

Delinquency Management - CBA

Navy CBA Management Conference

December 10, 2001

San Diego, CA

CBA Definition



- **A Centrally Billed Account (CBA) is a government-liable purchase/payment tool designed to support official government related travel, purchase and fleet expenses**
 - Subject to the Prompt Payment Act
- **The transactions occur using a card (plastic) or are generated from “cardless” account numbers**
 - Cardless account numbers are usually used in conjunction with a contracted Travel Management Company (TMC) or Commercial Travel Office (CTO) to support the purchase of air/rail charges

CBA Benefits and Features



- **Centrally bill charges to a single account**
- **Receive comprehensive billing information**
- **Government holds liability for all undisputed transactions**
- **Improve reconciliation and remittance processing when compared to previous methods - Government Transportation Request (GTR) and Purchase Order**
- **Leverage information for savings and control**
- **Worldwide acceptance - wherever Visa and MasterCard are accepted**

Key Components of a CBA



Central Account Number

- One assigned per company number
- Generates Invoice/Reporting
- Account to which payments should be made

Transaction Account Number(s) (a.k.a. Individual Account)

- Used by merchant for charging
- Card or Cardless

Electronic Invoice/Interface File

- Electronic invoice or file sent by Bank of America to assist in reconciliation and payment of billed transactions sent to SatoTravel

CBA Reconciliation - Travel



- **Reconciliation results in matched and unmatched transactions. Examples of unmatched transactions:**
- **SatoTravel reconciles transactions from the Bank's interface file to its travel reservation system**
 - Returned/cancelled airline tickets
 - Airline transactions requiring additional information
 - Transactions processed at the airport

Note: Unmatched transactions can require additional research and are not a reason for non-payment.

Transaction Detail



EAGLS - Electronic Account Government Ledger System - Microsoft Internet Explorer provided by Bank of America

File Edit View Favorites Tools Help

Back Forward Stop Refresh Home Search Favorites History Print Edit Related

Address <https://www.gov-eagls.bankofamerica.com/cgi-bin/gx.cgi/GUIDGX-{2213FD80-5C79-11D2-930F-0000F6AACD5A}> Go Links

Bank of America

As Of: 08/03/2001

- Account Inquiry/Maintenance
- Inquiry
- Maintenance
- Program Information
- Setup
- Transaction Data
 - Agency Invoice
 - Cost Allocation
 - Individual Statement
- User Options
- Reporting Tool
- Help
- Training
- Log Off

Individual Statement Search

Submit Clear

Search For

Current Transactions
 Current Statement
 Statement

Sort Transactions By (MM/YYYY)
 Transaction Post Date

Search By

Account Number
 Hierarchy Depth Current Level

Program Number

Level	Number	Description/Name
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Done Trusted sites

Transaction Detail



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- [Individual Statement](#)

- [User Options](#)
- [Reporting Tool](#)
- [Help](#)
- [Training](#)
- [Log Off](#)

Current Transactions

Account

Tran Date	Post Date	Tran Amount	Billing Type	Merchant Name City, State Zip	Merchant Category	Tran Reference #
07/26/2001	08/03/2001	\$4,942.00 c	Central	UNITED AIR 0167193479357 ARLINGTON VA 60197	3000	74164071214829912623321
<i>Master Accounting Code:</i>						
07/26/2001	08/03/2001	\$1,371.30 c	Central	UNITED AIR 0167193479407 ARLINGTON VA 60197	3000	74164071214829912623339
<i>Master Accounting Code:</i>						
07/26/2001	08/03/2001	\$1,371.30 c	Central	UNITED AIR 0167193479413 ARLINGTON VA 60197	3000	74164071214829912623347
<i>Master Accounting Code:</i>						
08/01/2001	08/03/2001	\$621.00	Central	USAIRWAYS 0377039909311 WASHINGTON DC 27109	3063	24164071214362588143478

CBA Reconciliation - Disputes



- **If, after research, a transaction cannot be reconciled or identified, submit a dispute/billing inquiry - common disputes:**
 - The card/account holder does not recognize the charge
 - The charge listed was not made by the card/account holder
 - The Government did not receive any goods or services for the transaction
 - Transaction listed is a duplication of an authorized transaction
 - Incorrect account number charged and correct billing number can be provided

CBA Reconciliation - Payments



- **Timely payment of your CBA:**
 - Avoids delinquency and suspension of privileges while maximizing rebates
 - Payment within 30 days avoids prompt pay
- **Providing required payment information and sending payments to the appropriate address ensures prompt and accurate posting**
- **Verification of payment posting, expedites research of possible rejects**
- **An ACH/EFT payment provides an electronic “tracking” (trace) number that assists in payment research**

CBA Reconciliation - Travel Dispute Process



- **Reconcile statement**
- **Contact Merchant**
- **Fax/call to initiate dispute**
 - Provisional credit may be issued
- **Case opened**
 - Dispute form sent to accountholder
- **Form received back from accountholder**
 - Charge back process begins
 - Could take up to 180 days or more to resolve

CBA Reconciliation - Travel Dispute Process (cont'd)



- **Resolution**
 - May take up to 3 billing cycles to resolve
 - Merchant will issue credit or resubmit with proof of valid charge
 - If not resolved, will be submitted for arbitration

CBA Reconciliation - Travel Dispute Process (cont'd)



- **Best Practices**
 - Always obtain and keep record of cancellation number
 - Reconcile billing statement upon receipt
 - First attempt to resolve directly with Merchant
 - File dispute *in writing* within 60 days
 - Respond promptly to any and all requests for additional information - *in writing*

CBA Reconciliation



- **On-time reconciliation facilitates payment and prevents interruptions in usage of the CBA**
- **Knowledge of how/where to research transaction detail assists in timely reconciliation**
- **Reconciliation items often carry over month to month - keeping detailed/concise records will make research easier**
- **An account is not completely reconciled until payments submitted are verified as posted by Bank of America**

CBA Delinquency



- **Suspension**
 - By contract, the Bank can suspend Travel CBAs on the if an account reaches 60 days past billing.
- **Cancellation**
 - Can occur 126+ days after billing date

Bank of America will communicate regularly via pre-determined methods to the Agency/Organization Program Coordinator (A/OPC) and/or the Designated Billing Office (DBO)

EAGLS Reporting - Reconciliation



- **Reconciliation**
 - Transaction Activity Report
 - Provides detailed information regarding transaction detail at the individual account level - to include payments.

EAGLS Reporting - Delinquency Management



- **Delinquency Management**
 - Delinquency Report
 - Provides a list of all account balances that are in a state of delinquency (30+ days since billing)
 - Pre-Suspension Report
 - Lists accounts eligible for suspension during the next billing cycle (45-60 days since billing)
 - Suspension/Pre-Cancellation Report
 - Lists accounts that have been suspended and those that are eligible for cancellation (61-125 days since billing)
 - Cancellation Report
 - Lists accounts that have been cancelled (126+ days since billing)

- **Pay and Chase (wish list)**
 - Practice of paying invoice “now” and reconciling transaction detail “later”
 - Facilitates faster payment and assists in receiving productivity rebates
 - Reduces instances of account suspension/cancellation
- **Establish/Maintain Communication Lines**
 - Bank of America
 - TMC/CTO