

Commissions Master User Guide

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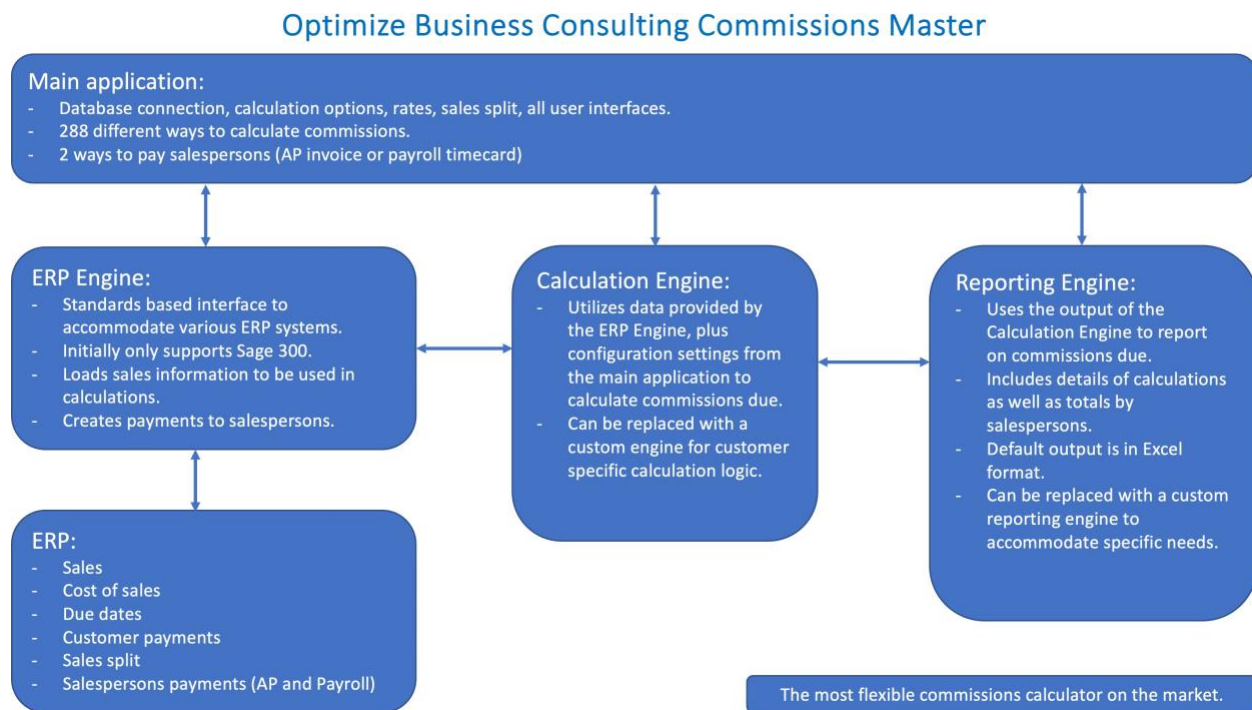
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1 Overview

Commissions Master is the most flexible commissions calculator on the market with 288 different ways to calculate commissions out-of-the-box. What's more, it's built with open architecture and LEGO-like blocks of functionality, each of which can be tweaked to your specific needs without the need to modify the whole application.

Beyond simple commissions calculations, you can store the history of the calculations right in the application, review each calculation and once confirmed that everything is correct, create a liability to pay to the salesperson either through AP invoice or a payroll timecard.

The image below outlines the overall architecture.



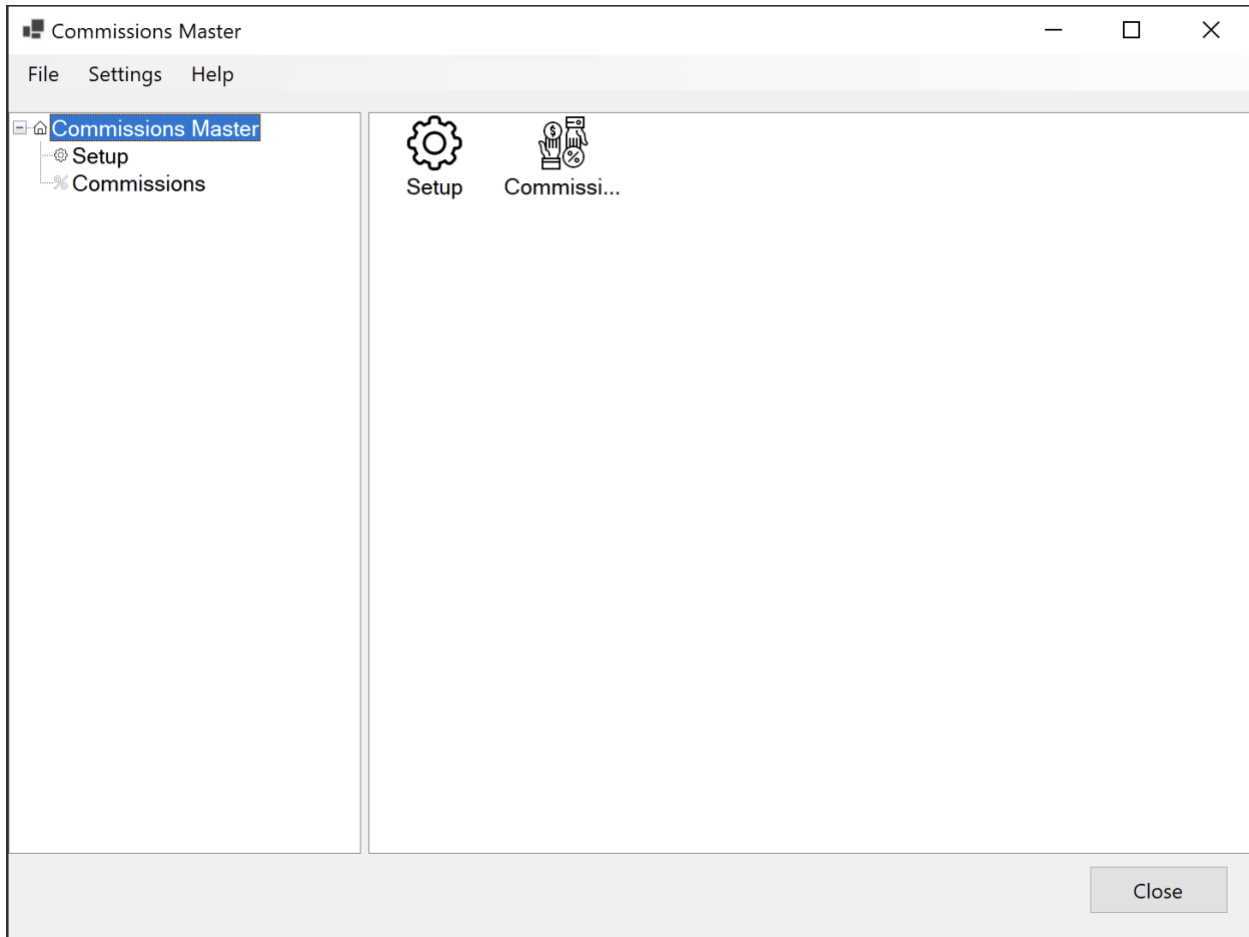
Specifically, the following components can be substituted by alternative as needed by customers:

1. **ERP Engine.** The initial release comes with support for Sage 300, but additional ERP systems support is planned in future releases.
2. **Calculation Engine.** The default calculation logic is customizable by various options and configuration screens in the application. If the options provided within the application are not sufficient, a completely new calculation engine can be created to support specific needs of a customer.
3. **Reporting Engine.** The default reporting engine generates an Excel file with two tabs. The first tab contains the details of calculations, including individual sales transactions, commission base, prorated commissions if there are multiple salespersons, and many other fields that are used in calculations. Users can take this raw data and do their own Pivot Tables and analysis in Excel. There is also a Totals tab that provides total commissions calculated per salesperson. If the default

reporting engine is not sufficient, a completely new reporting engine can be created and plugged into the application. The output of such a reporting engine doesn't have to be Excel, it can be in any format requested by customer.

2 Main Screen

The main screen provides access to all features of the application.



It works like Windows Explorer, with a navigation tree on the left and the list of features on the right. For example, if you click on the Setup icon on the left, all setup related icons appear on the right.

2.1 Settings

The first step in setting up the application is establishing a database connection. Commissions Master needs a database to store the configuration information and various options. To do that, click the "Settings" in the menu bar, and then choose "Settings...". The following window will appear.

Settings

Database Engines Sage 300

Database Type SQL Server

Database Properties

Server Name VM-SAGE2019

Database CommissionData_20

User sa

Password *****

LocalDb Instance Name (LocalDB)\MSSQLLocalDB

LocalDb File Name Browse...

Connection String Name

Tools OK Cancel

Currently, only SQL Server type of databases are supported, but other types may be added later. Fill in the server name, database name, user and password. The user must have permissions to create new databases and tables. The application will automatically create a new database with the specified name.

On the Engines tab, you configure access to the ERP system as well as alternative engines for calculations and reporting.

The screenshot shows a 'Settings' dialog box with a close button (X) in the top right corner. The 'Sage 300' tab is selected, and the 'Engines' sub-tab is active. The dialog is divided into three sections: 'ERP Engine Configuration', 'Calculation Engine', and 'Report Engine'. Each section contains 'Assembly' and 'Type Name' text boxes, and the 'ERP Engine Configuration' section also includes an 'ERP Type' dropdown menu. At the bottom, there are 'Tools', 'OK', and 'Cancel' buttons.

Section	Field	Value
ERP Engine Configuration	Assembly	AccpacInterface
	Type Name	AccpacInterface.AccpacInterface
	ERP Type	Sage 300
Calculation Engine	Assembly	CalcEngineDefault
	Type Name	CalcEngineDefault.CalcEngine
Report Engine	Assembly	ReportEngineDefault
	Type Name	ReportEngineDefault.ReportEngine

You would typically never modify the “Assembly” and “Type Name” fields as knowing what values to put in there requires development skills. So, leave them at their default settings. If you need changes in any of the engines, contact Optimize Business Consulting.

In the ERP Type dropdown, leave the value as “Sage 300”, unless instructed otherwise.

On the Sage 300 tab, enter the Company ID, user, password, and Sage version.

The screenshot shows a 'Settings' dialog box with a close button (X) in the top right corner. The 'Sage 300' tab is selected, with 'Database' and 'Engines' tabs also visible. The 'Sage 300 Connection' section contains four input fields: 'Company' with the value 'TPAC', 'User' with 'ADMIN', 'Password' with '*****', and 'Version' with '66A'. At the bottom of the dialog, there are three buttons: 'Tools', 'OK', and 'Cancel'.

3 Setup

Setup section contains all the configuration options of the application.

3.1 Options

Options is one of the most important configurations in the application as it determines how the commissions are calculated as well as how they are paid.

3.1.1 Calculation Defaults

Calculation Defaults tab specifies the default settings for calculating the commissions. However, it is possible to override these settings in each calculation.

Options
✕

Calculation Defaults

Payment Defaults

Rate table ranges are Progressive ▼

Rate table ranges are based on Sales Amount ▼

Commissions are based on Sales Amount ▼

Rates apply to Individual Transactions ▼

Commissions are paid on Invoice Date ▼

Sales split priority Invoice, then Customer ▼

The ranges in the commission tables are Progressive, meaning that each line up to the highest matching range determines the commission rate and/or amount, similar to how tax brackets work. The ranges are based on the Sales Amount. Commission rates apply to the Sales Amount in Individual Transactions, plus the Commission Amount, if used. Commissions are paid on the Invoice Date.

Sales split information from invoice is used for calculations. If invoices does not contain sales split information, then sales split from the customer is used.

OK
Cancel

Since there are many options on this screen, there is a description in the lower half of the screen describing how the current selections affect the calculations. As you make changes in the selections, the description is updated.

3.1.1.1 Rate Table Ranges

This affects how rate tables are interpreted.

Value	Description
Progressive	This works similar to tax brackets. For example, you can specify that sales from 0 - \$1000 get 1% commission, anything over \$2000 gets 2% commissions.
Cumulative	This option picks the highest achieved bracket and applies its rate to all sales. In the above example, if the option is set to cumulative, the 2% rate is applies to the whole amount, not only the amount exceeding \$1000.

3.1.1.2 Rate Table Ranges Are Based On

This is related to rate tables and determines how you want to define them.

Value	Description
Sales Amount	The rates are determined by the sales amount.
Profit Amount	The rates are determined by the profit amount.
Profit Percentage	The rates are determined by the profit percentage.

The last two options require the ERP system to be able to provide the cost of sales information.

3.1.1.3 Commissions Are Based On

Once the commissions rate is determined using the above two options, that rate is applied to either the sales amount or the profit amount to calculate the commissions amount. There are two options:

Value	Description
Sales Amount	Commissions are based on the sales amount.
Profit Amount	Commissions are based on the profit amount.

3.1.1.4 Rates Apply To

There are two ways of calculating commissions: either on individual transactions or total sales for a period. This is what this option does.

Value	Description
Individual Transaction	The rate is applied to each sale transaction individually.
Totals for Period	The total for a period is calculated, and that amount is used to determine the rate and commission amount.

3.1.1.5 Commissions Are Paid On

This determines when a commission is due to be paid to the salesperson.

Value	Description
Invoice Date	Commissions are due as soon as invoice is created.
Invoice Due Date	Commissions are due when the invoice is due to be paid by customer.
Payment Date	Commissions are due when a payment is received. If the payment is not associated with an invoice, it will not be included in the calculations.
Payment Apply Date	Commissions are due when a payment is applied to an invoice.

3.1.1.6 Sales Split Priority

Some ERP systems allow overriding salespersons in individual transactions, others don't, while some others only associate salespersons with a customer, but not individual transactions. Some ERP systems only support one salesperson per customer, while others allow splitting commissions among multiple salespersons.

For flexibility, Commissions Master has its own configuration to associate customers with salespersons and allows splitting commissions among multiple salespersons. The following options provide more flexibility.

Value	Description
Invoice, then Customer	If the sales transaction contains sales split, that split information is used, instead of what's defined for the customer. If the sales split information is not provided by the ERP, then the default sales split of the customer is used.
Invoice Only	Ignores the default sales split information from the customer and only uses the sales split in the invoice to calculate the commissions. If sales split is not provided with the transaction, no commissions are calculated.
Customer Only	Used the default sales split of the customer and ignores the sales split in individual transactions.

3.1.2 Payment Defaults

Payment Defaults tab specifies the default payment method for commissions. You can pay commissions either through AP invoices or through payroll timecard. This screen specifies the default settings, but they can be overridden for each sales person.

Options
✕

Calculation Defaults

Payment Defaults

You can pay sales persons by either creating an AP invoice, or adding an entry to a payroll timecard. Each sales person can be configured differently.

Specify the default payment method, liability account and/or earning code below. You can override these for each employee.

Default Payment Method ▾

Default Liability Account for paying through AP invoice

Default Earning Code for paying through payroll

AP Invoice Numbering

These options are used to auto-generate AP invoice numbers for employees that are paid via AP invoices.

Invoice number prefix

Numeric section length

Next number

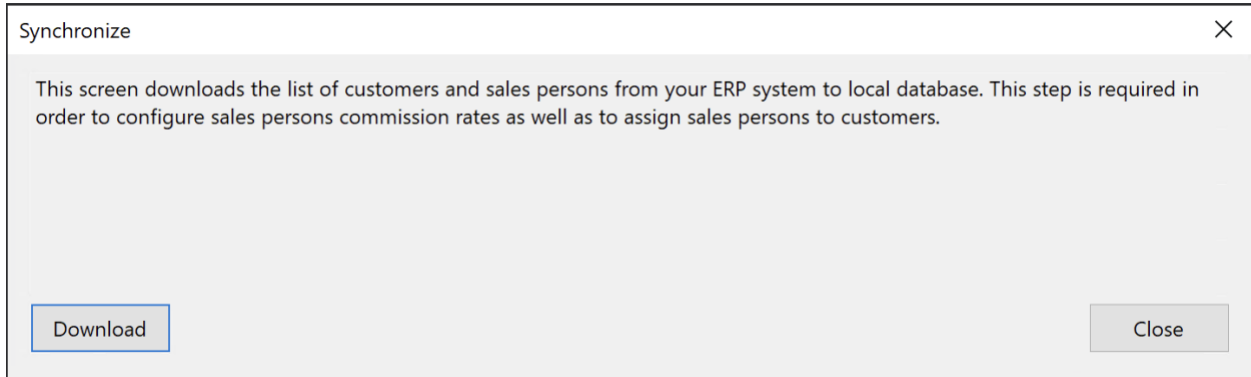
Sample

The following fields are available:

Field	Description
Default Payment Method	Choose either "AP Invoice" or "Payroll Timecard" as the default payment method for commissions.
Default Liability Account	If paying via AP Invoice, specify a default liability account that the invoices will be allocated to. If every salesperson has a different liability account, you can leave this field empty and specify the liability account in salespersons configuration.
Default Earning Code	If paying via Payroll Timecard, specify the earning code to be used for commissions. You can also leave this field empty and specify the earning code in salespersons configuration for each salesperson.
AP Invoice Numbering	If paying by AP Invoice, specify how you want the invoice numbers to be generated.

3.2 Synchronize

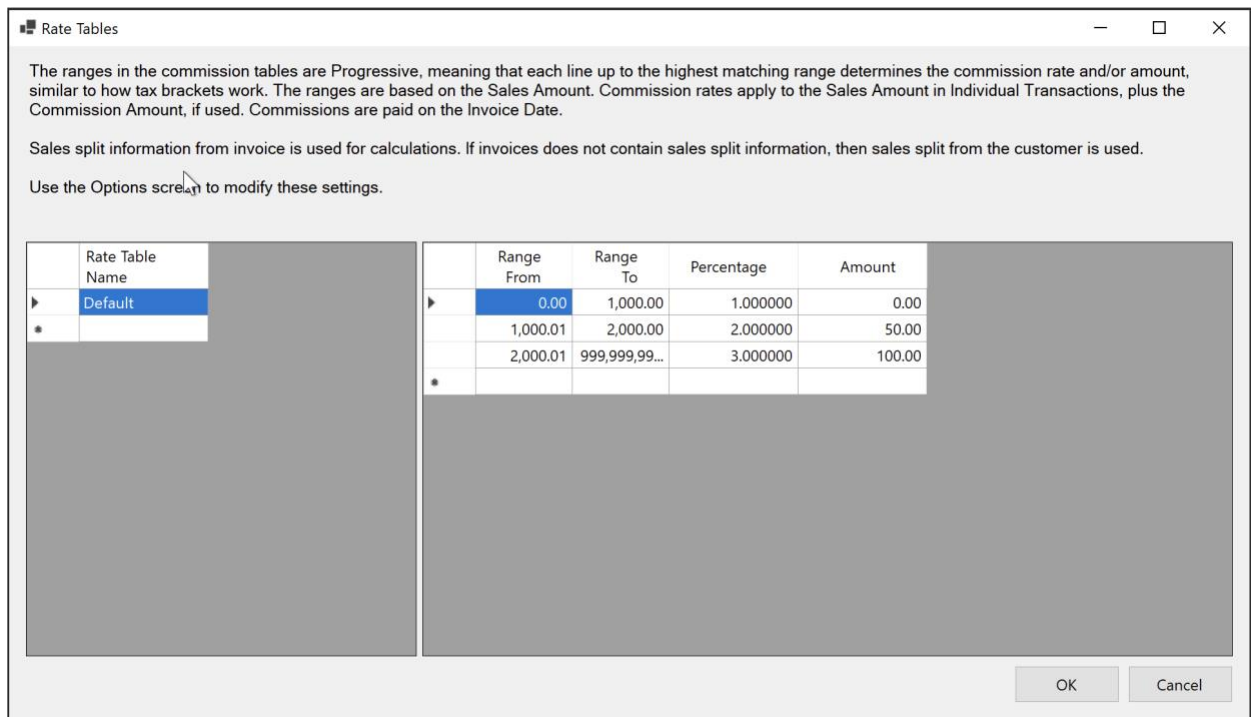
This screen downloads the list of customers and salespersons from your ERP system to Commissions Master database. This step is required in order to configure salespersons commission rates as well as to assign salespersons to customers.



If you add a new salesperson or a customer in the ERP system, run this function again to make them available in Commissions Master.

3.3 Rate Tables

This screen determines the rate tables.



How the rate tables are interpreted is determined by the selections made in the Options screen. There is a helper text on top of this screen to describe how the system is currently configured. Multiple rate tables can be created, and different salespersons can be assigned different rate tables.

To create a new rate table, type a name for it in the left side of the screen in a new row. The right side of the screen determines different rate brackets and rate percentages as well as fixed amounts. In the above example, there is 1% commission paid on the first \$1,000 of sales. On the second thousand, the rate is 2% plus fixed amount of \$50. Anything over \$2,000 gets 3% plus a fixed amount of \$100.

3.4 Sales Persons

This screen is used to assign commission Rate Tables to salespersons and specify how you want to pay them.

External ID	Name	RateTable	Payment Method	Vendor ID	Employ
BB	Bill Bhaission	Default	Default		
DN	Dan Nishiga	Default	Default		
DE	David Emerald	Default	Default		
DS	David Sanjos	Default	Default		
DA	Don A. Tio	Default	Default		
KW	Kathryn Winer	Default	Default		
PL	Peter Louder	Default	Default		
RB	Rhonda Barnes	Default	Default		
RW	Ronald Walters	Default	Default		
SP	Susan Prommer	Default	Default		
WEB	WEB sales	Default	Default		

The list of salespersons is populated by the Synchronize function, so you don't need to add them one by one. You only specify the additional information per salesperson.

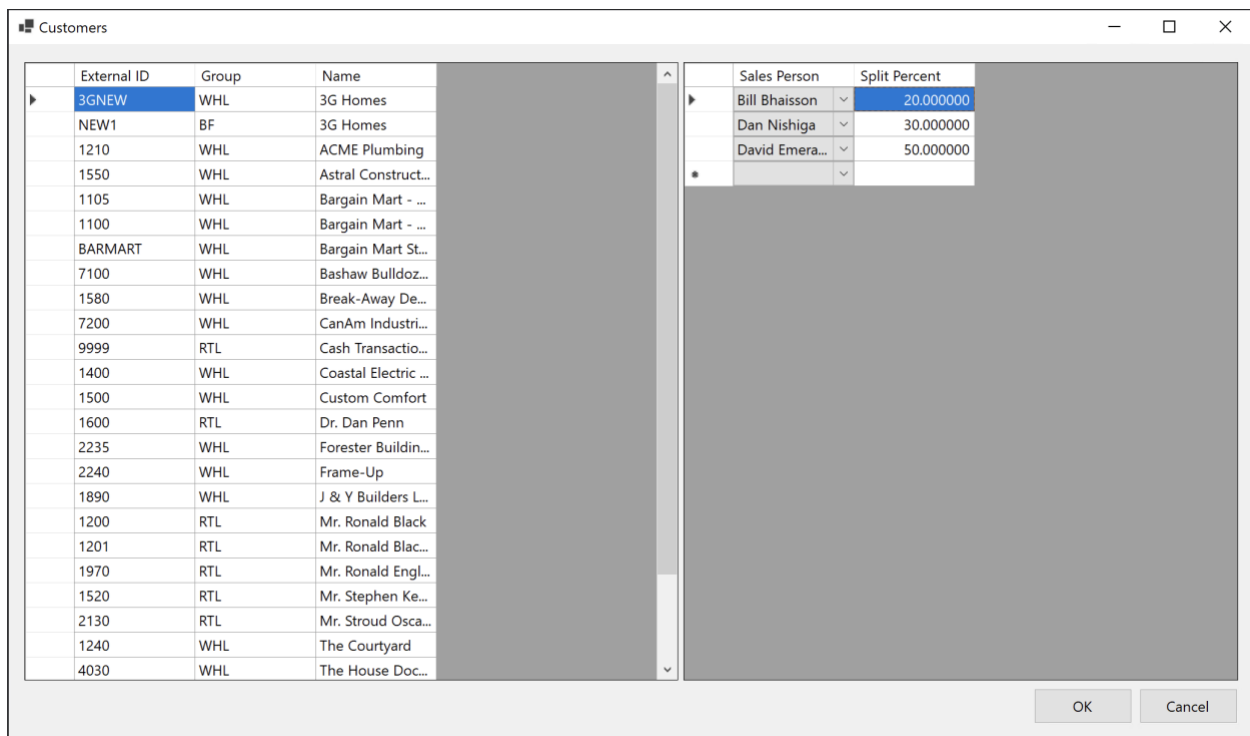
The following fields are available:

Field	Description
External ID	This is salesperson ID from the ERP system.
Name	Salesperson's name
Rate Table	Select which rate table is assign to the salesperson.
Payment Method	How do you want to pay to the salesperson. Options are "Default", "AP Invoice" and "Payroll Timecard". Default uses whatever payment method is selected in the Options, and the other two options override the default.

Vendor ID	If the payment method is AP Invoice, specify the vendor ID associated with the salesperson.
Employee ID	If the payment method is Payroll Timecard, specify the employee ID of the salesperson.
Liability Account	Overrides the default liability account selected in the Options. Leave empty to use the default account.
Earning Code	Overrides the default earning code selected in the Options. Leave empty to use the default earning code.

3.5 Customers

This is where the customers are associated with salespersons.



You can assign unlimited number of salespersons to a customer and specify how the sale amount is split between them. The total sales split percentage must add up to 100% for each customer.

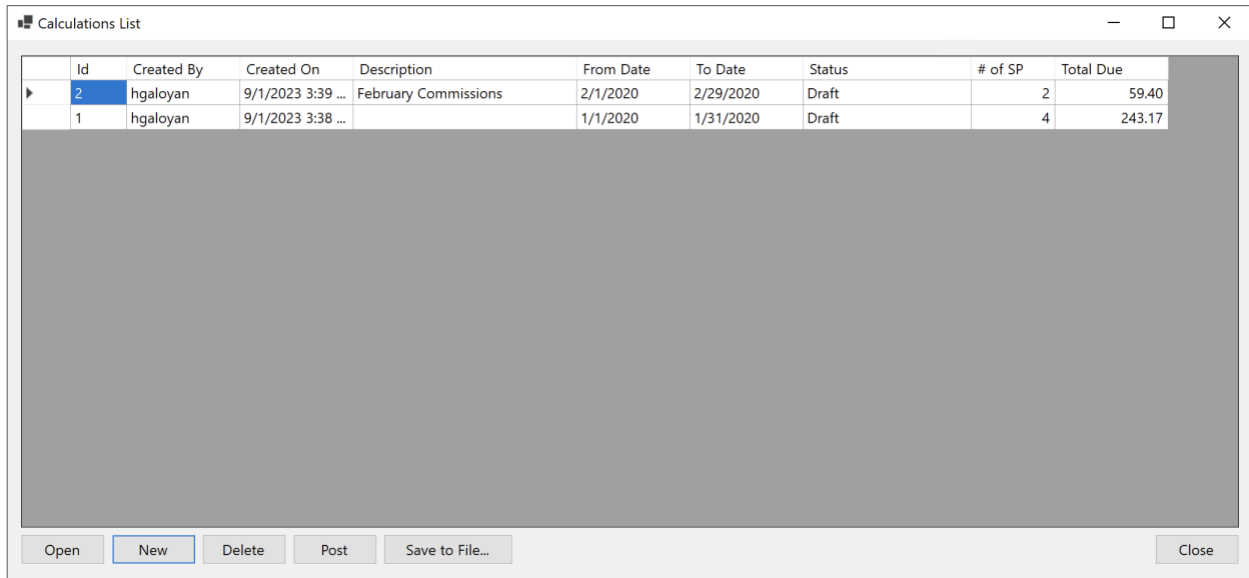
If you have similar functionality in your ERP system, don't use it as Commissions Master will use its own configuration for this purpose.

4 Commissions Calculations

This section describes how to run commissions calculation and how to interpret the commissions report.

4.1 Commissions List

Commissions List shows the list of all past calculations.



	Id	Created By	Created On	Description	From Date	To Date	Status	# of SP	Total Due
▶	2	hgaloyan	9/1/2023 3:39 ...	February Commissions	2/1/2020	2/29/2020	Draft	2	59.40
	1	hgaloyan	9/1/2023 3:38 ...		1/1/2020	1/31/2020	Draft	4	243.17

Open New Delete Post Save to File... Close

You can review each past calculation, create new calculations, delete calculations, post the salespersons payments to ERP, and save calculation details to a file.

4.2 Reviewing Calculations

Select a calculation and click the Open button on the Calculations List to review the calculation.

Calculation
— □ ×

From Date
To Date
Status

Filter by Sales Person ID Range

to

Description

Override Calculation Options

Rate table ranges are

Rates apply to

Rate table ranges are based on

Commissions are paid on

Commissions are based on

Sales split priority

Commissions

	SP ID	Name	Commission Due	Payment Method	Posting Status	Document No
▶	RB	Rhonda Barnes	41.00	Default	Pending	
	SP	Susan Prommer	18.40	Default	Pending	

The screen shows the options used for the calculation and a total amount due per salesperson. In the upper-right corner, there is the calculation status. Initially, all calculations are Draft. Once reviewed, the status can be changed to Final. The other statuses cannot be manually selected, but are used when the calculation is posted to ERP to be paid to salespersons. The other statuses are:

1. Partially Posted. Commissions Master was able to create the payments for some of the salespersons, but not all.
2. Posted. The payments for all salespersons were created successfully.

For each salesperson, the application shows the following:

Field	Description
SP ID	Salesperson's ID
Name	Salesperson's Name
Commission Due	Due amount
Payment Method	Whether the payment is via AP Invoice or Payroll Timecard.

Posting Status	Pending – not posted to ERP Posted – successfully posted to ERP Error – was not able to post to ERP
Document No	If posted to ERP, the document number in ERP. For AP Invoices, it's the invoice number. For Payroll Timecards, the timecard's period end date.
Document Date	Payment document date.
Error Message	If there were errors posting to ERP, the error messages are displayed here.

4.3 Creating New Calculations

Click the New button on the Calculations List to create a new calculation.

NewCalculation

From Date 8/1/2023 To Date 8/31/2023

Filter by Sales Person ID Range

From BB - Bill Bhaissou to WEB - WEB sales

Description

Override Calculation Options

Rate table ranges are Progressive

Rate table ranges are based on Sales Amount

Commissions are based on Sales Amount

Rates apply to Individual Transactions

Commissions are paid on Invoice Date

Sales split priority Invoice, then Customer

The ranges in the commission tables are Progressive, meaning that each line up to the highest matching range determines the commission rate and/or amount, similar to how tax brackets work. The ranges are based on the Sales Amount. Commission rates apply to the Sales Amount in Individual Transactions, plus the Commission Amount, if used. Commissions are paid on the Invoice Date.

Sales split information from invoice is used for calculations. If invoices does not contain sales split information, then sales split from the customer is used.

Calculate Close

Select a date range for which to create the calculation. Optionally, specify a range of salespersons and a description. Calculation options default to whatever is set in the Options screen, but can be overridden in each calculation. Click the Create button to create a new calculation.

4.4 Deleting a Calculation

Click the Delete button on the Calculations List screen to delete a calculation. Once a calculation is posted to ERP, even partially, it cannot be deleted.

4.5 Posting Calculations

Posting a calculation is what creates the salespersons payment transactions in Sage (AP Invoice or Payroll Timecard). Select a calculation and click the Post button.

Calculations are posted to the ERP system as AP bills (invoices) or payroll timecards, depending on the application's options, each sales person's configuration, and the back-end ERP being used. If the calculation is posted as AP Bill, the date below is the bill date. If the calculation is posted as payroll timecard, the date below is the pay period end date. Note that each sales person can be configured differently, so some sales persons can be paid through AP bills and others through payroll timecards.

Payment Date

The application prompts for a payment date, which is used as AP Invoice date or Payroll Timecard pay period end date.

4.6 Saving a Commission to a File

Click the "Save to File" button to generate the commissions report. The following section describes the report in details.

5 Commissions Report

The default commissions report is an Excel file with two tabs: Details and Totals.

5.1 Details

The Details tab lists all calculation details, including individual transactions, what was the sales split for each salesperson on the transaction, commission base, rate used, commission amount and many other fields that can be used in a more detailed analysis, if necessary. Depending on your calculation options, some of the fields may not have values, or the values may be ignored. For example, if the commissions are based on total amounts in a period, rather than individual transactions, then commission amount fields in each transaction line are not meaningful and should be ignored.

The following fields are available on the Details tab:

Field	Description
Customer related fields	

CustomerExternalId	Customer ID from the ERP system.
CustomerName	Customer's name.
Document related fields. The field names reference "Invoice", but the application considers all sales related documents, including credits and debits.	
InvoiceNo	Transaction number. Even though the field is called "InvoiceNo", it could be any sales related transaction supported by the ERP system, including invoices, credit notes, debit notes, adjustments, etc.
InvoiceDate	Transaction date.
Description	Transaction description from the ERP system.
Reference	Transaction reference from the ERP system.
Comments	Comments from the ERP system.
OrderNo	Sales order number from the ERP system.
PONo	Purchase order number from the ERP system.
InvoiceAmount	Transaction total, including taxes.
InvoiceAmountNoTaxes	Transaction amount excluding taxes. Typically, commissions are based on this amount, taking into account sales split.
InvoiceCostAmount	Cost of sales, if provided by the ERP system.
InvoiceProfitAmount	$\text{SalesAmountNoTaxes} - \text{CostAmount}$.
InvoiceProfitPercentage	$\text{ProfitAmount} / \text{SalesAmountNoTaxes} * 100$
InvoiceCommissionBase	This is the first step is calculating the commission. Commission base is determined based on the options selected in the application. It could be based on the sales amount or profit amount.
Split 1. The first split is always by salesperson. The following fields show sales information for each salesperson associated with the transaction. If there are multiple sales persons associated with an invoice, there will be a separate record for each sales person, thus duplicating invoice level fields.	
SalesPersonExternalId	Salesperson's ID from the ERP.
SalesPersonName	Salesperson's name.
SalesPersonRateTableDescription	Description of the rate table assigned to the salesperson.
SalesSplitPercentage	Sales split percentage of the salesperson.
SalesSplitSalesAmount	Sales amount associated with the salesperson.
SalesSplitCostAmount	Cost amount associated with the salesperson.
SalesSplitProfitAmount	Profit amount associated with the salesperson.
SalesSplitProfitPercentage	Salesperson's profit percentage.
SalesSplitProfitPercentage	Commission calculation base for the salesperson. Subsequent splits are based on this amount.
SalesPersonRateTableRangeSelector	This is an important field that determines how the commission rates are selected. The rate used depends on sales amount, profit amount, or profit percentage, depending on the options. This field shows the respective amount determined for the salesperson after the sales split. In subsequent steps, the same document may additionally be split by date (for example, if there are multiple due dates or multiple payments) and also into multiple rate brackets. Each of these splits has its own calculations for the sales,

	cost, and profit amounts, but commission rates are determined by the first split (by sales person).
Split 2. This split is by date and is used if the commissions are paid on invoice due date, payment date or payment apply date. For example, if the commissions are paid on invoice due, there will be a separate record for each due date. If the commissions are paid when a payment is received, there will be a separate record for each payment received, etc.	
DateSplitBy	This field indicates how the second split was made and can have one of the following values: "Due Date", "Payment Date", "Payment Apply Date".
DateSplitId	Numeric autoincrementing value for each date in the split.
DateSplitDate	Due date, payment date, etc.
DateSplitDocumentNo	If split is by Due Date, this contains the invoice number. If split is by Payment Date or Payment Apply Date, this contains the payment number.
DateSplitAmount	If split is by Due Date, this contains the amount due. If split is by payment date or payment apply date, this contains the payment amount.
DateSplitPercentage	Percentage of the invoice that's due for commissions payment on this split date.
DateSplitCommissionBase	Commissions base on this split date.
Split 3. Once that date split is calculated, it's time to calculate the actual commissions due. There may be multiple commission rates involved in the calculations. For example, the first \$1,000 may be due 1%, the second \$1,000 may be due 2%, and the rest may be due 3%. This is called commission rate brackets. The following fields detail how the commissions are calculated in each bracket.	
CommissionBracketId	Autoincrementing number to identify the brackets.
CommissionBracketFrom	Bracket range from.
CommissionBracketUpTo	Bracket range to.
CommissionBaseInBracket	How much of the commission base is in this bracket. This is based on invoice amount + sales split (split 1), but does not take into account the date split (split 2).
CommissionBaseInBracketForDateSplit	How much of the commission base is in this bracket taking into account the date split.
CommissionRate	Commission rate in this bracket.
CommissionAmountVariable	Variable commission amount.
CommissionAmountFixed	Fixed commission amount.
CommissionAmountDue	Total commission amount.

5.2 Totals

The Totals tab contains total commissions by salesperson. Depending on how commissions are calculated, some of the fields may be empty.

The following fields are available on the Totals tab:

Field	Description
SalesPersonExternalId	Salespersons' ID from the ERP system.
SalesPersonName	Salespersons' name.

SalesSplitCommissionBase	Commission base used to calculate the salesperson's commissions.
SalesPersonRateTableDescription	The rate table assigned to the salesperson.
CommissionBracketId	Numeric autoincrementing value to identify the commission bracket.
CommissionBracketFrom	This field is only populated is the commissions are calculated on the totals for a period. If commissions are calculated for each individual transaction separately, this field is empty.
CommissionBracketUpTo	This field is only populated is the commissions are calculated on the totals for a period. If commissions are calculated for each individual transaction separately, this field is empty.
CommissionBaseInBracket	This field is only populated is the commissions are calculated on the totals for a period. If commissions are calculated for each individual transaction separately, this field is empty.
CommissionRate	This field is only populated is the commissions are calculated on the totals for a period. If commissions are calculated for each individual transaction separately, this field is empty.
CommissionAmountVariable	Variable part of the commission amount calculated.
CommissionAmountFixed	Fixed part of the commission amount.
CommissionAmountDue	CommissionAmountVariable + CommissionAmountFixed