

# Invoicing, Collecting and Reporting

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Invoicing your clients is more than sending a bill for services completed. It is about maintaining professionalism, ensuring cash flow, fostering strong client relationships, and celebrating savings realized.

# Invoicing, Collecting, and Reporting

- All Franchisees are responsible for invoicing each of their clients as per the terms of their Service Agreements
  - Invoicing your clients timely and accurately is a direct extension of the manner in which Schooley Mitchell completes the analysis and auditing of their vendor invoices
- All Franchisees are responsible to manage their accounts receivable
- All Franchisees are responsible for completing the requirements of their monthly reporting
  - As your first clients move through production and into Post Audits for the first time, it is important to be aware and ready for how this affects your monthly reporting

# Main Menu

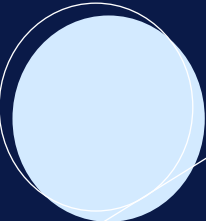
- 01** Issuing the First Estimated Invoice
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# First Estimated Invoice

Only the first invoice is estimated, each invoice that follows is based on audited actuals.

The original estimated invoice total is credited back against the savings of the final three audits. The effect is that the client only pays for actual savings, but you received your first share of the savings earlier.



# First Estimated Invoice

On the Service Agreement, there are three options for the timing of the first invoice to your clients.

Two of them are based on estimates.



When a client has accepted a savings recommendation.



When the vendors have implemented the savings recommendation.



# First Estimated Invoice

When the first invoice is issued on estimates, the amount invoiced is based on the estimated savings given on the Value Report, the billing frequency, and the contingency percentage from the Service Agreement.

For example:

## Service Agreement

Quarterly Audits

50% Savings Share

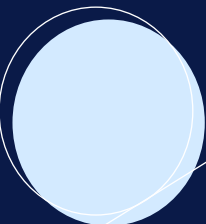
## Value Report

Estimated savings of the  
accepted recommendation:  
\$1,200/month


Monthly savings x 1 Quarter:  $\$1,200 \times 3 = \$3,600$

Quarterly Savings shared at 50%: \$1,800

But – you don't have to do the math



# Reference Invoice

SCHOOLEY  
MITCHELL

Reference Number for Production Reporting

Date	Invoice #
Apr. 17 2023	12345

Production Client

Rob's Jobs

Description	Total Savings	HO Percentage	50% of Savings	Amount
Waste Post Audit for January - March 2023 - PA #2	\$1,500.00	12.5%	\$750.00	\$187.50
This invoice is for reference purposes only. When reporting your collections in "Production Reporting" reference the invoice number so your payment will be applied correctly.				
Total				\$187.50

Each time that you are to invoice your client, the Post Audit team generates the Reference Invoice for you to pull the details and numbers to invoice your clients.

This is a stand-alone reference relating only to what you are to invoice your client on recent work completed.

# Reference Invoice: A Closer Look



The total savings as audited or as estimated on Value Report



The savings share to invoice your client based on the Service Agreement



This is the production fee for work completed. You will not be invoiced for this amount until you receive payment from the client.



Reference Number for Production Reporting

Date	Invoice #
Apr. 17 2023	12345

Production Client
Rob's Jobs

Description	Total Savings	HO Percentage	50% of Savings	Amount
Waste Post Audit for January - March 2023 - PA #2	\$1,500.00	12.5%	\$750.00	\$187.50
This invoice is for reference purposes only. When reporting your collections in "Production Reporting" reference the invoice number so your payment will be applied correctly.				

Total	\$187.50
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# Invoice Requirements

- Business registration information
- Contact information is correct
  - Address
  - Phone number

Remit payment to Schooley Mitchell

Legal Business Name - dba Schooley Mitchell  
of CITY - LAST NAME  
1420 Washington Blvd  
Detroit, MI 48226 US  
888-311-6477  
smtraining@schooleymitchell.com

**BILL TO**  
Hilltop Dry Goods, Inc.  
123 Main Street  
City, CA 12345



SCHOOLEY  
MITCHELL

INVOICE 12345

DATE 01/12/2016    TERMS Due on receipt

DUE DATE 02/12/2016

DESCRIPTION	QTY	RATE	AMOUNT
Description of the product	2	225.00	450.00
Description of the service	1	225.00	225.00

Please remit payment by check payable to:  
Schooley Mitchell

TOTAL DUE

\$675.00

Logo

Invoice

Detailed  
Description of  
what is being  
invoiced

# Invoicing your Clients: Best Practices



Issue invoices as you receive them – don't wait for other cost category audits to issue an invoice



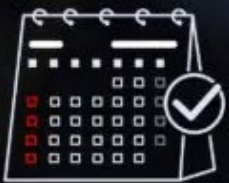
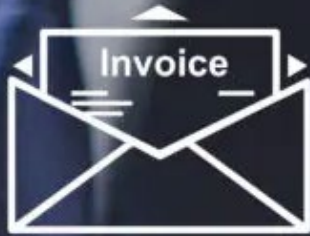
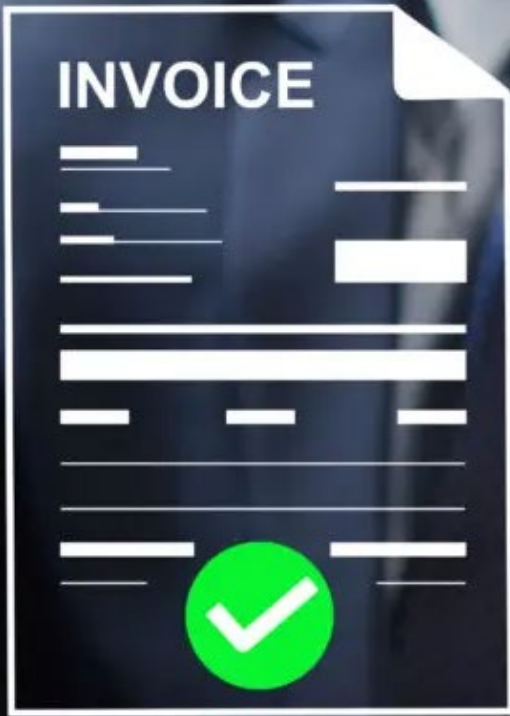
Take your time, be accurate in the details – description and totals



Call out special details from the Post Audit team – details available on page 2 of the audit and in the body of the email from audit team member



Don't use acronyms – most of the abbreviations are internal to Schooley Mitchel and won't be recognized by your clients



# QuickBooks

QuickBooks is the bookkeeping platform recommended for use for Schooley Mitchell Franchisees. This is because future updates to the CRM and Warehouse will include integrations with QuickBooks.

While we offer cursory support with QuickBooks – this support only relates to any operational requirements.

*i.e. There are specific requirements for invoice formatting, we therefore provide support documents to get this set-up for your office.*

As we do not control or have foresight regarding changes to the QuickBooks platform, we do not offer training or additional support in this area.

QuickBooks has incredible help and support resources, on YouTube, their Support page, and a 'Tutorials' module as an optional addition to your QuickBooks Dashboard



# QuickBooks: Recommendations and Best Practices



Create customer profiles for each of your clients as you enter a billing relationship with them.



Create your Schooley Mitchell invoice template and set it as your default.



Learn how to run an Aged Receivables report.



Generate a test invoice, sent it to yourself.



Learn how generate an account statement.



Learn how to use the Sales Credit feature.



# Credit Invoices

On occasion your client may experience 'negative savings'. This most commonly occurs for clients who have incurred an upfront cost to implement a savings recommendation.

Schooley Mitchell shares in this cost by offsetting the total savings by the total upfront cost. If the upfront cost is greater than the savings you will receive an audit and reference invoice indicating a negative amount.

**Do not pay this amount to your client.**

Issue your client a Credit Invoice (QuickBooks calls this 'Sales Credit'). If you are not using a bookkeeping platform you will have to track the credit invoice manually and apply the credit to future invoices. If you are using QuickBooks and are using customer profiles – QuickBooks will remind you to apply the credit to an invoice when you are creating the next invoice for the customer.





SCHOOLEY  
MITCHELL

## Reference Number for Production Reporting

Date	Reference #
Jan. 29 2024	40709

Production Client

Example Client - Negative Savings

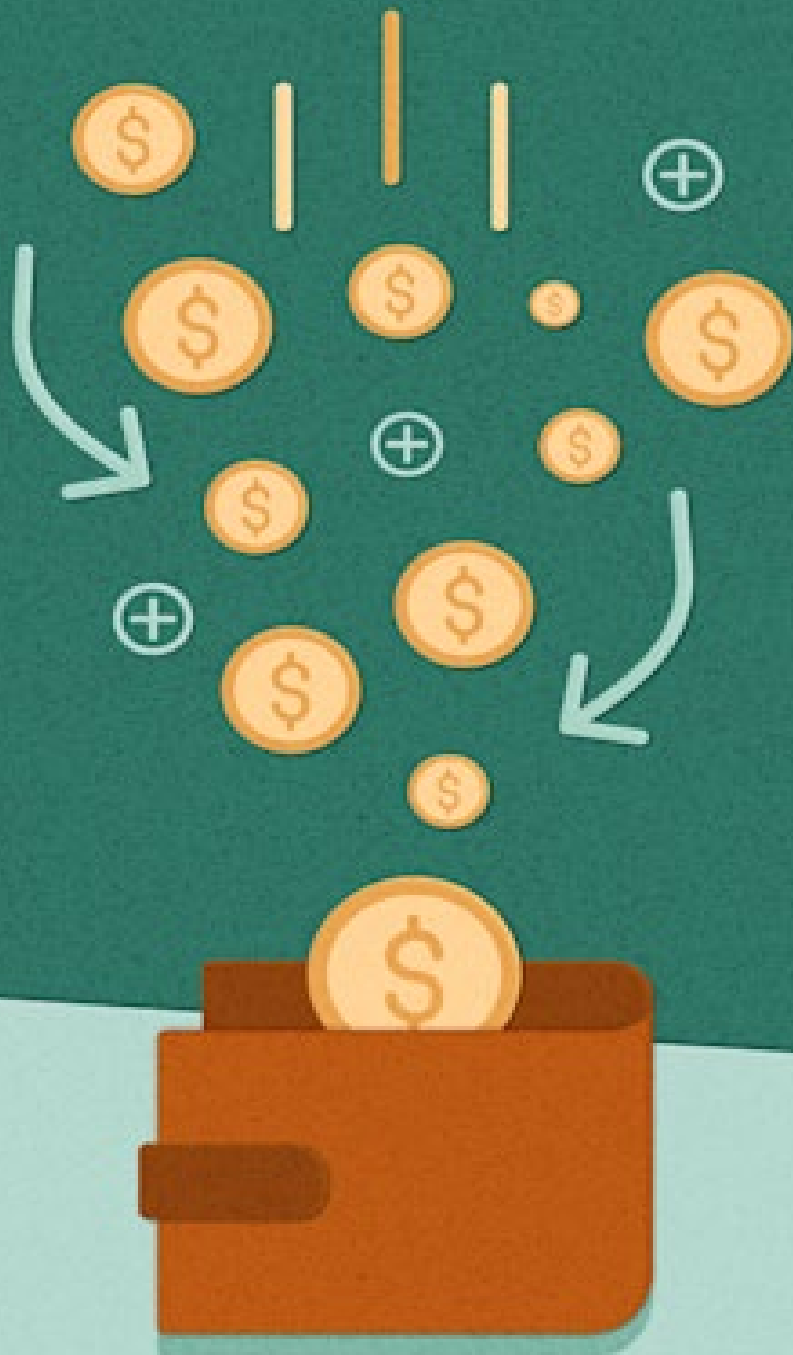
Description	Total Savings	HO Percentage	50% of Savings	Amount
Wireless Post Audit for December 2023 - PA#1	\$-1,939.49	12.5%	\$-969.74	\$-242.44

# Credit Invoice: Example

This client realizes \$637.65 in monthly savings as a result of accepting the recommendation. This will take four months to recover the upfront cost, and collections will begin.

Post Audit	Savings	Invoiced	Account Balance
PA 1 December 2023	-\$1,939.49	-\$969.74	-\$969.74
PA 2 January 2024	\$637.65	\$318.83 *apply credit, client pays \$0	-\$650.91
PA 3 February 2024	\$637.65	\$318.83 *apply credit, client pays \$0	-\$332.08
PA 4 March 2024	\$637.65	\$318.83 *apply credit, client pays \$0	-\$13.25
PA 5 April 2024	\$637.65	\$318.83 *apply credit, client pays \$305.58	\$305.58





# Credit Invoices: Best Practices

- ✓ Always send your client their Credit Invoice.
- ✓ Be transparent that we are sharing in the upfront cost – we are not only sharing in the savings that they realize, but what it cost them to achieve the savings.
- ✓ Send your client a new invoice for each audit completed to see the credit being applied.



Clients will have insight as to the timing that they will begin to owe you for their savings





Reference Number for Production Reporting

Date	Reference #
Mar. 13 2025	47800

Production Client
Return Estimate Example

Description	Total Savings	HO Percentage	50% of Savings	Amount
Waste Post Audit for December 2024-February 2025 - PA#12	\$2,650.94	15%	\$1,325.47	\$397.64
Adjustment - Return of Estimate 3 of 3	\$-310.52	15%	\$-155.26	\$-46.58

# Returning the Estimated Invoice

The Post Audit team tracks the timing to begin to return the original estimated invoice.

The amount to credit will be included on your Reference Invoice.

Create an invoice and include a line item that credits 1/3 of the estimated invoice total against the amount due.



# Reporting: Reminders and Best Practices



Set recurring calendar events to regularly invoice your clients and update your documents for reporting.



Always complete your reporting – even if there are issues being worked on by the production teams.



When completing your Client Reporting and you have any 'Not Issued' invoices, download the Reference Invoice and issue the invoice the same day.



If you are still receiving an automated reporting reminder from the Warehouse, something is missing from your reporting.



# Reporting: Reminders and Best Practices

<b>Invoices - Royalty Exempt</b> for the month of May, 2023	<i>help</i>
There are no invoices	

<b>Invoices - Production Fees</b> for the month of May, 2023	<i>help</i>
There are no invoices	



If you are ever unsure what is required in the Billings and Collections Report, hover over the word '*help*' to view the details for each section.

# Reporting Reminders

## Billings and Collections Report

- Calculates the Ad Fund Fees and Royalties due for the month
- Is due following your first full months of operations and every month following
- The Total deposits on your bank statement must match the total on your Billings and Collections Spreadsheet
- The Total of uploaded invoices must match reporting Billings and the Billings tab of the Billings and Collections Spreadsheet

# Reporting Reminders

## Client Reporting

- Calculates the Production Fees due for the month
- Is due the first month you have a permanent client and every month following
- The Total Billings must match the Billings tab of the Billings and Collections spreadsheet
- The Total Collections must match the Collections tab of the Billings and Collections spreadsheet
- The red 'Outstanding' is what you have invoiced to your clients, but not yet collected on

# Reporting Reminders: Credit Invoices and Client Reporting

						HO Waste		\$-1,046.41	2
HO Invoice#	PA Num	Total Savings	Amount to Bill Client	Client Invoiced	Amount Collected	Default Collected	Total Collected	Outstanding	HO Owed (Production)
33068 Issued: Dec. 08/22	1	\$-4137.90	50.00% \$-2068.95	<input checked="" type="checkbox"/> Invoiced	\$0.00	<input type="checkbox"/>	\$0.00	\$-2068.95	12.5% \$0.00
34041A Issued: Feb. 01/23	2	\$2045.07	50.00% \$1022.54	<input checked="" type="checkbox"/> Invoiced	\$0.00	<input type="checkbox"/>	\$0.00	\$1022.54	12.5% \$0.00



- When you issue the Credit Invoice, mark the invoice as issued
- Continue to issue each following invoice and report as issued



- Do not mark the invoices as collected until the credit has been fully applied



- The sum of the 'Total Collected' column should match actual client collections for the month

Please keep in mind that we share in this investment. We trust that you are billing your clients promptly, as timely payments are crucial for us all.

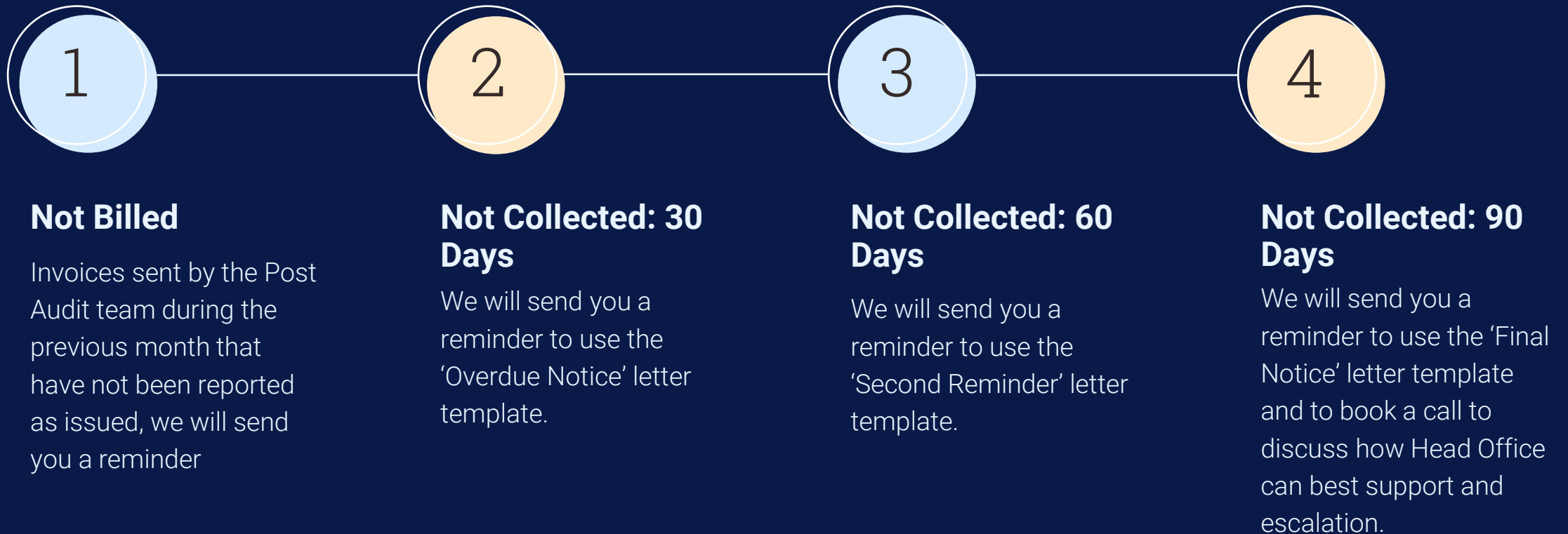
If payments are delayed, it affects everyone involved.

Our analysts have worked diligently to earn their commissions and deserve their compensation. Let's work together to ensure timely payments for the benefit of the entire team



# Head Office Support

Each month Head Offices reviews reports of invoices not reported as billed and not reported as collected to offer training support and client communications support as needed.



You can tag Head Office in sooner to help create a perceived escalation if appropriate.



# Accounts Receivable Example Cadance

30  
Days

- Send the 'Overdue Notice'
- Pick up the phone and call

45  
Days

- Follow up on the above
- Pick up the phone and call

60  
Days

- Send the 'Second Reminder'
- Send via email and letter mail
- Pick up the phone and call

75  
Days

- Send the 'Final Notice'
- Send via email and letter mail
- Pick up the phone and call

100  
Days

- Call the client – tell them it is out of your hands, and their overdue invoice is being turned over to Corporate Head Office

A/R Aging Summary				
Share Template	Memorize	Print ▼	E-mail ▼	Excel ▼
01/26/2023	Interval (days)	30	Through (days past due)	90
Manufacturing Sample File				
A/R Aging Summary				
As of January 26, 2023				
Current	1 - 30	31 - 60	61 - 90	
0.00	0.00	0.00	18,000.00	
0.00	0.00	0.00	57.50	
0.00	0.00 ▶	0.00	0.00	
0.00	0.00	0.00	0.00	
34,500.00	0.00	0.00	0.00	
34,500.00	0.00	0.00	0.00	
168.00	0.00	0.00	0.00	
168.00	0.00	0.00	0.00	
34,668.00	0.00	-20.00	18,057.50	

# Summary



Always use the Reference Invoice as your guide to issue your client invoices.



Investing in QuickBooks is recommended – invest time to get familiar with the platform and set up templates and client profiles.



Dedicate time on your calendar each week to complete your client invoicing and monthly reporting.



Invoicing and Reporting resources are available:

- Libraries > Admin Library > Monthly Reporting
- Training Site > Reporting





Questions?