

# Commission Types

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The Commission Type setup table is used to define labels for commissions that are paid to a salesperson.

Each commission type code is identified as being one of six types:

- Recurring
- Non-Recurring
- Estimated Profit
- Estimated to Gross Profit
- Gross Profit
- Other

These commission types are used in Job Management to calculate commissions based on one or more of the types of sales elements entered on a Job; Install Charges & Parts, RMR.

For the Commission Types of Estimated Profit, Gross Profit, and Estimate to Gross Profit, when linking these commission types to a Salesperson's Employee record, you are able to create a sliding scale for the amount of commission to be paid. Sliding scales may be different for each Salesperson.

A sample sliding scale could be:

If the Job Profit is between:

20% and 25% - use the commission rate of 8%

26% and 32% - use the commission rate of 10%

33% and 100% - use the commission rate of 15%

You may set up as many commission types as needed.

Commission types of **Non-Recurring (N)** will use the dollar basis for the commission calculation as the total of all Installation charges and Materials (if materials are invoiced separately) entered for the job.

Commission types of **Recurring (R)** will use the dollar basis for the commission calculation as the total monthly amount of all RMR entered for the job.

Commission types of **Other (O)** will not display a dollar basis for the commission calculation; the user may enter any amount for the basis of the commission calculation.

Commission types of **Estimated Profit (E)** calculate the commission based the estimated profitability of the Job; Total of Install Charges plus Material Charges less the total estimated costs of Material, Labor, Overhead, and Other.

Commission types of **Gross Profit (G)** calculate the commission based the actual profitability of the Job; Total of Install Charges plus Material Charges invoiced to the customer less the total actual costs of Material, Labor, Overhead, and Other.

Commission types of **Estimated to Gross Profit (B)** initially calculate the commission based the estimated profitability of the Job. Total of Install Charges plus Material Charges invoiced to the customer less the total actual costs of Material, Labor, Overhead, and Other. When the Job is closed, the commission will re-calculate based upon the actual profit of the Job. Any variance between the posted commission amounts at the Estimated Gross Profit and the Actual Gross Profit will automatically record a correcting transaction to the general ledger.

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