# SO UC 2016

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# Cancellations 101

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## PERENNIAL SOFTWARE 20TH ANNIVERSARY
Makers of SedonaOffice and AlarmBiller®

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## Cancellations Overview

Customer cancellations are a reality of every business.  The SedonaOffice application provides a vehicle to track, manage and report on customer cancellations as they occur.  The Cancellation option within the Client Management module is used when the relationship between your company and one of your customers will be terminated completely or when only one of multiple Sites is being cancelled.  Once a cancellation has been completed, the cancelled customer will remain in the SedonaOffice database for future reference or possible reactivation.

Once a cancellation is completed, **all recurring lines associated with the customer will automatically be canceled as of the effective date entered on the customer cancellation record.**  The Customer status will be set to CANC, and all Sites and Systems attached to the customer will be set to an Inactive status.

While a customer cancellation is in process, the Customer record is labeled with the words "Cancellation Pending".  This is to alert any User accessing that customer record of the pending cancellation situation.  Users are also alerted if attempting to create a new Service Ticket for a customer with a pending cancellation.

### *When Not to use the Cancellation Process*

If one of your Customers wants to cancel recurring services but remain a local service only customer, the Cancellation process is not used; rather the User would manually cancel any recurring lines that are to be stopped at the customer's request via the Customer Explorer record.

Notes

## Cancellation - Concepts & Terminology

The work flow for processing customer cancellations depends mostly on your company's setup of Cancellation Profiles and Cancellation Tasks.  When a new cancellation is initiated by a User, a Cancellation Profile must be selected.  A **Cancellation Profile** is a descriptor of the type of situation that requires handling the cancellation in a particular manner.  Linked to each Cancellation Profile is a list of **Cancellation Tasks**; the cancellation tasks define activities that should be completed prior to completing the customer cancellation.  The most typical Cancellation Profile names are Non-Payment, Bankruptcy, Moved and General (cancellation).  The Non-Payment, Bankruptcy and Moved profiles each probably contain a task list that is unique to the cancellation situation.

Another data entry field that is required when setting up a new customer cancellation is the Reason Code.  This list of codes is stored within the SedonaOffice setup table *RMR Reasons*.  This is a list of reasons why the customer is canceling or being canceled by your company.  RMR Reasons are typically very descriptive of the reason for the cancellation.  Cancellation reports may be produced that are grouped by RMR Reason code.

Typically one individual is responsible for monitoring a cancellation task list; this individual will check off tasks as they have been completed.  Once all tasks on the task list have been checked off, the cancellation may be completed.

**Important Note:** Prior to finalizing any customer cancellation, make certain there are no open Tickets, or Jobs on the customer account.  These should all be invoiced (if applicable) and closed prior to the cancellation completion.  All invoicing and credits to be processed must also be done prior to completing the cancellation.  Once a customer is canceled, no invoices or credits may be generated on the account (without reactivating the customer).  The only activity that may occur on a cancelled account is posting customer payments or using the right-click options for crediting off invoices.

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**Cancellation Work Flow**

Below is a simple flow chart of the Cancellation process.  Typically many activities must occur prior to completing a cancellation according to your company's policies and procedures.  The Cancellation Task list should include major steps that should not be forgotten in the process.
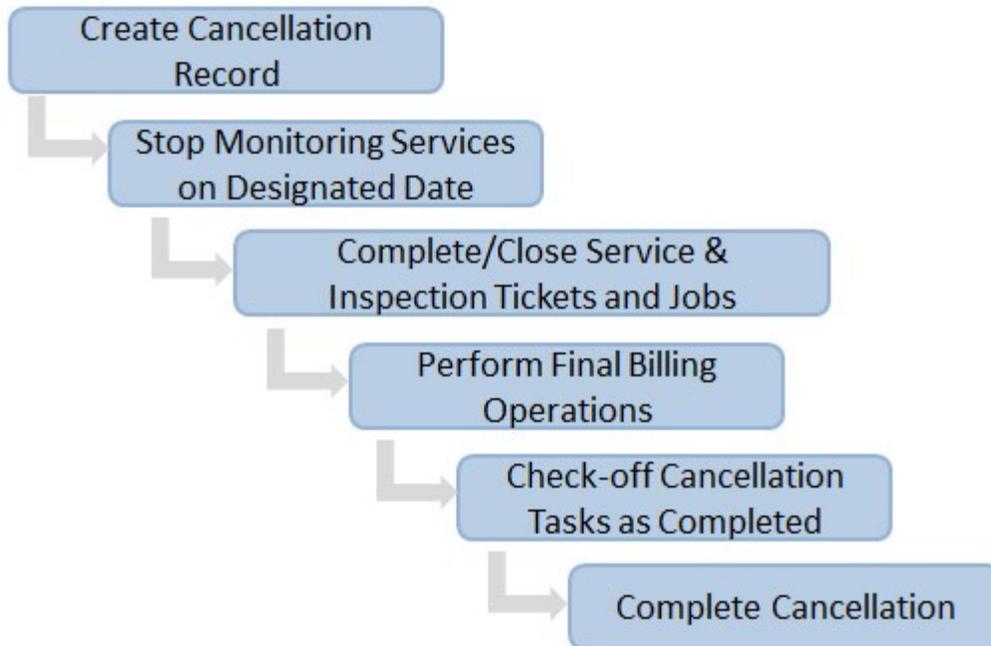
Notes

## Setup

Three setup tables are involved with the Cancellation process; *Cancellation Profiles, Cancellation Tasks,* and *RMR Reasons.*

### Cancellation Profiles & Cancellation Tasks

The *Cancellation Profile* is a required selection when a customer cancellation is initiated from the Client Management module menu option.  A Cancellation Profile is designed to describe a particular cancellation situation where your company's internal process for managing the situation may be different such as Non-Payment, Bankruptcy, or Leased Equipment.  You may create as many Cancellation Profiles as needed.

*Cancellation Tasks* are activities which need to be considered and/or accomplished to complete the cancelling of a customer account.  A master list of Cancellation Tasks is created and then only the Cancellation Tasks which apply to the Cancellation Profile are linked to the distinct Cancellation Profile setup records.  Using Cancellation Tasks is option, however highly recommended to ensure important activities are not overlooked.

## RMR Reasons

*RMR Reasons* (recurring monthly revenue) is a code that the User is required to select when creating, modifying or cancelling recurring services.  This is a required field when setting up a new Cancellation record or manually cancelling recurring services from the Customer Explorer.

Each RMR Reason code is associated with a reason type; these reason types are used by SedonaOffice in producing reports that may be found in the Report Manager within the Client Management report group.  There is a pre-defined Reason Type of FC (Full Cancellation) which should be used when creating your company's Cancellation Reasons.  The Reason Types are controlled by SedonaOffice and may not be deleted or modified.

When creating RMR Reasons to be used for cancellation purposes, it is helpful to precede these records with a character to identify their purpose, to make it easier for Users to make the correct choice from the list of RMR Reason codes.
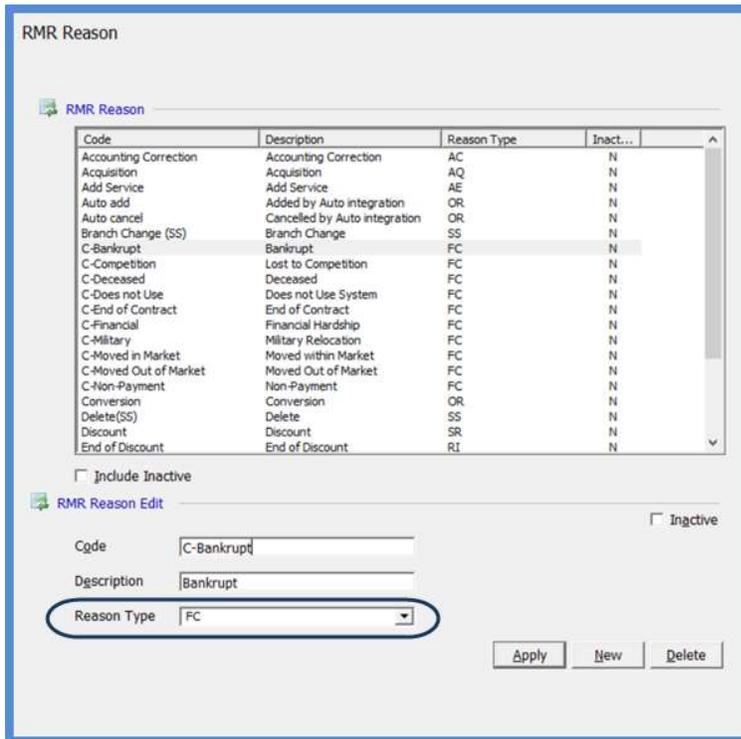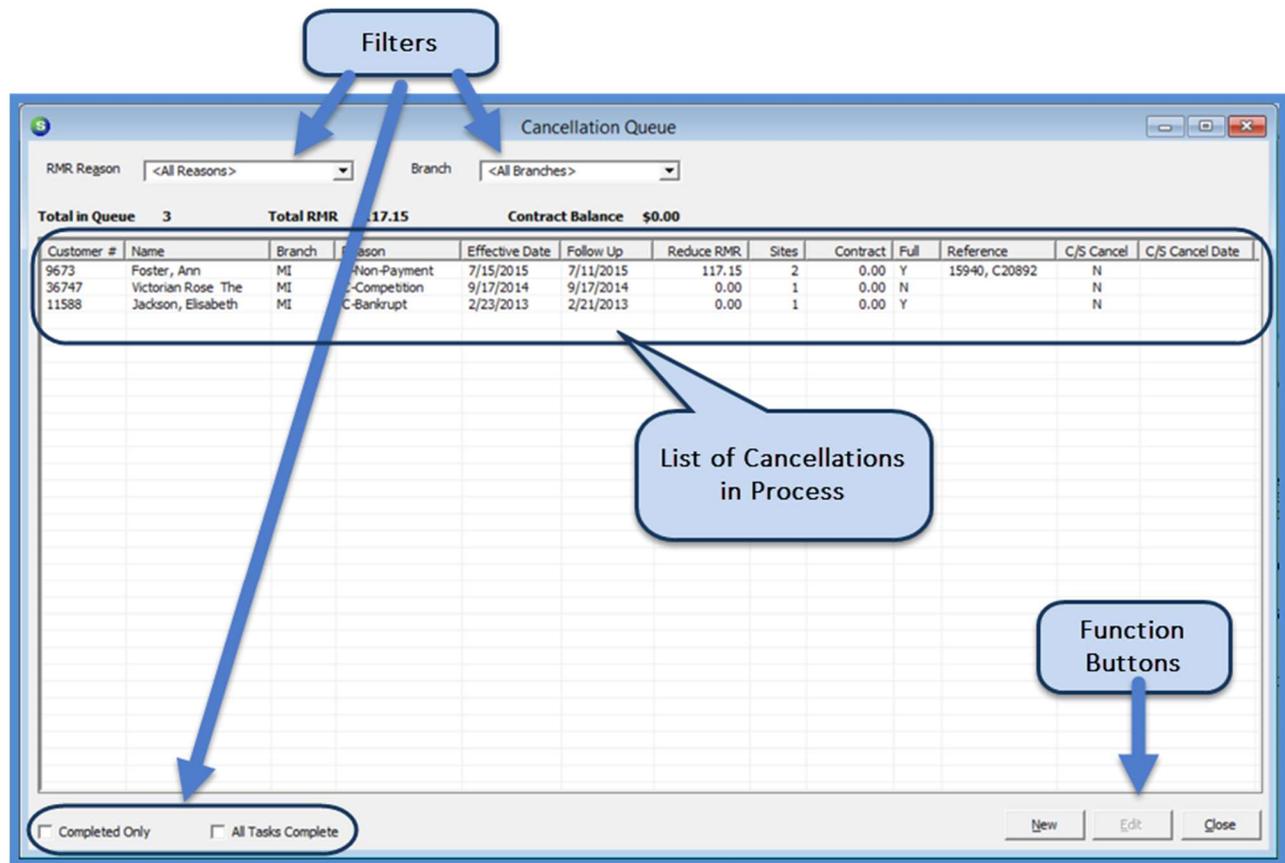


Notes

## Cancelling a Customer

New Cancellations, both full Customer and selected Site cancellations, are initiated from the Client Management module/Cancellations menu option.

### The Cancellation Queue

A Full Customer Cancellation is described as the complete termination of the relationship with a customer account.

After selecting the Cancellations option within the Client Management module, the *Cancellation Queue* will be displayed. The Cancellation Queue lists all customers in the process of being cancelled (both full and partial cancellations).

Notes

## Full Customer Cancellation

In SedonaOffice, a Full Customer Cancellation is defined as the termination of the business relationship between your company and a customer.

Selecting the Full Cancellation checkbox, will mark all sites listed on the Sites tab for cancellation.

Key fields on the Customer Cancellation form:

- Reference
- RMR Reason
- Cancel Profile
- Full Cancellation
- CS Cancelled (& CS Cancel Date)

- Notice Date
- Effective Date
- Follow Up Date

The *Sites* tab of the Cancellation form lists all Sites associated with the customer being cancelled.  If contract information was entered on the System record for the site, and any active recurring lines exist for the Site/System, the software will automatically calculate the balance of the contract (if any) for the initial months of the contract.  The contract balance amount is displayed for information purposes only; the SedonaOffice application will not generate an invoice for balance of contract.

The calculation for the balance of the contract looks at the contract start date and the initial contract months entered on the System record, then looks at the cancellation effective date entered on the cancellation form to determine how many months are remaining on the contract (if any) and multiplies that quantity times the monthly recurring rate.

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The *Tasks* tab will list all cancellation tasks that are linked to the Cancellation Profile which was selected in the header section of the cancellation form.  As tasks are completed, the User will select the checkbox to the left of each task line.  A cancellation may not be completed until all listed tasks have been checked off.
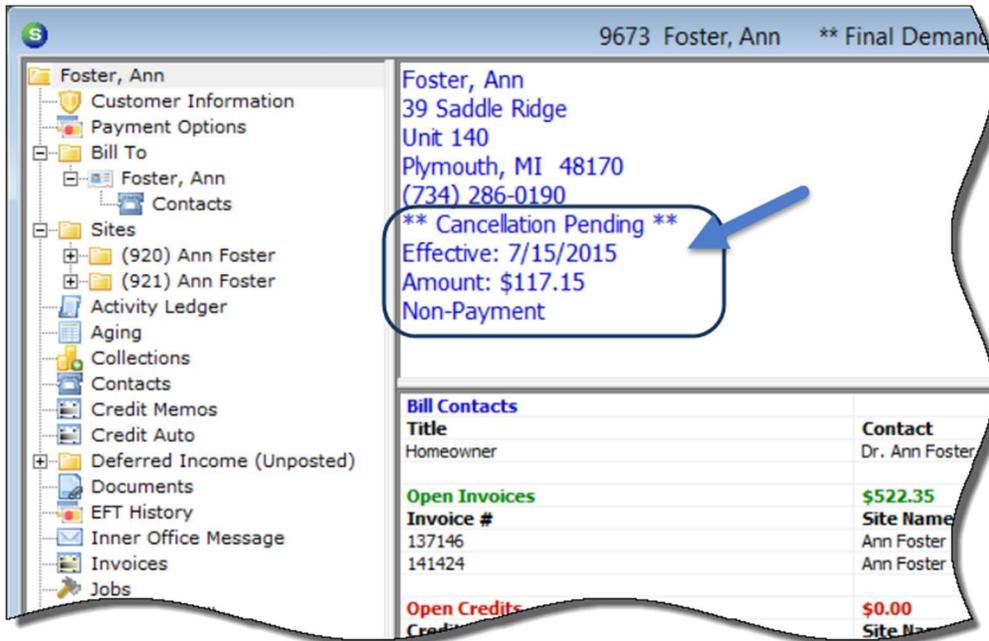


Notes

The *Memo* tab is used to record information that will be saved to the RMR History record of each Recurring Line that is cancelled by the Cancellation program.  This field allows you to enter up to 1,024 characters of text pertaining to the cancellation of the recurring services.
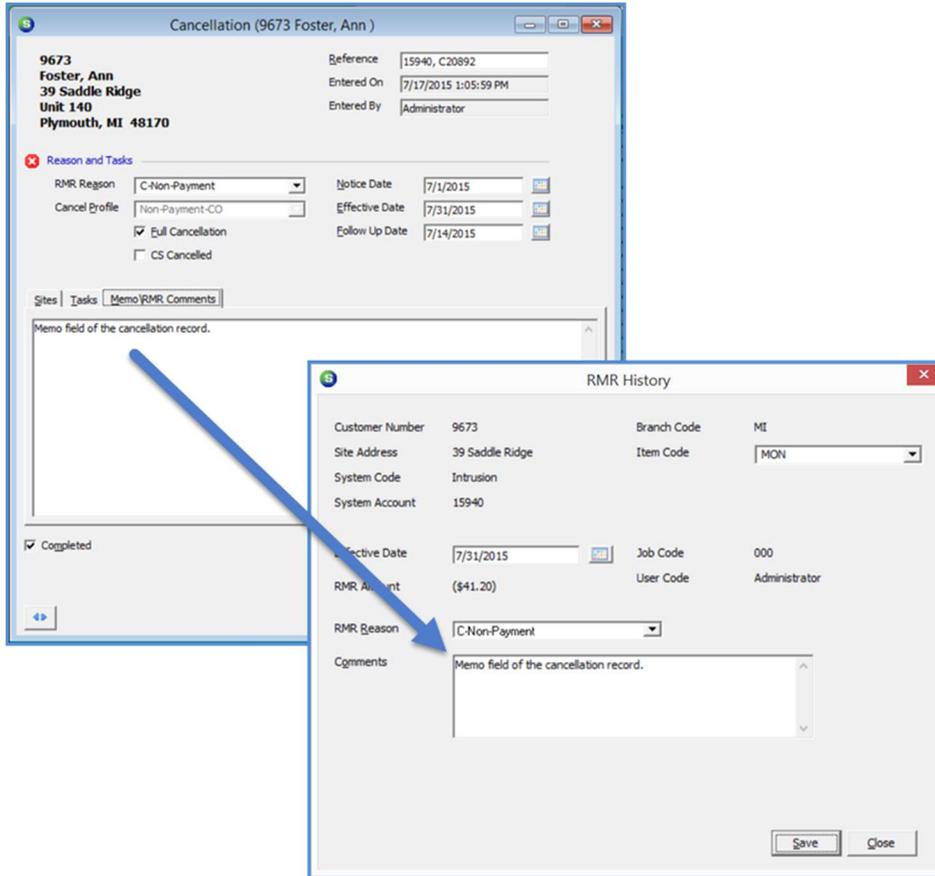


Notes

While a Cancellation is in process, when accessing the Customer Explorer, text will be displayed indicating there is a Pending Cancellation.

If performing a Partial Cancellation for one particular Site, the Pending Cancellation information will only be displayed when clicking on the Site from the Customer Tree.

Notes

## Partial Cancellation

In SedonaOffice, a Partial Cancellation is defined as the termination of the business relationship between for one or more, but not all of the Customer's Sites.

On the Sites tab, only the Site(s) being cancelled are selected. When the cancellation is completed, the Customer along with any Sites not checked will remain active.

Key fields on the Customer Cancellation form:

- Reference
- RMR Reason
- Cancel Profile
- Full Cancellation
- CS Cancelled (& CS Cancel Date)
- Notice Date
- Effective Date
- Follow Up Date

## Manual Cancellation

If a Customer wishes to cancel recurring services, but remain an active account for installation and/or service, the Cancellation process would not be used.  Cancelling of the Recurring Lines would be handled from the Customer Explorer record.
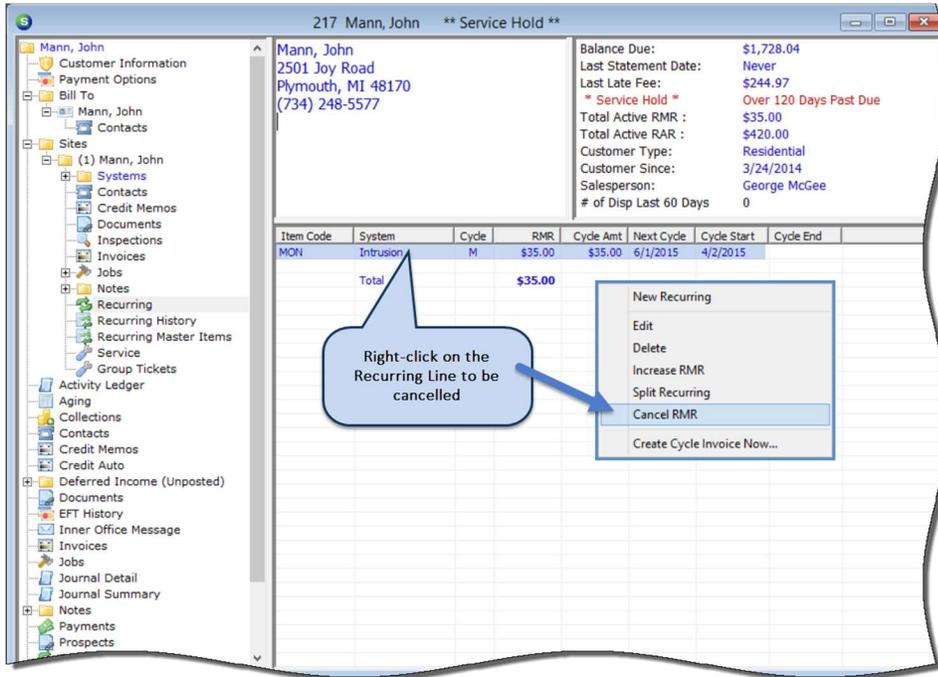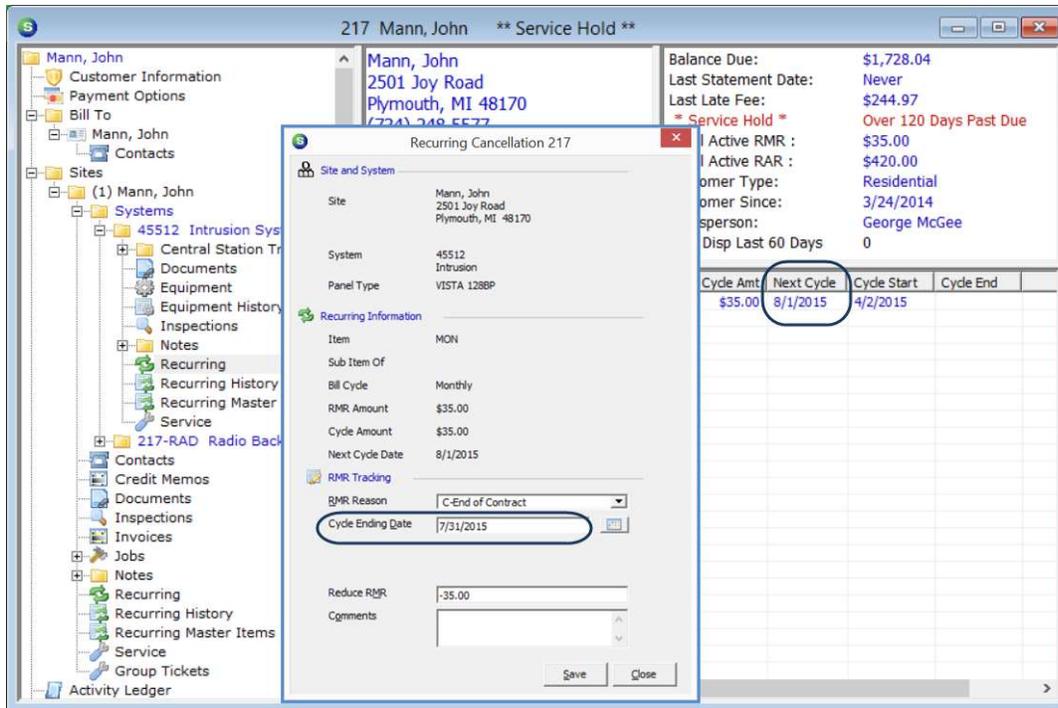


Notes

**The Cycle End**

Date field of the Recurring Cancellation for will auto-fill with the day before the Next Cycle Date.

## Regular Customers

If a Cycle End Date is entered more than one day prior to the Next Cycle Date, manual credits may need to be issued to the Customer for the period of time previously invoiced.



Notes

## Subaccounts (of a Master Account)

For Subaccounts that bill to the Master Account, if a Cycle End Date is entered more than one day prior to the Next Cycle Date, when saving the cancellation, the User will be presented with a message asking if a credit should be created.  If the Yes option is selected, the application will calculate an amount for the period of time previously invoiced and will be included on the next cycle invoice generated for the Master Account.
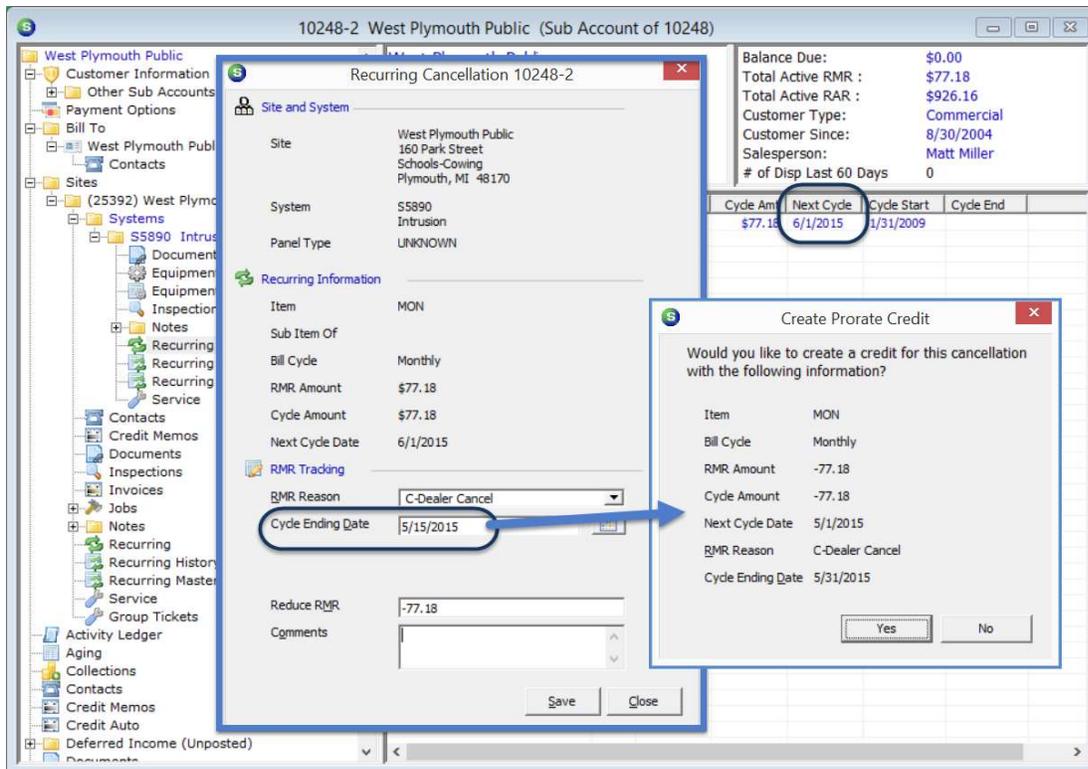


Notes

## Managing Cancellations

**Completing Cancellation Tasks**

As cancellation tasks are completed a User will return to the Cancellation Queue, open the appropriate Cancellation record and check off the completed tasks.  Once a task is checked off, the date on which this was done will be displayed next to that particular task line.   A Cancellation may not be completed until all of the Tasks have been checked off.



Notes

**Cancellation Follow Up Dates**

Users responsible for managing cancellations will frequently be visiting the Cancellation Queue to stay on top of cancellation completion deadlines.  When opening the Cancellation Queue you may click on the column header in the Follow Up column; this will sort the Cancellation Queue in order of Follow Up date.  You may then focus on the Cancellation records that require immediate attention.



Cancellation Queue

| Customer # | Name | Branch | Reason | Effective Date | Follow Up | Reduce RMR | Sites | Contract | Full | Reference | C/S Canc |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 9673 | Foster, Ann | MI | C-Non-Payment | 7/31/2015 | 7/14/2015 | 117.15 | 3 | 0.00 | Y | 15940, C20892 | N |
| 46501 | Smith, Henry | MI | C-Moved in Market | 5/31/2015 | 5/26/2015 | 4.89 | 1 | 0.00 | Y | | N |
| 14560 | Johnson, Erin | OH | C-Deceased | 11/30/2014 | 11/25/2014 | 0.00 | 1 | 0.00 | Y | | Y |
| 46120 | Rodgers, Cayla | OH | C-End of Contract | 4/4/2014 | 4/4/2014 | 23.19 | 1 | 0.00 | Y | | N |
| 10021 | Clay, Katy | MI | C-Moved in Market | 1/1/2014 | 3/18/2014 | 34.95 | 1 | 0.00 | Y | | Y |
| 39975 | Hill, Carolyn | MI | C-Moved in Market | 7/31/2013 | 6/26/2013 | 138.53 | 2 | 0.00 | Y | | N |
| 24406 | George, Abigail | MI | C-Non-Payment | 3/16/2013 | 3/11/2013 | 49.90 | 1 | 136.39 | Y | 6650987 | N |
| 31457 | Mcgee, Alice | MI | C-Competition | 2/28/2014 | 3/1/2013 | 24.95 | 1 | 0.00 | Y | CS65165 | Y |
| 10019 | Moss, Camille | OH | C-Competition | 2/1/2013 | 2/23/2013 | 27.95 | 1 | 751.03 | Y | | N |
| 13620 | Stone, James | MI | C-Non-Payment | 2/15/2013 | 2/17/2013 | 0.00 | 1 | 0.00 | Y | | Y |
| 46645 | Preston, Duane | MI | C-Non-Payment | 9/18/2012 | 9/18/2012 | 32.00 | 1 | 428.81 | Y | | N |
| 14228 | Smith, Eva | OH | C-Non-Payment | 8/15/2012 | 8/15/2012 | 40.24 | 1 | 621.02 | Y | | Y |
| 39975 | Hill, Carolyn | MI | C-Non-Payment | 8/31/2012 | 8/8/2012 | 0.00 | 1 | 0.00 | Y | | Y |
| 2802 | Axis Inc. | MI | C-Non-Payment | 7/1/2012 | 6/15/2012 | 198.00 | 1 | 11649.00 | Y | | N |
| 13637 | Ryan, Krista | OH | C-Moved in Market | 7/1/2012 | 6/15/2012 | 37.99 | 1 | 1168.79 | Y | | N |
| 38676 | Carey, Earl | OH | C-Deceased | 7/1/2012 | 6/15/2012 | 24.50 | 1 | 0.00 | Y | | N |
| 32536 | Solon Inn Realty Trust | OH | C-Non-Payment | 7/1/2012 | 6/10/2012 | 41.88 | 1 | 0.00 | Y | | N |
| 13244 | Parker, Dylan | OH | C-Moved in Market | 7/1/2012 | 5/15/2012 | 25.00 | 1 | 1474.94 | Y | | N |

RMR Reason  \<All Reasons>   Branch  \<All Branches>

Total in Queue  18      Total RMR  $821.12      Contract Balance  $16,229.98

☑ Completed Only   ☐ All Tasks Complete      New   Edit   Close

Notes