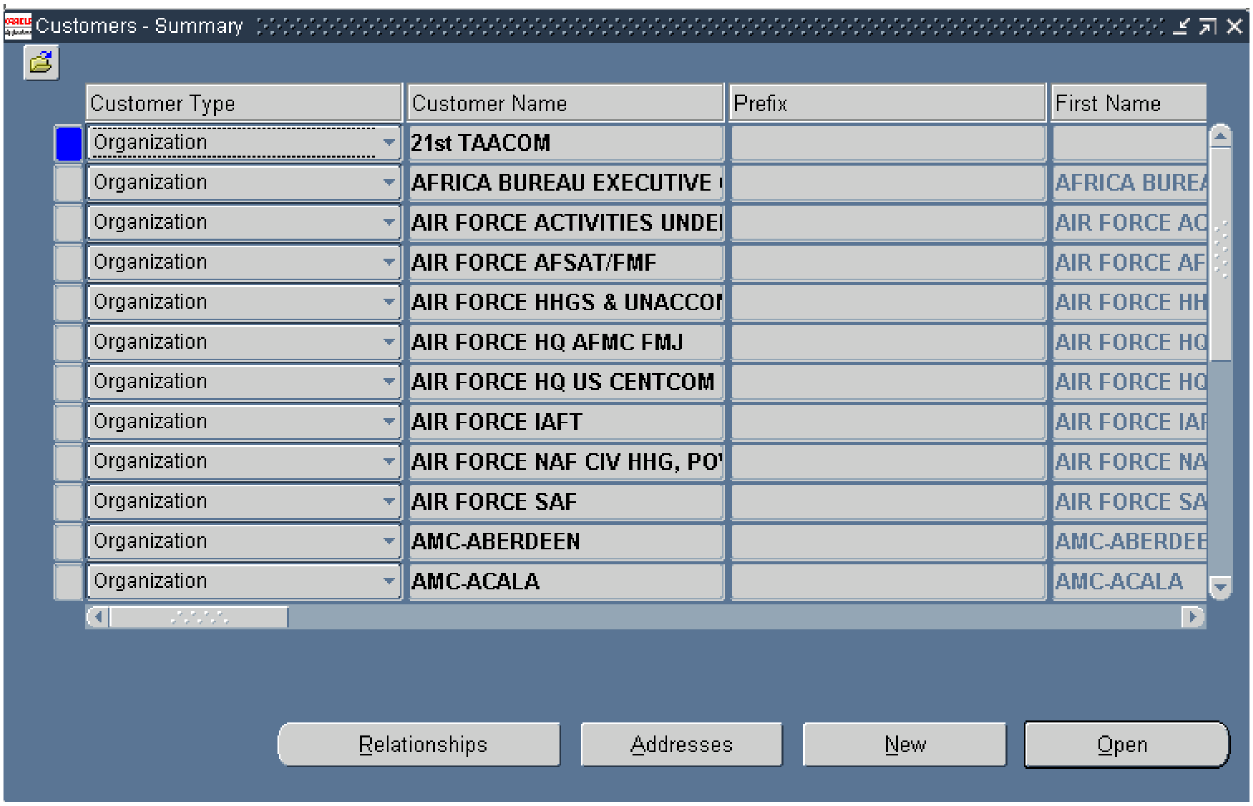


2.3.2. Enter a new customer (Standard Customer Entry)

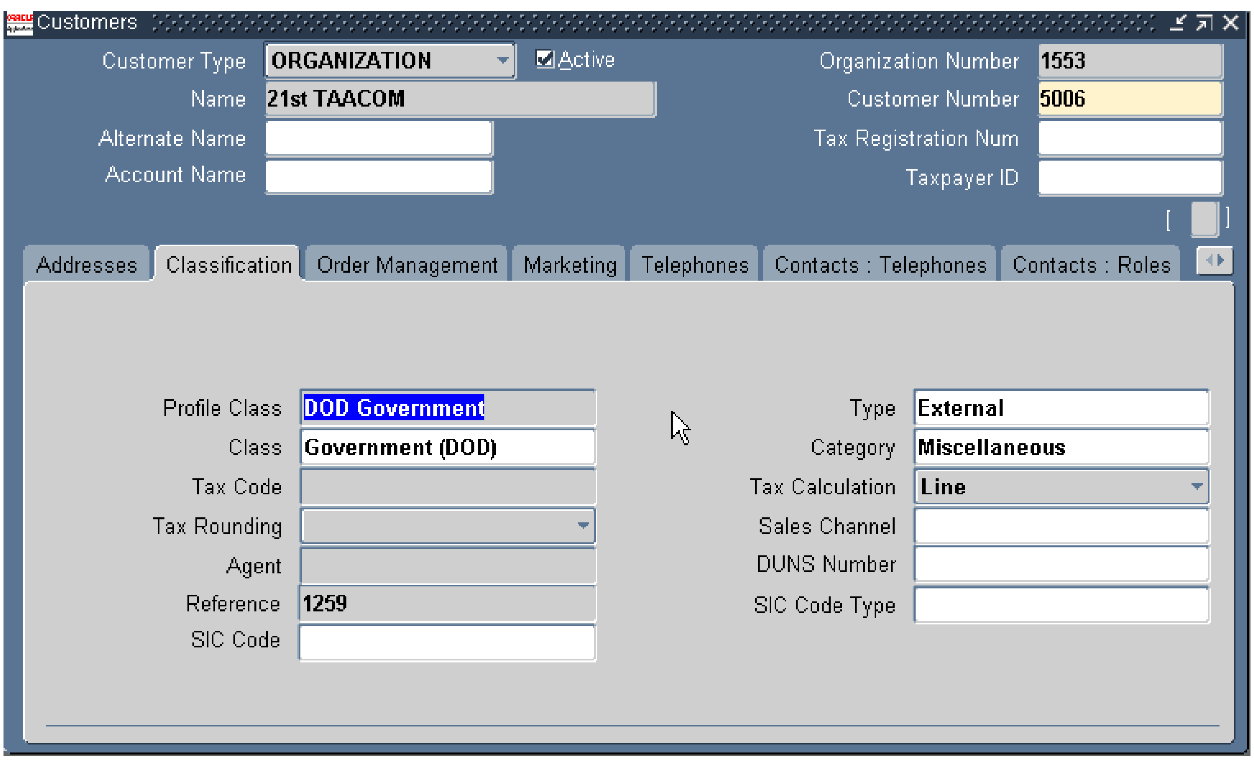
Go to the data entry screen by navigating to Customers, Summary, Customers-Summary.



2.3.2.1. Query the customer. The Customer - Summary screen will appear.



2.3.2.2. Click **Open**.



– **Note:** The TFMS-M system functionality can be used to enter new and modify existing information about customers. It is possible to enter multiple addresses for a customer and assign a business purpose for each address, as well as define contact people, bank accounts, payment methods, telephone numbers, and relationships for each customer. The system also allows the changing of customer's status from *Active* to *Inactive.*

2.3.2.3. Complete the following for the Customer Header:

- Customer Name: Enter a unique Customer Name. To avoid duplicate customer names, query existing customer names before entering another.

- Number: Enter a unique customer Number.

- Alternate Name: Enter an Alternate Name for this customer (Optional).

- Taxpayer ID: Enter the Taxpayer ID for this customer as an additional reference. (Optional)

- Tax Registration Number: This field will be used to store Agency Location Code (ALC), in order to display on the SF 1081. The customer's unique taxpayer registration number. This is typically used for the VAT number for European customers. The system prints this number on customer's invoices.

- Active: Defaults as Checked. Check this box to indicate that the customer is in an active status. If this is unchecked, the customer becomes Inactive. New transactions can not be entered for an inactive customer, but payments can be processed and applied to existing transactions.

After saving the header information it cannot be changed, but the Profile Class can still be changed at the address level.

2.3.2.4. Complete the following for Classification Tab:

- Reference: Enter any reference information with respect to a customer. A common usage of this field is to store the customer number from legacy system for converted data. Oracle will assign a Reference number if one is not entered.

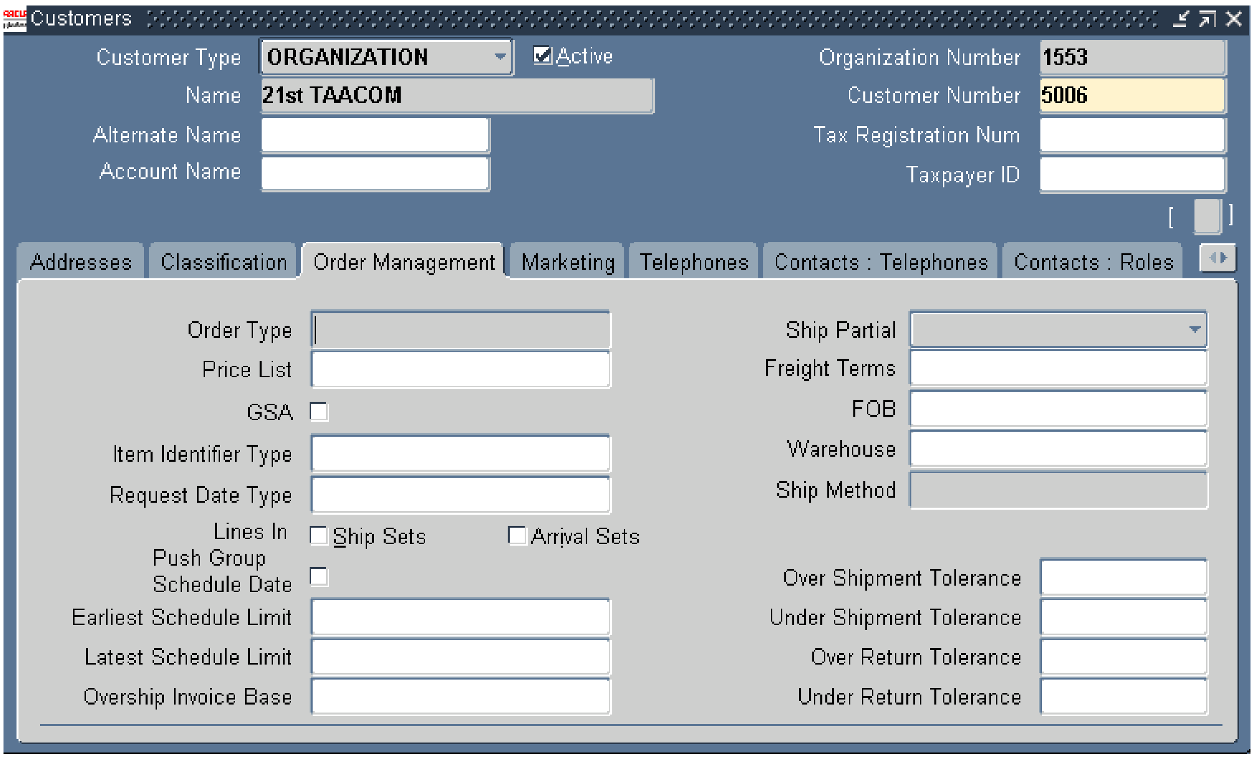
- Profile Class: Assign a Profile Class to this customer. Oracle assigns the profile class DEFAULT to new customers, but it is possible to select any profile class that has been defined.

- Class: Enter a Customer Class. This is a user-definable way to classify customers. These must first be set-up as Receivables Quick Codes, and then may be selected in this field.

- Category: Enter Customer Category. This is a user-definable field, which may be used to categorize customers. As with Class, Categories must first be set up using Receivables Quick Codes

- Salesperson: Enter a primary salesperson for this customer. The system uses this as the default when entering transactions for this customer.

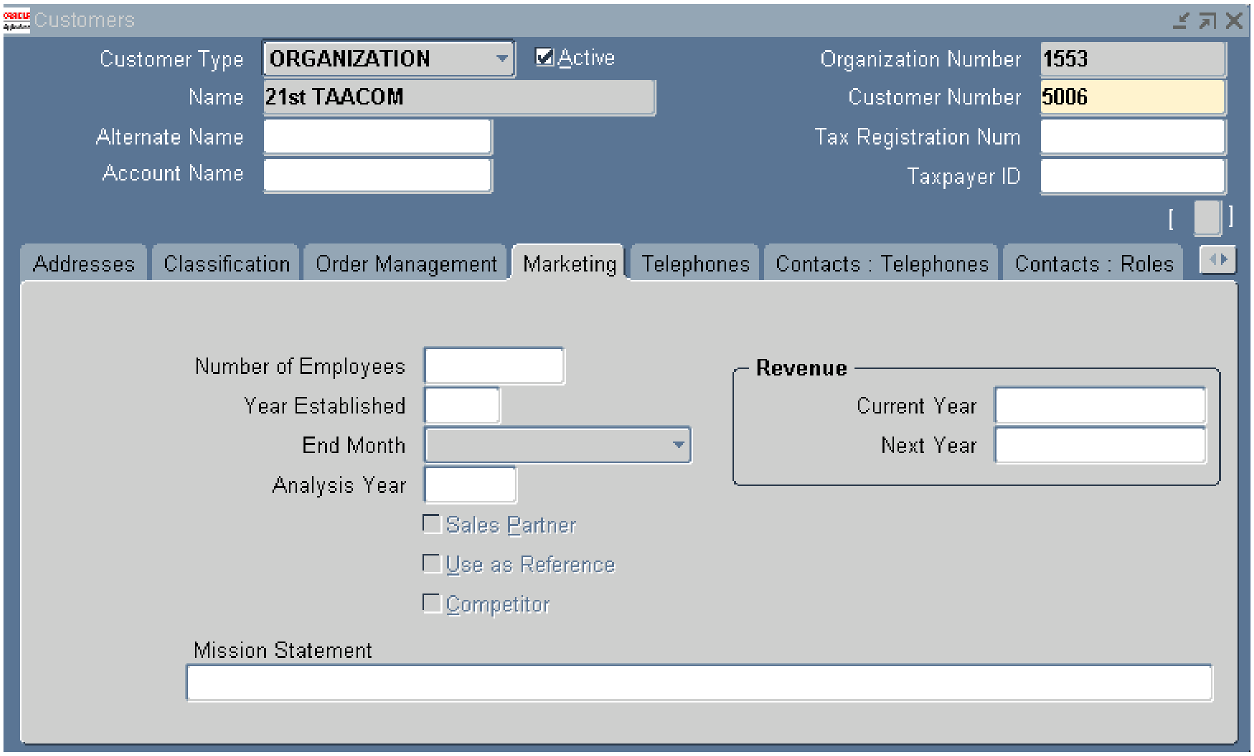
2.3.2.5. Click on the Order Management Alternate Tab.



2.3.2.6. Complete the following for the Order Management Alternate Region (Optional):

- Order Type
- Freight Terms
- Item Identifier Type
- Request Date Type
- Warehouse
- Shipping Method

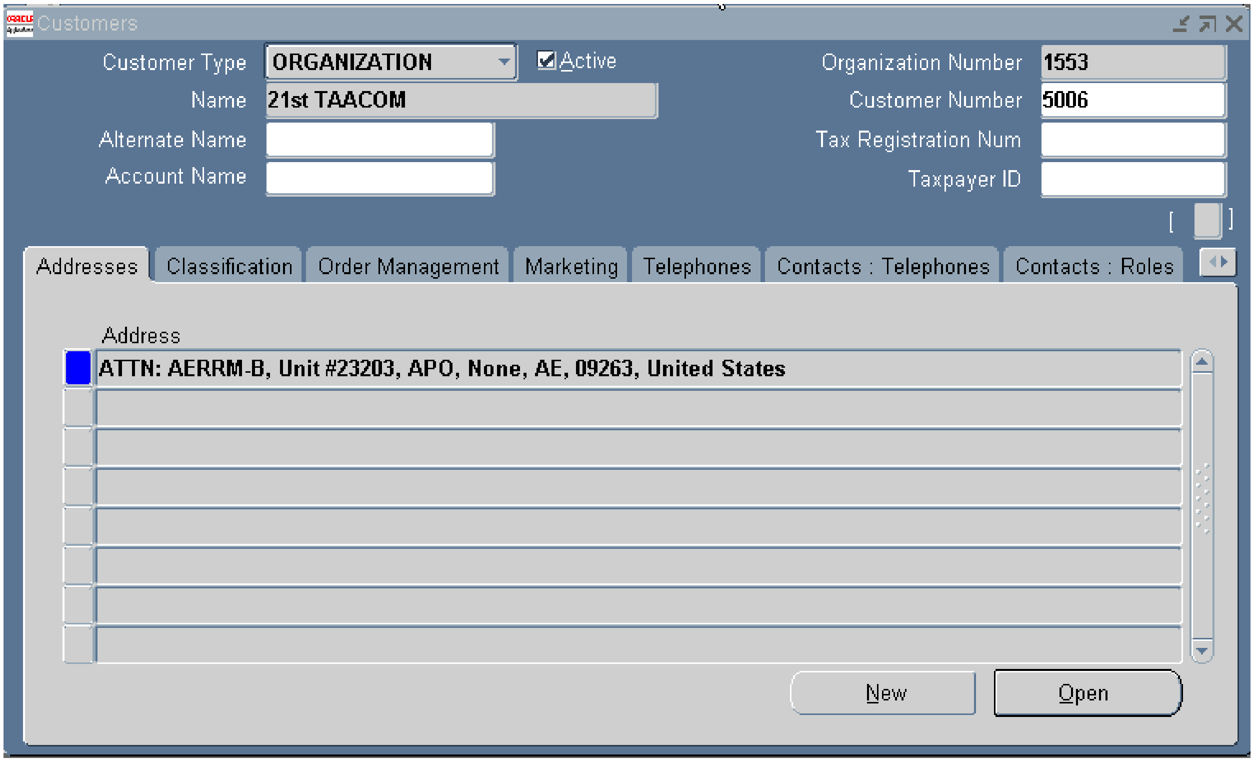
2.3.2.7. Click on the Marketing Tab.



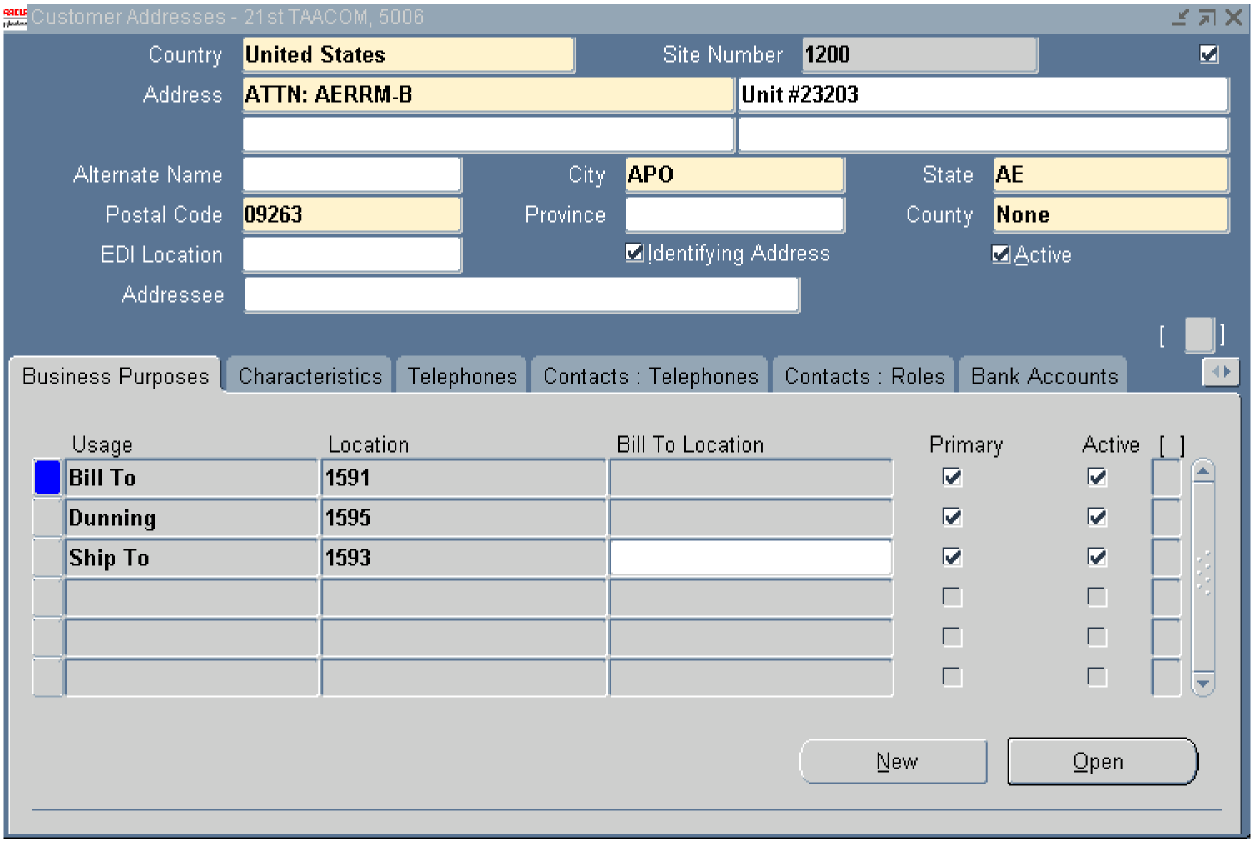
2.3.2.8. Complete the following for the Marketing Tab (Optional):

- Number of Employees: Enter this as statistical information.
- Year established: Enter the year the company was established.
- Ending Month: Enter the ending month for the analysis year and the analysis year (fiscal year).
- Revenue: Enter revenue for the current year and projected revenue for the next year.
- Indicate whether the company is a **sales partner**, a **competitor**, or can be **used as a reference** by checking the appropriate check boxes.
- Enter the customer's **Mission Statement** (Optional).

2.3.2.9. Click on the Address Tab.



2.3.2.10. To view the details of a specific address, select the **Open** button or to enter a new address, select the **New** button. The Customer Addresses window appears.



– **Note**: The system allows the entering, adding, changing, or deactivating of customer address information. It is possible enter multiple addresses for each of the customers and specify one or more business purposes for each address (such as Ship-To or Bill-To).

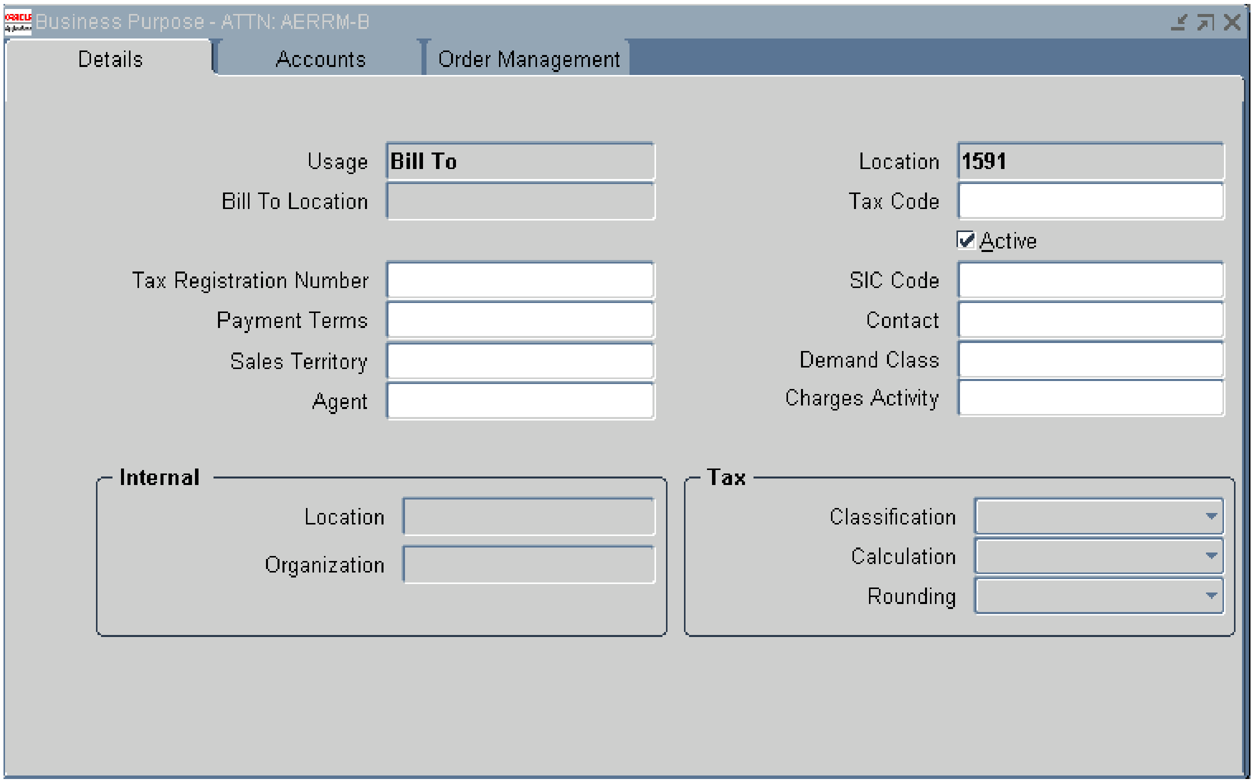
2.3.2.11. Complete the following for the Address Header:

- Country: Enter the Country for this address. The default is the value of the **Default Country** field in the **System Options** window, but it can be changed it on this form.
- Address: Enter the street address for this customer in the address fields.
- Alternate Name: Enter an Alternate Name for this address. Only enter information in this field if the profile option **AR: Customers - Enter Alternate Fields** is set to *Yes*.
- EDI Location: Enter the Location code for EDI transactions.
- City: Enter the City.
- State: Enter the State.
- Postal Code: Enter the Postal Code for the address.

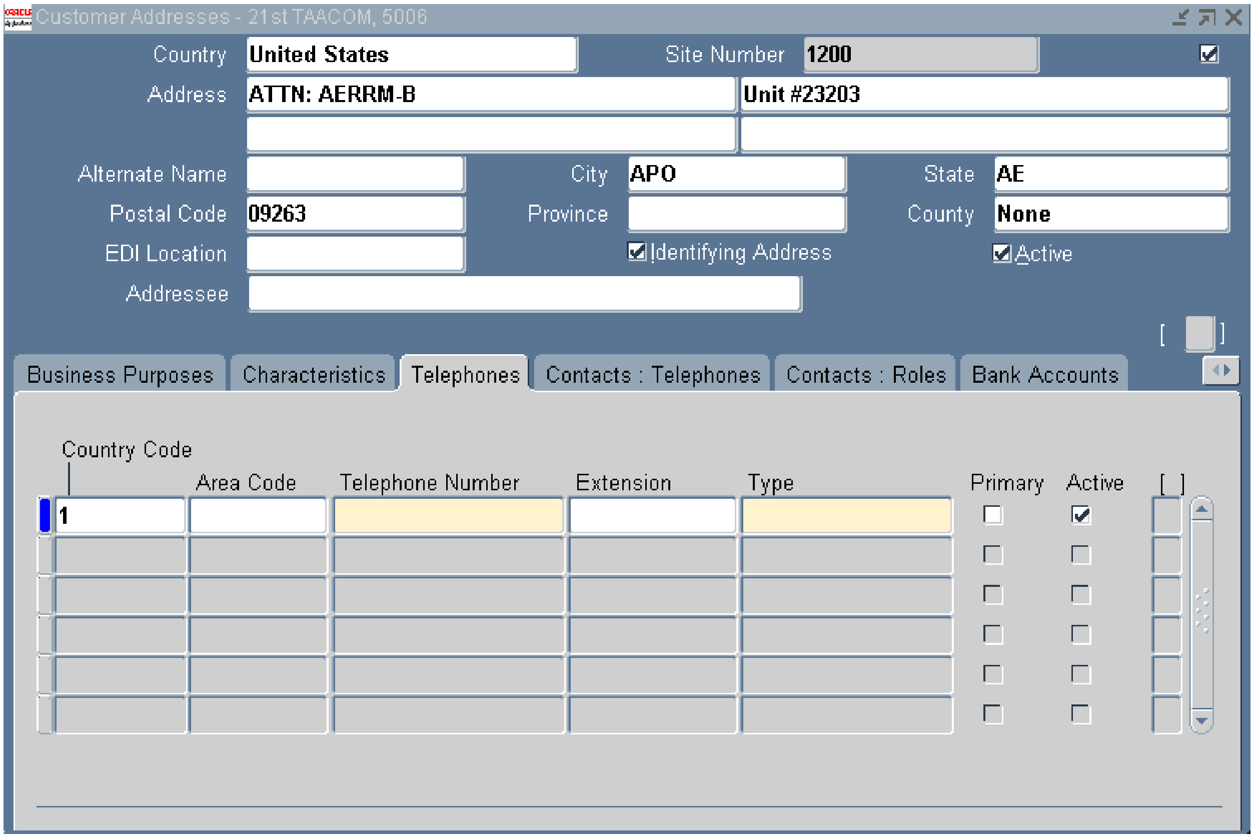
2.3.2.12. Complete the following in the Business Purpose Tab (Address Level)

- Usage: Select the business purposes for this address. It is possible to enter more than 1 business purpose usage for each address. The usages defined are:
- Bill To: Send invoices to this address.
- Ship To: Send goods or services to this address.
- Statements: Send customer's statements to this address.
- Dunning: Send customer's dunning letters to this address.
- Legal: Use this address as the customer's legal site.
- Marketing: Send marketing collateral to this address.
- Location: Each usage requires a Location Name. TFMS-M is set up to have Oracle assign the Location Name as a sequential number.
- Bill To Location: Enter (or Select) a Bill-To Location here. This links a Ship-To Location to a Bill-To Location. This is why it is best to assign an address a usage of Bill-To first (and save) so that the Bill-To Location Name may be selected in this field for a Ship-To Location. This link will be observed in Order Entry and Receivables such that when a Ship-To Address is entered or selected, its corresponding Bill-To Address will default in.
- Primary: Check this box to set this as the primary location for the particular Business Purpose Usage. For example, if the Primary check box is checked for the Ship-To Usage, this address will default into Order Entry and Receivables forms as the shipping address for the customer. Only one Business Purpose Usage can be selected as Primary.

2.3.2.13. Enter detail information specific to the business usage for the site by selecting the **Open** button at the bottom of the form. The data entered in this form will override the data entered at the header level for the customer.

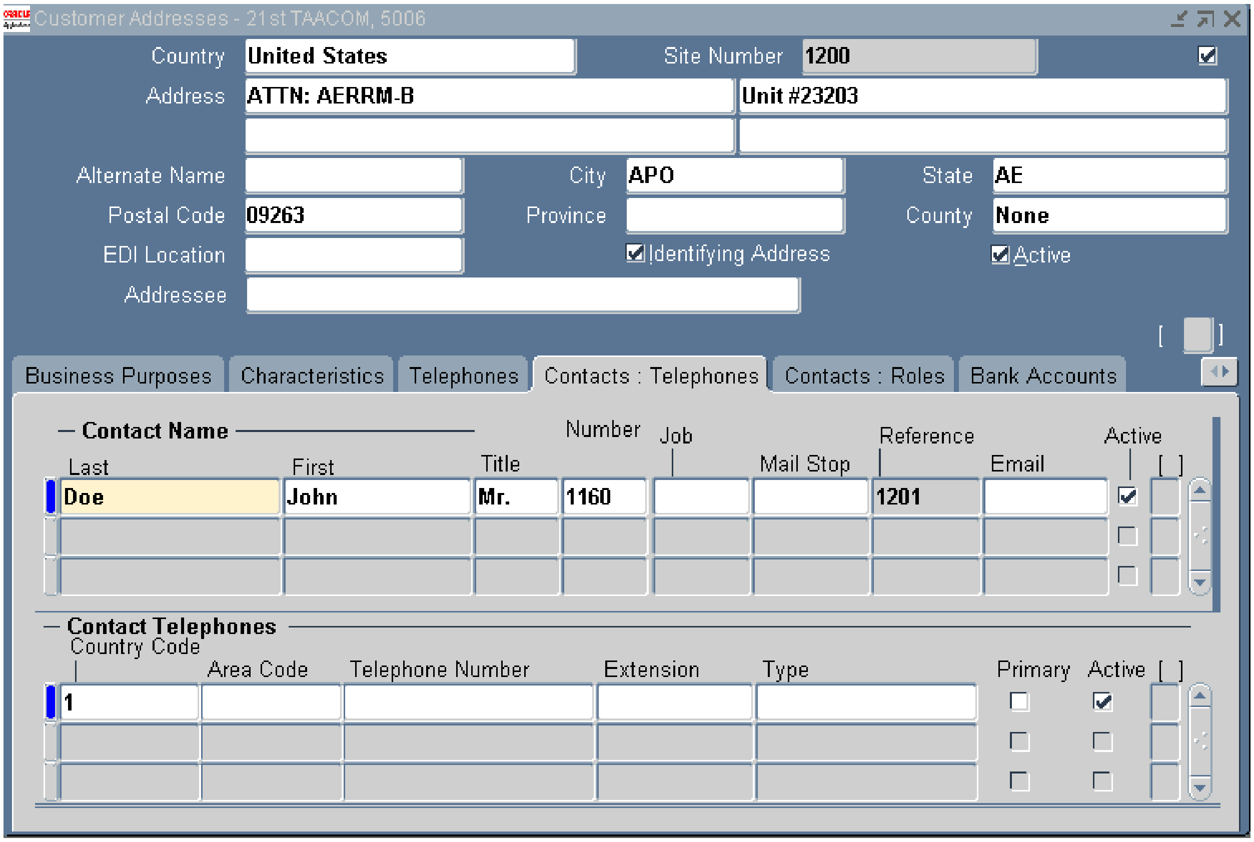

Business Purpose - ATTN: AERRM-B
Details
Accounts
Order Management
Usage
Bill To
Bill To Location
Location
1591
Tax Code
Active
Tax Registration Number
Payment Terms
Sales Territory
Agent
SIC Code
Contact
Demand Class
Charges Activity
Internal
Location
Organization
Tax
Classification
Calculation
Rounding

2.3.2.14. Return to the Customer Address screen. Check or uncheck the **Active** or **Primary** check boxes as necessary.



2.3.2.15. Complete the Telephone information for this Customer (Optional).

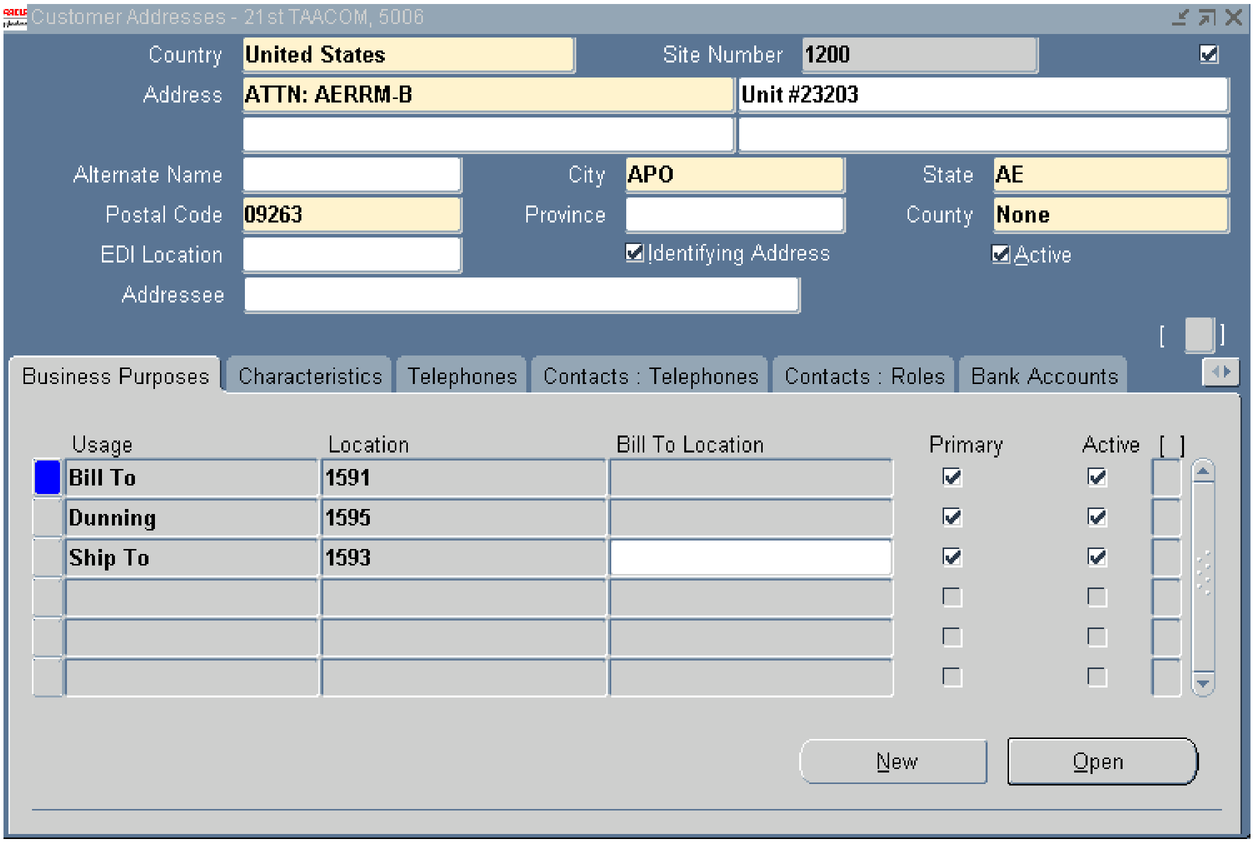
2.3.2.16. Click on the Contacts : Telephones tab.



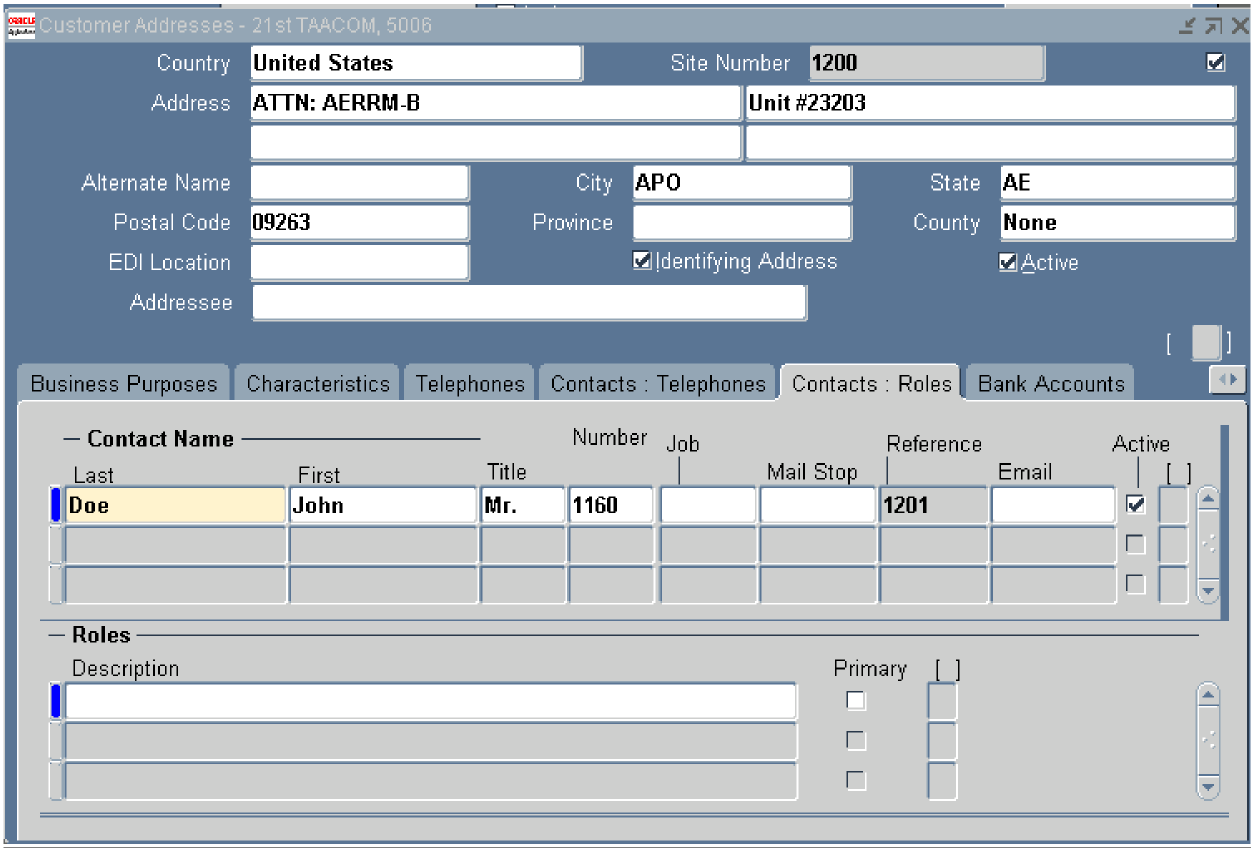
2.3.2.17. Enter the contact details, including **Last** and **First name**, **Title, Job, Mail Stop**, and **Reference** (only the Last and First name are required when entering contacts).

2.3.2.18. Enter telephone numbers for each contact (Optional). If a phone number is entered, the **Area Code, Telephone Number, and Type** are required. Types must be set up in advance and then may be selected from the List of Values.

2.3.2.19. To view the details of a specific address, select the **Open** button or to enter a new address, select the **New** button. Choosing any of these options displays the **Customer Addresses** form .



2.3.2.20. Click on the Contacts : Roles tab.

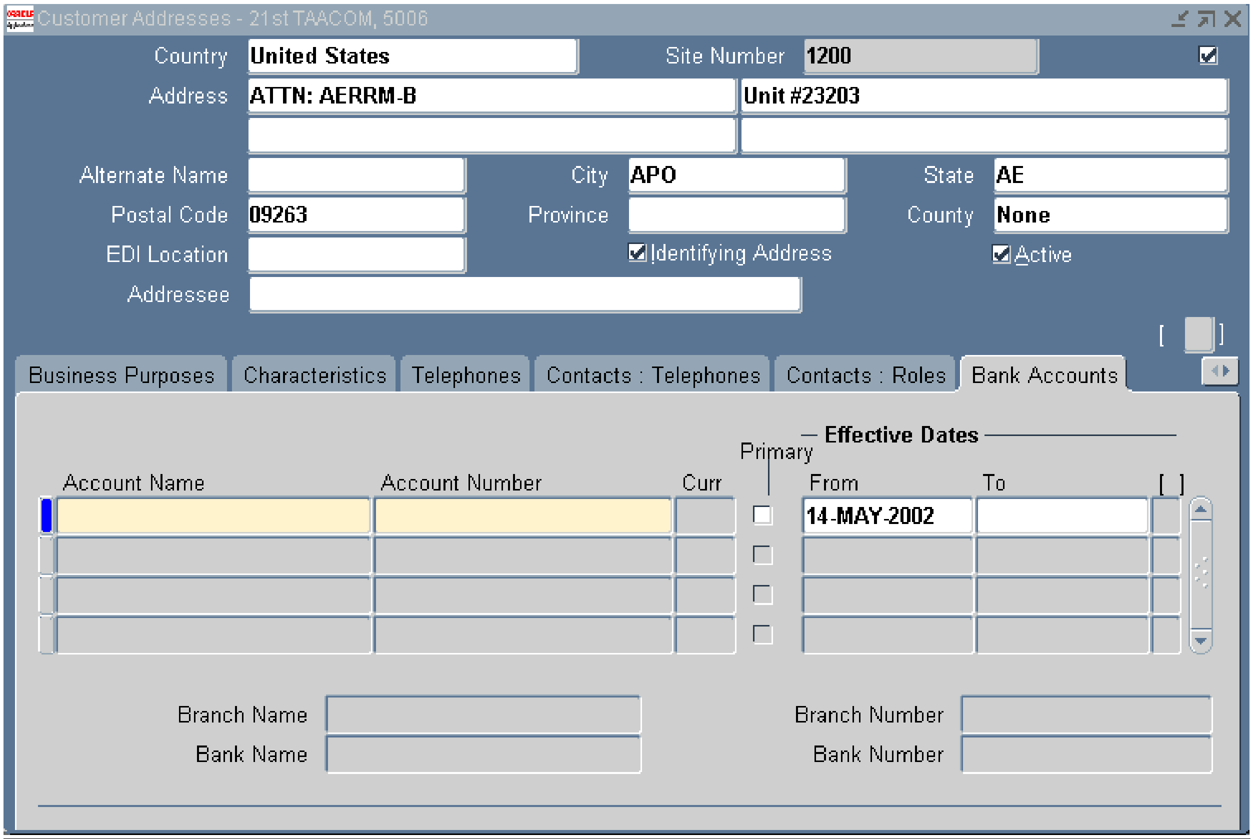


2.3.2.21. Complete the following for the **Contacts : Roles** Tab:

- Description: Select from the list of values to indicate the contacts function. Each contact may have multiple roles.

- Primary: To indicate that this is the primary role for this contact, check the check box. A contact may have only one primary role.

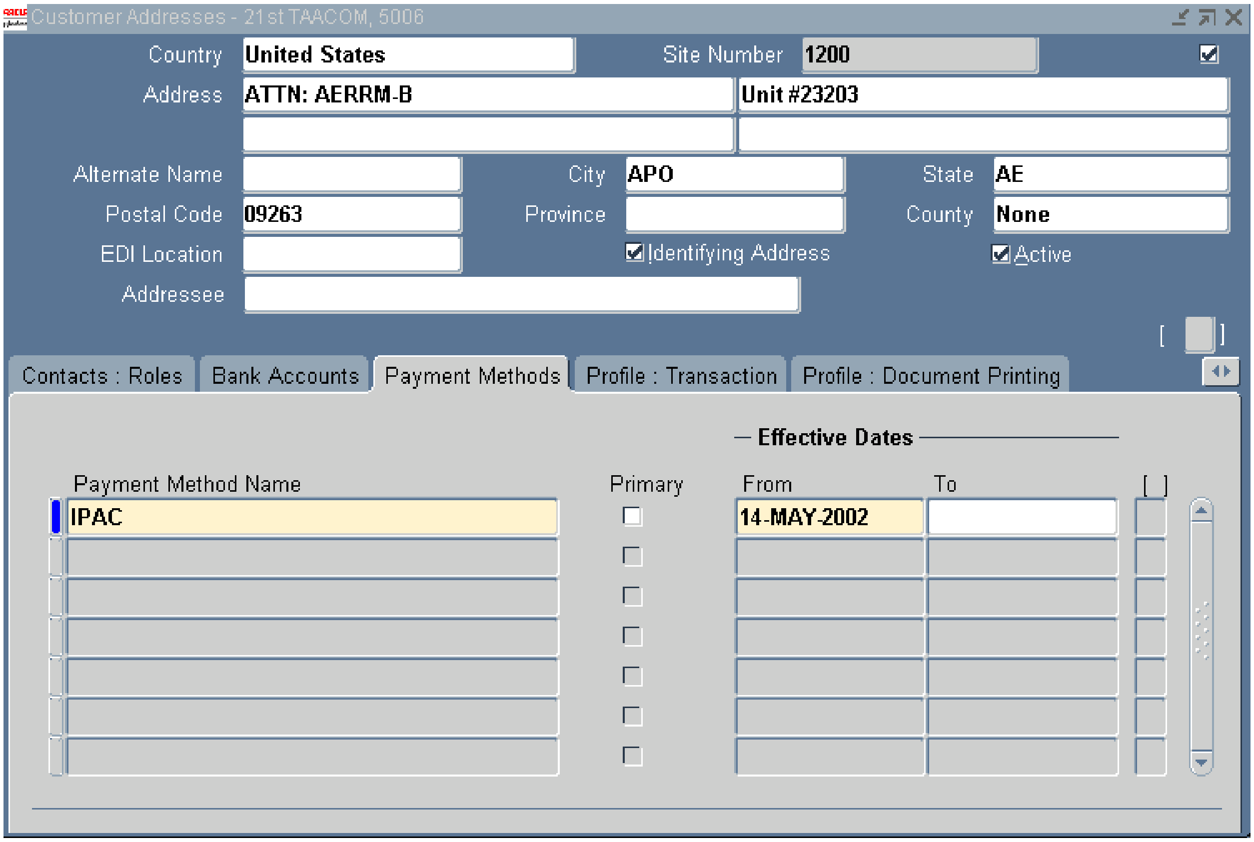
2.3.2.22. Click on the Bank Accounts tab.



2.3.2.23. Complete the following for the **Bank Accounts** Tab:

- Account Name: Enter account, or select an account from the list of values.
- Account Number: Defaults in if the Account Name is entered.
- Primary: Check the check box if this bank account is the primary one for this customer or customer address.
- Effective Dates: Enter the **dates** for this bank account to be active in the **From** and **To** fields. If not specifying an end date, the system will use this bank account indefinitely.
    - **Note:** Information should only be filled in if transactions are automated with the Customer's bank's information system.

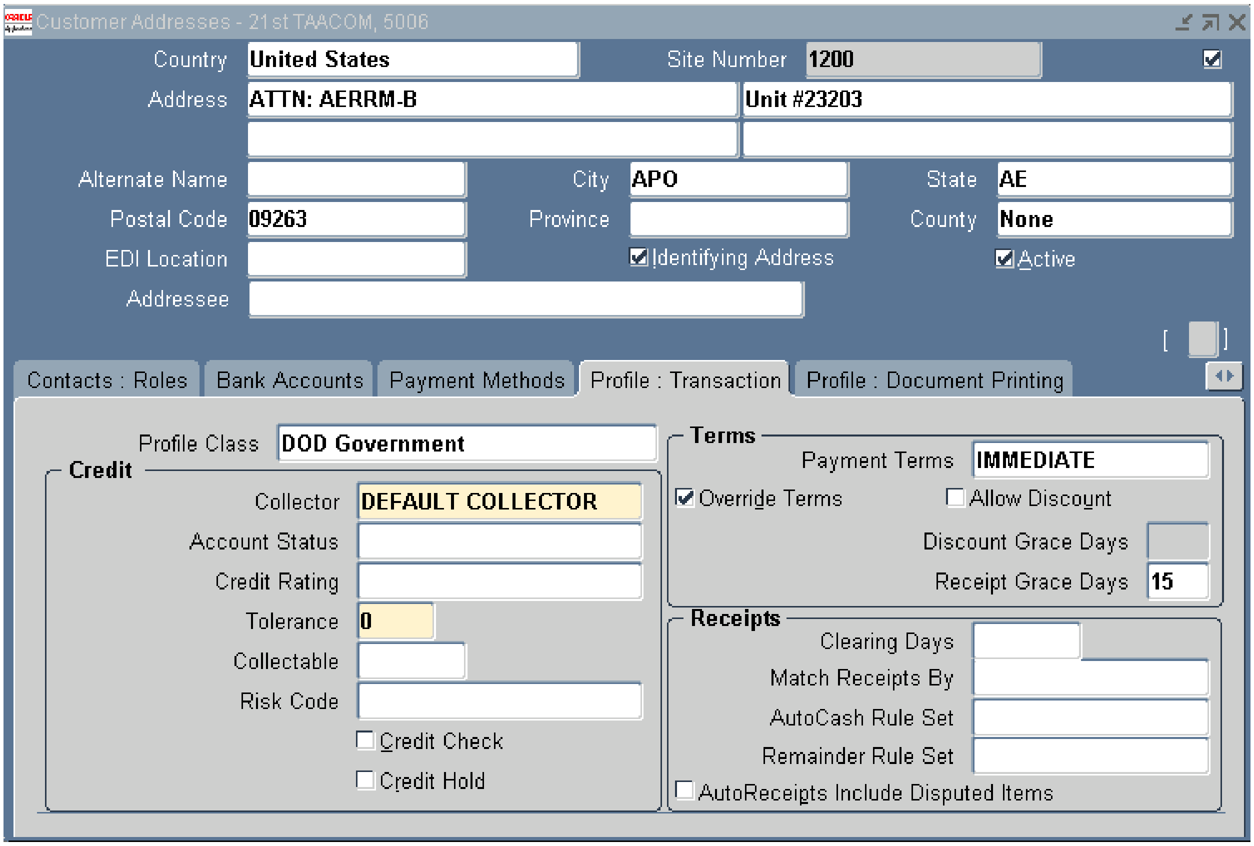
2.3.2.24. Click on the Payment Methods tab.



2.3.2.25. Complete the following for the Payment Methods Tab:

- Payment Method Name: Enter or select one from the list of values.
- Primary: To use a particular payment method as the default, check the check box next to that payment method.
- Effective Dates: Enter the dates that this payment method will be active. Change the **From** field to a date in the future if necessary. Leave the **To** field blank to make the payment method active indefinitely.

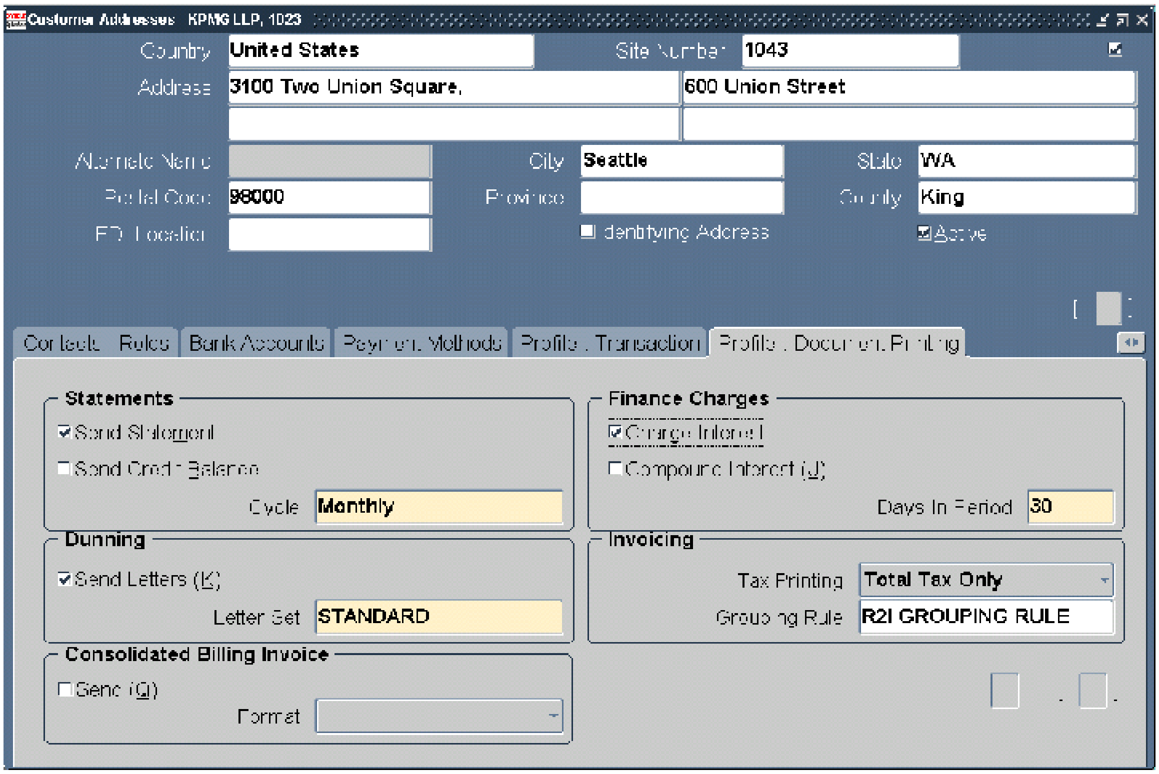
2.3.2.26. Click on the Profile :Transactions.



2.3.2.27. Complete the following for the Tab:

– **Note:** The initial values in this field will default in from the **Profile Class** designation at the customer level. Update these values at any time. This region is used to update credit, payment terms, or receipt information.
– **Note:** Not all fields in the Customer Profile Classes window appear in the **Profile: Transaction** alternate region.

2.3.2.28. Click on the Profile: Document Printing.



2.3.2.29. Use the Document Printing Alternate Tab to update statement, dunning, finance charges, invoicing, and consolidated billing information.

3. Maintaining Customer Accounts

Once a customer account record has been created within TFMS-M, it not possible to delete it. This is to preserve the integrity of the database, and to maintain auditable records of previous transactions. If a customer account record is no longer needed, it may be set to inactive status by checking the “inactive” box on the customer account screen.

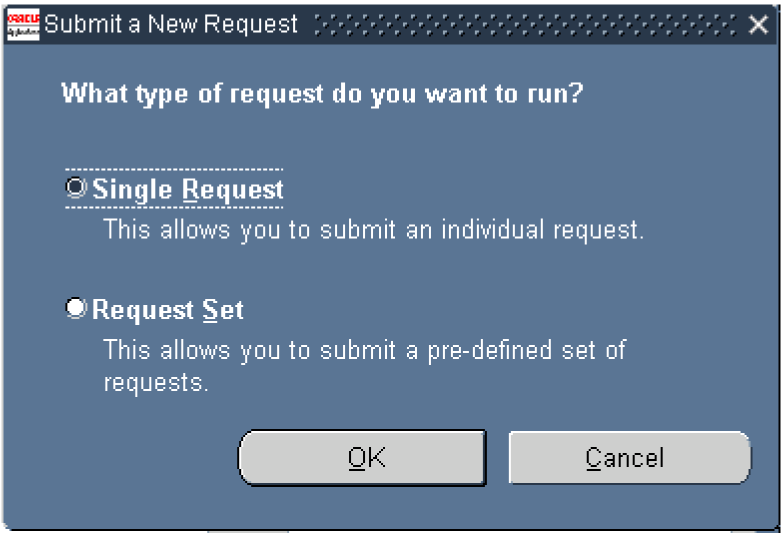
4. Standard Reports in Accounts Receivable

The following standard reports will be used commonly within TFMS-M:

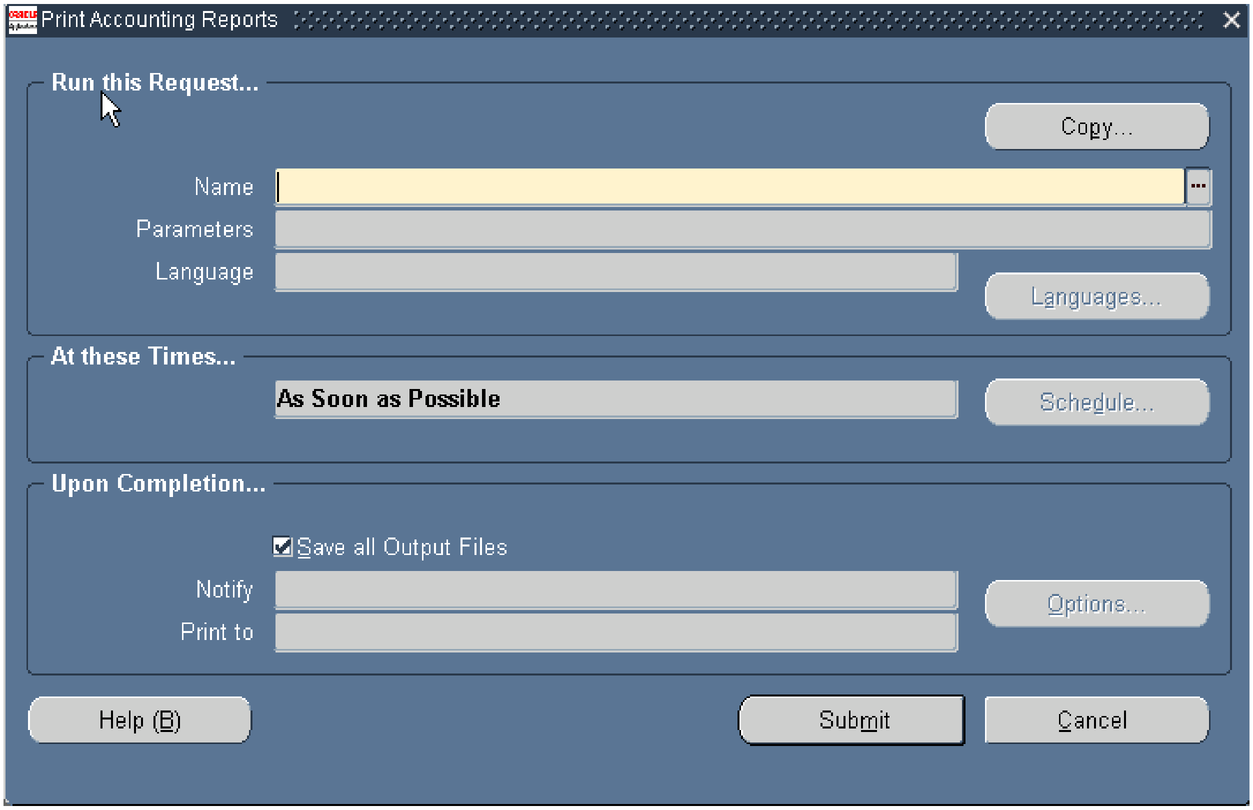
- Aging-7 Buckets - By Amount
- Applied Receipts Register
- Unapplied Receipts Register

- Billing & Receipt History
- Billing History
- Transaction Register

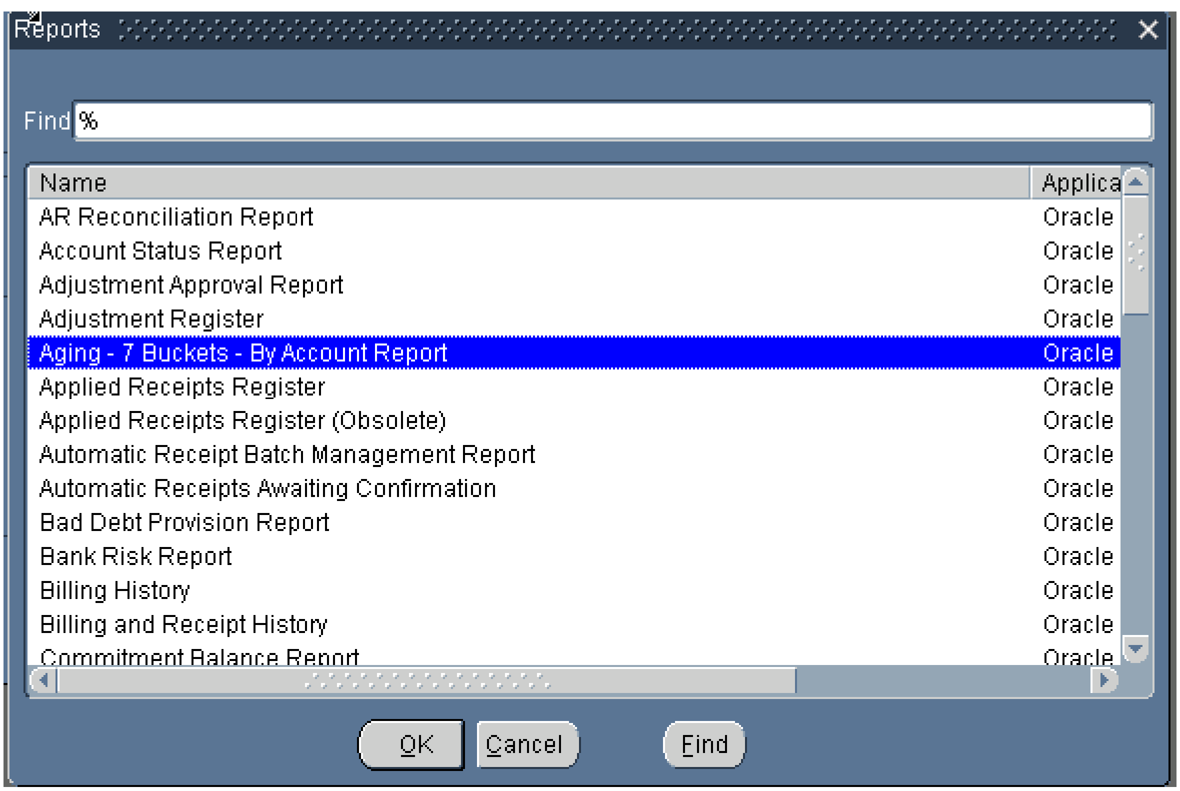
To run a report, navigate to the "Submit a New Request" dialogue by opening Accounts Receivable and selecting N -> Reports -> Accounting or Collections -> Submit a New Request. The following window appears:



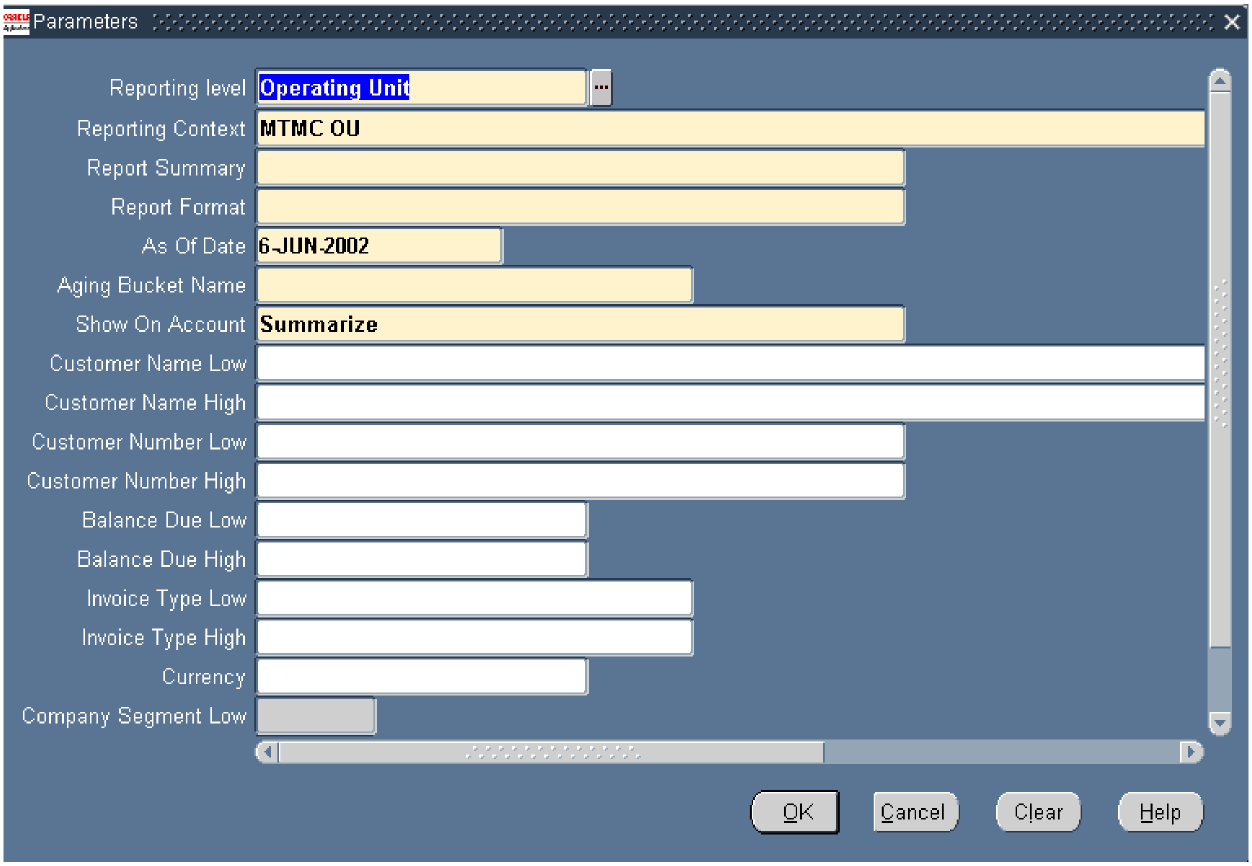
Step 1. Select Single Request. Click **OK**.



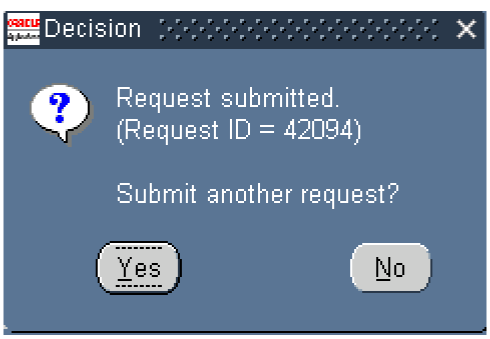
Step 2. Click on the List of values in the Name field. Select the name of the report to run and click **OK**.



Step 3. The Parameters window will appear. This window is tailored toward the particular report that will be run.

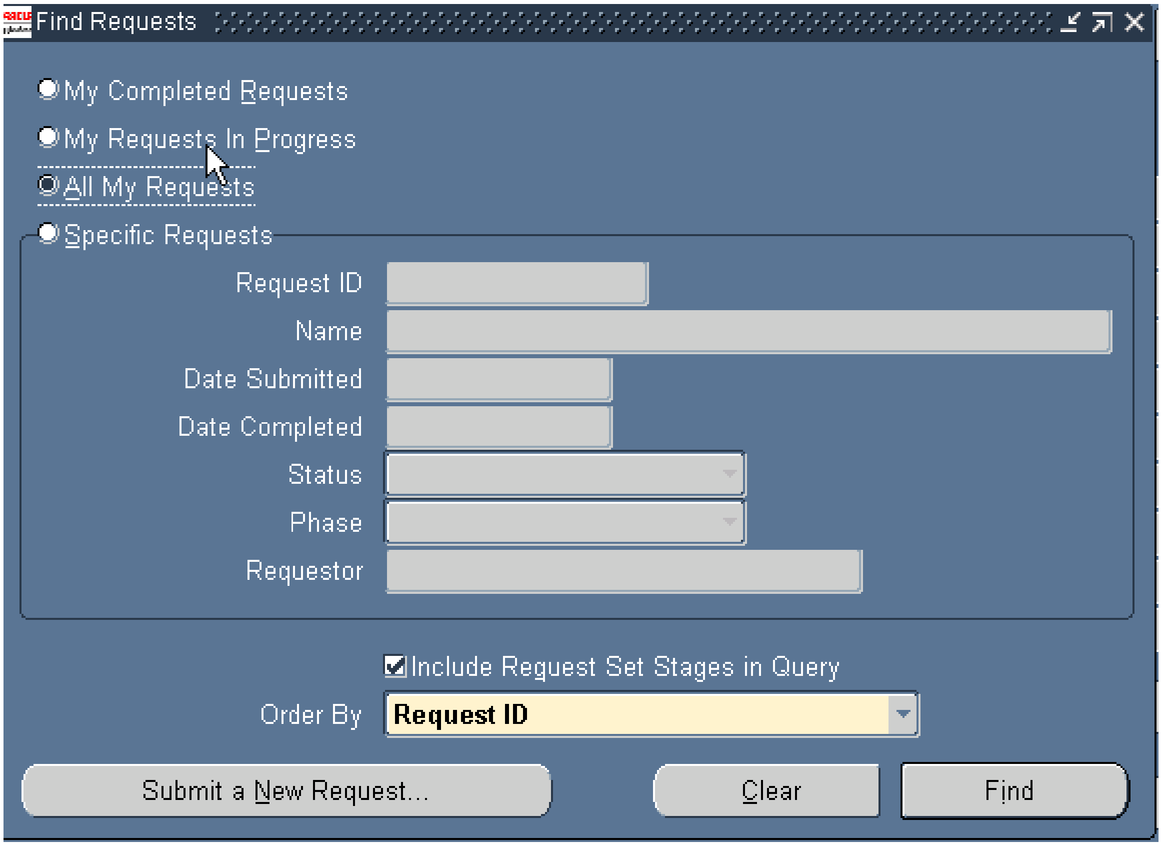


Step 4. Enter any appropriate parameters and click on the **OK** button. The Submit Request window will reappear. A Decision window appears.

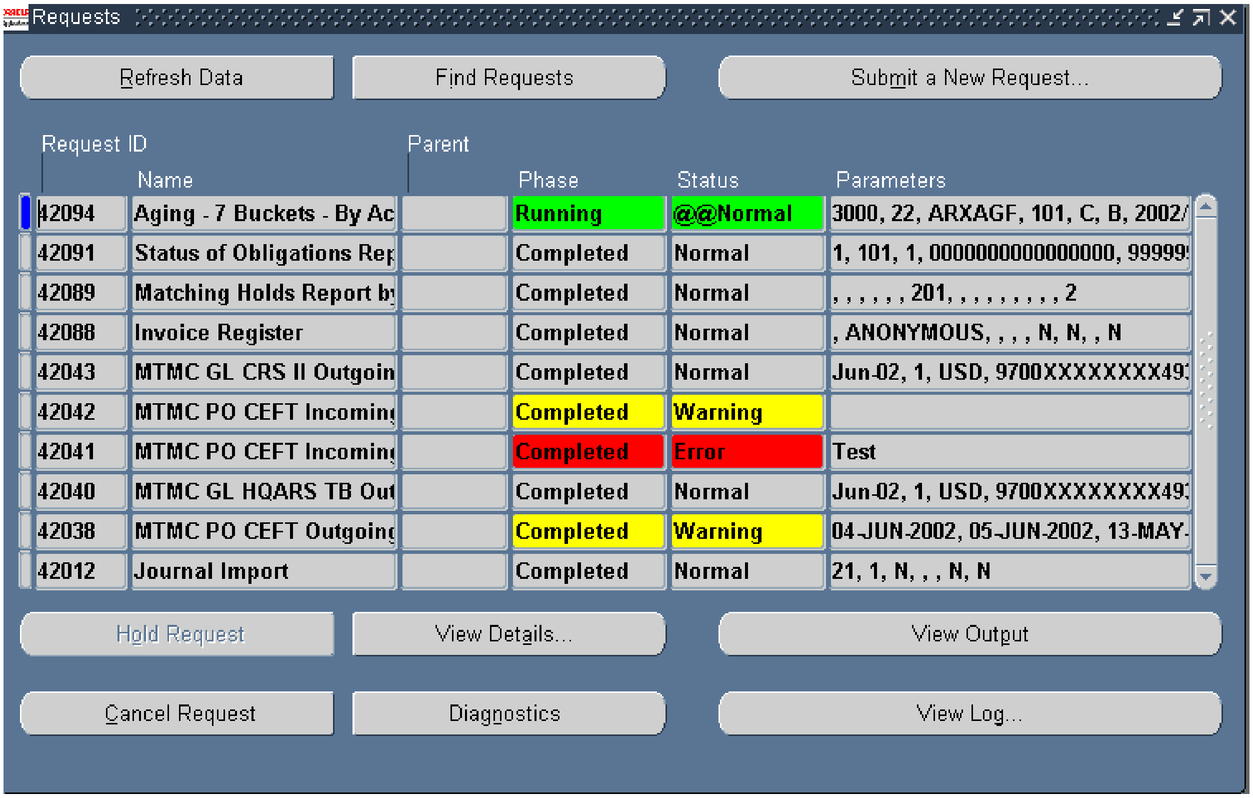


Step 5. Choose **Yes** or **No**.

Step 6. To view the status of a particular request, navigate to View > Requests. The Find Requests screen will appear.



Step 7. Click **Find**. The Request window will appear.



Step 8. Click the **Refresh** button until the request shows Complete status.

Step 9. To view the report, click on the **View Output** button.