

Funding Customer Approval & Activation Procedure

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Overview

As part of Lone Oak Payroll's customer credit and verification processes, it is necessary to establish risk adverse credit limits for each customer and contact with an accounts payable resource at your customers' businesses. The information below is required prior to funding any receivable. This is used to evaluate the customer's creditworthiness, so we can ensure a proper credit limit is established, and to help give our A/R Department the best possible contact information for verifying your customer's billing information.

Process Requirements

1. Customers must be entered into your database with the following information prior to submitting your request to be reviewed:
 - o Address
 - ***Note*** If the address information is incomplete, the customer cannot be activated as missing address fields cause a hard stop which prevents credit from being able to save the customer status change.
 - o Phone number
 - o Name & contact information of Accounts Payable
 - o Any other pertinent information (i.e., payment terms)
 - o Upload any relevant staffing contracts, customer service agreements, and subcontractor agreements (if one is being used) under the documents section of the customer record
2. The Customer approval email should be sent to twinsurance@tempworks.com
 - o ***Note*** Please do **not** send this directly to any employee at Lone Oak Payroll.
3. Email subject: Request for Customer Approval
4. Email body must include:
 - o Company Full Name with Customer ID # (Include Parent/DBA names if applicable)
 - o Company Full Address:
 - o Company Phone Number:
 - o Accounts Payable POC & Contact Information:
 - o Estimated Credit Request Amount:
 - o Markup with the Customer:
 - o Weekly Projected Sales & Payroll Cost:
 - o Payment Terms (if known):

- Subcontractor being utilized (Yes or No):
 - If yes...
 - Name of Subcontractor:
 - Subcontractor Address:
 - Subcontractor Point of Contact:
- Attach any relevant staffing contracts, customer service agreements, and subcontractor agreements (if applicable)

Example Email Request

Note The example below would need to be sent to twinsurance@tempworks.com.

Dear Lone Oak Payroll,

Below is a new customer I am seeking approval for that I have entered in my database.

- ABC Company
- 123 Main Street, St Paul, MN 55124
- (651) 555-5555
- John Doe johndoe@company.com
- Estimated Credit Request Amount: \$10,000.00
- 28% Markup
- Weekly Projected Sales & Payroll Cost: \$5,000/\$3,500
- Payment Terms (if known): Net 7
- Subcontractor being utilized (Yes or No): No
 - If yes...
 - Name of Subcontractor:
 - Subcontractor Address:
 - Subcontractor Point of Contact:
- Copy of the staffing agreement is attached

Department Approval/Activations

The system defaults any new customer to a status of "H – Hold for Credit Check" when it is created, this also

applies to new departments that are created after the initial activation of the parent/primary profile. Due to this system default, an approval/activation request will need to be submitted to twinsurance@tempworks.com prior to being able to utilize the newly created department(s).

The approval/activation process does slightly differ for departments as credit has likely already been approved under the parent/primary customer profile, we do prefer that the following details are included in the request so we can make note of any differences between the newly created department and primary profile that may influence the processing and collecting of invoices (ex. different addressee, contact information, bill rates, and pay terms):

- Department's Full Name with Customer ID # (Include Parent/DBA names if applicable)
- Department's Address:
- Department's Accounts Payable POC & Contact Information:
- Weekly Projected Sales & Payroll Cost:
- Department's Pay Terms

It is the goal of the credit department to complete all customer record activation requests the same day they are initially submitted – aside from requests received after-hours. Once Credit evaluates the “creditworthiness” of the submitted customer, they will reply with confirmation that the customer is Activated, along with an approved credit limit for funding; or an activation notice with a non-Funded status – which can be due to several things like negative or lack of credit history, bankruptcy filings, or direct hire billings, for example.

- Additionally, if there is not sufficient credit information to support the requested credit limit amount – we may issue a “Credit Application” in our response – this should be brought to your customer so that they can fill it out and provide our credit team with bank and trade references.
 - Positive feedback from references listed on the credit application can help improve their credit position, which in turn allows us to establish a higher credit limit.

Lastly, never hesitate to reach out to the LOP Credit Team at twinsurance@tempworks.com should questions or concerns regarding this process, or any other customer credit related inquiries arise. It is the job of our team to mitigate as much risk as possible associated with your customer's capacity to pay invoices, and to enrich stable growth for your business long into the future.

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