Generating Commission Invoices

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Confirming the Principal Agreement and Eligible Deals

Start in **Contracts Data** and open the Principal agreement that covers the commission you want to invoice. Confirm that the agreement belongs to the correct **Principal** and that it is marked **Active**. An inactive agreement should not be used as the basis for a new Commission Invoice.

Review the commission information recorded on the agreement before selecting any deals. Depending on the agreement, look for values such as **Contractual Commissions**, **Commission Type**, **Commission (%)**, **Agreed Commission**, or **Reference Commission/Margin**. These values establish the standard terms Pams uses when no separate rule has been recorded for an individual deal.

Next, identify the deals that belong in the invoice period. Use the agreement's related deal information and the date range you are invoicing for to distinguish included deals from deals that belong to an earlier or later period. Include only deals associated with this Principal agreement and eligible for commission invoicing. A deal already included in another Commission Invoice should not be included again.

Open the source deal records for the proposed invoice period and check their commission details. Review values such as **Subject to Commission**, **Commission (%)**, **Agreed Commission**, and **Commission Amount** where they are shown. A deal may have its own agreed commission terms that differ from the agreement's standard terms.

Use the Principal Sales Invoice information already recorded as part of the preceding workflow to confirm the commercial basis for the commission. If you need to review that information, see Managing Principal Sales Invoices.

[SCREENSHOT: A Principal agreement in Contracts Data showing the Principal, Active status, and commission-related fields.]

Before generating the invoice, make a short working list of the eligible deals and their expected commission amounts. This gives you a clear comparison point when reviewing the completed Commission Invoice.

Reviewing Commission Rules Before Generating the Invoice

A Principal agreement supplies the base commission terms for the deals covered by that agreement. In **Contracts Data**, open the relevant agreement and review the commission values shown there, including **Commission Type**, **Commission (%)**, **Agreed Commission**, and **Contractual Commissions**. These agreement-level terms are the starting point for calculating commission.

Individual deals can use different terms. When a source deal has its own **Commission (%)**, **Agreed Commission**, or **Commission Amount**, treat those deal-specific values as the terms to verify first. Deal-specific rules may override or supplement the agreement's standard commission arrangement. This is particularly important when one Principal has different commission arrangements for different products, clients, projects, or Sales Jobs.

Compare the agreement and deal records directly:

- On the Principal agreement, note the standard **Commission Type** and **Commission (%)**.
- On each eligible deal, check whether **Subject to Commission** is selected.
- Review the deal's **Agreed Commission** and **Commission Amount**.
- Check whether the deal's commission value is consistent with the agreement or clearly records a separate agreed arrangement.
- Confirm that the Principal shown on the deal matches the Principal on the agreement.

Do not change the agreement merely because one deal has an unexpected amount. First determine whether the issue belongs to the individual deal or applies to all deals under the agreement. For example, a deal with a negotiated commission rate should be corrected on that deal if its own commission information is incomplete or incorrect. An agreement-level error should be corrected only when the base terms themselves are wrong.

If the expected commission is missing, verify that the deal is associated with the correct Principal agreement, is marked **Subject to Commission**, and falls within the intended invoice period. If the amount is wrong, check the deal's commission values before generating the Commission Invoice.

[SCREENSHOT: Comparison of commission details on a Principal agreement and on a source deal record.]

Generating a Commission Invoice from the Principal Agreement

Generate the Commission Invoice from the Principal agreement after you have confirmed the eligible deals and their commission rules. Starting from the agreement helps ensure that the Commission Invoice is tied to the correct Principal and uses the commission terms recorded for that relationship.

Open **Contracts Data**, select the relevant active Principal agreement, and review the **Principal** name one final time. Use the action available on the agreement to generate a **Commission Invoice**. Pams then presents the invoice period or the eligible set of deals available for inclusion.

When selecting the deals for the Commission Invoice, include only the deals you reviewed in advance. Check that each deal:

- Belongs to the selected Principal agreement.
- Falls within the commission invoice period you are preparing.
- Is eligible for commission invoicing.
- Has the correct agreement-level or deal-specific commission terms.
- Has not already been included in a Commission Invoice for the same period.

After confirming the selection, generate the Commission Invoice. Open the resulting invoice and verify that it shows the correct **Principal**, has an **Invoice Number**, and is connected to the agreement you selected. The invoice should contain the commission amounts calculated from the included deals.

Creating the Commission Invoice and finalizing it are separate controls. Generation creates the invoice document and its commission lines for review. Do not treat a newly created invoice as final until your organization's invoice workflow has been completed. If your screen shows statuses such as **Draft**, **Awaiting Approval**, **Approved**, or **Released for Invoicing**, use those statuses to confirm where the invoice is in your internal process.

Keep the invoice in its review stage while you compare its lines and total against the underlying deal records. Finalize it only after the commission amounts are confirmed.

[SCREENSHOT: A generated Commission Invoice showing its Invoice Number, Principal, and listed commission lines.]

Checking Invoice Lines Against Deal-Specific Commission Rules

Open the generated **Commission Invoice** and review every commission line before moving the invoice beyond its review stage. Each line should represent an eligible deal included from the selected Principal agreement and invoice period.

For each invoice line, identify the source deal and open that deal's record. Compare the amount on the invoice with the values shown on the deal, especially **Commission (%)**, **Agreed Commission**, and **Commission Amount**. Also confirm that the deal is marked **Subject to Commission** where that field is used.

Use this comparison to establish which rule was applied:

- If the deal has no separate commission arrangement, the amount should align with the Principal agreement's standard **Commission Type**, **Commission (%)**, or **Contractual Commissions**.
- If the deal records its own agreed commission values, the invoice line should reflect those deal-specific terms rather than relying only on the agreement's base rate.
- If the deal is not subject to commission, it should not create a commission amount on the invoice.
- If a commission amount has been agreed as a specific amount rather than a percentage, compare the invoice line with the recorded **Agreed Commission** or **Commission Amount**.

Review the invoice's **Invoice Amount** after checking the individual lines. Add the expected amounts from the source deals and compare that figure with the total shown on the Commission Invoice. Investigate any difference before approval or release.

A correct total alone is not enough. Two incorrect line amounts can offset each other and still produce a total that appears right. Confirm each line individually, particularly where a deal has a special commission arrangement.

[SCREENSHOT: A Commission Invoice line being compared with the Commission (%) and Agreed Commission values on its source deal.]

Once every line has been checked, retain the Commission Invoice in the appropriate workflow status until the required approval or final review is complete.

Fixing Missing or Incorrect Commission Invoice Amounts

If an expected deal does not appear on the Commission Invoice, do not add or finalize the invoice until you identify why it was excluded. Start by opening the source deal and confirming that it belongs to the same **Principal** as the Principal agreement used for the invoice. Then check that it falls within the selected invoice period and is eligible for commission invoicing.

Review the following information on the deal and agreement:

- The **Principal** on the deal and on the agreement.
- Whether the deal is marked **Subject to Commission**.
- The deal's **Commission Type**, **Commission (%)**, **Agreed Commission**, and **Commission Amount**.
- The agreement's **Contractual Commissions** and standard commission terms.
- Whether the deal has already been included in another Commission Invoice.

If a line appears but the amount is unexpected, check the deal-specific commission information before changing the Principal agreement. A special commission arrangement on one deal should be corrected on that deal when the deal record is wrong. Changing the agreement's **Commission (%)** or **Agreed Commission** for a one-off exception can affect other deals that correctly use the agreement's standard terms.

When a calculation uses the wrong terms, compare the deal's commission values with the agreement's values. If the deal should have a separate agreed rate, record the correct deal-specific commission details. If it should use the agreement terms, remove or correct the conflicting deal-specific values according to your organization's process.

After correcting the underlying agreement or deal information, generate the Commission Invoice again or correct the existing invoice only after verifying the updated amounts. Recheck every affected line and the **Invoice Amount**. Do not rely on an invoice generated before the commission terms were corrected.

[SCREENSHOT: A source deal showing commission fields that need review before regenerating a Commission Invoice.]

Overview

A **Commission Invoice** is the invoice prepared for a Principal to reflect commission earned on eligible deals. In Pams, it is generated from the relevant Principal agreement so that the invoice is based on the commission structure agreed for that Principal relationship.

The Commission Invoice process relies on two levels of information:

- The Principal agreement in **Contracts Data**, which provides the base commission arrangement through fields such as **Contractual Commissions**, **Commission Type**, **Commission (%)**, and **Agreed Commission**.
- The individual deal, which may carry deal-specific commission information such as **Subject to Commission**, **Commission (%)**, **Agreed Commission**, and **Commission Amount**.

This distinction matters because not every deal under a Principal agreement necessarily earns commission in the same way. Pams can use the agreement's standard terms for ordinary deals while applying separate deal-specific terms where those have been recorded.

A reliable workflow is to review the agreement first, verify the eligible deals for the invoice period, generate the Commission Invoice, and then compare each invoice line with its source deal before the invoice is finalized. The **Invoice Number** identifies the generated document, while the **Invoice Amount** provides the total amount to compare with the expected commission across all included deals.

Commission Invoices are separate from Principal Sales Invoices. Principal Sales Invoice records are part of confirming the commercial information from the Principal relationship; the Commission Invoice focuses on the commission earned under the agreement and deal-specific rules. Review Managing Principal Sales Invoices if you need to confirm those earlier Principal invoice records.

Use the Commission Invoice screen as a review point, not simply as a document to generate. Checking the line-level source and commission rule before approval prevents incorrect rates, omitted eligible deals, and unintended use of agreement-level terms.

Prerequisites

Before generating a Commission Invoice, make sure the Principal agreement and the proposed deals contain complete, reviewed commission information. Missing or conflicting values should be corrected before invoice generation so that the Commission Invoice does not require avoidable rework.

Confirm the following in Pams:

- The Principal agreement is available in **Contracts Data** and marked **Active**.
- The agreement identifies the correct **Principal**.

- The agreement contains the applicable base commission arrangement, such as **Contractual Commissions**, **Commission Type**, **Commission (%)**, or **Agreed Commission**.
- You know the commission invoice period or the eligible group of deals to include.
- Each proposed deal is associated with the same Principal agreement.
- Each proposed deal has been reviewed for **Subject to Commission**, **Commission (%)**, **Agreed Commission**, and **Commission Amount**, where those fields are shown.
- You have checked whether a deal has a separate commission arrangement that differs from the agreement-level terms.
- You have confirmed that the deal has not already been included on a Commission Invoice for the same period.
- The relevant Principal Sales Invoice information has already been reviewed in the preceding commission workflow.

Make sure you can identify the expected commission for each included deal before you start. This does not require calculating new terms outside Pams; it means confirming the commission values recorded on the agreement and the deal records. If a deal has a special rate or agreed amount, note that value so you can verify the corresponding invoice line after generation.

Also confirm your organization's invoice workflow. A generated Commission Invoice may remain in **Draft** or require **Awaiting Approval**, **Approved**, or **Released for Invoicing** status before it is treated as final. Generate the invoice only when you have enough time to review its individual lines before progressing it through those internal controls.

Step-by-Step Instructions

1. Open **Contracts Data** and select the active Principal agreement for which you need to prepare a Commission Invoice. Confirm the **Principal** name and review the agreement's **Contractual Commissions**, **Commission Type**, **Commission (%)**, and **Agreed Commission** details.
2. Identify the deals that belong in the invoice period. Open each source deal and confirm that it belongs to the selected Principal, is **Subject to Commission**, and has the correct commission values. Pay particular attention to deals with their own **Commission (%)**, **Agreed Commission**, or **Commission Amount**.

3. On the Principal agreement, choose the available action to generate a **Commission Invoice**. Select the invoice period or the eligible deal set presented by Pams.
4. Review the deals selected for inclusion. Remove or exclude any deal that belongs to a different period, a different Principal, or an existing Commission Invoice. Include deals only after confirming their agreement-level or deal-specific commission terms.
5. Generate the Commission Invoice. Open the new invoice and confirm its **Invoice Number**, **Principal**, and **Invoice Amount**.
6. Review each commission line on the invoice. Open the linked or source deal and compare the invoice amount with the deal's commission values. Confirm that a deal-specific commission rule has been used where one exists.
7. Compare the **Invoice Amount** with the combined expected commission from all included deals. If an expected deal is missing or an amount is wrong, correct the agreement or deal commission information first, then regenerate or correct the Commission Invoice.
8. Progress the Commission Invoice through the invoice statuses used by your organization only after the lines and total have been confirmed. If your workflow shows **Draft**, **Awaiting Approval**, **Approved**, or **Released for Invoicing**, use the displayed status to confirm that the invoice has received the required review.

After the Commission Invoice is finalized, continue with Tracking Principal Payments to record and monitor the related Principal payment.