Lesson 10 Applying Direct Bill Payments

10.1   Prerequisites

For this exercise, use:

- In a supported browser go to the BillingCenter URL
    - Username: **studentXX**
    - Password: **gw**

10.2 Exercise: Explore payment allocation plans

Activity

In this exercise, you explore how BillingCenter uses payment allocation plans. In the default configuration, BillingCenter automatically applies payments to invoice items on invoices that are billed or due. You will modify BillingCenter to automatically apply payments to invoice items on the next planned invoice as well.

1. **Find the Ines Augustine XX account.**

    a) What payment allocation plan will be used to allocate payments for this account?

2. **Add a new Homeowners policy to the Ines Augustine XX account:**

    - Policy Number: **HO01-IAGUST-XX**
    - Payment Plan: **PP12**
    - Premium: **$3400**
    - Taxes: **$200**

3. **WAIT: The instructor will make the first invoice billed.**

4. **Start to add a new direct bill payment of $1000.**

    a) How much of the payment will be applied?
    b) How much of the payment will remain unallocated?
    c) **Cancel** the payment entry.
    d) Indicate to the instructor that you are ready to continue (**10,1,4**)

5. **WAIT: The instructor will modify the Default Allocation Plan to include invoice items for the next planned invoice.**

- This step requires the addition of a new filter on the payment allocation plan.

6. **Add a new direct bill payment of $1000:**

    a) How much of the payment will be applied?

    b) How can you confirm that part of the payment will be applied to the next planned invoice?

    c) How much of the payment will remain unallocated?

10.3 Solution

Solution

1. **Find the Ines Augustine XX account.**

    a) What payment allocation plan will be used to allocate payments for this account? *Default Payment Allocation Plan (this information is specified on the Account Details screen).*

2. **Add a new Homeowners policy to the Ines Augustine XX account:**

    - Payment Plan: **PP12**

    - Premium: **$3400**

    - Taxes: **$200**

3. **WAIT: The instructor will make the first invoice billed. – *See Appendix for instructions***

4. **Start to add a new direct bill payment of $1000.**
   Remember to change the Unapplied Fund field to the fund for your policy.

    a) How much of the payment will be applied? *$880*

    b) How much of the payment will remain unallocated? *$120*

    c) Cancel the payment entry. *Click **Cancel**.*

    d) Indicate to the instructor that you are ready to continue (**10,1,4**)

5. **WAIT: The instructor will modify the Default Payment Allocation Plan to include invoice items for the next planned invoice. – *See Appendix for instructions***

- This step requires the addition of a new filter on the payment allocation plan

6. **Start to add another new direct bill payment of $1000:**

    a) How much of the payment will be applied? *The whole payment--$1000*

    b) How can you confirm that part of the payment will be applied to the next planned invoice? *On the Distribution tab, look for the designation of (Planned) next to the invoice bill date. Also, you can set the Aggregate field to Summary. This shows the two invoices with their statuses. The first one is the billed invoice and the second is the planned invoice.*

    c) How much of the payment will remain unallocated? *none*

7. **Execute the payment.**