# EDIFICE Customer Liens Process

Using the lien routines you can set the parameters that control how liens are generated, print customer 30-day lien notices, assess customers for the cost of preparing and sending the 30-day notices, print customer lien letters, create customer lien transactions and then, transfer their outstanding balances to liens if they do not make a payment by the due date specified.

***Important:*** *It is important to read this entire document before beginning this process. For questions, please contact NDS Support at 800-649-7754 or email support@ndsys.com.*

*If this is the first time that the lien process is being run in EDIFICE and you have existing liens that were created manually, please contact NDS Support for assistance with adding the existing liens to EDIFICE.*

The steps for the lien process can be found under **Processes → Liens**. Below is an outline of the steps involved and the following pages provide detailed instructions on running the steps.

1. **File Maintenance**
   a. Maintain and Verify Transaction Codes
   b. Maintain and Verify the Cash Profile
   c. Perform Lien Parameter Maintenance to maintain the transaction codes, letter cost amounts, Current Lien Year and Current Lien Month for this 30-day notice cycle.
2. **Liens Process**
   a. Run the **Liens Prepare Notice Work File** routine to bring the appropriate customers into the lien work file.
   b. Run **Lien Placement Report** to see which customers are in the lien workfile.
   c. Perform **Liens Workfile Maintenance** to delete individual customers from the lien work file, when applicable. If customers are removed, run the Lien Placement report again for an accurate audit trail.
   d. Run the **Notice Letter** routine to print the 30-day notices, if your utility sends 30-day notices for customers.
      **Tip:** Use the **Mailing Labels** routine to print mailing labels for the 30-day notices, if applicable.
   e. If your utility charges customers for the cost of sending the 30-day notices do the following:
      1. Run the Liens Create Notice Costs Transactions routine to generate 30-day notice cost transactions that assess customers for the cost of preparing and sending the 30-day notices.
      2. Run the Print Transaction Journal to proof the notice cost transactions.

3. Use the Liens Transaction Entry routine to edit or delete notice cost transactions that are incorrect or that should not update the customer's account.
4. Run the Lien Post Transactions routine to post the *30-day notice cost charges* to the customers' balances.

*After printing the 30-day notices and running the Post Lien Transactions routine to post the notices costs to customer accounts (if applicable)* ***stop and wait until the 30-day period has passed before continuing with the remaining steps of the lien process.*** *For questions, please contact NDS Support at 800-649-7754 or support@ndsys.com.*

f. Perform **Lien Parameter Maintenance** to update the letter cost or flat cost if your office assesses customers different letter costs or flat fee amounts for the lien letters.

g. Perform **Liens Workfile Maintenance** to remove all customers who have paid their delinquent balances.

h. Run the **Lien Placement Report** to proof the customers who are in the Lien Workfile. Use Liens Workfile Maintenance to remove customers if necessary and then if customers are removed run the Lien Placement report again for an accurate audit trail.

i. Run the **Create Lien Transactions** routine.

j. Print the **Liens Print Transaction Journal** to proof and approve the customers and their associated lien transactions.

k. Use the **Liens Transaction Entry** routine to edit or delete any lien transactions that are incorrect or that should not update the customer's account, when applicable.

l. Print **Lien Letters**.
**Tip:** Print mailing labels for the lien letters, if desired.

k. Perform **Liens Post Transactions** to transfer the lien amounts to the customer lien balances.

# Part 1. File Maintenance

Before starting the liens process the following file maintenance needs to be performed or verified.

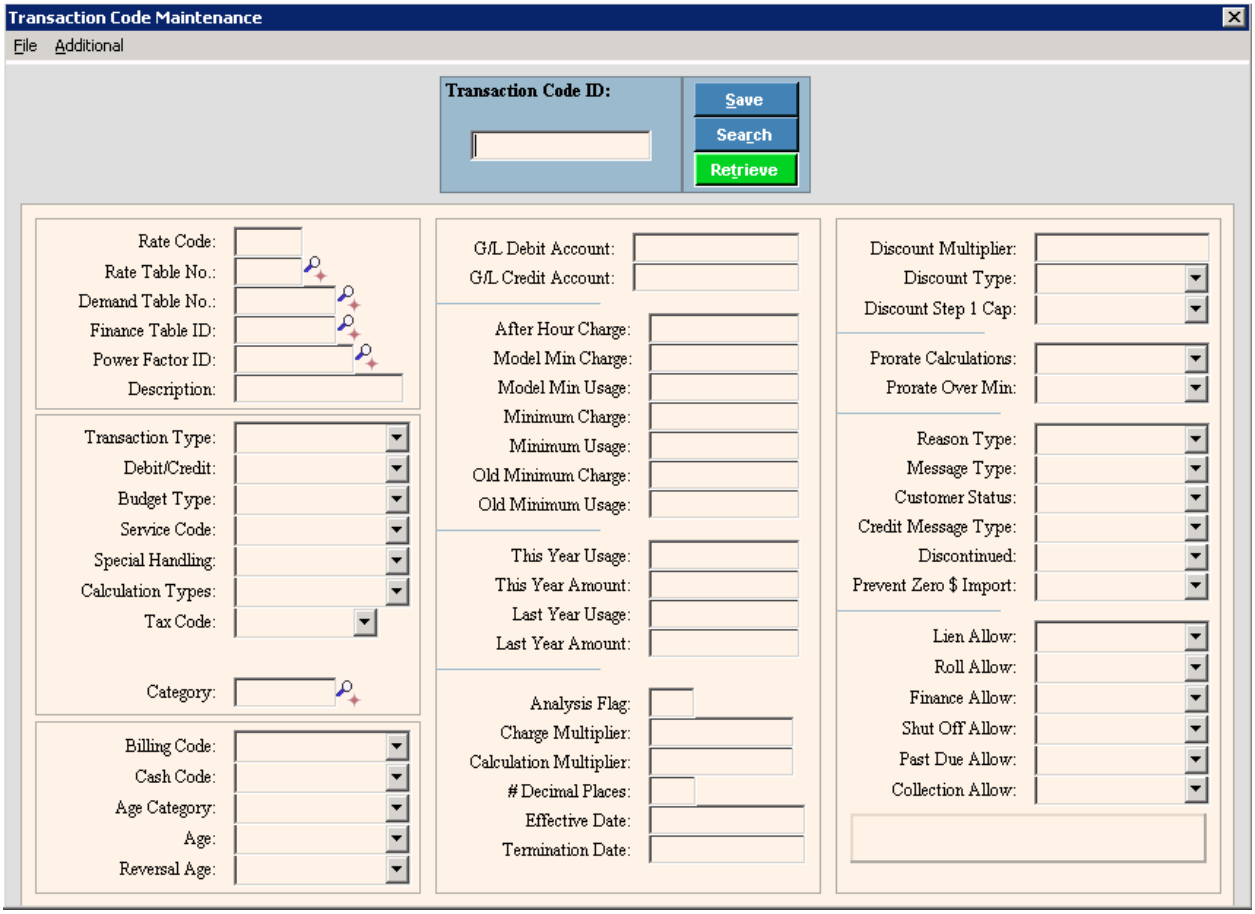
## Maintain Transaction Codes

The lien-related transaction codes need to be set up prior to running the lien process. Use Transaction Code Maintenance to create or edit these codes. Depending on your specific lien process you will need the following codes set up for each service to be liened:
Lien Transfer, Lien Interest Transfer, Lien Cost, Lien Payment, Lien Interest Payment, Lien Cost Payment.

***Notes:***

- If you do not charge a fee for liens, you will not need lien cost transaction codes.
- If you do not lien finance charges, you will not need lien interest transaction codes.

Go to **Daily Work → File Maintenance → Code Maintenance → Transaction Code Maintenance.**



Below are some key settings that are needed for lien transaction codes.

**Lien Transfer:**

- **Transaction Type:** Billing Entry
- **Debit/Credit:** Debit
- **Budget Type:** Non-Budget
- **Special Handling:** None
- **Calculation Type:** Enter Charge
- **Billing Code:** Lien
- **Age Category, Age**, and **Reversal Age**: Default

**Lien Cost:**

- **Transaction Type:** Billing Entry
- **Debit/Credit**: Debit
- **Budget Type**: Non-Budget
- **Special Handling:** None
- **Calculation Type**: Flat
- **Billing Code**: Lien Cost
- **Age Category**, **Age**, and **Reversal Age**: Default

**Lien Interest Transfer:**

- **Transaction Type:** Billing Entry
- **Debit/Credit:** Debit
- **Budget Type:** Non-Budget
- **Special Handling:** None
- **Calculation Type:** Enter Charge
- **Billing Code:** Lien Interest
- **Age Category**, **Age**, and **Reversal Age**: Default

**Lien Payment:**

- **Transaction Type:** Cash Entry
- **Debit/Credit:** Credit
- **Budget Type:** Non-Budget
- **Special Handling:** None
- **Calculation Type:** Enter Charge
- **Cash Code:** Lien
- **Age Category, Age, Reversal Age:** Default

**Lien Interest Payment:**

- **Transaction Type:** Cash Entry
- **Debit/Credit:** Credit
- **Budget Type:** Non-Budget
- **Special Handling:** None
- **Calculation Type:** Enter Charge
- **Cash Code:** Lien Interest
- **Age Category**, **Age**, and **Reversal Age**: Default

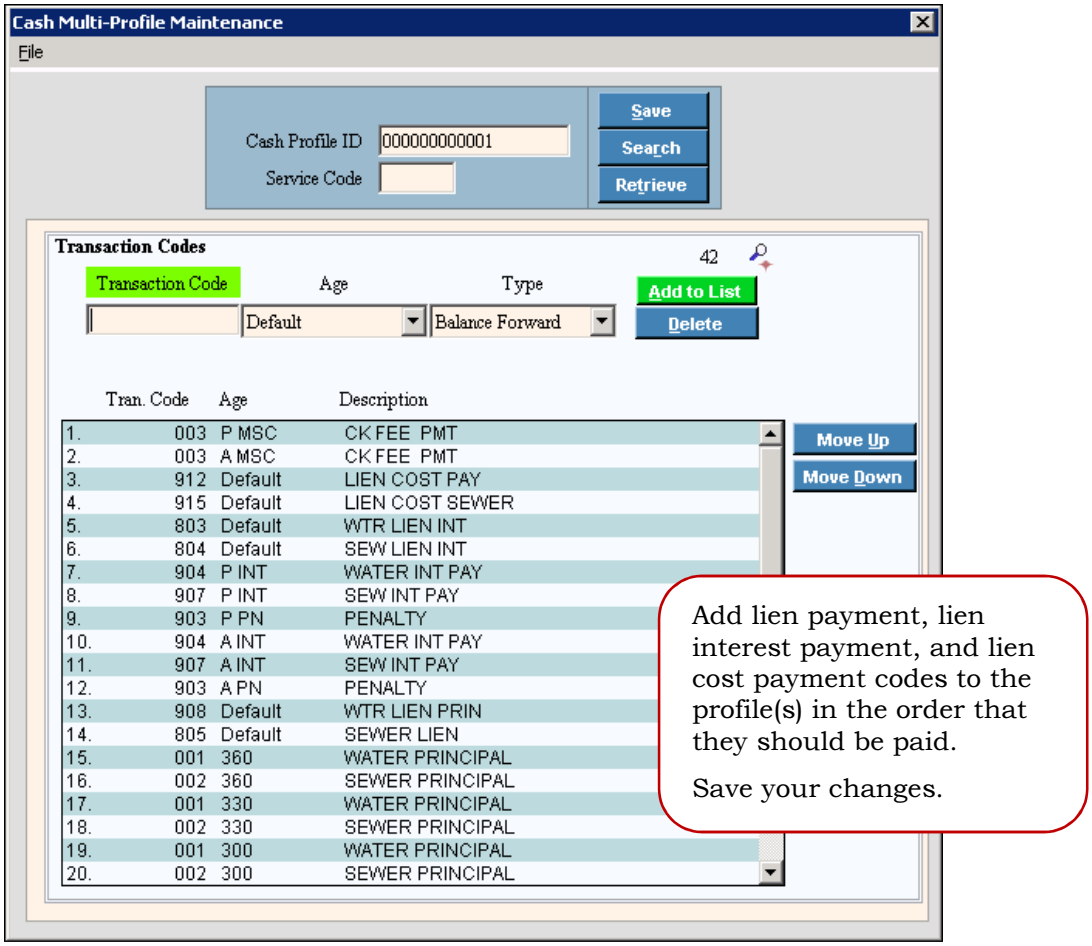
**Lien Cost Payment:**

- **Transaction Type**: Cash Entry
- **Debit/Credit**: Credit
- **Budget Type**: Non-Budget
- **Special Handling**: None
- **Calculation Type**: Enter Charge
- **Cash Code**: Lien Cost
- **Age Category**, **Age**, and **Reversal Age**: Default

## Maintain the Cash Profile

Before beginning the lien process, make sure the lien payment transaction codes are properly added to your cash profile.

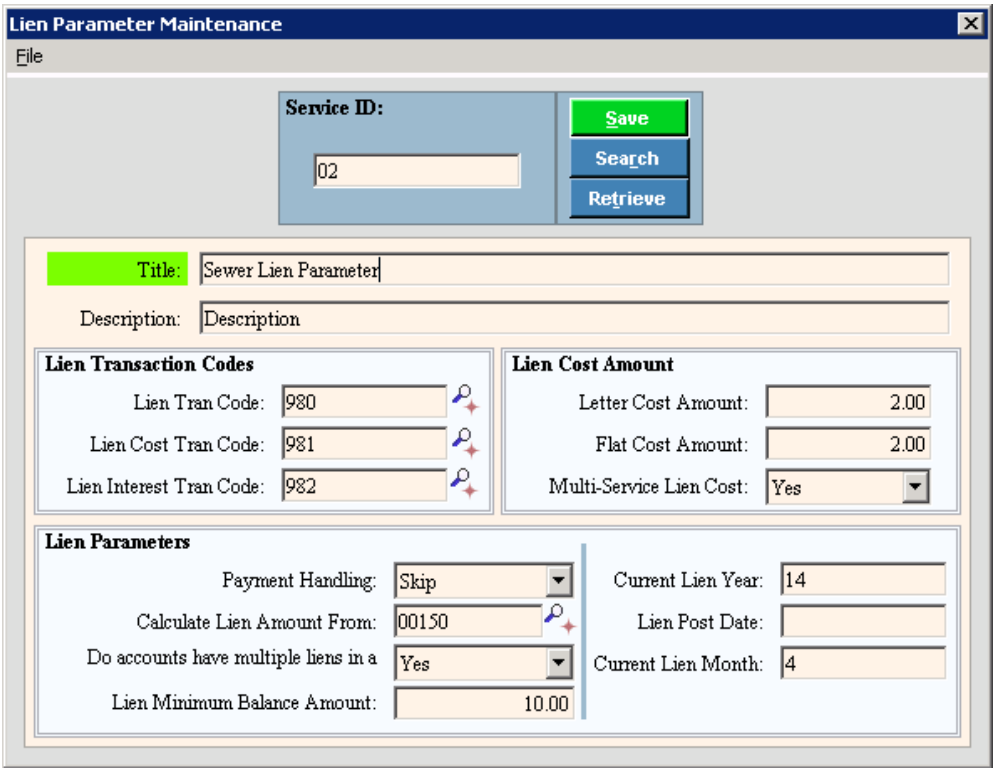
- If you use the cash multi-profile, go to **Daily Work→ File Maintenance→ Service Profiles →Cash Multi-Profile**.
- If you maintain separate cash profiles for each service, or you only have one service, access the cash profile by clicking **Daily Work → File Maintenance → Service Maintenance → Settings**. Retrieve the appropriate service and click **Fast Access File Maintenance** next to the Cash Profile ID. The following screen displays.



## Perform Lien Parameter Maintenance

Use Lien Parameter Maintenance to maintain the transaction codes, letter cost amounts, flat cost amounts, minimum balance to lien, current lien year and current lien month for this lien cycle.

Go to **Processes → Liens → Lien Parameter Maintenance.** The following screen displays.




Retrieve each service to be liened and enter the following information:

- **Lien Transaction Codes**: Enter the Lien Transfer transaction codes.
- **Letter Cost, Flat Cost**: Enter these fields if you assess a fee for the lien process or 30-day notice letter. You can enter a dollar amount in the Letter Cost field for the cost of mailing the notices or letters. A filing fee can be included in the letter cost field if you assess the cost and filing fee as a single amount on the lien letters. Or, if your office charges a fee for filing the lien *and this amount should print as a separate amount on the notices and letters*, enter an amount in the Flat Cost field.
  **Note:** If a cost is assessed for the notices and a different cost is assessed for the lien letters, first enter the notice cost amount and when it is time to run the lien letters, edit the Lien parameter by entering the letter and flat costs to be included on the lien letters.
- **Multi-Service Lien Cost**: Select **yes** from the drop-down list if you are processing liens for multiple services at the same time and you want to print a single letter for all of a customer's services, charging them only once.
  Or, to print separate letters for each service and charge separately for them, click **No** in the drop-down list.
- **Payment Handling:** Select **Skip** if you want to remove the customer from the lien work file if they make a payment (even a partial payment) on the lien amount. Select **Net Lien** to leave the customer in the lien work file if they do not make a payment for the full lien amount (a partial payment will reduce the amount to be liened but leaves the customer in work file).

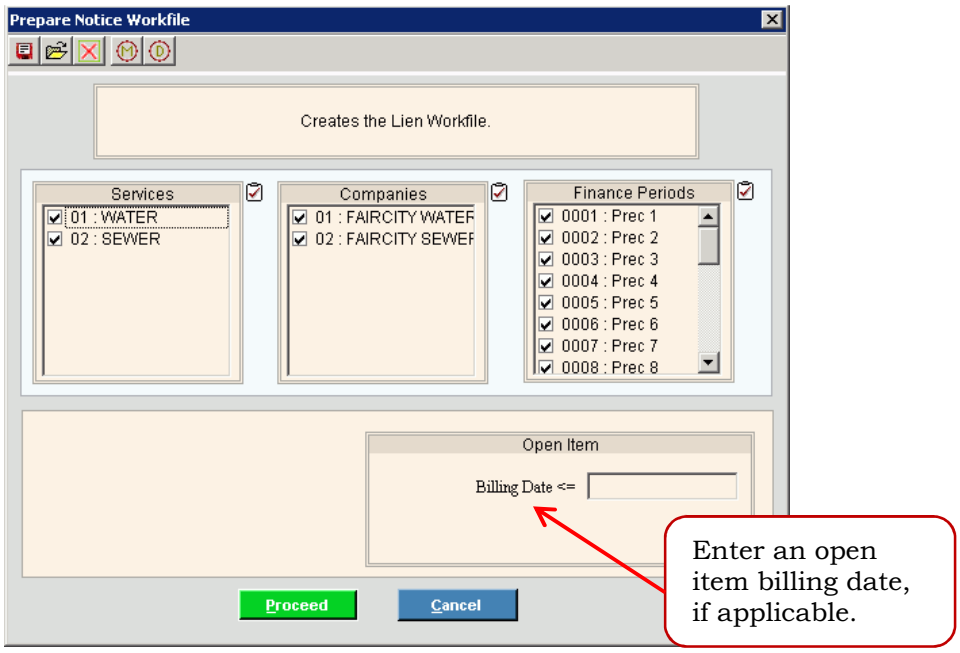
- **Calculate Lien Amount From**: Select an Aging Group to lien, or create a new Age Group.
- **Do accounts have multiple liens in a year:** Select yes or no.
- **Lien Minimum Balance Amount**: Enter the minimum balance a customer must have to be included in the lien process.
- **Current Lien Year**: Enter the current lien year.
- **Lien Post Date**: Displays the date the Post Lien Transactions was last run. This date cannot be edited.
- **Current Lien Month**: Enter the current lien month.

# Part 2. Liens Process

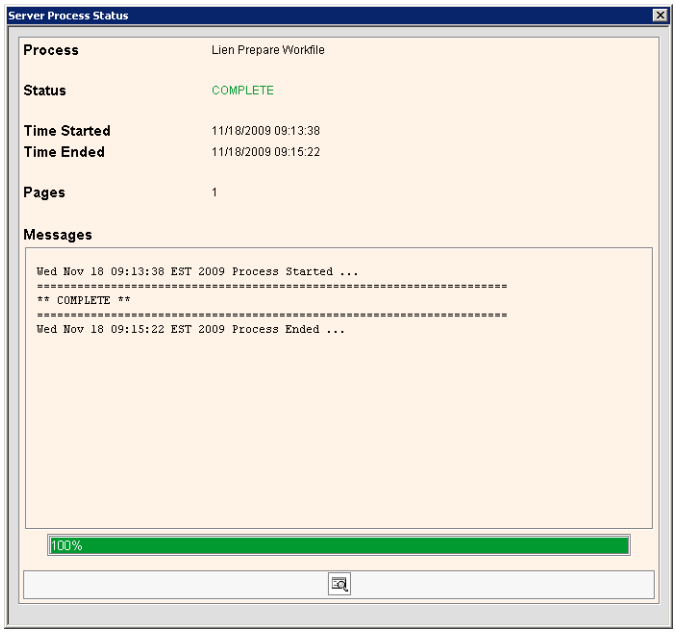
## Prepare Notice Work File

Use the Prepare Notice Workfile routine to generate the Lien workfile. When built, this workfile will contain customers with delinquent balances that are eligible to be liened. The customer balances are pulled in based on the options set in Lien Parameters Maintenance.

Go to **Processes → Liens → Prepare Notice Workfile**.



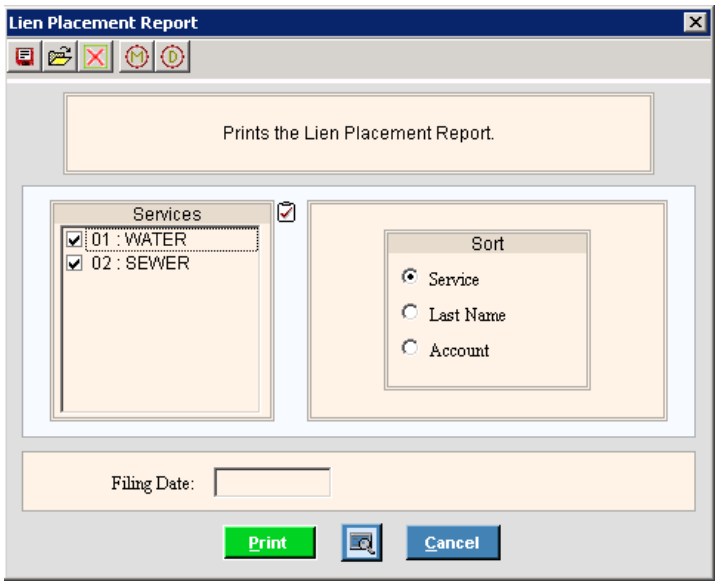

Select the service(s) to be liened and then, click **Proceed** to begin the process. When the Lien Notice Workfile is completed, the following messages display.




## Run Lien Placement Report

Run the Lien Placement report to generate a list of accounts that are going to have a lien placed on them and the lien amount for those accounts. It is important to review this report to make sure that you have set the lien parameters correctly and that the appropriate accounts to be liened are included.

Go to **Processes → Liens → Lien Placement Report.** The following screen displays.




Select the services that you want to process, the sort option, and enter a filing date. The following is an example of the Lien Placement report.

04/20/2010 Faircity Utility Company Page: 1
Lien Placements Date Filed: 04/20/2010

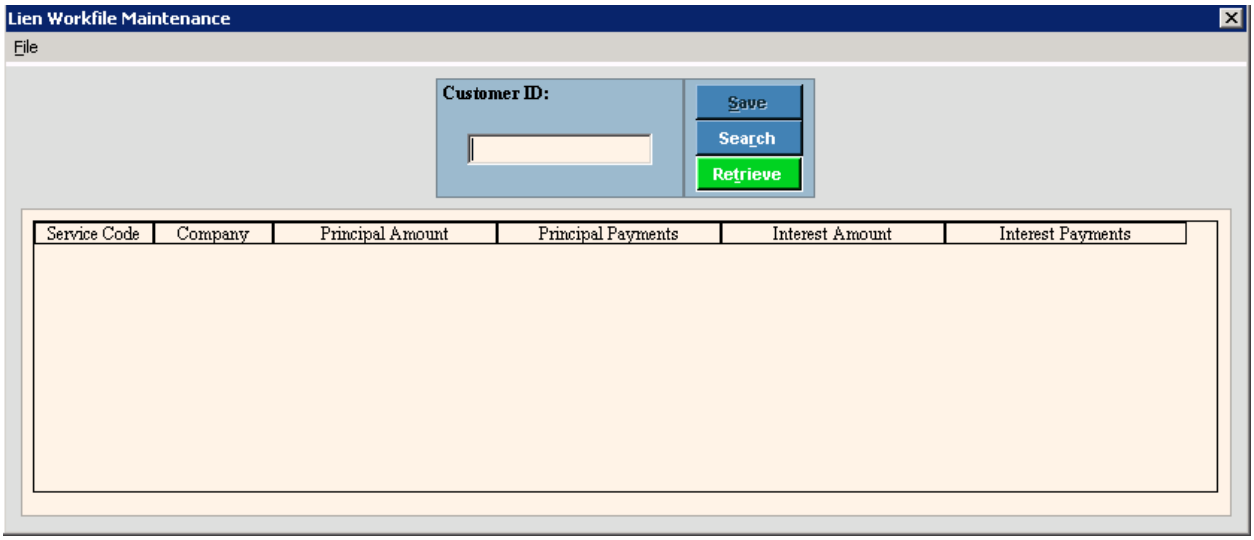
| Customer ID | Name | City Placing Lien | Address | P Book | Page | Amount |
|---|---|---|---|---|---|---|
| 000003333301 | BARNETT ADAMS | Faircity Utility Company | | 101 | 060R | 245.00 |
| 000004440401 | WILLIAM ANDERSON | Faircity Utility Company | | 101 | 334 | 111.20 |
| 000004550406 | PETER BENNETT | Faircity Utility Company | | 101 | 113 | 75.85 |
| 000004668402 | WENDY BREWSTER | Faircity Utility Company | | 101 | 23W | 117.55 |
| 000004777901 | PATRICIA COXE | Faircity Utility Company | | 101 | 150 | 209.00 |
| 000007456603 | TIMOTHY DAVIS | Faircity Utility Company | | 101 | 168 | 5.46 |
| 000008989201 | ANNABELLE FRANKLIN | Faircity Utility Company | | 120 | 176 | 107.64 |
| 000009993102 | STEVEN GRIFFIN | Faircity Utility Company | | 120 | 123 | 66.89 |
| 000002342040 | EDWARD HEMSELEY | Faircity Utility Company | | 123 | 223 | 8.67 |
| 000005555707 | ANTOINE HOOVER | Faircity Utility Company | | 123 | 001 | 290.00 |
| 000007777102 | RICHARD LAUGHLIN | Faircity Utility Company | | | | 159.46 |
| 000008886602 | RICHARD LOUNSBURY | Faircity Utility Company | | | | 71.00 |

## Perform Liens Workfile Maintenance

Use Workfile Maintenance to delete specified customers from the workfile. Customers can only be deleted on this screen. Customers cannot be edited here nor can they be manually added. Customers can however, be edited after the lien transactions are generated.

***Note:*** If you make many deletions, print an updated Lien Placement report.

Go to **Processes → Liens → Workfile Maintenance**. The following screen will display.




1. Enter the **Customer ID** of the customer that needs to be deleted. Or, click **Search** to look for the Customer ID in the work file.
2. After the customer displays, click **File** and then click **Delete**.
3. The system will prompt you for a reason code. Enter the reason for the deletion.
4. Click **Ok** to complete the delete.
5. Repeat these steps for all customers to be removed from the Workfile.

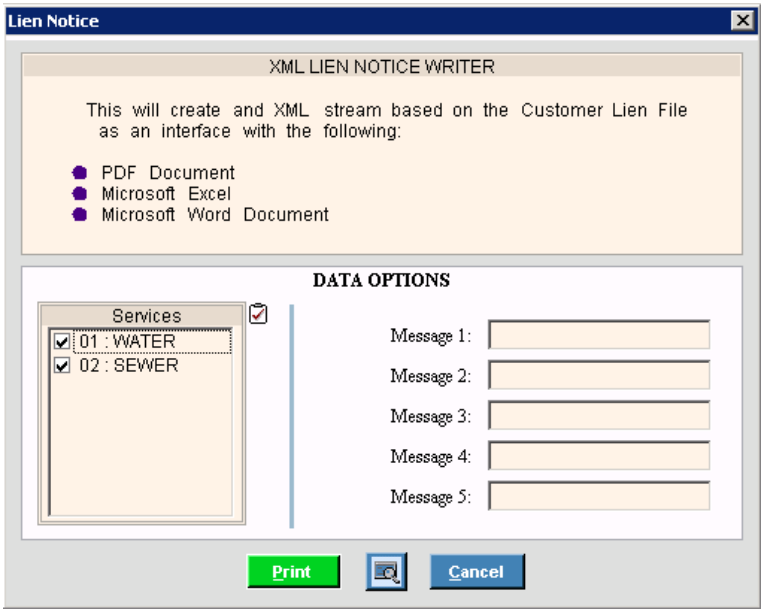
## Run 30-Day Notice Letters

Print the 30-day notice letters if your utility sends customers these notices. The system will create a credit message for the customer when a notice is sent to them.

***Important:*** **If your utility sends customers 30-day notices, after printing the notices do not age the balances before running Create Notice Cost Transactions and performing Post Transactions.**

Please contact NDS support if the 30-day notice letter needs to be set up.

Go to **Process → Liens → Notice Letter.** The following screen displays.




Select the services and enter any applicable messages to include on the notices. Then, click **Print**.

## Create Notice Cost Transactions

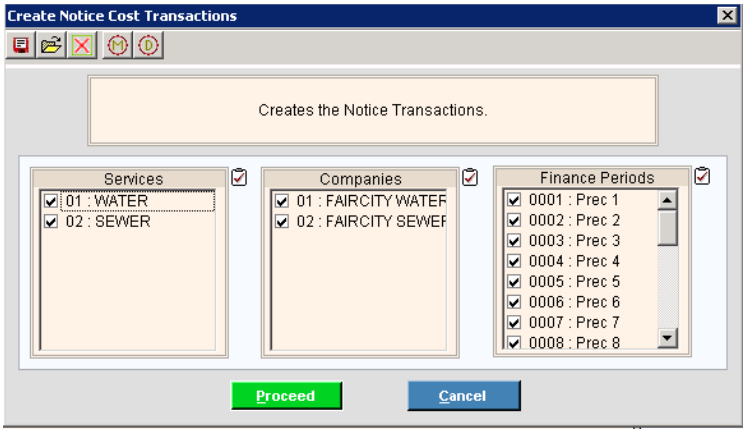
Run the Create Notice Cost Transactions routine to assess notice costs to the customers, if your utility assesses customers for these costs. This will create a notice cost transaction for the customers based on the letter cost amount entered on the Lien Parameters.

***Note:*** **After the Create Notice Cost Transactions routine finishes:**

**Run the Transaction Journal. For directions, see the Run Lien Transaction Journal Step.**

**Proof the amounts and make any necessary changes in Transaction Entry. For directions, see the Lien Transaction Entry Step.**

**Then, run the Transaction Post to update the customers with the lien notice costs. For directions, see the Post Lien Transactions Step.**




Select the services, companies and finance periods to process, then, click **Proceed**.

*After printing the 30-day notices and running the Post Lien Transactions routine to post the notices costs to customer accounts (if applicable)* ***stop and wait until the 30-day period has passed before continuing with the remaining steps of the lien process.*** *For questions, please contact NDS Support at 800-649-7754 or support@ndsys.com.*

## Perform Lien Parameter Maintenance to Enter Letter Costs for Lien Letters

If the lien cost and/or flat cost amounts need to be changed for the *lien letters*, go to Lien Parameter Maintenance and edit the letter cost and/or the flat cost fields. For directions, see the **Perform Lien Parameter Maintenance Step**.

## Perform Lien Workfile Maintenance

Perform workfile maintenance to remove all customers who have paid their delinquent balances. For directions, see **Perform Lien Workfile Maintenance step** earlier in this document.

## Run the Lien Placement Report

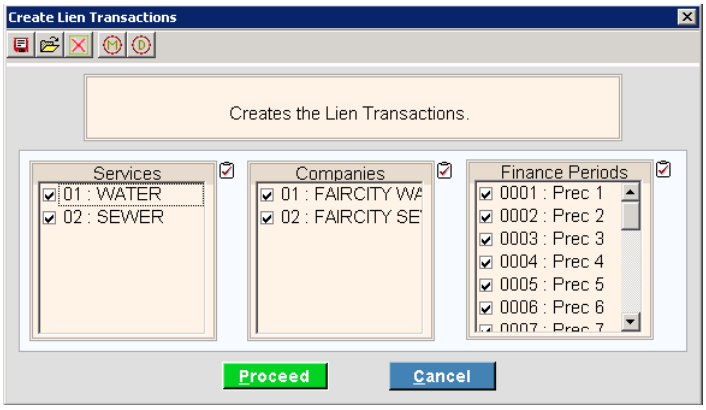
Run the Lien Placement report to generate a list of accounts that are going to have a lien placed on them and the lien amount for those accounts. For directions, see the **Print Lien Transaction Journal Step.**

## Create Lien Transactions

Use the Create Lien Transactions routine to create transactions for the lien amounts. These transactions when posted, move the lien amounts from the customer balance buckets to the lien balance buckets. This includes the amount for lien principal and any interest associated with the lien. Lien cost transactions are also generated in this routine.

***Note:*** If you assess a separate cost for liens and lien notices go back to Lien Parameter Maintenance before you create lien transactions and change the letter cost or flat cost amount. If you charge for the 30-day notice, but not the lien letter, change the amount to **$0.00**. If you do not charge for 30-day notices, but do charge for lien letters, put the cost in at this time.

Go to **Processes → Liens → Create Lien Transactions.** The following screen displays.

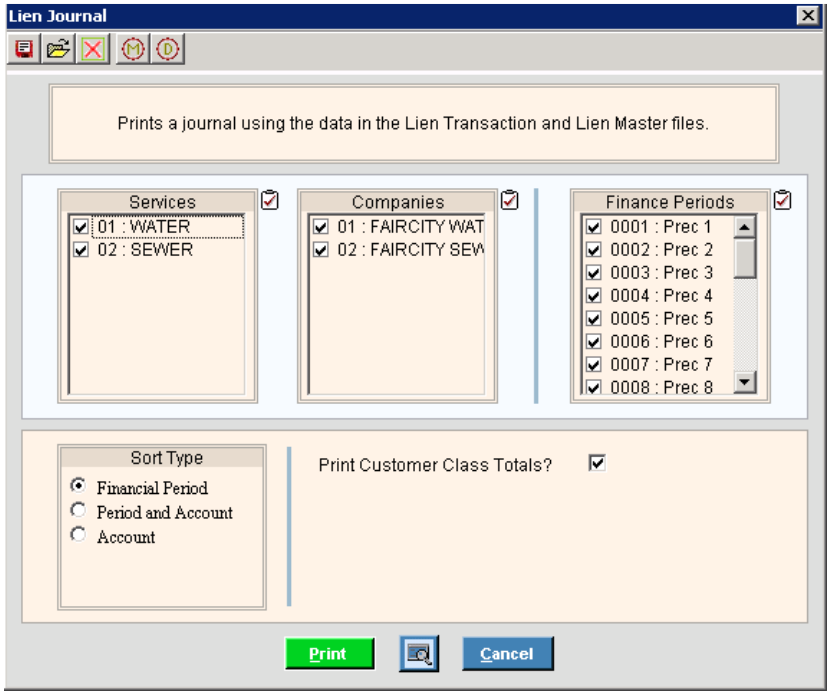



Select the services, companies and finance periods to process, then, click **Proceed**.

## Print Lien Transaction Journal

Use the Print Transaction Journal to list all customers and delinquent balances which will be liened. Use this journal to review and approve the customers and the lien amounts.

Go to **Processes → Liens → Print Transaction Journal.** The following screen displays.




Select the services, companies and/or finance periods to report. Specify the sort order in which the report should print. Below is an example of the Transaction Journal.

```
                                                    Lien Transaction Journal

Customer ID  Name                          To Date    Class Company      Principal        Balance
Tran Cd Desc.                  Base      Charges       Tax       Total
-------------------------------------------------------------------------------------------------------------------------------
000000000085 DAVID D. SMITH                                 24         2          89.76         498.80
980     SEWER LIEN              0.00       68.16       0.00      68.16
980     SEWER LIEN              0.00      101.97       0.00     101.97
980     SEWER LIEN              0.00       67.77       0.00      67.77
980     SEWER LIEN              0.00       27.70       0.00      27.70
980     SEWER LIEN              0.00       89.76       0.00      89.76
981     SWR LIEN C              4.00        4.00       0.00       4.00
-------------------------------------------------------------------------------------------------------------------------------
Service 02 Totals                          359.36       0.00     359.36

-------------------------------------------------------------------------------------------------------------------------------
Customer Totals                            359.36       0.00     359.36


-------------------------------------------------------------------------------------------------------------------------------
     GRAND TOTALS                          359.36       0.00     359.36
     Total Accounts                 1

Totals Finance Period #:   1
Service #:                 2               359.36       0.00     359.36

Totals Service #:          2               359.36       0.00     359.36
▯06/30/2015                                                                                                        Page:    2
                                                    Lien Transaction Journal

Service        Lien         Lien Cost     Lien Interest  Other
-------------------------------------------------------------------------------------------------------------------------------
1                  0.00            0.00            0.00            0.00
2                355.36            4.00            0.00            0.00▯▯
```

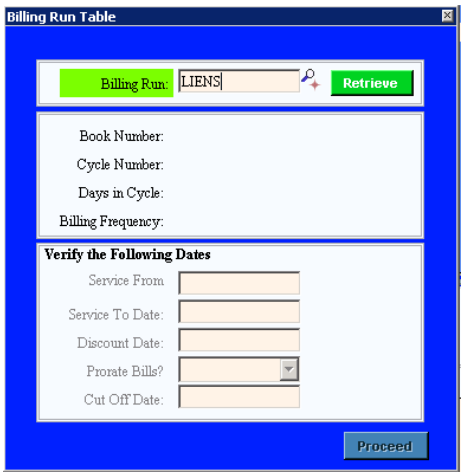
## Lien Transaction Entry

Use the Transaction Entry routine if changes need to be made to the amounts and/or customers in the Lien workfile. If changes do not need to be made, then skip to the Print Letters step. Lien Transaction Entry functions in the same way as regular Bill Entry, though it only handles lien transactions.

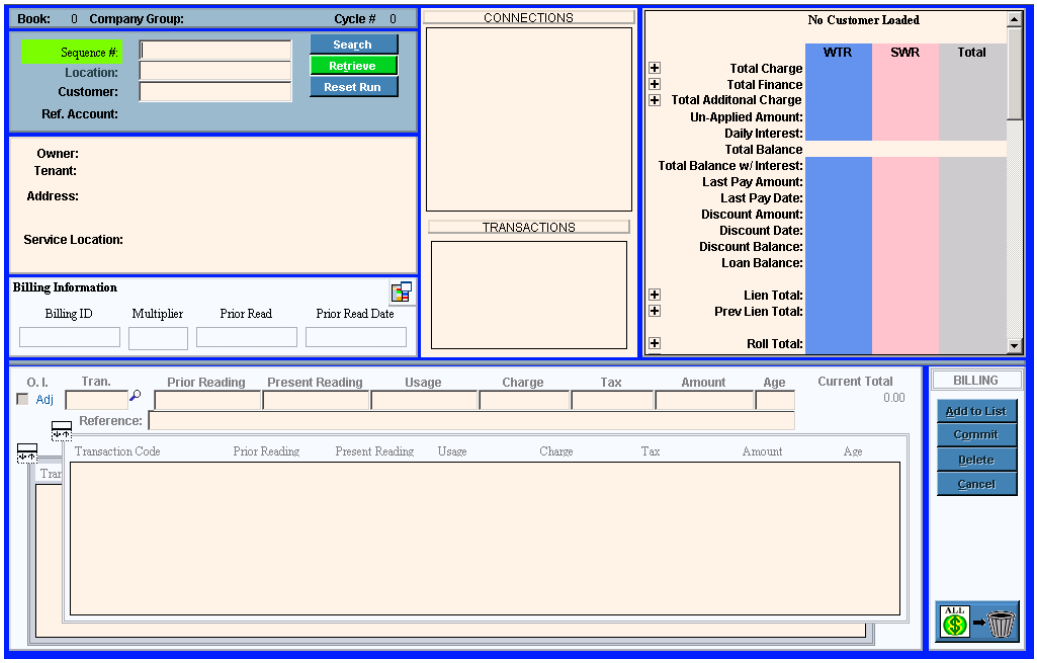
***Notes:*** If you edit or delete 30-day notice cost transactions or lien transactions, reprint the Lien Journal for an accurate audit trail.

Make sure to print a final Transaction Journal after all changes have been made.

Go to **Processes → Liens → Transaction Entry.** The following screen displays.




Enter **LIENS** for the Billing Run ID and click **Retrieve**. Then, click **Proceed**. The following screen displays.



**Note:** *Repeat these same steps for each edit that needs to be made.*

1. Enter the customer ID and click **Retrieve**.
2. To edit, click the appropriate line to be changed. Edit the charge, and click **Add to List**.
3. When finished, click **Commit List** to save the changes.
4. To delete the transactions for this customer, click **Trash Can**.

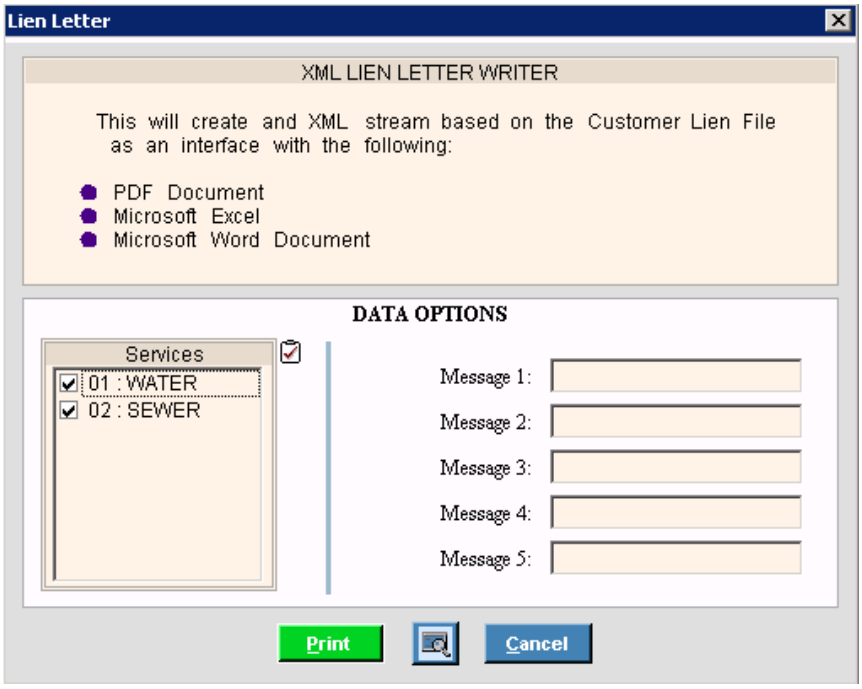
## Print Lien Letters

Print the lien letters or certificates and review them for accuracy.

***Notes:*** This process can be set up to create an import file or Excel spreadsheet if your letters are generated outside of the EDIFICE Utility Billing system.

Please contact NDS support if a Lien letter needs to be set up.

Go to **Process → Liens → XML Lien Letter.** The following screen displays.

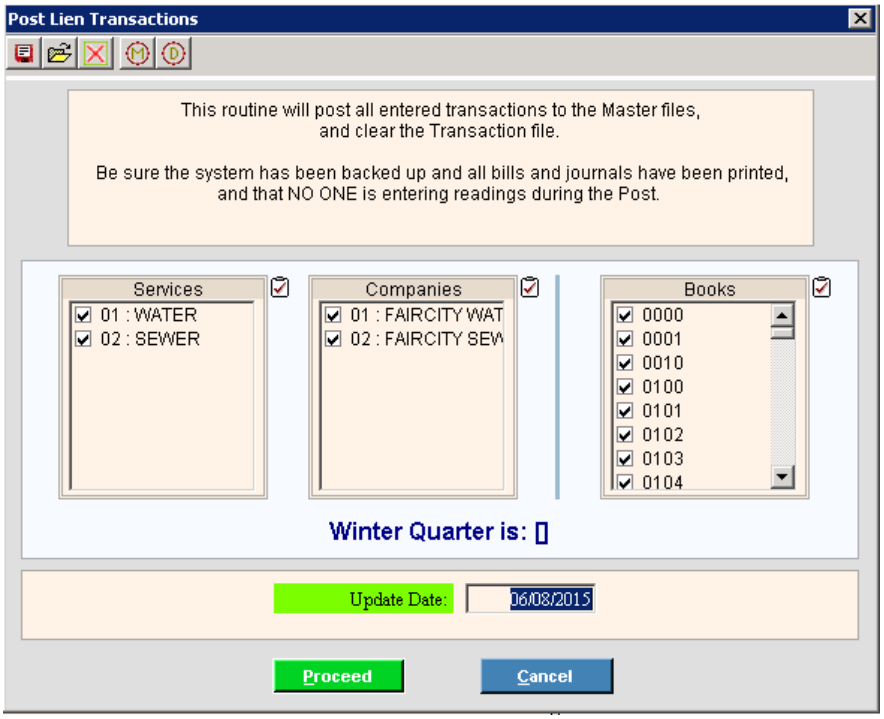



Choose the appropriate services and enter any applicable messages. Then, click **Print** and choose the appropriate printer for the letters.

## Post Lien Transactions

The Post Lien Transactions routine can be run twice during the liens process. First, the Post Lien Transactions routine can be used to update customer accounts with the 30-day notice costs after the Liens Create Notice Cost Transactions has been run, if you assess your customers with the notice costs. Second, after the Create Lien Transactions has been performed, run this routine to post the lien transactions and update the customer balances by moving the eligible lien amounts from the regular age buckets to the lien buckets. It will also apply the lien costs at this time, if applicable.

Go to **Processes → Liens → Post Transactions.** The following screen displays.



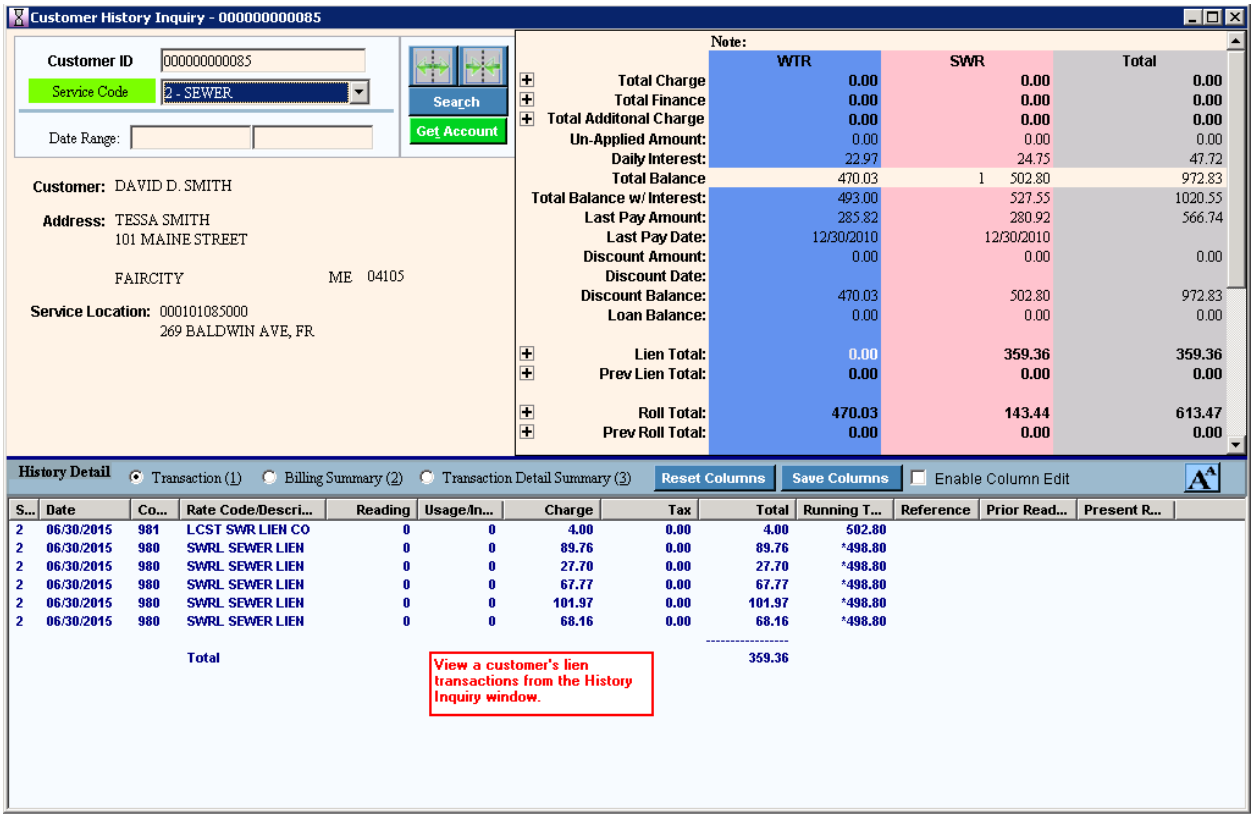

Select the services, companies and books. Then, click **Proceed**.

After the Post Lien Transactions routine completes, lien amounts will display in the lien buckets, and an **L** will display next to the customer's total balance for each liened service as seen in the example below.

| | | | |
|---|---|---|---|
| Lien Total: | 0.00 | 359.36 | 359.36 |
| Prev Lien | 0.00 | 0.00 | 0.00 |
| Prev Lien Cost | 0.00 | 0.00 | 0.00 |
| Prev Lien Interest | 0.00 | 0.00 | 0.00 |
| Prev Lien Total: | 0.00 | 0.00 | 0.00 |

Note:

| | WTR | SWR |
|---|---|---|
| Total Charge | 0.00 | 0.00 |
| Total Finance | 0.00 | 0.00 |
| Total Additonal Charge | 0.00 | 0.00 |
| Un-Applied Amount: | 0.00 | 0.00 |
| Daily Interest: | 22.97 | 24.43 |
| Total Balance | 470.03 | 1 502.80 |
| Total Balance w/ Interest: | 493.00 | 527.27 |
| Last Pay Amount: | 285.82 | 280.92 |
| Last Pay Date: | 12/30/2010 | 12/30/2010 |
| Discount Amount: | 0.00 | 0.00 |
| Discount Date: | | |
| Discount Balance: | 470.03 | 502.80 |
| Loan Balance: | 0.00 | 0.00 |

## View Customer History

After the Post Lien Transactions routine completes, the lien transactions can be viewed in the customer's history as seen in the example below.