THE EDGE®

Statements and Aging

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Contains instructions for the first-time use of the Aging feature introduced in v. 6.1.

Introduction

While house account management is not new to The Edge, we have added some functionality that supports aging of accounts. The Edge can automatically calculate and assess finance charges and minimum payments and include them on the printed statement. In addition, with each closed period, the statement balances are aged to provide collection reporting for 30, 60, 90 days, and beyond. Only "Store Charge," aka "House Account," balances are processed for interest and aging. Values can be set in **System Options**.

The Edge allows you to generate statements that include interest. First you should close the billing period, then generate the statements to be mailed. These processes are described below.

If this is the first time you have used The Edge for statements since upgrading to v. 6.1 or higher, see the section entitled Using Statements the First Time Using Versions 6.1 and Higher before beginning any statement work.

Statements and aging must be managed from the headquarters store (usually store #1 or 0).

Consumer credit is governed by federal regulation "Title 12: Banks and Banking, PART 1026—TRUTH IN LENDING (REGULATION Z)" which applies to retailers who meet both of these criteria:

- **The offering or extension of credit is done regularly; and**
- **The credit is subject to a finance charge or is payable by a written agreement in more than four installments.**

If you meet *both* of these criteria, then you must comply with several specific requirements that *The Edge does not yet satisfy*. We cannot support this for retailers who meet both of these criteria.

System Options

Be sure to review System Options before closing periods or printing statements. Setup for billing cycles and interest rates are contained in System Options.

Statement Options

Generate Statement for Customers With Activity but a Negative Ending Balance	Whether to generate a statement for a customer who did have activity in the period, but now has a negative balance. Make sure you comply with any legal requirements in your jurisdiction.
Generate Statement for Customers With Activity but a Zero Ending Balance	Whether to generate a statement for a customer who did have activity in the period, but now has a zero balance. Make sure you comply with any legal requirements in your jurisdiction.

Statement "From Address" Location Adjustment	When statements are printed, the amount, in 1/1440ths of an inch, the "from address" value should be moved up, down, in overall width, and in overall height.
Statement "To Address" Location Adjustment	When statements are printed, the amount, in 1/1440ths of an inch, the "to address" value should be moved up, down, in overall width, and in overall height.
Statement Closing Date	The day of the month for statement closing date (1-31). Will automatically use the last day of February if 29, 30, or 31 is selected.
Statement Due Date Days After Statement End Date	Due date calculated by adding this number of days to the statement end date.
Statement Wording For Dates Outside the Current Period	Wording used in override message and in statement footer when the dates do not conform to the posting dates. This field may not be blank.
Statement Wording Interest	Wording for interest and average balance. Ensure that your wording meets legal requirements.
Statement Wording Minimum Amount Due	Wording for minimum payment and due date. Ensure that your wording meets legal requirements.
Statement Wording When House Account Balances Have Been Estimated	When initially using the Aging function, indicates the wording to be used on statements that have been generated using an estimated balance. This will only be necessary until all estimated balances have been adjusted and verified.
Statement Wording When Running Without Closing	Wording used in the override message and in the statement footer when the statement has been printed before closing the current period. This field may not be blank.

Store Charge Options

Everybody Can Charge	Set this to `True` to allow all customers to use a store charge or house account. Set this to `False` to check if the customer is set up for a store charge or house account before allowing it at POS.
Store Charge Interest Rate – Percentage	The interest rate to be charged on outstanding store charge balances as a percentage.
Store Charge Minimum Fee – Dollar Amount	Store charge minimum fee (finance charge) as a dollar amount. Note this only applies to store charge balances.
Store Charge Minimum Payment Due – Dollar Amount	The minimum payment expected on outstanding store charge balances, expressed as a flat dollar amount.
	If both Store Charge Minimum Payment Due - Percent and Store Charge Minimum Payment Due – Dollar are specified, then the greater of the two calculations will be used. If the minimum payment calculation returns an amount higher than the outstanding balance, then the outstanding balance amount will be used as the minimum payment amount.
Store Charge Minimum Payment Due – Percentage	The minimum payment expected on outstanding store charge balances, expressed as a percentage of the outstanding balance.

Waive Interest if Balance is Zero Anytime During Period	Whether to charge interest on a store charge (house account) if the balance was zero at any time during the billing period.
Waive Interest if Ending Balance is Zero	Whether to charge interest if the balance was zero at the end of the billing cycle.
Waive Interest if Starting Balance is Zero	Whether to charge interest if the balance was zero at the beginning of the billing cycle. Also known as a grace period.

Wording Options

House Account Wording	What you wish to call the use of a house account or store charge.

Customer-Specific Options

There are options in the **Customer** screen, **Options** tab that override some system options pertaining to statements and aging:

House Account Customer	Overrides choices made in **Everybody Can Charge**.
Never Send Statements	Indicates that this customer should not receive statements as run in batches.
Special Interest Rate	Allows you to set an interest rate for just this account.
Minimum Payment	Allow you to set a minimum payment for just this account.
Credit Limit	Allows you to set a credit limit for just this account.

Using Statements the First Time Using Versions 6.1 and Higher

The first time you use the Aging feature, which would be the first time you close a period or run statements after upgrading to any version of The Edge starting with v. 6.1, The Edge will accurately pull the amount due and will make the best attempt to determine whether the amounts are aged (e.g., 30, 60, 90 days past due.) You must verify or adjust this aging one time per customer. You may wish to run the **Customer Balances** report before performing this task to prepare you for this reconciliation.

The Aging feature will show what a customer owes and make an attempt to determine whether it is late based on the current statement settings for statements in **System Options** and historical records in the database. **System Options** may have changed over time, and because of this, the most recent record for a customer might be marked as an estimate and require adjustment so the correct current and past due amounts are accurate. This would also apply to a new user who adjusts statement balances as part of new user setup.

Check your system options before you begin this process. The Edge will back up your database before the process begins. In addition, you may wish to check the records of customers for whom system options don't apply. This is managed in the **Options** tab of the customer record.

> **This process should only happen one time. However, if you have been using the store charge (house account) feature heavily or for a long time, be aware that it can be quite lengthy, possibly hours. Be sure you have adequate time to run the process before you begin. You may wish to run it over night or at least during non-peak hours. If your workstation goes to sleep during the process, it will start again on its own when the system comes back up.**

1. From the **Customer** menu, select **Statements ► Print** or **Statements ► Close**. The **Close Period** window will appear.
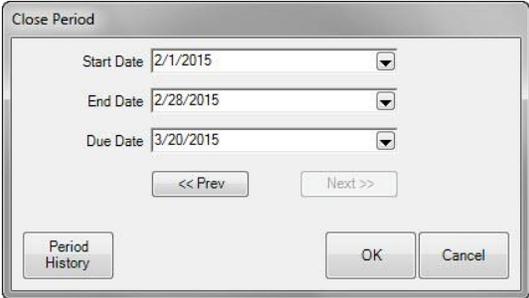
2. Change the dates as needed and select **OK**. You'll be prompted to confirm that you want to proceed with aging activities.
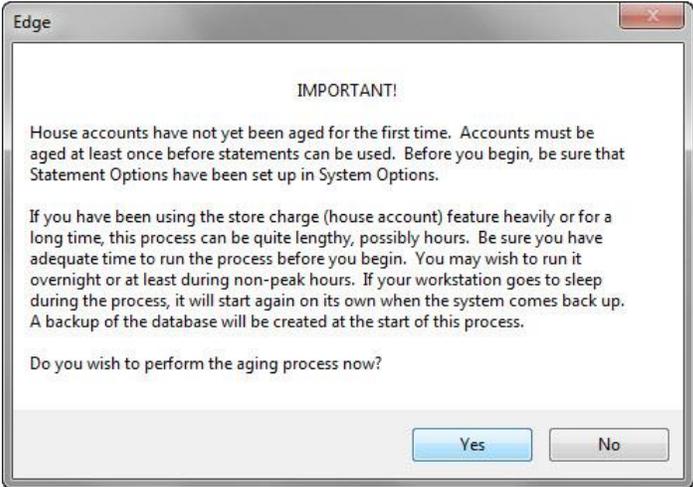
3. If you select **No**, you will be exited from the function. If you select **Yes**, The Edge will close the current and all previous periods, begin processing statement data, and generate a **Statement List**. As mentioned above, this process may take considerable time, so be prepared.

Shown is a list of customers who have a balance and for whom The Edge has estimated the aging for each balance. In this case, The Edge runs the **Statement Find** with filters set for first-time aging. In the future, when you use the **Statement Find** feature, you will be offered filtering options. For more information, see the section entitled Finding and Editing.

4. Locate the record you wish to edit and open it. Note that for any customer, only the most recent statement will be editable.

Fields and options to be edited in the **Statement** screen include:

Customer	The name of the customer whose record is being adjusted. Notice that if you select **Customer**, you will be taken to the customer record where you can work with the customer's settings or review activities.
Closed Date	The closing period end date of the record being adjusted.

Minimum Aging Breakdown

Current	The amount due on the account for current period.
1-30 Days	The amount up to 30 days past due.

31-60 Days	The amount 31 to 60 days past due.
61-90 Days	The amount 61 to 90 days past due.
Over 90 Days	The amount over 90 days past due.
Minimum Due	Based on **System Options**, the amount due, usually including all overdue balances plus the **Current Due**.
Total Balance	The total balance on the account.
Estimate	Whether the amounts shown are estimated by The Edge based on previous statements. If you alter the amounts above, this field will be cleared on the assumption that you have made all the desired adjustments.

5. Make changes to the statement record and save. Amounts shown under **Aging Breakdown** should add up to equal the **Minimum Due**. If you agree with the aging shown, uncheck the **Estimate** option.

Once adjustments are made or the Estimate option is unchecked and you select Save, you cannot undo this action.

6. Repeat for as many records as necessary.
7. Note that if the account balance on the most recent statement is $0.00 or a negative value (in which a credit is owed the customer), no action is required at this time.
8. After all adjustments are made, you can proceed with printing statements.

If you do not adjust/verify aging for all customers, any statements for them will have a disclaimer as described in **System Options**. In addition, you will be prompted to verify aging next time you work with statements.

Undoing the First Aging

In the unlikely event that you wish to undo the initial statement aging, it must be done within 15 days. We recommend you contact The Edge Support Team before proceeding. To undo the process above:

1. Select **Statements ► Close Period**. The **Close Period** screen will appear.
2. Select **Period History**.
3. From the **Supervisor** menu, select **Undo All Periods**.

Finding and Editing Estimates

If you have chosen not to adjust or verify estimates as described above, and wish to do so without running **Statements ► Close**, do the following:

1. From the **Customer** menu, select **Statements ► Aging ► Find**. The **Statement Find** filter will appear.
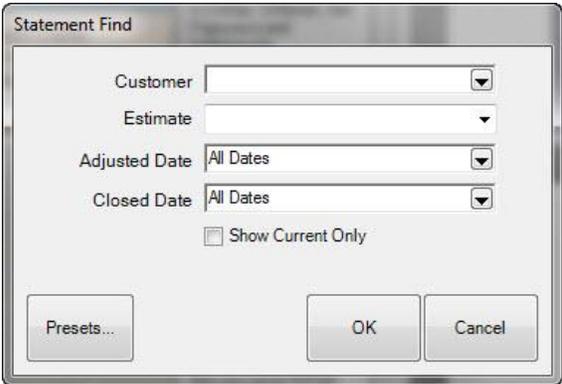
Fields and options in the **Statement Find** filter include:

Customer	Allows you use the **Customer Find** feature and returns matching records.
Estimate	Allows you to filter results based on whether the statement reflects an estimated balance.
Adjusted Date	Allows you to filter by a specific adjusted date. This is the date that the account has been determined to be adjusted from initial estimation by The Edge. For more information about adjustments, see the section entitled Using Statements the First Time Using Versions 6.1 and Higher.
Closed Date	Allows you to filter by a specific closed date.
Show Current Only	Only the most recent period is editable; this indicates whether to return only current closing periods.

2. Locate the records using the **Statement Find** filter. Depending on the number of records you have, this could take some time. The **Statement** list will appear.
3. Locate the record you wish to edit and open it. Note that for any customer, only the most recent statement will be editable.
4. Make changes to the statement record and save. Amounts shown under Aging Breakdown should add up to equal the Minimum Due. If you agree with the aging shown, uncheck the **Estimate** option.

 Once adjustments are made or the Estimate option is unchecked and you select Save, you cannot undo this action.

5. Repeat for as many records as necessary.

 You can only adjust an estimate and confirm the aging once for each record.

Close Period

You will want to maintain aging, statements, and finance charges on house accounts based on **System Options**. Closing the period tracks aging and financial information based on the period end date. The Edge then makes that

available for printed statements and related customer reports. When you close the period, The Edge will post finance charges and applies aging to accounts. To close the period:

1. From the **Customer** menu, select **Statements ► Close Period**. The **Close Period** screen will appear.

2. The **Start Date** and **End Date** will be populated based on your **System Options** and the billing cycle that has yet to be closed. You can use the **Prev** and **Next** buttons to "scroll" through the billing cycles.
3. Check the dates and select **OK**.

An end date less than the current date must be specified.

Undoing Close

In the event you close a period and later find adjustments are necessary to customer balances, fees, or other options, you may undo the period close. **This can be done up to 15 days after the closing of the current period.** To undo a close or statement printing:

1. Select **Statements ► Close Period**. The **Close Period** screen will appear.
2. Select **Period History**.
3. From the **Supervisor** menu, select **Undo Current Period**. You cannot undo any but the most recently closed period.

- **You cannot undo a close for a period that is more than 15 days closed.**
- **Stores who manage house accounts and do not post finance charges should still use Close Period function when they print monthly statements because it is the only means to track aging.**
- **If you attempt to adjust accounts that are from a previously closed period, you will be prompted to use Undo Close Period to undo the close then close again after making adjustments.**

Print Statements

The Edge makes it easy to generate billing statements for charge accounts. To review and print previous customer statements:

1. Select **Statements ► Print** from the **Customer** menu. The **Customer Statements** screen will appear.

Fields and options in the **Customer Statements** screen include:

Start Date	Allows you to select the start date for activity to be included on the statement.
End Date	Allows you to select the end date for activity to be included on the statement.
Print Date	Allows you to specify a different print date from today.
Due Date	Allows you to narrow results by due date.
Prev	Automatically bumps dates back by one period.
Next	Automatically bumps dates forward by one period.
Customer(s)	Allows you to select the customer or customers for whom statements should be generated.
Include Details	Indicates that the statement should include item details. Note that there are no item details for a store charge or store credit.
Include Customers with no Mailing Address	Indicates that statements should be generated even for customers who have no mailing address, such as those to whom statements can be given in person.
Include Zero Balances	Allows you to select records with zero balances.
Include Negative Balances	Allows you to select records with negative balances.

Account Types	Allows you to select from a number of different account types:

- **House Account**
- **Store Credit**
- **Layaway**
- **Special Order**
- **Repair**
- **Appraisal**
- **Custom Job**
- **Memo Out**

Print Lines and Boxes	Indicates whether the lines and boxes between fields should show.
Preprinted Forms	Indicates whether your statements print on preprinted paper forms.

2. Select the desired criteria for the statements you want to generate.
3. Select **OK**. If you have not closed the period, you will be prompted to do so.
4. The first statement will appear on screen. Note that the total number of pages will appear in the **Total Page No.** field.
5. Print the statements. We recommend printing to the report printer.

TPW The Original
(516) 999-8888

From: 10/1/2014
Through: 10/31/2014
Printed: 11/20/2014

Mr. Joseph Shapiro
233 Sagamor Dr
Trumbull, CT 06611

Mr. Joseph Shapiro (001-00002)

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From: 10/1/2014
Through: 10/31/2014
Printed: 11/20/2014

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Date	Receipt#	Detail	Amount
		Repair #001-00022-001 Gents Wedding Band. Declared value: $459.00. Tasks: [1004] Ring Sizing, Larger, 18k, <=3.0mm Wide. Old Size: 9. New Size: 12.	
09/30/2014	001-00022	Balance Forward	62.00 62.00

Aging Balances			
1-30 Days	31-60 Days	61-90 Days	Over 90 Days
$0.00	$0.00	$0.00	$0.00

			62.00

House account statements should contain only amounts charged to the house account, but customers may want an accounting of other outstanding balances such as layaway, repair, custom jobs, etc. If such balances exist, The Edge will run statements with sections for both: a section containing house account activity and a section containing other types of account activity. Further, you can control what appears on the latter using the Account Types option described above.

House Account Page

A line may appear that reads "x% interest on $x average balance." This is the calculated finance charge based on the parameters that you set up in **System Options**. Note that the "**average balance**" is calculated as the balance per day added together then divided by the number of days in the billing cycle.

You will also notice the legend "Please pay $x by xx/xx/xx" at the bottom of the receipt. This is the **minimum payment** calculated according to the parameters that you specified in **System Options**. The date is the payment due date and can be different from the close date.

- **Statements will indicate transactions made on a house account, but not detailed information about transactions. Instead, the store charge account will show payments and purchases made and the current total balance due.**
- **Repair and custom jobs that are marked "Estimate Only" and have not been approved will not show on customer statements.**

Off-Cycle Statements

You can specify starting and ending dates to print a statement that covers a period of time that does not start or end on a cycle and/or a longer or shorter period than one cycle. This may be useful if you want to give a customer a statement of all charges or just charges within a certain time frame. To see a history, in the **Customer Statements** window, select a **Start Date** of several periods back, and leave the **End Date** empty.

In the case of off-cycle statements, the statements will be footnoted for full disclosure. The wording for this disclosure can be set in **System Options**.

House Account Aging Report

The **House Account Aging** report shows account aging as of the most recent statement period.

House Account Report
Only Show Past Due Balances

10/8/2014
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Customer	Balances / Days Overdue					Minimum Due	Days Late	Total Amount
	Current	1 - 30	31 - 60	61 - 90	Over 90			
Jensen, Thomas (001-00001)	5,573.73	498.32	0.00	0.00	0.00	1,105.53	11	6,072.05
Carrano, Joseph (001-00003)	948.20	104.37	0.00	0.00	0.00	209.63	11	1,052.57
						Total:		7,124.62

This report reflects aging as of the most recent statement period, which ended on 10/31/2014; subsequent activity is not reflected

Data fields in the **House Account Aging** report include:

Customer	The customer's name.
Current	The amount due for current statement period.
1-30	The amount that is unpaid for between 1 and 30 days since the last closing.
31-60	The amount that is unpaid for between 31 and 60 days since the last closing.
61-90	The amount that is unpaid for between 61 and 90 days since the last closing.
Over 90	The amount that is unpaid for over 90 days since the last closing.
Minimum Due	The minimum amount due on the account including all unpaid amounts.
Days Late	The number of days late/not paid the minimum amount due is.
Total Amount	The total balance.