



accounting business solutions

# \*info

Newsletter for Sage MAS 90 and Sage MAS 200 ERP

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4646 Highway 6  
#124  
Sugar Land, TX 77478  
(281) 652-5947  
(281) 596-7273 fax  
info@accountingbusinesssolutions.com  
www.accountingbusinesssolutions.com

## Headline News

Sage MAS 90 ERP is now available on the Applianz system. Using patented virtualization technology and advanced system design, the Applianz system, from Applianz Technologies, Inc., reduces hardware upgrade costs by enabling companies to run the software on existing computing infrastructures. The system, available through Sage, comes bundled with Sage MAS 90 or 200 ERP and allows users to access Sage MAS 90 ERP from anywhere with Internet access. Please contact us for more information.



## Managing Your Cash Flow

**A**voiding cash flow crunches is often a challenge, particularly in tough economic times. Customers start paying a little later, while at the same time suppliers tighten their credit and payment policies. To survive the economic slowdown and be positioned to prosper when economic conditions improve, it is essential to proactively manage cash. In this article, we will take a look at ways you can more effectively manage your cash flow.

### Make And Follow Credit Policies

Naturally, the area in which you can do the most to keep cash flowing is in collecting from your customers. But you also must avoid selling to customers who can't pay—no matter how much you need the business.

Create procedures to check credit before giving terms. Make certain that your customer-facing staff members understand your credit policies and that they follow them. Make it a practice to require that e-mail addresses be included with credit references. It is then a simple matter to set up a template in Custom Office with the credit questions you need answered, thus automating the reference checking process. It also may be wise to recheck the credit standing of existing customers, as their rating may have changed due to the current economic downturn.

Once you have assigned a credit limit to a customer, make sure you take full advantage of the powerful Credit Checking features that are available in Version 4.1 and above. In AR



Options, you can choose to base credit limit checking on a dollar limit, an aging category, or both. The Dollar Limit option compares a customer's balance to the credit limit set for them. The Aging Category option allows you to base credit checking on past due amounts. For example, if you set this option to the category of 90+ days, only balances in this aging bucket will be used to determine if a customer has exceeded their credit limit. In addition, you can include open orders in the credit check, thus obtaining a complete view of your customers' financial commitments.

### Motivate Customers To Pay

Keep your organization at the top of your customers' minds with reminders of amounts due. If you sell products, be sure to mail the invoice the same day the product ships so it

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