

A Simple Guide for Collecting Cash

How to do the simple things well



Expert **Insight** Delivered

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Part of the Rolls-Royce Group

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Why understanding cash collection matters

“By focusing on the basics and doing them well, we can deliver.”

- Paul Inman, President & CEO, OSyS

We've done really well in our business...

- customer position
- market presence
- contracts value
- operational delivery
- significant R&D investment
- improved operational performance

Now it's time to do the simple things well...



The Four Core Stages of Collecting Cash

Keeping it simple



1. Winning orders
2. Delivering on orders
3. Managing costs below budget
4. Collecting the cash for the work done

Stage #1 – Winning orders



Close the deals

Sell

Communicate



Get all the info needed at POS

Collect

Check

CWI



Remember to get more than just a handshake

1. Instructions
2. Address
3. Contact Person(s)
4. Phone and fax numbers and email addresses



Stage #2 – Delivering on orders



Know what success looks like for the customer

Success

Objectives

Cash



How have we done?

Great job! Here's your money!



Deliver successfully

Change

Focus

Feedback



Don't forget...

...if we don't deliver, we won't get paid,
and we won't make a profit.



Stage #3 – Managing costs below budget



Don't spend money unnecessarily

Communicate

Think ahead

Culture



Give your team incentives to reduce costs

Innovate

Share

Recognize



Treat money as if it were your own

Think

Communicate

Bonus





Remember, cash *IS* king (or queen)

1. Make sure that everyone understands the ***importance of cash***.
2. Don't spend money unless it's ***absolutely necessary***.
3. Inspire your teams to ***find creative and innovative ways to save money*** and ***share your ideas*** with others.
4. Remember to ***recognize and reward*** those who lead the way in reducing costs and improving our cash position.
5. Remember that when our company collects the case, we can ***collect our bonus***.

Stage #4 – Collecting the cash for the work done



Get your timesheets in on time

Complete on time

Clockwork

Correct

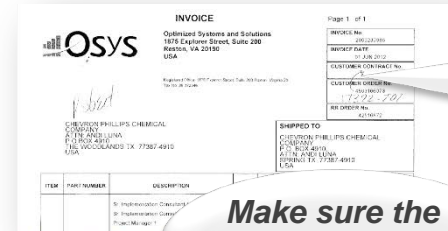


Make sure there are no errors on invoices

Consistency

Complete

Careful



Make sure that all fields are filled out correctly.

Make sure the numbers add up.



No surprises for our customers

Consistency

Communicate

Contingency

This month we'll invoice for this much.

Great, I don't like surprises!



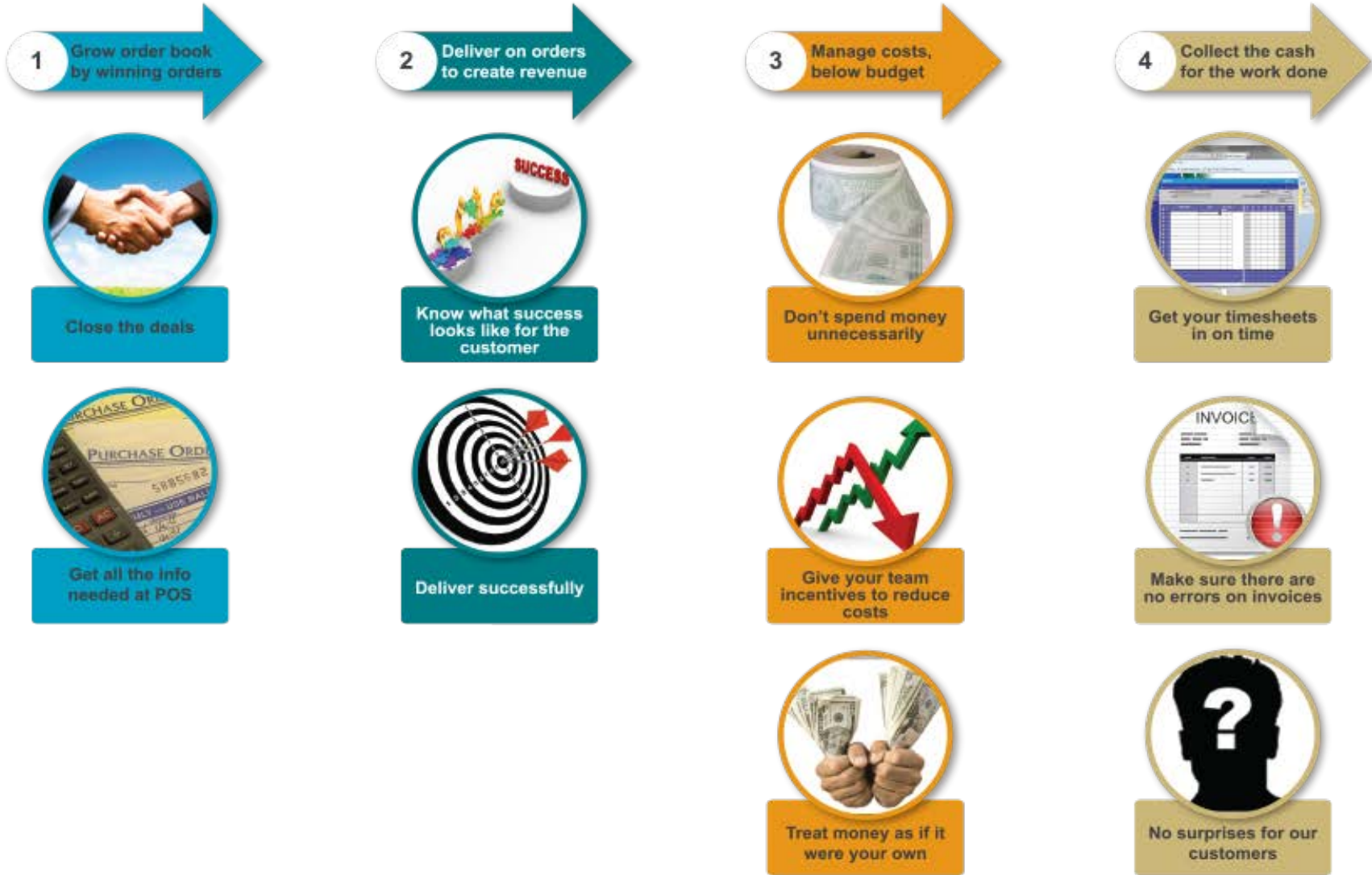
No excuses please...

1. Do your *timesheets on time* every week.
2. An invoice is arguably simpler to complete than an expenses report.
3. Consistently communicate with your customer.



“Excuses are the nails used to build a house of failure.”
– Don Wilder

Putting it all together

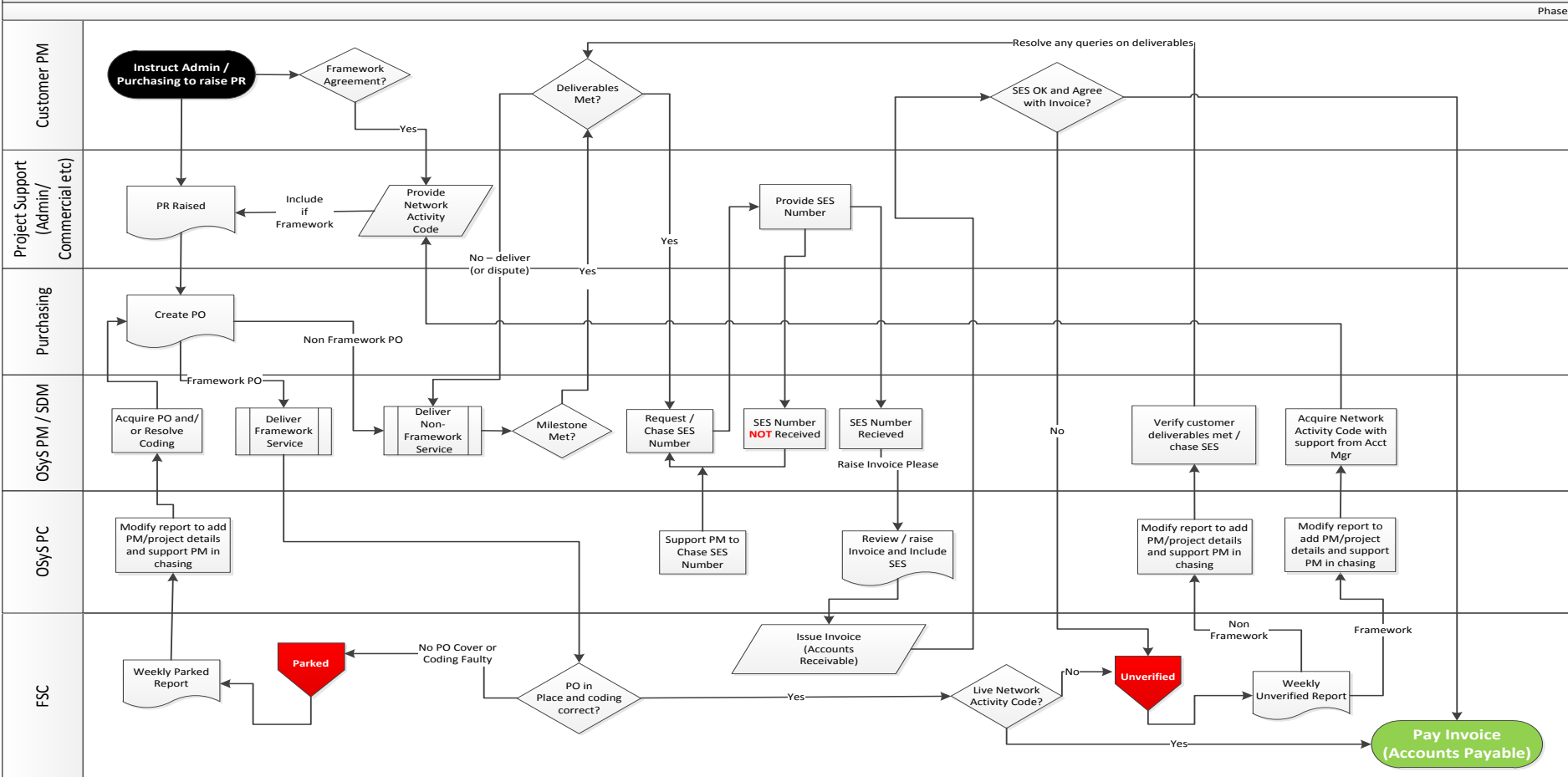


Supporting information



Order and cash collection process & accountabilities

Order and Cash Collection Process and Accountabilities



Note: In circumstances where the Osys PM is also the RR IT PM - as per the MM segment the following may also apply:

1. Agree with the Rolls-Royce representative (normally the business project lead) that the payment milestone has been met. (For T&M project we will normally have to provide an analysis of hours worked). Ask the RR representative to e-mail the Osys PM acceptance of the milestone
2. Osys PM requests SES number from RR IT PMO office (CR000772@rolls-royce.com), citing acceptance from the RR business lead.

Keep it SLICK, make it quick

SLICK invoicing will quickly reduce our overdue debt


Simple

Logical

Informative

Consistent

Know your client



Osys
Part of the Rolls-Royce Group

INVOICE

Optimized Systems and Solutions
1875 Explorer Street, Suite 200
Reston, VA 20190
USA

Registered Office: 1875 Explorer Street, Suite 200 Reston, Virginia, VA 20190
Tel: No. 540-572244

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INVOICE No.	20002320457
INVOICE DATE	01 June 2012
CUSTOMER CONTRACT No.	17292-102
CUSTOMER ORDER No.	11739999
RR ORDER No.	42516872

ACME TECHNOLOGY COMPANY
ATTN: MR IAN PROCURE
ROADRUNNER WAY
PO BOX 9910
THE PLAINS TX 77333-9910
USA

SHIPPED TO
ACME TECHNOLOGY COMPANY
ROADRUNNER WAY
PO BOX 9910
THE PLAINS TX 77333-9910
ATTN: I PROCURE

ITEM	PART NUMBER	DESCRIPTION	QTY	UOM	UNIT PRICE USD	GOODS VALUE	

SHIPPED TO
ACME TECHNOLOGY COMPANY
ROADRUNNER WAY
PO BOX 9910
THE PLAINS TX 77333-9910
ATTN: Mr IAN PROCURE

PAYMENT TO BE SENT TO
JP MORGAN CHASE
ONE CHASE MANHATTAN
PLAZA
NEW YORK

TOTAL EXCLUDING TAX

TOTAL USD PAYABLE

ENQUIRIES TO

Tel: 1-800-832-5126
Fax: 317-230-6999

PAYMENT DUE DATE 01 JULY 2012

Stay tuned for detailed information on invoicing best practice.

Intercompany unverified report

OSyS Unverified Invoices 21 /9

Reference	Sector	Code	PC	PM	Project	Action	Contact Name	SPOC Intercompar	Dispute	Desc / Reas	\$USD	A - 0-20 days	1-40 day	C - 41-60 days	>60 Days
INV38293	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	User Name Not Found	Mat Da Silva	Not Disputed	No Ses MG	12000.00				12000.00
INV20111634	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	Xavier, Christopher	TBC	Not Disputed	QTY 1 EB	46080.00				46080.00
2000217337	OO	OK.ZY216	Griffiths	Young	#N/A	#N/A	Giles, John	Viv Carter	Not Disputed	NO SES CREDIT NOTI	703.49				703.49
1850000630	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	Xavier, Christopher	TBC	Not Disputed	NO GR BRW	46080.00				46080.00
1850000843	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	Giles, John	Viv Carter	Not Disputed	NO SES DH	4972.80				4972.80
2000227669	NONST	OK.ZR250	Mason	Bambrough	#N/A	#N/A	Giles, John	Lynne Stone	Not Disputed	NO SES DH	8833.60				8833.60
2000230790	MM	OK.YE978	Reynolds / Griffiths	Holland	GCP (Global Cust Portal)		Giles, John	Mat Da Silva	Not Disputed	NO SES LG	110663.50				110663.50
2000233645	MM	OK.YE935	Griffiths	Wyllie	2012 Busines Cntr Support		Giles, John	Mat Da Silva	Not Disputed	qty 400.2 sjm	43515.06				43515.06
2000236724	MM	OK.YE963	Griffiths	Wyllie	PELM LLP & DACS Integrati		Bashforth, Stephen	Viv Carter	Not Disputed	FSC PIP 10.08 NO SE	17007.62			17007.62	
2000236717	PEHM	OK.ZF213	Griffiths	Ward	SMART Software Update		Tullett, Janet	Shannon Staats	Not Disputed	FSC PIP 10.08 No SES	21192.00				21192.00
2000237001	OO	OK.ZY216	Griffiths	Young	#N/A	#N/A	Giles, John	Viv Carter	Not Disputed	NO SES DH	28821.70				28821.70
2000237017	MM	OK.YF025	Griffiths	Holland	Aeromanager Support 2012		Orszt, Lauren	Mat Da Silva	Not Disputed	NO SES DH	21208.00				21208.00
2000237016	MM	OK.YF020	Griffiths	Holland	GCP Phase 0		Rao, Varahaajeet	Mat Da Silva	Not Disputed	NO SES DH	79780.03				79780.03
2000237015	MM	OK.YF017	McHugh	Knight	MRO Data Sets Support 2012-13		Hughes, Gary	Shannon Staats	Not Disputed	FSC PIP 13.08 NO SE	18824.00			18824.00	
2000237008	MM	OK.YF011	McHugh	Knight	Support of MRO PetroChina WEPP PE Updates		Hughes, Gary	Shannon Staats	Not Disputed	FSC PIP 13.08 NO SE	3184.00			3184.00	
2000236999	MM	OK.YE978	Reynolds / Griffiths	Holland	GCP (Global Cust Portal)		Giles, John	Mat Da Silva	Not Disputed	NO SES CREDIT NOTI	77720.99				77720.99
2000236939	CPA	OU.17358	Newberry	Pattison	RR KMS		User Name Not Found	Mat Da Silva	Not Disputed	FSCPIP20.08 NOSES	69600.00				69600.00
2000239839	PEHM	OK.YE927	Reynolds	Lancaster	Vibration Test Service		Giles, John	Viv Carter	Not Disputed	no ses sjm	89600.00		89600.00		
2000239841	MM	OK.YE989	McHugh	Knight	Ops centre Support 2012 - Fixed Price Element		Giles, John	Mat Da Silva	Not Disputed	no ses sjm	3733.33			3733.33	
2000239847	PEHM	OK.ZF196	Griffiths	Ward	QUICKMASS DATA RENEWAL QSTP (Qatar Science & Tech Park Prog) Proposal by A Hutson-Smith		Giles, John	Viv Carter	Not Disputed	no ses sjm	19584.00			19584.00	
2000239851	OO	OK.YF012	Griffiths	Hudson Smith			Pluskota, Kasia	Shannon Staats	Not Disputed	FSCPIP1109NOSESH#	96000.00			96000.00	
2000239975	OO	OK.ZY216	Griffiths	Young	#N/A	#N/A	Giles, John	Viv Carter	Not Disputed	no ses sjm	6540.42			6540.42	
2000239980	MM	OK.YF008	McHugh	Knight	Energy Mgr On-line Support		Hughes, Gary	Shannon Staats	Not Disputed	FSCPIP1109NOSESH#	7416.00			7416.00	
2000239977	MM	OK.YE990	McHugh	Knight	Ops centre Support 2012 - T&M Element		Giles, John	Mat Da Silva	Not Disputed	no ses sjm	5779.62			5779.62	
2000239983	MM	OK.YF017	McHugh	Knight	MRO Data Sets Support 2012-13		Hughes, Gary	Shannon Staats	Not Disputed	FSCPIP1109NOSESH#	45332.00			45332.00	
2000239981	PEHM	OK.YF010	McHugh	Jones	Corefuture Maintenance Support 2012		Rao, Varahaajeet	Mat Da Silva	Not Disputed	no ses sjm	16996.74			16996.74	
2000239989	MM	OK.YF031	Griffiths	Wyllie	Upgrade of Civil Business Centre Cognos WP13		Rao, Varahaajeet	Mat Da Silva	Not Disputed	no ses sjm	42484.00			42484.00	
2000239987	MM	OK.YF025	Griffiths	Holland	Aeromanager Support 2012		Orszt, Lauren	Mat Da Silva	Not Disputed	no ses sjm	35864.00			35864.00	
	MM	OK.YF024	McHugh	Turner	Service Operations Centre GIS										

Intercompany parked report

PO	Code	PC	Project	Notes	Amount in doc cu	FSC Notes	responsibility	Posting da
1850000388	#N/A	#N/A	#N/A	Unknown	- 16.53	IAN MASON RE DETAILS 17/04	MASON, IAN	28/06/2012
20112139	#N/A	#N/A	#N/A	Unknown	- 856.96	MARK BROWN - EXOSTAR - DISPUTED (2)	BROWN, MARK	16/08/2012
2000213457	OK.ZF158	Griffiths	RRD Corporate Care	Ivor creating two projects to fix SAP / customer issue in future	- 46,214.74	Andy Dyke 25/01 - disputed (1)	Dyke, Andy	05/01/2012
2000216875	OK.ZF157	Griffiths	RRD Regional	As above	- 52,208.00	Paul Devaney 14/08	Devaney, Paul	14/08/2012
2000233287	OK.ZF158	Griffiths	RRD Corporate Care	As above	- 159,250.44	Andy Dyke 04/07 - disputed (1)	Dyke, Andy	05/07/2012
2000236766	OK.YE975	Reynolds	EHM - Disaster Recovery	Chris Murray chasing SAP system solution - funding in place and Civil / IT Programme happy to pay	- 330,422.46	David Murray / Clive Barraclough 09/08	Murray, David	09/08/2012
2000236738	OK.ZF158	Griffiths	RRD Corporate Care	As above	- 162,188.64	ANDY DYKE 01/08 REJECTED (1)	DYKE, ANDY	01/08/2012
2000237149	#N/A	#N/A	#N/A	Unknown	- 7,040.32	ian mason o_sys	mason, ian	06/08/2012
2000237151	#N/A	#N/A	#N/A	Unknown	- 8,016.81	ian mason o_sys	mason, ian	06/08/2012
2000237150	#N/A	#N/A	#N/A	Unknown	- 6,218.43	ian mason o_sys	mason, ian	06/08/2012



Jargon & Acronyms

Service Entry Sheet (SES) Number



The SES number applies to services provided to Rolls-Royce only. It must be included on the invoice for services delivered within the respective period of performance.

Rolls-Royce Frameworks and Network Activity Codes (NACs)



Other useful terms and acronyms

Aging Report

An accounts receivable report that shows how long a number of invoices have been outstanding.

AP

Accounting period *OR* the Accounts Payable Department in the FSC.

AR

The Accounts Receivable department in the FSC.

CWI

Commercial Work Instruction.

EFSC

European Financial Services Center.

NAFSC

North American Financial Services Center.

POP

Period of Performance – this specifies the allowable time for projects, such as start and finish time, number of hours that can be billed per week or month, where work is to be performed, etc.