

Device Financing – Payment Method Setup Option

Introduction

Dealers providing cellular devices from their own inventory on carrier-financed options will have some challenges in setting up and reporting in RQ. The main issue arises when collecting a reduced amount for the device in RQ while charging full device tax. The following setup steps are suggestions only: You may want to come up with alternative measures.

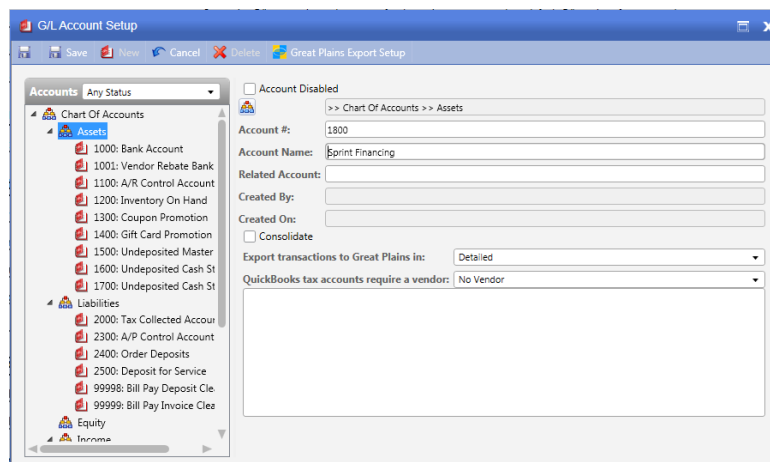
One method that works well with Sprint One Up Financing uses a separate G/L account and payment method to reduce the phone prices and simplify tax reporting. Use the following setup steps:

Setup Overview:

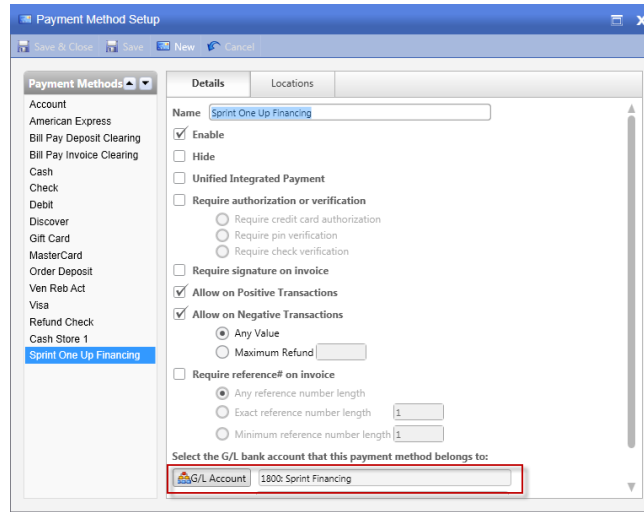
- Create G/L Account
- Create Payment Method
- Create New Products in RQ
- Add new Terms to Carrier Pricing Sheet (Price Sheet)

Setup Steps

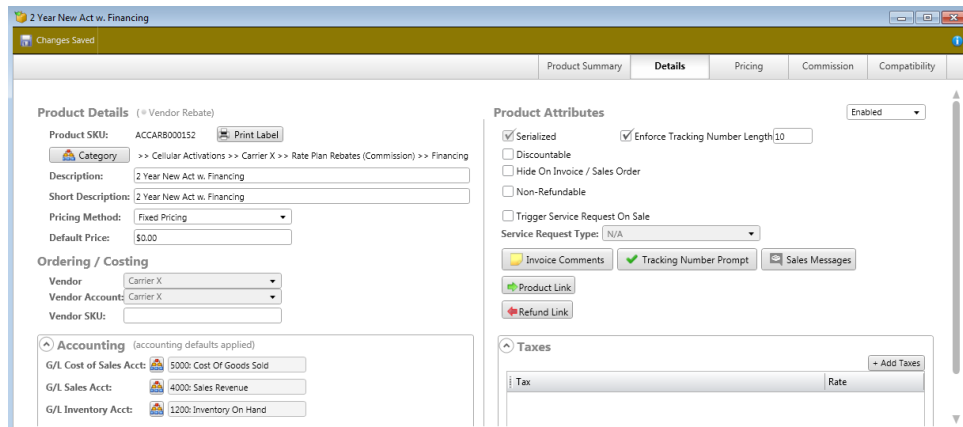
1. Create G/L Account: Go to **Settings | Finance | G/L Account Setup** and create a new G/L account under **Assets** as a receivable.



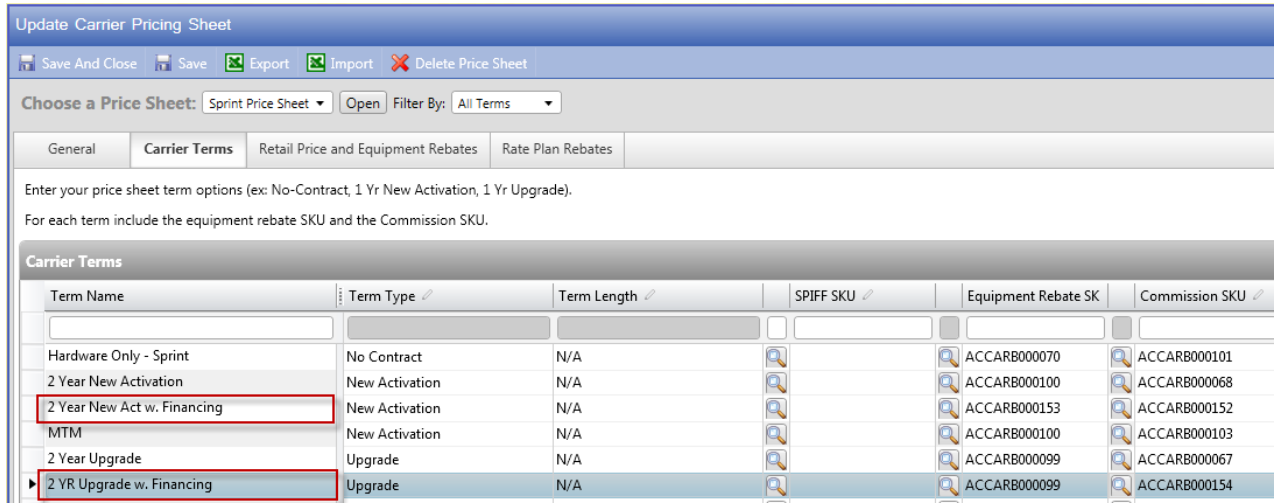
2. Create Payment Method: Go to **Settings | Finance | Payment Method Setup** and create a new payment method that is mapped to the G/L Account.



3. Create New Category (Optional): Create a new category in RQ under **Settings | Inventory | Product Category Setup** that will contain your Financing Vendor Rebate Products (VRPs.) Or group them with existing VRPs used for rate plan rebates.
4. Create new Products – Create the following new products in RQ:
 - a. Vendor Rebate Product(s): Create a VRP for each Term type that will require the Financing option. In the example below, a 2 Year New Activation Term will be used. It is faster to create one and use Create Similar for the rest. Use the following criteria:
 - Category = Rate Plan Rebates Commission >> One Up Financing
 - Description = 2 Year New Act w. Financing
 - Serialized = True
 - Discountable = False
 - Default Price = \$0
 - Enforced Length = 10
 - Tax = No tax applied



- b. Terms: Create a Term to match each of the VRPs created in the previous step in **Inventory | Tools | Price Sheet Term Setup**.
5. Update Price Sheet: Go to **Inventory | Tools | Update Carrier Pricing Sheet** to update the following information in your current price sheet:
- a. Carrier Terms tab: Add the terms created in the previous steps and link them to the appropriate VRPs. Click **Save**. At this point, you may want to export/import your price sheet template to update the phone pricing and rebates.



- b. Retail Price and Equip Rebate tab: Enter the retail price of the phones (before deposit) and any phone rebates that apply (this may be a copy of the existing term). For instance, the **New Act. w. Financing** term may be the same as your existing **New Act** term. Check with your carrier for details.
- c. Rate Plan Rebates tab: Ensure that the rate plan commissions are filled in under the new terms. These may also match existing terms. Check with your carrier for details.

Note: See Help Files under [Update Price Sheet Guide](#) for setup details.

Sales Flow


Use the following steps to sell a device in RQ using a Financing term:

1. Add the device to the invoice as usual.

- Select one of the new Financing terms and the appropriate rate plan. The usual device price will display as listed in the price sheet.

Phone Activation Wizard

John Smith
Ph:(555) 888-9999



Plan Details

Device: Samsung Galaxy S3 - Black ✓

ESN/IMEI: 34536 ✓

Term: New Activation | 2 Year New Act w. Financing ✓

Rate Plan: Rate Plan Worth \$0 - \$4.98 ✓

Phone #

Contract #

Sell multiple phones using this criteria

Cancel No Term Start Over

Phone Price **\$99.99** Next

- Proceed to the final screen: Any features may also be added.

John Smith Refund PRECASH Bill Pay / Deposit

Shopping Cart

Samsung Galaxy S3 - Black ACCABB000051 Tracking#: 34510	1 @ \$99.99 Discounted \$500.00	\$99.99
New Act Equip Rebate w. Financing ACCARB000153 Tracking#: 5555555555	1 @ \$150.00	\$150.00
Rate Plan Worth \$0 - \$4.98 ACCANS000096	1 @ \$0.00	\$0.00
2 Year New Act w. Financing ACCARB000152 Tracking#: 5555555555	1 @ \$190.00	\$190.00
Volume Bonus ACCARB000108 Tracking#: 5555555555	1 @ \$25.00	\$25.00

Billing Customer: John Smith

Ship To

Discounted \$500.00

Subtotal \$99.99

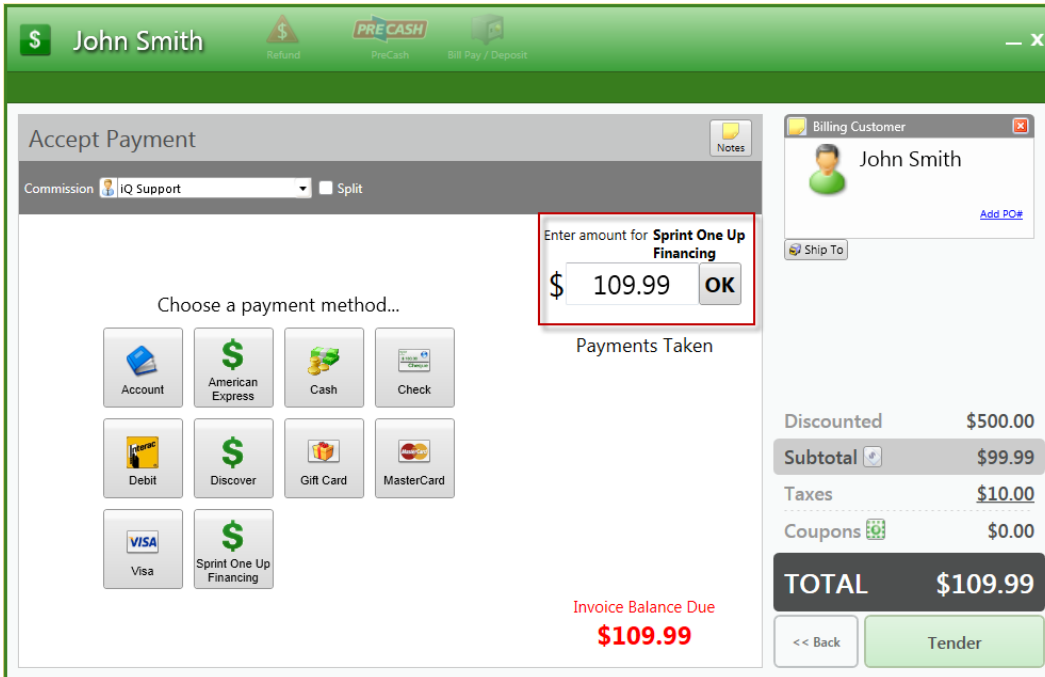
Taxes \$10.00

Coupons \$0.00

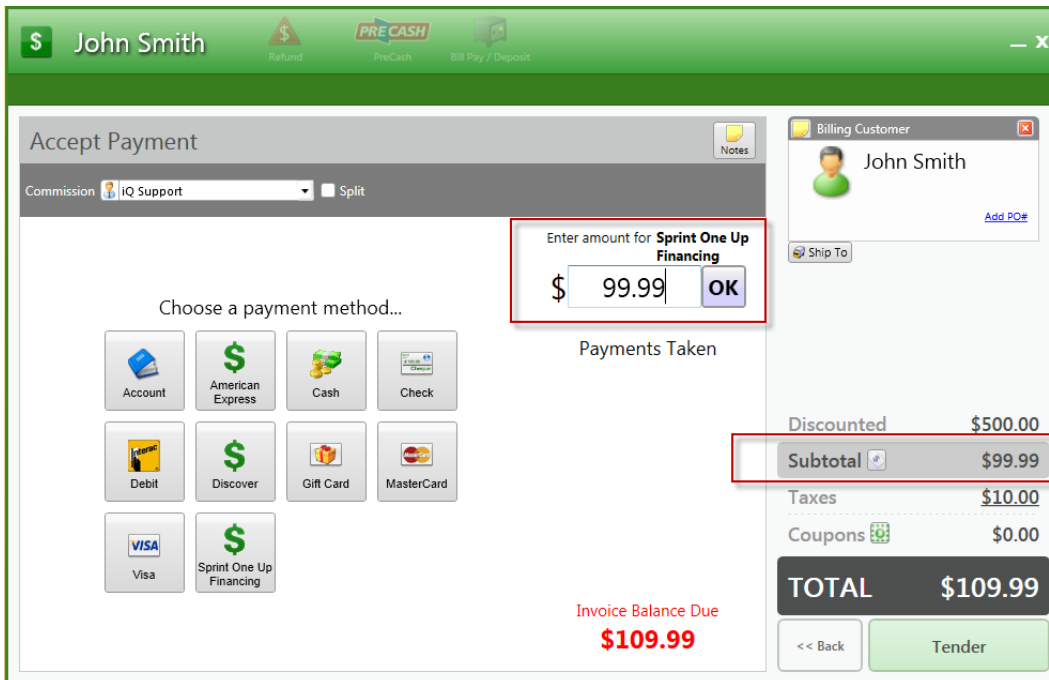
TOTAL \$109.99

Check Out

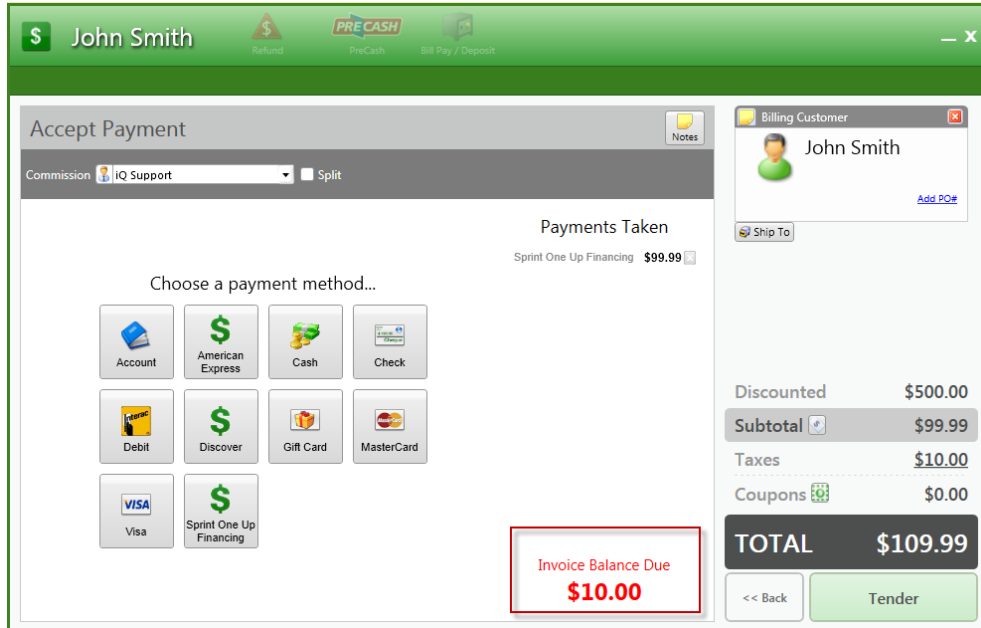
- Click **Check Out** to display the Tender screen. Select the Financing payment method, such as **Sprint One Up Financing**, created previously. The full price of the phone (with tax included) will be displayed in the Payments Taken field.



- Replace the Payments Taken value with the Subtotal value on the invoice. This will be the price of the phone only.



- Click OK. The phone retail price will be deducted and the tax owing for the device will display as the **Invoice Balance Due**.
- Any accessories, etc. can now be added to the invoice if required and the customer will be invoiced.



Tax Reporting

Sales by Invoice Report with Filter: Click on the **Filter** button at the top of the screen to display column filters. Use >0 to filter out only the financed transactions and refer to the tax column total for an accurate summary of your financed devices tax.

Sales by Invoice Report with Grouping: Drag the Financing Payment Method column header into the Grouping box to determine your financed devices tax totals.

Sales by Invoice Report Corporate - 10/10/2013 to 10/10/2013

Print Selected Invoices

3 results

Invoiced By	Customer	Invoice Subtotal	Sales	Cost	Gross Profit	Cash	Sprint One Up Financ	Ven Reb Act	Sales Tax #1	Region	District
Corporate	John Smith	\$99.99	\$464.99	\$399.00	\$65.99	\$10.00	\$99.99	\$365.00	\$10.00	Central	Central A
Corporate	Joan Sampson	\$100.00	\$465.00	\$299.00	\$166.00	\$10.00	\$100.00	\$365.00	\$10.00	Central	Central A
Corporate	Johnny Cash	\$99.99	\$464.99	\$399.00	\$65.99	\$10.00	\$99.99	\$365.00	\$10.00	Central	Central A
		\$299.98	\$1,394.98	\$1,097.00		\$297.98	\$30.00	\$299.98	\$1,095.00		\$30.00

Sales by Invoice Report Corporate - 10/10/2013 to 10/10/2013

Print Selected Invoices

4 results

Sprint One Up Financing

Sprint One Up Financ	Invoiced By	Customer	Invoice Subtotal	Sales	Cost	Gross Profit	Cash	Ven Reb Act	Sales Tax #1	Region
\$99.99	Corporate	John Smith	\$99.99	\$464.99	\$399.00	\$65.99	\$10.00	\$365.00	\$10.00	Central
\$99.99	Corporate	Johnny Cash	\$99.99	\$464.99	\$399.00	\$65.99	\$10.00	\$365.00	\$10.00	Central
\$199.98			\$199.98	\$929.98	\$798.00	\$131.98	\$20.00	\$730.00	\$20.00	