SedonaOffice The #1 Financial Software for Security Companies

Commissions and Payroll Reference Guide

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About this Guide

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How Commissions are calculated on Jobs

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SedonaOffice allows you five optional ways of calculating the commission on a job by creating commission types that fall into one of these five categories. You can create as many commission types that you need, but they all must be one of these five types.

Commission Type	Description	Type	Inactive
Adjustment	Adjustment Bonus	Other Other	N
Estimated Instal	Estimated Install	Est Profit	
Gross Install Installation	Gross Install Installation	Gross Profit Non Recurring	N
Monitoring	Monitoring	Recurring	N
Commission Type Edit			
Commission Type Edit	Ogranation.	ſ	F 20
		ſ	(E tra
Cgde		(* Other (0)	E Pa

Recurring

The commission is calculated based on the total recurring for a job.

Non-Recurring

The commission is calculated based on the total non-recurring (installation and parts) for a job.

Estimated Profit

The commission is calculated based on the estimated profit. This number is determined by values entered on the Job Cost form.

Gross Profit

The commission is calculated based on the gross profit. The number is determined when the job is closed and all costs are figured against the job.

Other

The type allows you flexibility to key in whatever base amount that you need. This type is typically used for bonuses and adjustments.

Employee Commission Plans

Once the commission types have been defined, you can then assign which commission types apply to each employee in the company. The rate of the commission is assigned to the employee in Employee Setup. This way, employees can share the same commission type but be paid at a different rate.

e Find Find Next View Tools Help Sedona Setup	m)		Employees					
escription	Area		A Employees					
Warehouses	IN		Cimpio) deb					
Commission Types	JM		Employee Code	First Name		Last Name	Department	Inactive 🔨
Contract Forms	MC		414351	Peter		Wolf	Service	N
Custom Fields Setup (Job)	JM		52409	Bob		Smith	Commercial Sales	N
Custom Fields Table1 (Job)	ML		7607851 88551	Kyle Cal		Petty Riipken	Commercial Sales II N/A	N
Custom Fields Table2 (Job)	MC		89814	Ed		Jones	N/A	N
Custom Fields Table3 (Job)	MC		98144	Steven		Tyler	N/A	N
Custom Fields Table4 (Job)	MC		Drew Stanton	Drew		Stanton	Service	N
Install Companies	ML		Ed	Ed		Smith	Service	N
Installers	JM		Harry Connick Jr	Harry		Connick	Service	N
Job Approval Group	JM		Harry Hausin Healy, Joyce	Harry Brian		Hausin Jones	Service Integrated Systems	N
Job Expense Types	JM		Jerry Garcia Jones			Garcia	Service	N
Job Statuses	MC		Joe Smith	Sedona		Master	Integrated Systems	N
Job Tasks	IM		John	John		Jones	Service	N
Job Types	IM		Kevin Jones	Kevin		Jones	Service	N
Labor Tasks	JM		Michael Mike Adams	Michael Mike		Miller Adams	Sales	NN
Prevailing Wages	IM		12022-22020-2	MIKE			Service	1000 United
Setup Processing	JM		<			(00))
Alarm Companies	OP	0.00	🗂 Include Inacti	ve				
	OP	1.1	👌 Employee Edit					
Central Station Tracking Defaults	10000					-0		Inactive
Company Edit	OP		Employee Code	Drew Stanton				
Default Vendor	OP		General Informa	tion Payroll Co	mmission Set	un		
Departments	OP	-			7	1 1		
Document Type	OP		Commission Type		Туре	Percentage		
Employees	OP		Bonus	Bonus	Other	15.00		
Geographic Tables	OP		Estimated Install Gross Install	Estimated Install Gross Install	Est Profit Gross Profit	7.00		
Note Type	OP		Installation	Installation	Non Recurring			
Printer Setup	OP	1.20	Monitoring	Monitoring	Recurring	5.00		
User Groups	OP		1		10.00 (M 17.0 5.5			
Users	OP		Commission				1	111-2
Earnings Type	PR		Type		×	%	Save New	Remove
Payroll Setup	PR							
Competitors	SM							
Event Types	SM						Analy De	w Delete
Lead Sources	SM						Apply Ne	
Quote Types	SM							

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Job Types and Commissions

Defining commission types at the job type level will allow you to let the system automatically calculate the commissions based on the job that is sold. This is a great feature when you pay different commissions to the same employee based on the **type** of job. You can still pay commissions to jobs that are not assigned commission types but by predefining the commission types by job, you prevent data entry errors.

Sedona Office Setup (Five-O-Alar	m)									
e Find Find Next View Tools Help			ï							
Sedona Setup			Job Types							
Description	Area		Ish Tunan							
UL Grade	CS		Job Types —					-	0.0021-003	
Branches	GL		Job Type		escription		Category	Pctg Billing		ŝ.
Categories	GL		CCTV Installation		TV Installation		Installation	N	N	
Chart of Accounts	GL		Commercial FA Just For Run		ommercial FA Ist For Run		Installation Installation	NY	NN	
Create Accounting Periods	GL		Just Install It		st Install It		Installation	N	N	
Define GL Segments and Length	GL		Progress Billing		ogress Billing		Installation	Y	N	
Open Current Accounting Period	GL		Progress Billing_C	lopy Pr	ogress Billing		Installation	Y	N	
Custom Fields Setup(Part)	IN		Residential	R	esidential		Installation	N	N	
Custom Fields Table1(Part)	IN									
Custom Fields Table2(Part)	IN									
Custom Fields Table3(Part)	IN									
Inventory Setup	IN									
Manufacturer	IN		☐ Include Inact	tive						
Material Handlers	IN		and the second sec							
Product Line	IN	-	🔄 Job Type Setup) E	Inactive
Warehouses	IN						1		3 2 .5	inactive
Commission Types	JM		Job Type Resid	ential		Descriptio	n Resident	tial		
Contract Forms	JM		Detail Joh Tasks	Costing Items	Accounte Con	mission Type	Annrow	ale		
Custom Fields Setup (Job)	JM		Detail Job Table	cooking mento	Trecourtes :	interest () provide the second s	est i obioti	aio		
Custom Fields Table1 (Job)	JM	=	Commission Type	Description		Туре				
Custom Fields Table2 (Job)	JM	1	✓ Installation	Installation		Non Recurring				
Custom Fields Table3 (Job)	JM		Monitoring	Monitoring		Recurring				
Custom Fields Tables (Job)	JM		Bonus	Bonus		Other				
STREET STOLEN AND STREET STREET STREET STREET			Gross Install	Gross Install		Gross Profit				
Install Companies	MC		Estimated Install	Estimated Insta	all .	Est Profit				
Installers	MC		Adjustment	Adjustment		Other				
Job Approval Group	MC									
Job Expense Types	MC									
Job Statuses	JM									
Job Tasks	MC									
Job Types	MC									
Labor Tasks	MC									
Prevailing Wages	MC									
Setup Processing	MC									
Alarm Companies	OP					100	r fi	n n	i i	
Central Station Tracking Defaults	OP					Ap	ply <u>I</u>	New C	Сору	<u>D</u> elete
Company Edit	OP	-						12		

Job Commission Auto Fill

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Within the commission entry for a job, you will be able to select the **Auto-Fill** button to have the system fill in all of the commission for the job based on the setup described above.

🕒 Job - 20090	115 (Megan Fox)		
Job	Job	Customer 20133	Site
Sales Summary	Job Number20090115Job TypeResidentialJob StatusIn-ProgressSystem20133 Burqlar AlarmLabor Units197 (0 Used)	Megan Fox 8414 Smith St Nashville, TN 37228 (888) 444-1323	Megan Fox 8414 Smith St Nashville, TN 37228 (888) 444-1323
USS Work Order	Commissions		
Job System	Commissionable %	000.00 (* Salesperson <u>1</u> Drew S 100.00 (* Salesperson <u>2</u>)	tanton 💽 🍙 100.00 %
Approvals	Recurring	25.25 Split Sales Production	Auto Fill Apply
Tasks	Salesperson Commission Type Por	st Date Commissionable	Rate Commission
Installs \$15,000.00			
Recurring \$25.25			
Materials \$0.00			
Job Costing			
Commissions			Total Commission 0.00
My Label Fc	Salesperson Drew Stanton Commission Type	Commissionable Rate Commission	0 0
Journals	Select from all o	ther Salespeople	Apply New Delete
Tools Quotes			

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When the Auto-Fill option is chosen, SedonaOffice will populate the commission for that salesperson on this particular job type. If there is a second salesperson and he has been allocated a percentage of the commission, those will also be auto filled.

🜀 Job - 20090	115 (Megan Fox)			
Job	Job	Customer 20133	Site	
Sales Summary	Job Number 20090115 Job Type Residential Job Status In-Progress System 20133 Burglar Alarm Labor Units 197 (0 Used)	Megan Fox 8414 Smith St Nashville, TN 37228 (888) 444-1323	Megan Fox 8414 Smith St Nashville, TN 37228 (888) 444-1323	
Work Order	Commissions			
Job System	Commissionable / Splits Install Total Commissionable %	5000.00 (• Salesperson <u>1</u> Dre 100.00 C Salesperson <u>2</u>	ew Stanton 💌 🚲 100.00 %	
Approvals	Commissionable 1	5000.00 25.25 □ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □	Remove All Apply	
	Salesperson Commission Type P	ost Date Commissionable	Rate Commission	
Tasks Installs \$15,000.00	Joe Smith Installation 1	/15/2009 15000.00 /15/2009 15000.00 /15/2009 25.25	15.00 2250.00 3.30 495.00 5.00 1.26	
Recurring \$25.25				
Materials \$0.00				
Job Costing				
Commissions	-		Total Commission	2746.26
My Label For	Salesperson Drew Stanton Commission Type Posting Date (GL) 1/15/2009	Commissionabl	le 0 0 0	
Labor Journals		other Salespeople	· · · · · · · · · · · · · · · · · · ·	
Tools	1 Select Irolli ali	varei pareahenhie	Apply <u>N</u> ew Delete	
Quotes				

Additional Commissions to Managers

You can setup a manager to receive a commission based on the commission paid to the salesperson of record on a job. This is done in employee setup by setting a commission rate for the supervisor. Any non-recurring commissions paid to this employee will generate commission of the same type but using the defined rate for the supervisor.

Find Find Next View Tools Help Sedona Setup						
escription	Area 🔥	Employees				
Commission Types	ML	C cripioyees		10	6	
Contract Forms	ML	Employee Code	First Name	Last Name	Department	Inactive 🛧
Custom Fields Setup (Job)	MC	414351	Peter	Wolf	Service	N
Custom Fields Table1 (Job)	ML	52409	Bob	Smith	Commercial Sales	N
Custom Fields Table2 (Job)	MC	7607851	Kyle Cal	Petty Riipken	Commercial Sales II N/A	N
Custom Fields Table3 (Job)	JM	89814	Ed	Jones	N/A	N
Custom Fields Table4 (Job)	IM	98144	Steven	Tyler	N/A	N
Install Companies	IM	Drew Stanton	Drew	Stanton	Service	N
Installers	JM	Ed	Ed	Smith	Service	N.
Job Approval Group	IM	Harry Connick Jr		Connick	Service	N
Job Expense Types	JM	Harry Hausin Healy, Joyce	Brian	Hausin Jones	Service Integrated Systems	N
Job Statuses	JM	Jerry Garcia Jone		Garcia	Service	N
Job Tasks	1M	Joe Smith	Sedona	Master	Integrated Systems	N
Job Types	JM	John	John	Jones	Service	N
Labor Tasks	IM	Kevin Jones	Kevin	Jones	Service	N
· · · · · · · · · · · · · · · · · · ·	JM IM	Michael	Michael	Miller	Sales	N
Prevailing Wages	577.00	Mike Adams	Mike	Adams	Service	N 🗸
Setup Processing	MC	<				
Alarm Companies	OP	Include Inac	tive			
Central Station Tracking Defaults	OP	B Employee Ec	R#			
Company Edit	OP					☐ Inactive
Default Vendor	OP	Employee Code	Drew Stanton			1 macave
Departments	OP	Conoral Inform	ation Payroll Commis	cion Cotun Created: 12	(30/1899 Updated: /	Administrator 9/2
Document Type	OP	General Inform	auon Payroli Commis	sion Setup	, ,	
Employees	OP 🗏	0.01	-	First Name	Drew	
Geographic Tables	OP	User Code		Eirst Name	Dick	
Note Type	OP	Type	SL	👻 Last Name	Stanton	
Printer Setup	OP	1162	1.55			
User Groups	OP	Assigned To	Service	Middle Initia	נ	
Users	OP			Date of Hire		
Earnings Type	PR	Supervisor	Joe Smith	Date of Hire		
Payroll Setup	PR	& Credit Reque		Termination		
Competitors	SM	Commission %	3.30		0.6	
Event Types	SM			Job Approva	Group Officer	•
Lead Sources	SM				Concernant Concernant	11
Quote Types	SM				<u>Apply</u>	w <u>D</u> elet
Sales Department Maintenance	SM V					10.000

Commissions Due on a Dollar per Dollar basis

Commissions that post to the GL are accrued and can be tracked as commissions owed per salesperson. As payments are applied to the job, those commissions show as DUE on the commissions due report.

lob	Job		Custome	r 20133	Site	
ibor Irnals	Job Number Job Type Job Status System	20090115 Residential In-Progress 20133 Burglar Al 197 (0 Used)	Megan Fox 8414 Smith Nashville, TN	St 4 37228	Megan Fox 8414 Smith Nashville, TM (888) 444-1	37228
	Journal	20			-16	
C) ournal	Account No.	Descript	and the second se	Debit	Credit	Net
ourriai	2211 2221	Wages & WIP Con	& Salaries - Accrued nmission	\$0.00 \$2,746.26	\$2,746.26 \$0.00	(\$2,746.26) \$2,746.26
ools						

The report below shows a job that has been invoiced and 50% payment has been received for the job. This report will perform a dollar per dollar calculation and tell you what is due in commission to the salesperson based on the payments received.

						e: 1/15/2009 Stanton					
nm Bal C	Comm Ba	Comm Paid	CommRMR	Commission	% Paid	Job Paid	Job Amount	Status	Sold	Customer	Job
251.26	2,251.26	0.00	1.26	2,250.00	50.0%	7,500.00	15,000.00	Job Complete	1/15/09	Megan Fox	20090115
1.26	2,251.26										
2,	1	0.00	Comm RMR 1.26	0.0000000000000000000000000000000000000	111205-520-52	Restory and the second	(TAX 00+0400087703871)	238-2-0382106	Defaile Gentle	12770724003108	0.000

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Using Payroll Timesheets to Track Commissions Owed and Paid

By using the feature to post commissions to the GL, we can maintain an accrual of commissions by salespersons for each job. The Payroll Timesheet entry will track payments to salespeople and provide a means to know what's due to them.

The Payroll Timesheet process in SedonaOffice is designed to allow you to track and post all of the payroll information. Though SedonaOffice doesn't create the actual paychecks and manage the earnings and taxes, it does allow you to manage job costing and commissions.

Continuing with our example here, we'll use the Payroll Timesheet entry to "pay" commissions to the salesperson on our test job.

First, we'll go into the Payroll menu and select the "Timesheets" option and create a new payroll batch.

Five-O-Alarm	S Batch List						
	Payroll Number	Date	Start	End	Ready to Post	Posted	Posted Da
+ Accounts Payable							
± 3 Inventory							
 Accounts Payable Inventory Appointment Summary Job Approvals Job Queue Sales Period Close Schedule Timesheets Payroll Import Timesheet Employee Records Timesheet Employee Register Sales Management Service General Documents Lock Table Maintenance Management Summary Report Manager Sedona Setup 	Pay Pay Pay Pay Pos	yroll Number yroll Date y Period Start y Period End sting Branch count	1 1/29/2009 1/15/2009 1/22/2009 Michigan 2401 Accrued Payroll	Save	Close		
	Show All					New	Edit

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Then, we'll go into that batch and pay commissions to the salesperson on our test job.

Payroll T Batch Inf	formation									
Payroll Numb Posting Bran Account	ich Michigan 2401		Payroll Date Pay Period Start Pay Period End	1/29/20 1/15/20 1/22/20	09					
/ Job . 2009011	Work Date	Job Task		rnings Type	Hours	Rate 389.00	Amount \$389.00	Memo		Ехр Тур
6		[<mark></mark>			.001					[
Timeshee	Drew Stanton Stanton,Drew		Earnings Typ Job <u>T</u> ask	e Commiss			Syst		Residen : Burglar J	tial I Alarm
Timeshee	Drew Stanton	<u></u>		Commissi		te	Syst			tial I Alarm
Timeshee imployee ob Code	Drew Stanton Stanton,Drew 20090115 Megan Fox		Job <u>T</u> ask Labor Task	Commissi	ion	te	Syst	em Type:	: Burglar i	tial I Alarm
Timeshee imployee ob Code <u>V</u> ork Date	Drew Stanton Stanton,Drew 20090115 Megan Fox 1/22/2009	<u></u>	Job <u>T</u> ask Labor Task <u>M</u> emo	Commissi	ion	te	Syst	em Type:	: Burglar i	Alarm

After this batch is posted, the commissions paid to this salesperson will now appear in the job record. You can see a debit has been applied to the accrued account in the amount paid on the last timesheet post.

Job	Job		Customer	20133	Site			
ournals Job Type Resid Job Status Job C System 20133 Labor Units 197 (1		20090115 Residential Job Complete 20133 Burqlar Alarm 197 (0 Used)	Megan Fox 8414 Smith S Nashville, TN (888) 444-13	37228	8414 Smith Nashville, T	Megan Fox 8414 Smith St Nashville, TN 37228 (888) 444-1323		
	Journal Account No.	Description		Debit	Credit	Net		
	1198	Accounts Receiva	ble	\$15,765.03	\$9,001.43	\$6,763.60		
	1700	Installation HoldB	ack	\$1,501.43	\$0.00	\$1,501.43		
	2002	Inter-Branch Billin	g	\$0.00	\$389.00	(\$389.00)		
	2121	Unapplied Credit	er.	\$1,501.43	\$1,501.43	\$0.00		
	2153	Deferred Monitori	ng	\$0.00	\$14.31	(\$14.31)		
	2211	Wages & Salaries	- Accrued	\$389.00	\$2,746.26	(\$2,357.26)		
	2221	WIP Commission		\$2,746.26	\$2,746.26	\$0.00		
	2551	State Tax (Corp.)		\$0.00	\$750.72	(\$750.72)		
	4111	Installation Re	venues	\$0.00	\$15,000.00	(\$15,000.00)		
	6071	Commissions		\$2,746.26	\$0.00	\$2,746.26		
		Other		\$7,500.00	0.00	\$7,500.00		
		Total		\$32,149.41	\$32,149.41			

This data allows us to create a report for each salesperson showing the earned, paid, and due commissions for each job. Two examples of reports in SedonaOffice that exist today are the Commission Due and the Commissions Due 50/50.

Comn	nission Due	Cut-off Date: 1/22/2009 Drew Stanton							Five-O-Alarm		
Job	Customer	Sold	Status	Job Amount	Job Paid	% Paid	Commission	CommRMR	Comm Paid	Comm Bal	Comm Due
20090115	Megan Fox	1/15/09	Job Complete	15,000.00	7,500.00	50.0%	2,250.00	1.26	389.00	1,862.26	736.63
										1,862.26	736.63



Notes: