Automated Pledge Recalculation

Platform   Luminate CRM

Configuration   Automatically visible. No setup required.

Our team is committed to helping you get the most out of every relationship and inspire your creativity to deliver engaging experiences for your constituents so you can do even more for your mission. The Summer 2012 release of Convio Luminate™ is packed with enhancements designed to connect more people to your cause, enhance the user's experience, allow you to better measure and test your strategies, and offer new ways to deliver web-based content and leverage our open platform – all while making optimal use of your staff's valuable time.

This document describes the feature "Automated Pledge Recalculation", explains how to configure and use it, and offers tips for taking full advantage of its benefits. Please visit the release resource center to read more about the exciting features in this release.

OVERVIEW

Prior to this release, if a donor overpaid or underpaid a pledge payment, administrators had to manually adjust the payment schedule for the gift. For example, let's say a donor has pledged $10.00 a month for six months. On the third month, they send in a check for $20.00 instead of $10.00. Should the next payment be cancelled and then resume two months later? Should the next payment resume as usual, but cancel the last payment? Or should the remaining number of payments be reduced by an equal amount totaling $10.00?

The Luminate CRM Automatic Pledge Recalculation feature will automatically recalculate the balance and remaining payment schedule during gift entry depending on what settings you have chosen. For example, you can configure Pledge Recalculation so that overpayments are deducted from the next installment or so the deduction is distributed among all the remaining installments. There are similar settings for underpayments as well.

FEATURES AND BENEFITS

The system can automatically recalculate the remaining payments when donors overpay or underpay. The system also includes an improved interface for manually editing the entire payment schedule when the donors payment schedule is not something that can be set on an exact interval.

Features

- ✓ Organizations can configure the default behavior for how the system should recalculate the outstanding pledge payment schedule when a donor overpays or underpays their pledge payment compared to the current payment due amount.

Benefits

- ✓ The system will automatically recalculate the outstanding pledge payment schedule based on the system defaults for overpayment.

- ✓ The system will automatically recalculate the outstanding pledge payment schedule based on the system defaults for underpayment.

- ✓ Organizations can now choose from a number of options to automatically create the adjusted, outstanding, scheduled payments for underpayment and overpayment based on organization business process rules.

- ✓ Organizations can manually edit the payment schedule for a donor when their payment needs fall outside the default payment recalculation rule.

COMMON SCENARIOS

When a donor overpays or underpays a pledge installment, the remaining pledge payments are recalculated according to how you have configured the system. For example if a donor overpays, you can deduct the overpayment amount from the next payment, or deduct it evenly from all the remaining payments.

The following lists the different ways you can configure how pledge installments are recalculated when a donor overpays or underpays:

Default Overpayment Behavior

- - Evenly Allocate Overpayment Among Remaining Payments

- - Deduct Payment from the Next Installment

- - Deduct Payment from the Final Installment

Default Underpayment Behavior

- - Evenly Allocate Underpayment Among Remaining Payments

- - Add Payment to the Next Installment

- - Add the Remaining Balance to a New, Subsequent Payment

- - Add New Installment to the End of the Schedule

Default Overpayment Behavior

Javier Bates committed to give ABC Health $1200 in 2012 fulfilled through $100 payments. Each $100 Payment is made via a check that Javier sends in each month. His original payment schedule for a $1200 annual pledge is as follows:

The following scenarios illustrate how Luminate CRM recalculates the payment schedule if Javier overpays. The payments are recalculated in different ways depending on how the **Pledge Installment Recalculation Defaults** page is configured. The options are **Evenly Allocate**, **Deduct from Next Installment**, and **Deduct from Final Installment**.

📝 *If you don't want the pledge installments to be recalculated, you can click **Disabled**.*

Evenly Allocate

In January Javier sent us $100, in February he sent us $150 when only $100 was due for this month. If you have selected **Evenly Allocate**, overpayment amounts are deducted evenly from the remaining pledge installments.

To evenly allocate a pledge payment that has been overpaid:

1. In the **Pledge Installment Recalculation Details** page, select **Evenly Reallocate**.

The overpayment is deducted from the remaining installments resulting in $95.00 payments for the remaining installments.

Deduct Payment from the Next Installment

If you have selected **Deduct Payment from Next Installment(s)**, the overpayment amount is deducted from the next installment. If the overpayment amount is larger than the next installment, it will be deducted from subsequent payments until it is fully applied (this may result in the pledged being fully paid earlier than initially scheduled). In Javier's case, his February payment is reduced to $50.00 and the payments after that remain the same.

1. In the **Pledge Installment Recalculation Details** page, select **Deduct from Next Installment**.

The overpayment is deducted from the next installments, resulting in a $50.00 March payment and the other installments remain the same.

Deduct Payment from the Last Installment

If you have selected **Deduct Payment from Last Installment(s)**, the overpayment amount is deducted from the last installment. If the overpayment amount is larger than the last installment, it will be deducted from the payment before the last payment until it is fully applied (this may result in the pledged being fully paid earlier than initially scheduled). Lets' say Javier pays $225.00 in Feb. His December payment is removed from the payment schedule (he will only have 11 installments instead of 12), and his November payment is reduced to $75.00.

1. In the **Pledge Installment Recalculation Details** page, select **Deduct from Next Installment**.

2. The overpayment is so large, that the final installment is removed, and the final payment is reduced to $75.00. The pledge will be paid off in 11 installments now instead of 12.

Default Underpayment Behavior

Javier Bates committed to give ABC Health $1200 in 2012 fulfilled through $100 payments. Each $100 Payment is made via a check that Javier sends in each month. His original payment schedule for a $1200 annual pledge is as follows:

The following scenarios illustrate how Luminate CRM recalculates the payment schedule if Javier underpays and installment. The payments are recalculated in different ways depending on how the **Pledge Installment Recalculation Defaults** page is configured. The options include **Evenly Allocate**, **Add to Next Installment(s)**, **Add Remaining Balance to New Subsequent Payment**, and **Add Installment to End of Schedule**.

Note: If you don't want the pledge installments to be recalculated, select **Disabled**.

Evenly Allocate

Let's say that Javier sends in a payment for $50 when $100 is due. If you have selected **Evenly Allocate**, the underpayment amount ($50) will be added evenly to the remaining pledge installments.

To evenly allocate a pledge payment that has been overpaid:

1. In the **Pledge Installment Recalculation Details** page, select **Evenly Reallocate**.

Default underpayment behavior

◉ **Evenly Reallocate**

Evenly distribute the new, larger balance across all remaining installments.

◯ **Add to next installment(s)**

Add an additional installment on the same date as the underpaid installment to the pledge for the remaining balance to the end of the pledge.

◯ **Add remaining balance to new subsequent payment**

Add the underpayment amount to a new subsequent installment. The new installment will be for the remaining balance and have the same close date as the updated installment.

◯ **Add installment to end of schedule**

Add an additional installment to the end of the pledge for the underpayment amount, extending the final pledge fulfillment date. The additional installment will inherit the schedule of the original pledge.

◯ **Disabled**

No default underpayment recalculation behavior.

The underpayment is added to the remaining installments resulting in $116.67 payments for the remaining installments.

Donations
Javier Bates $1200.00 Pledge
Pledge: Javier Bates $1200.00 Pledge

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Action	Donation Name	Account Name	Stage	Amount	Close Date ↑
Edit | Del	Javier Bates $1200.00 Pledge Installment 1 of 12	Javier Bates Household	Received	$100.00	1/1/2012
Edit | Del	Javier Bates $1200.00 Pledge Installment 2 of 12	Javier Bates Household	Received	$50.00	2/1/2012
Edit | Del	Javier Bates $1200.00 Pledge Installment 3 of 11	Javier Bates Household	Pending Installment	$116.67	3/1/2012
Edit | Del	Javier Bates $1200.00 Pledge Installment 4 of 11	Javier Bates Household	Pending Installment	$116.67	4/1/2012
Edit | Del	Javier Bates $1200.00 Pledge Installment 5 of 11	Javier Bates Household	Pending Installment	$116.67	5/1/2012
Edit | Del	Javier Bates $1200.00 Pledge Installment 6 of 11	Javier Bates Household	Pending Installment	$116.67	6/1/2012
Edit | Del	Javier Bates $1200.00 Pledge Installment 7 of 11	Javier Bates Household	Pending Installment	$116.67	7/1/2012
Edit | Del	Javier Bates $1200.00 Pledge Installment 8 of 11	Javier Bates Household	Pending Installment	$116.67	8/1/2012
Edit | Del	Javier Bates $1200.00 Pledge Installment 9 of 11	Javier Bates Household	Pending Installment	$116.67	9/1/2012
Edit | Del	Javier Bates $1200.00 Pledge Installment 10 of 11	Javier Bates Household	Pending Installment	$116.67	10/1/2012
Edit | Del	Javier Bates $1200.00 Pledge Installment 11 of 11	Javier Bates Household	Pending Installment	$116.64	11/1/2012

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Add Underpayment Amount to the Next Installment

If you have selected **Add to Next Installment(s)**, the underpayment amount is added to the next installment. Using the previous example where Javier pays only $50 for the February installment, his March payment is increased to $150.

To add underpayment amounts to the next installment:

1. In the **Pledge Installment Recalculation Details** page, select **Add to next installment(s)**.

The underpayment is added to the next installment resulting in a March payment of $150.

Add Remaining Balance to New Subsequent Payment

If you have selected **Add Remaining Balance to New Subsequent Payment**, the underpayment amount is added to the last installment in the payment schedule. Using the previous example where Javier pays only $50 for the February installment, and new February installment is created for $50 for the outstanding balance.

To add underpayment amounts to a new, subsequent payment:

1. In the **Pledge Installment Recalculation Details** page, select **Add Remaining Balance to New Subsequent Payment**.

A new payment is created for the remaining balance of $50. There are now 13 installments instead of 12.

Add Installment to the End of Schedule

If you have selected **Add Installment to End of Schedule**, a new installment is added to the end of the payment schedule for the underpayment amount. In Javier's case, when he underpays by $50.00, a new installment payment for $50.00 is created and scheduled for January 2013.

To add underpayment amounts to the last installment:

1. In the **Pledge Installment Recalculation Details** page, select **Add Installment to the End of Schedule.**

A new installment is added to the payment schedule for the remaining balance of $50 that is due in January 2013.

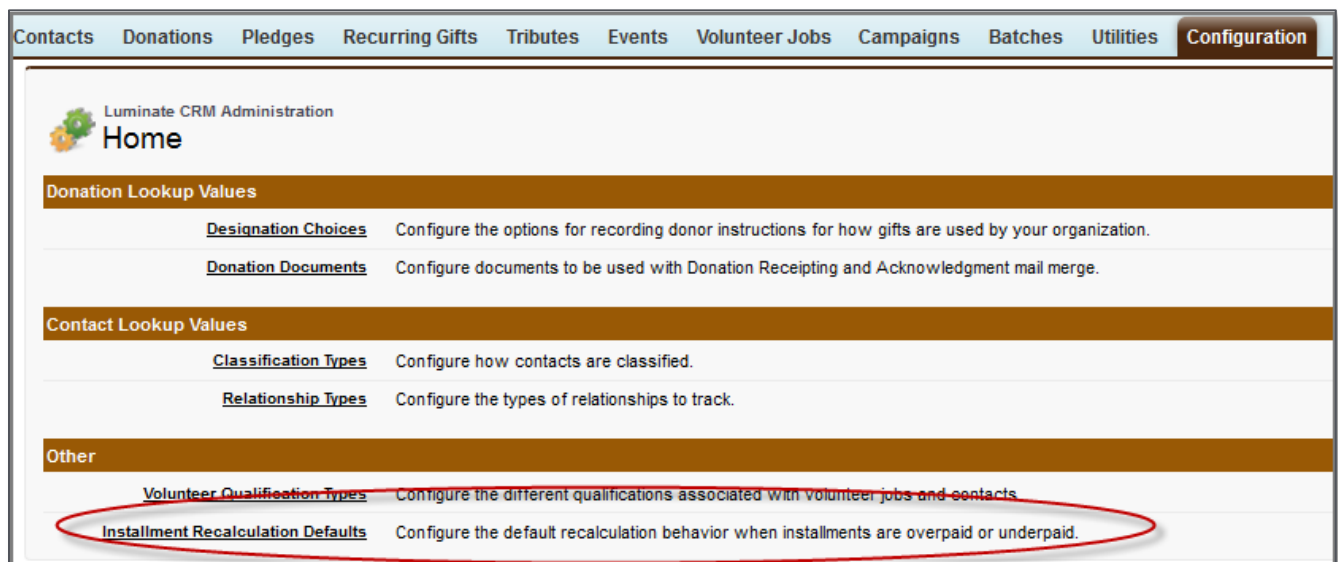## GETTING STARTED

This section contains the following topics:

- Configuring the Pledge Installment Recalculation Method

- Manually Recalculating Pledge Installments

Configuring the Pledge Installment Recalculation Method

Pledge recalculation is done automatically when a gift is entered. Pledges are recalculated based on how you have configured the application.

To configure pledge recalculation behavior:

1. Click the **Configuration** tab. The **Home** page displays.

2. Click the **Installment Recalculation Defaults** link. The **Pledge Installment Recalculation Defaults** window displays.

3. Select the options appropriate for your organization and click **Save**.

Manually Recalculating Pledge Installments

If you need to customize and adjust the installment payments in a way that is not covered by the pledge recalculation settings, you can manually set the amount of all the payments. For example, Jolie Pitt has pledged $1000 over 5 payments, but, for financial reasons, must pay in different amounts every month. In such a case you will have to manually set the payment amounts.

To manually change the installment amounts:

1. Open the Pledge Details window.

2. Scroll down to the **Installments** section.

3. Click **Edit Multiple Installments**.

The **Edit Pending Installments** page displays.

4. Click inside a field in the **Amount** column to change the amounts and click **Save**.

    Note: If the amounts you enter do not equal the total pledge amount, you won't be able to save the page and you will receive an error message.

The **Pledge Details** page displays.

5. Scroll down to the Installments section to verify that the changes were made to the payment schedule. You have successfully changed the payment amounts.

ADDITIONAL RESOURCES

We understand that our solutions are an integral part of your organization's success, and so we offers several ways for you to get the help and information you need:

Learn More » Summer 2012 Release – The community is a one-stop-shop containing everything you need to know about the release, including an overview of all the new functionality, summaries of other features, and links to release-specific training and help resources.

Get Support » Support – Our Client Care team strives to provide you with the best possible support experience by promptly responding to questions and resolving issues submitted via the method that's most convenient for you. In addition to contacting us via a case or phone, you also have the option to chat with us live to get a quick answer for your quick questions.

Training – We offer a diverse set of training options to meet a variety of roles, learning styles, and situations. Track your learning path and history, view upcoming classes, download documentation and best practices, and browse other resources – via a web browser, at no extra charge, no matter where you are.

Get Started » Release Calendar – For Luminate Online products, review our Release Planning Calendar to determine when this update will be available to you. For Luminate CRM, please contact your Account Representative.

GIVE US YOUR FEEDBACK

Have a suggestion for a future release? "Ideas" is a tool used by our Product Management team to determine which enhancements are most popular among our clients. You can help shape the future of our roadmap by entering a nominee and voting for ideas submitted by other clients. To participate, visit the Customer Center and click "Support". Once you are in the Support portal, click the "Ideas" tab to begin using the feedback tool.