Late Fees

2017 - Summer Edition

User Guide - Table of Contents

Overview

Late Fees can be created and assigned to members within the Office System as a penalty for not paying their bill in a timely manner. Although it is most efficient to apply Late Fees at the Member Type level, Late Fees can also be applied at the individual member level if desired. In this guide, we will discuss how to setup, apply Late Fees at both the Member Type and individual member level, and how to make a member Late Fee Exempt.
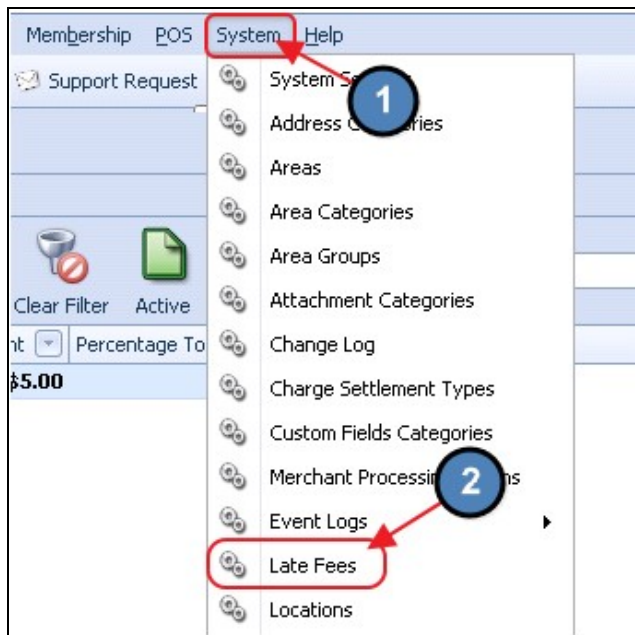
Use Case(s)

- The Club institutes a new Late Fee policy and needs to create new Late Fees within the Office System.

- The Club decides to change the minimum delinquency balance before a Late Fee is charged.
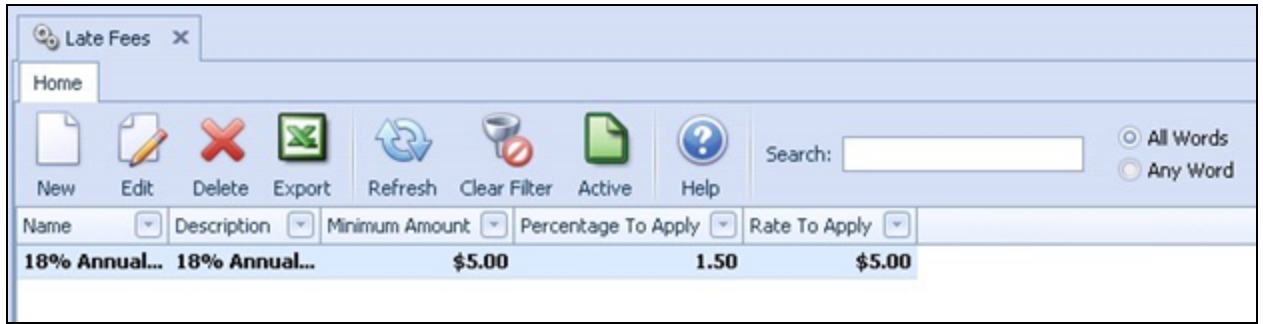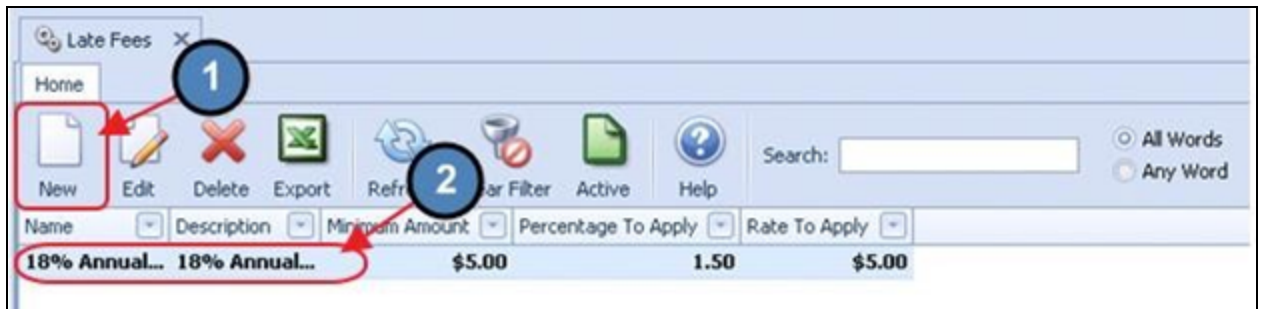
Accessing the Tool

To access **Late Fees**,

1) Navigate to **System** across the top toolbar and select **Late Fees**.
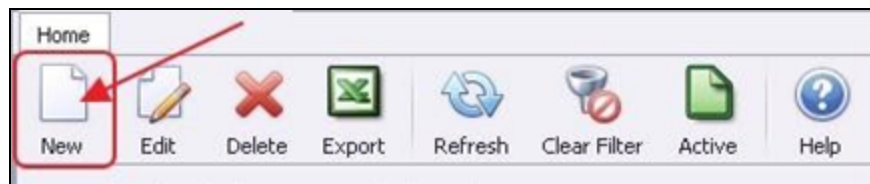
2) The **Late Fees Grid** will launch.

3) The primary functions associated with managing Late Fees are embedded in the Late Fee setup screen, which can be accessed by double-clicking on an existing Fee, or clicking the **New** button.
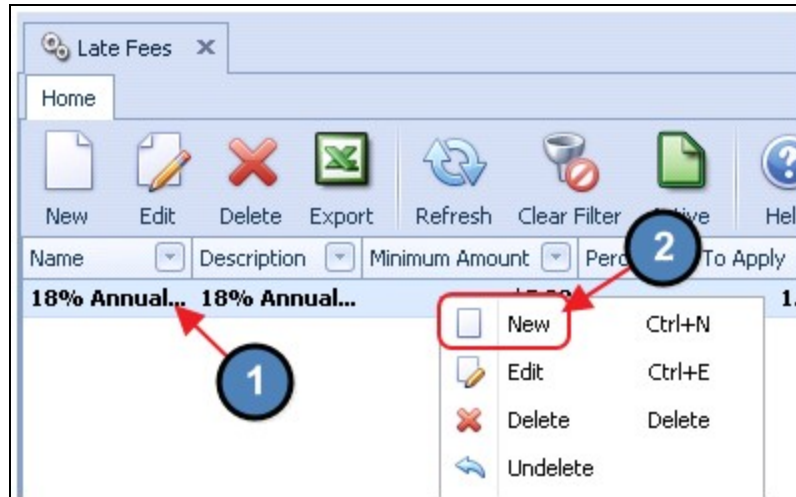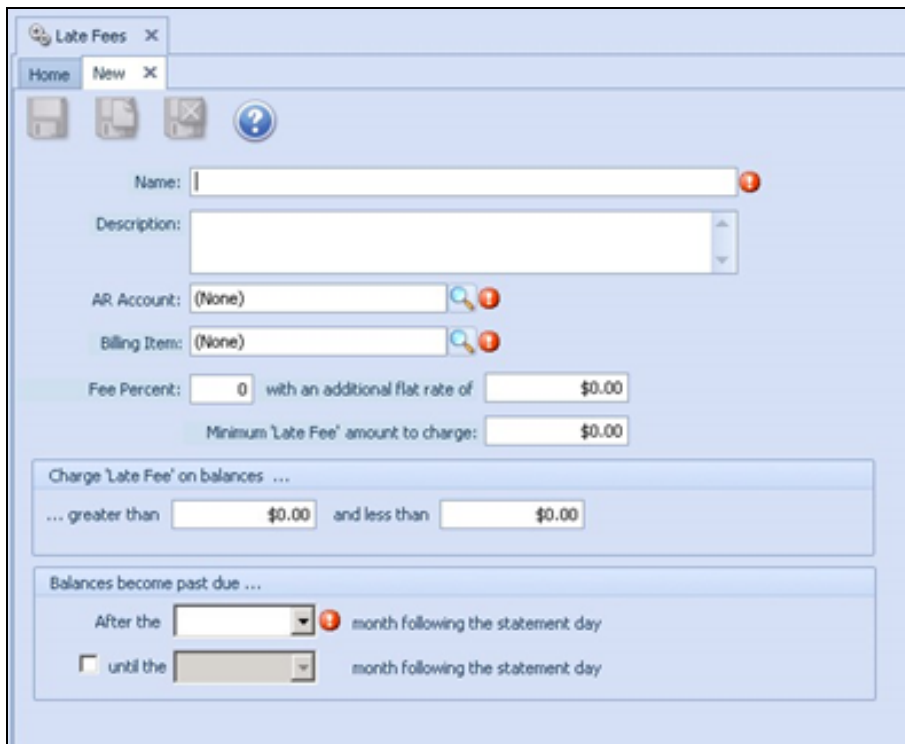

Creating a New Late Fee

To create a new Late Fee,

1) Navigate to the **Late Fees Grid** and perform either of the following to launch the Late Fee setup screen:
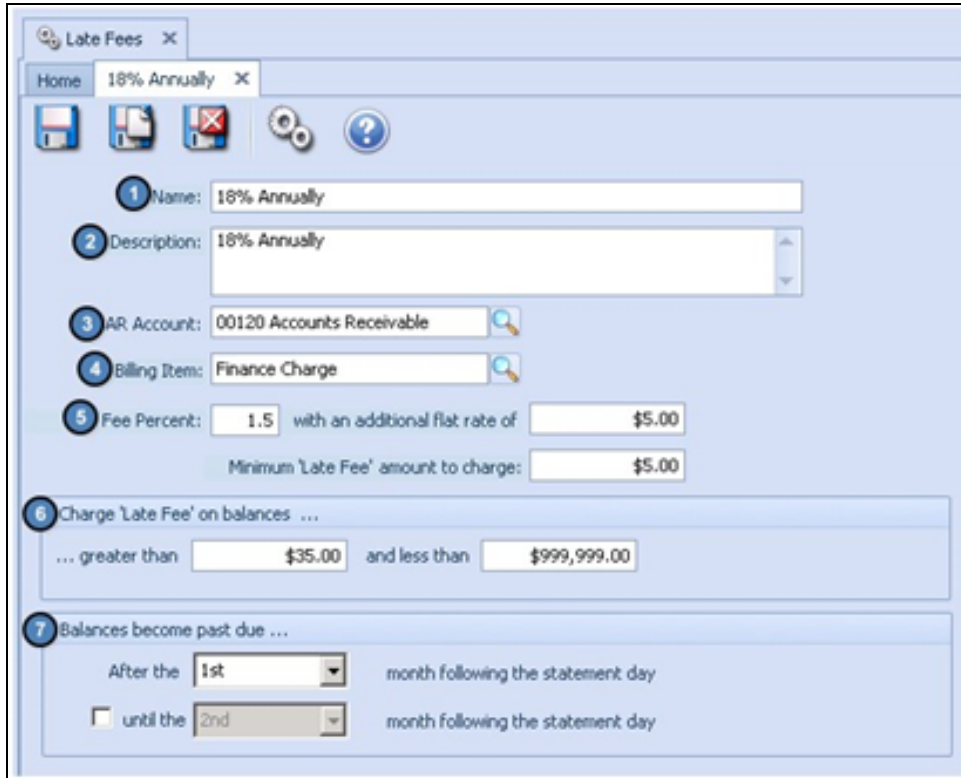
   a) Click the **New** icon on the toolbar.

   b) Right-click anywhere on the Member Types Grid and select **New**.

2) The Late Fee setup screen will launch.

Late Fee Setup

1) **Name** - Give the Late Fee a name.

2) **Description** - An optional description can be added to the Late Fee for internal purposes.

3) **AR Account** - Select the applicable AR Account.

4) **Billing Item** - Select the Item to be charged when Late Fees are billed at Month End.

5) **Fee Percent** - Enter the percentage to be charged when Late Fees are billed at Month End.

   - **With an additional flat rate of** - Enter a dollar amount if the Late Fee should have an additional flat rate on top of the Fee Percent.

   - **Minimum 'Late Fee' amount to charge** - Enter a dollar amount if there is a minimum amount to be charged on Late Fees. If using a flat rate, this amount should be equal to that of the flat rate.

   Note:
   If the user would like a flat rate to be charged rather than a percentage, simply leave the Fee Percent set to zero and enter the flat rate.

6) **Charge 'Late Fee' on Balances** - Enter the delinquency balance that needs to be exceeded before a Late Fee is charged.

   Less than - Enter the maximum delinquent balance to be reached before Late Fees stopped being charged. Most clubs leave this set to **$999,999.00**.

7) **Balance Become Past Due** - Select when a member's balance becomes past due. Options include the 1st, 2nd, and 3rd month following the Statement Date.

   Until - If left blank, the system will continue to charge the same Late Fee each month the member is delinquent. However, some clubs have different Late Fees for 30, 60, and 90 days delinquencies. If this is the case, check the **until** field and populate the appropriate month.

Applying Late Fees to Members

As mentioned, it is most efficient to apply Late Fees at the Member Type level; however, Late Fees can also be applied at the individual member level if desired. In this section, we will review how to apply Late Fees at both the Member Type and individual member level.

> **Note:**
> By default the system will look at the individual member level first, and if there is nothing selected there, it will look at the Member Type level.
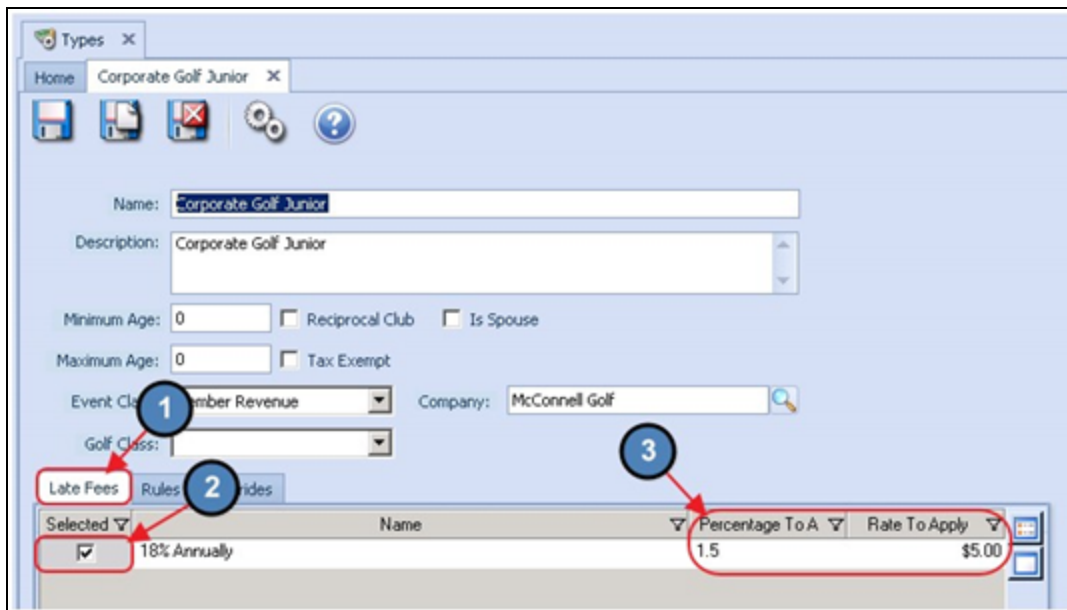
Member Type

To apply a Late Fee at the Member Type level:

Important: Please note that if a Late Fee is applied at the Member Type level, all members within the Member Type will be susceptible to Late Fees.

1) Navigate to **Membership** across the top tool and select **Types**.
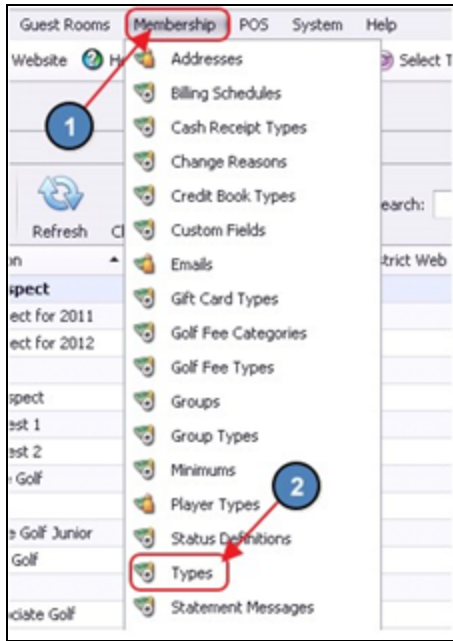
2) Double click the applicable Member Type, and on the Late Fees tab, select all Late Fees that apply. The **Percentage to Apply** and **Flat Rate** will show on the Late Fees Grid within the Member Type.

3) The Late Fee will then show on the **Late Fees tab** within the member's profile. Late Fees applied at the Member Type level will show in the **Late Fees at Member Type** section.
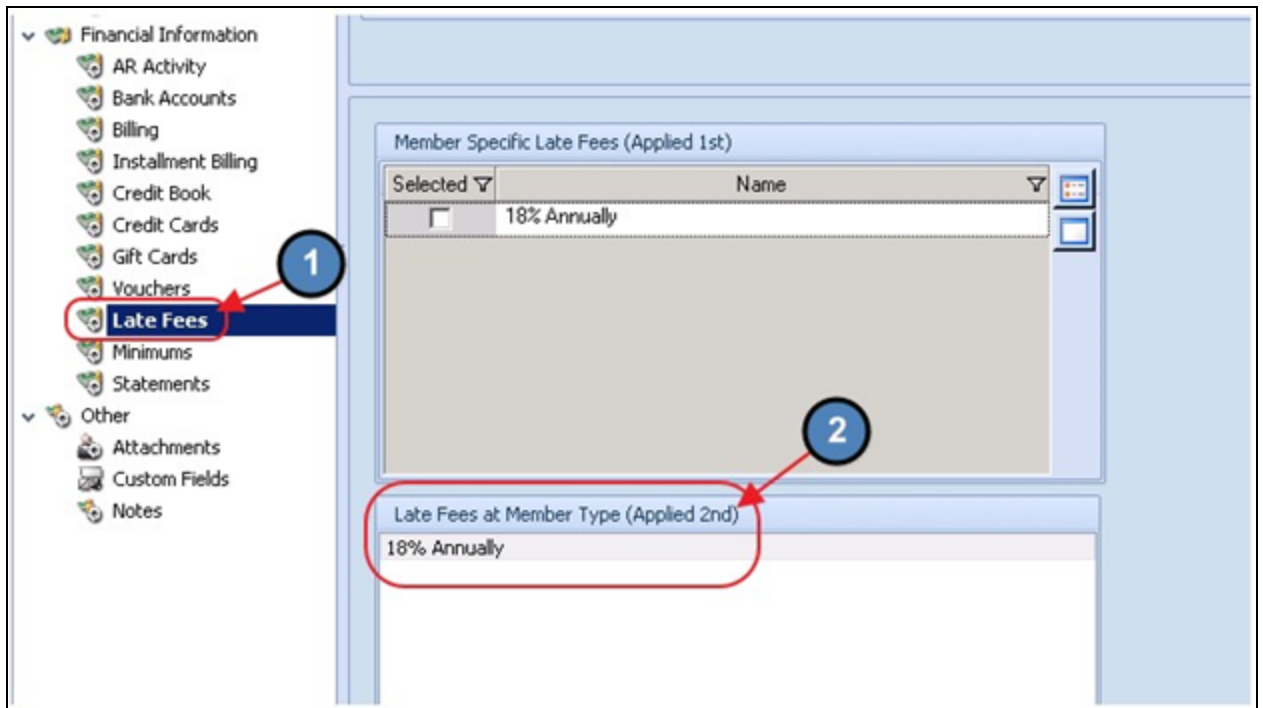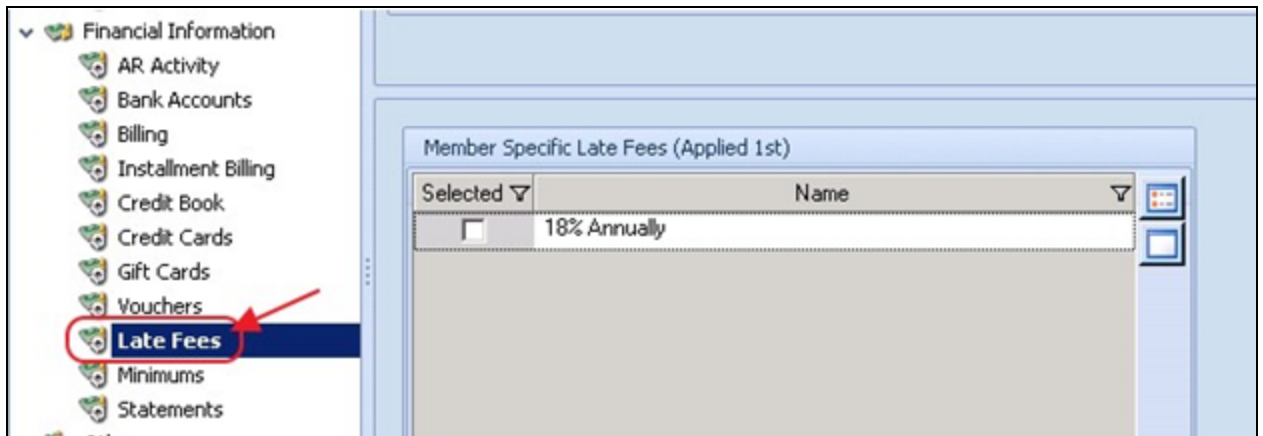
Member Level

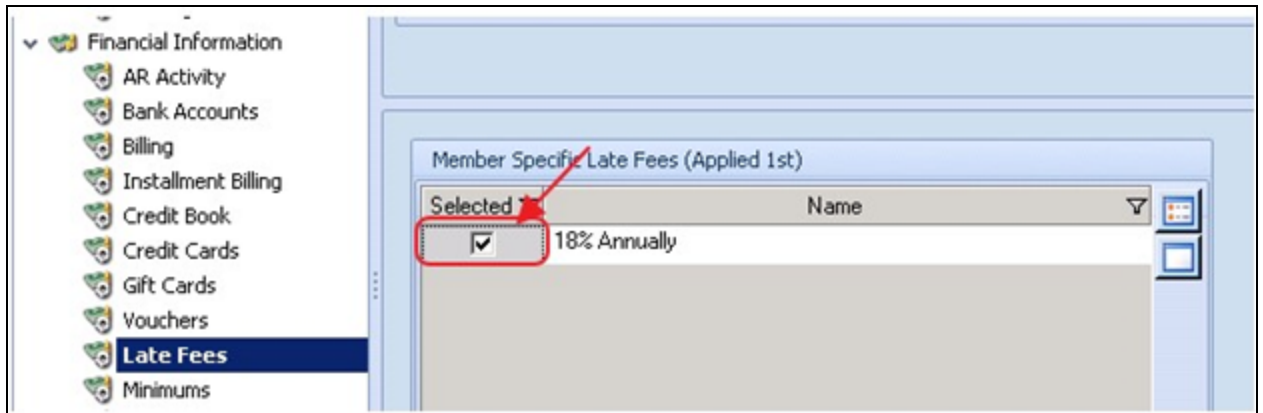If Late Fees are not applied at the Member Type level and a specific member needs to be charged Late Fees,

1) Navigate to the **Membership** module from the left user menu and select Manage Members.

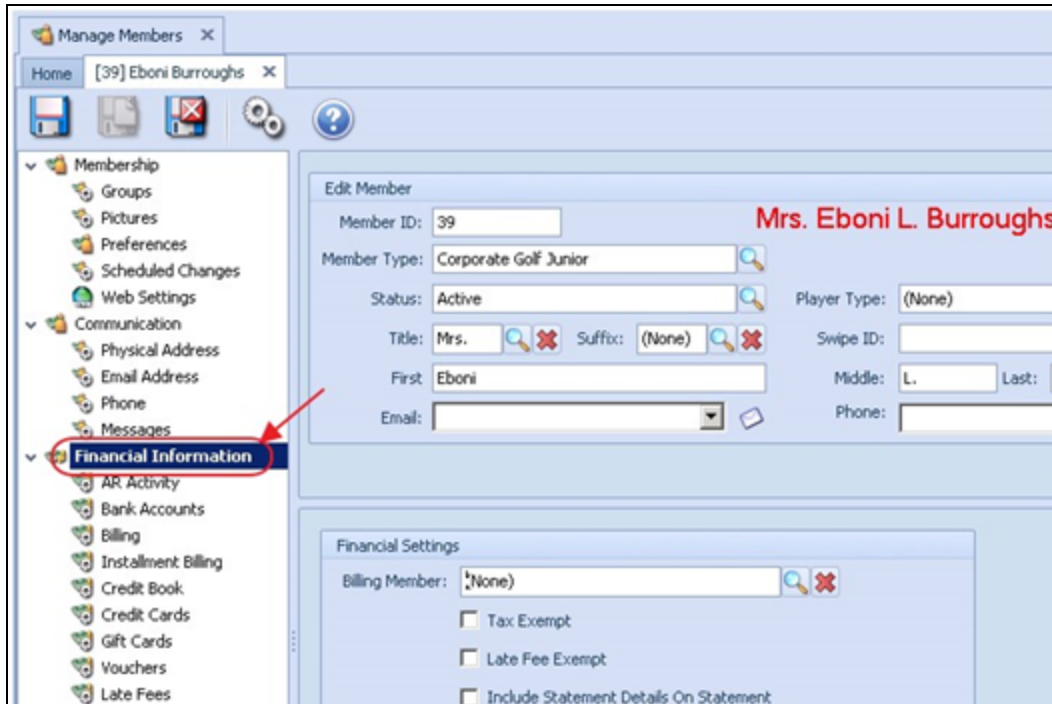2) Double click on the applicable member and navigate to the **Late Fees tab**.

3) In the **Member Specific Late Fees** section, select the applicable Late Fees.

Late Fee Exempt

If for any reason a particular member needs to be Late Fee Exempt,

1) Navigate to the applicable member's profile in Manage Members and select the **Financial Information** tab.

2) Select **Late Fee Exempt**. The member will not be charged Late Fees at Month End if this flag is checked.

Best Practices

- Oftentimes, the biggest challenge in late fees, is either not assessing people that should be charged for them, or assessing those whom no longer should be charged. Outside of the system, develop the policy that will define how late charges will be assessed (based on Member Type, etc), and the triggering events that will preclude a member from being responsible for late fees (resigned members).

- Ensure resigned Members are moved to Resigned Member Type and Resigned Member Status to prevent further billings (including late charges).

- If Members are part of a Member Type that is subject to Late Fees, but they are exempt, ensure to flag the Member as late fee exempt in the Member's Profile, Financial Information tab.
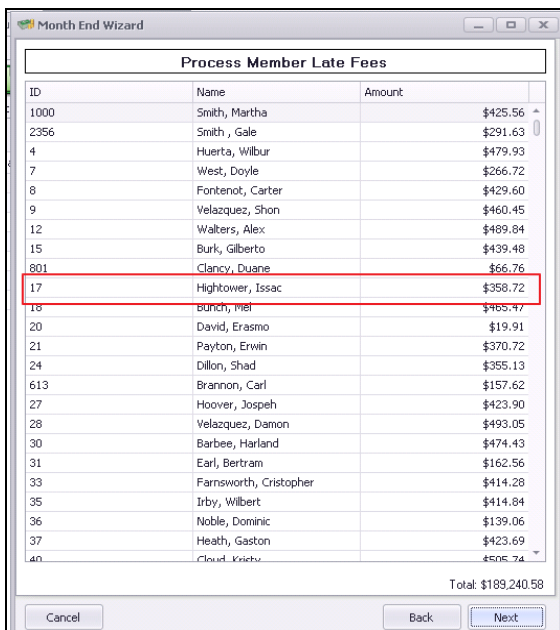
Frequently Asked Questions

We have members (resigned) who we don't want to incur any additional late fees - how can we ensure they are no longer charged?

First, ensure the Member has been set to Resigned Member Type and Resigned Member Status. This ensures billings (minimums, late fees, etc) are no longer generated for that Member. Then, ensure any Member specific late fees are removed from the individual's account through the Late Fee tab of the Member's profile. While in the Late Fees tab, confirm the Late Fees at Member type are also blank.

What is the best way to exclude a Member from incurring late fees on a one-time only basis?

If the Member is only exempt from one month's billings, complete the Month End Wizard, so that the late charge is still in the late fee charge batch for the month.

Then, go to **Approve Charge Batches**, and find the created batch. **Click** on the "**+**" icon next to the batch to expand it and show the different charges in the batch. **Right-click** on the name of the Member's charge you want to remove. Select **Delete** from the shortcut menu to eliminate charge from batch **before** posting the batch.
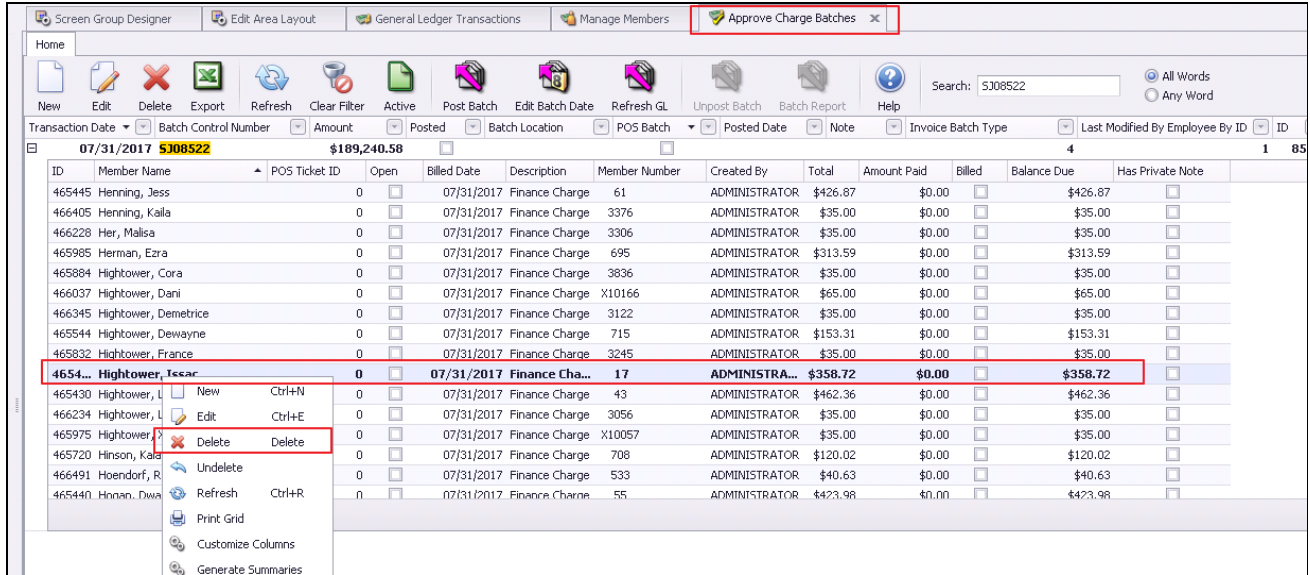
 This process will ensure they are subject to late fees on a go-forward basis.

How can I see the details of when a Member was moved out of a status (so I can verify why they were hit for a late fee)?

Within the Member's profile, click on the Audit Log (gear icon), to view changes regarding the Member's status.