

Cash Allocation NAM - Manual Payments

Tasks to be completed when creating an operating procedure (from creation to publication)

1. Enter the **Title of the procedure**: Description of the operating procedure - Region (*APAC, EMEA, LAM, NAM*) - Country (*Optional*) - ERP (*PI 1, PF1, WP1*)
2. Add the following Labels :
 - Region: [apac](#), [emea](#), [lam](#), [nam](#)
 - ERP: [pf1](#), [pi1](#), [wp1](#)
 - Domain & Process using the [List of labels to be used in the space CCT](#)
3. Fill all fields as described
4. SAP transactions :
 - a. notify them on the right : References , Link the SAP transaction name notified here with the SAP transaction page registered in [the file](#) (page adress)
 - b. notify the transaction SAP inside the document in the appropriate place and add a macro : Include Content - Search the name of the page and Save
5. Once the procedure is completed, publish it using the [SBS-OtC approval workflow](#)

1. Table of contents

- [1. Table of contents](#)
- [2. Objective and Scope](#)
- [3. Definitions](#)
- [4. Cash Allocation](#)
 - [4.1 Bank Statements Extraction](#)
 - [4.2 Lockbox Transaction](#)
 - [4.2.1 FLB1 transaction.](#)
 - [4.2.2 Search by invoice number](#)
 - [4.2.3 Search by customer name](#)
 - [4.2.4 Search using "Specificities of NAM Customers" Database](#)
 - [4.2.5 Posting a payment as DZ on customer account](#)
 - [4.3 Payment in Advance procedure](#)
 - [4.3.1 Process a Payment in advance](#)
 - [4.4 Customer not Created in Cc 4044](#)

Scope



NAM

ERP



PI1

References

Attachments

2. Objective and Scope

The purpose of this document is to describe the flow to handle payments received from third party customers and how to search all the necessary information for cash allocation process.

The payments are received on SOLVAY FINANCE AMERICA's bank accounts and OTC AR matches those payments that could not be matched automatically by the system. This procedure describes which steps should be followed in order to track all the necessary information for the cash allocation process.

This operating procedure (OP) applies to the account receivables of SOLVAY FINANCE AMERICA.

3. Definitions

- SBS: In the current document, "Solvay Business Services" will be replaced by its abbreviation "SBS".
- OTC AR: Order to cash Accounts Receivable
- OTC CM: Order to cash Credit Management
- CSR: Customer Service Representative
- OP: Operating procedure
- 4044: Company Code of PI system for handling Cash Allocation
- SFA: Solvay Finance America
- DZ: Customer payment

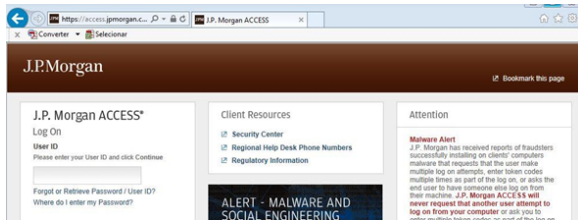
4. Cash Allocation

4.1 Bank Statements Extraction

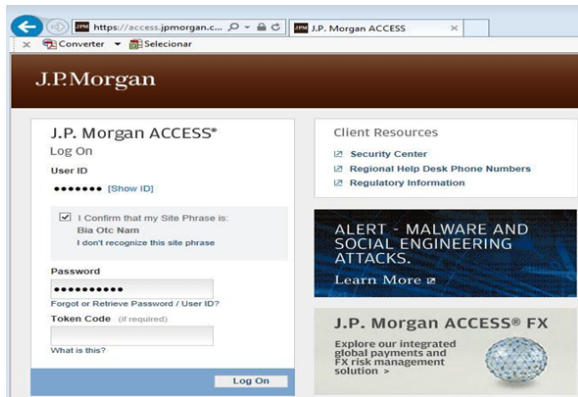
On a daily basis, the Bank electronic files with information about the amounts received on SOLVAY FINANCE AMERICA bank accounts are uploaded into SAP. The system does the first sorting and processes the payments in which there is some valid and correct information displayed on the bank statement. Therefore, all the payments that could not be processed by the system have to be allocated manually by OTC AR.

The first thing to do is to extract the bank statements at the site of the JP Morgan Bank.

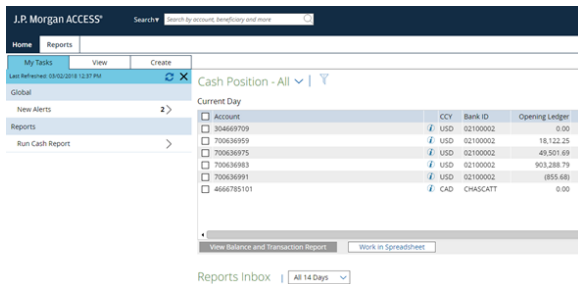
Access the following website: [https://access.jpmorgan.com/jpmalagon?TARGET=\\$SM\\$https%3a%2f%2ftssportal.jpmorgan.com%2fpp%2fpp%2fWSQ%2fservlet%2fstarhomepage&brand=jpma](https://access.jpmorgan.com/jpmalagon?TARGET=SMhttps%3a%2f%2ftssportal.jpmorgan.com%2fpp%2fpp%2fWSQ%2fservlet%2fstarhomepage&brand=jpma) , and insert the User ID on the field:

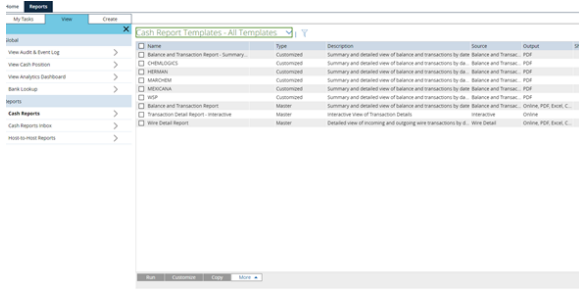


On the next screen, check your "Site Phrase" to make sure it's the real JP Morgan website and then insert your password and the token informaton and Log On.

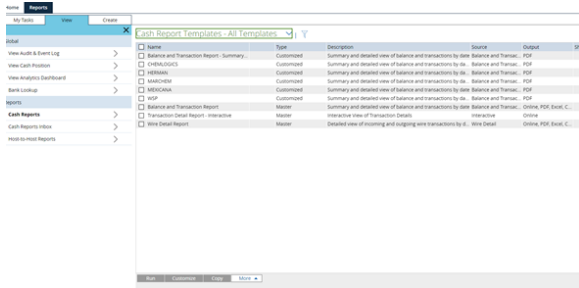


On the next screen you have two options: click on "Run Cash Report" or on the tab "View" and then on "Cash Reports"

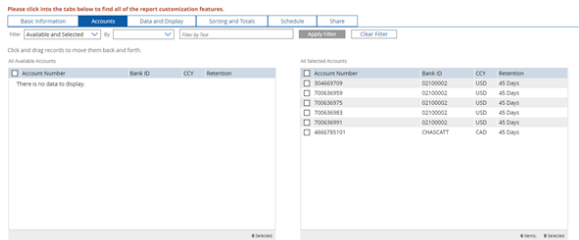




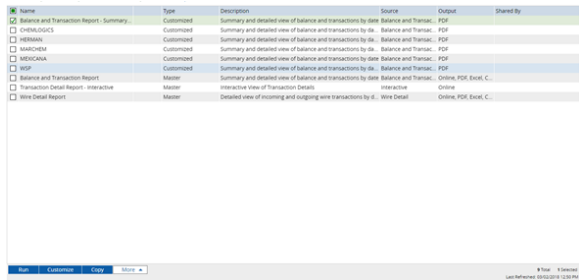
On the "Cash Reports" screen, you can see all the templates you already have. Additionally to running them, you can copy and customize them to create your own.



If you do customize one, the NAM application statement will be account 304669709



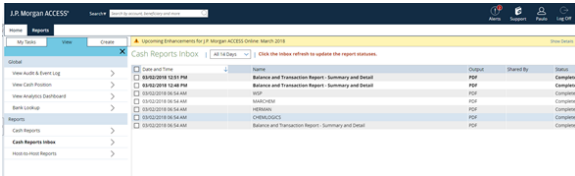
Once you have done customizing the kind of statement you need, you can select it and click on "Run".



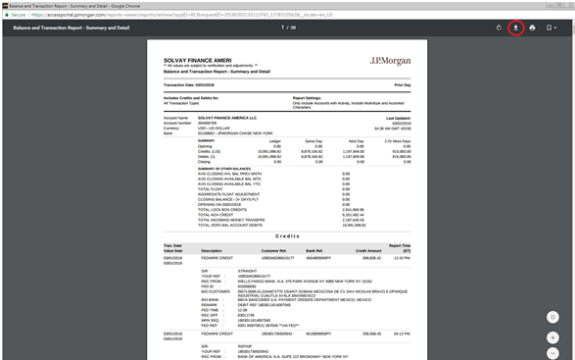
The following message will be displayed and will disappear after a few seconds.



After that, click on "Cash Reports Inbox" on the left side of the screen and you will be taken to the below screen, where you can see all the reports you have run:



Select the report you want and click on "download". The following window will pop up:



The statement is saved on AR Downloads folder. Alternatively you can click on the highlighted button shown above and save it on your desktop or wherever you desire. Also, save a copy on the following folder: <https://drive.google.com/drive/folders/0BxNeRbgJ3R9GTlhqLWNzeHYxcFk?usp=sharing> . (Ar & Billing Documents > AR Documents > Bank Statements > 4044 – JP Morgan Bank Statements).

For Checks received, access the same website you did for the statement, insert your USER ID, click on "Log on" and then insert your password and token information, if required.

4.2 Lockbox Transaction

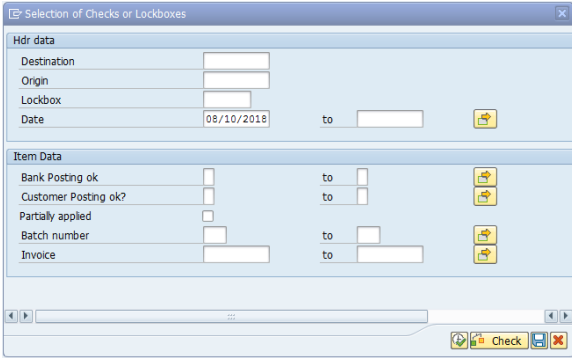
After downloaded all bank statement files, payments have to be posted on customer accounts using **FLB 1 transaction**.

If we receive a payment for an invoice that is already cleared against a credit note, we should re-open the credit note and clear the invoice with the payment. The credit note can be deducted by the customer on the next payment.

4.2.1 FLB1 transaction.



Open "FLB1" transaction. Insert the date of last working day and press






The following "clocks" will appear:


| |
|-----------------------|
| NAFTA FAUS 0021000021 |
| 0023424 |
| 8/10/2018 18:08:00 |
| 8/10/2018 18:49:00 |

The first one is for payments received by check and the second one is for electronic transfers.

Open the "clocks" and following screen will appear:

| |
|--|
| NAFTA FAUS 0021000021 |
| 0023424 |
| 8/10/2018 18:08:00 |
| <ul style="list-style-type: none"> • 00001 USD 1747.01 • 00002 USD 2383.17 • 00003 USD 8690.53 • 00004 USD 27012.0 • 00005 USD 81192.7 • 00006 USD 34391.76 • 00007 USD 8772.00 • 00008 USD 29721.2 • 00009 USD 14521.1 • 00010 USD 3841.55 • 00011 USD 19754.7 • 00012 USD 20663.2 • 00013 USD 18839.6 • 00014 USD 34455.3 • 00015 USD 18096.0 • 00016 USD 8538.60 • 00017 USD 28922.4 • 00018 USD 10700.0 • 00019 USD 55272.0 • 00020 USD 1228.38 • 00021 USD 180.00 • 00022 USD 417.64 • 00023 USD 203.85 • 00024 USD 270.76 • 00025 USD 292374. • 00026 USD 440.58 • 00027 USD 3625.11 • 00028 USD 2453.12 • 00029 USD 180.55 |

-  Green Sign it means that the payment was automatically applied by the system, we can not verify it;
-  Blue Sign it means that the system found the customer account but could not apply the payment. We need to apply this payment;
-  Red Sign it means that the payment is unallocated. System could not find customer account neither invoices. We need to apply this payment;

To process a payments, select a document and press  .

Transaction FB05 will be opened. At this stage, some possibilities can occur:

a) Account Not Found:

1. Search by invoice number;
2. Search by customer name;
3. Search by using "Specificities of NAM Customers" Database;

4.2.2 Search by invoice number

Open "Z3F_FA_CNTR_DISPLAY" transaction. The first screen that appears is the following: "Factoring contract display".

This screen should be filled in as follows:

Affiliate document number – Invoice number



Then click on the Execute button

All details regarding the invoice number are displayed on the following screen:

The image is divided by colours to easily explain the fields. Therefore:

Red: In this box, we can find the customer name, the document (invoice or credit note) and its amount

Green: Here we can find the contract status (open, closed, etc.) and creation dates

Yellow : In these fields, we can see information regarding the affiliate as the company code, document (Invoice reference), reference and PO Ref. Also the customer number in local company is visible here

Blue: Information of the document in 0231. Again the inv. Reference available and customer number is in 0231.

Pink: On the left side, all the information regarding dates for affiliate and factoring side. On the right side, it is displayed all the information related to payment status (open or closed in Cc 0231, payment method and discount terms

4.2.3 Search by customer name



Click on the floppy disk on the payment. The following screen appears:

Post with Clearing Select open items

Process open items

| Open item selection | Additional selections |
|---|--|
| Company Code: 4044 | <input type="radio"/> None |
| Account: <input type="text"/> | <input type="radio"/> Amount |
| Account Type: D | <input type="radio"/> Document Number |
| Special G/L ind: <input type="text"/> <input checked="" type="checkbox"/> Normal 01 | <input type="radio"/> Posting Date |
| Pmnt advice no.: <input type="text"/> | <input type="radio"/> Dunning Area |
| <input type="checkbox"/> Other accounts | <input type="radio"/> Reference |
| <input type="checkbox"/> Distribute by age | <input type="radio"/> Payment order |
| <input type="checkbox"/> Automatic search | <input type="radio"/> Collective invoice |
| | <input type="radio"/> Document Type |
| | <input type="radio"/> Business Area |
| | <input type="radio"/> Tax code |
| | <input type="radio"/> Branch account |
| | <input type="radio"/> Currency |
| | <input type="radio"/> Posting Key |
| | <input type="radio"/> Document Date |
| | <input type="radio"/> Assignment |
| | <input type="radio"/> Billing Document |
| | <input type="radio"/> Others |



To search for the customer number, click on the icon. Following screen appears:

Cust. search using addr. attrib.

Name

Name: *

First name:

Search Terms

Search term 1/2:

Street Address

Street/House number:

Postal Code/City:

Country: Region:

This screen enables us to search for a customer by country, by name, etc.

Advise: Use upper case letters and if you are not sure of the entire name, type a part of the name,

surrounded by asterisks, as in the upper example and then click on



When the system finds a result, following screen appears:

Restrict Value Range (1) 4 Entries found

T: Customers by Tax Information X: Customers by Address Attributes S: Customers - Sales 1: Customers by V...

| Customer | Name | First name | Street | House No. | Postl Code | City | Search Term 1 | Search Term 2 | Cty |
|----------|-------------------------|------------|---------|-----------|------------|---------------------|---------------|---------------|-----|
| 2111197 | ENGENIUM CHEMICALS CORP | | MAIN ST | 1901 | 90651 | PLATTEVILLE CALFRAC | | | US |

Double-click on the customer name to automatically return to the previous screen – “Post with Clearing Select open items”. The “Account” field is automatically filled in with the customer number as follows:

Post with Clearing Select open items

Process open items

| Open item selection | Additional selections |
|---|--|
| Company Code: 4044 | <input checked="" type="radio"/> None |
| Account: 2111197 | <input type="radio"/> Amount |
| Account Type: D | <input type="radio"/> Document Number |
| Special G/L ind: <input type="checkbox"/> Normal OI | <input type="radio"/> Posting Date |
| Pmnt advice no.: <input type="text"/> | <input type="radio"/> Dunning Area |
| <input type="checkbox"/> Other accounts | <input type="radio"/> Reference |
| <input type="checkbox"/> Distribute by age | <input type="radio"/> Payment order |
| <input type="checkbox"/> Automatic search | <input type="radio"/> Collective invoice |
| | <input type="radio"/> Document Type |
| | <input type="radio"/> Business Area |
| | <input type="radio"/> Tax code |
| | <input type="radio"/> Branch account |
| | <input type="radio"/> Currency |
| | <input type="radio"/> Posting Key |
| | <input type="radio"/> Document Date |
| | <input type="radio"/> Assignment |
| | <input type="radio"/> Billing Document |
| | <input type="radio"/> Others |

Click on "Process open items". ★

★ Open items= list of invoices not yet paid in the customer account

4.2.4 Search using "Specificities of NAM Customers" Database

All specificities regarding to customers of NAM Region can be found in the Google drive or in the following link:

b) Payment does not match if the invoices on customer account:

In a case of the payment received does not match with the invoices mentioned by customer, we should leave the payment on customer account and create a dispute of detail missing.

4.2.5 Posting a payment as DZ on customer account

Sometimes there are payments received from identified customers but without any payment details (invoice numbers). Those amounts cannot be matched on customer's accounts against the invoices but they must be applied on the customer's account as a DZ document. Then, a dispute should be created to obtain the payment details.

In order to leave the payment open on customer's account, we should proceed as follows:

We should click on Save button on the payment screen on FLB1transaction:

Lockbox: process checks

23424 180305 1849 / 115 Amount: USD 4,932.40

| Posting Area 1 | Incoming Customer Payments |
|------------------------------|----------------------------------|
| Doc.: 9000547113 | Payt Adv: 010032192300115 |
| OnAcct: <input type="text"/> | PmntOnAcct: <input type="text"/> |
| | 1 Document: <input type="text"/> |
| | 2 Document: <input type="text"/> |

Click on the green arrow at the top of the screen



Following screen appears:

Post with Clearing Display Overview

Process open items Choose open items Display Currency Acct model Taxes

Document Date 03/05/2018 Type DZ Company Code 4044
 Posting Date 03/05/2018 Period 3 Currency USD
 Document Number INTERNAL Fiscal Year 2018 Translatn Date 03/05/2018
 Reference 000000000 Cross-CC no.
 Doc.Header Text 0032192300115 Trading Part.BA
 Branch number Number of Pages

Items in document currency

| FK | BusA | Acct | USD | Amount | Tax amnt |
|-----|------|------------------------------|-----|----------|----------|
| 001 | 40 | 50561USD14 Tr rec wait clrng | | 4,932.40 | |

D 4,932.40 C 0.00 4,932.40 * 1 Line items

Other line item

PstKy Account SGL Ind TType New co.code

This screen must be filled in as follows:

- **PstKy:** 15 (for credit movement on customer account – Incoming payment)
- **Account:** Customer Number

Afterwards, click on 'Enter'. The following screen appears:

Post with Clearing Correct Customer item

Choose open items Process open items More data Acct model

Customer 2113582 NEXEO SOLUTIONS LLC G/L Acc 2200000000
 Company Code 4044
 SOLVAY FINANCE (US) COLUMBUS

Item 2 / Incoming payment / 15

Amount 4,932.40 USD
 Tax Amount
 Calculate tax Tax code
 Bus. Area Last Dunned
 Bline Date 03/05/2018 Disc. Amount
 Invoice ref. / /
 Pmnt Block Pmt Method Pmt. meth.supl
 Assignment
 Text

Next line item

PstKy Account SGL Ind New co.code

In order to insert the amount, simply type asterisk "*" **in the Amount field and press Enter** to avoid errors (more accurate). The item can be now validated by clicking on the floppy disk

4.3 Payment in Advance procedure

Sometimes we receive payments made by customers before the goods are shipped and invoice sent and assigned to SOLVAY FINANCE AMERICA. Therefore, we receive the payment and the invoice isn't yet available on customer account.

There are three steps that should be considered when recording a payment in advance:

1. The customer must be identified

2. Check whether there is an invoice open in that account, and if not, consult the various systems to determine if an advanced payment is expected
3. If the order, customer and amount are identical of what is stated on bank statement, we are authorized to process the E5 (payment in advance). If not a dispute should be created requesting confirmation to Collections Team.

4.3.1 Process a Payment in advance

The first thing to do is to post the payment on customer account as a “DZ” document type entry (see paragraph 4.3 of this procedure).


Then, we should transform the “DZ” entry into an “E5” entry through **Z3F_FA_PIA** transaction.

This screen has to be filled in as follows:

- **Company code:** 4044
- **Customer:** Customer number in which payment was allocated
- **Processing Mode:** N
- **Test mode:** Not selected

We should select the line of the payment that needs to be transformed into payment in advance, double click on it and fill it as follows:

- **Aff.Co Co:** Affiliate number
- **Sales Doc.:** Sales order (we should fill this field or the Billing doc. – Only one is needed)
- **Billing Doc.:** Billing doc. (we should fill this field or the Sales doc. – Only one is needed)

Then we should choose button  and the Amount field will be filled automatically with the Sales document amount. Please note that **BusA** field must be filled in, otherwise payment in advance will not be processed. When there are differences between this amount and the payment, it can be for several reasons: partial payment, banking fees, etc. Thus an analysis should be performed to trace the reason of the difference.

Click on 

Choose **Yes** in the table and the following message appears:

| Full factoring - Payment in advance | | | | | | |
|-------------------------------------|--------|------------|-----------|------|-----------------------------|----------------------|
| | CoCode | DocumentNo | Fiscal Yr | Item | Text | Message Text |
| | 4044 | 7700000382 | 2018 | | Clearing Payment in Advance | Posted successfully. |
| | | | | | Dispute case | Dispute case created |

After this posting, a job will run automatically and will create an E5 document on customer account. See below an example:

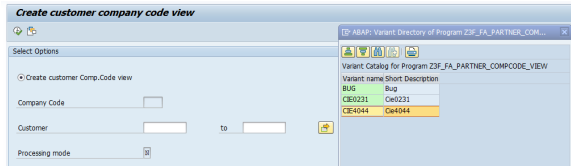
A dispute will be automatically created informing Credit Manager of the posting.


When the invoice is assigned and there is no difference, an automatic job runs every day and clears the E5 with the invoice (s). If there is a difference, the job will not clear and collections should ask information to the responsible CSR and Credit Manager.

4.4 Customer not Created in Cc 4044

In case customer is not created in Cc 4044 and we are sure that is the correct customer, we should run transaction **Z3F_FA_PARTN_CC_VIEW**.

First of all we should select variant **CIE4044** by double clicking on it:



After that we should insert customer account number and execute 

Customer is then created in 4044 with default values.