

Tech Tip Tuesday—December 1, 2020

Charges and Fees

Livery Coach has a very sophisticated Charges and Fees section that allows you to set up an endless array of potential charges/fees (which can also be negative, like a discount). You have the choice of how the fee is calculated, how it hits QuickBooks, whether gratuity is calculated including that charge, etc.

Livery Coach also has a flexible and powerful system to automate these charges based on various conditions when the trip is booked. So that we don't turn this Tech Tip into a novel, the automation will be covered in future Tech Tips.

This tip will be devoted to the actual setting up of the Charge/Fee.

For our example, we are going to create a 6% Admin fee. We will start by navigating to Setup->Maintain->Charges and Fees, and Click Add.

Once in the Add window, give your charge a description. Then, pick a "Charge Type". There are quite a few choices, most of which are self-evident, but we will just focus on the three most common:

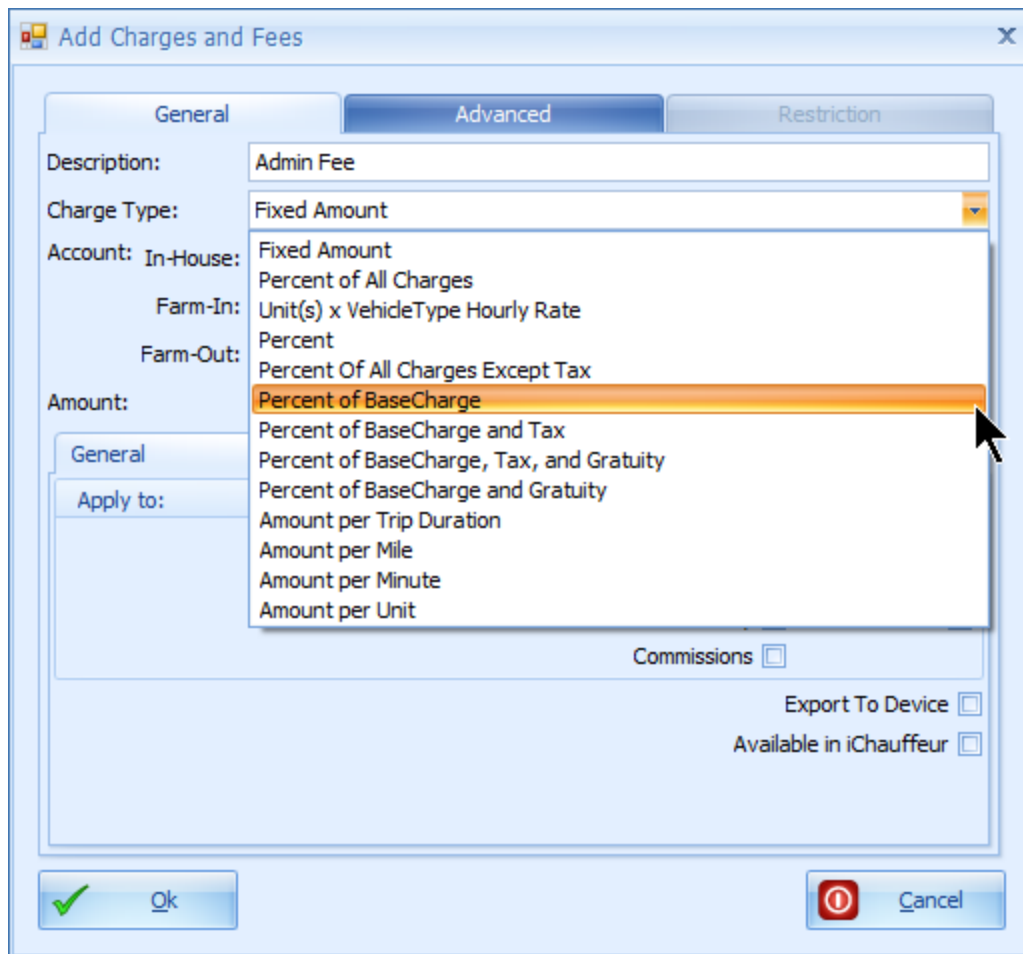
Fixed Amount—the charge is "fixed", or flat. For example, a \$6 Airport Fee.

Percent of Base Charge—the charge is calculated in each trip, based on the "Base Charge" which is the sum of the fixed or zone charge (if applicable) plus the hourly charge times the number of hours (if applicable).

Amount per Unit allows you to edit the "units" (quantity) in each trip as needed. This is often good for miscellaneous charges that vary from trip to trip based on external factors ("Refreshments", for example).

If you have a charge that affects another charge (for example, you have a "Wait Time" charge, and the Admin charge needs to apply to the Wait Time, we will cover that towards the end of this tip—we're not ready to set that up quite yet.)

In our Admin Fee example, we will select "Percent of BaseCharge".



The next selections control how this fee is mapped in QuickBooks when you close out the trip. In our example, we have set up an item called "Admin" in QuickBooks (which points to a sub-GL under sales in QB), and we will point this charge to that for in-house and Farm-In trips.

For Farm-Out trips, we will point this to our Farm Out Revenue item instead, because for financial analysis reasons, it is often helpful to consider Farm Out trips (done by someone else) separately than farm-in or in-house trips (done in your own vehicles with your own chauffeurs).

To elaborate on this point, suppose you have a Charge/Fee called "Parking". For in-house/farm-in trips, you'd like to be able to see what you charge your customers for Parking, and compare it to what you have actually spent on Parking, to make sure you are at least recovering all your costs.

As soon as you farm out the trip, though, typically it's not so important what the parking charge is, since the affiliate is paying for it (and charging you). Since it's really tedious to break out all your different vendors' various charges, most people don't—they just lump everything into Farm Out Expense. If you do that, then you want the revenue from that trip (including any other fees you charged your customer, such as Parking) to just be lumped under "Farm Out Revenue". Then you can just compare Farm Out Revenue with Farm Out Expense and make sure the former is larger than the latter. (At some point we will have a separate Tech Tip that drills down into analyzing your Farm Out trips in more detail.)

Once you have selected your mappings, enter a value in the Amount/Percent field (the label depends on the charge type). In our example, we have entered 6%.

The screenshot shows the 'Add Charges and Fees' window with the 'Advanced' tab selected. The fields are as follows:

- Description: Admin Fee
- Charge Type: Percent of BaseCharge
- Account: In-House: Admin (with FarmOut icon)
- Farm-In: Admin
- Farm-Out: FarmOut
- Percent: 6.0000

Now that the top of this form is complete, let's move on to the bottom, where you should decide which of the checkmarks should be checked. They are described below.

The screenshot shows the 'Add Charges and Fees' window with the 'General' tab selected. The 'Apply to:' section contains the following checkboxes:

- Bonus
- Reimbursable
- Driver Pay
- Taxable
- Standard Gratuity
- Discountable
- Commissions
- Export To Device
- Available in iChauffeur

Bonus—if you have the Bonus/Frequent Flyer module (an optional module that allows you to reward your clients with frequent rider points, similar to frequent flier miles), you would check this if you want the admin fee to be awarded the bonus. If you don't have this module, the check will have no effect (we recommend leaving it unchecked).

Driver Pay—if your driver pay agreements are set up so that you pay your chauffeurs a percentage of the trip rather than an hourly wage (rare for employees these days, but more common for 1099 contract chauffeurs), check this if you want to include this fee in the driver pay calculation. Note that this would affect all driver pay agreements that are a percentage of trip charges. If you have different rules about how you pay your drivers based on certain charges, this can also be handled in your driver pay agreement, which is beyond the scope of this Tip.

Standard Gratuity—the gratuity will be calculated including this additional charge.

Commissions—if there is a commission agreement on this trip, the commission will be calculated including this charge.

Reimbursable—this will cause this charge to show up on the Driver tab of TripBook for easy selection if you need to reimburse your chauffeur for this charge. Typically it's only used for Parking and maybe Tolls.

Taxable—if you have to collect sales tax, this charge will be included in the base for tax purposes.

Discountable—if you have a special rate agreement with a discount, this charge would be subject to the discount. (Note-this type of discount, since it doesn't show in the trip, is rare.)

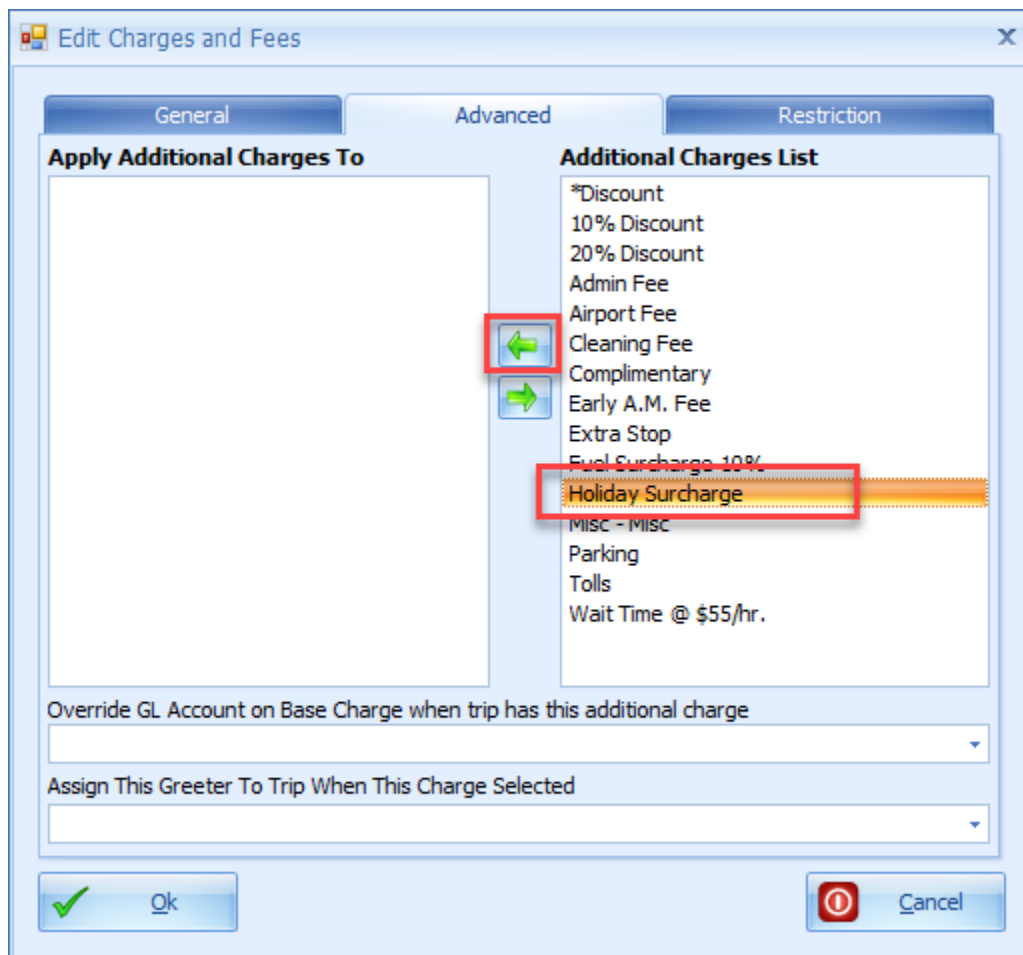
Export to Device—this option was designed for use with 3rd party in-car data terminals so the chauffeur could add the charge to a trip from the terminal. If you are not using the eFleet system in your cars, leave this unchecked.

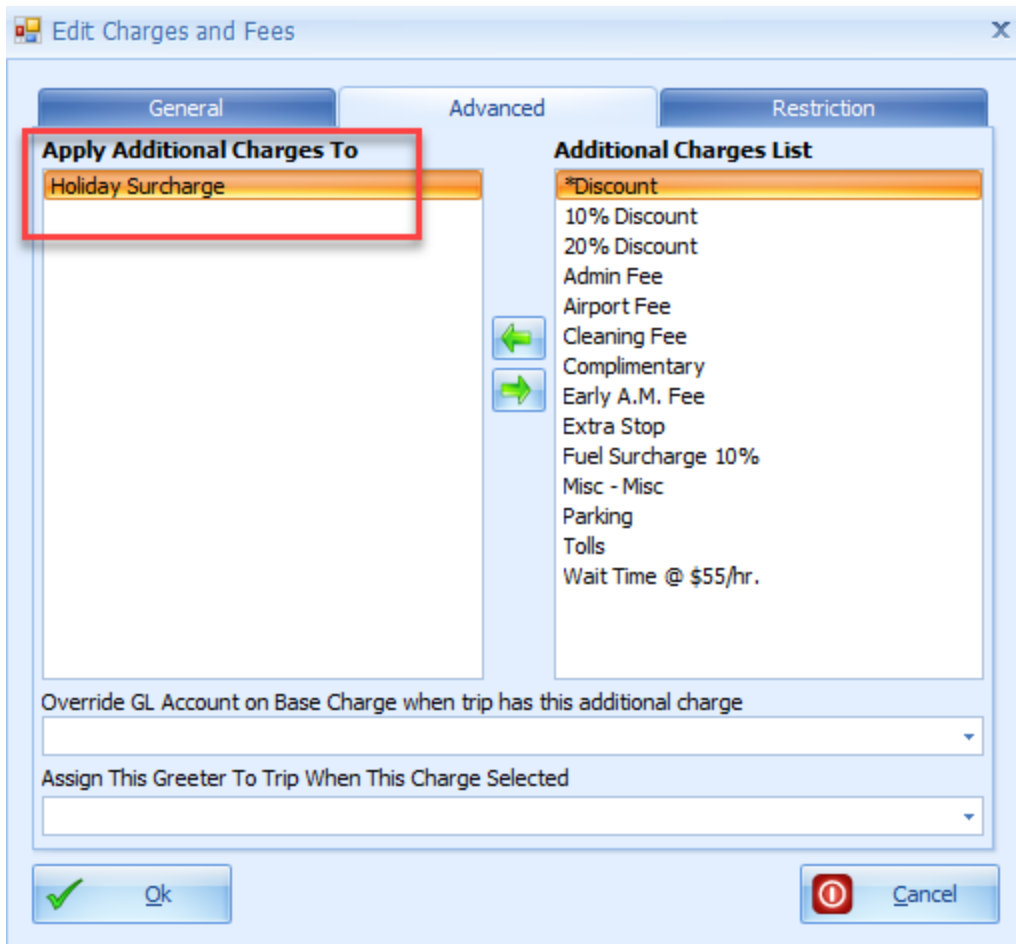
Available in iChauffeur—this option allows the chauffeur to add the charge to a trip from the iChauffeur mobile app. Typically this is only checked for charges/fees like Parking, Tolls, and Misc.

Click OK, and the charge is saved.

Finally, what if you want to apply this charge to another charge (if present) on this trip. For example, what if you also have a Holiday Surcharge, and want to charge the Admin Fee on the Holiday Surcharge?

Open the charge, click on the Advanced Tab, select the Holiday Surcharge, and then either double-click or click on the left arrow. The charge will move from the right window to the left.





Those are the basic steps involved in properly setting up a Charge/Fee for use in a trip. Future Tech Tips will show some more minor features that can be accomplished with Charges/Fees, as well as automating the application of Charges/Fees based on various conditions.