

I had a question on the billing process other printers have in place. When do you invoice customers? Upon completion of a job, at month-end, or some other interval? How do you hold people accountable for billing on a timely basis so they do not fall behind?

Summary: 28 responses. The majority of responses tie invoicing to the shipment or delivery date.

We invoice all jobs at completion. We have a report showing all completed jobs that have not been invoiced yet that can be reviewed daily to ensure invoices are going out timely.

We bill as we finish the job or ship parts/supplies - every day as needed.

Our terms are typically Net 15 - but we will send a reminder notice after 30 days. Most folks are good about getting payments in between 30-60. We also accept credit cards - at time of purchase - which then avoids the past due status.

Hope this helps.

We invoice the customer when we have shipped the item. If you invoice too early you have the risk of having the invoice be set in a problem pile and not addressed on a timely basis because the materials were not received. If you invoice at month end, you will significantly affect your cash flow. We monitor what is shipped and not invoiced so we can tell if something was missed. We require the invoice to be sent within 2 days of being shipped.

We invoice the day the job is delivered.
I keep in close contact with clients via e mail and phone about the status of their accounts.

We invoice when the project is delivered. It can be difficult for some to keep up with invoicing. We have goals set up to have all delivered jobs invoiced by the end of each week or sooner.

Within 24 hours of shipment

The billing depends on how the order is dispositioned for release.

If the order is to ship upon completion, we invoice upon receiving the BOL and the shipping information.

If the order has delayed shipment, we invoice at the time of completion of the order and hold until shipping date.

We have a few customers that rely on us to have stock ready for shipment. We have a blanket PO from them and we invoice at the time of shipment to their customer.

Pay commission based on when the company is paid by the client. This encourages the sales force to invoice their jobs in a timely manner. As well, this produces a steady stream of billing to the accounting department from Sales!

There are added benefits. When commissions are not paid based on jobs being delivered by the last day of a month - we don't have sales people "swearing" that the world will end or, they will lose a client if the job doesn't deliver by the 30th!! Suddenly, the jobs can deliver on the 1st, the 2nd or maybe even, "next week some time". Scheduling becomes easier the last week of the month and overtime expenditures are reduced! That's a win, win, win!

Funny, we all have this problem. I have been pushing our accounting department to make this change for some time. It's like turning a steamship but, it can be done.

We typically bill next day after delivery/shipment. Finalized packing slips (signed by receiver or shipping personal) are routed to the CSR by end of business day, they review and submit for invoicing the next day. Invoicing is collected/processed by 12:30 PM.

The shipped job list is reviewed daily by production and the CSR's are notified of any outstanding shipped jobs in the system.

Sometime items do slip through the system, the driver forgets to finalize the packing slips delivered or a packing slip is misplaced, this is normally caught in the review of the open orders done a couple times a week by production and the necessary actions are taken to get that processed ASAP.

We try to invoice customers within a day or two of shipment. Some items, such as fulfillment activity, are only billed at month end for the entire month's activity. Project managers are given a list of their uninvoiced jobs on a weekly basis in an attempt to stay current on their invoicing. A manager will have a conversation with them if they are continually behind.

We are a bindery. We bill our customers when the job is complete. There are exceptions if a job is large or runs over an extended period of time, in which case we would do partial billings.

As soon as the job ships out or is picked up, shipping turns in the job for billing. At month end I request those jobs that we know have been completed in that month to make sure they hit the correct month.

I also email specific employees to let them know the month end billing deadline to ensure we bill in the correct month.

As part of the month end process I compare the list of jobs to what has been billed, vs what is on the production schedule, to make sure that jobs have not been missed.

When do you invoice customers?

Upon shipment if from an individual job shop ticket

If multiple tickets comprise a project upon shipment of the entire project

Monthly billing if from our online print procurement system

How do you hold people accountable for billing on a timely basis so they do not fall behind?

I don't think anyone has yet to figure that out! This is an industry wide problem and there is always a reason, some legitimate and some not. Moreover this is a product of the job shop environment as many people "touch" billing from estimators to customer service to salespeople and finally to the billing department. That said if jobs are estimated and change orders approved by client during production you should be able eliminate the number of touches during the process. It also helps to have a strong billing point person to identify and challenge those that can't keep the process moving and at the same time weed out any inefficiencies in the process. Remember you generally are not invoicing a static product but there are many things you can do help the process along

There isn't one answer. We stress to our CSR's to invoice customers as soon as the job is completed. However, if an outside vendor is sourced, they may wait for the vendor invoice before creating our final customer invoice. We've worked with our vendors as well, so they understand the importance of prompt invoicing. Otherwise, our Controller discusses the billing status as the monthly cut-off approaches. It's a continual awareness process between fitting the billing in along with their already busy workloads.

We are supposed to invoice when the project is complete or for longer term projects we partial at the end of each month. Even when a project is complete before the end of the month AE's sometimes let the paperwork float to the end of the month.

Cash flow is a critical issue for all businesses, and this starts with timely invoicing to the client. Invoicing should ideally be completed within 2 days of the job completion. If this isn't happening, then processes need to be put into place that ensured that it does. This is much easier to accomplish if pricing is well documented at job write up and along the way throughout the production cycle. The number one reason I see for long billing cycles is when sales reps are part of the billing process – they don't need to be, so I recommend upfront documentation of pricing and let the CSR handle it. If you can't get cooperation, make it a measurable metric tied to their performance evaluation.

Ideally we would like to invoice the day after the job ships. Unfortunately, that doesn't happen all the time. Salesmen have to review once we bill it. Our Billing Dept will pull the job and all it's paper contents and submit the billing to the salesrep to 'ok' . Sometimes it can take days for the salesman to give back to billing to enter into system especially if they are out selling.

Things that delay billing our: changes in PO without getting revised PO from customer, our vendor not getting us an invoice for material used to produce the job, salesmen out selling and not always in the office. Most of our salesmen really try to expedite the "oking" process by coming in before 7:30am to 'ok' billing.

If the Billing Department hasn't received the 'oked' bill from salesman within 3 days of shipping we email them to push them along. Sometimes our salesmen are held up because they are bugging their Customer for a PO or a revised PO. As a billing person and not sales.... I would personally would not even submit a job to be produced unless I had a PO in hand. Especially in this day and age of emailing.

Back in the old days we had to wait for a PO to be mailed to us... then we all thought the fax machine was the bomb. Now with email... no excuse for not having PO. Can you tell I'm crazy about PO's and would never make it in sales 😊

We bill daily whatever was shipped that day. If a job doesn't bill for some reason (might be waiting for a freight amount), the job will show up on our morning report that lists all uninvoiced jobs in our system. A manager will Ask the Question – why wasn't this one billed if it was shipped. And that's how we take care of timely billing.

I know smaller companies may not want to issue invoices everyday but that's your cash flow. Gotta make it happen. Set up the routine and follow through.

Cash is King! We invoice within 5 days of shipping of job.

We invoice 75% of jobs on delivery. Some require additional information - outside costs or billing updates and 99% of those we invoice within 2-5 days.

Most jobs are billed on completion. Many digital contracts are billed at month end. We measure billing lag days every month and post how well we do against our goal.

- We invoice every day, typically 20-25 each day
 - First thing in the morning we invoice for the prior day shipments
 - Sometimes we'll invoice at the end of the day the shipment was made...most often at end of month, or during a busy month-end we try to get a jump on it, sometime if the our bookkeeper is going to be off the following day she will try to get a jump on things to make it a little easier for the back-up person
 - The accountability piece of the question... just never has been a concern
 - Our LTL carriers know we need freight costs...UPS & FedEx is obviously moot-point
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We invoice daily upon job completion

We try to invoice as soon as the job is delivered. Probably achieved 90% of the time.

We invoice once an order has shipped and offer discounted credit terms as an incentive for early payment (ie 2% 10 Net 30)

Depends on the situation. All regular jobs/customers jobs are billed the day after they ship (or same day if early-enough). For our POD division, since we process/ship hundreds of orders a day, we invoice monthly or bi-weekly, depending on the customer.

At time of shipment or delivery.

We try to invoice customers a couple/few/several days after shipping. It involves gathering the labor time & outside costs, calculating the billing/job cost, and pricing/comparing to the quote or previous orders. We now bypass doing this procedure for jobs previously quoted when we know there will be no additional charges. In these cases the billing is done after the invoice. Holding people accountable? It starts with production keeping track of their time properly and goes on step-by-step from there so there are no hold ups waiting for info. Having a driver monitoring and pushing the process, especially at the end-of-month, really helps.

Timely invoicing sets the course of a relationship. When you wait to bill you effectively tell the customer it's ok to wait on payment, therefore jobs should be billed immediately upon completion, clearly stating your payment terms.

As to enforcement, again what we do at the beginning sets the course, therefore your best chance of not losing money to non-paying or slow-paying customers, is first to use a good credit agreement that clearly states your terms and conditions by which credit MAY be extended to qualified customers. This should be followed with a good due diligence process where the info provided is verified and if credit worthy , remember to only provide that amount your company can afford to lose on any single customer without effecting your own viability. The 3rd step is the subsequent paperwork, on all documents sent to a customer each should have a mini version of your credit terms and the more times a customer signs these documents, the more difficult it becomes to refute your rights

Should you need help, PICB is the industry credit and collection professionals: visit us on the web at www.picb-us.com or call for help (847) 265-0400

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