

# Reconciling Billing Audit Files



When you receive a bill from a service provider, you verify that the charges are correct before paying any fees. Whether you are being overcharged or undercharged, if there's a mistake, it can be a sticky situation. When it comes to providing advisory services, your clients are no different. In this week's Tech Tip, we'll look at the Billing Reconciliation process and some of the files you'll need to make sure your clients are being billed correctly.

## What?

Every time a bill is run, whether it's forecasted or live, there are four excel audit files that are created. These files need to be reviewed and reconciled prior to collecting fees.

**Payable Summary** - Displays a breakdown of every single account's fee that was generated and includes payout amounts.

**Billing Data** - Replicates your fee file, and displays the accounts that will be paying out fees.

**Reconciliation Data** - Points out some common errors that can occur in your bill run.

**Billing Audit** - A snapshot of all your accounts and settings from when you ran the bill. It doesn't show any fee information, and isn't used to reconcile the fees, but it can come in handy for auditing and historical purposes.

## Why?

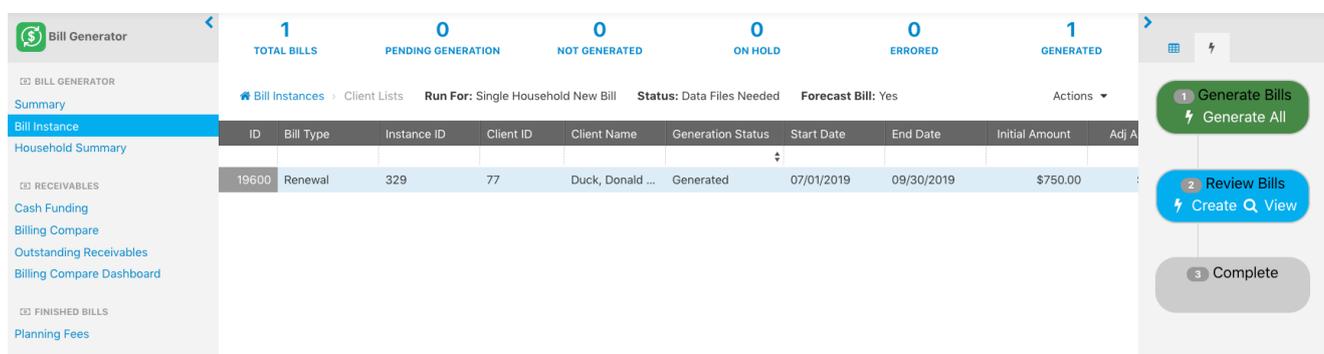
It's important to review these files and reconcile them together to ensure that

your client fees are accurately calculated. You wouldn't want to charge your client the wrong fee amount! It is a best practice to reconcile these four audit files for every bill instance, because this is where most billing issues or errors are brought to your attention.

## How?

To access this data, open the bill generator app. Navigate to Bill Generator > Bill Instance tab.

Double click to open your "Bill Instance." Click on "View" on the same bubble.



The screenshot shows the Bill Generator app interface. At the top, there are statistics: 1 TOTAL BILLS, 0 PENDING GENERATION, 0 NOT GENERATED, 0 ON HOLD, 0 ERRORED, and 1 GENERATED. Below this is a navigation bar with 'Bill Instances' selected. The main area displays a table with columns: ID, Bill Type, Instance ID, Client ID, Client Name, Generation Status, Start Date, End Date, Initial Amount, and Adj A. A single row is visible with the following data: 19600, Renewal, 329, 77, Duck, Donald ..., Generated, 07/01/2019, 09/30/2019, \$750.00. On the right side, there are three action buttons: '1 Generate Bills' (with a lightning bolt icon and 'Generate All' text), '2 Review Bills' (with a lightning bolt icon, 'Create' text, and a magnifying glass icon and 'View' text), and '3 Complete'.

It is a best practice to review the **Reconciliation Data** first. This file should be blank, which indicates that there are no results, and you can disregard. If there are results, always refer to the last four columns in the spreadsheet. A True or False result will populate in the applicable column letting you know which error was recognized. Once the errors are resolved on the Reconciliation Data, the next file you'll want to review is the Payable Summary.

It is best practice to verify that the total Net Due amount in column I matches the total of the payout portions on the spreadsheet starting on column M. For example, the total Net Due on this Payable Summary is \$1,200,021.27. The sum of the payout portions, \$279,800.64 to the BD, \$639,440.52 to your practice, and \$280,780.11 to the RIA also equals \$1,200,021.27.



