



FSC Manager

» Commission Reconciliation



Table of Contents

INTRODUCTION	2
COMMISSIONS.....	2
<i>Display</i>	<i>3</i>
<i>Display Setup.....</i>	<i>3</i>
<i>Display Order.....</i>	<i>4</i>
<i>Sort.....</i>	<i>4</i>
<i>Filter Request</i>	<i>5</i>
<i>Save Setup</i>	<i>5</i>
<i>Load Setup.....</i>	<i>6</i>
<i>Reconciling.....</i>	<i>8</i>
<i>Commissions Screen.....</i>	<i>8</i>
<i>Agency Statement Reconciliation Process</i>	<i>9</i>
<i>Paying Producers.....</i>	<i>11</i>
<i>Differences.....</i>	<i>11</i>
<i>Flat Commission</i>	<i>12</i>
<i>More about Edit Mode.....</i>	<i>12</i>
<i>Opening a Reconciled Statement.....</i>	<i>13</i>
OBTAINING SUPPORT	13

Introduction

Commission Reconciliation allows the user to compare the transactions in FSC Manager to the company commission statements. The user is able to locate and correct any discrepancies to allow for accurate reporting on agency premiums and commission volume as well as accurate producer commission statements.

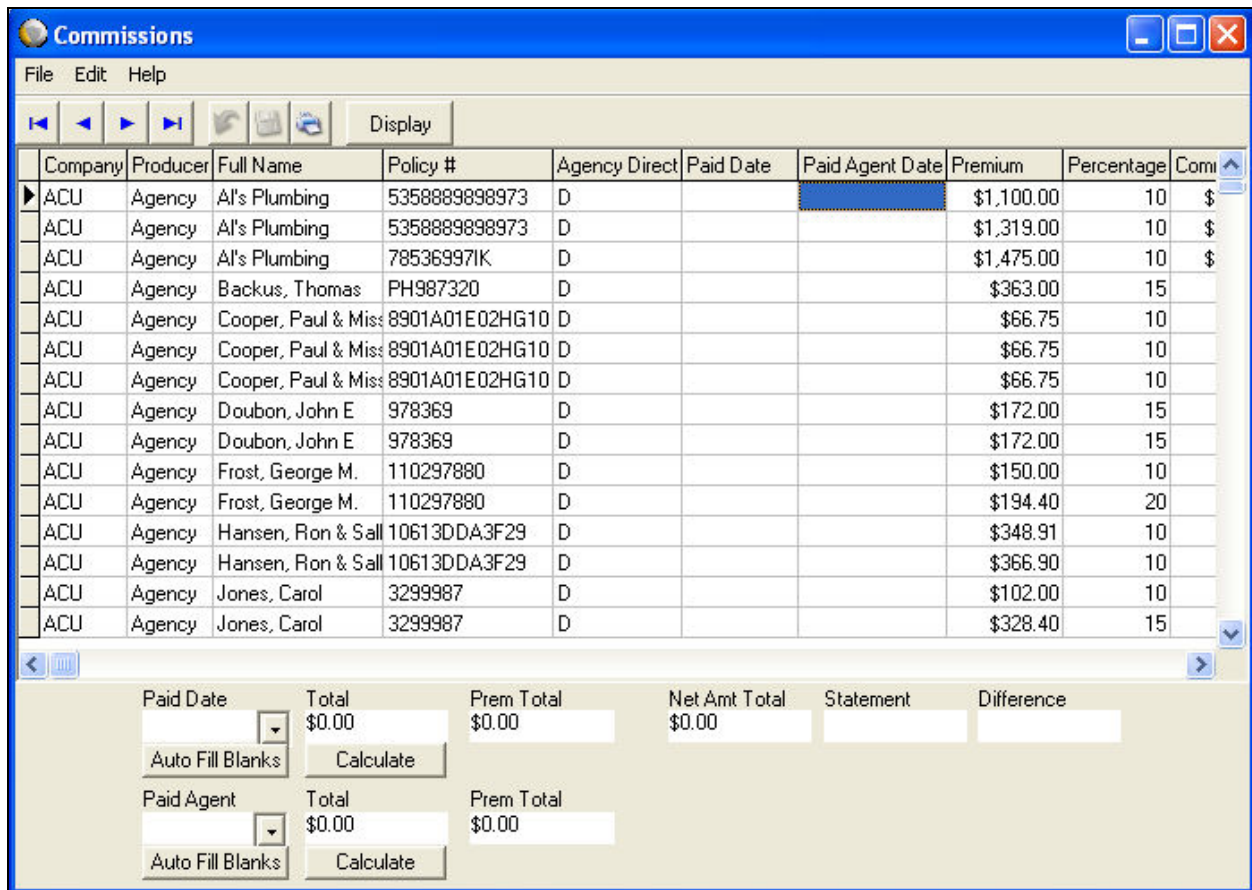
Agencies must be invoicing in Billing Setup for two to three months prior to using Commission Reconciliation. Much of the billing is done prior to the effective date. The invoices become permanent and display in Commission Reconciliation when they are OK'd. Generally, invoices are OK'd on the date they become effective if the user allows the tasks to OK the invoices.

Commissions



To reconcile commissions, click the Commission button on the Banner.

The following screen will open.



The screenshot shows the 'Commissions' window with a menu bar (File, Edit, Help) and a toolbar with navigation and 'Display' buttons. The main area contains a table with the following data:

Company	Producer	Full Name	Policy #	Agency Direct	Paid Date	Paid Agent Date	Premium	Percentage	Comi
ACU	Agency	Al's Plumbing	5358889898973	D			\$1,100.00	10	\$
ACU	Agency	Al's Plumbing	5358889898973	D			\$1,319.00	10	\$
ACU	Agency	Al's Plumbing	78536997K	D			\$1,475.00	10	\$
ACU	Agency	Backus, Thomas	PH987320	D			\$363.00	15	
ACU	Agency	Cooper, Paul & Miss	8901A01E02HG10	D			\$66.75	10	
ACU	Agency	Cooper, Paul & Miss	8901A01E02HG10	D			\$66.75	10	
ACU	Agency	Cooper, Paul & Miss	8901A01E02HG10	D			\$66.75	10	
ACU	Agency	Doubon, John E	978369	D			\$172.00	15	
ACU	Agency	Doubon, John E	978369	D			\$172.00	15	
ACU	Agency	Frost, George M.	110297880	D			\$150.00	10	
ACU	Agency	Frost, George M.	110297880	D			\$194.40	20	
ACU	Agency	Hansen, Ron & Sall	10613DDA3F29	D			\$348.91	10	
ACU	Agency	Hansen, Ron & Sall	10613DDA3F29	D			\$366.90	10	
ACU	Agency	Jones, Carol	3299987	D			\$102.00	10	
ACU	Agency	Jones, Carol	3299987	D			\$328.40	15	

Below the table is a summary section with the following fields:

Paid Date	Total	Prem Total	Net Amt Total	Statement	Difference
	\$0.00	\$0.00	\$0.00		
Auto Fill Blanks	Calculate				
Paid Agent	Total	Prem Total			
	\$0.00	\$0.00			
Auto Fill Blanks	Calculate				

Figure 1: Commission Reconciliation Screen

Display

Display Setup

Click the *Display* button. The Commission Setup area allows users to customize the Commission Reconciliation screens as well as filter for records that have not been reconciled previously.

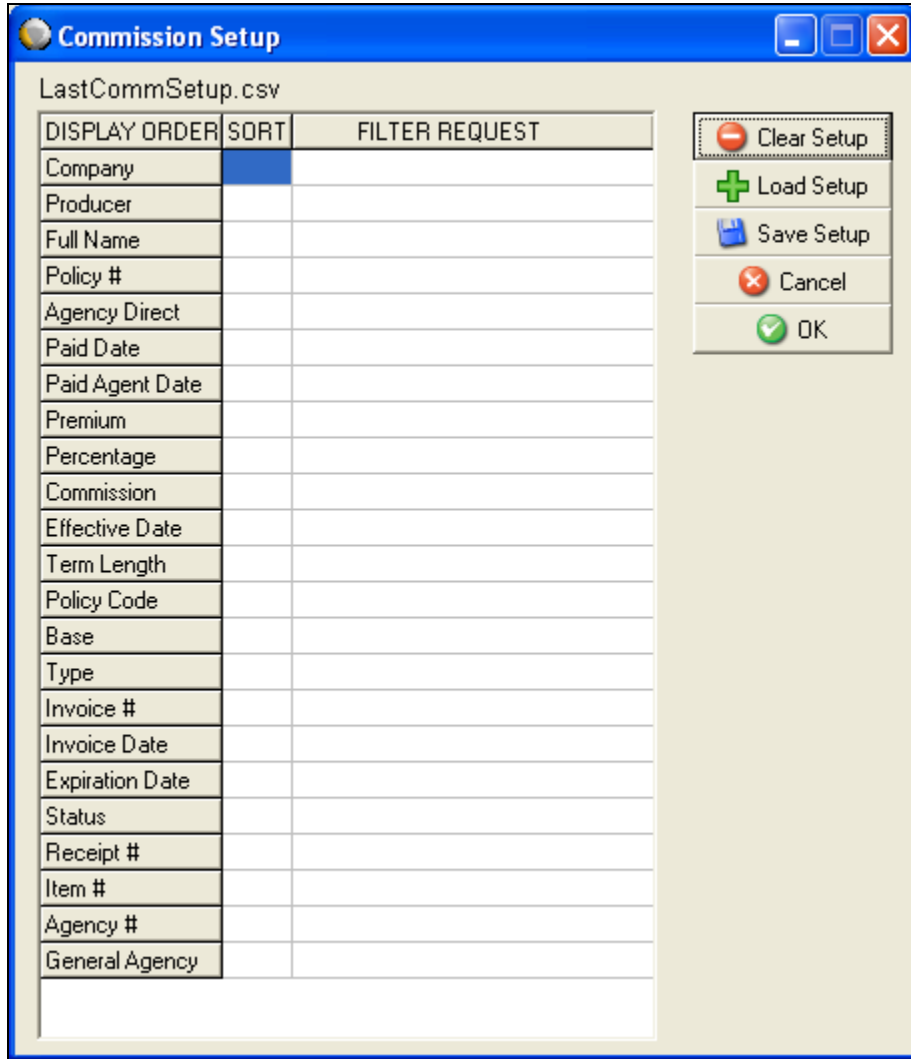


Figure 2: Display Setup Screen

There are 5 options here:

Clear Setup – This will clear all fields in the *Sort* and *Filter Request* columns on this display to avoid having to clear each file individually and will set the Display Order back to the default order.

Load Setup – This allows the user to select a saved display.

Save Setup – Allows the user to save the display and filter settings currently being viewed.

Cancel – Will close this setup and take the user back to the *Commission Reconciliation* screen.

OK – Will re-load the Commission Reconciliation screen with the display settings and filters selected.

Display Order

The user can change the column order by left-clicking and holding the mouse button down on the field name under the *Display Order* column and dragging it to the desired position. When the left mouse button is let go the field should be moved to the new position.

Moving columns around allows the user to have an individual display order for each company. If General Casualty's commission statement has the client's name first and the policy number second, the display on the screen can be setup to match the statement for ease of reconciliation.

Sort

The Sort column will determine the order. Most people like to see the list of clients, policies and commissions in order by name. Place a 1 in front of the *Fullname* field. There are generally two records for each invoice (agency's amount and producer's amount). It is easiest to have both records next to each other. So, put a 2 in Invoice Number and a 3 in Item #. It is usually easiest to see the agency's amount on top, so put a 4 in front of Producer.

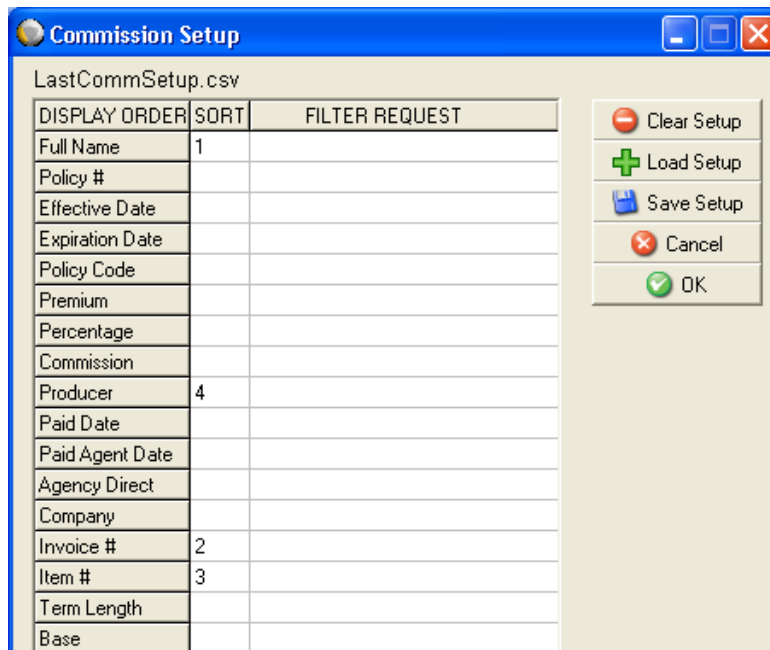
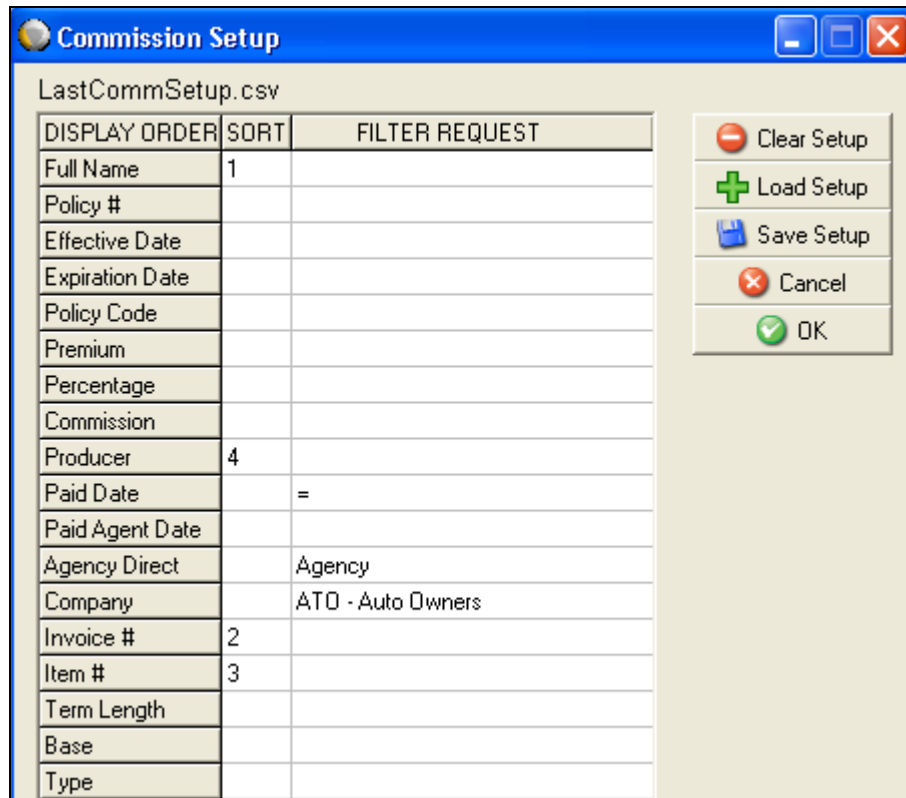


Figure 3: Sort Order

Filter Request

The *Filter Request* determines which records the user wants to retrieve. To reconcile an Auto Owners agency bill statement and display only the records that had not been reconciled previously, use the filters below:



The screenshot shows a window titled "Commission Setup" with a table for "LastCommSetup.csv". The table has three columns: DISPLAY ORDER, SORT, and FILTER REQUEST. The rows are as follows:

DISPLAY ORDER	SORT	FILTER REQUEST
Full Name	1	
Policy #		
Effective Date		
Expiration Date		
Policy Code		
Premium		
Percentage		
Commission		
Producer	4	
Paid Date		=
Paid Agent Date		
Agency Direct		Agency
Company		ATO - Auto Owners
Invoice #	2	
Item #	3	
Term Length		
Base		
Type		

On the right side of the dialog, there are five buttons: Clear Setup (minus icon), Load Setup (plus icon), Save Setup (floppy disk icon), Cancel (X icon), and OK (checkmark icon).

Figure 4: Filter Request

There are dropdown boxes on most of the *Filter Request* fields to assist in choosing a selection, click in the field then click the dropdown arrow to choose from the list.

To select all records that have not been previously reconciled, type = in the *Paid Date* field. This indicates that it is looking for records with a blank *Paid Date*.

Save Setup

Once the *Display Order*, *Sort*, and *Filter Request* are setup the user can save this for future use. To save the setup, click *Save Setup*, the following window will be displayed.

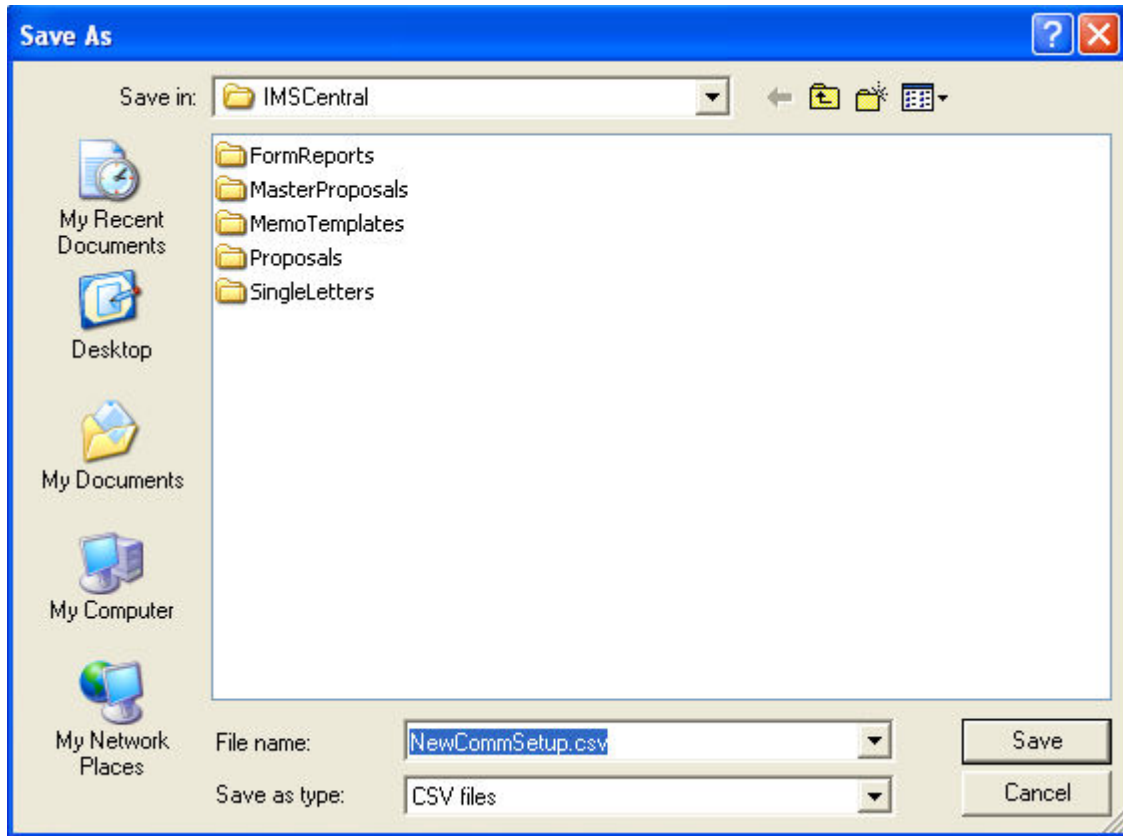


Figure 5: Save Setup

In *File name* type the appropriate name and click the Save button. Our example could be named Auto Owners; the file extension will automatically be added to the end of the file name.

To reuse this setup select *Load Setup*.

Load Setup

Click *Load Setup* to display the following screen.

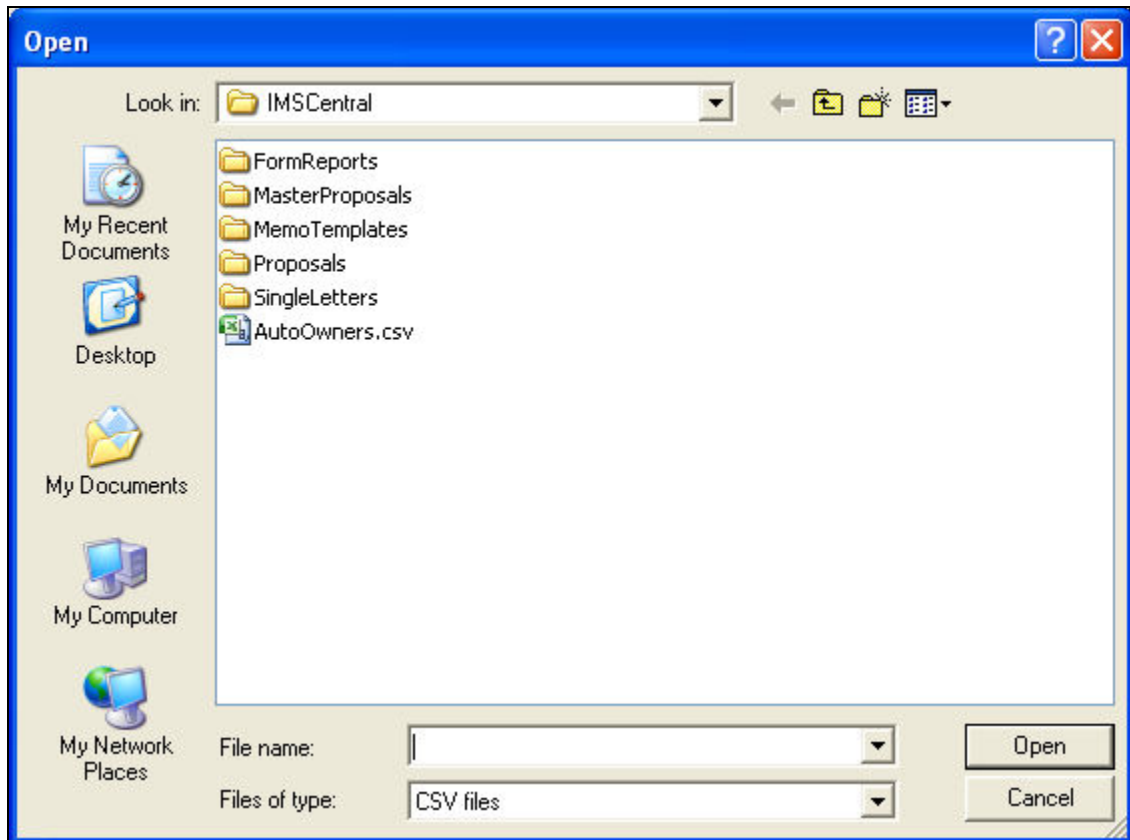
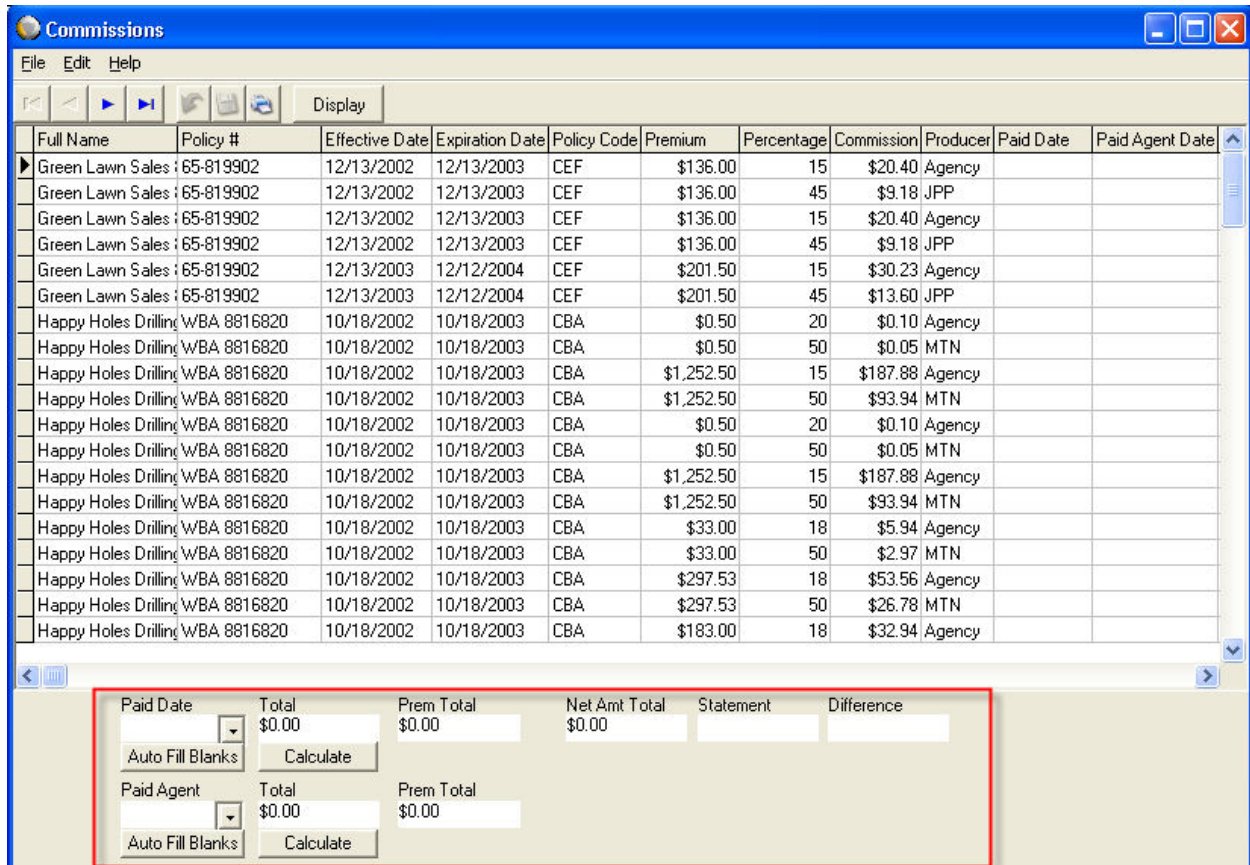


Figure 6: Load Setup

Highlight the desired setup and click *Open*. This will load that *Filter Request* and display it on the *Commission Reconciliation* screen.

Reconciling

Commissions Screen



Full Name	Policy #	Effective Date	Expiration Date	Policy Code	Premium	Percentage	Commission	Producer	Paid Date	Paid Agent Date
Green Lawn Sales	65-819902	12/13/2002	12/13/2003	CEF	\$136.00	15	\$20.40	Agency		
Green Lawn Sales	65-819902	12/13/2002	12/13/2003	CEF	\$136.00	45	\$9.18	JPP		
Green Lawn Sales	65-819902	12/13/2002	12/13/2003	CEF	\$136.00	15	\$20.40	Agency		
Green Lawn Sales	65-819902	12/13/2002	12/13/2003	CEF	\$136.00	45	\$9.18	JPP		
Green Lawn Sales	65-819902	12/13/2003	12/12/2004	CEF	\$201.50	15	\$30.23	Agency		
Green Lawn Sales	65-819902	12/13/2003	12/12/2004	CEF	\$201.50	45	\$13.60	JPP		
Happy Holes Drilling	WBA 8816820	10/18/2002	10/18/2003	CBA	\$0.50	20	\$0.10	Agency		
Happy Holes Drilling	WBA 8816820	10/18/2002	10/18/2003	CBA	\$0.50	50	\$0.05	MTN		
Happy Holes Drilling	WBA 8816820	10/18/2002	10/18/2003	CBA	\$1,252.50	15	\$187.88	Agency		
Happy Holes Drilling	WBA 8816820	10/18/2002	10/18/2003	CBA	\$1,252.50	50	\$93.94	MTN		
Happy Holes Drilling	WBA 8816820	10/18/2002	10/18/2003	CBA	\$0.50	20	\$0.10	Agency		
Happy Holes Drilling	WBA 8816820	10/18/2002	10/18/2003	CBA	\$0.50	50	\$0.05	MTN		
Happy Holes Drilling	WBA 8816820	10/18/2002	10/18/2003	CBA	\$1,252.50	15	\$187.88	Agency		
Happy Holes Drilling	WBA 8816820	10/18/2002	10/18/2003	CBA	\$1,252.50	50	\$93.94	MTN		
Happy Holes Drilling	WBA 8816820	10/18/2002	10/18/2003	CBA	\$33.00	18	\$5.94	Agency		
Happy Holes Drilling	WBA 8816820	10/18/2002	10/18/2003	CBA	\$33.00	50	\$2.97	MTN		
Happy Holes Drilling	WBA 8816820	10/18/2002	10/18/2003	CBA	\$297.53	18	\$53.56	Agency		
Happy Holes Drilling	WBA 8816820	10/18/2002	10/18/2003	CBA	\$297.53	50	\$26.78	MTN		
Happy Holes Drilling	WBA 8816820	10/18/2002	10/18/2003	CBA	\$183.00	18	\$32.94	Agency		

Paid Date	Total	Prem Total	Net Amt Total	Statement	Difference
	\$0.00	\$0.00	\$0.00		
Auto Fill Blanks	Calculate				
Paid Agent	Total	Prem Total			
	\$0.00	\$0.00			
Auto Fill Blanks	Calculate				

Figure 7: Commission Reconciliation Screen

At the bottom of the reconciliation screen, there are several fields.

Paid Date – The user will set the *Paid Date* to indicate that the agency has been paid these commissions. This does not have to be the literal date the commission was paid. Most agencies will use the last day of the month for which they are reconciling (e.g. if reconciling a March statement, the paid date would be March 31. Click in the field and use the dropdown calendar or type in this field. **Note: If typing in this field the four digit year must be used.**

Auto Fill Blanks – This button will automatically enter the *Paid Date* in the *Paid Date* field for all of the commission records showing. The user can then double click on the items that are not being paid to remove the *Paid Date*. The user does not have to use the Auto Fill button. The *Paid Date* on each item can be filled in by double clicking on the item as it is marked off the statement. When the user double clicks in the *Paid Date* field next to an individual item, it will use the *Paid Date* on the bottom of the reconciliation screen. If this date is missing, it will use the current date.

Total – This field will show the total of all the *Agency* commission records filled in with the date in the *Paid Date* field, when the *Calculate* button is clicked.

Calculate – Clicking this button will add all of the agency's commission displayed on the page with a *Paid Date* and update the *Total* field. **Note: If the *Paid Date* is removed from any record, the user must re-click the *Calculate* button to recalculate the *Total*.**

Prem Total – Shows the total premium for all records displayed that have a *Paid Date* listed.

Net Amt Total – This displays the difference between the *Prem Total* and the *Total* (which is the total of the Commission records that have a *Paid Date*).

Statement – Enter the dollar amount of commission earned from the statement. Sometimes this will not be the amount of the check because fees have been deducted.

Difference – This is the difference between the commission records that have *Paid Dates* set and the amount entered in the *Statement* field. If all records match the statement and have been marked with a *Paid Date*, the difference would be zero.

The second set of fields is for reconciling Agent commissions

Paid Agent – Enter a date to indicate that the producer has been paid this commission. Some agencies will make the *Paid Date* and the *Paid Agent Date* the same. Others prefer to use the actual date that the producer is being paid. Pick one method or another and be consistent. Click in the field and use the dropdown calendar or type in this field. **Note: If typing in this field the four digit year must be used.**

Auto Fill Blanks - This button will automatically enter the *Paid Agent Date* in the *Paid Agent Date* field for all of the commission records showing. The user can then double click on the items that are not being paid to remove the *Paid Agent Date*. The user does not have to use the Auto Fill button. The *Paid Agent Date* on each item can be filled in by double clicking on the item as it is marked off the statement. When the user double clicks in the *Paid Agent Date* field next to an individual item, it will use the *Paid Agent Date* on the bottom of the reconciliation screen. If this date is missing, it will use the current date.

Total – This field will show the total of all the agent commission records with a date in the *Paid Agent Date* field when the *Calculate* button is clicked.

Calculate – This button will calculate all the commission records displayed for the agent. **Note: If the *Paid Agent Date* is removed from any record, the user must re-click the *Calculate* button to recalculate the *Total*.**

Prem Total – This is the total of all records displayed that have a date in *Paid Agent Date*.

Agency Statement Reconciliation Process

1. Open Commission Reconciliation from the Banner
2. Click the *Display* button
3. Click *Load Setup*
4. Select a setup and click *Open*

5. Click *OK*
6. Enter the total amount of commission from the company commission statement in the *Statement* field.
7. Enter the *Paid Date* at the bottom of the screen (Paid Date is usually the last day of the month of the statement)
8. Enter the *Paid Agent Date* at the bottom of the screen (Paid Agent Date is determined by the agency. Be consistent. (e.g. some agencies use the same date as the Paid Date, some agencies prefer for this date to be the actual date of payment))
9. Compare the individual commission items on the statement to the items on the screen.
 - a. If items match, double click the *Paid Date* field next to the item for the Agency and the Producer
 - b. If the item does not match, highlight the item and click F5 to change to Edit Mode. In Edit Mode, the user may:
 - i. Adjust the commission percent
 - ii. Change the *Base* field to F for flat and then type the commission amount
 - iii. Split the premium into multiple lines to assign different commission percents per line
 - iv. Add or change a producer
 - c. If an incorrect premium amount was billed or an item was not billed, the user would have to exit Commission Reconciliation and go to Billing Setup to correct. Then return to Commission Reconciliation to continue.
10. When all items have been matched and marked with the same *Paid Date*, the *Difference* field should reflect \$0.00.
11. Print the Agency Commission report
 - a. Set *Report Basis Option* to *Reconciled Commissions*
 - b. Select a date range that reflects the *Paid Date* used during reconciliation
 - c. Select the Company

Paying Producers

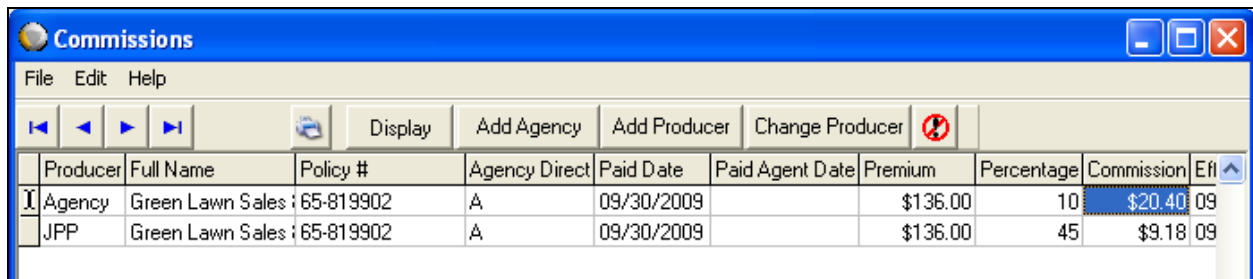
When all statements have been reconciled, the user should print the Producer Commission report. Set *Report Basis Option to Reconciled Commissions, Paid*. Select a Date range that reflects the Paid Agent Date used during reconciliation.

Differences

There are two common reasons for differences to appear in Commission Reconciliation 1) the commission percentage on the statement from the carrier does not match the percentage in FSC Manager, 2) there are records on the statement that are not displayed on the Commission Reconciliation screen. Below are the steps to correct these two causes.

Changing commission percentages (this can be done for the agency's or producer's percent)

1. Highlight the record that needs to be changed.
2. Click F5 (this will open the edit mode).
3. In the *Percent* field type in the correct percent.
4. Click F5 again to be taken back to the *Commission* screen.
5. Click *Calculate* to re-calculate the *Total* and *Difference* fields.



Producer	Full Name	Policy #	Agency Direct	Paid Date	Paid Agent Date	Premium	Percentage	Commission	Eff
Agency	Green Lawn Sales	65-819902	A	09/30/2009		\$136.00	10	\$20.40	09
JPP	Green Lawn Sales	65-819902	A	09/30/2009		\$136.00	45	\$9.18	09

Figure 9: Commission Reconciliation Edit Screen

Note: None of the changes made here will be made in Billing Setup. To make permanent changes, go into Billing Setup and make the changes there.

Missing Record on Commission screen

If a record shows on the agency commission statement but is not showing up on the *Commission* screen there can be several reasons.

1. The record was never created in Billing Setup.
2. The record was created by not Ok'd.

3. The record was not billed as Agency Bill Premium or Direct Bill Premium but as a non-commissionable item.
4. The record does not fit within the Filter Requests that were entered:
 - a. The record is listed under the wrong company. Open the client's Billing Setup record, verify that the record has been created and is Ok'd. If these two steps were completed, click *App Info* and see what company is listed, if the company is incorrect the user will need to first reverse the invoice for the incorrect company using *Reverse Invoice*. Then change the company by clicking *App Info* and *Modify*, change the company and close the window. Create the new invoice using the *Endorsement* button. Be sure to Ok the invoice or the record will not show up in *Commission Reconciliation*.
 - b. The record has already been marked Paid (it would not display when selecting blank *Paid Date*). In the *Display* screen click *Clear Setup* and type the client's name in the *Full Name* field, just as it appears on the *Client Screen*. Click *OK*. Check the *Paid Date* field to see if there is a date listed. If there is and it was put there in error, remove the *Paid Date*.
 - c. The client is set at *Direct Bill* (not *Agency Bill*). Go to *Billing Setup* for this client to verify, if this is the case use *Reverse Invoice* on the *Direct Invoices* tab to reverse the direct bill invoice. Then click the *Agency Invoices* tab and use *Endorsement* to create an agency invoice. Remember to *Ok* both invoices as you create.

Make note of any records that don't show up in the *Commission* screen and continue to reconcile what can be reconciled. After completing the steps above to correct any records that didn't show up, go back to *Commission Reconciliation* use the same *Display* setup as you did to reconcile the statement, only the new records that have not already been marked with a *Paid Date* will display. Enter the *Paid Date* on these records and *Save*.

Each time a commission record is edited, the user saves changes or clicks the *Display* button, the user will be asked, "Do you want to *Accept Commission Adjustments*?" This is asking if the user wants the system to automatically create the *Commission Adjustment* transactions to be posted to the accounting software. Always select *Yes*, if the changes should be saved.

Flat Commission

Sometimes the carrier does the math a little differently and the commission percent matches but the dollar amount is off by a few pennies. Sometimes the carriers are not paying a percentage, just a flat dollar amount. To make the appropriate adjustments, highlight the record to be changed and click F5 to get into edit mode. Under *Base* change the *C* to *F* and enter the new dollar amount in *Comm.*, press F5 again to exit edit mode.

Note: The dollar amount of the Premium cannot be changed for the Agency or Producer, if this needs to be done use Endorsement in Billing Setup. None of the changes made here will be made in Billing Setup. To make permanent changes go into Billing Setup and make the changes there.

More about Edit Mode

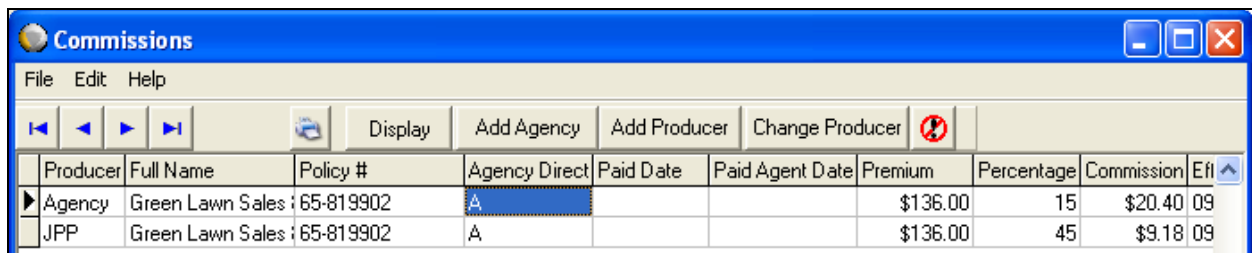
In addition to using the *Edit* mode to change commission percentage and do flat commissions, there are three additional buttons.

Add Agency – This allows the user to split a Premium amount up so that either part of it can be marked paid now and the rest left for the next statement or it can be split if the agency received different commission levels on different parts of the premium. The total premium of the split items must match the original premium of the invoice.

Add Producer – Anytime an agency record is added and there is a producer record, the user needs to add a producer record as well. A producer record can also be added if there wasn't a producer on the original invoice and there should have been or if the commission needs to be split between two producers.

Change Producer – This allows the user to change the producer on the record to a different producer.

Note: These changes will not be made in Billing Setup. To make a permanent change, go into Billing Setup and make the change there.



Producer	Full Name	Policy #	Agency Direct	Paid Date	Paid Agent Date	Premium	Percentage	Commission	Eff
Agency	Green Lawn Sales	65-819902	A			\$136.00	15	\$20.40	09
JPP	Green Lawn Sales	65-819902	A			\$136.00	45	\$9.18	09

Figure 10: Commission Reconciliation Edit Screen

Opening a Reconciled Statement

To review a reconciled statement go into Commission Reconciliation, setup the Display as described in the Display section above but change the Paid Date field to the actual date entered in Paid Date on the statement.

Obtaining Support

If you have any questions about this training, please contact FSC Customer Support. Thank you and enjoy using FSC Manager!

West Coast Customer Support: 800-433-2550

Midwest Customer Support: 800-401-2895

Email: fscmanagersupport@fscsolutions.com

Last Updated 08/09/11