Insurance Agency Management Software

Commission Tracker User's Manual

AMBICOM

Commission Tracker User's Manual

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CHAPTER 1

Chapter

1

Getting Started

This chapter is an overview of Commission Tracker Features.

To save time, print a copy of this document. Choose Print from the File menu, and press Enter. With the printed document in hand, start Commission Tracker. The screenshots will help guide you through each feature of software.

Login Screen

When Commission Tracker starts you will be asked to enter your User Name and Password. For the demo version of the software both are "admin". Both are case sensitive. Click OK to proceed.

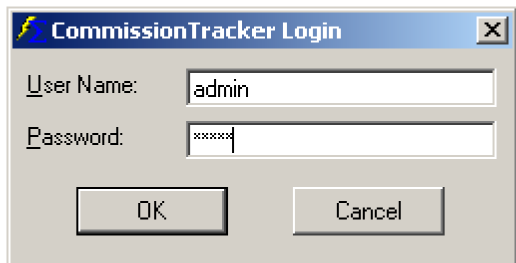


FIGURE 1.1 Login Screen

Additional User Names can be created later using the Tools / Options menu.

View Tree

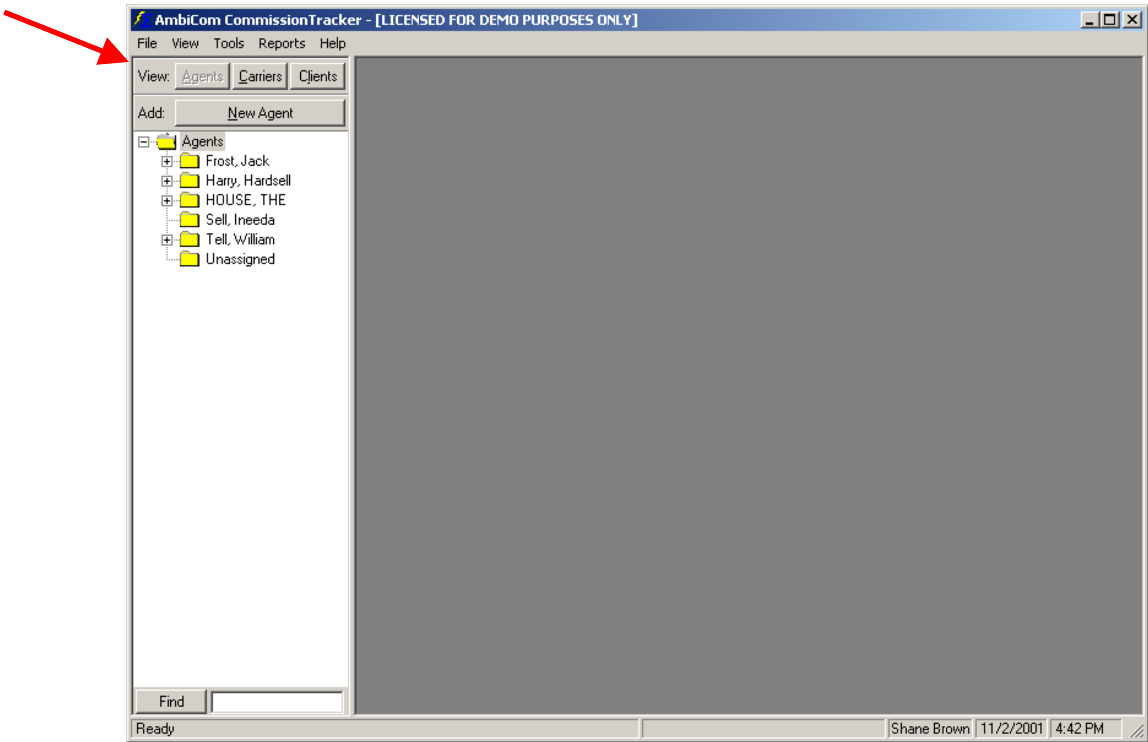


FIGURE 1.2 The View Tree is set to the Agents View by default.

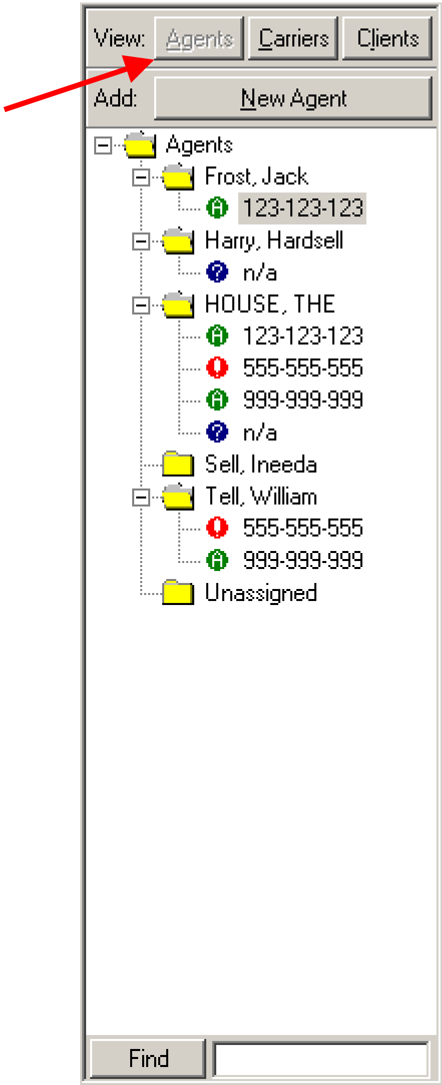


FIGURE 1.3 Agents View

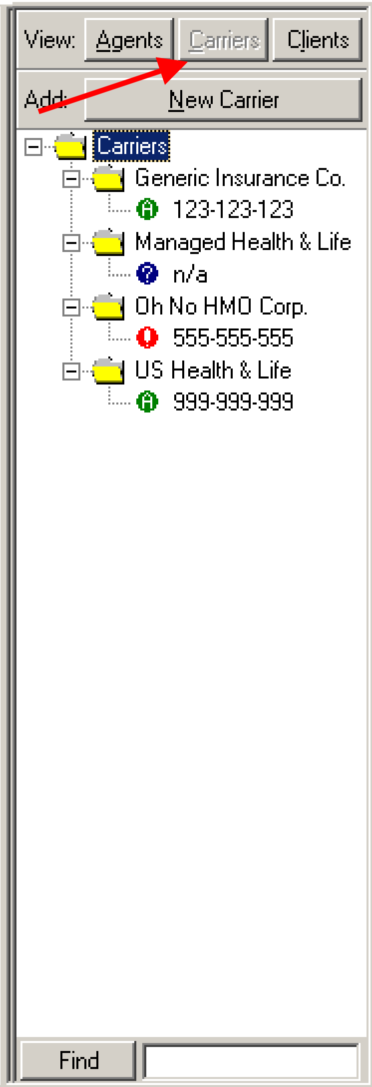


FIGURE 1.4 Carriers View

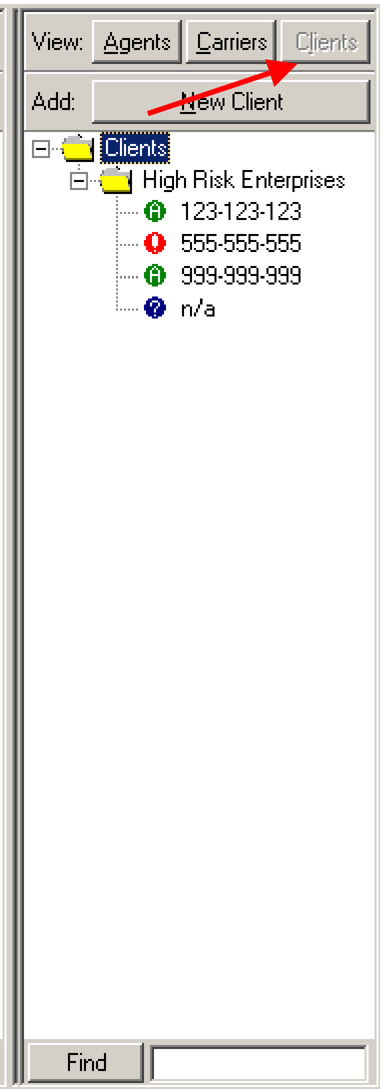


FIGURE 1.5 Clients View

Policy Views

There are 3 different ways to sort the list of policies in Commission Tracker. Policies can be sorted by Agents, Carriers and Clients.

1. `Agents View` is the default view. This view displays a list of all agents (Figure 1.3). Each agent has their own folder containing their policies. This folder can be expanded by clicking on the + next to the folder icon. In this view the Add button can be used to create a New Agent.

The same policy number will show up in more than one folder if that policy's commission is split among multiple agents.

2. Carriers View displays a list of all policy carriers (Figure 1.4). Each carrier has their own folder containing their policies. This folder can be expanded by clicking on the + next to the folder icon. In this view the Add button can be used to create a New Carrier.

3. Clients View displays a list of all clients (Figure 1.5). Each client has their own folder containing their policies. This folder can be expanded by clicking on the + next to the folder icon. In this view the Add button can be used to create a New Client

Policy Status Icons

Next to each policy number is a color-coded icon. These icons indicate the current status of the icon. The Policy Status can be Active, ActiveNew, ActiveRewrite, Expired, Inactive, Prospect and Terminated.

Find Button

The Find button can be used to quickly locate a policy, agent, carrier or client. This will only search the text in the current view. For example, you cannot search for an agent if the view is set to client.

To find a policy:

1. Select the Agents, Carriers or Clients view
2. Click on the Find field to position the cursor
3. Enter the full or partial policy number
4. Click the Find button

If the search was successful the policy information will automatically appear in the Policy Screen and the Find button will be replaced with a Find Next button. If the search was unsuccessful the message "Search text not found" will appear.

If you know the policy number, the Find button is the fastest way to locate a policy.

Policy Screen

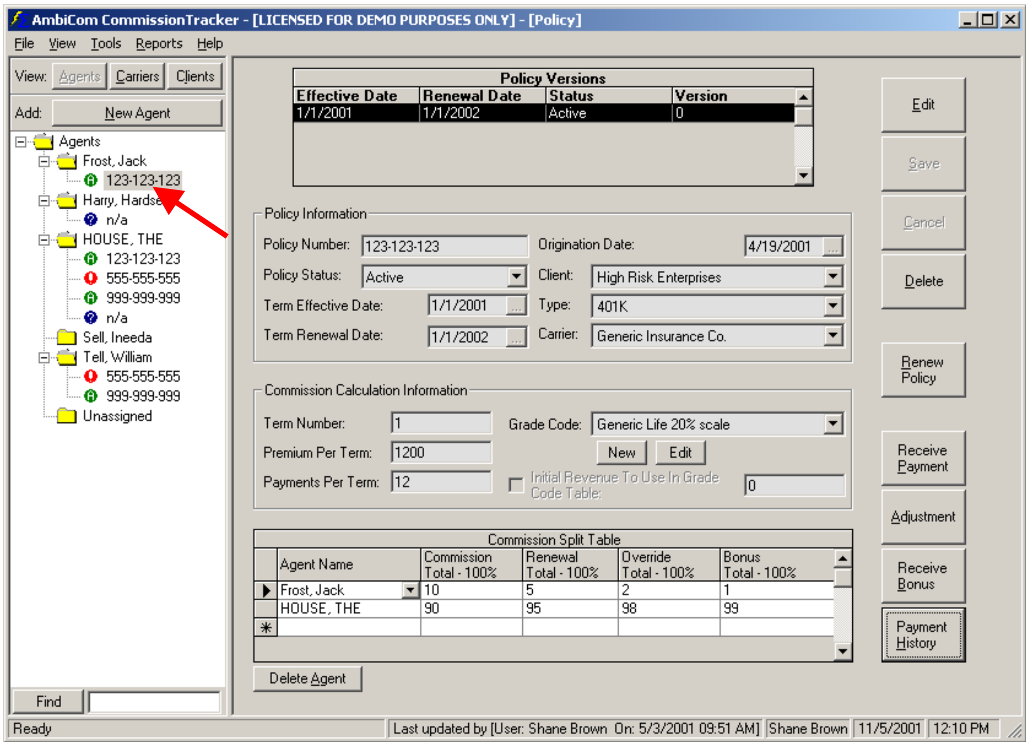


FIGURE 1.6 Policy Screen details for policy 123-123-123

The policy screen is divided into five sections of information with nine command buttons down the right side.

To view a policy:

1. Select Agents View from the View options.
2. Click on the + sign next to the agent, Jack Frost.
3. Click on the Policy # 123-123-123 (Figure 1.6).

1. Policy Terms

The life of a policy may be tracked by using the policy term list at the top of the policy screen. A new policy term is created each time the policy is renewed and a new term begins. The newest term will always be first in the list. The effective date, renewal date, policy status and policy term number are displayed in this list.

Policy Term Number

The Policy Term Number refers to the number of times a policy has been renewed. For example, the first term you enter in Commission Tracker may be the third term of the policy (Term Number 3), because the first two terms of the policy were never entered in Commission Tracker.

Policy Terms			
Effective Date	**Renewal Date**	**Status**	**Term #**
1/1/2008	1/1/2009	Expired	2
1/1/2007	1/1/2008	Expired	1

FIGURE 1.7 Two different Policy Terms

This feature allows you to renew a policy but continue to receive payments to a previous term.

2. Policy Information

This section contains general information about the policy. None of this information is actually used to calculate commissions. Please note, this information is related to a single term. Some of this information will be different for each term of the policy.

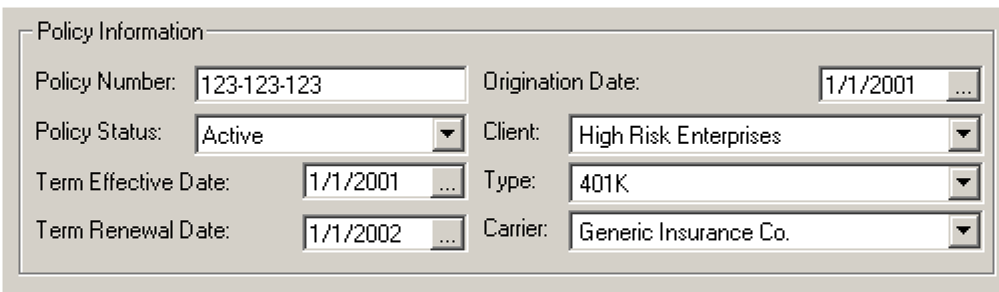


FIGURE 1.8 Policy Information Section

a. **Policy Number –** Enter the number used to represent the insurance policy. All terms of a policy have the same Policy Number.

b. **Policy Status –** The current status of this policy: Status is actually associated with a particular term of a policy. Each term of the policy can have a different status. For example, the previous term of a policy would have an Expired status. The current term of a policy would have an Active status.

i. Active – Only one term can be active. This status marks the current term.

ii. ActiveNew – This status can be used to mark a new term (optional).

iii. ActiveRewrite – This status can be used to mark a policy that has been rewritten (optional).

iv. Expired – The status of a policy is automatically changed to Expired by Commission Tracker the day after the Term Renewal Date.

v. Inactive – This status can be used to mark a term of the policy as no longer active.

vi. Prospect – This status can be used to mark a policy that has not actually been sold to a client. You will need to create a temporary Policy Number if one does not exist.

vii. Terminated – This status can be used to mark the end of the policy's life.

c. **Term Effective Date** – The date on which the term begins. This should not be changed once payments have been received to the policy. All payments must be deleted from Payment History before the date can be changed.

d. **Term Renewal Date** – The date on which the term ends and a renewal will be required to continue coverage. This should not be changed once payments have been received to the policy. All payments must be deleted from Payment History before the date can be changed.

e. **Origination Date** – The date of the original term of the policy. This is the day the policy was originally conceived. This is the same as the Term Effective Date of the very first term of a policy. This should be the same for all terms of the policy. This date is for informational purposes only; it is not used by the system for any purpose.

f. **Client** – The policy was sold to this client.

g. **Type** – The type of coverage provided by the policy. For example: life, health, dental, etc… Use Edit Policy Types in the Tools menu to create additional Policy Types.

h. **Carrier** – The insurance company providing the coverage. The carrier determines the list of available Grade Codes. When a Carrier is created, at least one Grade Code must be associated with it.

3. Commission Calculation Information

This section contains the information used to calculate the commission for a policy.

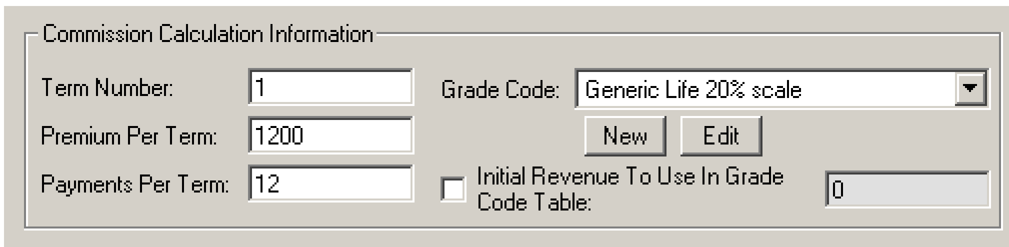


FIGURE 1.9 Commission Calculation Information

a. **Term Number** – This is the term number used by the Grade Code table. The term number of the policy is used to determine the commission percentage for this policy.

b. **Premium Per Term** – The total premium to be paid for this term. This is just an estimate. The actual premium paid by the client to the carrier may vary during the term.

c. **Payments Per Term** – This is the number of payments made for this term. This determines how many times the Receive Payment command can be used for this term. Each payment is numbered and is displayed in Payment History.

d. **Grade Code** – The list of available Grade Codes is determined by the Carrier selection in the Policy Information section. The Grade Code uses the Term Number and the total premium collected to determine the commission percentage. A new Grade Code can be created by clicking the "New" button. To display the table for the current Grade Code click the "Edit" button. The Grade Code table can also be edited.

- **Use the Edit button to quickly view the details of a Grade Code.**
- **Changing the Grade Code in the middle of a term will NOT affect payments already received; it will only affect future payments received.**

e. **Initial Revenue To Use In Grade Code Table** – This is an option that may be useful for a new Commission Tracker system. Generally, the day an agency begins using the Commission Tracker system, all of the policies will be at different points within their term. For example, an agency begins using Commission Tracker in June. However, a policy is being entered with a Term Effective Date of January 1st. This means five payments may have already been received by the agency for this policy. Commission Tracker must know the total premium received for these first five payments. This total premium is used by the Grade Code to calculate future commissions. There are two options for entering this information in Commission Tracker:

Option 1 (Recommended)

- Begin with January and manually receive each of the five retroactive payments using the Receive Payment command button. In this case, Payments Per Term should represent the true number payments expected for the term. In our example this would be "12".

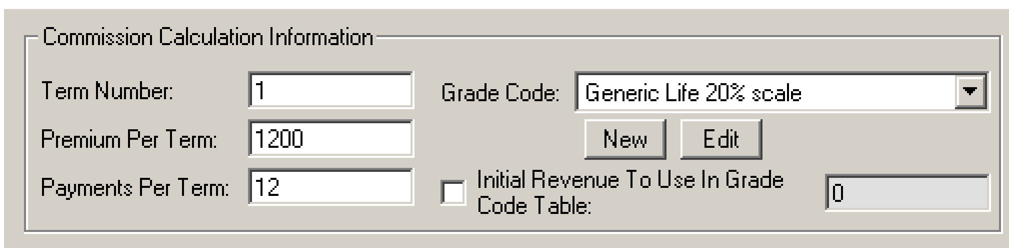


FIGURE 1.10 Option 1 (recommended)

OR

Option 2

- Click the box next to Initial Revenue To Use In Grade Code Table. Enter the total premium received from the first five payments in the adjacent field. This total will be used to calculate the commission on future payments. In this case, Payments Per Term should not include the first five payments. For a policy with a 12-month term, "7" would be entered in the Payments Per Term field (12 payments minus the first 5 payments because they will not be received manually). Premium Per Term should also be adjusted accordingly. In this example "700" would be used. Please note, January of the next year when the policy is renewed and a new term is created, "12" should be entered in the Payments Per Term field and "1200" in the Premium Per Term field.

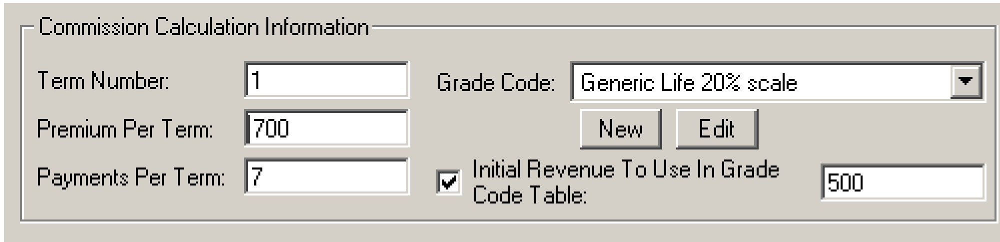


FIGURE 1.11 Option 2

The first option is recommended because much more detail will be available in the system for Payment History reports. Please note commission discrepancies can only be exposed by manually entering each payment of the policy. Using the second option will decrease the amount of initial data entry required, but will greatly limit the detail tracked for the initial term of each policy. It is highly recommended that Option 1 be used when possible.

4. Commission Split Table

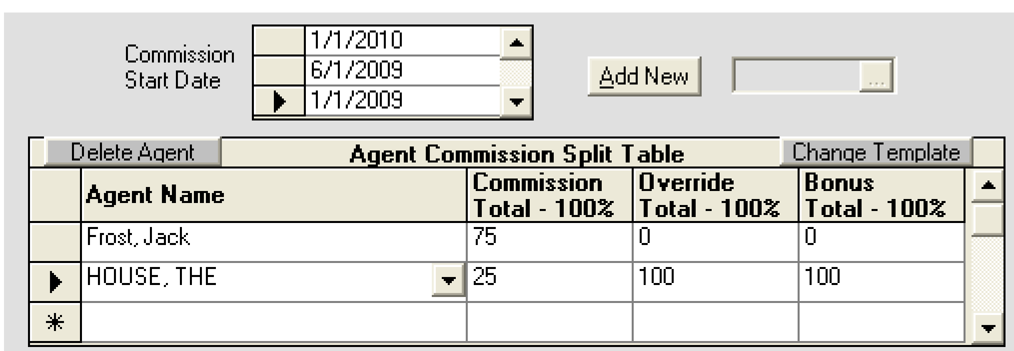
This is a very important feature of Commission Tracker. By using "Commission Start Dates", you can create Agent commission split tables that start and stop on the dates that you enter.

This means that if you need to change the agents' splits at any time (even mid-term), you can do so without affecting commissions that have already been calculated / paid.

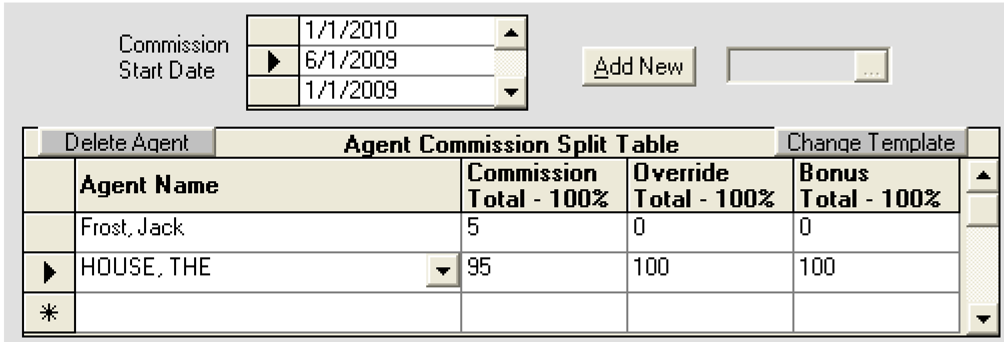
For example

For Policy #000123456 with a term effective date of 1/1/2009 and a renewal date of 1/1/2010

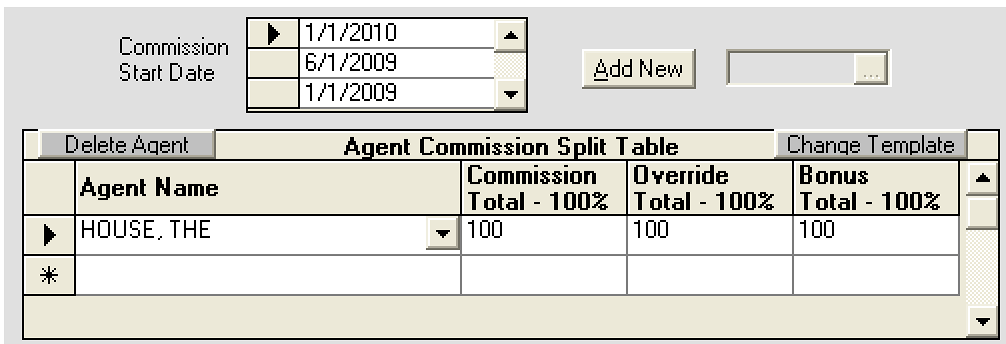
- Commission Start Date: 1/1/2009 The House=25% Jack Frost=75%



- Commission Start Date: 6/1/2009 The House=95% Jack Frost=5%



- Commission Start Date: 1/1/2010 The House=100%



Because the above split is the last defined split in the Commission Start Date list, it will be used indefinitely into the future.
Remember, the commission table operates completely independent of the Policy terms.
In other words, a single term of a policy can have multiple Agent Commission Splits. However, the first Commission Start Date (starting from the bottom of the list) in your list should equal the Term Effective Date of the first term defined for the policy. Otherwise revenue received to the policy will not go to any agent.

For example

A Policy with a Term Effective Date of 1/1/2009, and a Commission Start Date of 3/1/2009 would not be good.
All payments to the Policy with a Receive Date between 1/1/2009 and 3/1/2009 would never be paid to any agent.

- **The commission can be split among an unlimited number of agents.**
- **Changing the Commission Split Table in the middle of a term will not affect payments already received.**

5. Status Bar

FIGURE 1.13 Status Bar

a. **Last updated by** – This field shows the user name of the last person to modify this policy. It is also gives the date and time their change was made.

b. **Logon ID** – The name of the person currently using this copy of Commission Tracker.

c. **Date** – The current date.

d. **Time** – The current time.

Policy Command Buttons

Summary

All of these functions apply to a single term of the policy. A term can be selected from the Policy Version list at the top of the Policy Screen. It will always default to the current term.

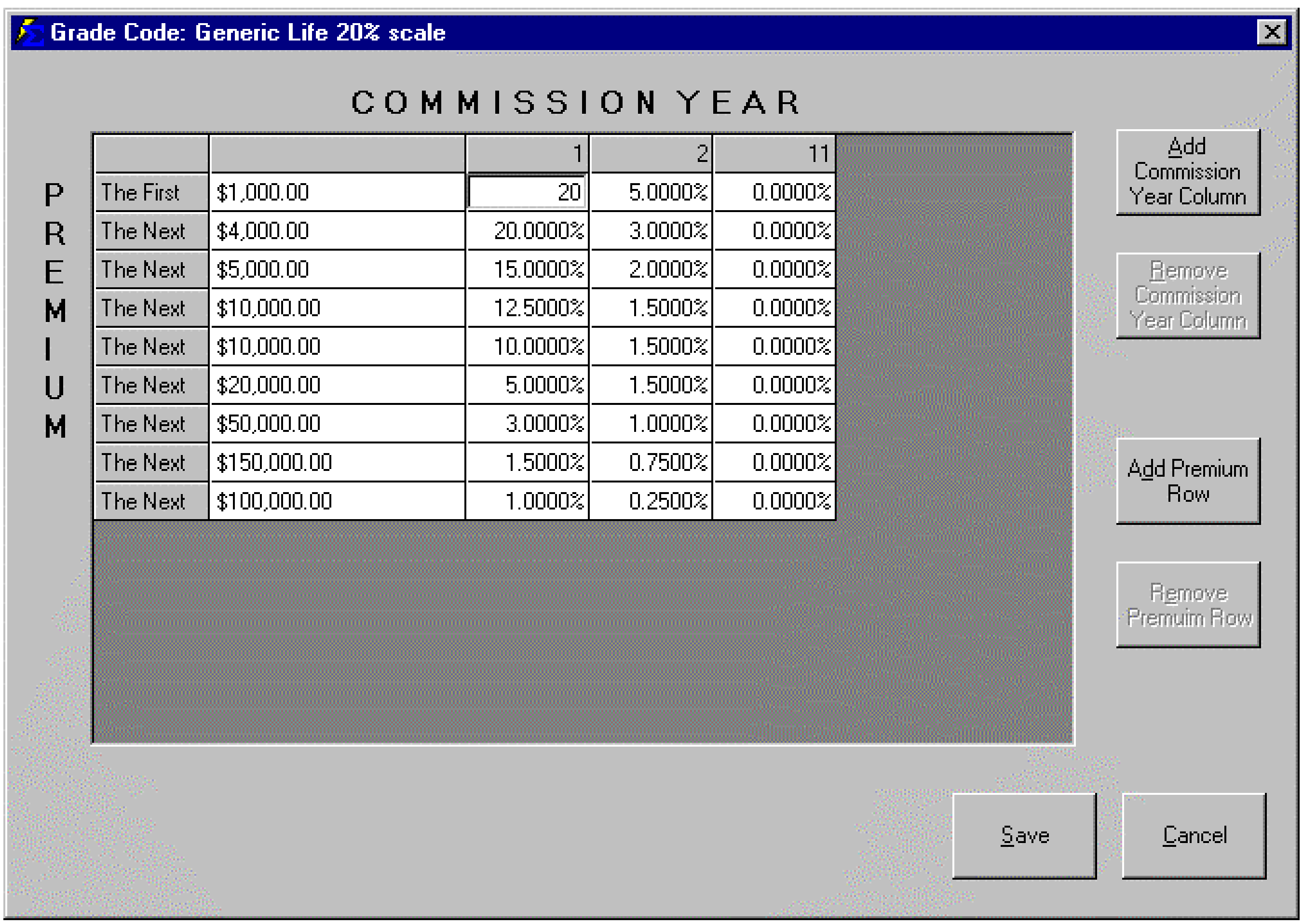
Edit	Edit this term of the Policy. This will disable all other Commission Tracker functions until the changes are either Saved or Cancelled.
Save	Save the Policy changes.
Cancel	Cancel the Policy changes.
Delete	Delete this term of the Policy. A term can NOT be deleted until all payments have been deleted from Payment History.
Renew Policy	Renew the Policy. This will create a new term for the Policy. It will prompt for a new Premium Per Term dollar amount.
Receive Payment	Receive a payment to the Policy.
Adjustment	Make an adjustment to a payment. (chargebacks)
Receive Bonus	Receive a Bonus or Override to the Policy.
Payment History	Display all payments received to this term of the Policy.

Entering Commission Percentages

With Commission Tracker setting up commissions is quick and easy. We don't make you create formulas. Simply enter the commissions into a table, which we have created to look exactly like the contracts you have with your carriers.

In this example, one column represents the percentages used for the first commission year. The next column represents percentages used for commission years 2 - 10 inclusive. The last column ensures that no commissions will be paid beyond the 10th year.

Also, this entire grid can be entered without ever touching the mouse. So, you can enter your commission tables quickly using only the numerical pad.



		1	2	11
The First	$1,000.00	20	5.0000%	0.0000%
The Next	$4,000.00	20.0000%	3.0000%	0.0000%
The Next	$5,000.00	15.0000%	2.0000%	0.0000%
The Next	$10,000.00	12.5000%	1.5000%	0.0000%
The Next	$10,000.00	10.0000%	1.5000%	0.0000%
The Next	$20,000.00	5.0000%	1.5000%	0.0000%
The Next	$50,000.00	3.0000%	1.0000%	0.0000%
The Next	$150,000.00	1.5000%	0.7500%	0.0000%
The Next	$100,000.00	1.0000%	0.2500%	0.0000%

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