

Identifying Improper Revenue Variance

Revenue variances only occur for fixed payment contract opportunities. They represent a difference between invoiced revenue and earned revenue when a contract reaches the status of complete. The items below describe when revenue variance in the *End of Month Report* is acceptable and when it indicates that corrections are necessary.

1 – There was an Invoice Adjustment

In the *Revenue* tab on the *End of Month Report*, drill into *Invoice Adjustments*. Add a display column for *Opportunity Number*. See if there is an invoice adjustment for that opportunity that matches the *Over/Under* amount. If so, this is accurate and there is nothing to fix or change.

2 – In the *Payment Schedule*, there is a difference between the contract estimate and the total payments

Go to the opportunity, drill into the estimate and then into the payment schedule. Look for a difference at the bottom of the payment schedule. This difference will create an Over Under by the end of a contract. The Over Under should move to Revenue Variance after the contract is in “complete” status and the month is closed.

3 – All invoices for fixed payment contracts have not been generated and sent in Aspire like they should have been

Go to the opportunity, drill into the estimate and then into the payment schedule. This can be checked in the *Opportunity Transaction List*. If all invoices have not been generated and sent, then generate and send the missing invoices.

4 – Some invoices for fixed payment contracts were dated outside the contract period

Go to the *Opportunity Transaction List* and verify that all invoices for the opportunity were dated within the contract period (between the start date and end date).

5 – There is a work ticket completed after the end date of a cancelled fixed payment contract

Go to the *Opportunity Work Ticket List* and see if there are any work tickets completed after the end date. If so, uncomplete the work ticket and complete with a date prior to the end date.

6 – The Invoiced Revenue and the Earned Revenue do not match.

This can happen:

- For contracts that start prior to 100% go live in Aspire.
- Contracts that are cancelled

- Invoices not created when scheduled
- Work Tickets inappropriately cancelled

Go to the *Opportunity Work Ticket List* and review the *Earned Revenue* for work tickets. Compare that total to the invoiced totals (less sales tax). Make sure the totals for both are accurate.

7 - If you have moved a property from one branch to another during a contract period

Go to the *End of Month Reports*. Drill into the *Over/Under*. It is important to look at the *Over/Under* drill down including all branches, filtered by property, and grouped by opportunity number. Each branch for the selected property will show a revenue variance, but these should offset one another.

8 – A Fixed Payment contract is not in complete status after the End Date of the contract

Go to the *Opportunity Work Ticket List*. Review work tickets that are still in *Open* or *Scheduled* status. Complete any work tickets that have been performed or will not be performed. If there are any work tickets still scheduled because the work has not been performed, the contract will not go into *Complete* status. The revenue variance will not occur until the contract is in *Complete* status.

9 – A Fixed Payment contract is in Complete status, but a work ticket was completed after the contract end date. The revenue variance will occur in the month closed, but the Over/Under will not be \$0 until the month the final work ticket is completed.

Go to the *Opportunity Work Ticket List*. Identify any work ticket completed after the end date of the contract. If it is accurate, there is nothing that needs to be done. Just make sure the *Over/Under* does show as \$0 for entire period in Aspire for that opportunity.