

## Article # 1228

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### Technical Note: Tracking Commissionable Sales in AccountMate

**Difficulty Level:** Intermediate Level AccountMate User

**Version(s) Affected:** AccountMate 7 for SQL and Express  
AccountMate 6.5 for SQL and MSDE  
AccountMate 6.5 for LAN

**Module(s) Affected:** AR, SO

**Posting Date:** 05/07/2008

### DESCRIPTION

One strategic way to motivate a sales force is the implementation of commission-based compensation. Employers need information about which sales are subject to commissions so they can measure the performance of each salesperson and estimate the commissions that are due to them.

AccountMate offers two options for tracking sales. You may setup AccountMate to track commissionable sales on each inventory item sold; or on each sales order or invoice that is created.

### SOLUTION

#### A. Setting Up the Commission Bases

To set up the basis for tracking the commissionable sales, perform the following steps:

1. Access the AR Module Setup function.
2. In the General (1) tab, select one of the two options in the Commissions section:
  - a. Based on Inventory  
If you select this option, AccountMate will track all commissionable sales for each inventory item sold based on the Commission Codes defined in the inventory records.
  - b. Based on SO / Invoice  
If you choose this option, the commissionable sales will be tracked based on the Commission Codes assigned to the sales orders and invoices created.

#### B. Creating and Maintaining Commission Codes

Commission Codes are records included in AccountMate's Miscellaneous Codes. Miscellaneous Codes do not appear in the Maintenance menu; but rather, as a

drill-down function in the windows where the code can be set up. Commission Codes can be set up within the following windows:

1. Inventory Maintenance window > Settings tab

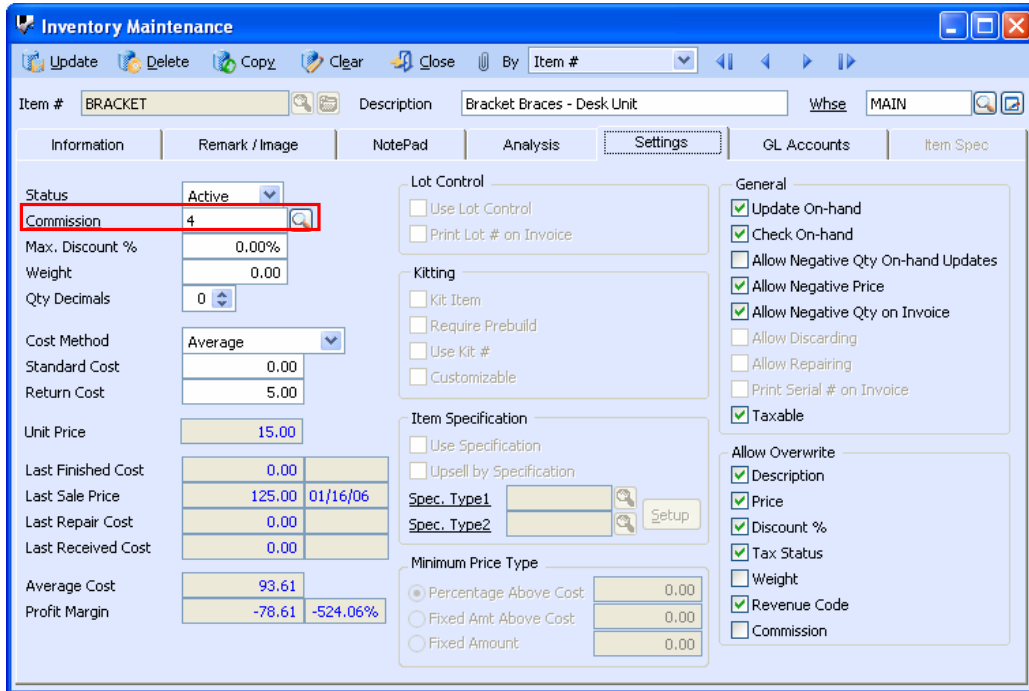


Figure 1-1

2. Create Sales Order window > Information tab

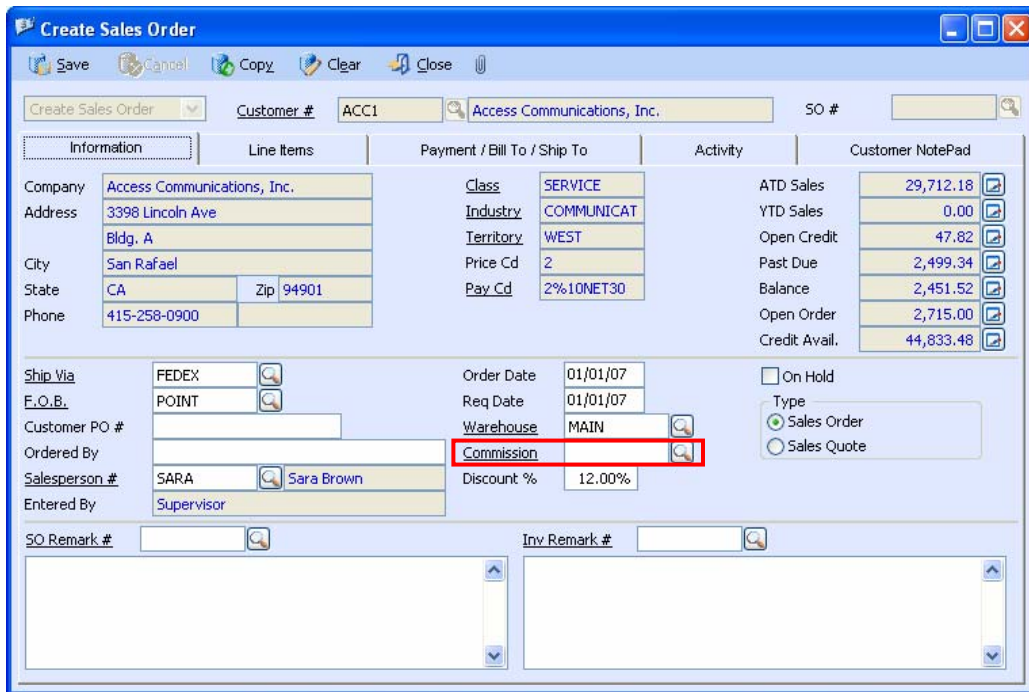


Figure 1-2

3. Create Invoice window > Information tab

The screenshot shows the 'Create Invoice' window with the 'Information' tab selected. The window contains the following data:

Field	Value
Company	Access Communications, Inc.
Address	3398 Lincoln Ave
Bldg.	A
City	San Rafael
State	CA
Zip	94901
Phone	415-258-0900
Class	SERVICE
Industry	COMMUNICAT
Territory	WEST
Price Cd	2
Pay Cd	2%10NET30
ATD Sales	29,712.18
YTD Sales	0.00
Open Credit	47.82
Past Due	2,499.34
Balance	2,451.52
Open Order	2,715.00
Credit Avail.	44,833.48
Ship Via	FEDEX
F.O.B.	POINT
Order Date	02/08/07
Invoice Date	02/08/07
Warehouse	MAIN
Commission	1
Discount %	12.00%
Customer PO #	
Ordered By	
Salesperson #	SARA Sara Brown
Entered By	Supervisor

Figure 1-3

To access the Miscellaneous Maintenance window, simply click the Commission drill-down field label.

The screenshot shows the 'Miscellaneous Maintenance' window with the 'Type' dropdown set to 'Commission'. The table below lists the commission plans:

Code	Description	Active
1	Commission Plan 1	<input checked="" type="checkbox"/>
2	Commission Plan 2	<input checked="" type="checkbox"/>
3	Commission Plan 3	<input checked="" type="checkbox"/>
4	Commission Plan 4	<input checked="" type="checkbox"/>

Figure 1-4

In the Miscellaneous Maintenance window (refer to Figure 1-4 above), you can add, edit, or delete commission codes in the grid. Unmark the Active checkbox of a corresponding Commission code if you want to restrict its usage.

### C. Getting Started with the Feature

AccountMate will recognize and record revenue after an invoice has been created; thus, the commissionable sales will increase only after invoices are created.

AccountMate has two ways of recording sales:

1. By creating, shipping, then invoicing an order in the Sales Order Module; or
2. By directly creating an invoice from the Accounts Receivable module.

Take note of the commission basis that you selected in the AR Module Setup function. If you selected the Based on Inventory option, the Commission field in the Create Sales Order / Create Invoice function window will be grayed-out and disabled. AccountMate will pick up the commission codes entered in the Inventory Maintenance function and increase the commissionable sales for each invoice created.

By contrast, if you selected the Based on SO / Invoice option the Commission field in the Inventory Maintenance will NOT be disabled; however, AccountMate will pick up the Commission Code assigned to the Sales Order / Invoice and increase the commissionable sales for each invoice created.

Amending or voiding invoices will directly affect the commissionable sales. Sales returns also attribute to a decrease in commissionable sales.

### D. Generating the Commissionable Sales Report

To generate the report, access the AR Module's Reports menu; then select the Commissionable Sales Report option under the Salesperson Reports menu.

You can select the method by which the report should be sorted and the content to be included in the report. You can sort the report according to Commission Code, Salesperson# or Territory; depending upon your preference.

You can also filter the information that you want to be included in or excluded from the report. Salesperson#, Commission Code, Territory, Invoice #, Item #, Invoice Date, and Apply Date are the criteria available to you should you want to include all or a range of information from within your selected criterion.

If you want AccountMate to show the payment amounts in the Commissionable Amount column, mark the **Compute commission based on payment** checkbox.

If you selected the Based on SO / Invoice option in the AR Module Setup function, the report criteria window will display two additional filters.

1. Include Sales Tax in Invoice Total checkbox  
Marking this checkbox will add the sales tax amounts in the report's Invoice Total column.
2. Freight Charge options  
You have the option to exclude freight, include freight in the Total Invoice Amount, or include freight in both Total Invoice Amount and Commissionable Amount.

The Commissionable Sales Report displays the invoices entered, total invoice amounts / item amounts, applied amounts (collected amounts) and

commissionable amounts. The value in the Comm'ble Amt column will vary depending upon the preference that you selected in the report criteria window.

If you are using AccountMate 7 for SQL/Express and selected the Based on Inventory option in the AR Module Setup function, the report will display an additional filter criterion which is **Show Upsell Line Items Only**. Marking this checkbox will show only the commissionable line items that were included in the invoice as up-sell items. (Note: Up-sell features will require the Upsell Management module to be activated.)

Many companies use a commission-based strategy to motivate their salespeople. AccountMate's commissionable sales tracking feature can aid management in monitoring commissionable sales and in evaluating each salesperson's performance.

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