

# TENANT COLLECTION AND CASH MANAGEMENT PROCESS

**Presented by: Steven Solomon, Director Of Finance  
Carol Clancy, Chief Fiscal Officer**





# Who We Are ?

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- 40 Year-old Affordable Housing Property Management Organization
- 1,800 Monthly Tenant Rent Payments
- Programs: Public Housing, Fairfax County Rental Program (FCRP), Elderly Program and Low-Income Housing-Tax Credit Program
- Sources of Funding: Federal, Local and Tenant Rental Income

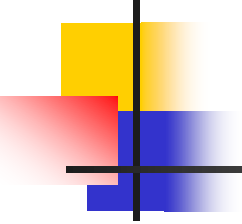
# Where We Were ?



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- No Invoices
- Decentralized Collection
- Manual Processes
- Poor Customer Service

# How We Did It ?

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- Three Months Design Planning
  - Six Months Interface Technology Development
  - Staff Training
  - Customer Education



# What It Is ?

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- Day 1 – Check Hits the Post Office Box
- Day 2 – Check Picked-up, Processed and Deposited in the Bank
- Day 3 – Electronic File Downloaded Into Tenant Ledger
- Day 4 – Interface to General Ledger



# How It Helps ?

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- Enhanced Internal Controls
- Increased Customer Service
- Increased Staff Time for Risk Analysis
- Greater Efficiency and Cost Savings

# Tenant Ledger

**WINDOW 2: Ledger**

Date	Description	Amount	Balance	Check #	Link
4/1/2008	:Rent 04/08 DAVIS, WYATT 12109 RAGAN OAKS COURT, FAIRFAX VA 220	456.00	(0.66)		146230
4/1/2008	:EUC 11/06/2007 to 12/08/2007 DAVIS, WYATT 12109 RAGAN OAKS COUR	0.66	0.00		146281
4/25/2008	chk# 11024909370 :lockbox (#17265)		447.00 (447.00)		150753
5/1/2008	:Rent 05/08 DAVIS, WYATT 12109 RAGAN OAKS COURT, FAIRFAX VA 220	447.00	0.00		150376
5/28/2008	chk# 02833 :lockbox (#17562)		447.00 (447.00)		155176
6/1/2008	:Rent 06/08 DAVIS, WYATT 12109 RAGAN OAKS COURT, FAIRFAX VA 220	447.00	0.00		153499
6/25/2008	chk# 12457368314 :lockbox (#17827)		447.00 (447.00)		159792
7/1/2008	:Rent 07/08 DAVIS, WYATT 12109 RAGAN OAKS COURT, FAIRFAX VA 220				
7/29/2008	chk# 02849 :lockbox (#18183)				
8/1/2008	:Rent 08/08 DAVIS, WYATT 12109 RAGAN OAKS COURT, FAIRFAX VA 220				

**WINDOW 3: Detailed Receipt**

Property: 019045 RAGAN OAKS  
 Unit: 4539 12109 RAGAN OAKS COURT  
 Resident: 10003631 WYATT DAVIS Status=Current  
 Amount: 447.00  
 Payer: [Blank]  
 Date Received: 06/25/2008  
 Post Month: 06/2008  
 Check Num.: 12457368314  
 Cash Acct: 1010-0000-00  
 Payment Method: Check

Pay	Charge Code	Acct	Date	Charge	Prior Paid	Ref	Description	Chg
447.00		2220-0000-00	06/25/2008	447.00	0.00	*	Prepay Used by #159972	
	Unapplied							

**WINDOW 4: Attachments**

Attachments for R- 159792

Type	Description	Date	Attachment	Secure	Detail
LockBox	Receipt	06/25/2008	10003631_20080626_010_041002ck.tif		

**Instructions:**

1. Click "Ledger" hyperlink to be directed to WINDOW 2.
2. Click "159792" hyperlink to be directed to a receipt detail in WINDOW 3.
3. Click "Attachment" hyperlink to be directed to WINDOW 4.
4. Click ".tif" hyperlink to view image of check (see attachment).

# Tenant Invoice

Fairfax County Redevelopment and Housing Authority  
P.O. Box 588  
Merrifield, VA 22116-0588  
Tel: 703-246-5026

STATEMENT: 1059403  
Account: 10001985  
Date: 07/16/2008

DONALD DUCK  
6505 DAISY AVENUE, C1  
DISNEY, VA 22307

## Invoice Sent to Tenant

Date	Description	Charges	Payments	Balance
07/05/2008	Balance Forward as of 06/16/2008			\$2.92
08/01/2008	Chk# 11331500681 - :lockbox (#17913)		340.00	
	:Rent 08/08 DUCK, DONALD	285.00		

### Credit Balance

**\$-52.08**

Note: This is a reminder that the postage rate for a standard mail size has been increased to 42 cents by the post office.

**Rent is due on the first of each month. Please make check payable to "FCRHA" and return in the enclosed envelope. Add postage. Late charges will apply.**

*Fairfax County is committed to nondiscrimination on the basis of disability in all County programs, services and activities. Special accommodations will be provided upon request. For information call 703-246-5101 or TTY 703-383-3578. Equal Housing Opportunity.*

Please detach and return this portion with your payment

Fairfax County Redevelopment and Housing Authority

STATEMENT: 1059403  
Account: 10001985  
Date: 07/16/2008

019036 T0001985 07162008  
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DONALD DUCK  
6505 DAISY AVENUE, C1  
DISNEY, VA 22307

Amount Enclosed \$ \_\_\_\_\_  
DO NOT SEND CASH

Remit to: FCRHA  
P.O. BOX 588  
MERRIFIELD, VA 22116-0588

October 31, 2008



# Invoicing Procedures

Goal of the PH and FCRP invoice process is to provide an accurate accounting of a tenant's monthly activity in a timely manner. The target receipt date by tenant is the 20th of the month.

Invoice contacts: Print Shop. Steve 703-324-xxxx. Electronic file is sent to him monthly.

Print Shop. Ebie 703-324-xxxx. **Before** file leaves print shop, she will email a count total of invoices to DHCD. Email her when file is sent to Steve.

Mail Room: Pat 703-324-xxxx. Call to determine date mailed.

A. Before the 1st of month - Send calendar with target dates. Example attached. Give to AR staff. Email HM cut-off date to appropriate HM staff.

B. Mid-month - Last day to post all actions that will be on next month's invoice.

C. Day after last posting

1. Create electronic file in Yardi
  - a. Go to: Menu: AR Invoices
    1. Create Invoices
      - a. Property. It is easier to "Check all" then uncheck the ones that do not apply. Coan Pond, Lewinsville and Lincolnia are not invoiced.
      - b. Dates. First field should be the date following the end of last month's invoice. (Ex: last month last day posted was 9/15, this month begins 9/16). The second date is the day is today's date.
      - c. Destination: Screen.
      - d. Submit. This will take awhile for file to build.
    2. Report Invoices
      - a. Destination: Screen
      - b. Submit.
      - c. Either print or review invoices on computer. This process involves scanning for unusual amounts, names, addresses.
    3. Edit Invoices
      - a. Open a 2nd window in Yardi (File: New: Window)
      - b. Menu: AR Invoices: Edit Invoices
      - c. Deselect those invoices that you do not want to send (This would be CSB/Woodburn and Roy Axxx-t1206 A85).
      - d. **Click Update.** This process takes awhile and Yardi has to rebuild file.
      - e. Note count in upper left corner. This will be sent with invoice file to Steve Bell.
    4. Finalize Invoices (in original window)
      - a. Yes
      - b. Click on file "located in ...." (third link)
      - c. Right click on file that was created-will have current date on it. Send to..., Mail recipient (this takes you to Outlook. Insert Steve Bell's email address)
      - d. Include a statement to Steve about count.
      - e. Send email.

Fax Work Order to Print Shop - sample attached. Fax to Steve. FAX# - 703-324-xxxx.

Communication with Print Shop - The print shop has stated that their time frame to print invoices may be up to 5 days. Call daily starting on Day 3 after email has been sent. Ebie will email when sent to Mail Room.

Communication with Mail Room - The mail room has stated that their time frame may be 2 days after receipt of invoices from print shop to delivery to USPS. The day after the invoices have left the print shop, call Pat to determine if mailed or when they will be mailed. Continue phone calls until mailed.

Envelopes. The mail room does not want a supply of envelopes in their shop. The day after the invoices leave the print shop, Dawn will take the envelopes (two types: inside #9 with PO box, #10 plain) to the mail room. She will pick up remaining envelopes the day after invoices are mailed each month.

Envelope. Dawn will track supply and order through HCD HR.

October 31, 2008

# Reconciliation Procedures

- 1. Check the Output File Email from Merkle. Make mental note of two things:
  - 1. Number of Rejects
  - 2. Deposit Amount.
- **From:** Michelle Davina Smith [mailto:mdasmith@merkleinc.com]
- **Sent:** Wednesday, February 13, 2008 6:37 AM
- **To:** Clancy, Carol D; Dan McCleaf; Ogbon, Daniel; Creal, Dawn T; Tran, Hoangoanh; Belkov, Larry; Kohli, Neelam; Vincent Drenner
- **Subject:** FAIRFAX OUTPUT FILE FOR 02-12-2008
- The following file was placed on the FTP site for your review.
  - 
  - Filename: FCRHA20080212.ZIP
  - Record Count: 19
  - **Rejects: 0**
  - **Deposit Amount: \$8,327.00**
- Retrieve UPS package and gather deposit slips and rejected items. Put rejected items aside until after download is complete.
- Run a calculator tape totaling the Bank of America deposits and any Partnership deposits. Make sure the total deposit amount matches the email output file amount from Merkle.
- Check the BOA daily bank report to be sure that the deposit amount on the report reconciles with the amount on Merkle's deposit slip for non-Partnership projects. Initial and date the Merkle report to show that deposit amount reconciled.
- Go to Page 2 for Download instructions.



# Download Procedures

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- Yardi/Lockbox Interface
- 1. Yardi Voyager (Workstation).
- Log in
- E-Banking (Top Bar)
  - Lockbox
    - Post month. Current month. Watch for postings at the end of month to make sure that Yardi has not been closed to that month.
    - Import File.
- Open Merkle folder. There should be two FCRHA files—one dated 2 business days ago and the current one dated yesterday. Delete file dated 2 business days ago. (The interface should transact around 9:00 AM Monday-Friday. If the file is not in the Merkle folder after 9:30, contact Larry).
- Double click on current file.
- Ok to import? Yes. (depending on # in file, this may take some time)
- For your information. OK (Don't expect the number of items to match the post or the Merkle deposit)
- Go to #6 if No Errors found.
- **If Errors, go to page 5 for instructions.**
- Yardi will prompt:
  - "Errors were found..."
  - Close
- Yardi Voyager – Yardi Live 6.0
  - Receivables > FixLockBoxBatch. Drop down Batch List. Click on the Lockbox batch.
    - Deposit Slip #. Type in BOA slip number 3850xxxx.
    - New Date Received. Change this to the actual date received in the PO Box. This should be two business days before today and one day before deposit. Example #1: Today is Monday, March 12, deposit was Friday, March 9, date of receipt in PO Box was **MARCH 8**. Example #2: Today is Tuesday, March 13, deposit is Monday, March 12, date of receipt in PO Box was **MARCH 9** (two business days before today).
    - Change Date? Yes
    - Submit and wait for the process. Watch status bar to see it is working.
    - **(Skip to Receivables> Edit Summary Batch if there are no unprocessed images or mismatched prop/tenant messages.)**



# Download Procedures

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- Print page if there are any unprocessed images.
- Open new window in Yardi. Look up T#, read scanned item and determine who needs to address correspondence (Finance or HM). Notify appropriate person that scanned correspondence came through lockbox. (Send email)
- If any transactions have been moved from one property to another (Mismatch Prop/Tenant) check to see that they are correct as below:
  - Receivables > Edit Summary Batch
  - Pull down lockbox batch from menu
  - Submit
  - Edit
  - Find receipt # as shown on printed page (last 6 digits)
  - Click on receipt number to go to receipt
  - Look at check image—if correct, close image and post batch.
  - If wrong account, move image as follows:
- File>Save as Rename with appropriate  
t code (all 7-digits, no spaces)  
Save to:  
F:\Users\GENSHARE\YardiAttachments
- - Close image
  - Print receipt info
  - Delete receipt
  - Repost receipt –Add Button
  - Save
- Receivables > Edit Summary Batch. Drop down. Select lockbox batch. Should be the only lockbox batch.
  - Select and follow procedure for posting receipt batches.
    - Print deposit slip but do not close the report.
    - Send the page by email to Adele Williams and Joe Larose with a copy to Nicole Wickliffe.
    - Check the Yardi deposit slip to be sure that all Partnership monies were deposited to the correct accounts at United Bank.
    - Photocopy United Bank Merkle Deposit slips and give originals to Bruce White. Email Hush Cott with United Bank deposit amount.
    - Staple Yardi deposit slip to Merkle deposit reports. Date with BOA deposit date and U.B. deposit dates in upper right hand corner.
    - Rubber band envelopes together. Write following on top: BOA dep. Date , U.B. dep. Date, Yardi date. Store envelopes.
    - Handle Rejections (next page)



# Rejections Procedures

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- Gather rejected items.
- Handle as follows by rejection type:
- Correspondence:
  - Give to appropriate Finance clerk. He/she will then take necessary action or deliver to Property Manager/Housing Specialist.
- Incorrect Payee:
  - Give to appropriate Finance clerk. He/she will phone tenant to ask for replacement and/or return check to resident with a letter requesting replacement check.
- UTL (Unable to Locate):
  - Determine why rejected. Check Yardi to see if tenant moved in after invoice file created or if an invoice was not created. These residents will not be included in file, so Merkle cannot look up.
  - If New Move-In, check to see that Sec. Deposit has been handled. If not, process check in-house. (Appropriate clerk)
  - If Merkle rejected payments that could have been located, email Vince Drenner ([vdrenner@merkleinc.com](mailto:vdrenner@merkleinc.com)) to be sure Merkle staff is using most recent look up file.
- Give rejections to Oanh Tran who will do the following:
  - Print Invoice copy if available, detach remittance, attach to payment.
  - Label payment with full 7-digit Tcode and 6-digit Property number. (If no invoice available)
  - Mail to Merkle.

# Download Errors Procedure

- Check log to determine error.
- Open new Yardi window.
- Type the following in address line of Internet Explorer window:        \\s382kpd03\YardiReports\lockbox.log
- Click Go or hit return
- Note line item of error or print log.
- Delete the error message
- Close notepad with the 'X'.
- Save changes? Yes.
- Open the Merkle folder. May be found at the following:  
<\\s382kpd03\YardiReports\Merkle> (Type in and hit "go")
- Right Click on day's file and choose "Open With" "Notepad".
- Correct error:
  - Error may be an invalid property number. For example, it may read **VA1905** instead of **019005** or may be an incomplete Tcode
- Close Notepad with the "X"
- Save Changes? Yes.
- Open Yardi 6.0 – Do Not choose "Fix Lockbox Batch".
- Receipts - Edit Summary Batch
- Delete batch and restart the download process from the beginning.  
(See Page 2.)
- **Check Image Reference:**
- 
- Check images found here:
- 
- <\\s38yardiweb\YardiAttachments\TENANT\Receipts>
- Check images are arranged by Tcode and date.
- For example, if the receipt image is scanned to T0001985 on Jan. 5, 2008,  
the file path will begin with T0001985\_20080105



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# QUESTIONS?



# Who Do Ya Call ?

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- Steven A. Solomon, Director of Finance  
[steven.solomon@fairfaxcounty.gov](mailto:steven.solomon@fairfaxcounty.gov)  
Tel: 703-246-5134
  
- Carol Clancy, Chief Fiscal Officer  
[carol.clancy@fairfaxcounty.gov](mailto:carol.clancy@fairfaxcounty.gov)  
Tel: 703-246-5135