

CLOSING THE INVOICE-TO-COLLECTION GAP



Aging receivables are obstacles to steady cash flow. The last thing business owners want is to go out-of-pocket for working capital because cash-strapped customers are taking longer to pay – conserving funds at the expense of their creditors. Shortening the invoice-to-collection cycle and capturing receivables in a timely manner are goals that have taken on an added sense of urgency. To achieve them, businesses of all sizes are migrating to – or are already using – electronic payment solutions to:

- Accelerate revenue collection and conversion to cash to reduce days sales outstanding.
- Uncover opportunities to optimize working capital through improved cash management.
- Lessen their reliance on costly and time-consuming paper-based processes.

STRATEGIES AND TACTICS

Advances in technology have created a set of enhanced electronic solutions that are helping business owners improve receivables management by speeding up collections and deposits:

The Automated Clearing House (ACH) Network is a simple first step for transitioning to electronic payments. This secure and centralized electronic funds transfer system is administered by NACHA – The Electronic Payments Association® – and links all of the financial institutions in the U.S.

ACH is a paperless alternative to processing paper checks for core disbursement functions such as the conversion of consumer checks into electronic ACH debit transactions and the electronic transfer of invoice payments to suppliers and trading partners. Faster and more reliable than paper check processing options, ACH payments can help improve funds availability and transaction settlement.

Collections can also be easily and conveniently scheduled, managed and tracked using online solutions such as Chase OnlineSM ACH Collections¹. As one of the leaders in ACH originations and other online tools, including remote deposit and invoicing, Chase has designed its service to allow users to collect payments such as rent or fees from customers, tenants or association members automatically.



Remote deposit. Using an inexpensive desktop scanner and imaging technology, a business can scan check deposits and transmit electronic files of check images over the internet to its bank – whether it's across the street or across the country. Remote deposit applications work 24/7, offering business owners numerous benefits to help streamline the cash management process through increased efficiency and productivity. For business owners who travel frequently, the mobile app available with Chase Quick DepositSM Mobile Service² enables them to make deposits from the road and save valuable time managing their business finances.

E-Commerce. Provides an all-in-one channel solution to establish an electronic storefront that never closes for companies to sell products online, accept payment through all major credit cards, and increase marketing and sales reach beyond their normal footprint. When evaluating a potential e-commerce partner, consider price/value, how simple they make it to get started, and the features and functionality they offer. A basic e-commerce package should include domain name registration, website hosting, design templates, unlimited and free technical support, and next-day funding for faster access to cash.

BEST PRACTICES

There are numerous methods to help accelerate receivables collection and reduce the days sales outstanding time frame. Here are some ideas to consider:

- Make it a priority to develop a robust receivables and collections processing infrastructure that includes reporting, data security and fraud management functions.
- Promote the benefits of electronic payments to your customers and employees to ensure all involved in the accounting process view your transition as seamless.
- Conduct remittance payment audits on a regular basis to identify trends and pinpoint where your invoices and payments are concentrated.
- Consolidate cash management services at one institution that can provide perspective and professional guidance to help your business stay profitable and competitive.

GET TO CASH FASTER WITH ELECTRONIC PAYMENT SOLUTIONS

Accelerating collections gives you faster conversion to working capital. From the simplicity of transitioning to electronic payments with the ACH Network, to the convenience of Direct Deposit transmission of electronic files of scanned check images to your bank, to improving settlement with the speed of Online Invoicing, a suite of robust electronic payment solutions are readily available from Chase – even for E-Commerce. It's one of the reasons why more businesses are moving their banking relationships to us.

So speak with your Chase Banker for insight and perspective on how to close the invoice to collection gap. We offer a wide range of credit and cash management services, merchant services, business



checking products and other financial tools and resources that can help your business access working capital, improve cash flow and compete for business more effectively.

Chase business customers can also access an exclusive series of webinars and live, high-powered business events. All are designed to provide timely and relevant information and ideas for business owners looking to move their companies forward while giving them the opportunity to meet and network with experts and other business owners.

For more information, please contact your local Chase Banker today.

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1. Chase ACH Collections service is subject to approval and deposit account requirements. Certain fees apply. 2. Must download Chase Mobile® App from your device app store and enroll in Chase OnlineSM. Message and data rates may apply. Such charges include those from your communications service provider. Subject to eligibility and further review. Deposits are subject to verification and not available for immediate withdrawal. Deposit limits and other restrictions apply.