SCHOOLEY MITCHELL

MONTHLY REPORTING

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MONTHLY REPORTING

Overview

All franchise offices are required to complete monthly reporting after their first full month of operations. There are two components to complete for monthly reporting the *Billings and Collections Report* and the *Client Reporting.*

Monthly reporting can be started on the first of the month, and is due no later than noon ET on the 4th. Each report submitted after the noon on the 4th will be subject to a late filing fee of $50.00

Monthly reporting covers the activities of a franchise office for the previous calendar month. For example, in February you are completing the reports based on the actual financial activities during January.

Documents needed to complete Monthly Reporting

- Business Bank Statement
  - refer to the Operations Manual on the requirements for how your business is to be named and registered with your banking institution
- Billings and Collections Spreadsheet
- All invoices issued during the reporting period
- Value Reports produced by production offices
- Accepted recommendation sign-offs

Compliance

Your monthly reporting is not considered complete until all of the the above items have been provided by uploading them to the Billings and Collections report within The Warehouse.

If any of the above required items are not provided by the reporting deadline you are subject to a $50.00 fine per missing item.

Invoices

All invoices must meet certain requirements as outlined in the Operations Manual' Accounting and Reporting > Invoicing Clients.

These requirements include:

- One of the approved QuickBooks template designs
- Approved Schooley Mitchell logo
- Proper business registration information (see Operations Manual Setting Up Your Franchise > Registration)
- Your office contact information is correct
  - QuickBooks pulls the contact details that you provided when setting up your QuickBooks account. To update this to your Schooley Mitchell contact information when customizing your invoice template.
- 'Invoice' is clearly indicated and includes:
  - invoice number
  - invoice date
- A detailed description of what is being invoiced
  - for example: 'Quarter 1 or 12 Telecom Savings'
- A note indicating that all payments should be made payable to Schooley Mitchell

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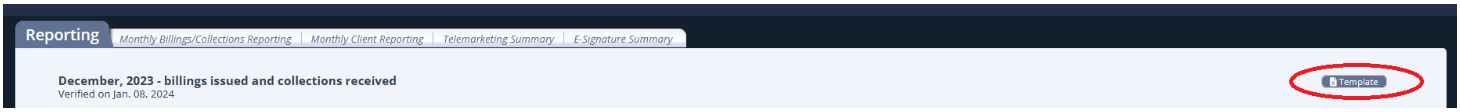
BILLINGS AND COLLECTIONS SPREADSHEET

What it is:

The billings and collections spreadsheet is a required document to complete and submit with your monthly reporting. The template can be found in two places:

- Libraries > Admin Library > Monthly Reporting
- Within the Billings and Collections report



Best Practices:

Start your spreadsheet at the beginning of the month. Update it as part of your regular client billing and collections process.

Billings Tab:

List all invoices issued to clients during the reporting month.

Complete all relevant fields:
Client Name: As listed in The Warehouse.
Date Invoiced: The date you generated the invoice to the client, not the date on the invoice received from the Post Audit Department.
Invoice Number: Your invoice number, not the invoice number your received from the Post Audit Department.
Net Invoice: Invoice total before tax.
Tax: Consult a local accountant to determine if you are required to charge tax.
Total Invoice: The total will auto-calculate when the previous fields are completed.

Collections Tab:

All deposits made to your business bank account are to be listed on the collections tab. The accounting department will reconcile total deposits from your business bank statement to the Total Deposit column.

Complete all relevant fields:
Received From: A description for the deposit type, list client names as they appear in The Warehouse.
Date Collected: Date the amount is deposited to your business bank account.
Invoice Number: Original invoice number(s) issued by your office.
Collection Amount: Total amount paid excluding taxes.
Tax: Tax paid on the invoice
Other: Enter the total for any deposits not related to client collections. For example, refunds, bank loyalty credits, personal deposits, etc. These deposits are not subject to royalties or ad fund fees. This is a record trail required by our auditors.
Total Deposit: The total will auto-calculate when the previous fields are completed.

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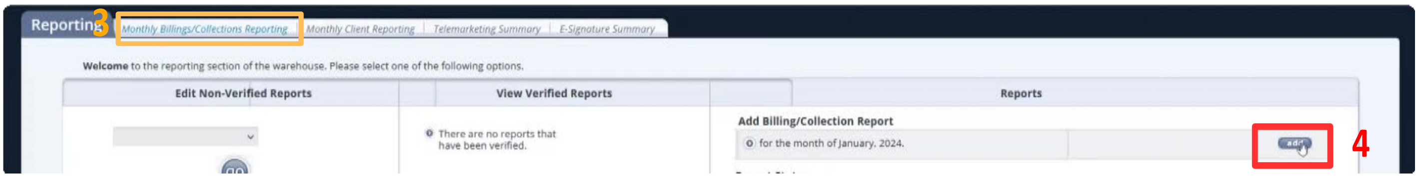
BILLINGS AND COLLECTIONS REPORT

What it is:

The Billings and Collections portion of monthly reporting in an overview of your financial activities for the reporting month. The totals entered determine the royalties and ad fund fees that are due for the reporting month.

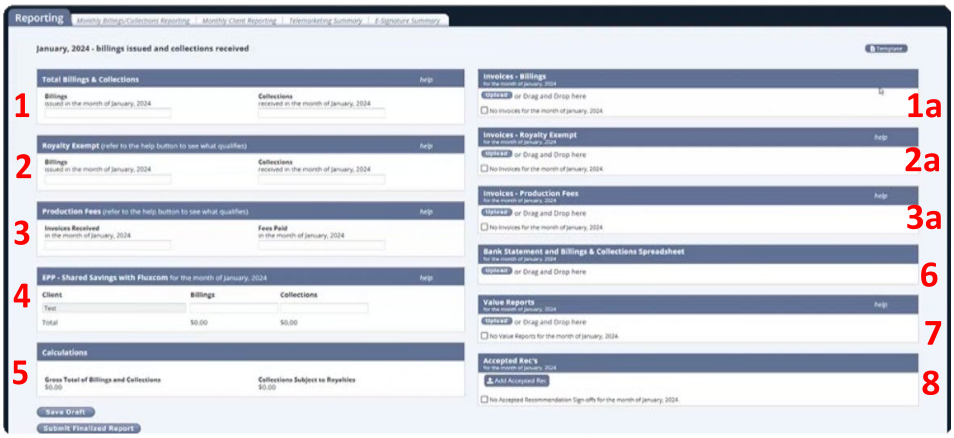
Getting Started:

1. Select Reporting from the top banner menu of The Warehouse
2. A Reporting banner menu is now available.
3. Select the second tab ‘Monthly Billings and Collections’.
4. To add a new report, click on the far right-hand side ‘Add’ button.
   - If you have already started the report, the button now reads ‘Edit’. The report has not been submitted for verification and details and documents can still be edited, added, or uploaded



Report View:

The right-hand side of the report is for all totals, while the left-hand side is for the documents that support the numbers submitted.



Completing the Report:

1. **Total Billings and Collections:**

   Billings - The total value of invoices (pre-tax) issued during the reporting month.
   Collections - The total of all client payments (pre-tax) received during the billing month. These totals should match the totals on the Billings and Collections spreadsheet.

   1a. **Invoices - Billings:** Upload all invoices issued during the billing month.

2. **Royalty Exempt:** *Only complete this section if your office does telecom production for other offices.*

Billings - Enter the total value of invoices for production work issued during the reporting period.

Collections - Enter the total collected for production work received during the reporting period.

2a. **Invoices - Royalty Exempt:** Upload all invoices issued during the billing month for production work.

3. **Production Fees:** *Only complete this section if you have used telecom production services of another office.*

Invoices Received - The total of all invoices received from production offices during the reporting month.

Fees Paid - The total fees paid to production offices during the reporting month.

3a. **Invoices - Production Fees:** Upload the invoices that you received during the reporting period.

4. **EPP - Share Savings with Fluxcom:** No action needed.

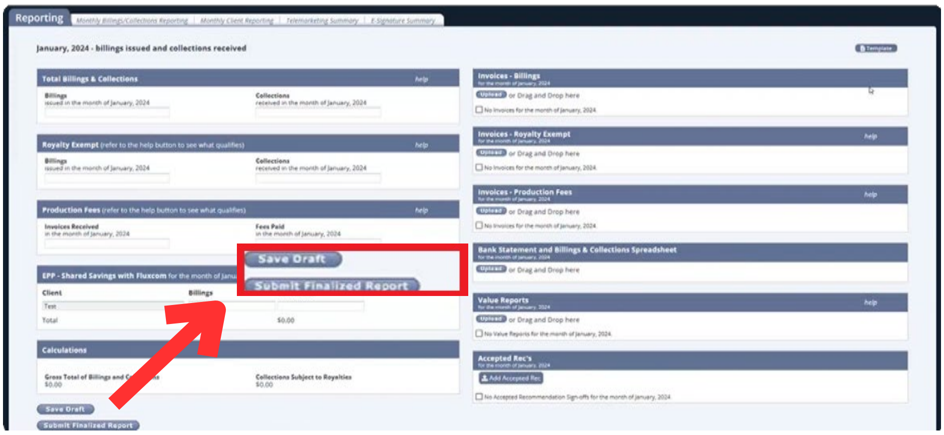
5. **Calculations:** These will automatically calculate based on the figures entered in the above section.

6. **Bank Statement and Billings & Collections Spreadsheet:** Upload your business bank statement and Billings and Collections spreadsheet for the reporting month.

7. **Value Reports:** Upload all Value Reports completed by a production office. Value Reports completed by Head Office do not need to be submitted.

8. **Accepted Rec's:** Review that all accepted recommendation have been pulled from Production Tracking. This section qualities the 'Elite' Eight' on the Home page of The Warehouse.

Upload the sign-offs for any accepted recommendation during the reporting month that are not listed.



Save Draft:

Click on ‘Save’ if you will need to come back to the report to make any changes or additions. i.e. Upload your bank statement once it has been received.

Submit Finalized Report:

Click on ‘Submit’ to finalize your report. The report must be complete and submitted by the end of day on the 4th to ensure that you do not incur a late filing fee.

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CLIENT REPORTING

What it is:

The Client Reporting portion of monthly reporting contains the specific details of invoices issued to and collected from your clients. The totals reported determine the production fees that are due for the reporting month.

Production fees are charged once your client has paid their invoice to you.

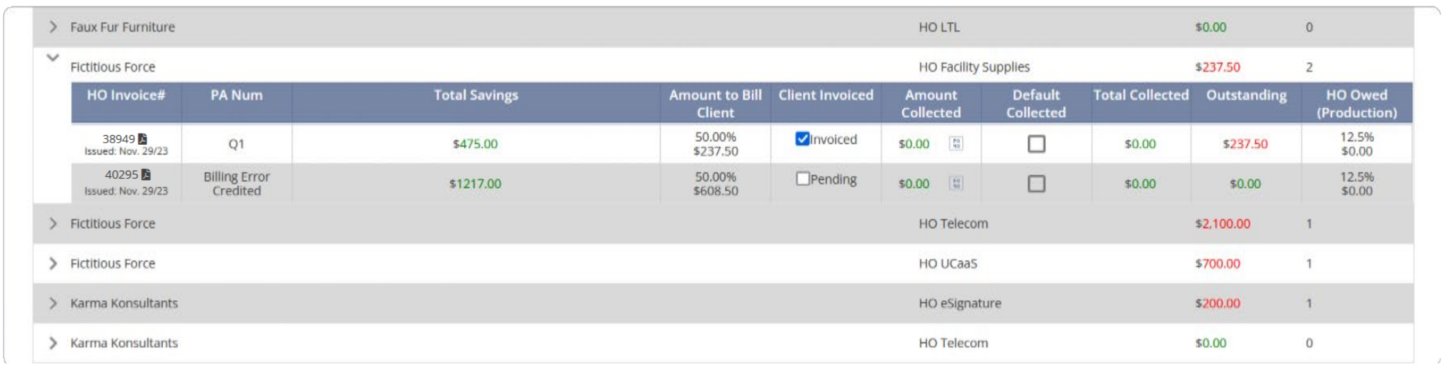
Getting Started:

1. Select Reporting from the top banner menu of The Warehouse
2. A Reporting banner menu is now available.
3. Select the third tab 'Monthly Client Reporting'.
4. To add a new report, click on the far right-hand side 'Add' button.
   a. If you have already started the report, the button now reads 'Edit'. The report has not been submitted for verification and details and documents can still be edited, added, or uploaded

Report View:

All of your permanent clients will appear with a separate line for each cost category that they have signed the Service Agreement for.

Click on each line using the arrow on the left hand side to review the invoices that have been generated by the Post Audit team. These invoices related to work rendered (including estimated invoices, Post Audits, and vendor credits) and is to be billed to your client.



Faux Fur Furniture	HO LTL	$0.00	0
Fictitious Force	HO Facility Supplies	$237.50	2

HO Invoice#	PA Num	Total Savings	Amount to Bill Client	Client Invoiced	Amount Collected	Default Collected	Total Collected	Outstanding	HO Owed (Production)
38949 Issued: Nov. 29/23	Q1	$475.00	50.00% $237.50	Invoiced	$0.00		$0.00	$237.50	12.5% $0.00
40295 Issued: Nov. 29/23	Billing Error Credited	$1217.00	50.00% $608.50	Pending	$0.00		$0.00	$0.00	12.5% $0.00

Fictitious Force	HO Telecom	$2,100.00	1
Fictitious Force	HO UCaaS	$700.00	1
Karma Konsultants	HO eSignature	$200.00	1
Karma Konsultants	HO Telecom	$0.00	0

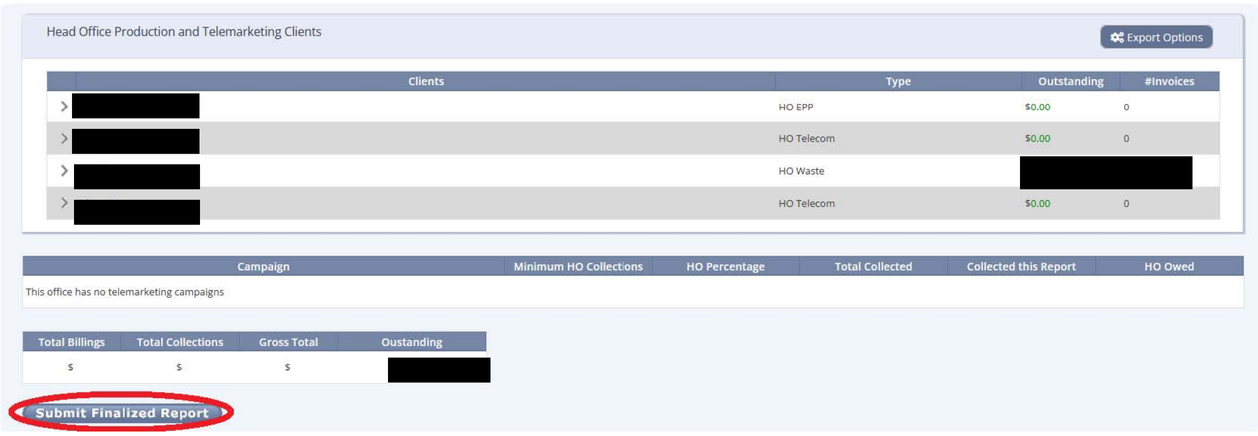
Each line item contains:

HO Invoice #: The is the HO invoice number that you received via email. The page icon is a link to open the HO invoice.
PA Number: The Post Audit number will be listed here by quarter or month. For invoices that are not related to a specific audit, the details will be listed i.e. Estimate, Vendor Credit, etc.
Total Savings: The total savings your client realized.
Amount to Bill Client: The amount to bill your client based on their savings and Service Agreement terms.
Client Invoiced: Check this box if you issued the invoice to your client during the reporting month.
Amount Collected: Only use this field if your client paid an amount less than the amount owed.
Default Collected: Check this box if you received payment in full for this line item during the reporting month.
Total Collected: This amount will automatically update as you fill out previous fields.
Outstanding: The amount the client owes you.
HO Owed (Production): The calculation of production fees based on payments that client has made.

Completing the Report:

Referring to your Billings and Collections spreadsheet:

- Check the 'Client Invoiced' box for all invoices you have issued to your client during the reporting month.
- Check the 'Default Collected' box for all payments that you received during the reporting month.
- Amount Collected - only use this field if your client paid less than the full invoice amount. Double-click to manually enter the payment received.



Submit Finalized Report:

Click on 'Submit Finalized Report' to finalize your report. The report must be complete and submitted by 5:00 pm (Eastern time) the end of day on the 4th to ensure that you do not incur a late filing fee.