Cash Flow Optimizer for QuickBooks

Windows Application

User's Guide

Version 1.6

May 2nd, 2017

Table of Contents

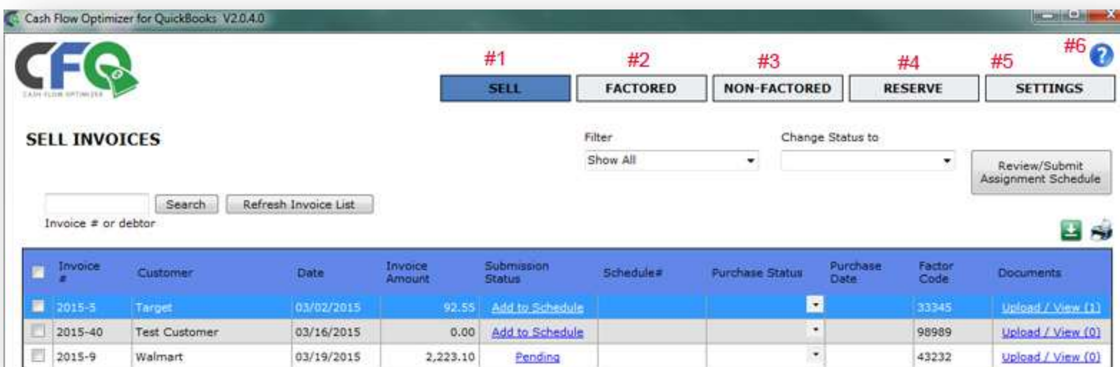
ABOUT CASH FLOW OPTIMIZER FOR QUICKBOOKS- WINDOWS VERSION

Cash Flow Optimizer (CFO) for QuickBooks is a Windows Application that connects to your company's QuickBooks software running in your computer to create a useful interface to:

- Manage and submit assignment schedules to your factor
- Manage invoice purchase and collection status, and
- Automatically perform journal entries in QuickBooks related to factoring transactions.

APPLICATION STRUCTURE

The application consists of six different areas (or pages).



1. **Sell Invoices Area:**
   In this area you can pick invoices from your QuickBooks account to add to assignment schedules, upload supporting documentation to include in your schedules and electronically submit schedules to your factoring company for processing. You can also change the factoring status of your invoices whenever the factoring company lets you know an invoice has been purchased or not.

2. **Factored Invoices Area**
   In this area you can see, download, and print a list and an aging report of all the invoices you have marked as purchased by the factoring company in the Sell Invoices page. Here you can also change the collection status of a factored invoice whenever the factoring company lets you know that it has been collected or charged back.

3. **Non-Factored Invoices Area**
   In this area you can see, download, and print a list and an aging report of all the invoices that have not yet been factored. Here you can also change the collection status of a non-factored invoice whenever the factoring company lets you know that it has been collected.

4. **Factoring Reserve Area**
   In this area you can see all the transactions you have posted to the factoring reserve account in QuickBooks, and input factoring account expenses and administrative fees. You can also record the transfer of funds from your QuickBooks' reserve account to your bank account whenever the factoring company lets you know that reserve amounts have been released. This area is only available if you are letting the CFO application record your factoring transactions in QuickBooks using the Accounting Module. (See details later in this document).

5. **Custom Settings Area**
   In this area you have to define your accounting module (enabled or not), your accounting treatment for factoring advances and other factoring account settings. You can also set your display preferences for the Sell Invoices, Factored, Non-Factored and Reserve Pages.

6. **Online Support Area**
   Here you can get help with the application from our support staff, read answers to frequently asked questions and download useful documents to learn about the application. The "Accounting Module for CFO for QuickBooks Guide" can be downloaded in this area.

RECORDING FACTORING TRANSACTIONS IN QUICKBOOKS – THE ACCOUNTING MODULE OPTION

The CFO Application for QuickBooks offers a very valuable tool to facilitate the recording of your company's factoring transactions in QuickBooks. This optional feature needs to be enabled in the application's Custom Settings Area to work. When enabled, the system automatically records in your company's QuickBooks account the following transactions when the required information is provided:

- Journal and QuickBooks entries required when invoices are sold to the factoring company.
- Recording of factored and non-factored invoice collections.
- Recording of factored and non-factored invoices charge-backs/uncollectible debt.
- Recording of factored and non-factored invoices debt write-off.
- Recording of factoring fees and discounts.
- Recording of transfers of funds from your factoring reserve account to your bank account.
- If you are Factoring with Recourse, recording of your company's factoring liability estimate.

Please read the following "Accounting Module for CFO for QuickBooks Guides" available to download in the support area to learn how you can take advantage of this feature:

- Treating advances from the factor as payments for the sale of receivables - Recourse Factoring
- Treating advances from the factor as payments for the sale of receivables - Non-Recourse Factoring
- Treating advances from the factor as loans -Recourse and Non-Recourse Factoring

INSTALLING THE APPLICATION

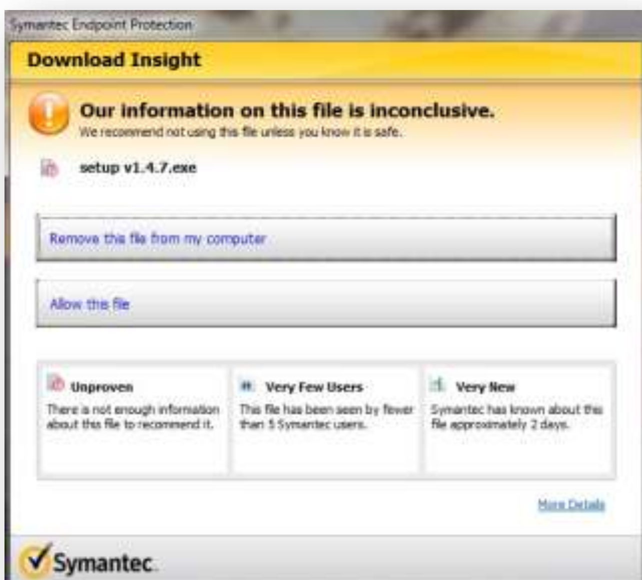
Your factoring company will provide your company an executable file containing the software and an authorization code for you to install and run the CFO application in a company's windows PC where QuickBooks is installed and running.

IMPORTANT REQUIREMENT: You need to have internet connection to be able to install and run the application.

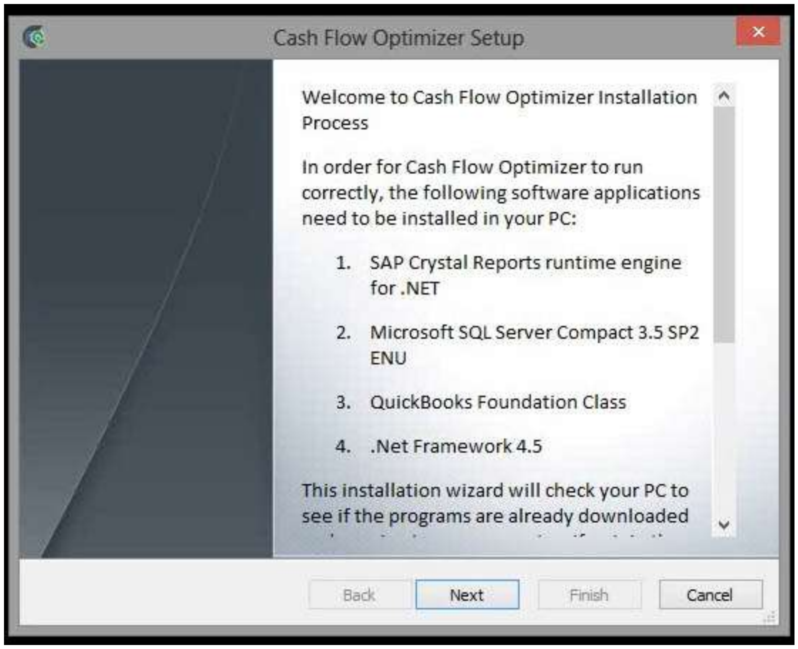
To install the application in your company's PC you need to follow these steps:

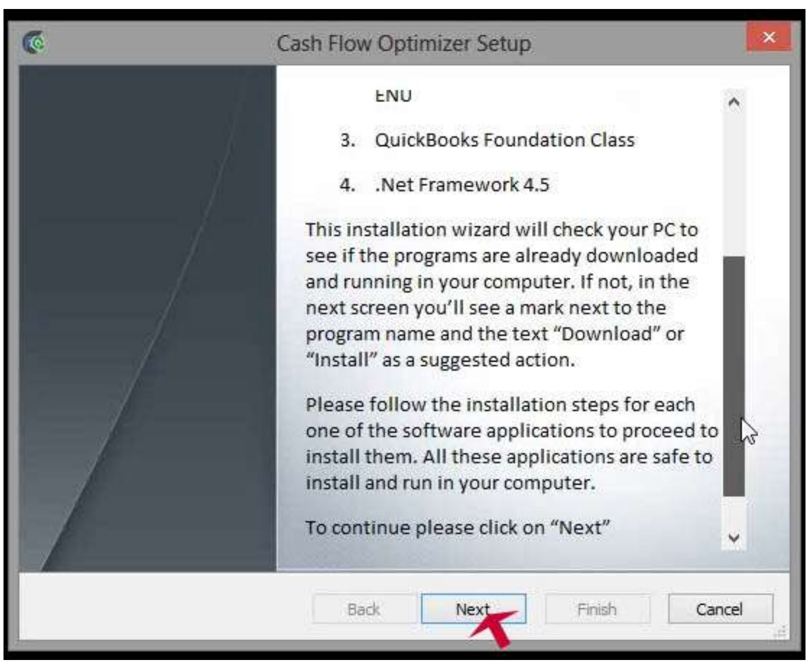
1- Download the application executable file (cfoforquickbooks.exe) to a place where you can easily find it.
2- Be sure your QuickBooks software is open/running **and the company file opened is the one from the company you are factoring**.(in case you keep the accounting of more than one company in your QuickBooks)
3- Click on the executable file provided and run it.
IMPORTANT NOTE: If you have anti-virus software or a firewall running in your PC you need be sure to **allow** installing the file in your computer.

For example this is an alert triggered by Symantec. Your antivirus may trigger a different alert. Be sure to allow /authorize to run the file. This file is safe and 100% virus free.

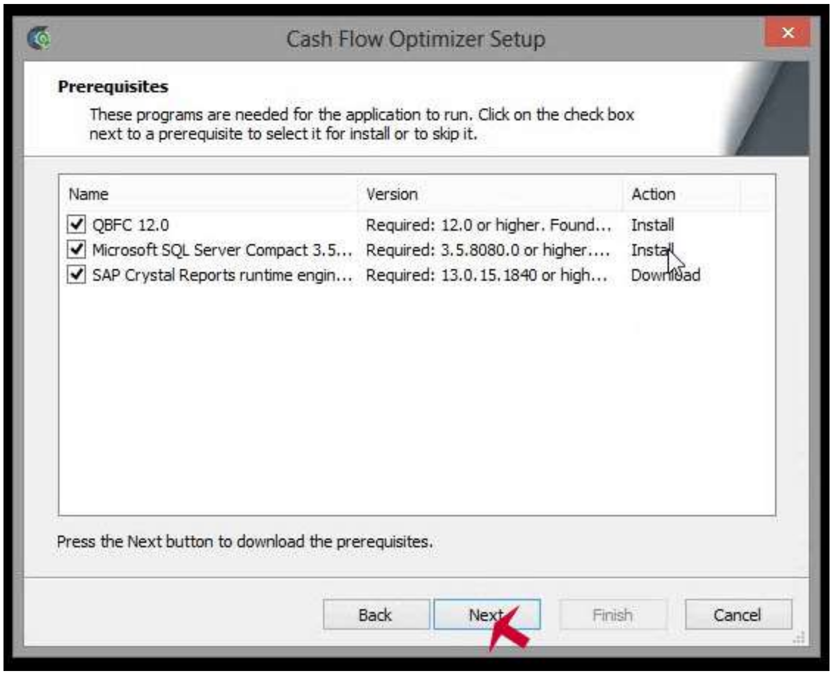


4- The CFO application requires several complementary programs to run. The installation wizard will check your PC to see if those programs already exist in your computer.

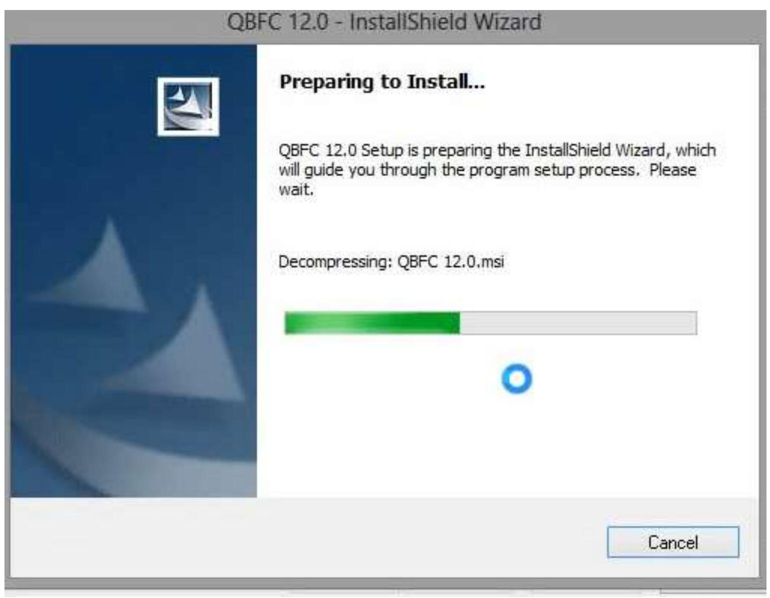


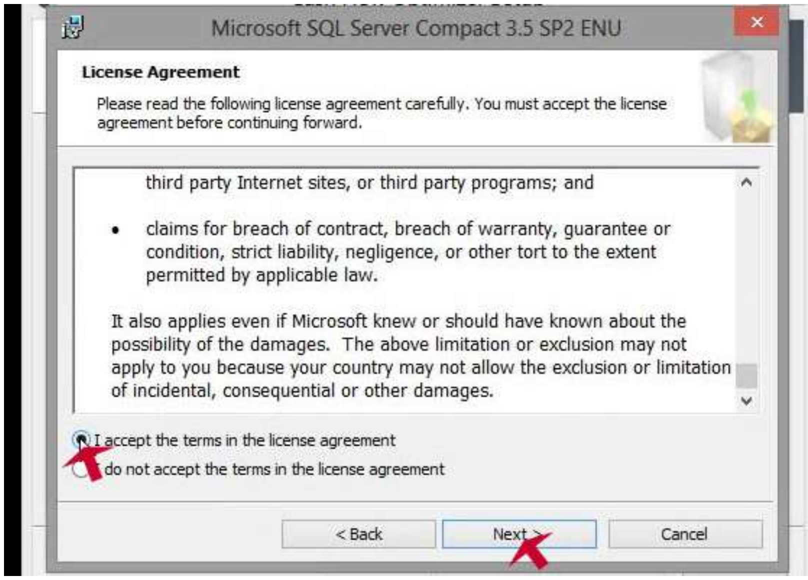


5- After checking if the required programs exist or not, the wizard will show you a screen with the recommended actions (install, download or skip). Click on "next" to begin downloading/installing those that are needed.

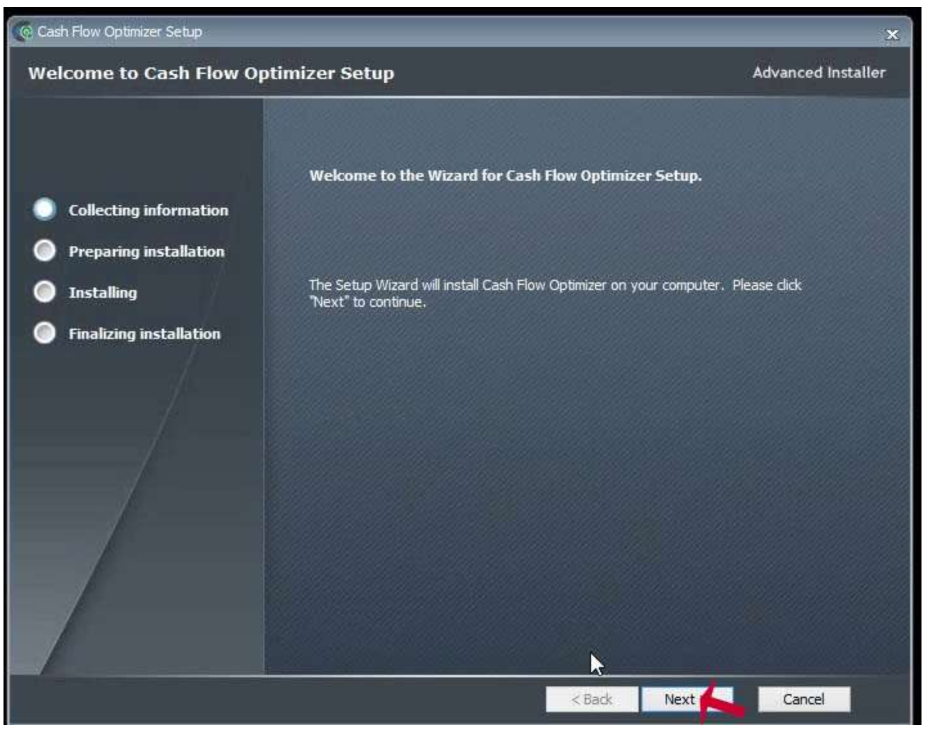


6- The required software applications will install one by one, and you need to follow the installation steps (e.g. click on "next", "install", and accept terms and conditions) to complete the installation of all these programs. (see below sample screens of some of the required programs)





7- After all the required programs are installed, the first CFO application installation screen will open. Click on "Next".

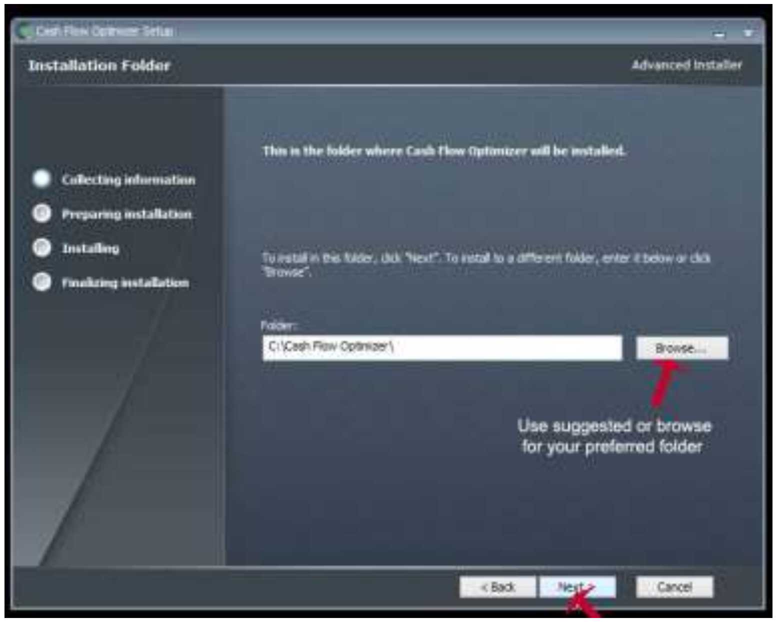


8- Below is the second CFO installation screen. You need to decide in which folder the application will be installed. You may:

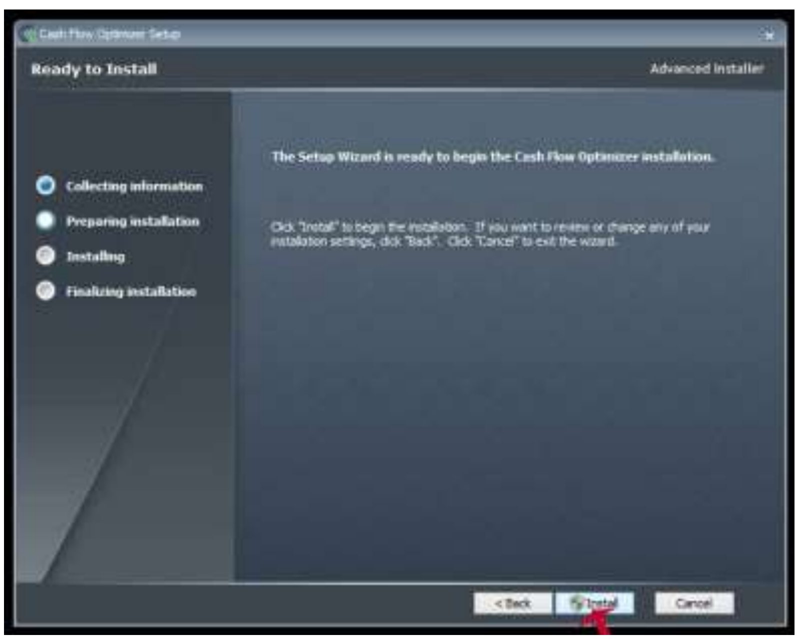
- Use the folder suggested by the system **(Recommended option)**

- Browse for your preferred folder

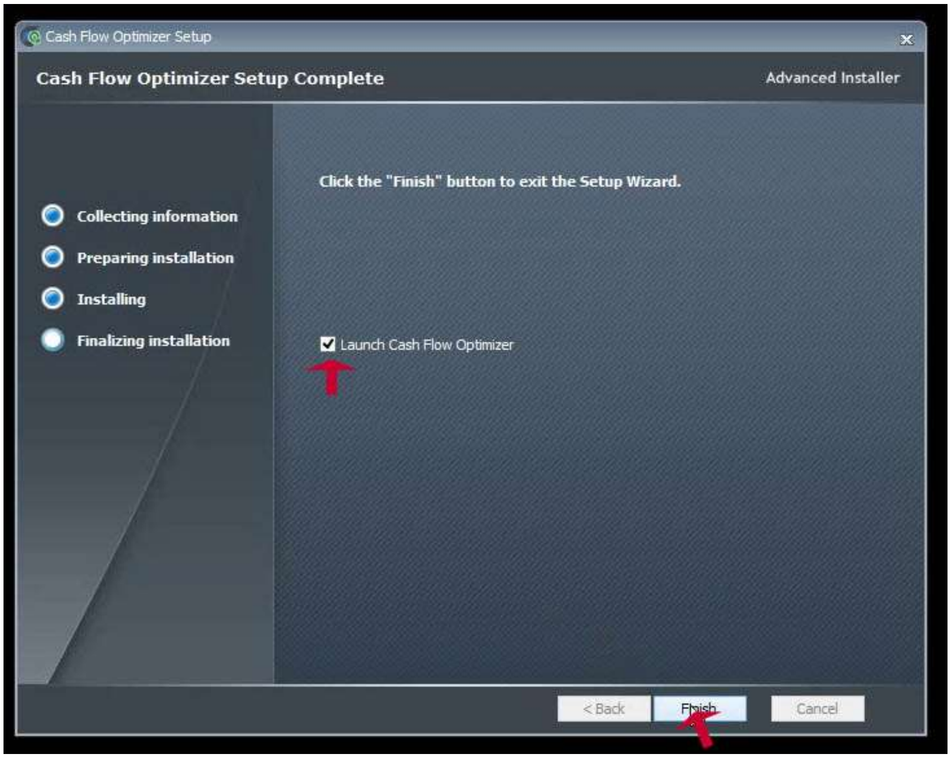
When done choosing your installation folder, click on "Next".



9- Below is the third CFO installation screen. Click on "Install".



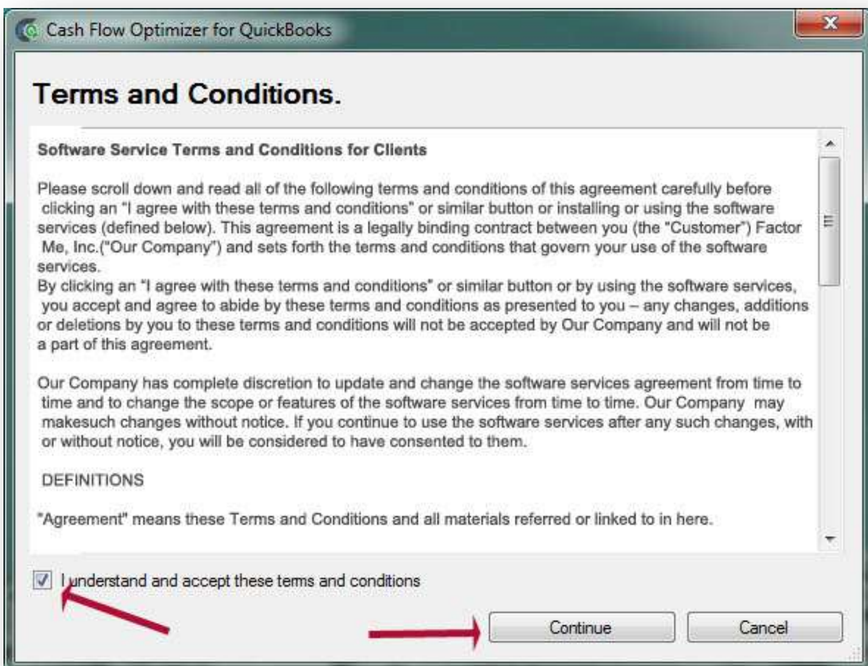
10- Below is the last installation screen. Mark the "Launch Cash Flow Optimizer" box and then click on "Finish".



11- If the application does not automatically run, click on the "CFO" icon in your desktop to run it. <u>Be sure to have the file for the company you are factoring opened in QuickBooks.</u>

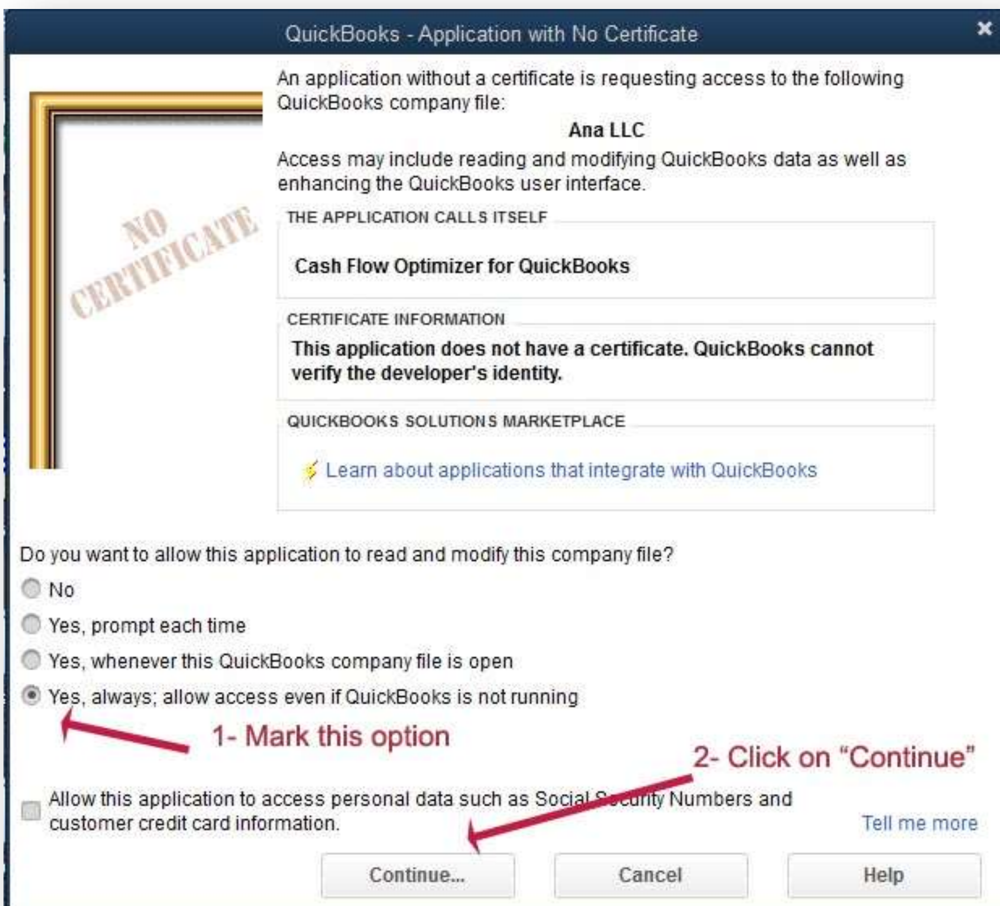
The system will open a pop-up window requesting your Authorization Key. Insert in the box your Authorization Key provided by your factor. Then click on "CFO Install".

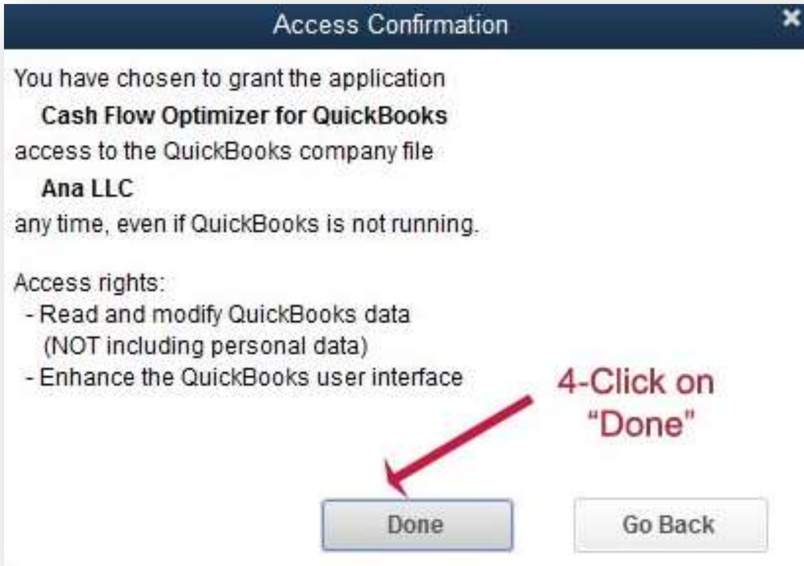
If the key inserted is valid the following pop-up will show up. If not, please contact your factoring company. The CFO application will show you the system use terms and conditions. You need to read and accept the conditions to be able to finish the installation.



Once you have accepted the terms and conditions, a pop-up will let you know that the Authorization Key Status has been updated. You application is now installed.

12- When you run the application for the first time the CFO application will connect to your QuickBooks software. To allow this connection QuickBooks will request that you to follow these steps:





13- After you click on "Done",
14- the CFO Application will open in the "Settings" Page. You need to define your custom settings to get access to other areas of the program.

THE SETTINGS AREA - DEFINING THE APPLICATION SETTINGS

The first screen that will automatically open the first time you run the CFO application is the "Custom Settings" area. Here you need to define your company's preferences. Be sure to click on the "Save" button when you are done.

There are five types of settings:

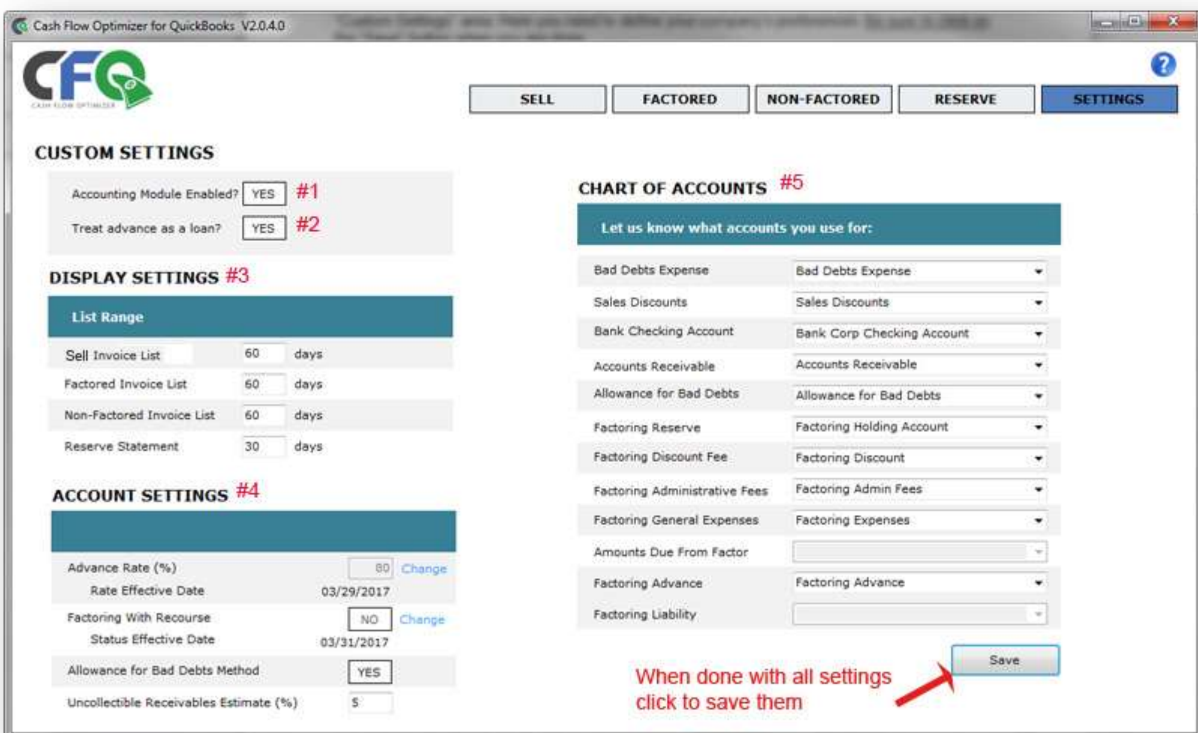
#1 Accounting Module settings

#2 Accounting Treatment of Factoring Advances settings

#3 CFO Application Display settings: for invoice and reserve lists

#4 Account Settings: required only if the Accounting Module (setting #1) is set to yes

#5 Chart of Accounts settings: also required only if the Accounting Module (setting #1) is set to yes



SETTING #1 – ACCOUNTING MODULE

Regarding the Accounting Module

The CFO Application for QuickBooks offers the user a very convenient feature for those who prefer not to do the bookkeeping for accounting transactions manually. This optional feature, if enabled, automatically records your factoring transactions in QuickBooks.

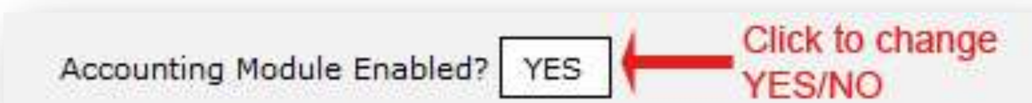
The transactions the system automatically records when the user changes the invoices status and inserts the information required at the CFO Application include:

- Purchase of invoices by the factoring company
- Invoice collections, charge-backs and debt write-offs
- Factoring fees
- Factoring expenses
- Reserve releases

To learn more about this feature please read the "Accounting Module for CFO for QuickBooks" Guides.

How to Enable/Disable the Accounting Module

To enable or disable the accounting module click on the Yes/No box.



IMPORTANT DISCLAIMER: The accounting module is a very valuable feature if it is used and set up correctly**.** We strongly recommend you consult with your accountant or bookkeeper and review the "Accounting Module for CFO for QuickBooks (for companies Treating Factoring Advances as Payments for the Sale of Receivables, and for companies Treating Factoring Advances as Loans) Guides" before deciding whether to enable this module or not. In no event shall Cash Flow Optimizer for QuickBooks, LLC be responsible or liable, directly or indirectly, for any damage or loss caused or alleged to be caused by or in connection with the use of this accounting module. Cash Flow Optimizer for QuickBooks, LLC will not be liable for any errors or omissions, losses, or damages that may arise from the use of this feature.

SETTING #2 – ACCOUNTING TREATMENT OF FACTORING ADVANCES

When the accounting module is enabled the CFO Application for QuickBooks offers the user two different options to record factoring advances. Your company can pick between two accounting treatments:

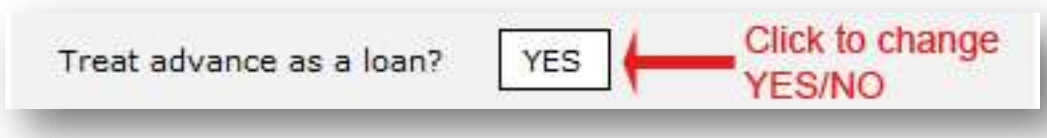
- Treating advances from the factor as payments for the sale of receivables
- Treating advances from the factor as loans

Note: You should consult your accountant before deciding the right setting for your company. While the second treatment seems to be the most commonly used by users, factoring companies recommend the first option because by definition factoring is not a loan but the sale of receivables to a factor.

To learn more about these options please read all the "Accounting Module for CFO for QuickBooks Guides" to see the journal entries the system performs in each case. These guides are available for download at the Support Area.

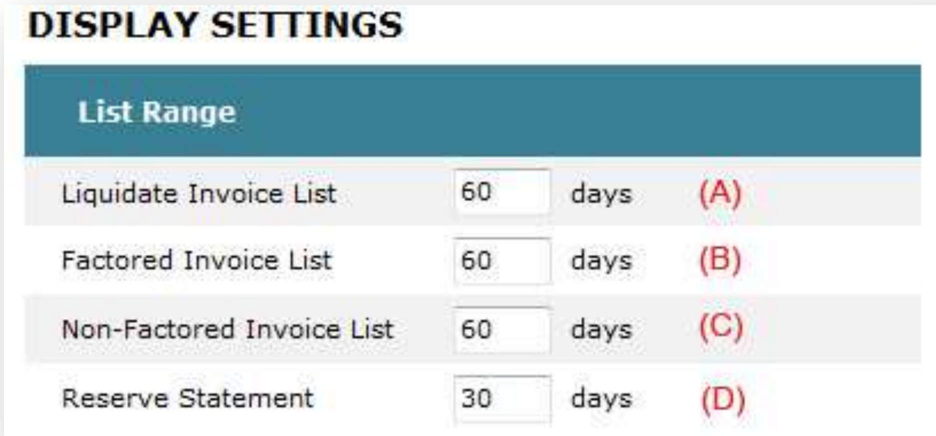
How to Change The Accounting Treatment for Advances Settings

By default the accounting module will record factoring advances as payments for the sale of receivables. If you prefer to record the advances a loans change the "Treat advance as a loan" setting to "YES".



SETTING #3 – CFO DISPLAY SETTINGS

This setting lets you define the number of days transactions and invoices are shown in the lists or statements included in the "Sell Invoices", "Factored", "Non-Factored" and "Reserve" pages.



(A) **Sell Invoice List** - Number of calendar days (beginning on the current day and going backwards) to show invoices created in QuickBooks in the "Sell Invoices" page. Days are counted from Invoice Date.

(B) **Factored Invoice List** - Number of calendar days (beginning on the current day and going backwards) to show invoice in the "Factored Page". These are the invoices marked as "Purchased" in the "Sell Invoices" page. Days are counted from Invoice Date.

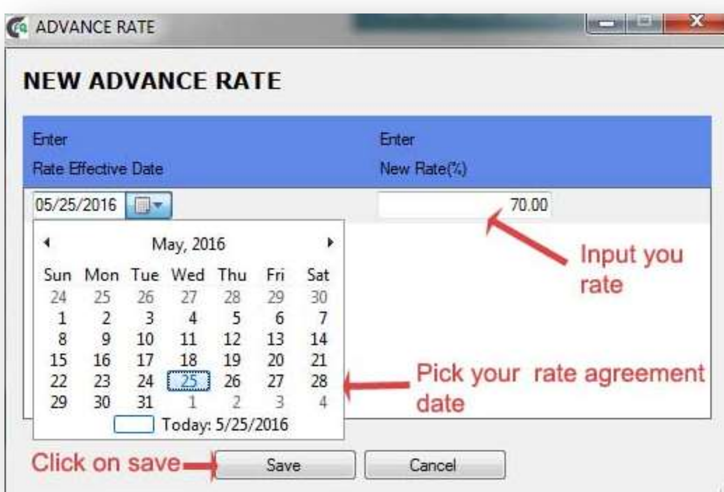
(C) **Non-Factored Invoice List** - Number of calendar days (beginning on the current day and going backwards) to show invoices in the "Non-Factored Page". These are the invoices that <u>have not</u> been marked as "Purchased" in the "Sell Invoices page". Days are counted from Invoice Date.

(D) **Reserve Statement**- Number of days (beginning on the current day and going backwards) to show transactions posted to your factoring reserve account. This setting is for the statement shown in "Reserve" page. This setting is <u>only active if</u> the Accounting Module is set to "Yes".

SETTING #4 – ACCOUNT SETTINGS FOR QUICKBOOKS ACCOUNTING RECORDING

You need to define this setting **only** if the Accounting Module setting is enabled (set to "YES")

- **Advance rate (%):** the percentage of advance on invoice purchases which you have agreed upon with your factoring company and the date that advance rate becomes effective.



- **Factoring With Recourse**: If you are factoring with recourse set it to "YES". If you are factoring without recourse set it to "NO". You also need to include the date that your factoring status (recourse or non-recourse) becomes effective.

- **Allowance for Bad Debts Method:** If you use allowance for bad debts method, set it to "YES"; if you use Direct Write-off of Debt Method set it to "NO".
- **Uncollectible Receivables Estimate (%):** the percentage of sales you estimate will not be collected.

Setting #5 – Chart of Accounts Definition For QuickBooks Accounting Recording

You need to define this setting **only** if the Accounting Module setting is enabled (set to "YES")

In this setting area you need to define the QuickBooks accounts you want the system to use to record the factoring transactions. You need to pick an account (from a defined account type) from the list of accounts you have already created in QuickBooks. The list of accounts available for each account type is shown in the drop-down options. In some cases, if the account does not exist, you can ask the system to create one in QuickBooks. .

To let the system know what accounts to use to record transactions, click on the drop-down menu and pick an account from the list or click on "Please Create One".

If you select "Please Create One", the following pop-up will open. In some cases the system will suggest an account name. Insert your preferred name for the account and then click on "Save".

Depending on the accounting treatment for factoring advances and on your company's recourse or non-recourse factoring status, you will be required to define several of the accounts detailed below:

- **Bad Debts Expense** (Type: Expense Account)
  This is the account where uncollectible debt is written off.

- **Sales Discounts** (Type: Income)
  This is the account from where sales discounts are deducted.

- **Bank Checking Account** (Type: Bank Account)
  This is the bank account where you receive the deposits from the factoring company.

- **Accounts Receivable** (Type: Current Assets)
  This is your QuickBooks receivable account.

- **Allowance for Bad Debts** (Type: Current Assets) – **ONLY** if Allowance for Bad Debts Method is used.
  Contra current assets account associated with accounts receivable used when your company uses the Allowance for Bad Debts Method to write off debt.

- **Factoring Reserve** (Type: Bank Account)
  This is the account that keeps track of amounts held at the factoring company's reserve account.

- **Factoring Discount Fees** (Type: Expense Account)
  This is the account where the discount fees paid to your factoring company are recorded.

- **Factoring Administrative Fees** (Type: Expense Account)

This is the account where the administrative fees paid to the factoring company are recorded.

- **Factoring General Expenses** (Type: Expense Account)
  This is the account where general factoring expenses such as wire fees and mailing fees are recorded.

- **Amounts Due From Factor** (Type: Other Current Assets) **– ONLY** if you are treating advances as payments for the sale of receivables.
  This is the temporary account that holds the balance due by your factoring company for invoices sold pending debtor payment.

- **Factoring Advance** (Type: Other Current Liability) **ONLY** if you are treating factoring advances as a loan
  This is the temporary account that holds the balance of factoring advances received when you treat those amounts as loans instead of as payments for the sale of receivables.

- **Factoring Liability** (Type: Other Current Liability) - **ONLY** if you are treating advances as payments for the sale of receivables, and factoring with recourse.
- This is the account that records the recourse obligation estimate for uncollectible invoices sold to the factoring company.

CREATING THE FACTOR CODE CUSTOM FIELD IN QUICKBOOKS

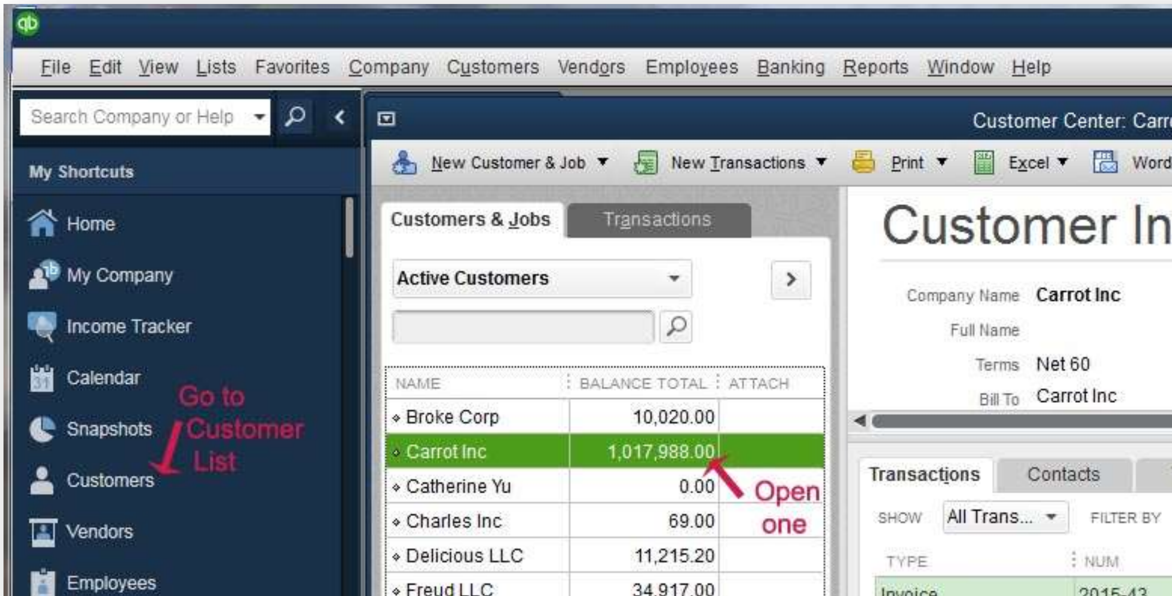
Sometimes factoring companies provide their customers specific factor codes for debtor accounts. If this is the case with your factor you need to create a Custom Field in QuickBooks to insert the Factor Code into each Customer profile. This code will be included in the assignment schedules you'll submit to your factor using the CFO application.

You'll need to:

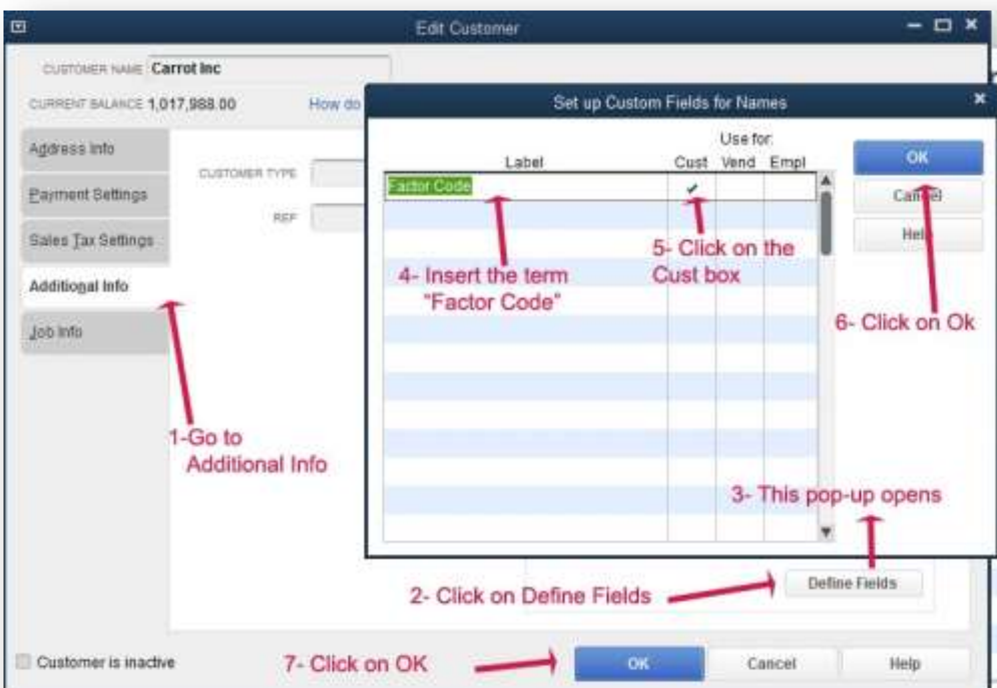
1- Create a custom field in QuickBooks for the Factor Code.
2- Insert the factor codes provided by your factoring company into each debtor profile in QuickBooks.

How to Create the Factor Code Custom Field

- Open your QuickBooks software and click on the "Customers" menu.
- On the customers list click on <u>any</u> customer name.



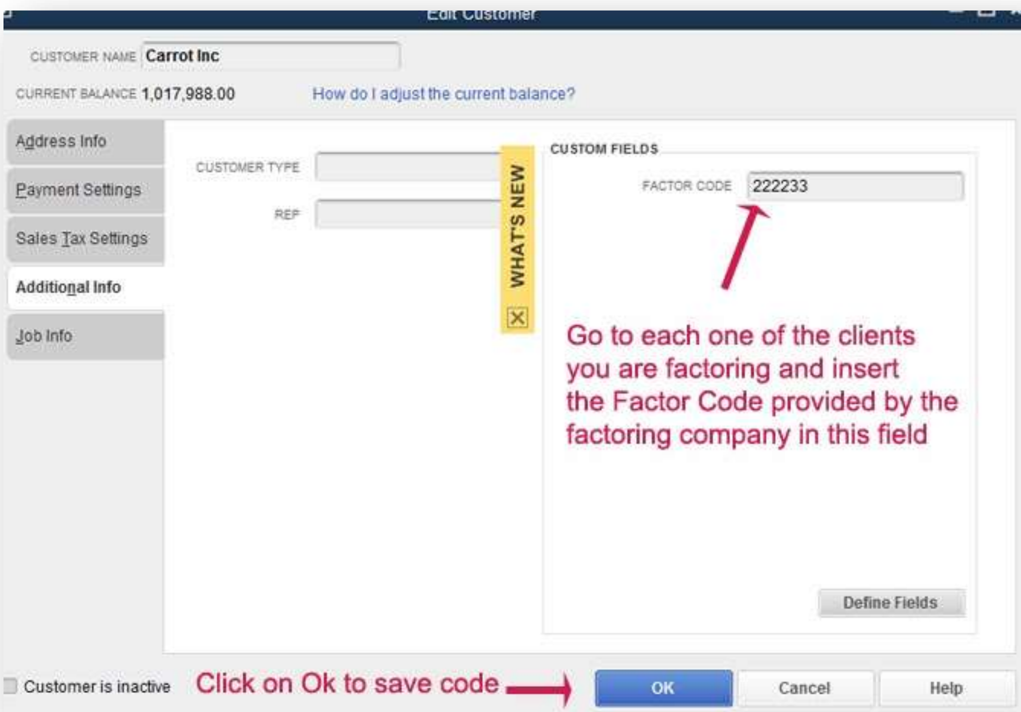
1- On the customer's profile click on the "Additional Info" menu.
2- Click on "Define Fields" and a "Set up Custom Fields for Names" pop-up will open.



3- In the "Label" column insert the term "Factor Code".
4- In the "Cust" column click the box to select it.
5- Click on "OK".
6- Back on the "Additional Info" screen click on "OK". Your custom code field is not set up.

How to Insert Factor Codes in the Customers' Profiles

1- Go to your customer's list.
2- Click on the customer's name.
3- When the customer's profile opens, click on the "Additional Info" menu.
4- Insert the code provided by the factoring company for this client in the "Factor Code" field.
5- Click on "Save". Your factor code for this client is now saved.
6- Go to every client you factor and follow the same steps.

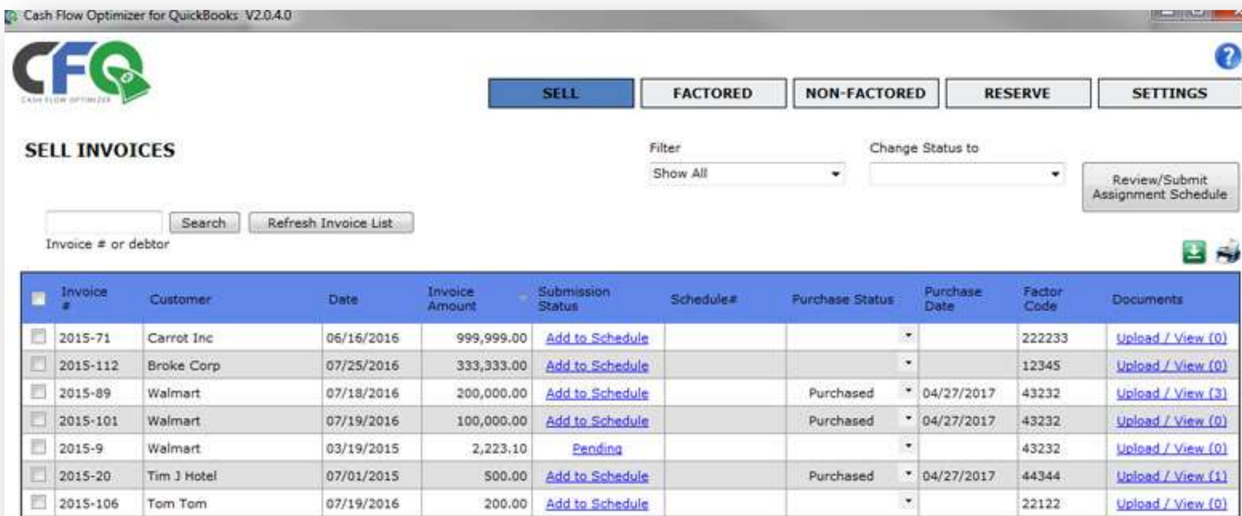


THE SELL INVOICES AREA

Regarding The Sell Invoices Page

In this page you can view all the invoices created in your QuickBooks software during the time range you have defined in the Display Settings and:

- Upload invoice supporting documents
- Submit assignment schedules to your factoring company
- Mark an invoice as purchased by the factoring company
- Mark an invoice purchase as declined by your factoring company



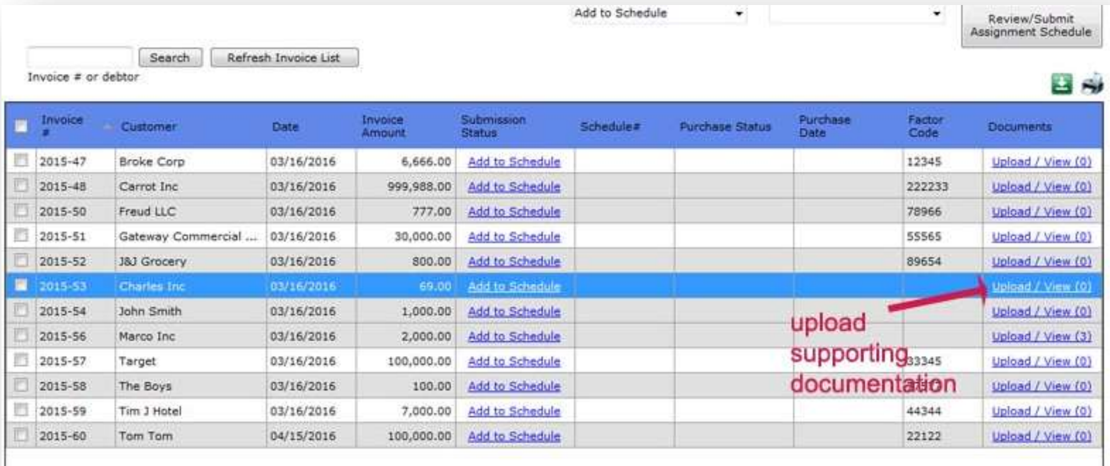
Uploading Supporting Documentation

If you need to send your factor additional documentation regarding an invoice transaction, such as contracts, delivery confirmations, etc., you can upload those documents here.

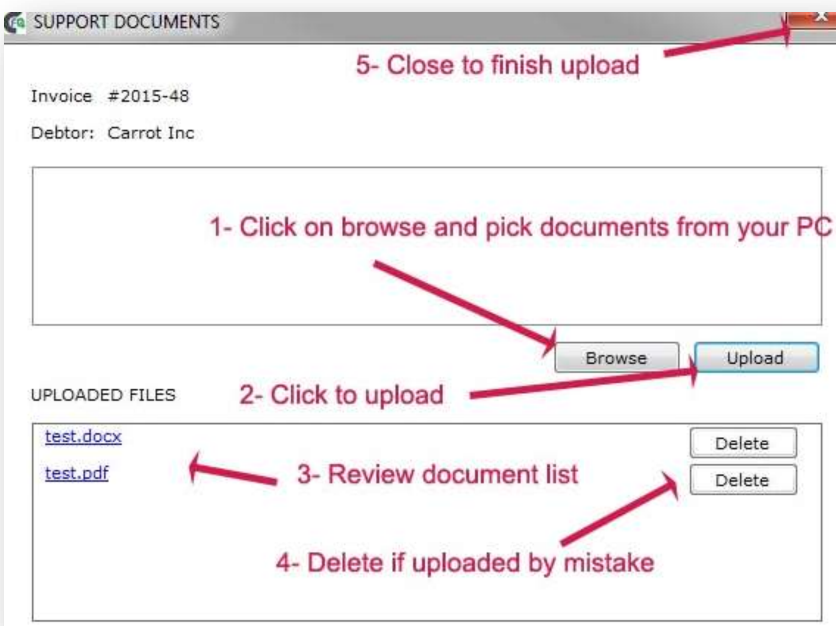
Most documents in image, excel, adobe acrobat (pdf) and word formats are accepted.

You don't need to upload the invoice. The invoice document created by QuickBooks when the invoice was originally entered will be automatically added to your schedule documents. You don't need to attach your own unless it has additional information included (e.g. signatures, hand-written notes, etc.).

To upload documents click on the "Upload/View" link on the "Documents" column for the invoice selected.



- The following pop-up screen will open.



1- Click on "Browse", look for the folder where your files are stored and then click on the file name.

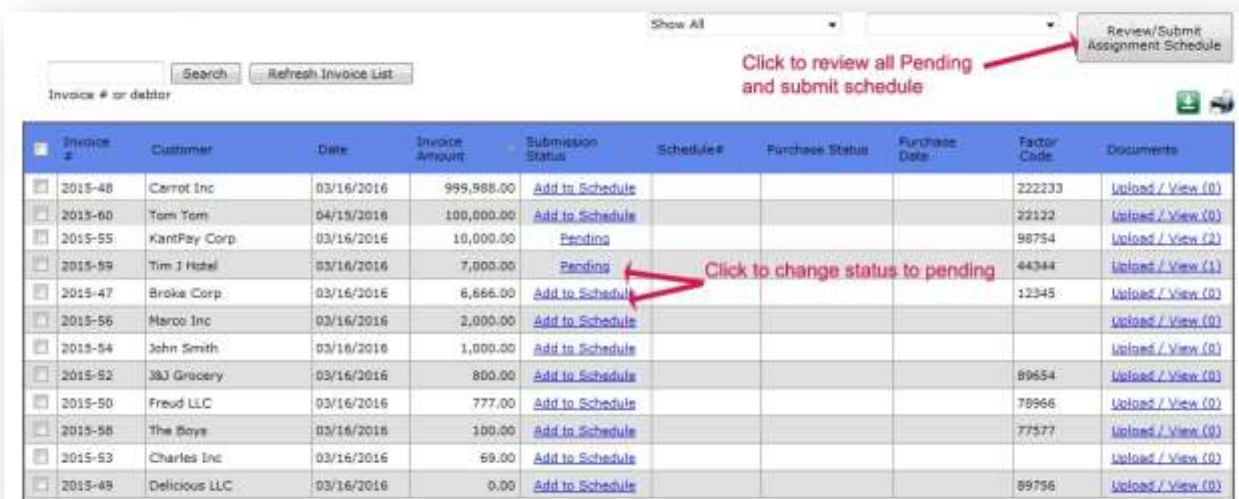
2- Click on upload and the file will show in the "Uploaded Files" box. Repeat the process with any additional file you want to upload.
3- Review the document list to be sure that all the files you want to submit are uploaded.
4- Delete those that were uploaded by mistake.
5- When done click on the "X" box at the top right corner to close the pop-up. Your files are now uploaded and ready to be attached to your invoice when the schedule is submitted.

SUBMITTING ASSIGNMENT SCHEDULES: ADDING INVOICES TO A SCHEDULE

Here you can pick invoices to include in an assignment schedule and electronically submit them to your factoring company for processing.

To pick invoices to be submitted with your assignment schedule, go to the "Submission Status" column and click on the "Add to Schedule" link on the invoice line. The status will then change to "Pending".

If you click on the link by mistake or change your mind, click on the "Pending" link and your invoice status will go back to "Add to Schedule".



After you are done picking the invoices you want to include in your schedule, click on the "Review/Submit Assignment Schedule" button to continue with the process.

REVIEWING & SUBMITTING A SCHEDULE

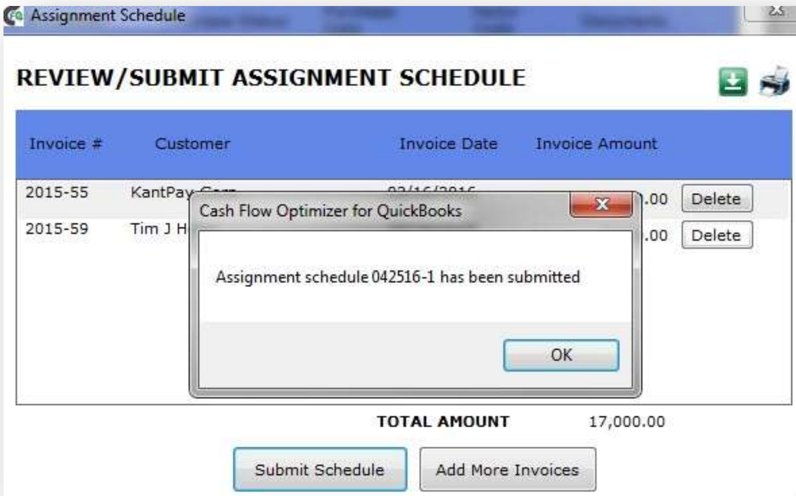
After clicking on the "Review/Submit Assignment Schedule" button, a pop-up window will open.

This window shows a list of all the invoices you have picked to be included in the schedule. Review the list and delete those included by mistake. You may click on the "Add More Invoices" button or close the pop-up (click on the "X" on the top right corner) to go back to the invoice list and add more invoices to the schedule. You may also download or print the list.

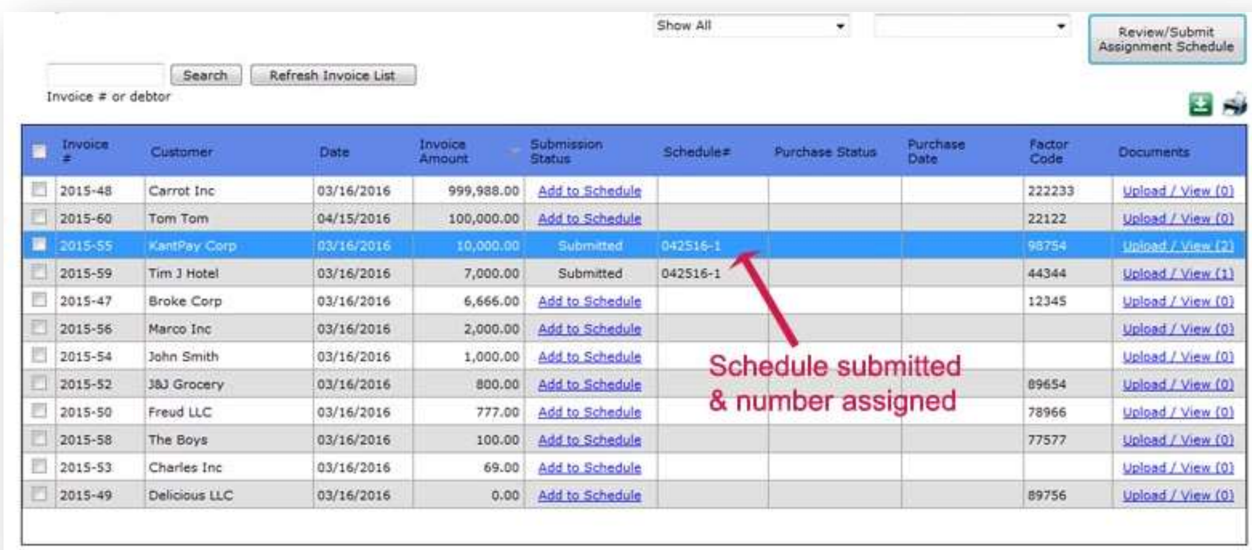
When you are done reviewing your assignment schedule and are ready to submit it to your factor, click on "Submit Schedule". The list of invoices included in the schedule together with the supporting documents you have uploaded will be electronically sent to your factoring company.

Important Note: Depending on the size and quantity of documents attached to a schedule and also on your internet connection speed, it can take several minutes for the system to upload the entire schedule information and documents attached to it. **Please wait until the confirmation screen shows up.**

A pop-up confirming the submission and including a schedule number will show up.



After you press on "ok" you'll go back to the invoice list where the invoices submitted now have a "Submitted" status including the schedule number in which they were included.



Invoice #	Customer	Date	Invoice Amount	Submission Status	Schedule#	Purchase Status	Purchase Date	Factor Code	Documents
2015-48	Carrot Inc	03/16/2016	999,988.00	Add to Schedule				222233	Upload / View (0)
2015-60	Tom Tom	04/15/2016	100,000.00	Add to Schedule				22122	Upload / View (0)
2015-55	KantPay Corp	03/16/2016	10,000.00	Submitted	042516-1			98754	Upload / View (2)
2015-59	Tim J Hotel	03/16/2016	7,000.00	Submitted	042516-1			44344	Upload / View (1)
2015-47	Broke Corp	03/16/2016	6,666.00	Add to Schedule				12345	Upload / View (0)
2015-56	Marco Inc	03/16/2016	2,000.00	Add to Schedule					Upload / View (0)
2015-54	John Smith	03/16/2016	1,000.00	Add to Schedule					Upload / View (0)
2015-52	J&J Grocery	03/16/2016	800.00	Add to Schedule				89654	Upload / View (0)
2015-50	Freud LLC	03/16/2016	777.00	Add to Schedule				78966	Upload / View (0)
2015-58	The Boys	03/16/2016	100.00	Add to Schedule				77577	Upload / View (0)
2015-53	Charles Inc	03/16/2016	69.00	Add to Schedule					Upload / View (0)
2015-49	Delicious LLC	03/16/2016	0.00	Add to Schedule				89756	Upload / View (0)

CHANGING AN INVOICE PURCHASE STATUS

After an assignment schedule has been submitted your factor will process it and let you know which invoices they have purchased. You can then mark the invoice as purchased for your records. If you have your accounting module enabled the CFO application will automatically perform the journal entries related to the factoring of the invoice in QuickBooks.

Important Note: if you have been factoring invoices before the CFO application was first installed you may likely have several invoices in the list that have already been purchased and recorded in QuickBooks. You may mark those invoices as "Pre-Recorded" for your records in order to avoid duplication of transactions or submissions.

How to Mark an Invoice Purchase as Pre-recorded

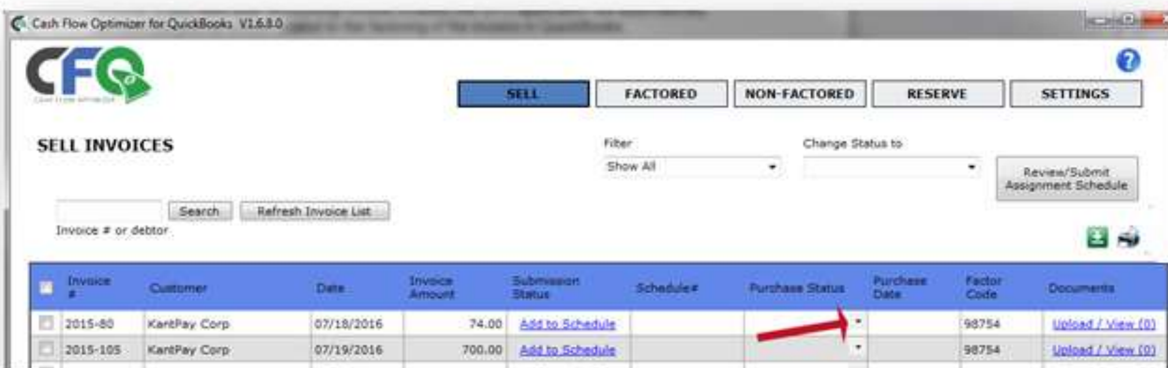
1- Click on the "down" arrow on the "Purchase Status" column for the invoice selected, and a drop-down menu will show up.

2- Click on the "Pre-Recorded" option.

3- The status of your invoice at the "Purchase Status" column will then change to "Pre-Recorded".

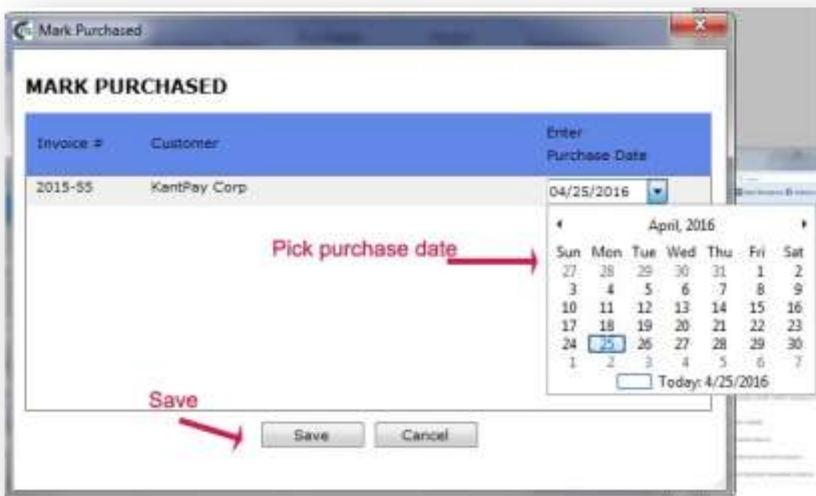
How to Mark an Invoice as Purchased (Factored)

1- Click on the "down" arrow on the "Purchase Status" column for the invoice selected, and a drop-down menu will show up.



2- Click on the "Purchased" option.

3- A pop-up windows like the following one will open:

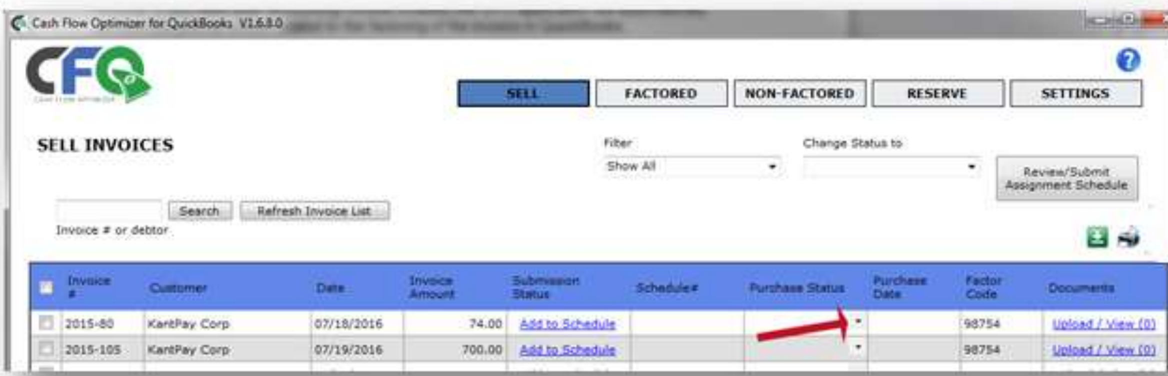


4- Click on the "Enter Purchase Date" drop-down and pick the purchase date.
5- Click on "Save".
6- Your invoice will show now as "Purchased" on your invoice list. In addition the application will perform the recording of the transaction if your accounting module is enabled.

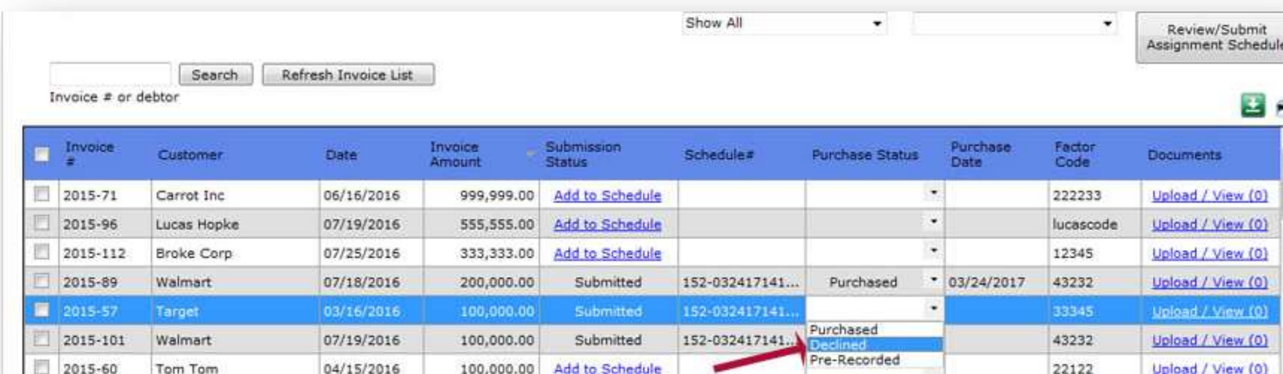
How to Mark an Invoice Purchase as Factoring Declined

Your factor may also inform you that they have decided not to buy your invoice. In this case you can mark the purchase as "Declined" for your records.

1- Click on the "down" arrow on the "Purchase Status" column for the invoice selected, and a drop-down menu will show up.



2- Click on the "Declined" option.

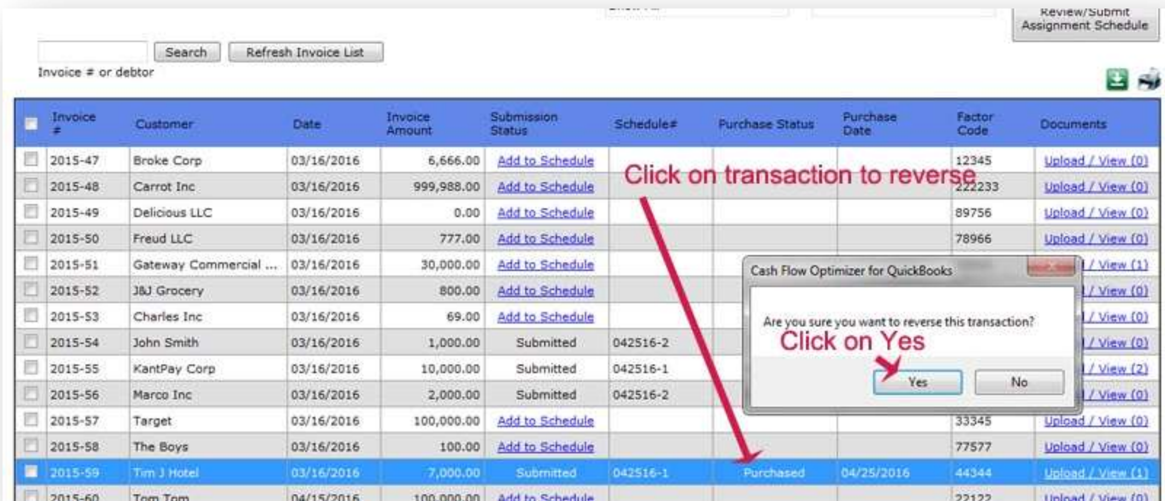


3- The status of your invoice at the "Purchase Status" column will then change to "Declined".

REVERSING PRE-RECORDED, PURCHASED OR DECLINED STATUS

If for any reason you need to reverse the Pre-Recorded, Purchased or Declined status of an invoice to its original "Not Marked" status, you may do so at any time by clicking on the "Pre-Recorded", "Purchased" or "Declined" text.

A window will open to confirm that you want to reverse the transaction. Click on "Yes".

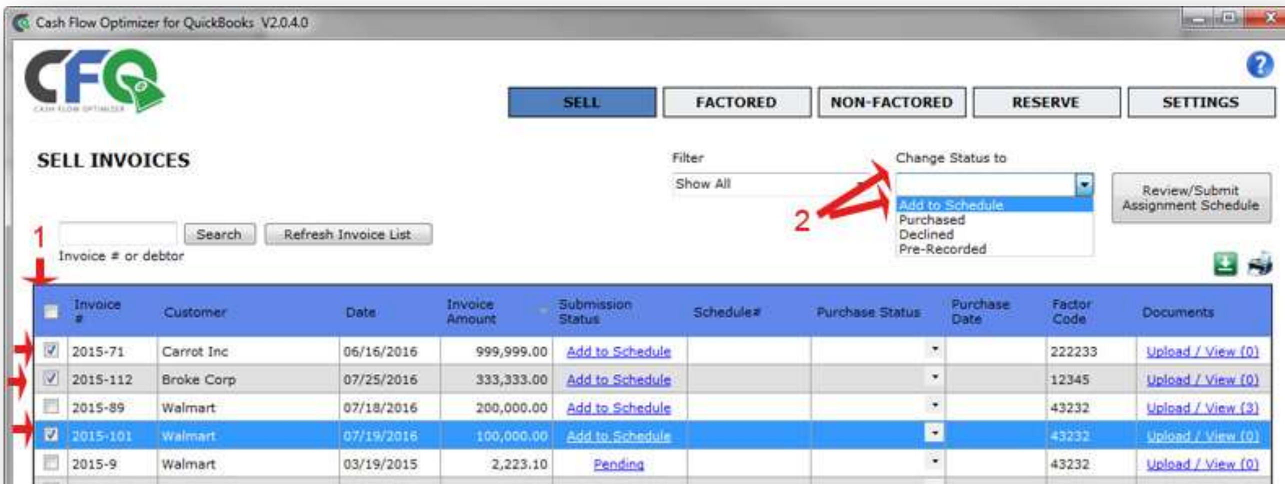


IF YOU USE THE ACCOUNTING MODULE: Note that if you are reversing the status of a purchased invoice and you have the accounting module enabled, the journal entries previously posted by this CFO Application to QuickBooks will also be cancelled.

BULK ACTIONS

You can use bulk actions if you want to include several invoices at a time in a schedule or mark several as purchased, declined or pre-recorded.

To perform a bulk action:



1- Pick the invoices to include in the action using the first column on the list.
2- Choose an action in the drop down menu "Change Status to".
3- The action selected will be performed on all the invoices you have picked.

THE FACTORED AREA

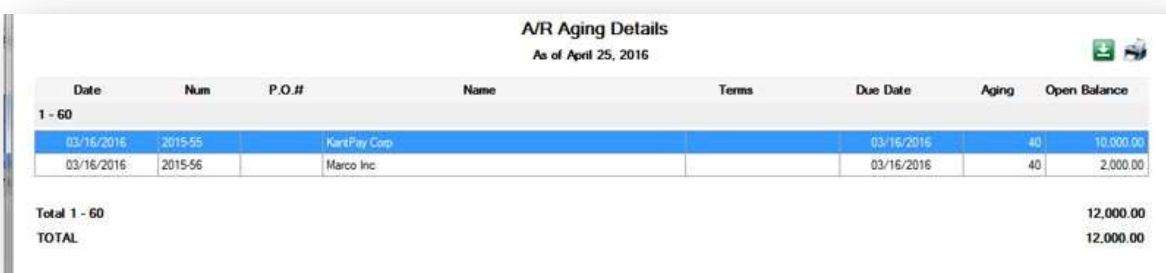
REGARDING THE FACTORED INVOICES PAGE

In this page you can view all the invoices you have marked as purchased by your factoring company during the time range you have defined in the Display Settings and:

- Mark when an invoice has been collected, including collection amounts and factoring discount fees charged.
- Mark when an invoice has been charged back by your factoring company and include any factoring discount fee charged by your factor.
- View, print, and download an aging report for factored invoices.

VIEWING YOUR FACTORED INVOICES AGING REPORT

To view your factored invoices aging report, click on the "View Aging Report "button. You may also download and print the report by clicking on the "Green Arrow Down" or the "Printer" icons on the top right corner of the report.


A/R Aging Details

As of April 25, 2016

Date	Num	P.O.#	Name	Terms	Due Date	Aging	Open Balance
1 - 60							
03/16/2016	2015-55		KartPay Corp		03/16/2016	40	10,000.00
03/16/2016	2015-56		Marco Inc		03/16/2016	40	2,000.00
Total 1 - 60							12,000.00
TOTAL							12,000.00

CHANGING THE COLLECTIONS STATUS OF FACTORED INVOICES

When your factoring company informs you that an invoice has been collected or charged back, you can then mark the invoice as collected or charged back for your records. If you have your accounting module enabled, the CFO application will automatically perform the journal entries related to the change in collections status in QuickBooks.

Important Note: if you have been factoring invoices before the CFO application was first installed, you may likely have several invoices in the list that have already been collected/charged-back and recorded in QuickBooks. You may mark those invoices as "Pre-Recorded" for your records in order to avoid duplication of transactions.

How to Mark an Invoice Collection Status as Pre-recorded

1- Click on the "down" arrow on the "Collection Status" column for the invoice selected, and a drop-down menu will show up.

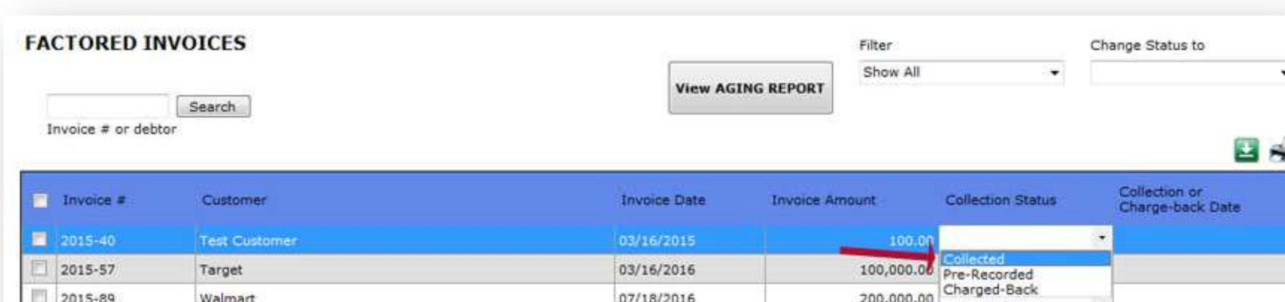
2- Click on the "Pre-Recorded" option.

3- The status of your invoice at the "Collection Status" column will then change to "Pre-Recorded".

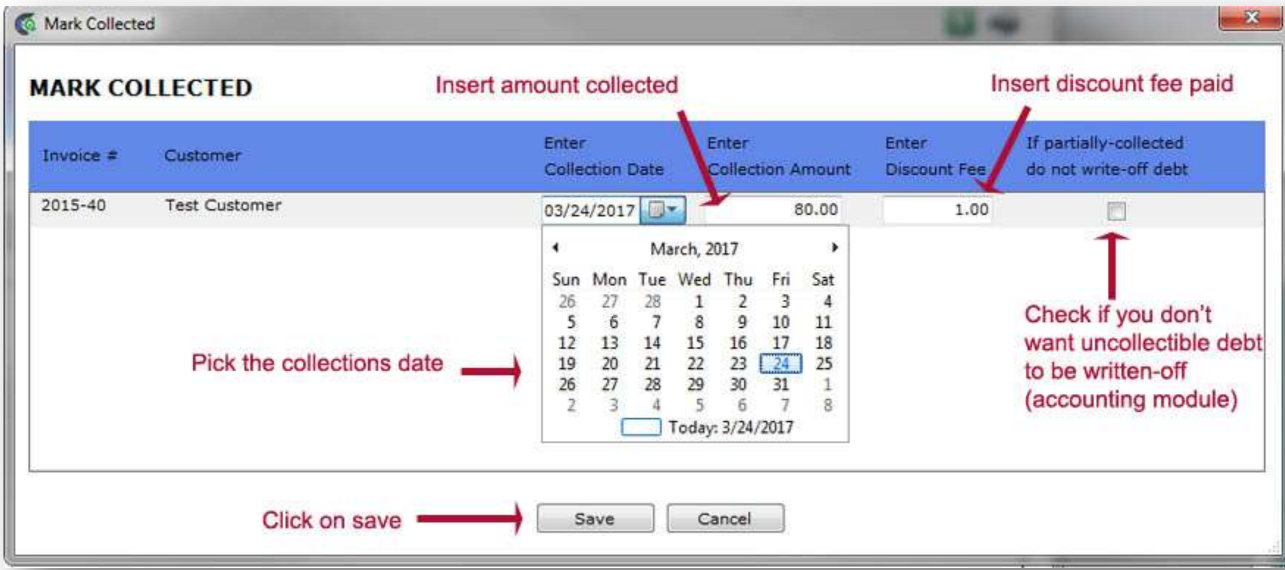
How to Mark an Invoice as Collected

1- Click on the "down" arrow on the "Collections Status" column for the invoice selected, and a drop-down menu will show up.

2- Click on the "Collected" option.



3- A pop-up window will open.

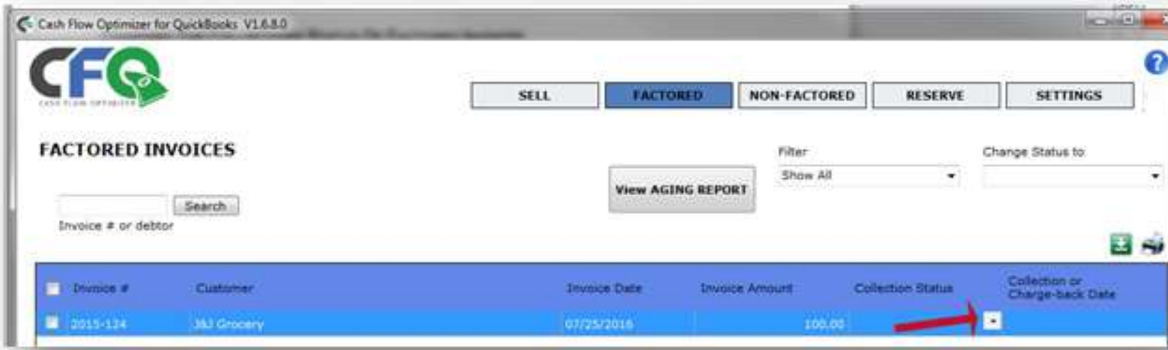


4- Click on the "Enter Collections Date" drop-down menu and pick the collections date.
5- Insert the (total or partial) amount collected in the "Enter Collections Amount" field.
6- Insert the discount fee charged by your factoring company for the factoring of this invoice in the "Enter Discount Fee" field.
7- **If you have the accounting module enabled only**: if the collection amount is less than the invoice amount, the system by default records the difference as a debt write-off. If you don't want the system to write off the debts, mark this box. If you don't have the accounting module enabled, ignore this box.
8- Click on "Save".
9- Your invoice status will now change to "Collected" on the Factored Invoices list.
10- If you have your accounting module enabled, the application will automatically perform all the journal entries related to the collection of the invoice.

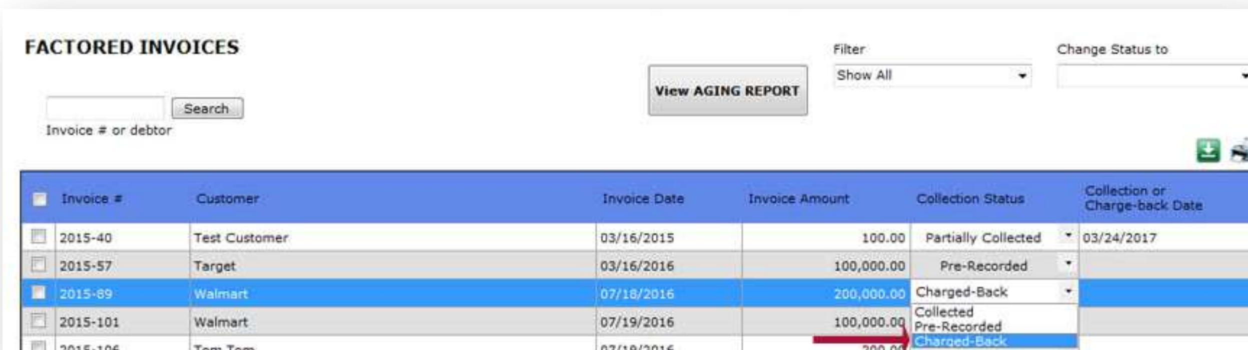
How to Mark an Invoice as Charged-Back

Whenever your factor informs you that an invoice has not been collected, you can mark it as charged-back. In the special case in which you are factoring without recourse and the accounting module is enabled, you can mark it as uncollectible instead (see next section).

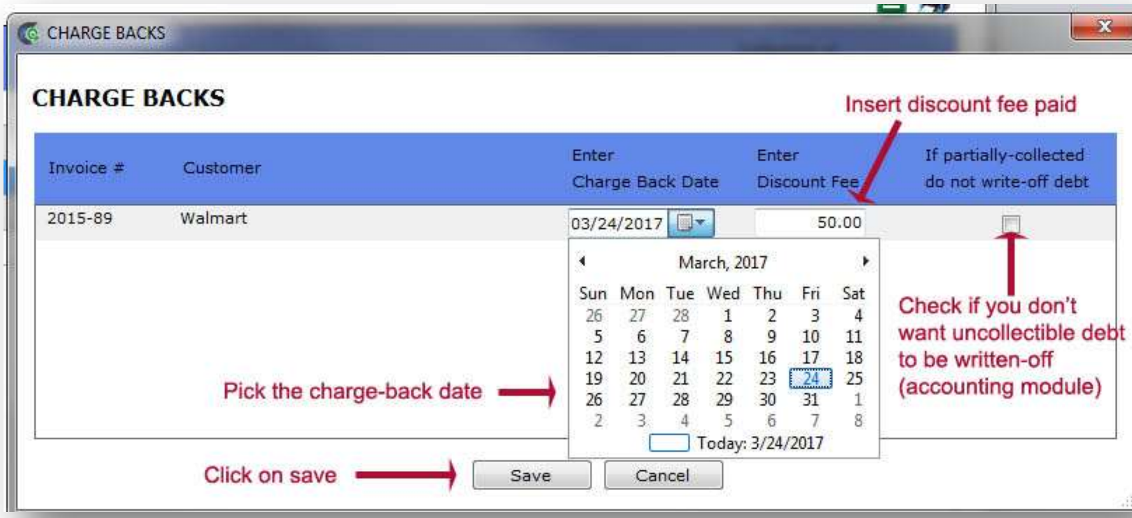
1- Click on the "down" arrow on the "Collections Status" column for the invoice selected, and a drop-down menu will show up.



2- Click on the "Charged-Back" option.



3- A pop-up window will open.

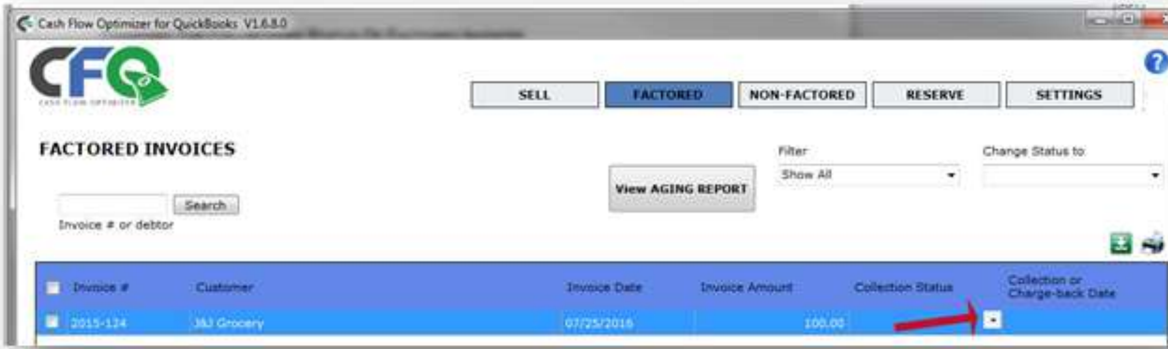


1- Click on the "Enter Charge Back Date" drop-down menu and pick the charged-back date.
2- Insert the discount fee charged by your factoring company for the factoring of this invoice in the "Enter Discount Fee" field.
3- **If you have the accounting module enabled only**: the system by default records the charged-back amount as a debt write-off. If you don't want the system to write off the debts, mark this box. If you don't have the accounting module enabled, ignore this box.
4- Click on "Save".
5- Your invoice status will now change to "Charged Back" on the Factored Invoices list.
6- If you have your accounting module enabled, the application will automatically perform all the journal entries related to the charge back of the invoice.

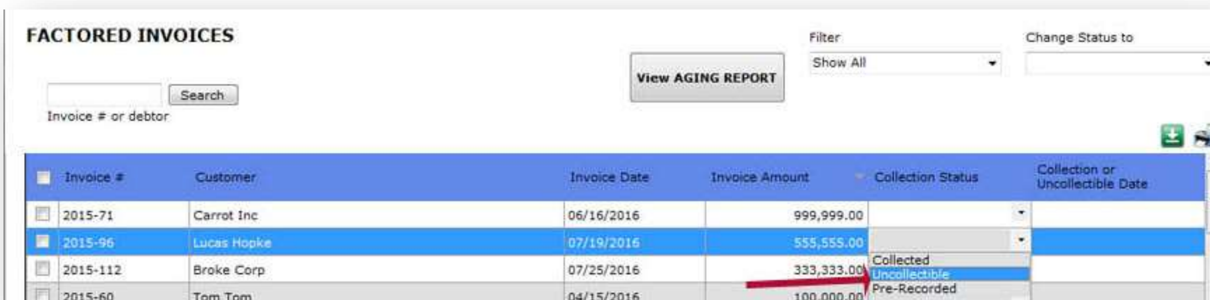
How to Mark an Invoice as Uncollectible

IMPORTANT NOTE: this option only shows, instead of the charge-back option, if the accounting module is enabled and your company is factoring non-recourse.

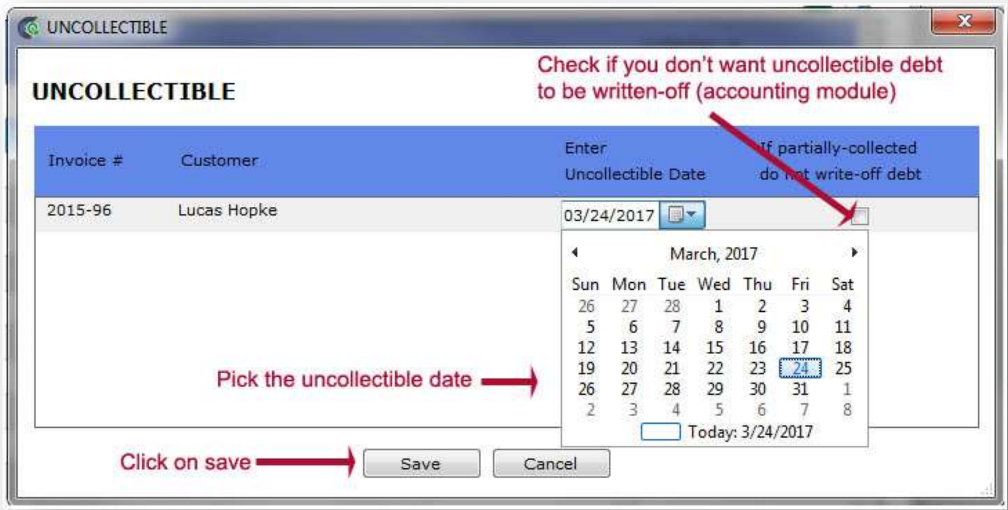
1- Click on the "down" arrow on the "Collections Status" column for the invoice selected, and a drop-down menu will show up.



2- Click on the "Uncollectible" option.



3- A pop-up window will open.

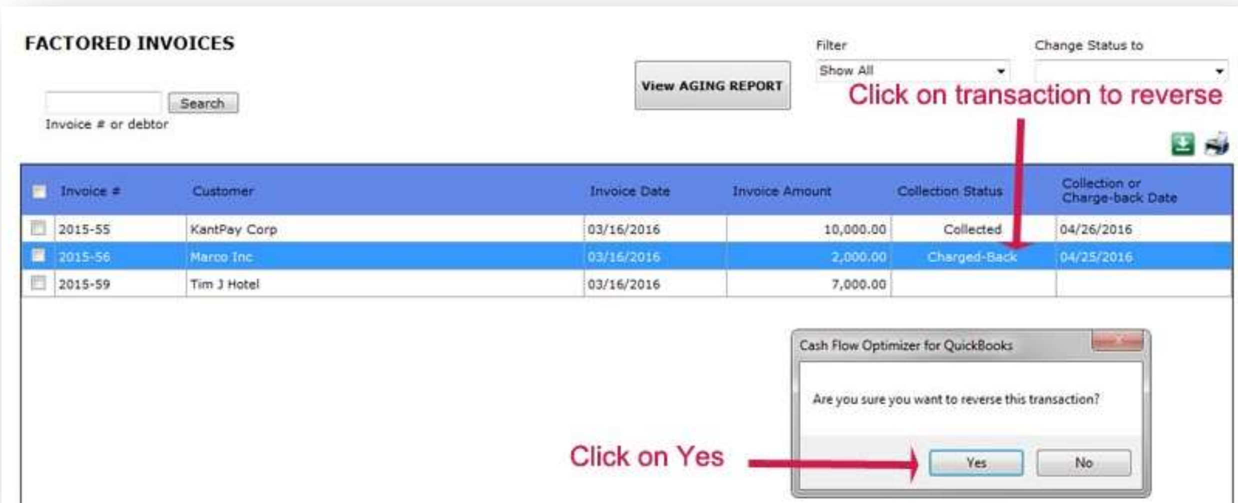


4- Click on the "Enter Uncollectible Date" drop-down menu and pick the charged-back date.
5- **If you have the accounting module enabled only**: the system by default records the uncollectible amount as a debt write-off. If you don't want the system to write off the debts, mark this box. If you don't have the accounting module enabled, ignore this box.
6- Click on "Save".
7- Your invoice status will now change to "Uncollectible" on the Factored Invoices list.
8- If you have your accounting module enabled, the application will automatically perform all the journal entries related to the uncollectible invoice.

REVERSING COLLECTIONS & CHARGE-BACKS/UNCOLLECTIBLE DEBT

If for any reason you need to reverse the Collected or Charged-Back status of an invoice to its original "Not Marked" status, you may do so at any time by clicking on the "Collected" or "Charged-back" text.

A window will open to confirm that you want to reverse the transaction. Click on "Yes".

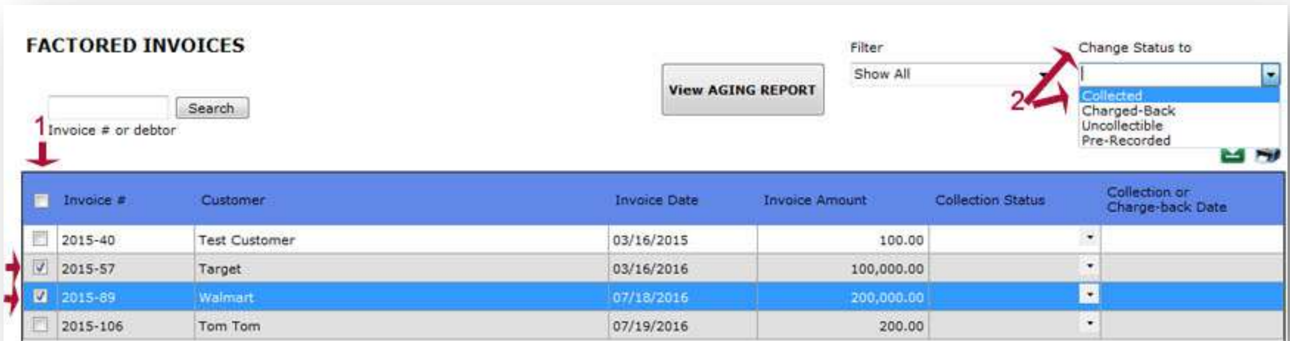


IF YOU USE THE ACCOUNTING MODULE: Note that if you are reversing the status of a collected or charged-back invoice and you have the accounting module enabled, the journal entries previously posted by this CFO application to QuickBooks will also be cancelled.

BULK ACTIONS

You can use bulk actions if you want to mark several invoices at a time as pre-recorded, collected or uncollectible.

To perform a bulk action:



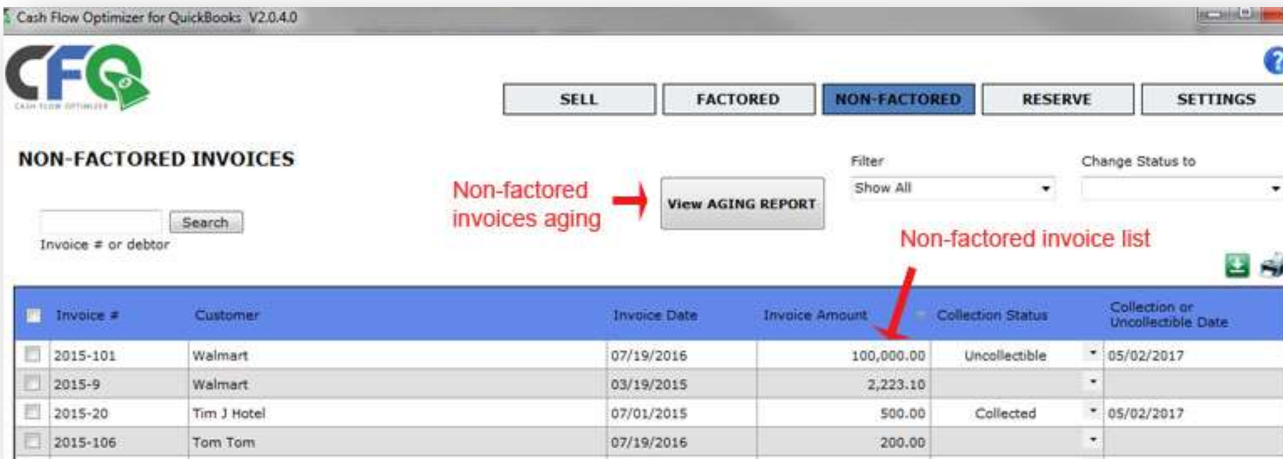
1- Pick the invoices to include in the action using the first column on the list.
2- Choose an action in the drop down menu "Change Status to".
3- The action selected will be performed on all the invoices you have picked.

THE NON-FACTORED AREA

REGARDING THE NON-FACTORED INVOICES PAGE

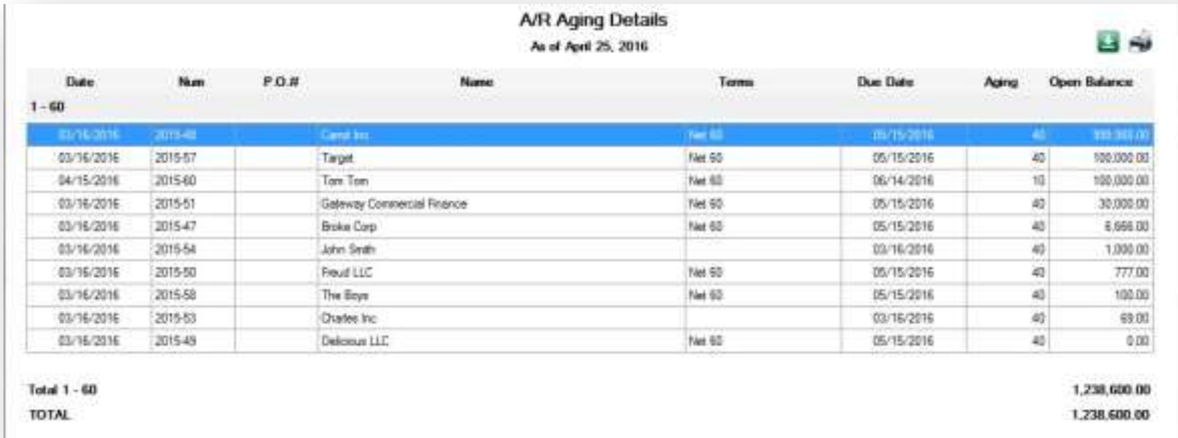
In this page you can view all the invoices that have not been sold to your factoring company during the time range you have defined in the Display Settings and:

- Mark when an invoice has been collected.
- Mark when you decide that an invoice is uncollectible.
- View, print, and download an aging report for non-factored invoices.



VIEWING YOUR NON-FACTORED INVOICES AGING REPORT

To view an aging report of all the invoices that have not been sold to the factoring company, click on the "View Aging Report" button. You may also download and print the report by clicking on the "Green Arrow Down" or the "Printer" icons on the top right corner of the report.



A/R Aging Details
As of April 25, 2016

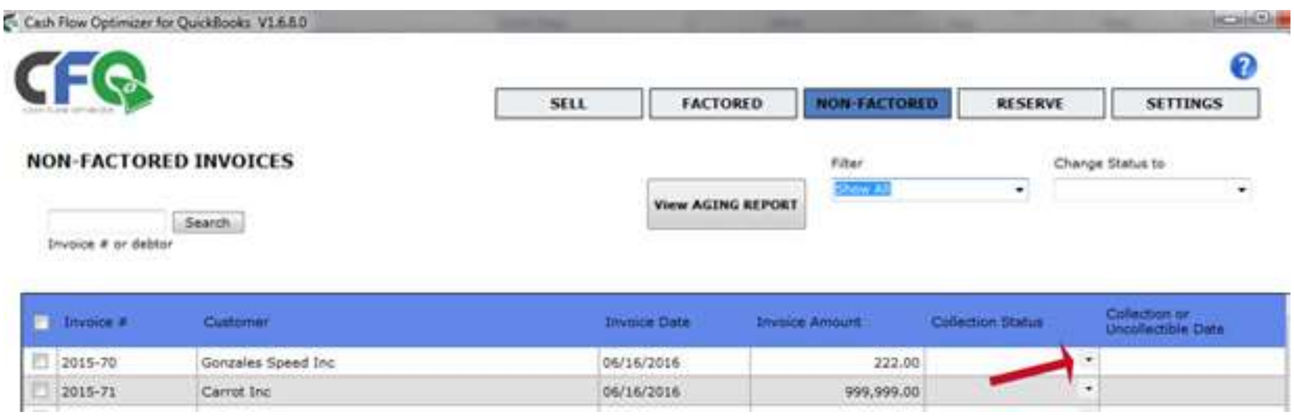
Date	Num	P.O.#	Name	Terms	Due Date	Aging	Open Balance
1 - 60							
03/16/2016	2015-48		Carrot Inc	Net 60	05/15/2016	40	999,999.00
03/16/2016	2015-57		Target	Net 60	05/15/2016	40	100,000.00
04/15/2016	2015-60		Tom Tom	Net 60	06/14/2016	10	100,000.00
03/16/2016	2015-51		Gateway Commercial Finance	Net 60	05/15/2016	40	30,000.00
03/16/2016	2015-47		Broke Corp	Net 60	05/15/2016	40	6,666.00
03/16/2016	2015-54		John Smith		03/16/2016	40	1,000.00
03/16/2016	2015-50		Fraud LLC	Net 60	05/15/2016	40	777.00
03/16/2016	2015-58		The Boys	Net 60	05/15/2016	40	100.00
03/16/2016	2015-53		Charlee Inc		03/16/2016	40	69.00
03/16/2016	2015-49		Delicious LLC	Net 60	05/15/2016	40	0.00
Total 1 - 60							1,238,600.00
TOTAL							1,238,600.00

Changing The Collections Status Of Non-Factored Invoices

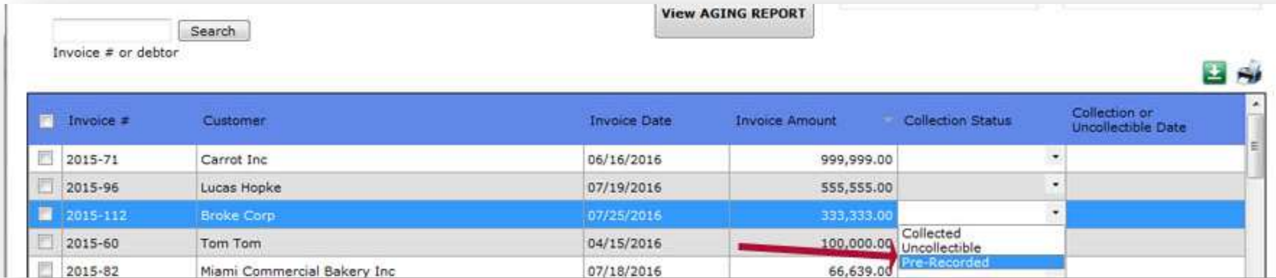
Whenever your factor informs you that a non-factored invoice has been collected, you can then mark the invoice as collected for your records. Also if you realize that a non-factored invoice will not be paid by your customer, you can mark it as uncollectible.

How to Mark an Invoice Collection Status as Pre-recorded

1- Click on the "down" arrow on the "Collection Status" column for the invoice selected, and a drop-down menu will show up.



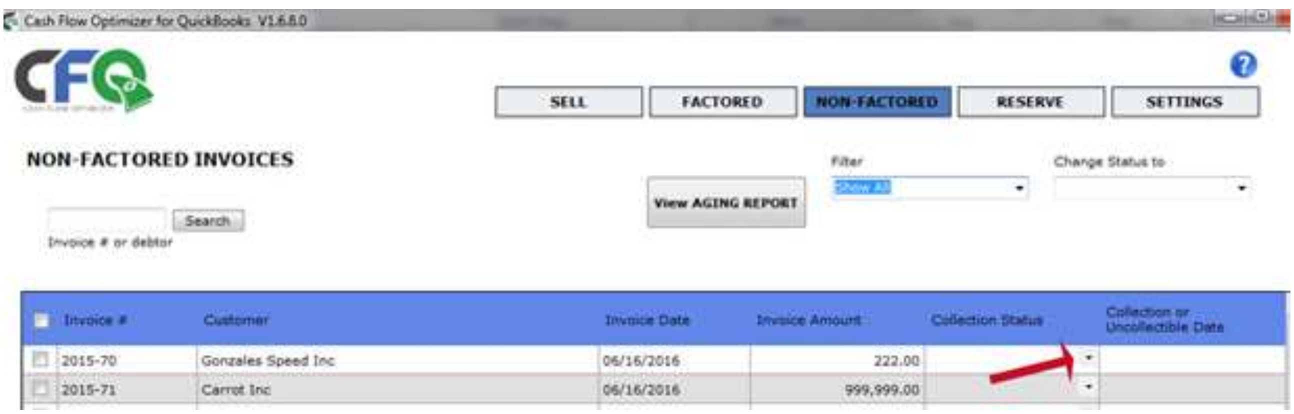
2- Click on the "Pre-Recorded" option.



3- The status of your invoice at the "Collection Status" column will then change to "Pre-Recorded".

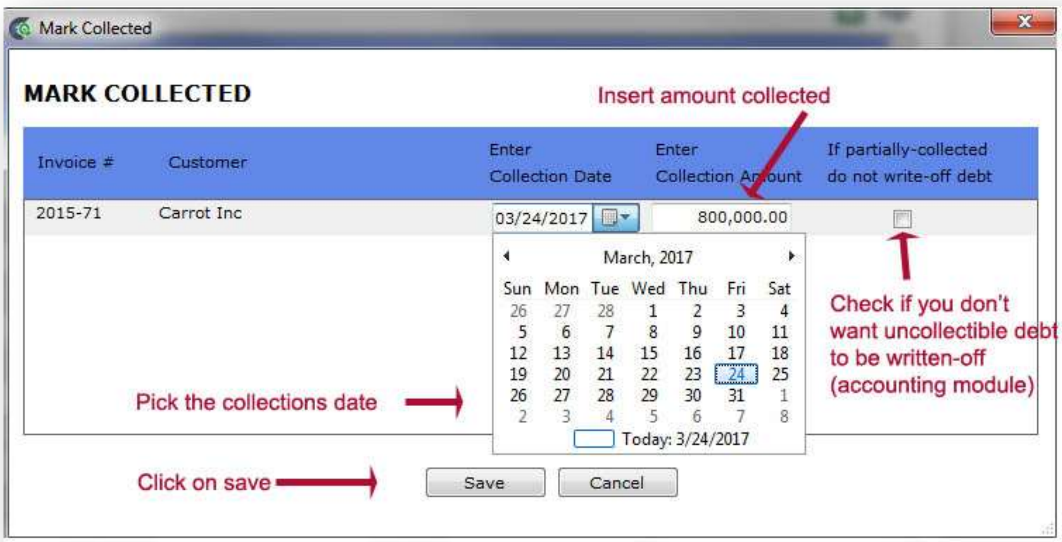
How to Mark an Invoice as Collected

1- Click on the "down" arrow on the "Collections Status" column for the invoice selected, and a drop-down menu will show up.



2- Click on the "Collected" option.

3- A pop-up window will open.

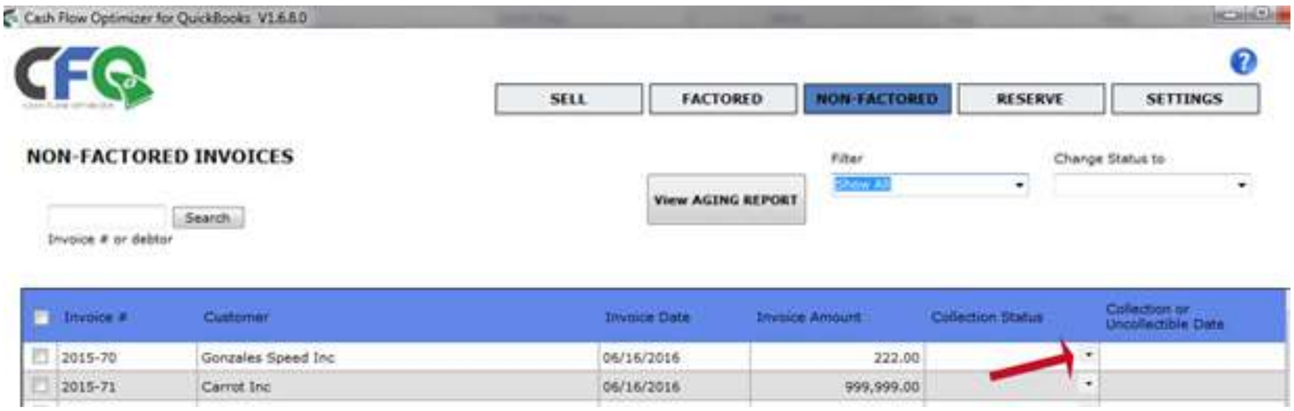


4- Click on the "Enter Collections Date" drop-down menu and pick the collections date.
5- Insert the amount collected in the "Enter Collections Amount" field.
6- **If you have the accounting module enabled only**: if the collection amount is less than the invoice amount, the system by default records the difference as a debt write-off. If you don't want the system to write off the debts, mark this box. If you don't have the accounting module enabled, ignore this box.
7- Click on "Save".
8- Your invoice status will now change to "Collected" on the Non-Factored Invoices list.
9- If you have your accounting module enabled, the application will automatically perform all the journal entries related to the collection of the invoice.

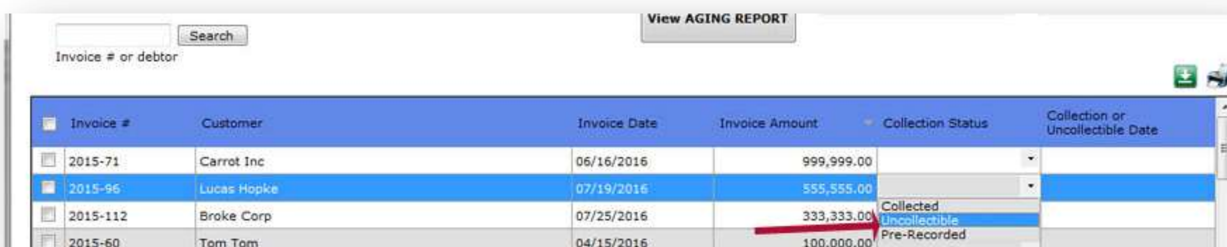
How to Mark an Invoice as Uncollectible

If you realize that a non-factored invoice will not be paid by your customer, you can mark it as uncollectible (Bad debt) for your records. To do so:

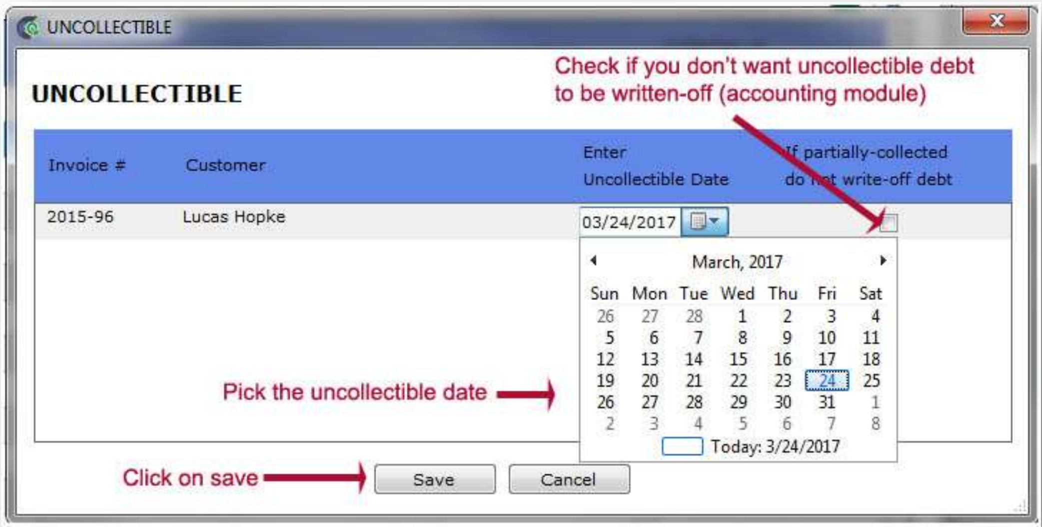
1- Click on the "down" arrow on the "Collections Status" column for the invoice selected, and a drop-down menu will show up.



2- Click on the "Uncollectible" option.



3- A pop-up window will open.



4- Click on the "Enter Uncollectible Date" drop-down menu and pick the transaction date.
5- **If you have the accounting module enabled only**: the system by default records the uncollectible amounts as a debt write-off. If you don't want the system to write off the debts, mark this box. If you don't have the accounting module enabled, ignore this box.
6- The status of your invoice will now change to "Uncollectible"
7- If you have your accounting module enabled, the application will automatically perform all the journal entries related to the uncollectible invoice.

Reversing Collection Status Of Non-Factored Invoices

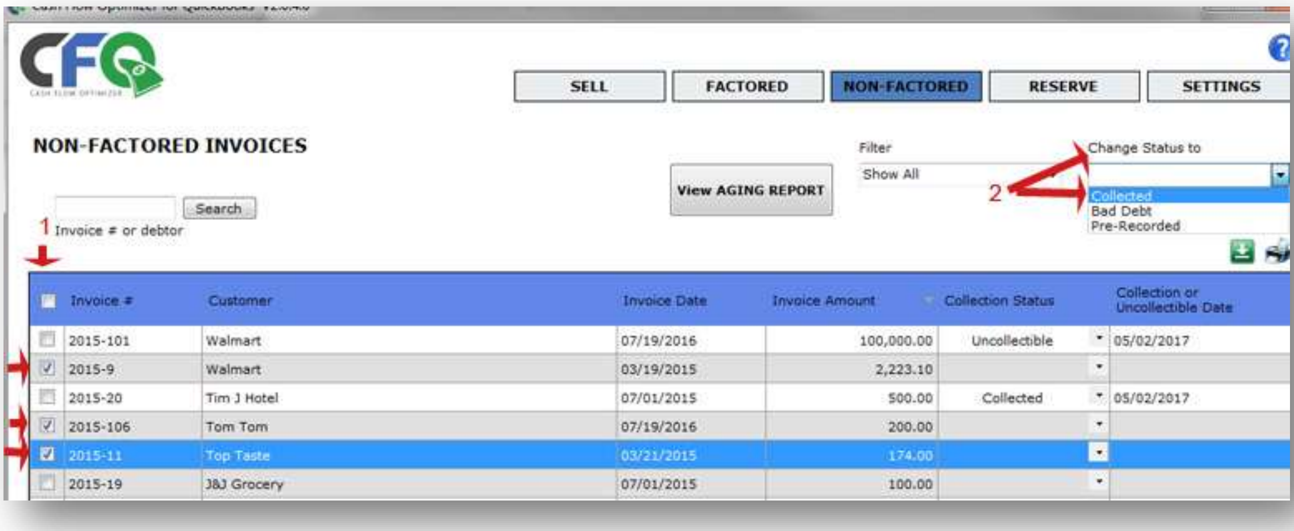
If for any reason you need to reverse the Collected or Uncollectible status of an invoice to its original "Not Marked" status, you may do so at any time by clicking on the "Collected" or "Uncollectible" text.

A window will open to confirm that you want to reverse the transaction. Click on "Yes".

BULK ACTIONS

You can use bulk actions if you want to mark several invoices at a time as pre-recorded, collected or uncollectible (bad debt).

To perform a bulk action:



1- Pick the invoices to include in the action using the first column on the list.
2- Choose an action in the drop down menu "Change Status to".
3- The action selected will be performed on all the invoices you have picked.

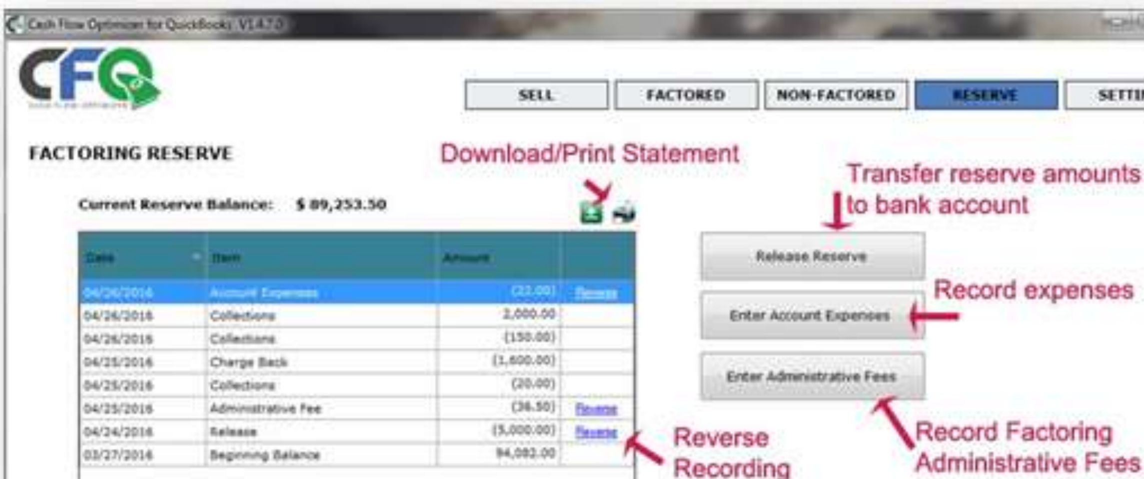
THE RESERVE AREA

REGARDING THE FACTORING RESERVE PAGE

This page is available only if the Accounting Module is enabled.

In this page you can view all the movements of your QuickBooks accounts where the factoring reserve transactions are posted during the time range you have defined in the Display Settings. In this page you can also:

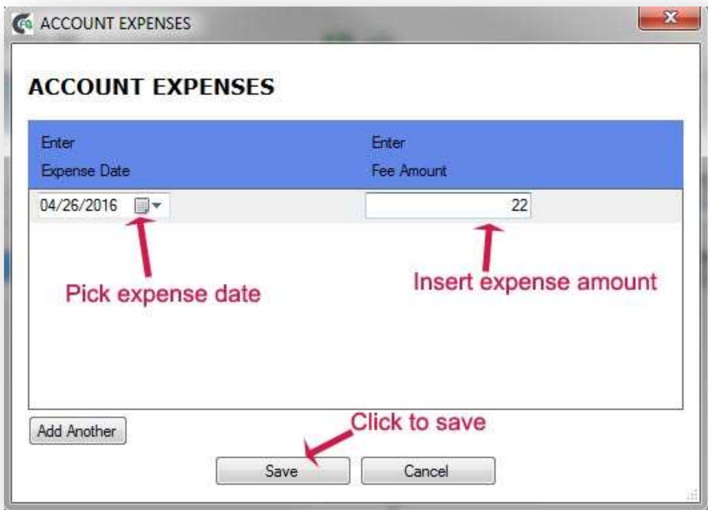
- Record factoring administrative fees.
- Record factoring general expenses (such as wire and mailing fees).
- Transfer funds from your factoring reserve account to your bank account when reserve amounts are released by your factor.
- Download and print reserve statements.



RECORDING FACTORING EXPENSES & RELEASING RESERVE FUNDS

How to Record Factoring General Expenses

1- Click on the "Enter Account Expenses" button.
2- A pop-up window will open.



3- Click on the "Enter Release date" drop-down and pick the expense date.
4- Enter the expense amount in the "Enter Expense Amount" field.
5- Click on "Save".

How to Record Factoring Administrative Fees

1- Click on the “Enter Administrative Fees” button.
2- A pop-up window will open.

3- Click on the “Enter Fee Date” drop-down and pick the fee date.
4- Enter the fee amount in the “Enter Fee Amount” field.
5- Click on “Save”.

How to Record the Transfer Funds from Your Reserve Account to your Bank Account (Reserve Releases)

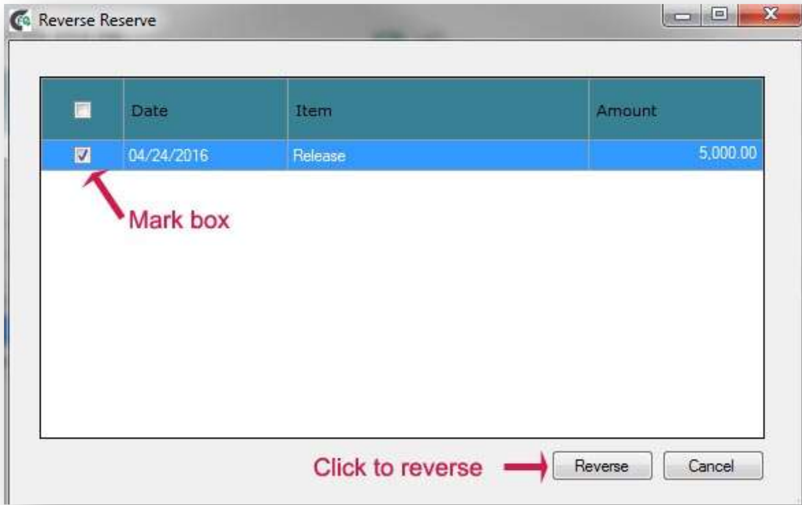
1- Click on the "Release Reserve" button.
2- A pop-up window will open.

3- Click on the "Enter Release Date" drop-down and pick the release date.
4- Enter the amount released in the "Enter Release Amount" field.
5- Click on "Save".

REVERSING POSTS TO THE RESERVE ACCOUNT

How to Reverse Account Expenses, Administrative Fees or Reserve Release Entries:

1- Click on the entry's "Reverse" blue link.
2- A pop-up window will open.
3- Pick the box for the transaction you want to reverse.
4- Click on the "Reverse" button.



ONLINE SUPPORT AREA

ACCESSING THE SUPPORT AREA

The online support area offers the CFO Application user guides and other documentation, answers to frequently asked questions and an area to submit support tickets.

To go to the Support Area, click on the question mark symbol on the top right corner of any screen.