

Group Client Payments on MCO

Accounting for Client Payments charged on an MCO can be very time consuming and challenging. If it is absolutely necessary to handle Client Payments this way, this document will describe the process required to account for these transactions in TRAMS Back Office.

There are two ways to handle these transactions:

1. The Client is charged the amount due to the Vendor and the Agency absorbs the cost of the MCO transactions.
2. The Client is charged the 3.5% cost to run the MCO through ARC or BSP by adding it onto the MCO.

Scenario One:

1. The agent issues an MCO for a \$500.00 deposit with a commission of \$482.50

It is important to use the GDS format to put the Group Name on the Invoice.

If the MCO is for an individual that is not part of a group, it might help to use a Group Name of

“MCO” to track this type of payment. The procedure would be the same as for a Group, but on an individual basis.

Submit To	Travel Type	Passenger	Airline/Vendor	Total Fare	Commission	Ticket/Conf#	Client Status	Yr
ARC	Tour-Dpt	Dechter/Brad	ARC/BSP MCO	500.00	482.50	814000100	Closed (16/09)	0

Total Fare	Tax	Commission	Comm Trk. Comm	Total Open
500.00	0.00	482.50	0.00	0.00

2. The TBO user runs a **Report Generator** report that lists the MCO's issued for the Group.

Report Generator/Print Report: **AL_AD.rpt** **Submit To:** ARC or BSP

Invoice Contains Group Name

Report Generator - General tab

Report: C:\Program Files\Travel\Traveler\Reports\...
Date Range: Issue Dt: 2/1/2007 - 2/1/2007
Invoice Type: All
Submit To: ARC
Travel Type: All
Ticket Type: All
E-Ticket Status: All
Passenger Name: [Empty]
Invoice Payment Status: Client (Open/Closed/N/A)
Play method: [Empty]
CLACC No: [Empty]
Vendor: All
Client Name: [Empty]
Vendor Name: [Empty]
Print Selection Criteria: [Checked]
Page Break on Sort Change: [Checked]

Report Generator - Advanced tab

Client Remarks: [Empty]
Vendor Remarks: [Empty]
UID Selection: None
Department: [Empty]
Flight Carrier: [Empty]
City: [Empty]
Origin/Destination: [Empty]
Inside Agent: [Empty]
IC Code: [Empty]
Class Reference: None
Font: [Empty]
Size: [Empty]
Booking Dates: From: [Empty] To: [Empty]
Deposit: [Empty]
Return: [Empty]
Final Exp: [Empty]
Groups: Client: [Empty]
Vendor: [Empty]
Invoice Contains: BROADWAY
Inside Agent: [Empty]
Outside Agent: [Empty]

Report Preview: Airline Activity Detail

Page 1 of 1

Airline Activity Detail

Travel With The Stars
5777 W. Century Blvd.
Suite 1200
Los Angeles, CA 90045
310641-8728

From: 2/1/2007
To: 2/1/2007

Airline	Issue Dt	Ticket No	Itinerary	Passenger	Total Fare	Commission
ARC/BSP MCO						
	2/1/2007	81402001 00-		Dochter/Brid	500.00	482.50
	2/1/2007	81402001 01-		Wils on/Stephanie	500.00	482.50
	2/1/2007	81402001 02-		Adel/Kenneth	500.00	482.50
	2/1/2007	81402001 03-		Flegr/Fred/Clair	500.00	482.50
	2/1/2007	81402001 04-		Youngblood/James	500.00	482.50
	2/1/2007	81402001 05-		Thrasher/Matthew	500.00	482.50
					3,000.00	2,895.00
					3,000.00	2,895.00

3. The TBO User issues a **Refund Invoice** with a **Submit To**: Supplier to reduce the Total Fare and Commission of the MCO's issued for the week.

Edit Refund Invoice #89719 Broadway Theatre Group

Invoice Type: Refund Invoice Number: 89719 Branch: 0 Travel With The Stars

Issue Date: 2/1/2007 Group: BROADWAY

ARC No: 12345678 TravelWith Rec Loc: |

Client Name: Broadway Theatre Group

Remarks:

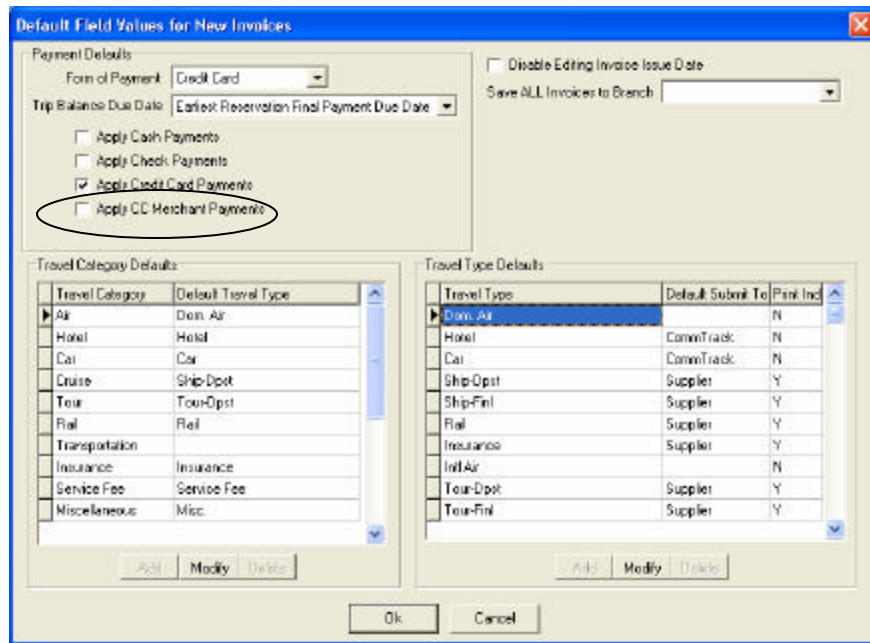
Submit To	Travel Type	Passenger	Airline/Vendor	Total Fare	Commission	Ticket/Conti...	Client Status	Vk
Supplier	Tour/Crpt	Broadway Group	ARC/BSP MCO	-3,000.00	-2,895.00		Open	01

Total Fare: -3,000.00 Tax: 0.00 Commission: -2,895.00 Comm Trk Comm: 0.00 Total Open: -3,000.00

History < > [OK] [Cancel] Print Invoice After Saving

4. The Agent issues a 2nd invoice for the same amount as the MCO with a commission amount of zero for a Tour or Cruise deposit or with the actual commission for a final payment. This invoice can be issued in the GDS with a FOP of Check or in ClientBase with a FOP of CC Merchant.
 Note: When the invoice is issued in ClientBase with a FOP of CC Merchant it will show as Paid by Credit card on the first invoice issued. If the invoice is re-printed it will show closed by cash.

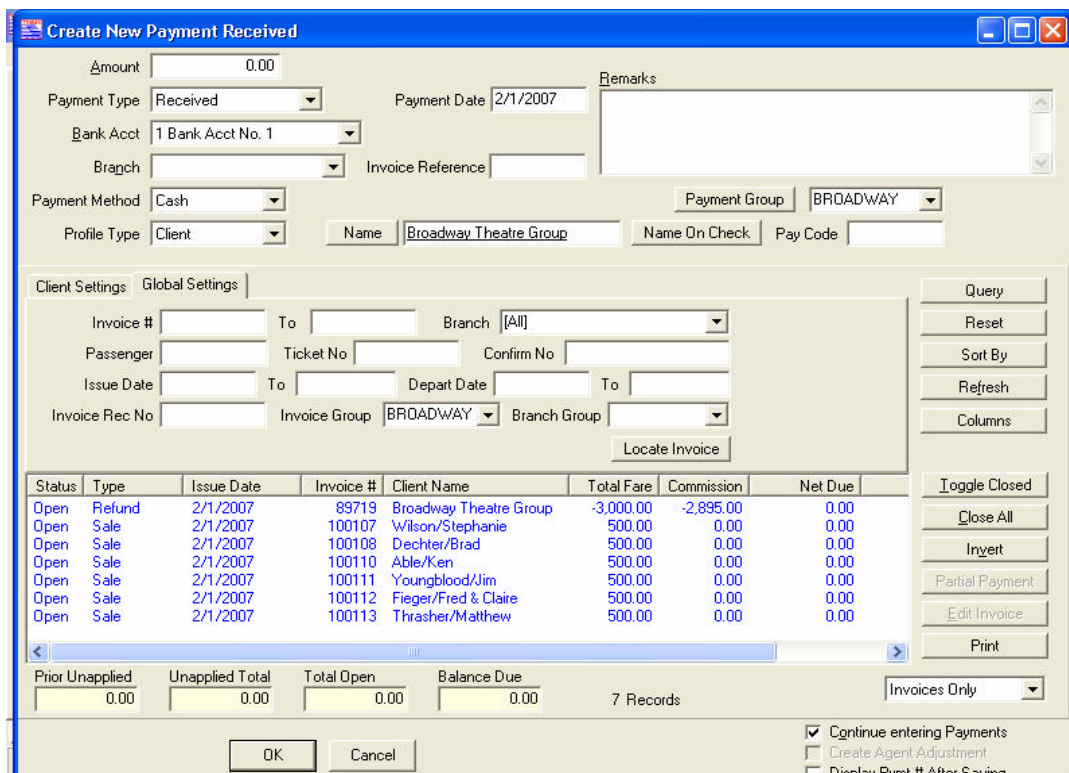
In CB **Global Defaults / Default Field Values for Invoices** the invoice can go to TBO as open or closed.



If the box **“Apply CC Merchant Payments”** is not checked the invoice will be open in TBO which would make it easier to apply the Refund invoice to the new Sale invoice. If the box is checked, the TBO user would have to void the payment in order to apply the Refund invoice.

Note: Rather than have the Agent issue the 2nd invoice, this could be done by the TBO user. The disadvantage of issuing the invoice in TBO would be for ClientBase users who would not have a record of the invoice in the Res card.

5. The TBO user would enter a zero **Payment Received / Pay Method:** cash or other. Use the Corporate Profile in the Group Name / click on **“All Clients”** and on the **Global Setting Tab** enter the Invoice Group. Click on **Close All** to apply the Refund invoice towards the Sale invoices.



6. To close the **Vendor** side of the bookings and send a check to the Vendor, enter a **Payment Made / Pay Method: Check** for the total amount due to the Vendor. Click on **All Vendors** and on the **Global Settings** Tab enter the **Invoice Group Name**. **Important: All Vendors** pulls up the ARC/BSP MCO refund invoice as well.

The screenshot shows the 'Create New Payment Made' window. The 'Amount' is 3,000.00. The 'Payment Type' is 'Made' and the 'Payment Date' is 2/1/2007. The 'Bank Acct' is '1 Bank Acct No. 1'. The 'Payment Method' is 'Check' and the 'Payment Group' is 'BROADWAY'. The 'Profile Type' is 'Vendor' and the 'Name' is 'Apple Vacations'. The 'Invoice Group' is also 'BROADWAY'. A table shows a list of suppliers with a 'Balance Due' of 105.00.

Submit To	Invoice #	Vendor Name	Passenger Name	Confir...	Total Fare	Commission	Vendor Pay Sta...
Supplier	89719	ARC/BSP MCO	Broadway Group		-3,000.00	-2,895.00	Open
Supplier	100107	Apple Vacations	Wilson/Stephani...		500.00	0.00	Open
Supplier	100108	Apple Vacations	Dechter/Bradley...		500.00	0.00	Open
Supplier	100110	Apple Vacations	Able/Kenneth A...		500.00	0.00	Open
Supplier	100111	Apple Vacations	Youngblood/Ja...		500.00	0.00	Open
Supplier	100112	Apple Vacations	Fieger/Fred Fieg...		500.00	0.00	Open
Supplier	100113	Apple Vacations	Thrasher/Matth...		500.00	0.00	Open

Prior Unapplied: 0.00
Unapplied Total: -3,000.00
Total Open: -2,895.00
Balance Due: 105.00
7 Records

The remainder in the **Balance Due** box is the cost of running the MCO's. Create a voucher on the Vendor Profile for the amount in the Balance Due box.

7. When you are ready to close the Group, enter a **Payment Received** for the Total amount of the Vouchers on the Vendor Profile. **Pay Method: Other**. Toggle the Vouchers closed and create a **Journal Entry** to **Debit the Cost of Sales** account for the Travel Type used for the Group. This will increase the Cost of Sales for the group by the cost of running the MCO's.

Note: If you are doing this for individual Clients, you can close/reconcile the voucher immediately after entering the check to the Vendor using the same method as in # 7.

The first screenshot shows the 'Create New Payment Received' window. The 'Amount' is 105.00. The 'Payment Type' is 'Received' and the 'Payment Date' is 10/30/2007. The 'Payment Method' is 'Other' and the 'Payment Group' is 'BROADWAY'. The 'Profile Type' is 'Vendor' and the 'Name' is 'Apple Vacations'. The 'Invoice Group' is also 'BROADWAY'. A table shows a list of suppliers with a 'Balance Due' of 105.00.

Submit To	Invoice #	Vendor Name	Passenger Name	Confir...	Total Fare	Commission	Vendor Pay Sta...
Vendor You...	70	Apple Vacations			0.00	105.00	Open

Prior Unapplied: 0.00
Unapplied Total: 105.00
Total Open: 105.00
Balance Due: 0.00
1 Records

The second screenshot shows the 'Create New Journal Entry #267' window. The 'Journal Entry Number' is 267 and the 'Activity Date' is 10/30/2007. The 'Remarks' are 'Apple Vacations'. The 'Account Name & Number' is '2000 Vendor Balances'. The 'Debit' amount is 105.00 and the 'Credit' amount is 105.00. The 'Debit' account is '5030 Cost of Sales - Total Deposit'.

Acct No.	Acct Name	Branch	Debit Amount	Credit Amount	Remarks
2000	Vendor Balances			105.00	
5030	Cost of Sales - Total Deposit		105.00		

Debit Total: 105.00
Credit Total: 105.00

Scenario Two:

The Agency adds the cost of the MCO to the Total Fare:

Charge would be.....forNet
 \$518.14 \$500.00
 \$414.50 \$400.00

1. The agent issues an MCO for a \$518.14 deposit with a commission of \$500.00

It is important to use the GDS format to put the Group Name on the Invoice.

If the MCO is for an individual that is not part of a group, it might help to use a Group Name of "MCO" to track this type of payment. The procedure would be the same as for a Group, but on an individual basis.

2. The TBO user runs a **Report Generator** report that lists the MCO's issued for the Group.

Report Generator/Print Report: **AL_AD.rpt** **Submit To:** ARC or BSP

Invoice Contains Group Name.

Report Preview: Airline Activity Detail

Page 1 of 1

Airline Activity Detail

Travel With The Stars
 5777 W. Century Blvd.
 Suite 1200
 Los Angeles, CA 90045
 310/941-8726

From: 2/1/2007
 To: 2/1/2007

Issue Dt	Ticket No.	Itinerary	Passenger	Total Fare	Commission
2/1/2007	81402001 00-		Dechley/Brad	518.14	500.00
2/1/2007	81402001 01-		Wilson/Stephanie	518.14	500.00
2/1/2007	81402001 02-		Able/Kenneth	518.14	500.00
2/1/2007	81402001 03-		Fieger/Fred/Clair	518.14	500.00
2/1/2007	81402001 04-		Youngblood/James	518.14	500.00
2/1/2007	81402001 05-		Thresher/Matthew	518.14	500.00
				----- 3,108.84	----- 3,000.00
				3,108.84	3,000.00

3. The TBO User issues a **Refund Invoice** with a **Submit To:** Supplier to reduce the Total Fare and Commission of the MCO's issued for the week. This time the Total Sales and Commission will be the same. The \$108.84 charged to the Clients to run the MCO is left as a Sale.

Create New Refund Invoice #6(Unassigned) Broadway Theatre Group

Invoice Type: Refund Issue to Agency: Branch: 0 Travel With The Stars

Issue Date: 2/1/2007 Group: BROADWAY

ARC No: 12345678 Travel With Rec Loc: Remarks:

Client Name: Broadway Theatre Group

Submit To	Travel Type	Passenger	Airline/Vendor	Total Fare	Commission	Ticket/Confs	Client Status	W
Supplier	Tour Op	Broadway Theat..	ARC/BSP/MCO	-3,000.00	-3,000.00		Open	01

Total Fare: -3,000.00 Tax: 0.00 Commission: -3,000.00 Coins Ttl. Coins: 0.00 Total Open: -3,000.00

Buttons: OK, Cancel

Options: Print Invoice After Saving Continue entering Invoices

4. The Agent issues a 2nd invoice for the same amount as the MCO with a commission amount of zero for a Tour or Cruise deposit or with the actual commission for a final payment. This invoice can be issued in the GDS with a FOP of Check or in ClientBase with a FOP of CC Merchant.

Note: When the invoice is issued in ClientBase with a FOP of CC Merchant it will show as Paid by Credit card on the first invoice issued. If the invoice is re-printed it will show closed by cash.

5. The TBO user would enter a zero **Payment Received / Pay Method:** cash or other. Use the Corporate Profile in the Group Name / click on "All Clients" and on the **Global Setting Tab** enter the Invoice Group. Click on **Close All** to apply the Refund invoice towards the Sale invoices.

6. To close the **Vendor** side of the bookings and send a check to the Vendor, enter a **Payment Made / Pay Method: Check** for the total amount due to the Vendor. Click on **All Vendors** and on the **Global Settings** Tab enter the **Invoice Group** Name. **Important: All Vendors** pulls up the ARC/BSP MCO refund invoice as well.

No further steps are necessary with Scenario Two.