

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?

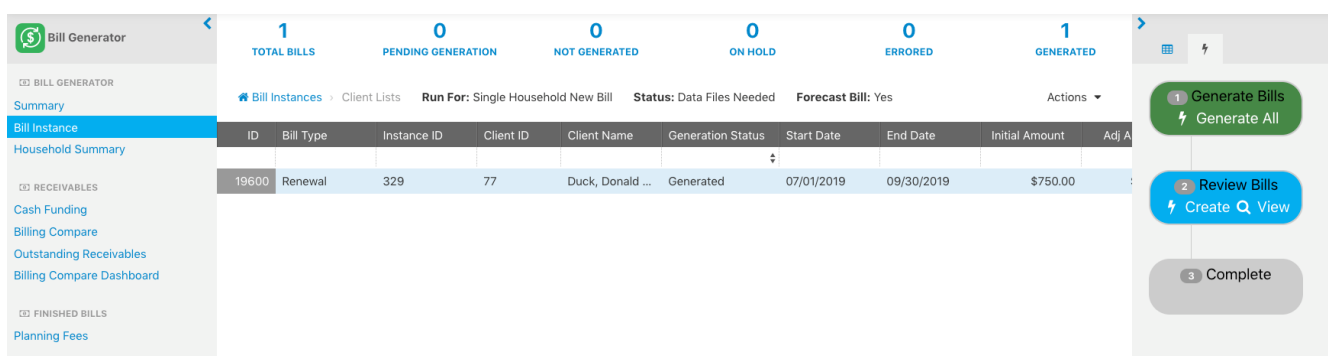
It's important to review these files and reconcile them together to ensure that

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 displays the Bill Generator app interface. At the top, there are status counts: 1 TOTAL BILLS, 0 PENDING GENERATION, 0 NOT GENERATED, 0 ON HOLD, 0 ERRORED, and 1 GENERATED. Below this, a navigation bar shows 'Bill Instances' as the active tab, with other options like 'Client Lists', 'Run For: Single Household New Bill', 'Status: Data Files Needed', and 'Forecast Bill: Yes'. A sidebar on the left lists various menu items under 'BILL GENERATOR', 'RECEIVABLES', and 'FINISHED BILLS'. The main area shows 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: ID 19600, Bill Type Renewal, Instance ID 329, Client ID 77, Client Name Duck, Donald ..., Generation Status Generated, Start Date 07/01/2019, End Date 09/30/2019, Initial Amount \$750.00, and Adj A. On the right side, there are three action buttons: '1 Generate Bills' (with a lightning bolt icon and 'Generate All'), '2 Review Bills' (with a lightning bolt icon and 'Create View'), and '3 Complete'.

ID	Bill Type	Instance ID	Client ID	Client Name	Generation Status	Start Date	End Date	Initial Amount	Adj A
19600	Renewal	329	77	Duck, Donald ...	Generated	07/01/2019	09/30/2019	\$750.00	

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.

I	J	K	L	M	N	O	P	Q	R
Net Due	Days in Cycle	Fee Schedule	Pay Schedule	BD	BD Adj	Rep	Rep Adj	RIA	RIA Adj
\$45.06	90/360	Tiered 1.0/.75/.5	Rep 20/RIA 40/BD Remain	\$18.03	\$0.00	\$9.01	\$0.00	\$18.02	\$0.00
\$43.06	90/360	Tiered 1.0/.75/.5	Rep 20/RIA 40/BD Remain	\$17.23	\$0.00	\$8.61	\$0.00	\$17.22	\$0.00
\$76.74	90/360	Tiered 1.0/.75/.5	Rep 20/RIA 40/BD Remain	\$30.69	\$0.00	\$15.35	\$0.00	\$30.70	\$0.00
\$32.02	90/360	Tiered 1.0/.75/.5	Rep 20/RIA 40/BD Remain	\$12.81	\$0.00	\$6.40	\$0.00	\$12.81	\$0.00
\$196.88				\$78.76	\$0.00	\$39.37	\$0.00	\$78.75	\$0.00
\$1,200,021.27				\$279,800.64	\$0.00	\$639,440.52	\$0.00	\$280,780.11	\$0.00
				SUM = \$1,200,021.27					

Once you verify that the totals on the **Payable Summary** match, the next step is to open the **Billing Data**. It is a best practice to make sure the total Net Due amount in column I on the **Payable Summary**, \$1,200,021.27, matches the same total in the Balance Due, column M on the Billing Data.

M
balancedue
1197.62
1796.43
412.82
584.05
76.49
68.72
8285.33
SUM = \$1,200,021.27

After comparing these totals, the files are done being reconciled! Now you've confirmed that your clients are being billed correctly, something they will surely appreciate!

Want to Learn Even More About our Billing Generator Tool?

Hear from our Billing Subject Matter Experts on all things Billing during our upcoming webinar.

If you have questions or need additional assistance, feel free to contact Orion Billing at billing@orionadvisor.com

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