



PAYMENT AND ADJUSTMENT CODES

INTRODUCTION

Payment processing in RMEx is a very important function which affects clients, consumers and your agency. Before understanding payment processing, you should be aware of some of the data elements which are accessed.

RMEx maintains a PLACEMENT AMOUNT, a PRIMARY BALANCE and up to ten SECONDARY BALANCES. In addition, the system can compute and maintain INTEREST. The Placement Amount does not change during the life of an account, but the other balances can be changed by payments or adjustments.

RMEx supports two different types of payment transactions - transactions between the agency and the debtor and transactions between the agency and the client. When we refer to Client-Agency Transactions, we are generally speaking about fees due to the agency, or fees which need to be returned to the client. Debtor-Agency Transactions involve transactions which affect the debtor's balance and will in most cases result in fees being billed to the client at the time a "Remittance Statement" is generated.

This section deals with the different payment codes which are available.

SOME IMPORTANT CONCEPTS

Let us first review some important concepts of RMEx which relate to the area of Payment Processing.

- There are Debtor-Agency and Client-Agency Transactions.
- Secondary balances and their properties are defined by the management.

Some options are: the ability to give collectors credit, report on the remittance statement and compute fees based on the amount collected. (Court costs and returned check charges are examples of secondary balances.)

- There are different "Payment Codes" for different types of transactions. (e.g. paid to agency, returned check or balance adjustments)
- If secondary balances exist, the user is allowed to distribute a payment among the different balances. The system can also be set up (by management) to automatically distribute a payment among the different balances, paying off certain balances before others.
- In the case where there are linked accounts (multiple accounts for same consumer) the user is able to distribute a payment among different accounts.

RMEx QUANTRAX CORPORATION INC.										Chat				
EXIT														
Balance Types														
Company name		Quantrax Collection Enterprises												
Balance type descriptions		1.	court cost	2.	nsf fees	3.	conv fee	4.	bal 4	5.	bal 5	6.	bal 6	
(Other than primary and standard interest)		7.	bal 7	8.	bal 8	9.	bal 9	10.	bal 10					
Balance	Client	-COMMISSIONS-	--COLLECTORS--		Int	--F.AGC COM--	Payment							
Stmt-Y	Taken-Y	Rate	Credit-Y	Split-Y	(Y)	Taken-Y	Rate	Dist.						
PRIMARY (P)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	.00	1					
1. (1)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	.00	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	.00	5					
2. (2)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	.00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	.00	4					
3. (3)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	.00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	.00	3					
4. (4)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	.00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	.00	6					
5. (5)	<input type="checkbox"/>	<input type="checkbox"/>	.00	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	.01	7					
6. (6)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	.00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	.00						
7. (7)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	.00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	.00						
8. (8)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	.00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	.00	8					
9. (9)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	.00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	.00	9					
10. (10)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	.00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	999.99						
INTEREST (I)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	.00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	.00	2					
Stmt.codes (P,1-10,I,Fwd,Legal)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Prop.dist. (Y)	<input checked="" type="checkbox"/>

- There are many rules for calculating the “commission rate” on an account. Depending on the client and the circumstances, this rate could change. (e.g. mail is returned or the account becomes a legal account). In most cases, it will not be necessary for the person entering payments to be concerned with the commission rate on the account. It is possible to specify a special rate (or zero commission) at the time a payment is entered.
- There are rules for giving a collector credit for a payment. (e.g. the account may be in the contact series or the payment may be applied to a secondary balance for which the collector does not receive credit). In most cases, the system will credit the collector based on the rules, but it is possible to define, at the time of payment entry, the person who is to receive credit for the payment. (In some cases, credit may be given to the “house”).
- Payment processing gives the user the opportunity to verify and change important information on an account. (e.g. address or phone number).

- Some transactions affect the “bank deposit” for the day. These will be referred to as “cash” transactions and are important for verifying the accuracy of payment transactions processed.
- In some companies, decisions on collector credit or commission rates are made based on the prior activity on an account. (e.g. was it worked by a collector or how old is the account?) RMEx provides different methods of reviewing an account before the payment is applied.
- If the debtor cannot be easily identified, it is possible to “locate” the consumer during payment processing by using one of the many search options available.

RMEx QUANTRAX CORPORATION INC. Chat

Debtor/Agency Payment Transaction Entry

Company name	Quantrax Collection Enterprises		
Company Code	99		
Payment date	110320	Original posting date	<input type="text"/>
Details on Part Pmt. (Y,A,D,T)	<input type="checkbox"/>		
Payment code	<input type="checkbox"/>		
Balance code (P, I, 1-9, 0, X, L)	<input type="checkbox"/>		You can enter a case# and use F6 to add notes.
Adjustment code	<input type="checkbox"/>		
Amount	<input type="text" value=".00"/>		

Enter ONE of the following :

1. Acct number	<input type="text"/>	Initials	<input type="checkbox"/>	Client Ref	<input type="text"/>
2. Street address	<input type="text"/>	Initials	<input type="checkbox"/>	(or date for reversal)	
3. Client number	<input type="text"/>	Client Acct#	<input type="text"/>		
	(or Group#)	Other info.	<input type="text"/>		

Fwd.Agent Retained <input type="text" value=".00"/>	Session totals #
	(F22 to reset) \$
	.00

Credit to Collector	<input type="checkbox"/>	Credit to split	<input type="checkbox"/>
Special Commission	<input type="text" value=".00"/>	% Amount	<input type="text" value=".00"/>
Receipt required (Y,C)	<input type="checkbox"/>	Type (CA,CK,CC,MO,OT)	<input type="checkbox"/>

Ref#

RME_x QUANTRAX CORPORATION INC. **Chat**

Account Inquiry

Company name **Quantrax Collection Enterprises**

Search Type	Search Data
1 - Acct number	a) Acct#
2 - Name	Last name
3 - Client account number	Account#
4 - Social security number	Soc.sec#
5 - Street address	Street address
6 - Home phone number	Home ph# (xxxxxxxxxx)
7 - Place of employment	POE
8 - Phone numbers	Phone# (xxxxxxxxxx)
9 - Primary balance	Primary balance
10 - Acct number with company	Company and case#
11 - Guarantor name	Last name
12,13,14,15 - Multi-company search	Guar.Name, Cl.Acct#, Address, Home Ph
20 - Date of birth	DOB (01/15/75 enter as 011575)

Search	Most recently accessed accounts
Company code <input type="text" value="99"/>	99-063320408 CURLING
Search type <input type="text"/>	99-001989409 TEST
Search data a) <input type="text"/> b) <input type="text"/>	99-001989510 ADAMS
Only open (Y) <input type="checkbox"/> (Name search) X) <input type="checkbox"/>	99-001989508 JAMES
12,13,14,15-Guar.name, Cl.acct#, Address, Home#	99-001989506 BRUCE

F3-Sounds like F9-Purge F12-Multiple Accts F20-Recalls F24-Num. Cl. Acct# F7-Exit

- Payment processing is a “batch” process. This means that transactions are first entered, an audit is printed and the batch is then posted. The user does have the option to edit the batch and then can post once satisfied with the edit list.



- Different users can enter payments at the same time. Batches are separately maintained by "User ID". Each user can only enter, edit and post transactions which are part of the batch.

RMEx QUANTRAX CORPORATION INC. Chat

EXIT

Debtor/Agency Transactions will
be posted for UserID KATHY
Continue? (Y,N)

Select an option

WARNING - ALL transactions in the batch will be posted.
This could include transactions for different companies.

RMEx QUANTRAX CORPORATION INC. Chat

EXIT

Multiple batches of payments
can be maintained -

Select batch number

PAYMENT/ADJUSTMENT CODES

When a consumer-agency transaction is entered, a payment code must be specified.

There are different codes for each type of transaction. It is very important that the correct payment code is used for the transaction, since client remittance statements, cash and statistics are impacted.

The following payment codes are available.

01 – consumer paid the agency

02 – consumer paid a forward agency or an Attorney, who retained their fee and sent the balance to the agency.

03 – Overpayment by the consumer to the agency. This payment code is automatically created by the system for any portion of a payment which exceeds the balance. A user would use this payment code to reverse an overpayment.

11 – Consumer paid the client.

13- Overpayment by the consumer to the client.

21 – Returned check for consumer paid agency transaction.

31 – Returned check for consumer paid client transaction.

41 – 49 These are user-defined balance adjustments.

54 - Additional commissions which need to be billed to the client.

55 – Additional charges due from the client (similar to 54).

56 – Per-account charges. It is possible to charge a client based on the number of accounts processed. This charge is automatically computed when the option “Per-case charges update” is run from the client statement menu. In most cases, a user will not enter transactions with a payment code of 56.

57 – 58 These are user-defined transactions which can be used to bill the client for additional charges. (These codes are similar to payment code 54).

59 – Bill client and increase consumers’ balance. This transaction will increase the consumers’ balance (similar to a balance adjustment) and bill the client for the same amount. (an example of its use would be costs which need to be billed to the client and will become a part of the consumers responsibility).

61 – Forwarded agent’s commission due. This transaction is usually generated by the system when a payment is processed for an account which is forwarded to any attorney or another agency. Payment code 61 means a fee is due to that agency or attorney. This is automatically paid when the remittance statements are generated. Note – that a payment code 02 exists, for use in the case where the forward agency or attorney retained their fee and sent the remaining balance.

71 – This transaction is used to refund an overpayment to the client. The consumers balance is increased and the money is returned to the client via the remittance statement.

72 – This transaction is used to indicate that an overpayment has been returned to the consumer. RME_x does not refund to the consumer, but once money has been returned by the agency to the consumer, payment code 72 should be applied to increase the consumers balance and record the transaction.

73 – If there is an overpayment which will not be refunded to the client or the consumer, a payment code of 73 should be used to record the fact that the credit balance has been retained by the agency. This transaction is referred to as an overpayment adjustment and it increases the consumers’ balance.

In addition to payment codes, payment processing also allows the input of a “balance code”.

In the case where an account has secondary balances, (e.g. returned check charge, court costs, late charges) the management is able to define an “automatic distribution order” for the distribution of the payment among the secondary balances. The user is allowed to apply the payment to a specific balance by entering a balance code. (“P” for primary, “I” for interest and “1 through “9” and “0” for the 10-secondary balance).

RMEX QUANTRAX CORPORATION INC. Chat

EXIT

Debtor/Agency Payment Transaction Entry

Company name Quantrax Collection Enterprises
 Company Code 99
 Payment date 110320 Original posting date
 Details on Part Pmt. (Y,A,D,T)
 Payment code
 Balance code (P,I,1-9,0,X,L) You can enter a case# and use F6 to add notes.
 Adjustment code
 Amount .00

Enter ONE of the following :

1. Acct number	<input type="text"/>	Initials	<input type="checkbox"/>	Client Ref	<input type="text"/>
2. Street address	<input type="text"/>	Initials	<input type="checkbox"/>	(or date for reversal)	
3. Client number (or Group#)	<input type="text"/>	Client Acct#	<input type="text"/>		
		Other info.	<input type="text"/>		

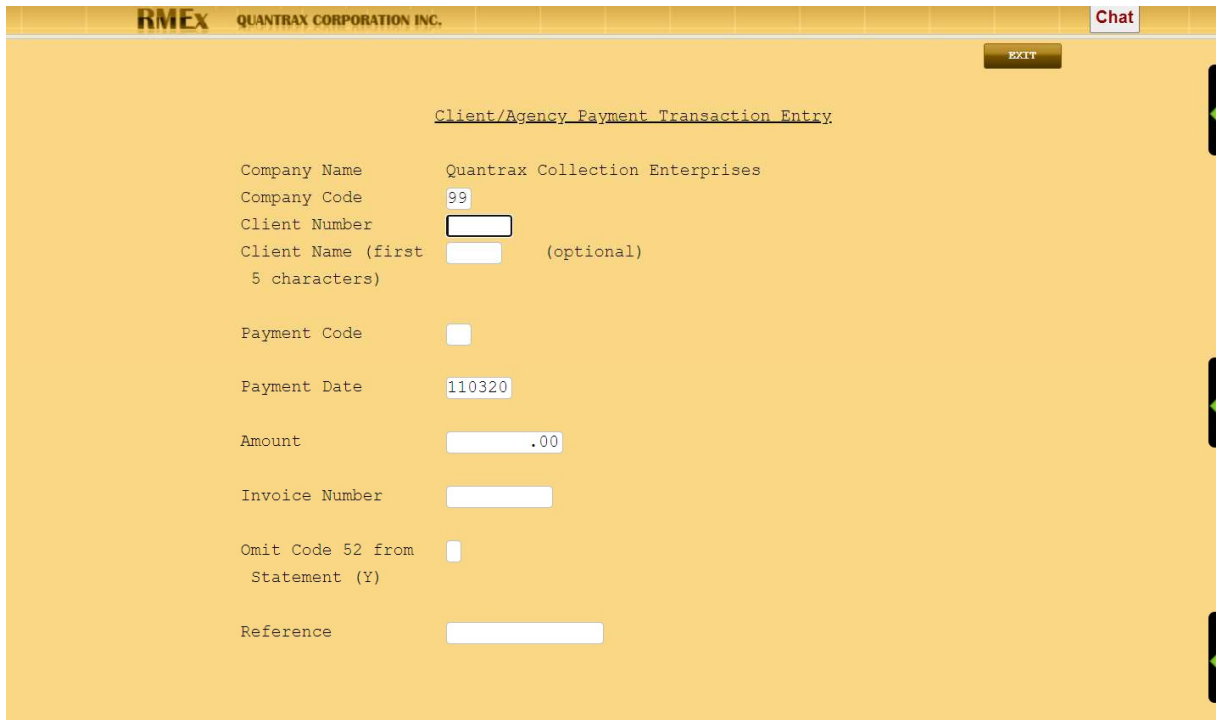
Fwd.Agent Retained .00 Session totals # (F22 to reset) \$.00

Credit to Collector Credit to split
 Special Commission .00 % Amount .00 Last entry -
 Receipt required (Y,C) Type (CA,CK,CC,MO,OT) Ref#

CLIENT-AGENCY TRANSACTIONS

In case of client-agency transactions, the payment codes available are as follows.

- 51- Client payment to the agency
- 52 – Client A/R adjustment, used with open item receivables.
- 54 – Additional commissions which need to be billed to the client.
- 55 – Additional charges due from the client (similar to 54)
- 57 – 58 These are user defined transactions which can be used to bill the client for additional charges.



RME QUANTRAX CORPORATION INC. Chat

EXIT

Client/Agency Payment Transaction Entry

Company Name Quantrax Collection Enterprises

Company Code 99

Client Number

Client Name (first (optional)
5 characters)

Payment Code

Payment Date 110320

Amount .00

Invoice Number

Omit Code 52 from
Statement (Y)

Reference

The below codes are similar to payment code 54.

81 – Sales Tax 1 retained. A positive reduces cash. This is used with the Canadian sales tax system when sales tax is retained by an agent.

82 – Sales tax2 retained (similar to 81).

The meaning of “CASH” in RME

One of the fields on the reports is an item called “Cash”. In RME, cash is computed as follows.

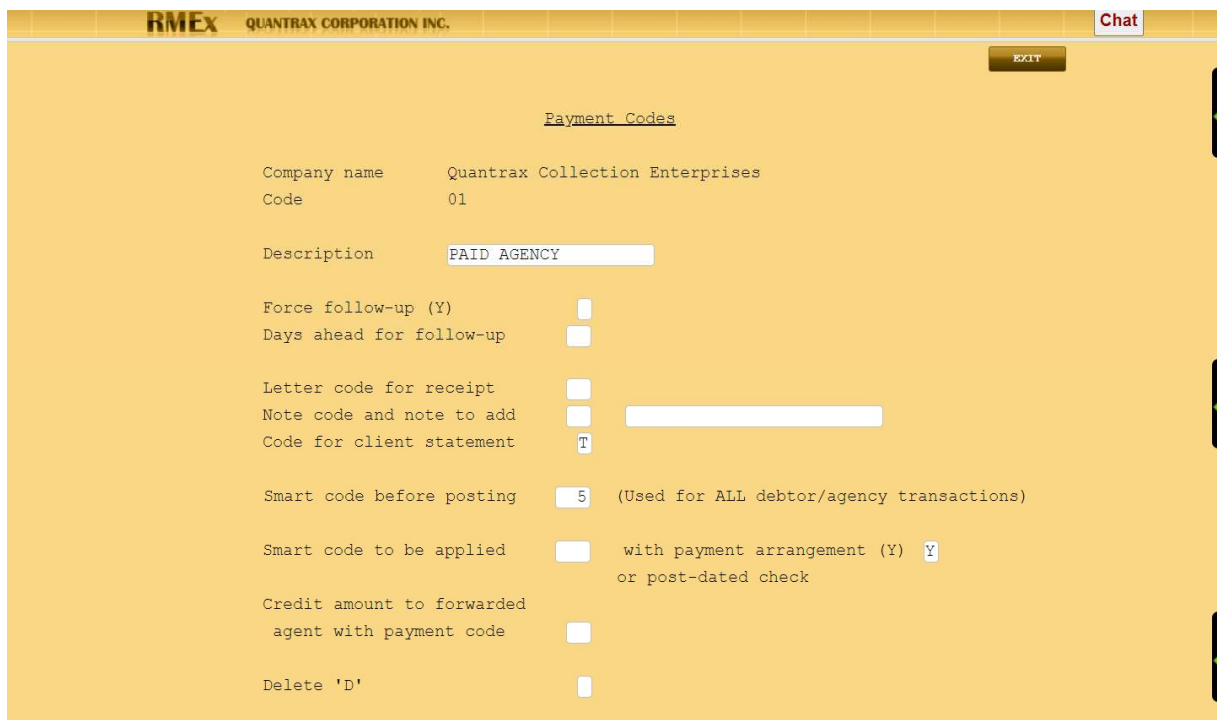
- Payments to the agency (01)
- + Payments to a forward agent (02)
- Forwarded agent retained amount (entered with the payment transaction)
- + Overpayments to the agency (03)
- + Client payments to the agency (51)

-Sales tax 1 retained (81)

+ Sales tax 2 retained (82)

SYSTEM CONTROL FILE FOR PAYMENT CODES

There is a system control file for payment codes which can be accessed from system control menu (2). This system control file can be set up to allow decisions to be made when payment transactions are applied to accounts. (e.g. force follow-up date, sending receipts, apply smart codes, etc.).



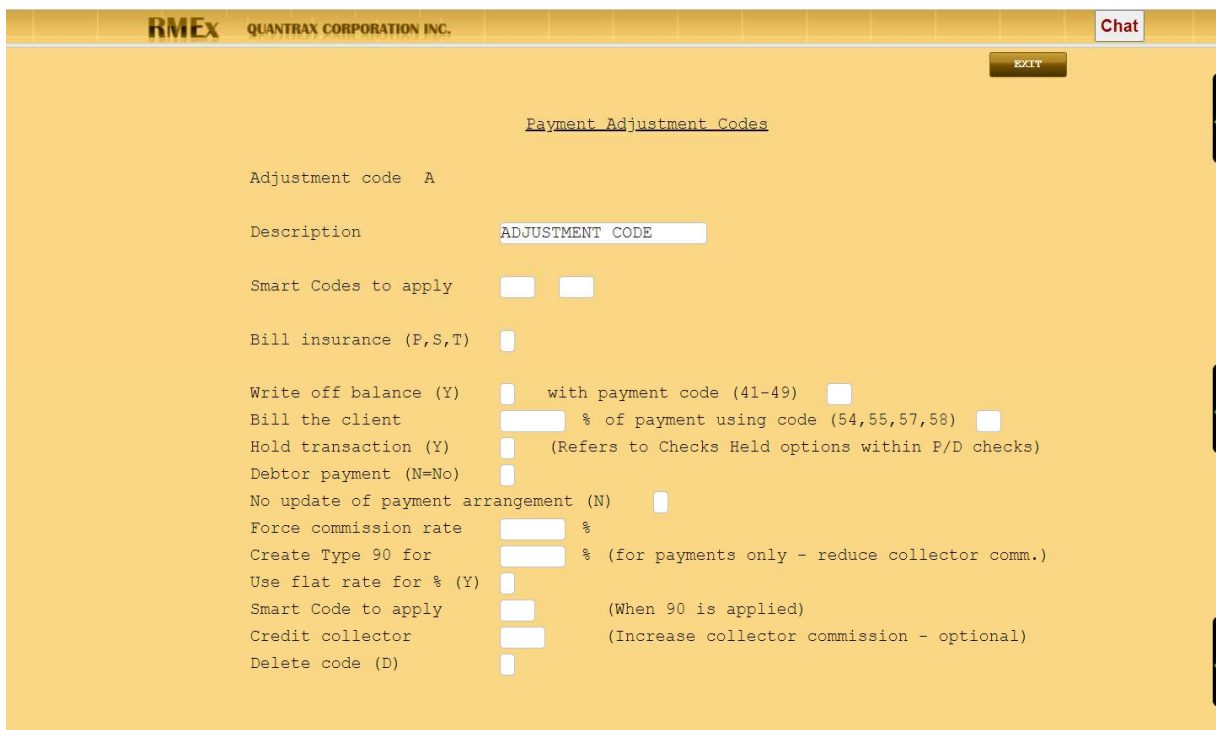
The screenshot shows a web-based interface for the 'Payment Codes' system control file. The header includes 'RMEx' and 'QUANTRAX CORPORATION INC.' on the left, and a 'Chat' button on the right. Below the header, there is an 'EXIT' button. The main content area is titled 'Payment Codes' and contains the following fields and options:

- Company name: Quantrax Collection Enterprises
- Code: 01
- Description: PAID AGENCY
- Force follow-up (Y):
- Days ahead for follow-up:
- Letter code for receipt:
- Note code and note to add: [text input field]
- Code for client statement: 1
- Smart code before posting: 5 (Used for ALL debtor/agency transactions)
- Smart code to be applied: with payment arrangement (Y) or post-dated check
- Credit amount to forwarded agent with payment code:
- Delete 'D':

SYSTEM CONTROL FILE FOR PAYMENT CODES

There is a system control file for adjustment codes which can be accessed from the system control menu (2).

The adjustment code will need to be a valid code in the payment entry process. (for payment transactions – payment type 31 or less). You do not need an adjustment code for every transaction. Just leave the adjustment code blank. However, you will need to create a “blank” adjustment code in the payment adjustment code file. If you want to force the user to enter an adjustment code for every payment transaction, do not set up the “blank” adjustment code in the payment adjustment code file. You can use an adjustment code with payments or balance adjustments.



The screenshot shows the 'Payment Adjustment Codes' screen in the RMEx system. The interface is yellow with a top navigation bar containing 'RMEx', 'QUANTRAX CORPORATION INC.', and a 'Chat' button. An 'EXIT' button is located in the top right corner of the main content area. The screen title is 'Payment Adjustment Codes'. Below the title, there are several fields and checkboxes for configuring an adjustment code:

- Adjustment code: A
- Description: ADJUSTMENT CODE
- Smart Codes to apply:
- Bill insurance (P,S,T):
- Write off balance (Y): with payment code (41-49)
- Bill the client: % of payment using code (54,55,57,58)
- Hold transaction (Y): (Refers to Checks Held options within P/D checks)
- Debtor payment (N=No):
- No update of payment arrangement (N):
- Force commission rate: %
- Create Type 90 for: % (for payments only - reduce collector comm.)
- Use flat rate for % (Y):
- Smart Code to apply: (When 90 is applied)
- Credit collector: (Increase collector commission - optional)
- Delete code (D):

What can you do with an adjustment code?

Up to 2 smart codes can be applied

You can have the system create a re-bill for primary, secondary or tertiary – Both UB92 and 1500 will be re-billed if they exist.

There is a method of writing off a balance.

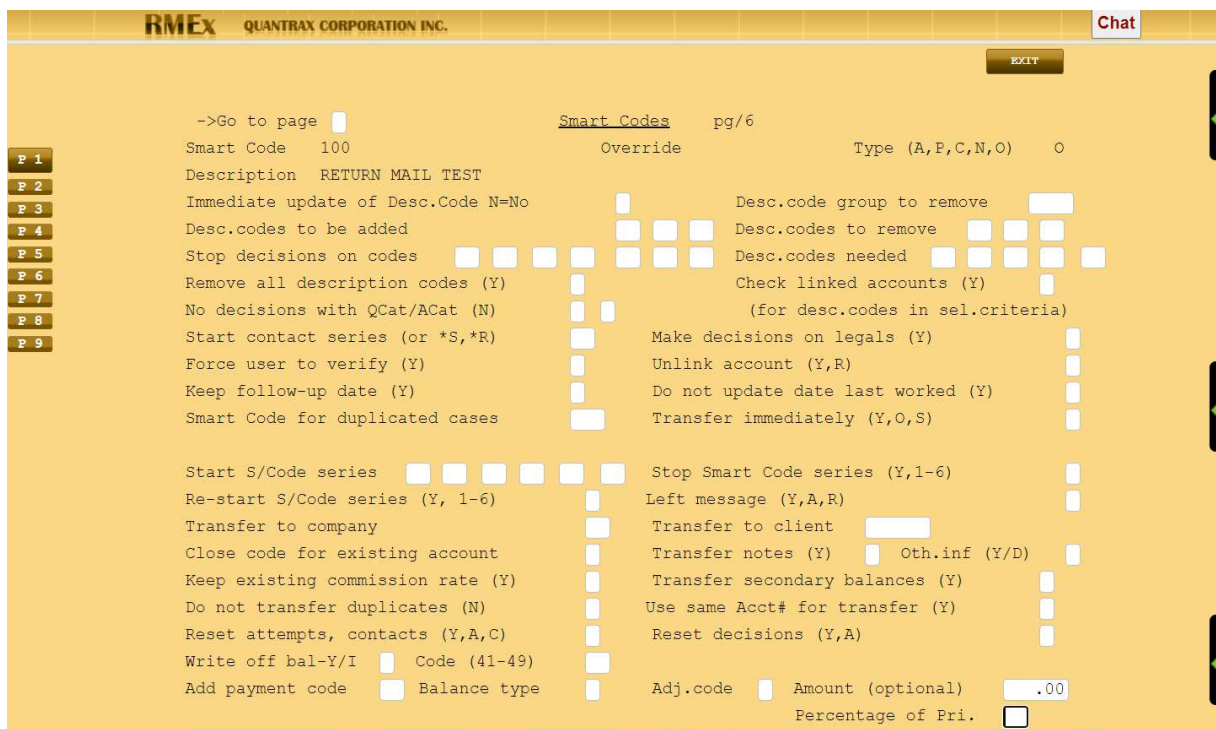
You can specify that the adjustment code should cause the transaction to be “held”. This is a feature that is related to the “hold checks” module within postdates.

You can specify that the payment arrangement should not be updated based on the adjustment code. An example of where this may be used is an insurance payment that should not update a payment arrangement.

You can create a payment type 90 (commission adjustment) for a percentage of a payment. This would be used to reduce a collector’s commission. An example of the use of this feature could be to take away some of the credit for a credit card payment. Related to this feature, you can apply a smart code and credit a different collector for the percentage that was reduced from the original collector who received credit for the transaction.

Applying a payment via smart codes

There is an option to apply a payment or adjustment directly to an account with a smart code. Here you will have the option to write off any existing balances on an acct. Or you can add an “I” to write off only Interest. You also have the option to choose a payment code, balance type and adjustment code. You can also add an amount (optional).



The screenshot shows the 'Smart Codes' application interface. At the top, it displays 'RMEx QUANTRAX CORPORATION INC.' and a 'Chat' button. Below this is a navigation bar with 'EXIT' and 'pg/6'. The main area contains a list of smart codes with their descriptions and various options (checkboxes, dropdowns, and text inputs). A vertical menu on the left side lists options P1 through P9. The bottom of the screen shows fields for 'Adj.code', 'Amount (optional)' (set to .00), and 'Percentage of Pri.' (set to 0).

Smart Code	Description	Options
100	RETURN MAIL TEST	Override, Type (A,P,C,N,O) O
	Immediate update of Desc.Code N=No	<input type="checkbox"/> Desc.code group to remove
	Desc.codes to be added	<input type="checkbox"/> Desc.codes to remove
	Stop decisions on codes	<input type="checkbox"/> Desc.codes needed
	Remove all description codes (Y)	<input type="checkbox"/> Check linked accounts (Y)
	No decisions with QCat/ACat (N)	<input type="checkbox"/> (for desc.codes in sel.criteria)
	Start contact series (or *S,*R)	<input type="checkbox"/> Make decisions on legals (Y)
	Force user to verify (Y)	<input type="checkbox"/> Unlink account (Y,R)
	Keep follow-up date (Y)	<input type="checkbox"/> Do not update date last worked (Y)
	Smart Code for duplicated cases	<input type="checkbox"/> Transfer immediately (Y,O,S)
	Start S/Code series	<input type="checkbox"/> Stop Smart Code series (Y,1-6)
	Re-start S/Code series (Y, 1-6)	<input type="checkbox"/> Left message (Y,A,R)
	Transfer to company	<input type="checkbox"/> Transfer to client
	Close code for existing account	<input type="checkbox"/> Transfer notes (Y) Oth.inf (Y/D)
	Keep existing commission rate (Y)	<input type="checkbox"/> Transfer secondary balances (Y)
	Do not transfer duplicates (N)	<input type="checkbox"/> Use same Acct# for transfer (Y)
	Reset attempts, contacts (Y,A,C)	<input type="checkbox"/> Reset decisions (Y,A)
	Write off bal-Y/I Code (41-49)	<input type="checkbox"/>
	Add payment code Balance type	<input type="checkbox"/> Adj.code Amount (optional) .00
		<input type="checkbox"/> Percentage of Pri.

Setting up post-judgment interest

From the account detail screen, you have the option to set up post-judgement interest by keying in “ITR” (interest transfer) in the smart code field. This will display the existing interest balance and the description of the secondary balance that any specified pre-judgement interest amount will be moved to. You will be allowed to specify a balance to be transferred from “interest” to “the balance type set up” for storing pre-judgement interest. That amount will be transferred from interest to pre-judgement interest and any remaining interest will be adjusted down to 0 using the payment code (balance adjustment) defined in the system parameters. You must also specify the post-judgement annual interest rate. This will initially be shown with the maximum allowed interest rate for the state (state system controls). You must change the rate as defined in the judgement.

RMEx QUANTRAX CORPORATION INC.		
Company 99 Acct # 001989365 Client Number 000002 ST MARY'S HOSPITAL Owner COL4 Worker COL4 Split Client .Acct #	INQUIRY 000 M	Home Phone Work Phone Cell Phone Follow Up Date Promise Amount .00
Guarantor 0 DUCK DAISY Extra Address Street Address 12345 ADAMS ST City/State/Zip LUKEVILLE AZ 85341	Amount placed 25.00 Balance 35.00 Total balance 65.00 No. Of Accts 2	
<div style="border: 1px solid black; padding: 10px; width: fit-content; margin: auto;"> <p>START LEGAL INTEREST</p> <p>Interest is 5.00</p> <p>Interest will be moved to Legal Fee</p> <p>Enter amount to move 5.00</p> <p>Re-enter amount to move .00</p> <p>Interest Rate 11.0000000</p> <p style="text-align: center;">ENTER</p> </div>		