

Steve Rubenstein's Recurring Billing Setup Manual

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This document covers the initial setup processes that should be completed before adding customers. This document applies both to software and hosted customers.

Before the system is ready to process your billing, you must first set up the system to meet your particular needs. Some of these options are mandatory, meaning the system will not work properly if you skip them. Others can be done at any time. Most of the options are available via the Setup tab on the main navigation bar.

For additional information, there is a Setup Tour available via our Tours page at <http://www.strubenstein.com/>. The tour provides a quick overview of the Setup options and includes both screenshots and audio descriptions.

Before we describe the various setup options, here is a quick glossary of various terms used in the billing system which are critical to understand how the system works.

User	A person, including your employees who are users of the system, employees of your customers, or other contacts.
Company	Every user belongs to a company. A company can be your company or a customer, affiliate, cobrand or vendor. If your customer is a consumer and thus there is no company information, the customer is simply a company with no information.
Customer	The company or user you are charging for services. Your customer is generally a company. The term "customer" is generally interchangeable with "company," but simply makes it obvious to whom we are referring.
Affiliate	An affiliate is a company for which you created an affiliate listing. Affiliates are generally partners which direct customers to your site, for which they may receive commissions but do not have a cobranded site with you. To create an affiliate, you must first create a company. You can either create the affiliate when you create the company, or at any time afterwards when managing that company. For each customer company, you can specify the affiliate. Note that the affiliate is specified at the company level, not for the user.
Cobrand	A cobrand is similar to an affiliate described above. The primary difference is that a cobrand often has a cobranded site and is a more formal partnership. For each customer company, you can specify the cobrand. This thereby allows cobrands to have their own affiliates.
Vendor	A vendor is similar to an affiliate or cobrand. If you build all of your own products, you likely have no need for vendors. But they do come in handy if you resell the services of other companies, such as your partners. By tracking

	vendors, you can use the Sales Commission capability to automatically determine how much money you owe your vendors based on the revenue generated by their products.
Subscription	A subscription is a product that a customer purchases on a recurring basis, such as a monthly subscription to your service. (Customers can also make one-time purchases, as described further in the “Subscription Processing Methods” section below.) A subscription can be to an existing product or a “custom” product which exists only for that customer. Subscriptions can be set to end after a designated period, e.g., 12 months, or to continue until cancelled. They can also be set to be processed on various time periods, such as weekly, monthly, quarterly or annually.
Subscriber	A subscriber is basically a customer company that has subscriptions. A company may have multiple subscribers, enabling you to separate an invoice for a customer into different departments, locations, etc., yet still identify them as being for the same company. Subscriptions actually belong to the subscriber, not directly to the company.
Groups	Groups have members, which can be users, companies, affiliates, cobrands or vendors. Groups are used for several purposes, including assigning user permissions to your employees, determining which custom prices are available to particular customers, and determining which sales commission plans are available to your employees and partners (i.e., affiliates, cobrands and vendors).
Custom Pricing	In addition to the standard price for a product, you can specify a custom price which enables you to use volume discounts or limited-time promotional pricing. Custom pricing can also be used for subscriptions where the price changes over time, enabling you to offer free trials, introductory pricing, or bundling discounts.
Custom Status	While the system does have a basic active/inactive (on/off) status for each target type, you can also create a list of custom status options. A target is simply a “thing” such as a user, company, product, invoice, etc. The advantage of custom status is that the status history is tracked and you can filter the list of companies (or other target) by custom status.
Custom Field	The system provides many standard fields for target type. However, custom fields enable you to add any additional fields you may need that the system does not already provide. For each custom field, you can designate which targets it applies to, and what type of field it is.

We have separated the list of setup options into 5 sections:

- Invoice Processing (critical)
 1. Display Templates
 2. Subscription Processing Methods
 3. Merchant Account
 4. Payment Categories
- User Management

5. Users
6. Groups
7. Permissions
- Product Management
 8. Products
 9. Image Sub-Directories
 10. Product Categories
 11. Custom Pricing
- Sales & Partner Management
 12. Affiliates, Cobrands & Vendors
 13. Salespeople / Customer Relationships
 14. Sales Commission Plans
- Other
 15. Custom Status
 16. Custom Fields
 17. Export
 18. IP Address Restrictions
 19. Contact Management Templates
 20. Content Management – Admin header, footer

Invoice Processing

Invoice processing refers to the process by which a customer's subscription(s) are automatically processed on a monthly basis (or other interval) to generate an invoice, deliver the invoice to the customer, and automatically process the customer's payment via credit card or bank/ACH.

1. Display Templates

The Display Templates include invoice/receipt, product and category templates. The product and category templates are only used for a front-end interface designed for your customers. The invoice/receipt templates are used when sending invoices or receipts to your customers via email or fax. The system includes a basic template for each.

The invoice/receipt template can be customized to meet your needs, including your logo, company contact information, and even the list of fields you want displayed. You can even create multiple versions of your template by "copying" the template and then customizing the new copy.

The benefit of being able to create multiple copies of the template is that you can customize them for a particular partner, to distinguish between invoices and receipts, or for situations such as overdue payments.

When customizing the templates, you can view a sample of what it will look like with some sample customer information and line items. You can also preview your changes before submitting them. Customization options include which columns or company information to

display; the headers of those columns; and the order in which the columns are listed. You can also specify how dates are formatted; create a header and/or footer; and even include a message based on the payment method.

If your company requires a totally different template style that cannot be achieved via our customization tools, I (Steven) am happy to work with you to quickly create a customizable template based on your specifications. You will also be able to make copies of your new template so that you can have different versions based on the requirements.

2. Subscription Processing Methods

Subscription processing methods (which we refer to as “payflow”) determines the procedures for processing a customer’s subscription(s) and payment. It determines whether a customer is charged automatically when the invoice is generated or in a scheduled payment X days later. It also specifies the invoice template.

For customers paying manually via check, you can create a subscription processing method that simply sends an invoice without a payment. You can create as many subscription processing methods as you want.

There must be at least one subscription processing method, which is the default used for processing all customers unless otherwise specified. A customer may be assigned a subscription processing method either directly by their company or indirectly via a group, affiliate or cobrand. The priority order for determining which subscription processing method to use when processing a subscriber is: company, group, default.

Please note that the subscription processing method to use is defined for the company, not the subscriber. So if a customer has multiple subscribers, they all use the same subscription processing method.

When a customer’s subscriptions are processed, the system will create a new invoice for that customer. However, if the “subscriber” has an existing invoice already open, the system will add the subscriptions to that existing invoice and then close that invoice. This enables you to manually create an invoice for a customer for one-time purchases and then simply add that to their subscriptions for that billing period, which will be automatically processed and charged when that customer’s subscriptions are processed.

3. Merchant Account

To charge customers’ credit cards, you need a merchant account. To use your merchant account with the system, you need to enter the details of your merchant account as well as select the payment gateway you use, e.g., Verisign. You may add multiple merchant accounts, including a merchant account that handles e-check and ACH transactions.

When processing a payment or refund, simply select the merchant account to use to process it. If there is only one merchant account, it will automatically be used. If no merchant accounts, you cannot process credit cards.

When processing subscriptions payments automatically, the default merchant account is used.

4. Payment Categories

When processing payments (or refunds), you may select a payment category which enables you to easily track the basic purpose of the payment. When viewing payments, you can filter the list of payments by the payment category.

You may also specify a the payment category that is used when a payment is automatically processed for a subscription via a credit card or bank account. This lets you easily distinguish between payments processed automatically and those processed manually. (Payments processed automatically are tracked anyway, but the category method provides extra functionality.)

Payment categories are especially useful for refunds, which the system treats as a payment, albeit a negative one. By specifying a payment category for a refund, you can track the reason for the refund and which reasons are the leading cause of refunds.

User Management

User management refers to managing your employees and their permissions within the system.

5. Users

A user is any person associated with a company. While most of your users will be created with your customer companies, you will also need to create a user for each employee with permission to access the system. The primary difference between your employees and a customer user is that the customer user will not have any login permissions.

For security purposes, each employee at your company should have their own username and password. The system tracks which user performed a particular action, so if every employee uses the same user account, this information will not be useful.

Users are limited to only those permissions for which they have been granted, either directly via their user account or indirectly via a group.

6. Groups

As defined above, groups have many purposes. You should create your list of groups, especially for the purposes of assigning permissions to employees. But you can create and update groups at any time.

If you have many employees who need access to the system, it is generally best to create groups for your employees for the purpose of assigning permissions to them. This is much simpler and quicker than individually granting permissions to each employee.

7. Permissions

Each action in the system requires the permission for that action. The only actions for the user does not need permission are to update their own user account information, view the admin homepage upon logging in, and logout. (Users cannot even log in if you change their user status to “Banned.”)

A user’s permissions are the sum of their permissions assigned directly to them or to the groups to which they belong. If a user belongs to multiple groups, they receive all of the permissions assigned to each group, plus any permissions assigned directly to them. So if an individual employee needs a permission beyond those assigned to their group, you can assign them just that permission directly, with the others being provided by the group(s).

Unlike many systems, the billing system’s permissions are very detailed. You do not simply assign the user to a role. Instead, you can select which permissions to provide. For instance, the ability to create a company, update a company, and view a company are three separate permissions. This enables you to provide very granular permissions options, ensuring the security of your data.

If a user does not have permission for a particular action, then the action is not even presented to that user. If the company tries to perform that action anyway, such as by manually entering the appropriate URL, the system will prevent the user from doing so.

For instance, if the user does not have permission to create a company, the link to create a company will not be listed. But if the user enters the URL to create a company (either by guessing it or by seeing it via another user’s computer) the system will politely inform the user that he/she does not have permission for that action.

Product Management

8. Products

Products are the products and services which you provide to your customers. They can be products that you own or 3rd party products that you resell on behalf of a vendor. For each product, you can specify the price, description, images, etc.

A product can have children. Child product are useful when a product is related, but there are not enough to warrant an entire category (which is described below). For custom prices, you can specify that the custom price applies both the product and its child products.

If you consider a normal shopping cart site, another use of a child product is to group related products onto the same page where you purchase the child product, but want all child products listed on the page for the parent product. For instance, if you want to purchase a pack of blank CD-ROMs, the parent product is a basic pack of CD-ROMs while the child products are the actual listings for the brand or count in each pack.

A product can be a bundle of products. For instance, to offer a bundled discount to customers who purchase both products A, B and C, you can create a product D that includes all three. That way, the customer simply has a subscription to product D, not subscriptions to all three.

Product A, B and C can still be sold individually and can also be included in other product bundles. However, a product bundle cannot contain another product bundle. So new product bundle E may contain products A, B or C, but cannot contain product bundle D.

A products may have parameters. Parameters are often used for clothing sites for size and color; and for computer sites for the various components for your computer, such as hard drive, processor, and memory. However, parameters can also be useful for your service if there are many combinations of options a customers can choose for a particular product such that it is not preferred to create a separate product for each possible combination of options.

A product may have as many parameters. You can also create exceptions based on up to 4 parameter options where an exception can trigger a message, be excluded (i.e., that combination of parameters is not permitted) or command a price premium (or discount). For instance, in the case of computer parameters, you can specify that you cannot order a particular graphics card with a particular processor; or that the 50 gig hard drive will cost you an additional \$50; or a message that there is a 2-week delay for that hard drive.

9. Image Sub-Directories

In managing products, you may upload customers directly to the server. For each image, you can specify the directory to which it should be saved. The default directory is the “images” directory created for your company. But you can create sub-directories within this image directory. Product images can be displayed on a custom invoice and can also be used on a custom front-end interface for your customers.

10. Product Categories

Just like a shopping cart system, products can be organized into categories. A product may belong to multiple categories, but it does not need to belong to any categories. You may create sub-categories below each category and there is no limit to the number of category levels you can create. You may also specify the valid dates for which the product should be listed in the category.

There are several benefits to organizing products into categories: you can filter the list of products by category; you can list products in categories on a front-end customer site that your

customers can use to sign up for your services; and you can mark a custom price as applicable to all products within a particular category and optionally any sub-categories of that category.

11. Custom Pricing

While each product has a standard price, you can also specify a custom price. For each custom price, you must specify both the products to which the custom price applies and the customers that may use the custom price. A custom price is assigned either directly to the product, to a product and its child products, to a category, or to a category and its sub-categories. It is assigned to a customer either directly to that company, directly to that user, or indirectly via an affiliate, cobrand or group, meaning it will apply to all customers companies of that affiliate or cobrand, or that are a member of that group.

Custom pricing enables simple limited-time pricing promotions or sophisticated pricing options such as volume discounts. Prices can be specified as a dollar amount or a percentage discount off of the normal price. This enables you to offer 5% off all products within a particular category without having to manually change the price of all items in that category or creating a custom price for each product.

Volume discounts can be applied in one of three ways:

- A price for each unit depending on the quantity ordered – \$10 per unit if ordering up to 5 units; \$9.50 per unit if ordering 6-19; or \$9 per unit if ordering 20+.
- Graduated step pricing – the first 5 units cost \$10 each, units 6-19 cost \$9.50 each, and units 20+ cost \$9 each.
- A total price for all units based on the quantity – \$10 total for up to 5 units; \$20.00 for up to 10 units; and \$30 for unlimited units. This is useful for allowing customers to have up to X users for a single price instead of charging for each individual user.

In addition to the volume discounts based on the quantity ordered, the discount may be applied based on the total price given the normal product price and the quantity ordered.

Custom pricing can also incorporate multiple time periods for subscriptions. This enables you to create a free trial or introductory price for a subscription to a particular product. For instance, the price may be \$19.95 for the first 3 months, and then \$29.95 per month thereafter.

Sales & Partner Management

Revenue is the reason your company exists, and your revenue is the result of the hard work of your salespeople and affiliate/cobrand partners. This includes tracking the salesperson(s), affiliate and cobrand for each customer, and the vendor for each product.

12. Affiliates, Cobrands & Vendors

For each company, you can specify the affiliate and cobrand of that company. Affiliates and cobrands can be created at any time. For products, you can optionally specify the vendor of that product.

13. Salespeople / Customer Relationships

For each customer, you can specify the salesperson(s) (i.e., user) that should receive a commission. This is done via the “Salesperson” option from that customer company. For each company, you can also specify for which users and/or subscribers the salesperson should receive a commission. You can also specify the begin/end dates and the percentage of the available sales commissions the salesperson should receive for that customer (in case commissions are split among multiple salespeople for that customer).

14. Sales Commission Plans

You can calculate and track sales commissions for employees, affiliates, cobrands, and vendors for both one-time purchases and subscriptions. Commissions can be added manually or via a commission plan. Like custom pricing, commissions can be a simple dollar amount, percentage or “volume discount” capabilities; and can include multiple time periods to change the commission over the life of a subscription or salesperson/partner.

There are 2 types of commission plans: invoice-based and period-based.

- Invoice-based – Sales commission is calculated independently for each invoice.
- Period-based – Sales commissions are based on totals of all invoices within the period where a period is a week, month, quarter or year.

In addition, commissions can be based on the entire invoice or individual products:

- Invoice-level – Sales commissions are calculated based on the total of all line items in the invoice (or period) minus taxes, payment credits, and products which have their own sales commissions.
- Line item-level – Sales commissions are calculated for an individual product where the product is specified at the commission level either directly, via a parent product, or via the product category (or parent category).

For each commission plan, you must specify which targets may receive that commission where a target is a user, affiliate, cobrand or vendor. You may also specify that the commission plan applies to all users, affiliates, cobrands or vendors. Commissions plans can also be applied to a group that may include any type of target. Just be careful that you actually want all members of that group to be eligible for that commission plan.

Sales commissions related to an invoice are calculated when the invoice is marked as paid. If the invoice is later un-marked as not paid, the sales commissions are *not* re-calculated. However, you can make any necessary changes by creating a manual sales commission, including a negative value.

For period-based invoices, the sales commissions are calculated as each invoice is paid for and then automatically updated for each new invoice marked as paid within the period. This enables you to view the current value of the sales commissions during the period.

Affiliates and cobrands automatically receive sales commissions for customer companies associated with that affiliate/cobrand. Vendors automatically receive sales commissions for their products listed in the invoice. Vendors cannot be paid an invoice-based commission, only product-based commissions.

For commission plans that have multiple stages, i.e., the commission varies over time, the date for which the first commission stage begins is based on the type of commission plan and whether the commission applies to the entire invoice or individual line items. Stage 1 begins when:

- Period-based – Date target was created (i.e., the user, affiliate, cobrand or vendor)
- Invoice-based
 - Invoice-level
 - Subscriber-based invoice – Date subscriber was created
 - Non-subscriber invoice – Use stage 1
 - Line item-level
 - Subscription-base – Subscription begin date
 - Manual line item – Use stage 1

Other

Below are other options included on the Setup tab which do not fit into the above categories. Like the other setup options, they can be set up or customized at any time.

15. Custom Status

While the system does have a basic active/inactive (on/off) status for each target type, you can also create a list of custom status options. A target is simply a “thing” such as a user, company, product, invoice, etc. The advantage of custom status is that the status history is tracked and you can filter the list of companies (or other target) by custom status.

For each target, e.g., a company, you can create as many custom status options as you want and specify the order in which they should be listed.

Custom status options are integrated into each target. For instance, you can edit the custom status of a company when creating or editing that company. When viewing the company, you can also view the company status. When viewing the list of companies, you can filter the list by custom status. The custom status can also be specified when creating or updating companies via the Web Services interface.

You can also view the custom status history of a particular company, including when the status was changed, who changed the status, and their comment when doing so.

16. Custom Fields

The system provides many standard fields for each target type. However, custom fields enable you to add any additional fields you may need that the system does not already provide. For each custom field, you can designate which targets it applies to, and what type of field it is.

Unlike custom status, a custom field may be applied to multiple targets. For instance, a custom field can be applied to both a company and a user. Custom fields may be of type text, boolean, integer or float (numeric). You may even create a list of options from which to select the value.

Like custom status, each value is archived and custom fields may be inserted/updated via the Web Services interface.

17. Export

The system provides sophisticated export capabilities. All important target lists can be exported. For instance, you can filter the list of companies and then export just that list. Items can be exported to XML, Excel or a simple tab-delimited file.

For each query, such as the list of companies, you can choose which fields to include in the export file and even use your field names instead of the default system field names, for easier integration with your own systems.

18. IP Address Restrictions

The security of your data is critical. You can also restrict the IP address(es) or IP address range from which your employees may log into the browser-based admin screens or the IP addresses from which your servers may access the Web Services interface.

This enables you to prevent employees from logging into the system from home or while traveling, where their connection may not be secure. And since it is unlikely that your servers will be traveling, it would be silly not to enforce IP address restrictions on your web services login.

19. Contact Management Templates

When sending emails to customers or partner via the system, you can use a contact management template as the basis of the email. For each template, you can specify fields about that customer, which will automatically be populated when selecting the template.

20. Content Management – Admin header, footer

The system enables you to customize the header and footer of the admin screens, i.e., the screens you see when your employees log into the system. This enables you to add your company name and logo, and any links you would like to display. We suggest displaying any links in the footer instead of the header. Each version of the header and footer are archived.