

# Item Codes Method - Fixed Rate

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This Company Rate Change topic describes how to set up and post a Company Rate Change batch using one specific amount for one or multiple Invoice Item codes. This method is typically used when you want to increase the rate of particular services (Invoice Item) for many customers up to a particular monthly rate.

For example, you may want to increase all recurring lines with the Item code of Monitoring to \$35.00 per month where the current monthly rate is between \$25.98 and \$34.99 per month.

Once the Company Rate Change batch has been created, you may save it and continue working with the batch making changes up until the point the batch has been posted. Once a batch has been posted, no further changes can be made to the batch, however, you may view posted batches by selecting the check box at the bottom of the Company Rate Change List 'Include Posted Increases'.

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To begin the process, navigate to the Client Management menu and select the Company Rate Change menu option. The Company Rate Change List will be displayed. Click the New button located at the bottom of the form to start a new batch. Once the Company Rate Change Form opens, enter a Description for the batch at the top of the form. Proceed on to the next section, Setup Information.

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## Setup Information

Effective Date – select from the drop-down list, the month/year the rate change will become effective.

Use Item Codes – select this option button.

Increase or Decrease – Most typically you will select the Increase button.

Percentage or Flat Amount – Select the Fixed Amount button.

Set All Items / Amount – Select the check box, select all items, and then enter the default amount that will be used to increase recurring lines.

Customer Types – select Commercial, Residential, or Both. Only customers with the type selected will be eligible for a rate change.

RMR Minimum – If you only want to include customers with a particular minimum monthly rate, then enter that amount in this field. For example, you may want to increase all recurring lines with the Item code of Monitoring to \$35.00 per month where the current monthly rate is between \$25.98 and \$34.99 per month. In this situation, you would enter the lowest rate eligible for the rate increase.

RMR Maximum – If you only want to include customers with a monthly rate up to a certain amount, then enter that amount in this field. Using the example in the RMR Minimum field above, you would enter the highest rate eligible for the rate increase.

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Exclude Recurring Items - The two fields in this area allow you to exclude customers who have received a rate change or have a contract start date that is within a specified number of days. This allows you to exclude customers who have recently received a rate change or maybe a new customer.

The rate increase date exclusion formula subtracts the number of days from the Company Rate Change Effective; if the last increase date is greater than this calculated date, the recurring line will be excluded. When Company Rate Change batches are posted, the recurring line that is being ended by the rate increase program is marked with a last increase date equal to the effective date for the batch. The typical setting for this field is 365 days.

The contract start date exclusion formula subtracts the number of days from the Company Rate Change Effective; if the contract start (System record) date is greater than this calculated date, the recurring line will be excluded. The typical setting for this field is 365 days.

Save As New Setup (optional) – If this check box is selected, the selections made on the Setup Information will be saved and a new Company Rate Change batch is automatically created with the same setup parameters for use as the basis for future rate changes.

Once all information is filled in, proceed to the Branches setup form.

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#### Branches

Select which branches to include in the batch. You may check the box All Branches located at the bottom of the form if you prefer to evaluate all customers recurring in all branches. You must select at least one branch.

Once the branch selections have been made, proceed to the Items setup form.

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#### Items

The Items form will display a list of all the recurring type Invoice Item codes, their description, and an amount column that will automatically be populated with the default amount that was entered on the Setup Information form. If there are Invoice Item codes that you do not want to rate increase, type in the amount of zero for these Items. You may also change the amount on any Item code to any amount less than the default amount. Click the Save button located at the bottom right of the Items form and re-open the batch to continue to the Notes form.

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#### Notes

The Notes form is provided to track information regarding this rate change batch. Notes are permanent and may not be modified or deleted once saved. To enter a new note, type the note into the lower tier of the Notes form. Each note may be up to 256 characters long. When finished, click the Add Notes button located at the bottom of the form to save. Notes can be added at any time up until the time the batch is posted.

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#### Customers

Once the information has been entered on the Setup Information, Branches, and Items, you will navigate to the Customers form and click on the Get Customers button located at the lower right of the form.

A list of all recurring lines will be listed that are eligible for a rate increase according to your selection criteria from Setup Information, Branch selections, and Item code selections. You may review the list to make any further exclusion determinations. If recurring lines are on the list and you do not want to rate change them, you would need to edit the Customer's Recurring Line information to enter a date in one of the evaluation date fields that would eliminate the customer's recurring line(s) from the batch. After making changes to any customer, system, or recurring dates, you would then return to this Customer form and click the Get Customers button to refresh the list. You may do this as many times as you desire until you have the desired list of customer recurring lines to rate increase.

The Customer form displays the customer number, site name, Invoice Item code, the current monthly rate, the amount the recurring will be increased, and a column displaying the new monthly rate that will go into effect if the batch is posted. A total of all proposed rate increases is displayed at the bottom of the form.

Once you are satisfied with the results and are ready to post the rate increases, proceed to the Post Rate Change form.

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## Post Rate Change

□ **Once a Rate Change has been posted, it CANNOT be reversed.** You must first perform a backup of your database BEFORE posting the Rate Increase Batch. If you post a batch and immediately find you have made an error, you will be able to restore your database to the original condition with your database backup. It is highly recommended that you use a Sandbox company to practice your rate increases before applying to your main company database.

Company Rate Change batches should be posted *after* the cycle invoicing has been posted for the month before the Effective Date of the rate change. For example, if the Rate Change Effective date is 04/01/2013, do not post the Rate Change Batch until the March 2013 cycle invoicing batch(es) have been posted.

After making a backup copy of your database, you will be ready to post the batch. Posting the batch will mark the end date of each recurring line being increased to one day before the Effective date of the Rate Change. The program then creates a new recurring line with the new rates that were posted.

**RMR Reason** – You must select an RMR Reason code from the drop-down list. Typically the Rate Increase reason code is selected.

**Invoice Memo** (optional) – You have the option of creating an invoice memo that will print on the next cycle invoice for all of the customers in the Company Rate Change batch being posted.

**Post** – Once an RMR reason code has been selected and the invoice memo has been entered (optional), click the *Post* button located in the center of the form. After clicking the post button, a message will be displayed confirming you are ready to post; click the Yes button to proceed with the posting process.

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