MINOR HOTELS

Check-out and invoicing

PROCEDURE VALIDATION

Approved by		Approval date
Operations **(Process Owner)**	Operations Control Director Chief Operations Officer	July 2012
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*Always find the latest version of this document and all the related ones in the **Business Processes** section of the Digital Knowledge Workplace, [Minor – Organization Portal.]*

Remember that your Digital Knowledge Workplace credentials are the same you use to access to the Intranet, Employee Reservations or MyNH App.

OBJECTIVE AND SCOPE

This document outlines the tasks for the Front Office Department during guest check-out, including issuing invoices and checking out rooms.

The guest's final impression of the hotel is crucial, so it is important to handle check-out with professionalism, speed, and efficiency. Ensure the guest leaves with the feeling that they received excellent service. Be friendly and cordial, inviting them to return and aiming to make them loyal customers.

This procedure applies to all Minor Hotels in Europe & Americas (MHEA).

SUMMARY

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1 DAILY SERVICE PERFORMANCE

Responsible parties: Front Office Department

KEY TASKS

The check-out process should be completed in three minutes. **KEY PRINCIPLES OF SERVICE:** ➔ **Smile and keep eye contact with the guest.** ➔ **When possible, greet the guest by his/her name.**

Greet the guest proactively and ask for their name and room number to display billing information.

Ask about their stay, showing genuine interest in their comments. If the feedback is negative, apologize, thank the guest, and inform them that their comments will be noted and addressed. Ensure to pass on this feedback to the relevant person for analysis and follow the procedure for Suggestions, complaints and claims.

Request the guest to return the room keys, safety deposit box keys (if applicable), and any borrowed items (such as towels or mobile chargers). If a deposit was taken for these items, record the return of the deposit in TMS.

1.1 Confirm charges and billing information

Responsible parties: Front Office Department

Gather all available documentation from the guest's bucket (such as agency vouchers and delivery notes) to verify charges and billing details.

Confirm the invoice details and payment method and offer the guest the option to list some services on a separate invoice.

KEY TASKS

Appropriate review of the reservations is essential to guarantee that the billing information is correct (Main Client, Voucher, Remarks, Client Code, Contract, Manual price, folios management - payment method, responsible- Commissions/Deductions). **City taxes are always on-desk payment**, except in cases covered by the InterCompany Reservations Policy, full credit bookings, and in those cases where it is expressly indicated in the agency voucher.

RECOMMENDATIONS

When a reservation is made through an intermediary, verify the commission amount, especially net commissions (*deductions* in TMS), as they directly reduce the final invoice.

Commission: foreseen amounts not included in the Front Office invoice.

Deduction: discounts applied in the Front Office invoice and <u>must never be applied to on-desk payment invoices</u>.

- ➔ **Check the commission type in the CRM under the "*Hotel parameters*" tab and in the TMS reservation under the "*Prices and Commissions*" tab.**
- ➔ For group reservations, the conditions in TMSforMeetings take precedence over CRM information. **Always ensure commissionable charges, revenue details, and billing information for convention groups and events are correct**.
- ➔ **It is highly recommended to make any modifications before the guest's arrival to avoid errors in production and invoices.**
- ➔ Refer to the document VAT Exemptions per Country for preparing invoices for **guests exempt from VAT**. Always consult with the Tax Department before applying any exemptions.

PROCESS TASKS

1. **Check for additional charges**: ask the guest if they used the minibar or had other consumptions (breakfast, parking, etc.). Add any charges to TMS if they aren't already in the guest's folio.
2. **Confirm charges**: verify with the guest that all charges are correct. If there is an incorrect charge, check the documentation. If unresolved, inform the Head of Department involved:
   - Correct mistakes if they are ours and apologize.
   - Explain charges kindly if the guest is mistaken.
3. **Invoice preferences**: ask if the guest wants the invoice in a company name. Request fiscal ID or company name and check if the company is registered in SAP-CRM (Client ID and Branch ID).
   - **In SAP-CRM**: confirm information and associate Client ID to the folio (request any modification via Support Portal – create a JIRA ticket under CDM category).
   - **Not IN SAP-CRM**: request company creation via Support Portal (JIRA) and inform the guest that the invoice will be emailed as soon as possible. For faster resolution, offer the guest the QR code for the **Invoice Request Form**. Create the company only in urgent cases, ensuring data quality and avoiding duplicated.

- **Business Program**: offer our exclusive program for companies and self-employed for hotels in Europe & the Americas (Minor PRO) and hand over the brochure. If interested, guide the guest to sign up online (https://www.minorhotels.com/en/minor-pro).
- **Loyalty Program**: check if the guest is part of the Minor DISCOVERY loyalty program.
  - **YES:** inform them about their DISCOVERY Dollars (D$) balance to pay the invoice (if applicable).
  - **NO:** offer to join the program and explain the benefits (exclusive membership rates, D$ accrual, local offers, etc.).

1.2 Confirm payment method

<u>Responsible parties</u>: Front Office Department, M&E Organizers

Confirm the guest's preferred payment method for the invoice and check the following before payment:

- **Company/Agency/TO Credit**: verify correct Client/Branch ID and credit authorization in CRM.
- **Prepayment**: ensure prepayment covers costs. Refund any excess amount in the same payment method. For cash reimbursements over €300, process via bank transfer (see Prepayment refunds procedure for more details).
- **Minor DISCOVERY member**: inform the guest about available DISCOVERY Dollars (D$) and offer to pay the bill with D$ or a combination of D$ and money, if the reservation is eligible.

KEY TASKS

Compliance with the *Policy on Prevention of Money Laundering and Terrorist Financing* is mandatory in the MHEA region, especially for M&E Organizers and Front Office teams regarding cash collections, which must not exceed country-specific thresholds *.

- **Cash payments up to the country's maximum limit apply to the *total service amount*, even with split/deferred payments. For example, in Spain, for a €15,000 event, only €1,000 can be accepted in cash (for residents); the remaining €14,000 must be paid by credit card or bank transfer.**
- **Penalties for exceeding cash limits are 25% of the amount paid.**
- **Systems must be configured correctly for residents/non-residents with the applicable cash limits. TMS will not allow cash payments over legal limits for any reservation type, considering the total transaction amount.**
- **F&A Directors must inform IT via Support Portal (JIRA Service Desk) of any changes to cash limits in their countries to update the systems accordingly.**

*Please refer to the linked Policy for information on cash payment restrictions by country: https://employeeportal.minor-hotels.com/content/aml?bu=1

FORBIDDEN

➔ **ITALY:** cash payments exceeding €2,999.99 are not allowed for European Union citizens. Non-EU citizens must complete the form "*Dichiarazione sostitutiva dell'atto di notorietà*" and follow the instructions outlined in the policy "*Incassi di contanti senza limite per stranieri*." Both documents are available in the Business Processes section of the Digital Knowledge Workplace at https://organization.minor-hotels.com/.

1.3 Print and charge the invoice

<u>Responsible parties</u>: Front Office Department

Show the proforma on a tablet (if applicable) or pre-print it for the client before proceeding with the charges. Ask the client to verify the invoice and approve the charges, especially if paying by credit card.

Print, display on a tablet, or email the invoice to the client (confirm valid email address). Proceed with the charge according to the payment methods, as specified below.

PROCESS TASKS

- **CASH:** after issuing the invoice, count the change out loud while handing it to the guest.
- **CREDIT CARD (hotels without payment gateway)**: the guest must present an official document (if applicable) and enter their PIN or sign the credit card slip. If the payment is in a different currency, ask the guest if they want to pay in the original currency.
- **CREDIT CARD (hotels with payment gateway) ***: when choosing the "PAYMENT GATEWAY" payment method, TMSforPay will offer these options:
  1. **Charge via Pin Pad:** use the guest's physical card (chip, contactless, magnetic band, smartphone). If the card details are registered in PCI DSS, you can retrieve them using the *PCI access button* . Keep in mind that the previously used card can belong to an OTA or a company (e.g., Expedia VCC, Booking prepayments, credit card authorization).
  2. **Import data from a previous payment in reservation:** this option will only be available if there is a previous pre-authorization that can be used to collect the invoice.
  3. **Import data from reservation:** use a card from section TMS4P in the reservation. Cards used in the same reservation (pre-authorization, deposit, payment) will appear.
  4. **Change payment method:** use a backup credit card terminal or choose another payment method.
- **INVOICE TO THE COMPANY:** verify that the invoiced charges match the charges the company has agreed to pay, either through credit card authorization, e-mail or official document to issue the invoice by credit. If there is a discrepancy, the guest must settle the difference.

  Attach the company's cost takeover to the invoice. If you have not received any documentation authorizing those charges, the guest should pay at check-out.
- **INVOICE TO THE AGENCY OR TOUR OPERATOR:** ensure the invoice is guaranteed by the corresponding voucher. For additional charges, issue an invoice in the guest's name.

  If invoicing as **'Full Credit'**, issue two invoices: one for services in the voucher (e.g., room and breakfast) and another for extras to be signed by the guest.

*See the TMS4P Payment gateway manual for more details.

KEY TASKS

- **Invoices can only be issued on credit to companies, agencies, or Tour Operators with authorized and registered credit in CRM.**
- **Invoices to other MHEA centers must also be issued on credit**, including only concepts permitted by the Travel Policy and InterCompany Reservations Policy . Other services must be invoiced directly to the team member (on-desk payment).

  For more details on creating these reservations and invoicing in TMS, refer to the InterCompany & InterCenter manual.
- **When issuing a cash refund invoice, it is mandatory to keep a copy signed by both the team member and the guest as proof of agreement.**
- For **electronic invoices**, always indicate the correct voucher number in the system to ensure these invoices are generated and sent to clients electronically.

➔ **ITALY: it is obligatory to give a tax receipt to all guests staying at the hotel.**

For credit invoices where the guest does not pay for accommodation at the hotel, issue a *ricevuta* based on the payer:

- ***Ricevuta with price*** for company credit invoices.
- ***Ricevuta without price*** for agency credit invoices.

Afterward, create a "*Fattura riepilogativa*" for each room on behalf of the company or agency. The company or agency may request either an individual *riepilogativa* invoice for each room or a global invoice for the total accommodation.

PROCESS RESTRICTIONS

- **It is not permitted to grant credit to individual guest;** only companies and agencies can request a credit line.
- **Never show guests the invoice with services and prices contracted through a travel agency or Tour Operator.** If a guest requests an invoice, inform them that they must obtain it from their travel agency, which is responsible for issuing the invoice.
- **Never hand the invoice to the guest if they are not paying for it.**
- **Open folios with pending charges are not allowed to remain open for more than seven calendar days after the guest's departure.**

RECOMMENDATIONS

- In line with the company's **Environmental Policy**, a proforma invoice will only be printed upon the guest's request. If applicable, you can display the proforma on a tablet. Verify all charges with the guest before issuing the invoice. Offer to send the invoice by email, and if the guest requests a printed copy, do not offer to put it in an envelope unless specifically requested.
- To speed up the check-out process, if there are multiple bills to be invoiced by credit, print them in advance, attach the vouchers with backup documentation, and prepare them for review and sending before check-out (e.g., during the previous night shift).

1.3.1 Sending and filing of the invoices by credit

Responsible parties: Front Office Department

Before sending the invoice, ensure it is correct and includes the necessary backup documentation (original voucher, reservation email copy, etc.).

All credit invoices must be filed at the hotel by date and in consecutive order, along with the backup documentation (agency vouchers, emails, prepayments, etc.). The Front Office Manager is responsible for maintaining this file. To ensure you have a copy of all credit invoices, consult the *Invoices report (ZEY_FC_SI_07_ALV)* in TMSforHotels, filtering by payment method 2 - Credit. This documentation must be kept for the period stipulated for each country.

Hotels using the electronic billing platform (Voxel): invoices are sent automatically to the platform daily, where they are verified before being sent to clients, considering the validations imposed by them. If an invoice does not pass these validations, it will remain on the platform until corrected and resubmitted by the hotel. Therefore, it is necessary to access the platform daily to check and correct any invoices that have been rejected by the client. For more information, refer to the Voxel electronic invoicing process.

1.4 Correction of the invoice

Responsible parties: Front Office Department

During check-out, the guest may request the correction of a charge they disagree with, or changes to the payment method or information such as the name of the person/company on the invoice. In these cases, the invoice must be canceled (a negative one will be generated) to modify the charges or customer data, and then the correct invoice should be issued.

Use the *Cancel invoice* button located on the top menu of the folios (this button is only available on the day of check-out). If the room has already been released in TMS, use transaction */CCSHT/FC_FANUL_C_F - Invoice cancelation.*

For more details, refer to the Invoice Correction Procedure.

1.5 Settlement of the room

Responsible parties: Front Office Department

After the client has left the room, clear it in TMS by clicking the Check-out button

KEY TASKS

KEY PRINCIPLES OF SERVICE:

- **Offer concierge and shuttle services when available.**
- **Close the conversation by wishing the guest a pleasant trip and expressing hope to serve them again soon. This is your last opportunity to make the guest feel special:**

  "It has been a pleasure to have you stay with us. We hope to see you again in any of our Minor Hotels around the world."

1.6 Check-out of groups (with or without meeting rooms)

Responsible parties: Front Office Department and/or Hotel M&E & Group sales responsible

For groups with or without meeting/banqueting rooms, all charges requested by the client will be defined in the Booking File created in TMSforMeetings. Before issuing an invoice, ensure all charges are posted in the corresponding folio. Modifications to the original price can result from compensations, deductions, discounts, commissions, and prepayments.

KEY TASKS

- The agency, company, or their reference person in the hotel must accept in writing the details and charges to be invoiced, especially those that arise during the event or were not initially contracted.
- For credit invoicing, it is mandatory to display the voucher number, name, or reference of the group to facilitate payment claims.

Refer to the TMS For Meetings Manual for detailed instructions on checking out groups and events.

2 ONLINE CHECK-OUT (OCO)

Responsible parties: Front Office Department

This service allows guests to complete their check-out entirely on their mobile devices. Once the reservation is activated for Online Check-Out (OCO) at the Front Desk, the guest will automatically receive an email at 18:00 the night before their departure. They can review their personal data and billing details, and once finished, they will receive the invoice(s) by email. Guests should leave their key in the room, and they will be ready to go.

KEY TASKS

➔ **REQUIREMENTS TO USE OCO FUNCTIONALITY:**

1. **Active pre-authorization charged in TMSforPay**

   https://organization.minor-hotels.com/tutorial-type/tmsforpay

2. **Valid e-mail address in the CRM profile of the Main Guest.**

➔ **OBLIGATORY TASK IN EACH RECEPTION SHIFT:** consult TMS transaction *ZEY_CHECKOUT_EXP - Online Check-out* before checking out the rooms to verify that all invoice e-mails have been sent correctly. If not, check the e-mail entry in CRM and resend the invoice. Then refresh the transaction to show online check-outs finished and release rooms.

For the complete OCO process, refer to the Online Check Out Manual and the Online check-out Front Office guide.

3 WHAT TO DO WHEN…

<u>Responsible parties</u>: Front Office Department

3.1 The client does not leave the room at the scheduled check-out time

After 12:00 a.m., verify the room numbers that have not been checked out in the list of Departures expected (/CCSHT/RS_06_02_ALV - Expect. Depart. ALV) and check the following:

- **Documentation of the reservation and any future reservations under the guest's name** to ensure there is no mistake in the departure date or if they have another reservation for the same date.
- **Shift book:** if there are any remarks about the client's intention to extend their stay.
- **Is the guest a loyal customer or a special/regular guest?** They may have benefits that allow a late check-out without additional cost (refer to the DISCOVERY Loyalty Procedures for more information).

Provide the final list of pending departures to the Front Office Manager or the person in charge of Reception at that moment. They will decide which rooms to call to inform the guests that their check-out time was due at 12:00 p.m. and confirm whether the guest intends to extend their stay.

1. If the guest wishes to extend their stay and there are rooms available, inform them of the room rate starting from that day. Ensure the guest signs the new dates requested and change the room key for the corresponding nights. If the reservation was confirmed through a travel agency and the guest requests us to contact the agency, we will do so to request the agency to modify the voucher.
2. If the guest only requests the room for a couple of hours more and there is availability (considering the number of departures and arrivals of the day, type of client, availability of evening housekeeping staff, and number of requests for the same day), offer late check-out service or Day us.
3. If the guest requests to stay longer but there are no rooms available, inform them and assist in finding accommodation at another hotel in the chain, if possible.

3.2 The client denies leaving the room on the check-out day

In case of a conflict with a client who refuses to leave the room after their stay has ended, inform your supervisor. If the issue is not resolved, escalate it to hotel management for them to take the necessary measures.

3.3 The client requests an invoice and TMS is not available

If the system is unavailable at the time of the guest's departure, proceed as follows:

- **On-desk payment (room and/or extras):** charge the total amount of the invoice either by cash or credit card and send the invoice to the guest once TMS is available. If the credit card terminal (Pin pad) is not working, follow the steps indicated in the TMS4P Contingency Plan and Incident Management.
- **Credit:** control the departures handled and, once the system is operative, verify that all charges have been registered and issue the invoices to the corresponding holders.

Clear out all rooms in the system once it has been re-established.

KEY TASKS

At least once per shift (preferably at each shift change), store all lists located in the **Emergency Reports folder in the TMSforHotels menu** electronically as a backup in case of an unanticipated system failure. In the event of a system outage, these lists will facilitate business continuity at the hotel. During an incident, print these lists and manually annotate and modify them as needed. **It is crucial to keep them out of the view of any of our guests.**

Once the system is restored, input all annotations (check-ins, check-outs, room changes, transferred management, etc.) into TMS and then shred the lists. Refer to the Emergency Reports Procedure for more information.

FORBIDDEN

- **To comply with the General Data Protection Regulation (GDPR), do not write any confidential or personal guest information (credit card details, phone numbers, personal data, etc.) on these lists.**
- **Under no circumstances should credit card details (PAN and CVVs) be stored in any document other than the PCI DSS platform (PCI Bubble).** If PCI DSS is inaccessible, prepay or pre-authorize the reservation plus the amount defined by the hotel for extras to ensure payment of the stay. Refer to the PCI Bubble Manual for more information on managing critical issues. Never write manual invoices.
- **Never write manual invoices!**

RECOMMENDATIONS

Use the Invoice Control Template to keep track of charges. If the problem is isolated to your hotel, you can contact another hotel to connect to the system with your SAP user and help you print or check the necessary information. This way, documents are printed directly on your local printer, allowing you to deliver the invoice to the customer before they leave.

3.4 A client requests a duplicate of an invoice

PROCESS RESTRICTIONS: Do not send an invoice duplicate unless requested directly by the client (invoice holder/folio responsible).

3.5 A guest leaves the hotel without paying the bill.

1) **Issue the invoice with payment method BAD DUE - PENDING BALANCE**. Ensure it includes the guest's complete fiscal and contact information. Do not use generic customer profiles.
2) The Hotel General Manager must **file an official police report** and notify the Legal Department.
3) **Notify the BU Credit Manager, Regional Operations Director, and Excellence Leader**, attaching all relevant evidence. The Hotel General Manager must be copied on this communication.

For detailed steps, refer to the Management of Uncollected Invoices and Walk-outs procedure.

3.6 A client calls after they have checked out to claim a forgotten item

Responsible parties: Housekeeping Manager

If a client requests a forgotten item, verify the registrations to see if it has been found and then inform the Housekeeper to contact the guest and arrange for the item to be sent.

KEY TASKS: The handling of left items must always be managed through TMSforHotels.

For more information, consult the procedure Handling lost and found items.

4 MANDATORY DOCUMENT FILING AND RETENTION

Responsible parties: Front Office Department

All invoices issued must be filed in accordance with the tax and accounting legislation of each country. Additionally, the following documents must be filed:

- **Backup Documentation**: Includes agency vouchers, prepayments received, etc., for invoices by credit.
- **Credit Card Transactions**: Invoices issued and collected via credit card pin pad (TMSforPay).
- **Credit Card Receipts**: Receipts of credit card charges indicating the invoice number.
- **Prepayment Invoices**: Invoices for prepayments received, along with the backup documentation.
- **Cash Refund Invoices**: Signed by the team member and the guest as proof of agreement.
- **Departure Documentation**: Includes extra charges, extras, etc. Must be retained for a minimum of 18 months for internal control and purposes.