Cello How-To Guide

Post-Paid Billing

techcello

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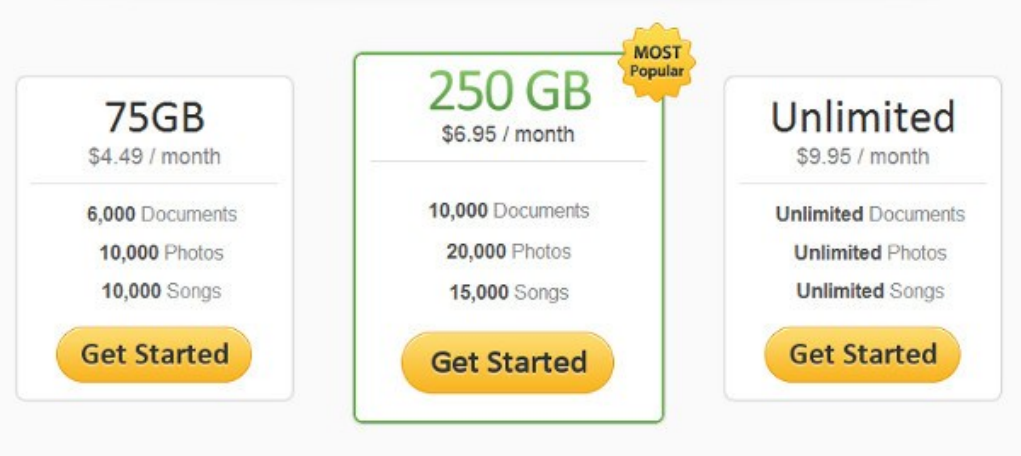
1 Introduction to Post-Paid Billing

It's one of a charging model for recurring SaaS based businesses. In this model, the cost of the subscription will be charged from the customer after the billing frequency opted by the Customer.

Example:

In the below scenario, **$6.95/Month** (Refer the 2nd plan) will be charged by end of the month.



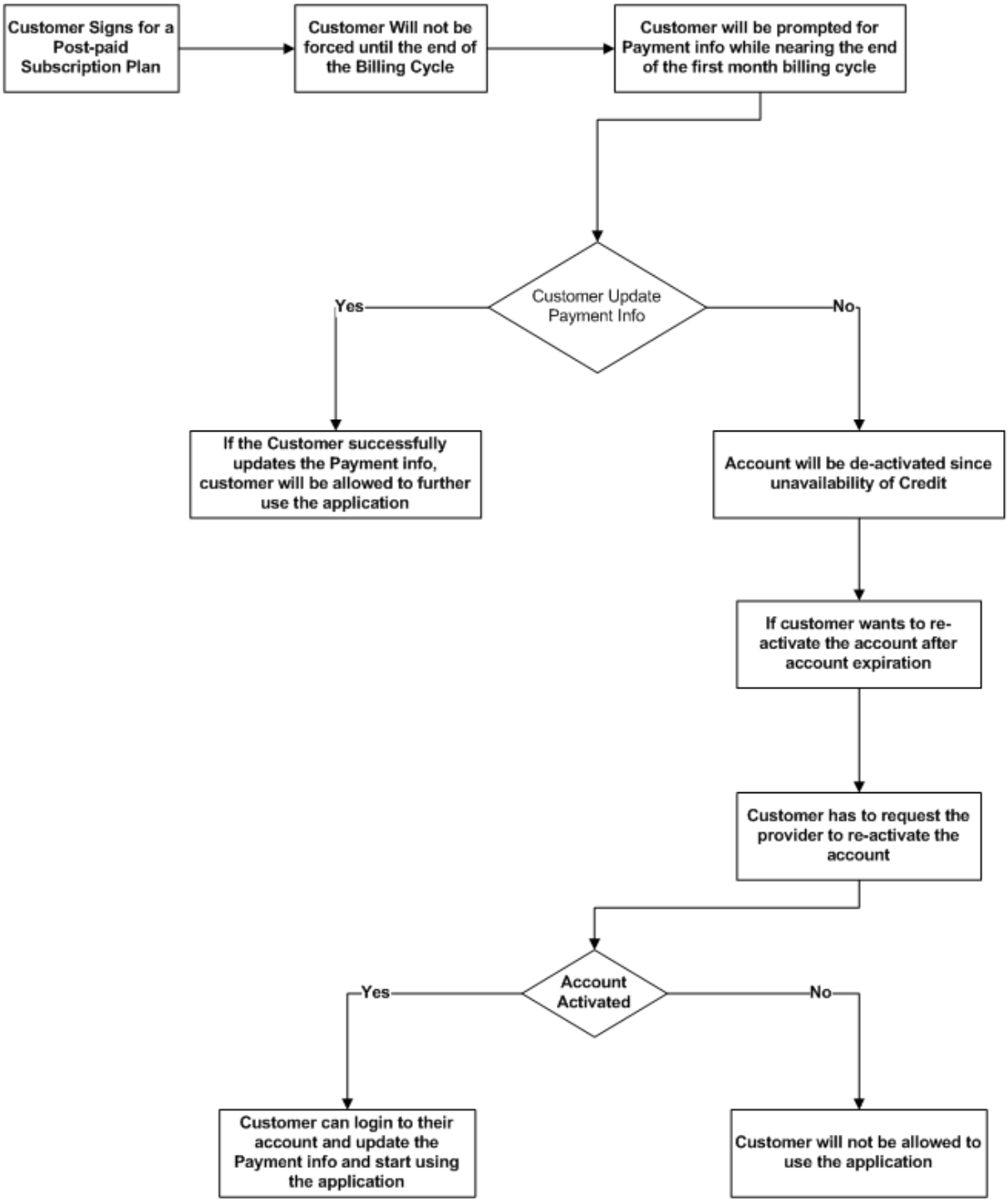
2 How does Post-Paid billing work?

Customers choose a suitable subscription plan and submit the customer details. The Customer will not be forced to update the credit card information until the Due date. While the customer nearing the due date the customer has to provide the credit card details to have the subscription active. The primary difference between the prepaid vs postpaid billing is the customer need not provide the credit card upfront.

Note:

If the Customer doesn't update the payment information until the due/trial expiry date, the application will "Suspend" the account by default.

Post-Paid Billing Process Flow



3 Billing models in Post-Paid

There are 4 billing models supported Post-paid model, they are

1. Flat Billing (Flat cost)
2. Block Billing
3. Metered Billing
4. Hybrid Billing (combination of Block & Metered Billing)

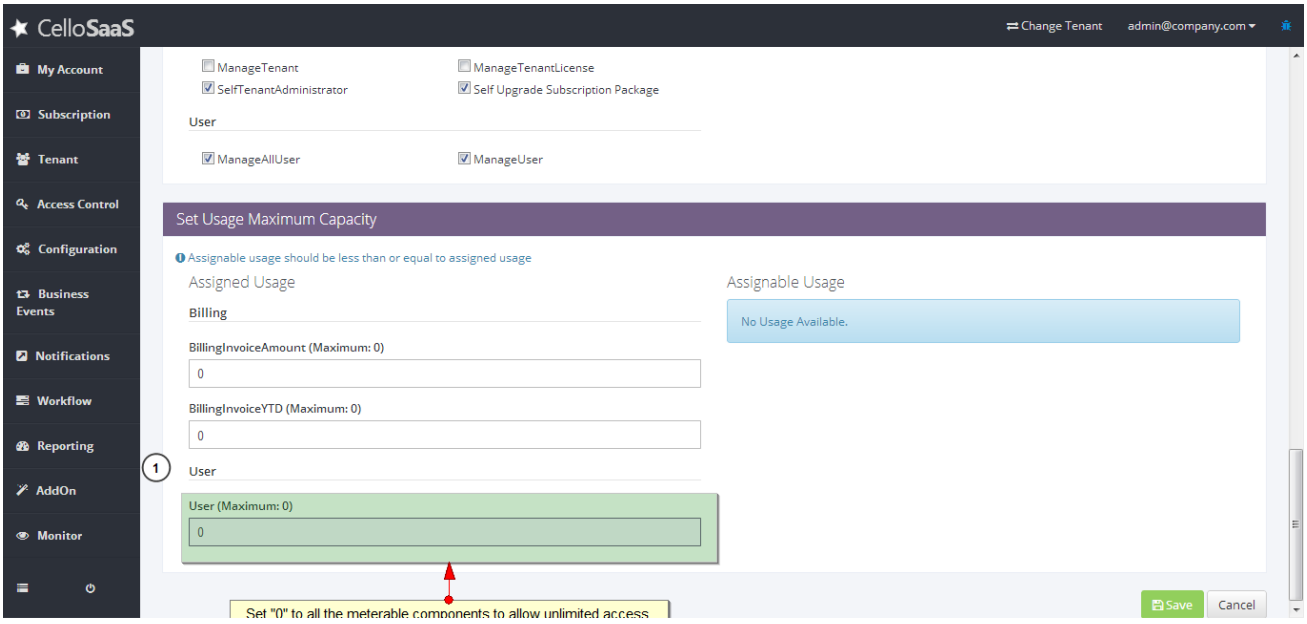
3.1 Flat Billing (Unlimited Usage based Billing)

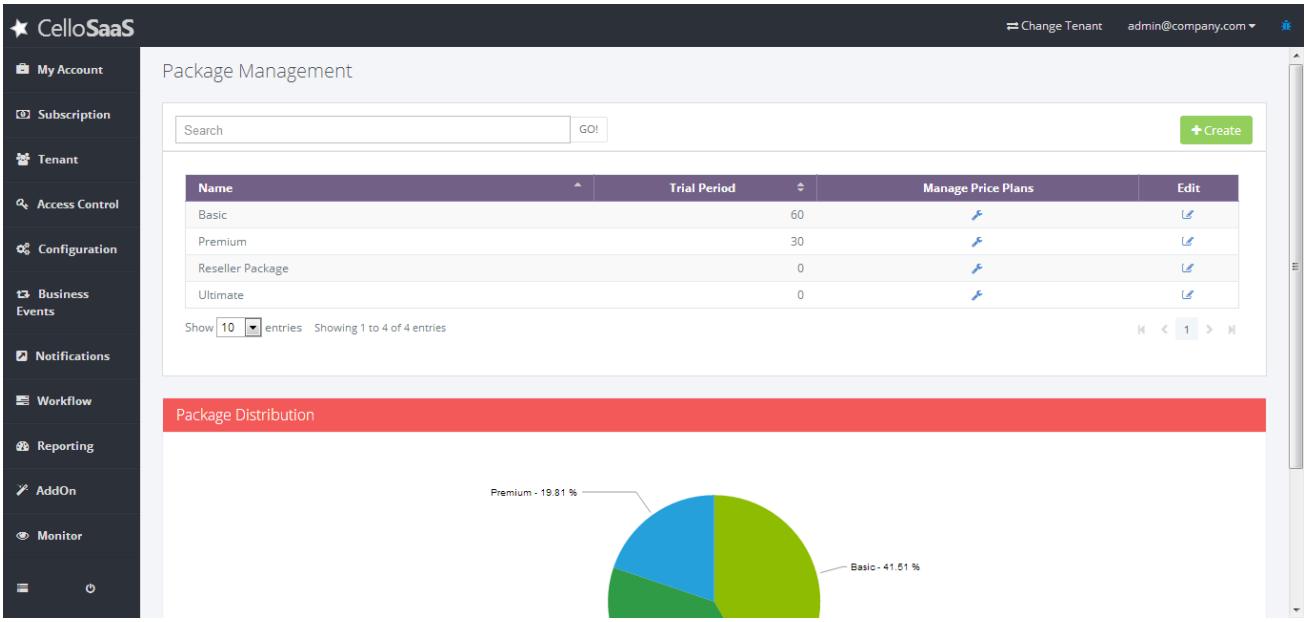
A flat fee, also referred to as a flat rate, refers to a pricing structure that charge a single fixed fee for a service, regardless of usage by the end of every billing Cycle.

Note: This model might work best for Starters who want to grab the market by giving unlimited access to the application for a fixed cost.

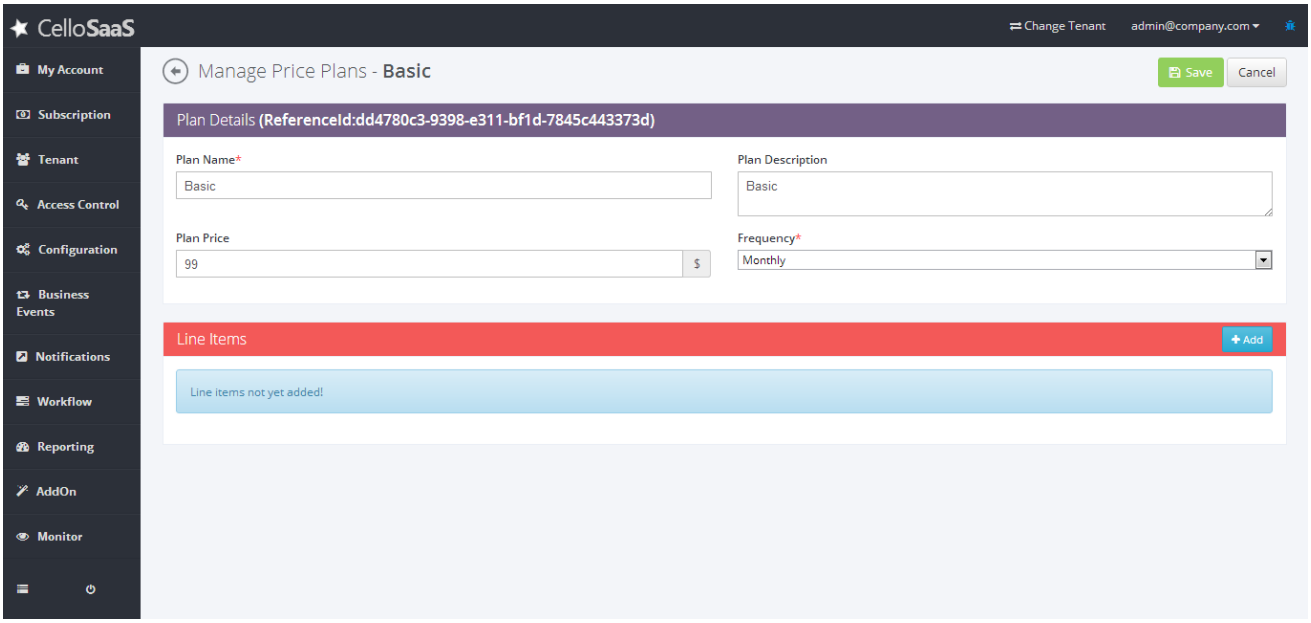
3.1.1 How to configure Flat Billing

Step1: Navigate to Subscription >> Manage Subscriptions and Create Subscription Plans with threshold as "0" for all the meterable components.





Step2: Click on Manage Pricing Plans icon against the newly created Subscription Plan. Refer the below Image



Step3: Click on Add Price Plan and fill the fields

Plan Name: Name of the Pricing Plan

Plan Description: Friendly description of the Pricing plan

Plan Price: The flat cost of the subscription Plan

Frequency: Choose an appropriate Billing Frequency for the Subscription Plan

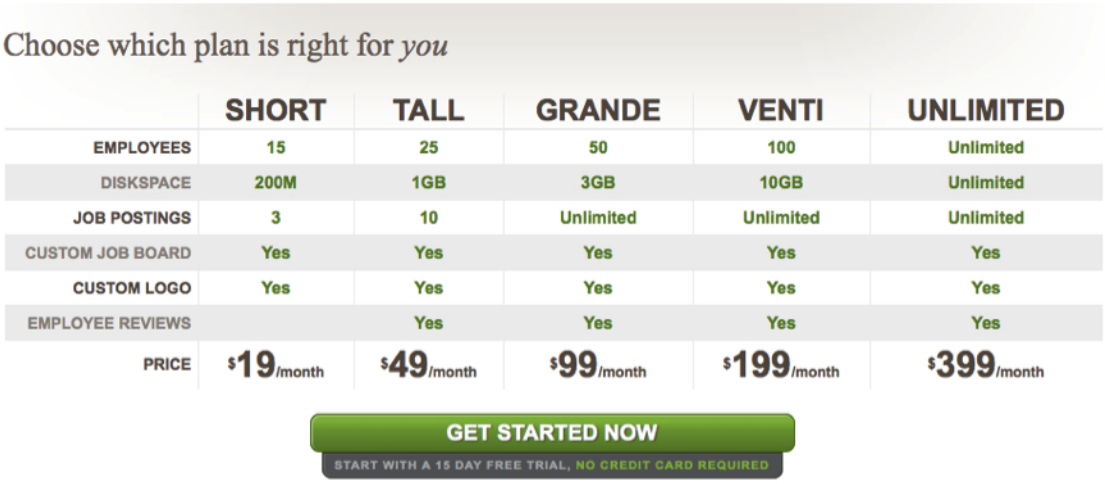
Line Items: Do not Setup any Line Items to Configure Flat Billing

Step 4: Save & Close

Note: The Metering Engine of Cello will still meter the consumption of the customer, but the invoice will not consider the total consumption and hence it will simply raise invoice with the flat rate.

3.2 Block Billing

In this model, a flat cost will be charged for a bundled usage. In the below pricing chart, refer the **Venti Plan.** Customer who opt this plan can use only use up to 100 employees, 10GB of disk Space etc., but beyond this usage the subscriber will not be allowed to use the application, hence this model of pricing is called as **Block billing** model. If they want to further use the application, either they have to wait till the next month or upgrade the subscription to higher package with more bundled usage.

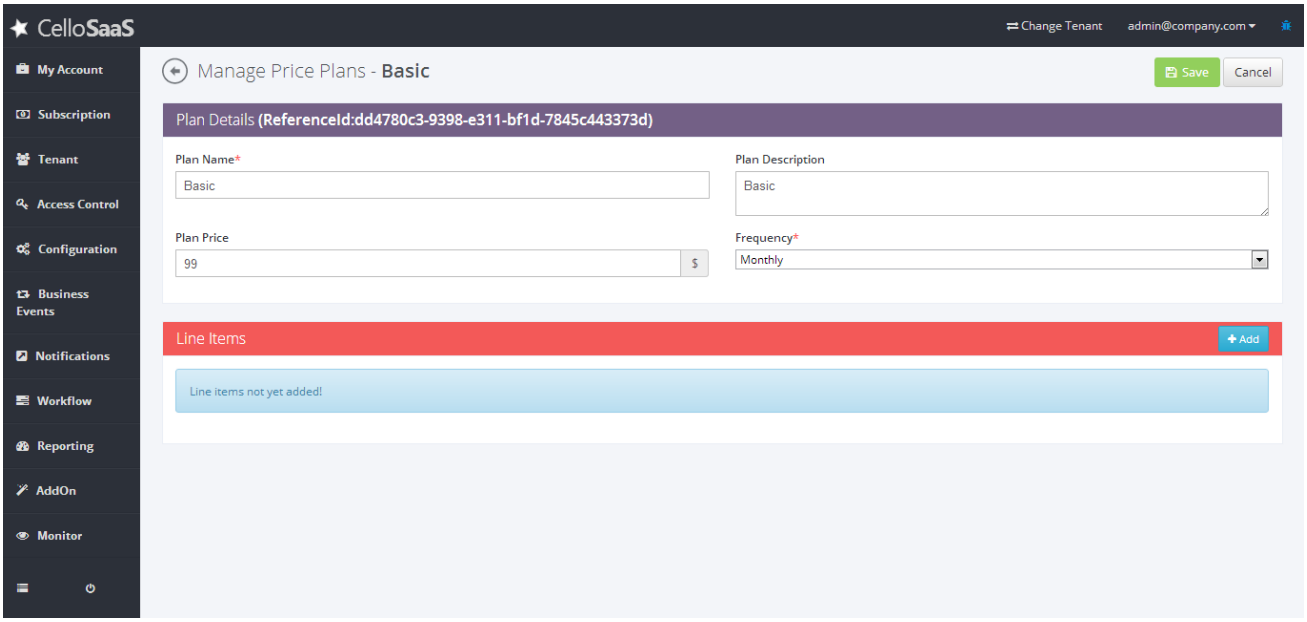


Refer here for Invoice generation process for block billing model.

3.2.1 How to configure Block Billing

Step1: Navigate to Subscription >> Manage Subscriptions and Create Subscription Plans with appropriate threshold value configured for each of the meterable components.

Step2: Click on Manage **Pricing Plans** icon against the newly created Subscription Plan. Refer the below Image



Step3: Click on Add Price Plan and fill the fields

Plan Name: Name of the Pricing Plan

Plan Description: Friendly description of the Pricing plan

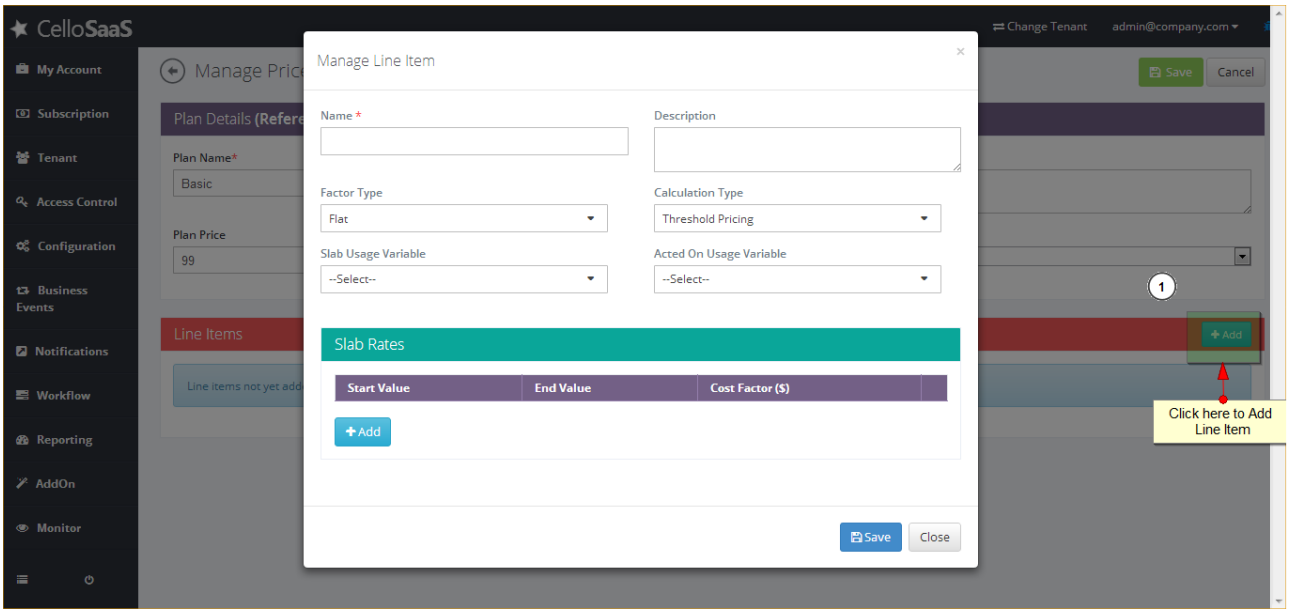
Plan Price: The flat cost of the subscription Plan

Frequency: Choose an appropriate Billing Frequency for the Subscription Plan

Line Items: Setup the Line Items to Configure Block Billing

3.2.1.1 How to add Slab Rates

Step 1: Click on Add (Refer the below Image)



Step 2: Fill the form for the given fields

Name: Name of the Metered Component

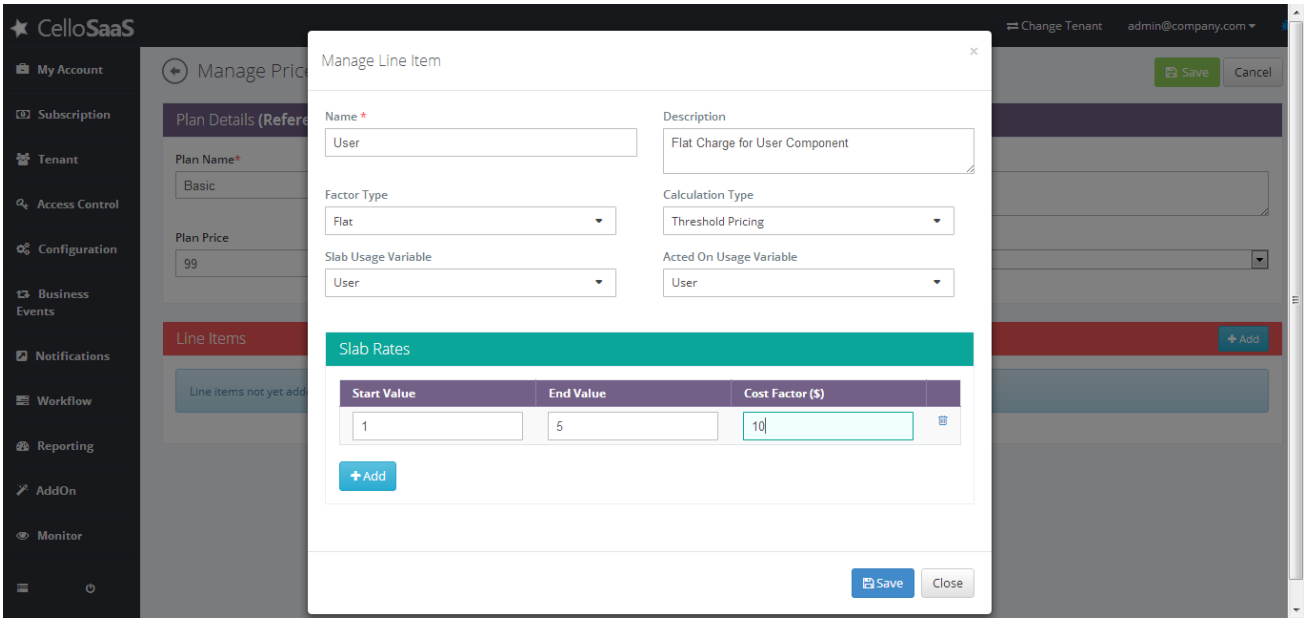
Description: Description for the Metered Component

Factor Type: Choose **"Flat"** for flat billing (Refer here) and "**Each"** for charging against each consumption of the metered component.

Calculation Type: Choose **"Step Pricing"** to calculate against each line mentioned (Refer here) and "**Threshold Pricing"** for charging against specific line item.

Slab Variable Name: Choose the appropriate Metering Variable

Acted on Usage Variable: Choose the appropriate Metering Variable (This is used in case if you want to calculate year to value of the metered component)



Step 3: Save & Close

Note: When you create a pricing plan as described above for the "User" components, the user will be charged $10 for consuming 1 to 5 users for the chosen frequency.

3.2.1.2 How does Cello will block the user once the customer reach the threshold

To Create a block billing model Subscription plan, the administrator have to set the usage threshold while creating the Subscription plan (Refer the below Screenshot).

When the customer subscribes to a Subscription plan which has usage limitation and when the customer exceeds the threshold they will receive the following exception from the Cello Metering Engine, which has to be captured by the application component and display the formatted message to the end customer.

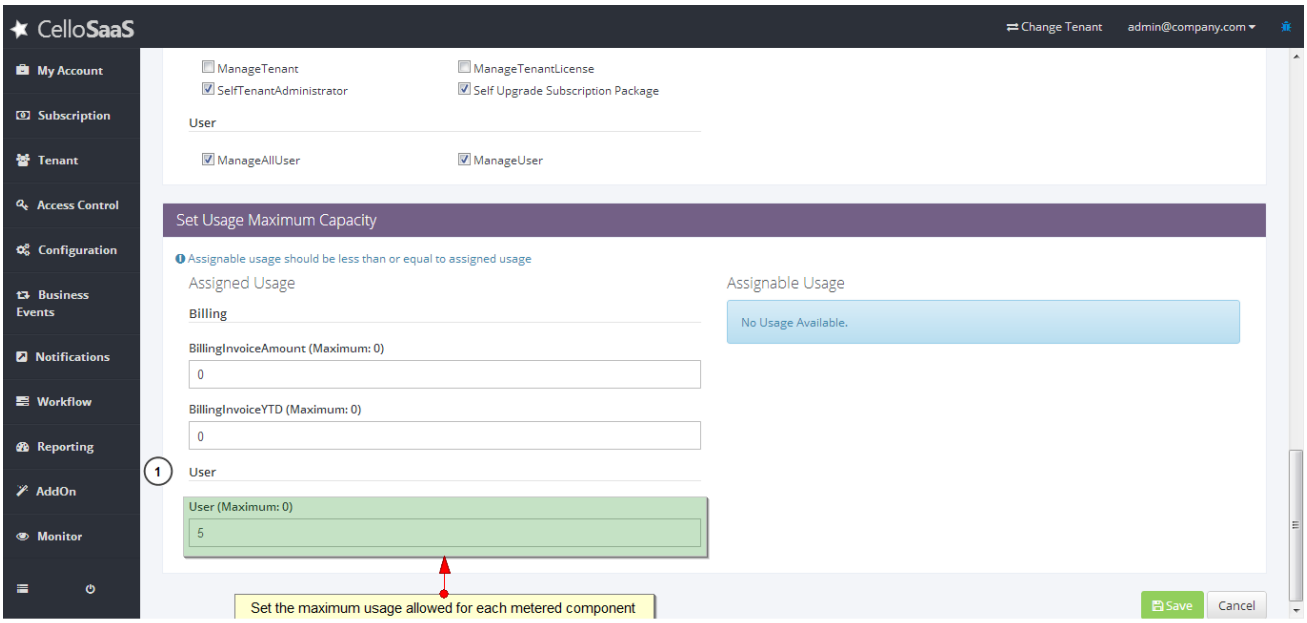
```
Usage is exceeded. Usage Code: {0}, Amount: {1}, TenantId: {2}

E.g. (Formatted Message)

The Number of {0} allowed for the Silver Package is exceeded. You can upgrade to Gold Plan to add more {0}.
```

Code Snippet

```
catch (LicenseLimitException licenseLimitException)
{
// cellohelp:exceptionhandling
ExceptionService.HandleException(licenseLimitException, null);
throw new ProjectManagementException("Project usage limit was exceeded.",
licenseLimitException);
}
```



3.3 Metered Billing

Metered billing, or usage-based billing, usually may or may not involve a fixed fee. Unlike Block model, Metered Billing model allows the customer to access the application without any limitation. But each transaction will be metered and charged as per the unit cost.

Note that Metered billing can also provide bundled usage, i.e $ 99 for limited usage and beyond that that customer has to pay what he additional used for.

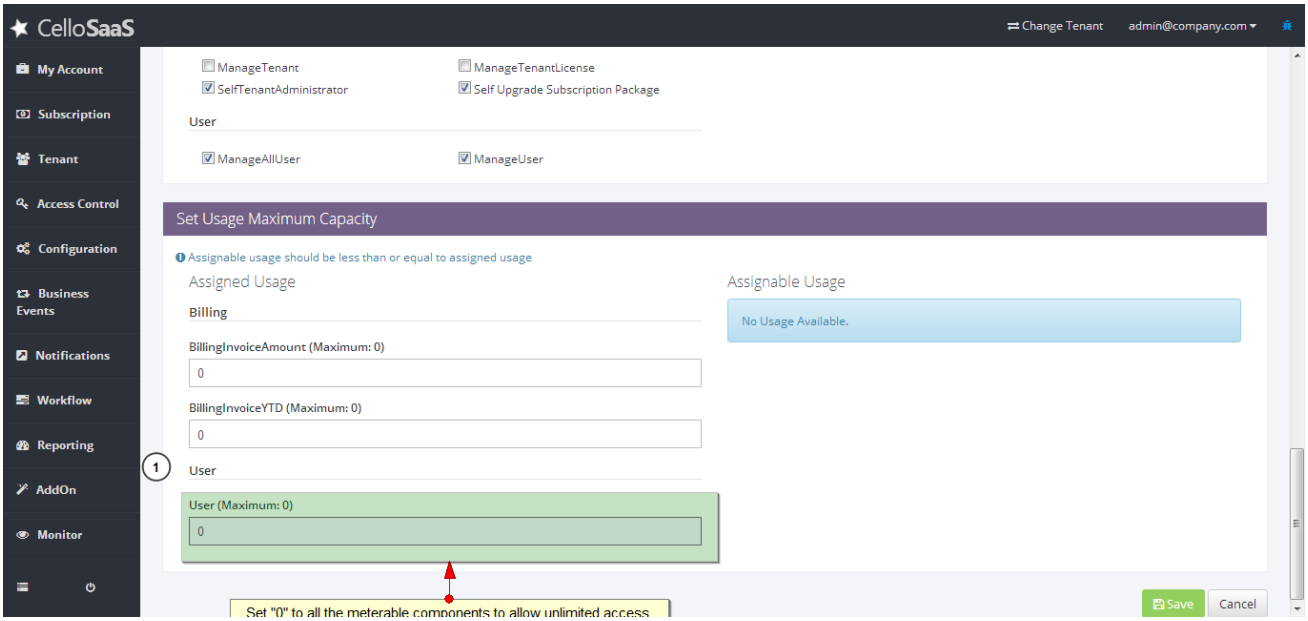
3.3.1.1 How to configure Metered Billing with Bundled usage

Let's assume, a SaaS based CRM Provider whose subscription plans based on number of Users. Hence they have come up with 3 plans like shown below

Silver - $ 99	Gold -$150	Platinum - $200
3 Users Beyond 3 Users additional 1 user costs $50	5 Users Beyond 3 Users additional 1 user costs $40	10 Users Beyond 3 Users additional 1 user costs $30

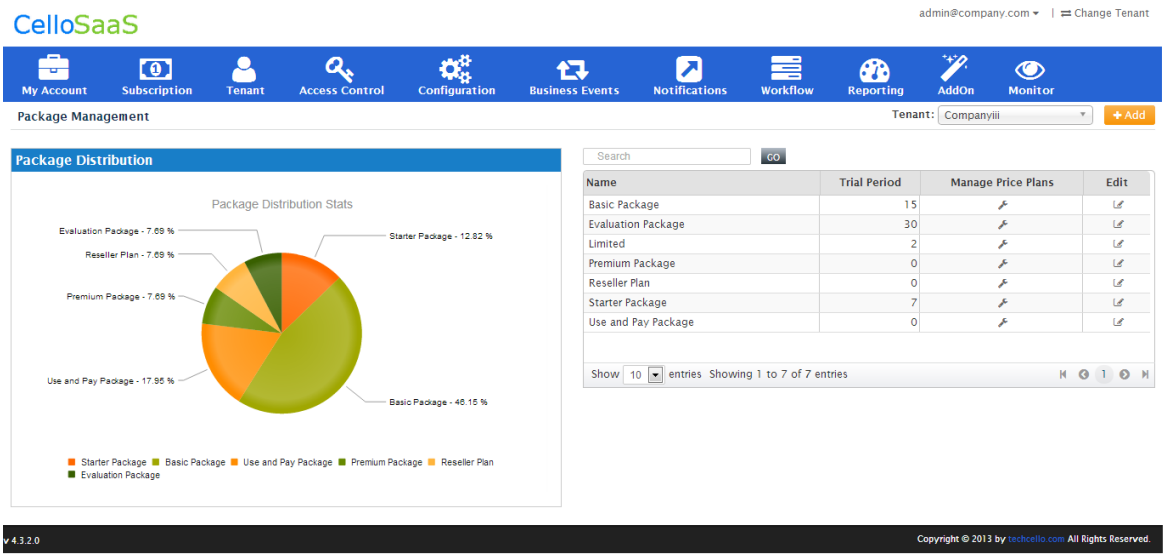
Let us see how to configure this billing model using Cello Billing Engine in a step by Step format.

Step1: Navigate to Subscription >> Manage Subscriptions and Create Subscription Plan for Basic Plan with User limit as "3"



Step2: Navigate to Subscription List pages

Step 3: Click on Manage **Pricing Plans** icon against the Basic Subscription Plan. Refer the below Image



Step3: Click on Add Price Plan and fill the fields

Plan Name: Name of the Pricing Plan

Plan Description: Friendly description of the Pricing plan

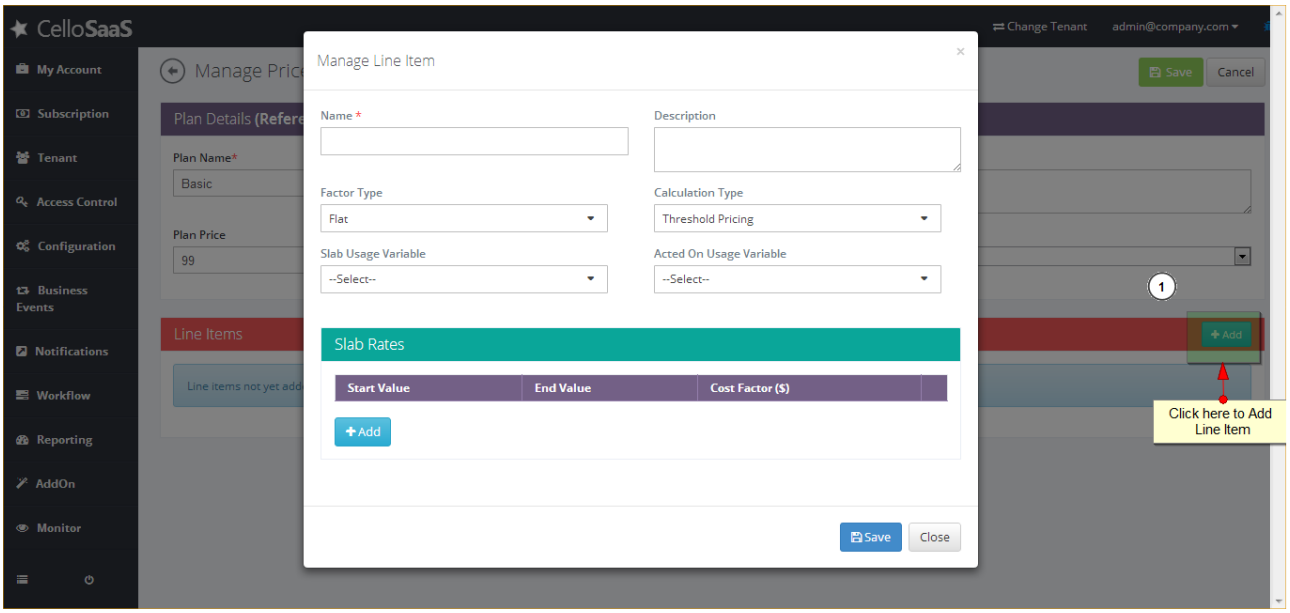
Plan Price: $99

Frequency: Choose an appropriate Billing Frequency for the Subscription Plan

Line Items: Setup the Line Items as shown below

3.3.1.1 How to Add Line Items

Step 1: Click on Add (Refer the below Image)



Step 2: Fill the form for the given variables

Name: Name of the Metered Component e.g. User Metering

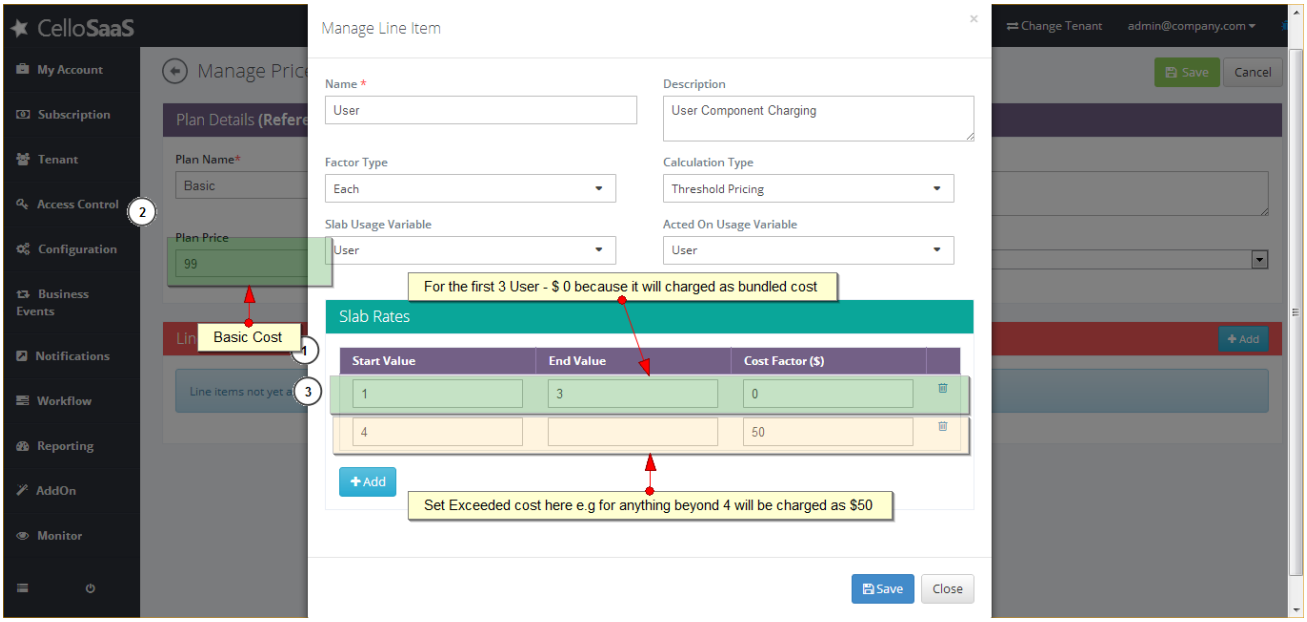
Description: Description for the Metered Component

Factor Type: Choose **"Each"** for charging against each consumption of the "User" component.

Calculation Type: Choose "**Threshold Pricing"** for charging against specific line item.

Slab Variable Name: Choose the appropriate Metering Variable

Acted on Usage Variable: Choose the appropriate Metering Variable (This is used in case if you want to calculate year to value of the metered component)



4 Hybrid Billing (Combination of Block Billing, Metered Billing)

Hybrid billing refers to combination of Block Billing Model & Metered billing model.

5 Bundled Usage

It refers to the default usage access that comes with a fixed cost. Generally when SaaS providers decide on creating subscription plans, they would provide some default usage for a fixed cost. This default usage access is known as Bundled Usage.

Refer the below screenshot.

5.1 How to configure bundled usage

Bundled usage refers to a subscription plan which is configured with some free usage by default for a given cost

e.g.

A Subscription plan which lets you to access

5 - Users

10- Projects

100mb –Disk Space etc

Beyond this limit, the customer may or may not be allowed to use the application; such a model is referred as bundled usage.

6 Taxing

TechCello automates the process of applying tax components in the Invoices. TechCello supports application of common taxes (for all tenants) as well as Tenant Specific Taxes. Using common tax policies, Product Owners can simply set the general taxes once and have it applied for the entire tenants invoice globally for both post-paid billing.

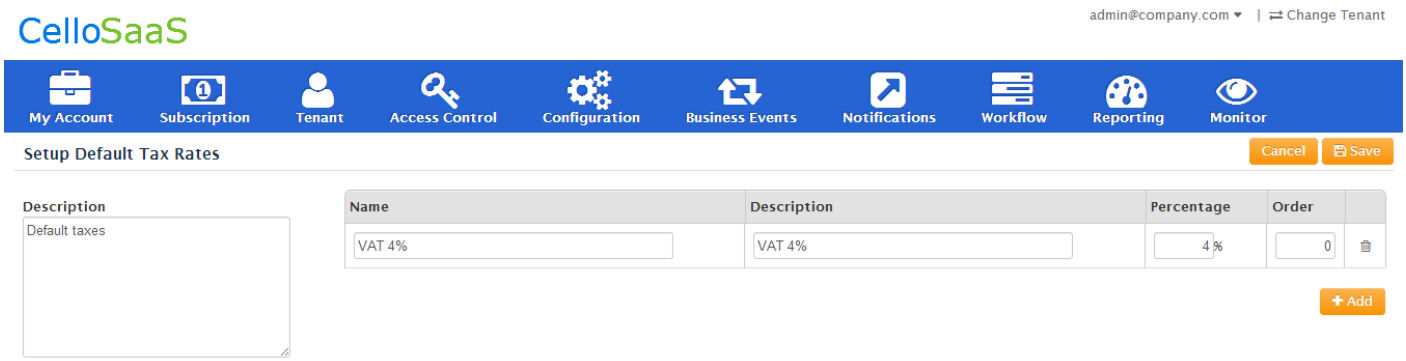
Note:

1. Cello takes the tax input value in % and calculates the tax based on the invoice cost and applies the same on the final invoice.

2. Default Taxes are applied to all the Tenants in the system (exempted only when the Tenant has its own Tax rules defined while on boarding).

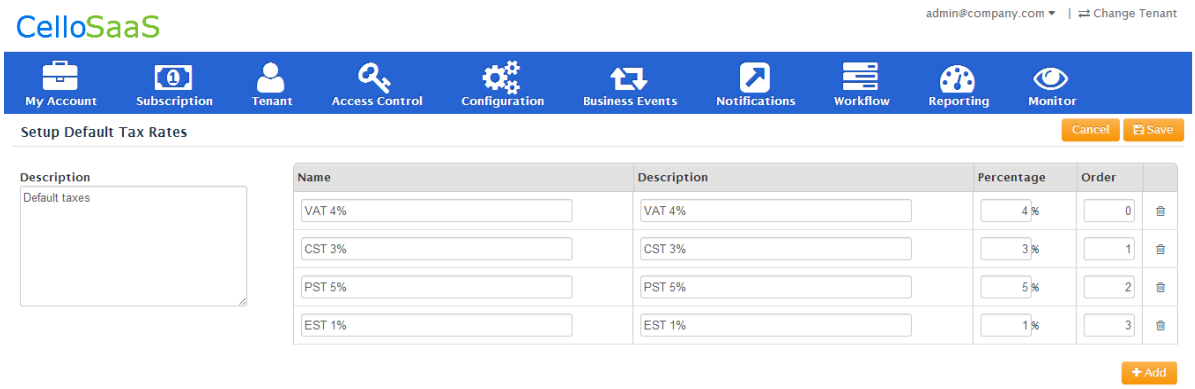
6.1 Configure Global Tax Rates

Navigate to Admin >> Subscription >> Tax Rates



Setup Default Rates

Click on Add button to add as many line items as the product needed.



Setup Default Rates

6.2 Tax Ordinals

While adding taxes, specify the order in which the taxes should be applied (refer the above screen). To understand the significance of the ordinals refer the below example.

With reference to the above Screenshot, the invoice and tax calculation will be as follows,

		Significance of Ordinals
Base Subscription Cost (Basic Plan)	99 $	
Total	**99$**	
Tax - 4%	3.96 $	0 – When the ordinal set as , the tax calculation will be simply based on the base cost i.e. 99$
Total (Base Cost + Vat)	**102.96$**	
CST -3%	3.08	1 – When set to 1 refers the cumulative total of base cost + 0^{th} ordinal cost and calculates the tax based on the accumulated number. i.e. 102.96
Total (Base Cost + Vat + CST)	**106.04**	
PST -5%	5.30	2 – When set to 2 the tax will be calculated on the cumulative total of base cost + 0^{th} ordinal cost + 1^{st} Ordinal cost i.e. 102.96
Total (Base Cost + Vat + CST + PST)	**111.34**	
EST -1%	1.11	3 – When set to 3 the tax will be calculated on the cumulative total of base cost + 0^{th} ordinal cost + 1^{st} Ordinal cost + 2^{nd} Ordinal cost i.e. 102.96
Total (Base Cost + Vat + CST + PST + EST)	**111.34**	
Grand Total	**111.34$**	

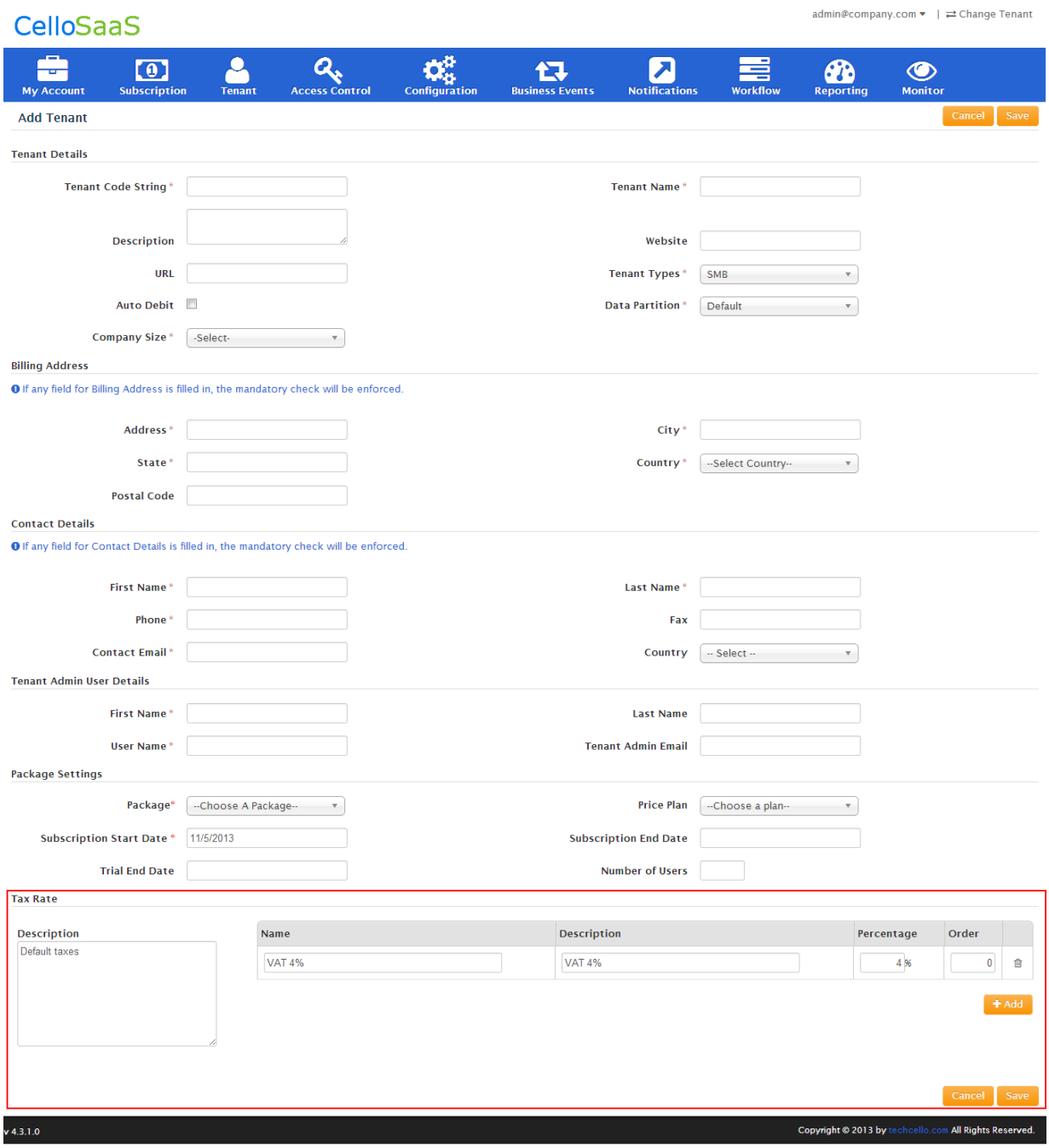
Once the General Tax is configured, whenever an invoice is generated by the Cello Billing Engine these General Tax components will be automatically applied as part of the invoice.

6.3 Configure Tenant Specific Tax

For Tenants for whom the general tax policies are not applicable can go for Tenant specific taxes when applicable, Ex: Assume if a tenant from Italy subscribes to a subscription plan, but if the product generally follows USA Taxing rules as general policy then it is recommended to set tenant specific tax policies.

Tenant specific Tax policies can be set while creating the Tenants via Tenant Management Module.

Navigate to Admin>> Manage Tenants >> Add Tenant



Setup Tax Policies While creating a Tenant

Note: Tenant specific Tax Policies takes higher priority than General Tax Policies, hence General Taxes are voided.

If a tenant registers via the admin portal instead of Self sign-up process, the administrator can configure tenant level taxing and onboard the customer, but if the tenant opt for self-sign-up registration then the common taxing configured in the application will be applied for the customer for the first bill.

Later, if the administrator wants to apply Tenant level taxing for the customer, he/she can very well edit the customer details and update the taxing policies.

7 Billing Cycles/Frequency

The billing cycle is the period of time between billings. For instance in a monthly cycle, if the billing cycle starts on the 1st day of the month then it will end by 30th or 31st day of the month (depends on the calendar). During the billing cycle the product consumption charges are posted to the Tenant Invoice (based on the pricing plan, Refer Pricing Plan). At the end of the billing cycle, the tenant will be billed for all unpaid charges during the billing cycle.

Example

If a Subscriber, start an account on 1st May, his/her Billing Cycle would be between 1st May to 31st May, but if a Tenant starts an Account by 15th May, then the Billing Cycle would be between 15th May to 15st June.

If the product's billing cycle is 1st -30th but if a tenant subscribed on 15th, then the customer will only be invoiced for the 15 days and not for the entire month and for the forthcoming bills the product's general billing cycle will be followed.

There are 4 major billing cycles supported, they are

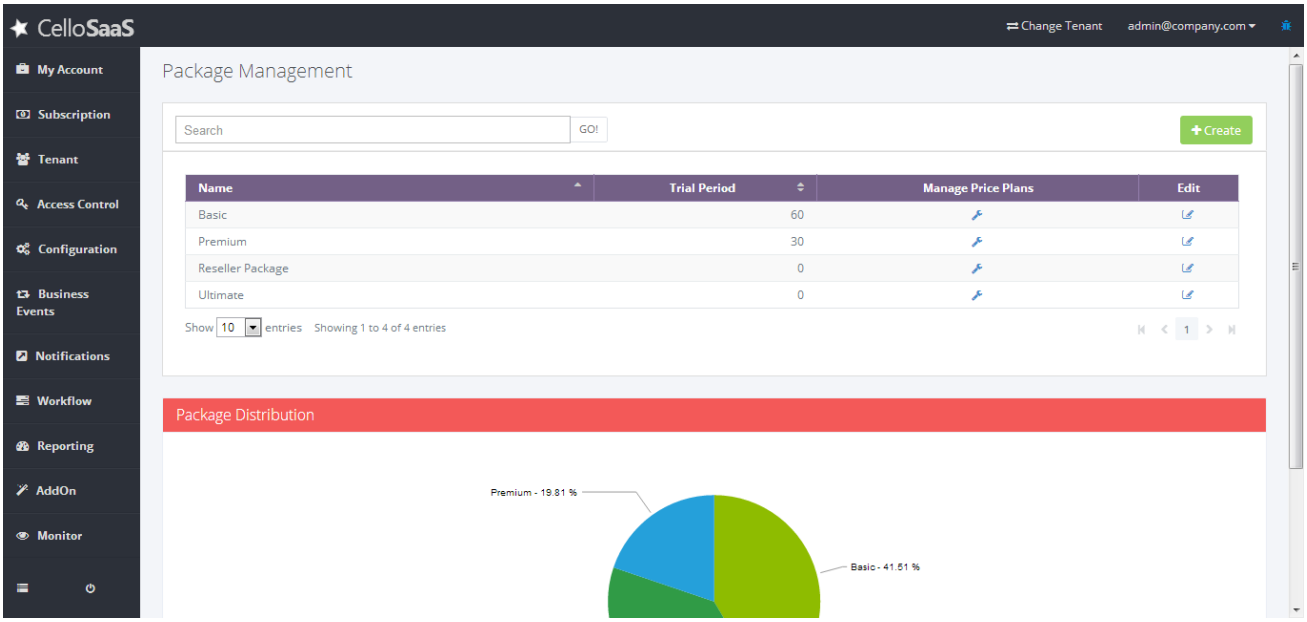
1. Monthly
2. Quarterly
3. Semi Annual
4. Annual

Note: Each subscription plan can follow any billing cycle. I.e. Subscription plan 1 – Monthly and Subscription plan 2 – Quarterly Billing

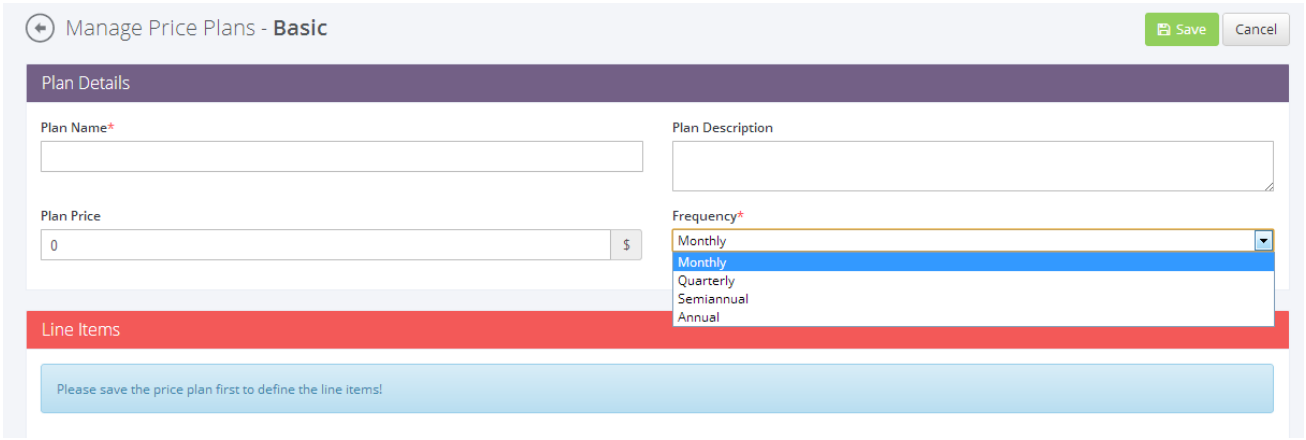
7.1 How to Configure Billing Cycle/Frequency

Step1: Navigate to Subscription >> Manage Subscriptions and Create Subscription Plans.

Step2: Click on Manage **Pricing Plans** icon against the newly created Subscription Plan. Refer the below Image



Step3: Click on Add Price Plan and fill the fields



Plan Name: Name of the Pricing Plan

Plan Description: Friendly description of the Pricing plan

Plan Price: Setup the base Cost of the subscription Plan. Fill “0” in case if you do not want to charge anything upfront.

Frequency: Choose the frequency of the billing

7.2 Billing Cycle and Free Trial Period

Product Owners can create subscriptions plans with or without free trial period; refer Subscription Management, for example when purchasing a basic package the tenant may get 15 Days free usage. Below Image shows the Invoice Period Calculation. Refer (How to create Subscription Plans with Free Trial Period.)

7.3 Billing Start Date

The day when the account is subscribed to a paid package is considered as the Billing Start Date for a tenant. For example, if an account holder subscribes to a Package which contains 1 month free trial period on May 1st, then the actual billing period starts only on June 1st; hence the billing Start date would be June 1st.

Scenarios

1. Monthly Subscription Plan with Trial 10 Days Free Trial Period

Imagine, a customer purchased a subscription plan with 10 days free trial period for about 99$ on Jan 1st.So the invoice date for this customer would be Jan 10th and the invoice end date would be Feb 10th and the charge date would be 5 days from invoice end date.

2. Monthly Subscription Plan without Free Trial Period

Imagine, a customer purchased a subscription plan without free trial period for about 99$ on Jan 1st.So the invoice date for this customer would be Jan 1st and the invoice end date would be Jan 30th and the charge date would be 5 days from invoice end date.

3. Upgrades & Downgrades

Billing Date will also be impacted when the Customer Upgrade or downgrade the subscriptions plans. The day when the customer upgrade/downgrade the package, the last subscribed date will be considered as the new billing date for the customer.

Note: Unlike post-paid billing, there is no fixed charge day or bill day in post-paid because customers can subscribe to the application at any point of time, hence in post-paid the billing day for any frequency will be calculated based on the date the customer purchases the paid version of the product.

In postpaid, the customer can subscribe on any day, but the billing date would be constant

7.4 Billing Charge Day

Billing Charge date denotes the day of the month on which the bill has to be generated.

To configure the Charge Day, Navigate to

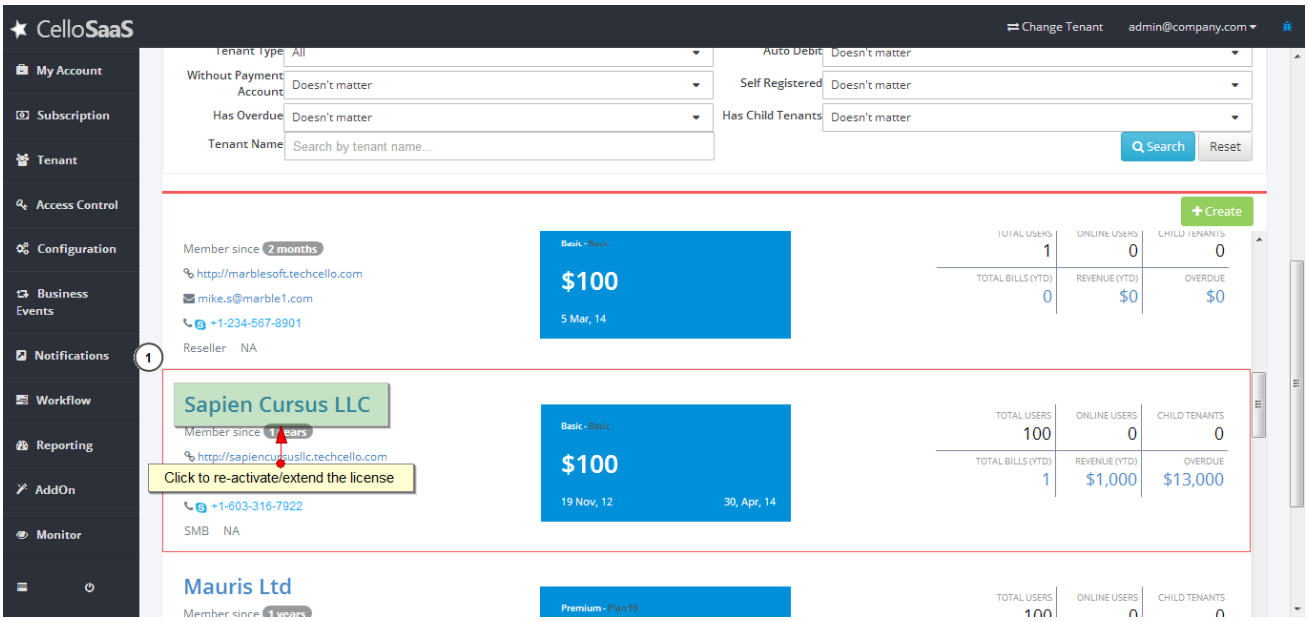
Note: Both billing & charge date can change while upgrading/downgrading from one plan to another

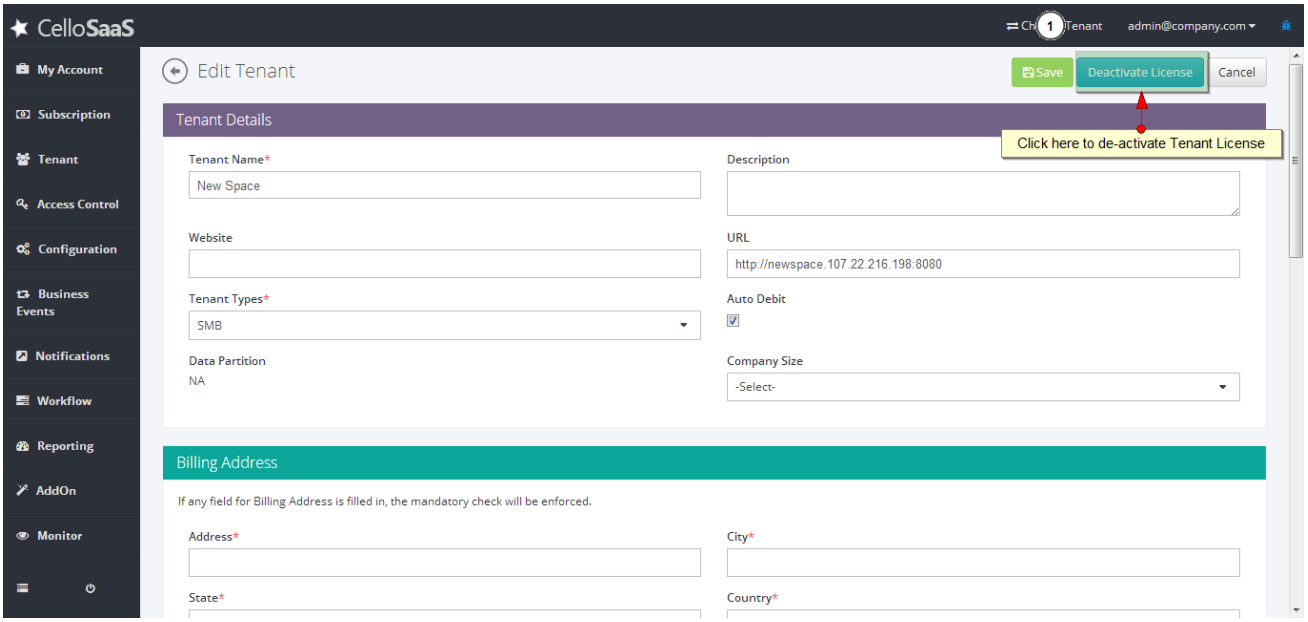
7.5 How to De-Activate the Tenants?

TechCello will automatically de-activate the Tenant when the payment information is not updated by the Tenant before the account expires. If the account has valid credit card information the customer's account will remain active always irrespective of whether the Tenant pays the subscription cost or not.

But ISV/Product administrator can manually de-activate the account at any point of time by navigating to the Manage Tenants page.

Select the Tenant to open in Edit Mode and Click on De-Activate.

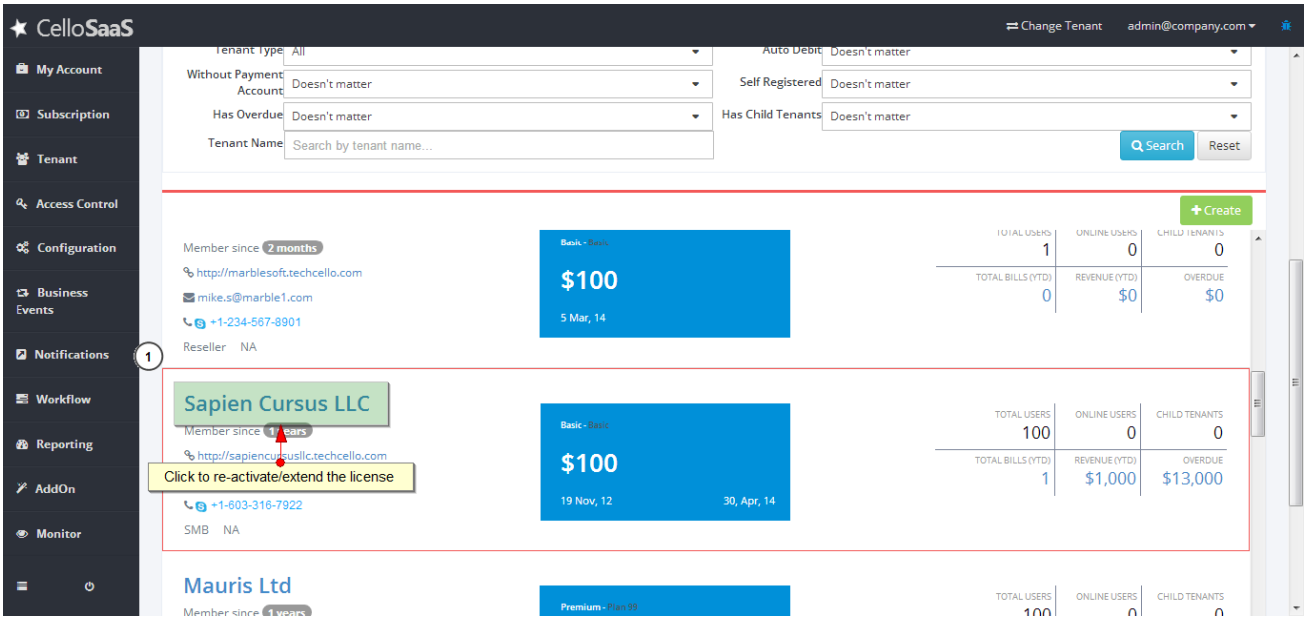


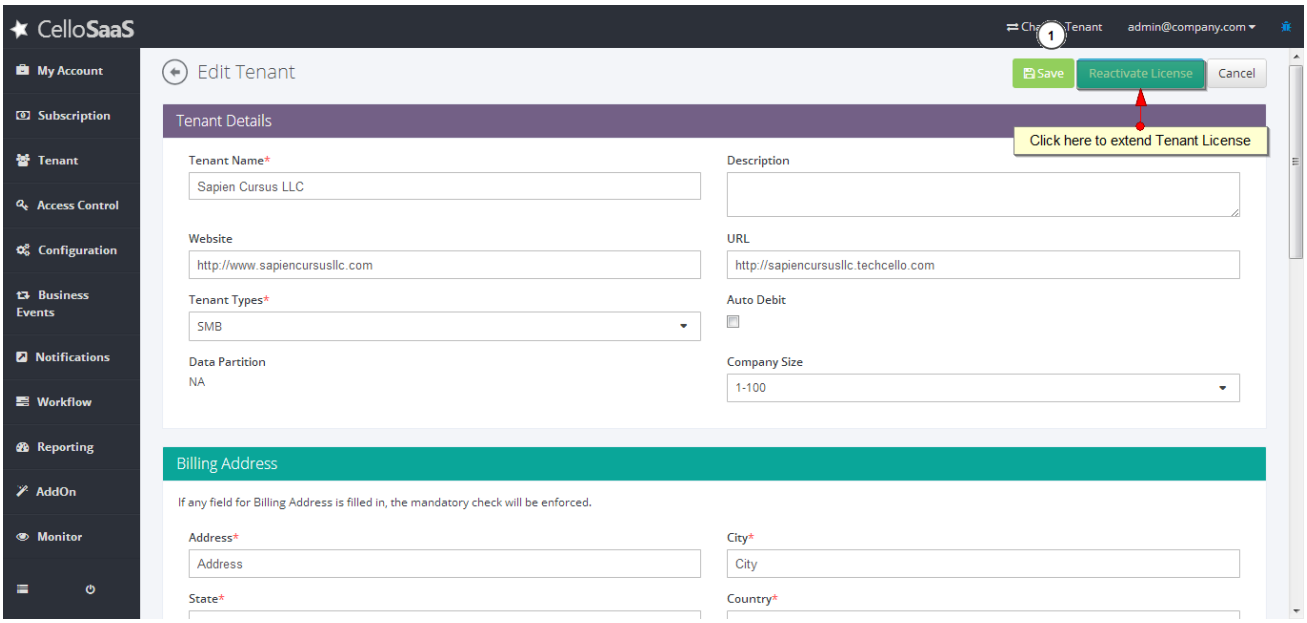


7.6 How to extend Tenant License?

When the customer exceeded the Trial period, the customer will not be allowed to access the system. In such cases, the ISV can login to the Admin portal and activate the License on request basis.

To Activate the License, Navigate to Manage Tenants Page and select the Tenant to Extend/Re-Activate the License.



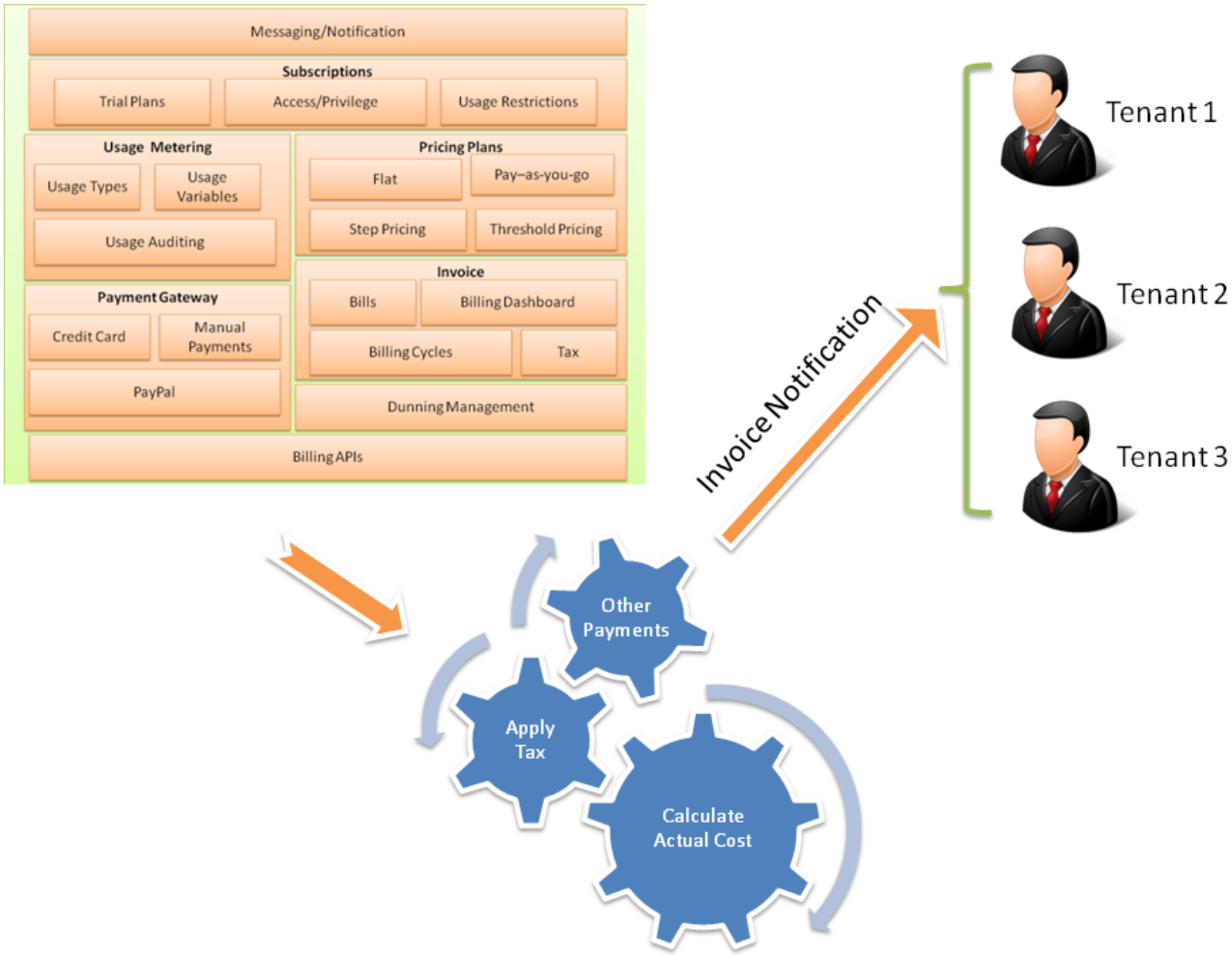


8 Invoice Generation

An invoice is a statement which shows actual charges, tax, and payments altogether. When a subscription is created or renewed, the billing engine will sum the charges, discount or tax as appropriate, and send the invoice out for collection. The Application subscribers are notified of successful or failed invoice collection via email.

Note:

- Invoices will be generated for all the Account Holders irrespective of the status and subscription plan purchased



8.1 Raising the First Invoice for a Tenant

The Invoice generation process is common irrespective of the type of Billing Model you configure, but however it will differ a bit for Metered without Upfront Cost Model. This model is a pure Pay as you go model, because the customer will only pay what he has used for, hence the ISV will not charge anything upfront during the first month.

Customer Name	Acme Corp	Plan Name	Basic Plan
Month	Cost $	Consumed End of the month $	Adjustment in $
1	0	168	0
2	168	140	28
3	Total Cost of last month- Adjustment from previous bill 140 -28 = 112 $	210	
4	210	99	111
5	Total Cost of last month- Adjustment from previous bill 210-111 = 99 $		

As per the above Calculation, AcmeCorp Subscribed to Metered without Upfront Cost Billing Model, Hence "0" $ is invoiced on Subscription, by end of the month the total consumption was $168, this cost was deducted as the second month bill on the 1st of second month, but by the end of the 2nd month the consumption was reduced to $140, hence the adjustment of $ 28 will be adjusted on the third month bill. This process of identifying the next month cost from the consumption of the current bill and the provision of adjustments will continue.

8.2 Components of Invoice

By default, an invoice document will contain the following information:

1. Product Logo
2. Product Owner Address
3. Tenant Address
4. Invoice Number
5. Tenant Billing Address
6. Charge Details
    a. Flat cost or Pay as you go Cost<explain>
    b. Tax

c. Any other Additional Cost

7. Tax , Pervious Payment Made, Notes

CelloSaaS

Company

address
state
United States - 12345

+1 (234) 56 89 90
admin@company.com

INVOICE

September 05, 2013
Invoice no#1296
Period:8/1/2013 - 9/1/2013

Extensive Enterprise

Address
State
Korea, Democratic People'S Republic Of - 76901

+1-114-534-7689
chery.hockman@techcello1.com

Details

Item Name	Description	Amount
Starter Package - Starter Plan	Period: 8/1/2013 12:00 AM to 9/1/2013 12:00 AM	$499.00
	Sub Total	$499.00

Taxes

No tax components available!

Total $499.00

Payments

No payments made so far!

Notes

Sample Invoice

8.3 Invoice Status

Depends upon the stage of the invoices, it passes through the various statuses, they are

Current

An Invoice that are pending for collection. Application has not yet received payments for the current month invoices.

Unpaid

Invoices that attempted collection, but payment failed. These invoices will be retried automatically through the dunning process.

Paid

Successfully collected invoice.

8.3.1 How is the Invoice amount calculated for Block Billing Model

The invoice amount is generally calculated based on the cost of the Subscription Plan.(Refer the section "**Understanding Price Plans**" in http://www.techcello.com/downloads/kb/4.3.1/how_to_cello_billing.pdf) opted by the Tenant including the general or Tenant level tax and Additional component if any,

Eg:

Base Subscription Cost (Basic Plan)	99 $
Total	**99$**
Tax - 4%	3.96$
Grand Total	**102.96$**

Note: The grand total of **102.96 $** will be charged upfront when the customer subscribe to this plan.

8.3.2 How is the Invoice amount calculated for Cumulative/Usage based Billing Model

There are 2 categories under Cumulative/usage based model. They are

1. Cumulative/Usage based with '0' upfront cost
2. Cumulative/Usage based with upfront cost

Cumulative/Usage based with '0' upfront cost

In this model the subscription plan will not contain any bundled usage and hence "0$" will be levied on successful subscription to the package. This model can be called as "**Pure Pay as you go model**", in this model the Tenant will only be charged as and when he/she utilize the **meter-able features** with the cost defined for the particular component will be deducted based on the pro-rated cost instantly.

Assumption:

Billing Cycle = Monthly

1 user consumption = 30$

1 Project = 15$

Base Subscription Cost (Basic Plan)	0 $
2 Users consumption	30$ * 2 Users = 60 $
10 Projects consumption	15$ * 10 Users = 150 $
Tax - 4%	8.4$
Grand Total	**218.4$**

Cumulative/Usage based with upfront cost

In this model the subscription plan will be provided with bundled usage and hence tenant will be charged with some upfront cost. Once the tenant exceeds the bundled usage, the tenant will be further allowed to access the subscription without any limitation but he/she utilize the meter-able component, the cost defined for the particular component will be deducted based on the pro-rated cost instantly.

Assumption:

Billing Cycle = Monthly

Subscription Plan Name = Basic

Cost of Basic Plan = 99$

Bundled Usage = 10 Users & 15 Projects

1 user consumption = 30$

1 Project = 15$

Base Subscription Cost (Basic Plan)	99 $
Additional 2 Users consumption	30$ * 2 Users = 60 $
Additional 10 Projects consumption	15$ * 10 Users = 150 $
Tax - 4%	12.36$

Grand Total	**321.36$**

9 Understanding Pro-Ration (Auto Adjustments)

Pro-Ration is the process of identifying the lesser charge applied to compensate for lesser service.

For example, if you pay $100 a month, but you canceled/upgrade/downgrade the service on the 20th of the month you only pay for those 20 days.... the cost per day is $3.33 so your bill for 20 days would be only $66.66 instead of $100. It's prorated so you only pay for the service you received.

Financial pro-ration/adjustments are very tedious in nature and it's very crucial to maintain an error free and 100% accurate billing. Techcello automates the process of pro-ration by default which is very important in the billing and especially in the post-paid model.

Applying adjustments to billing could either increase or decrease the balance due on the subscription. An adjustment does not actually return any funds to the customer's credit card or go through the payment gateway instead it can only be applied on the upcoming billings.

9.1 Proration Category

Proration can happen in two major scenarios, they are

1. Pay-as-you-go model in post-paid
2. Subscriptions Upgrade/Downgrade

9.1.1 Pro-Ration/Adjustment in Pay-as-you-go Model

In the cumulative billing, where the cost of the price is generally floating and there may/may not be fixed price, so adjustment plays a vital role. Looking at the chart given here, during the first month on subscribing to plan, a fixed cost was charged from the customer, but the customer has exceeded the usage and used till 168 $, hence 168 $ was charged as post-paid in the beginning of the month, but during the end of the 2nd month the usage has reduced to 110 $, henceforth an adjustment has to be made by deducting

Post-Paid cost – previous month adjustment = Current month Payable

Let's look at the adjustments in detail with a scenario.

Assumption:

1 Additional User cost = 30 $ per month (monthly frequency)

Per Day Pro-ration:

30 $ /30 Days = 1 $ per day

User Cost calculation based on the Date of transaction

(Actual cost of the chargeable component per billing Cycle –(Cost per month –per Day Cost))

If a user is added on 1st Day of the month, 30$ will be deducted instantly

If a user is added on 2nd Day of the month, 29$ will be deducted instantly

If a user is added on 3rd Day of the month, 28$ will be deducted instantly

This is how the cost of the Chargeable component will be charged, similarly when the user de-activate or delete the chargeable component, the cost charged for that particular user will be credited back as an adjustment to the account which will be adjusted on the upcoming bills.

For example when deleting the 1st user added on 1st of the month on 5th of the same month, the proration will be calculated as follows

Total no of days (Usage of the User) = 5 Days Cost per Day = 1 $ Total Cost per user for 5 Days = 1 * 5 =5$ So the adjustment against this user will be 30$ -5$ = 25 $ will be posted as adjustment into the respective user account.

Adjustments applied on the billings can be viewed on the individual invoices of the customer.

Refer here to know about the manual adjustments in the invoice.

Note: Proration is not only limited for days but it will also consider Hours & minutes level.

9.1.2 Pro-Ration during Upgrade & Downgrade

Like Pro-ration applied based on the consumption date on a given meter-able components, Techcello also employs Pro-ration when upgrading and downgrading the packages. One of the value propositions of SaaS model is its flexibility to allow customers to upgrade/downgrade the application at any point of time.

Logically, when the Tenant upgrade and downgrade their subscription plans, the invoice must also consider the changes and raise the bills accordingly. TechCello Billing management system takes care of automated customer communications, proration of payments, as well as the management of billing for each customer according to their plan.

Let us look at a few examples on how proration is determined.

Proration Steps

Step 1: Determine the total cost for the period and the number of days in that Billing Cycle. For instance, if the Tenant's bill is $200 monthly, Cello billing engine takes the number of days in that particular month. Use 30 days in the month of June, for an example.

Step 2: Divide the total fee for the period by the number of days in the month. In this example the result is $200 divided by 30, or $6.67 per day.

Step 3: Determine how many days in that period the customer didn't use the service. Say, for example, the customer cancelled the service after 16 days of use in the previous month --- that means he requires a service credit for 14 days.

Step 4: Multiply the number of days the customer did not use the service by the per-day prorated rate. So in this example, that is 14 days times $6.67, or $93.38.

Step 5: Add a line to the service invoice crediting this fee to the customer (for instance, "-93.38"). Deduct it from the full charge for the month, which is $200, to determine the final invoice balance for the previous month, of $106.62.

Step 6: Notates the invoice with a description of the deduction to clarify the purpose of the credit. For instance, "Prorated credit for 14 days --- June 17-30."

Example Scenarios

Scenario 1: Upgrading a plan with proration

Description	***Old Plan***	***Upgraded To***
Subscription Plan Name	*Basic*	*Advanced*
Billing Cycle	*Monthly*	*Monthly*
Cost of Basic Plan	*99$*	*150$*
Bundled Usage	10 Users & 30 Projects	25 Users & 50 Projects
Additional Cost per user	*30$*	*20$*
Per Day charge for User	$30 /30 = $ 1 per day	*$ 20/30 =$ .66 per day*
Additional Cost per Project	*15$*	*12*
Per Day charge for Project	$15 /30 = $ .5 per day	*$ 12/30 =$ .4 per day*
Subscription purchased on	*1st Jun 2013*	*15th June 2013*
Billing Period	*1 Jun 2013 to* 1 July 2013	*15th Jun 2013 to* 15 July 2013
Plan used period	*15 Days* *i.e. 1 Jun 2013 to* 15 June 2013	*15 Days* *i.e. 15 Jun 2013 to* 1 July 2013
Total Consumption till 15 days apart from bundled package	*5 Users – added on 10th June* *10 Packages – added on 12th June*	

Pro-ration Calculation

As per the above chart the Customer has upgraded the plan on 15th of June but by June 10th the customer has already exceeded the bundled usage and has used

- 5 additional users
- additional projects

Usage Parameters	Cost	Total
Bundled Usage	99$	99$
User added on 10th june	Per Cost of User * No of Days remaining in the cycle = $ 1* 20 = $ 20	20$
Project added on 12th june	Per Cost of Project * No of Days remaining in the cycle = $ .5* 18 = $1.5	9 $
Grand Total		128 $ (Excluding Tax)

On upgrading/downgrading the subscription plan, the customer will be deducted with the new subscription cost instantly minus any adjustments needs to be done from the previous billing cycle. For example in the above scenario where the Tenant upgrades from basic plan to advanced plan on 15th june, hence the cost of Advanced plan will be charged on the same day and time along with the adjustments.

9.1.3 Scenario 2: Pro-rata on account cancelation (Customer Exit)<change>

Plan: $99/monthly

Current Billing Period: 1 Jun 2013 to 1 July 2013

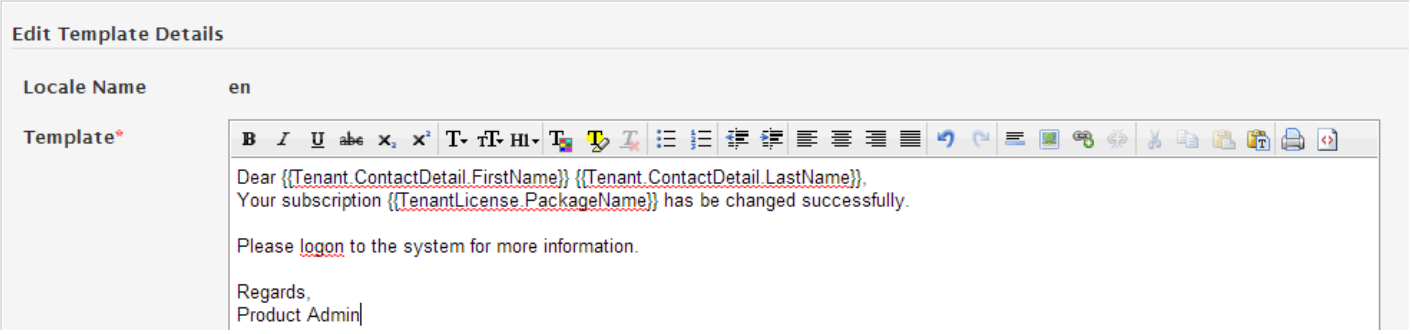
Cancelled On: Jun 15

Amount for Period Used: 15 days used x $3.3/day

Pro-rata: $49.50

Note: TechCello **doesn't credit back the charges** if you or the customer decided to end the account early during the billing period.

In the event of upgrading/downgrading the subscription plans, email notification is automatically sent from the billing service. To change or update the email content, navigate to Admin >> Notifications>> Content Template >> look for "Tenant Subscription Changed Mail" and update the content.



9.2 Invoice Manual Adjustments

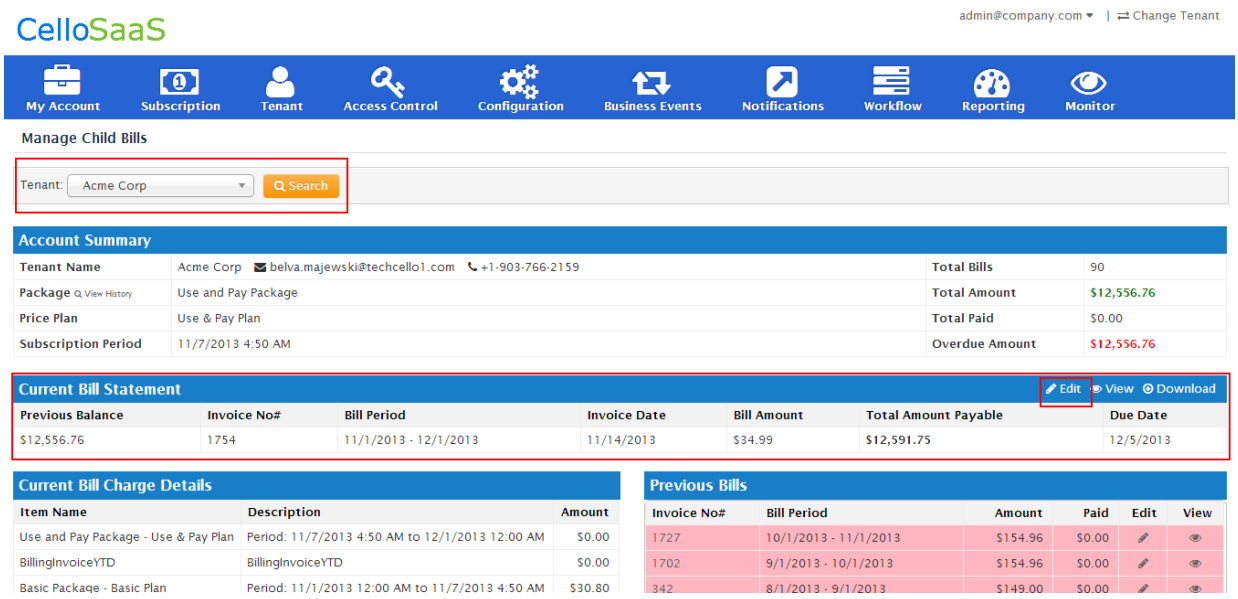
There are chances some customers willing to pay offline instead of Online or auto debit. In such cases, the product administrator or the billing admin can manually mark the payment as received. Another use case for the manual adjustments is for refund cases, CelloSaaS billing Service doesn't facilitates to process refund money back to the customers, and instead the application administrator can make adjustments manually in the invoices once it is generated.

Adjustments can either be a fixed increase (debit) or decrease (credit) to the invoice. The details of a manual adjustment such as the amount, adjustment type and reason code are permanently stored within the Cello database. Any manual adjustments that exist for an invoice at the time the order is priced will always be applied. All manual adjustments are created as transient repository items and it is applicable only for the particular Invoice. Subsequent Invoice processing will not have any impact on the earlier manual adjustments.

Note: Email notifications will not be sent by default in the event of manual payments, but it can be programmed to send notifications on Manual payments.

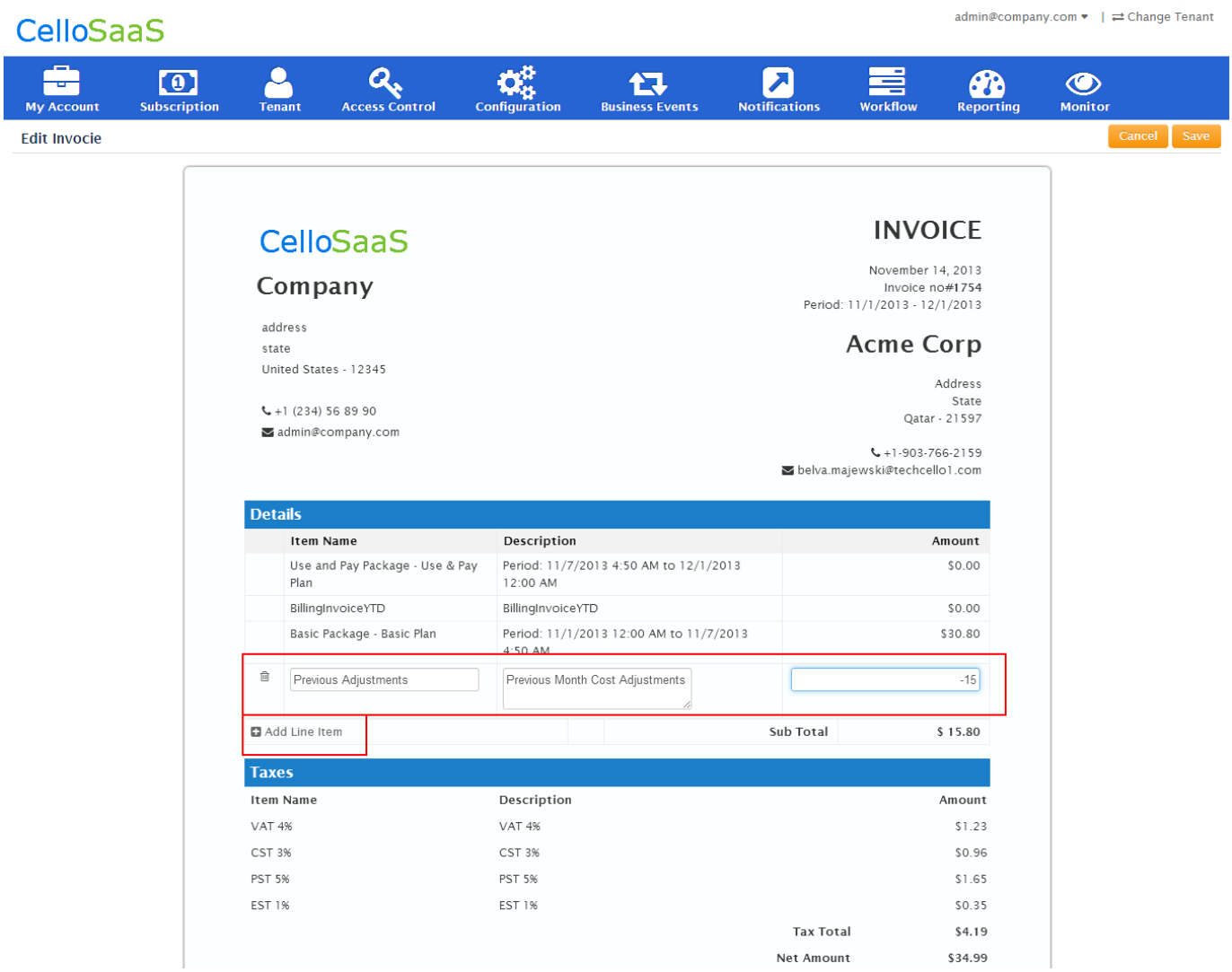
9.2.1 How to make Adjustments in Invoice

Navigate to Admin >> Client Bills>>Select the Invoice>> Click on Edit



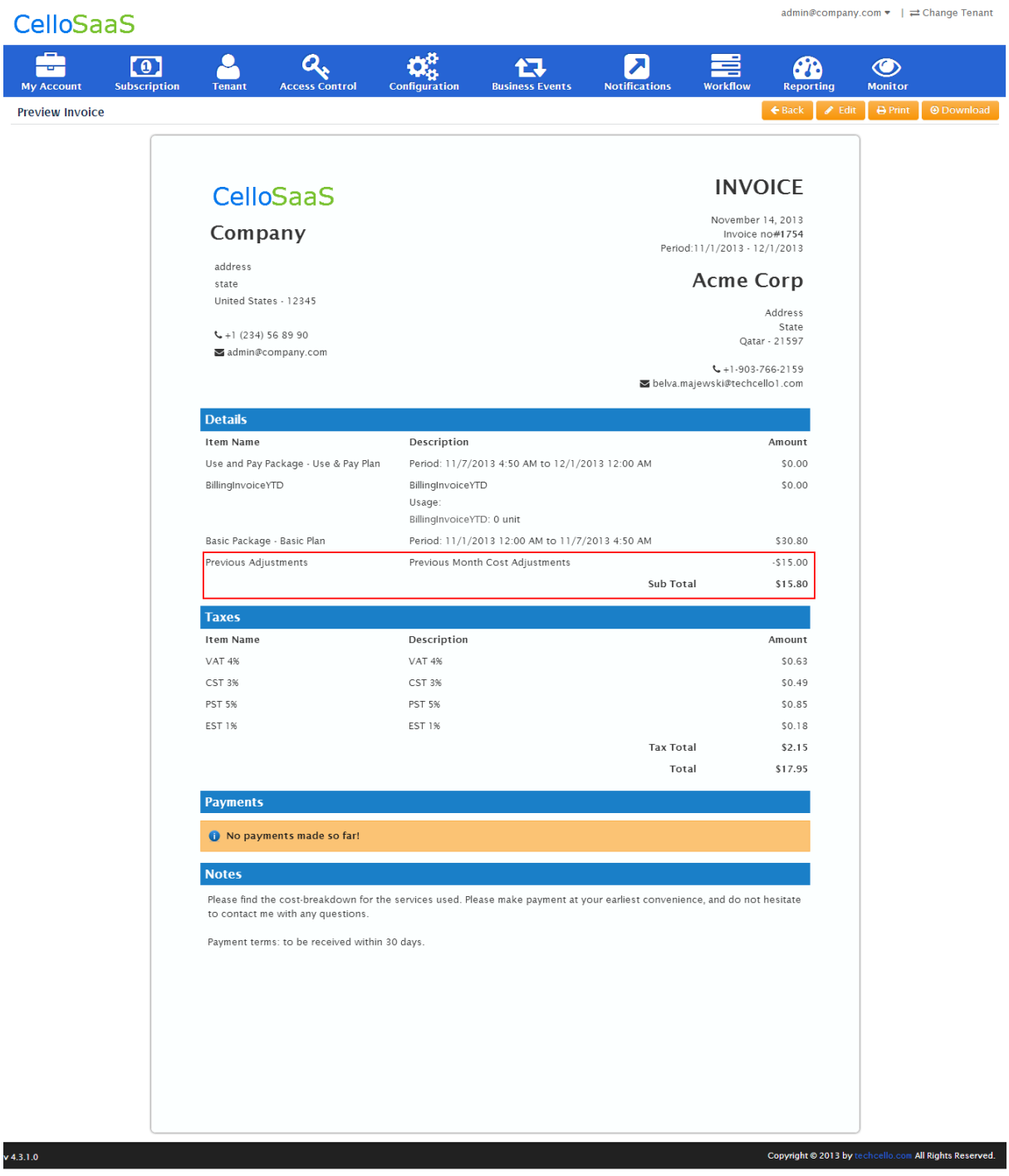
Invoice Page

1. Select the particular Tenant from the Tenant List drop down.
2. Look for the “Current Bill Statement” container
3. Click on the “Edit” icon on top of the container
4. Clicking on “Edit” will open the invoice in edit mode, refer the below screenshot



Edit Invoice (Manual Adjustments)

5. Update the Item Name, Description and Adjustment value (in usd $$).
6. Click on Save.
7. Once the Manual adjustment successfully updated, the invoice page will look like below.



Invoice Page

9.3 Tenant Invoice

Tenant Invoice refers to the Invoice of an individual Tenant, when an invoice is generated by the Billing Engine for a Tenant; it is displayed under Admin>> My Account>>My Bills

Components of My Bills

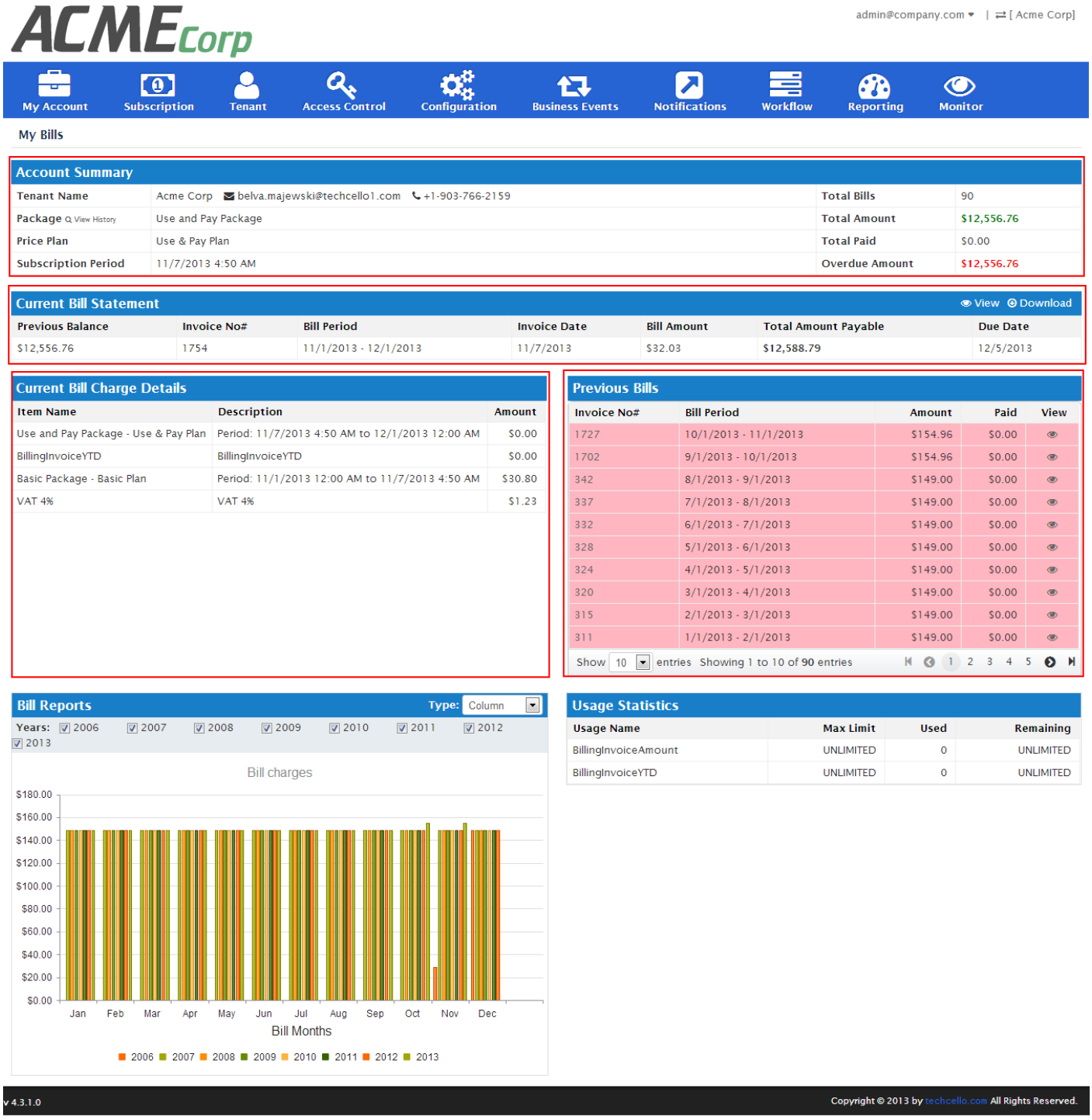
Account Summary – Displays the detailed information about the package, total amount paid etc

Current Bills– Displays the current month bill details

Current Bill Charge Details– Displays the current month bill breakup details

Previous Bills– Displays all the previous month Bill details [Highlighted in Red are unpaid bills]

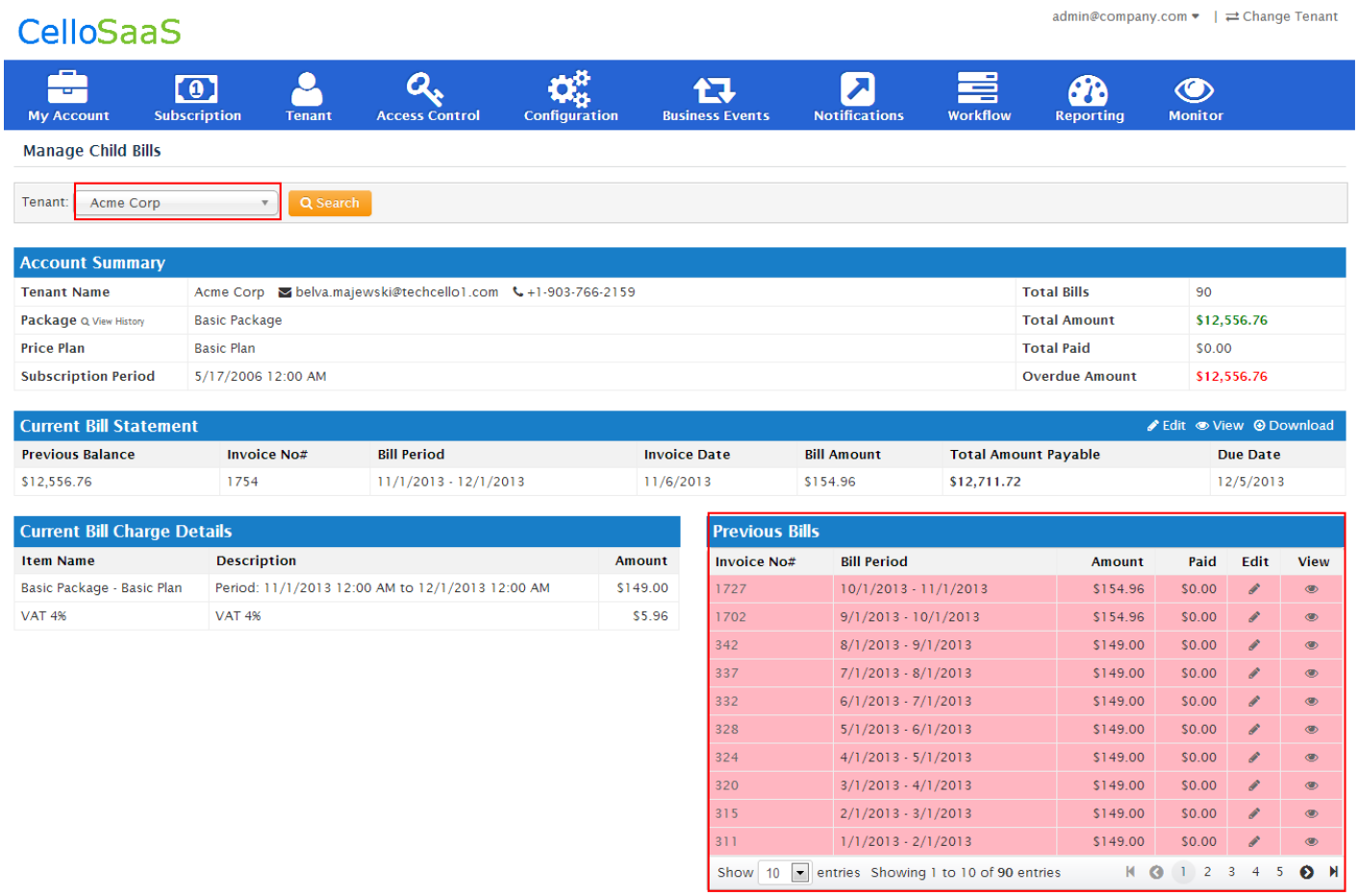
Bill Reports – Interactive Chart displays the bills charges



9.4 Clients Invoices

Client Invoice Refers to collection of all the bills of the Tenants. This is generally available only for Product Administrators and Tenants who have sub Tenants under them especially in the Tenant Hierarchy Scenarios i.e Resellers, Enterprise Tenants etc

To View Client Bills, Navigate to Admin >> Subscription>> Client Bills

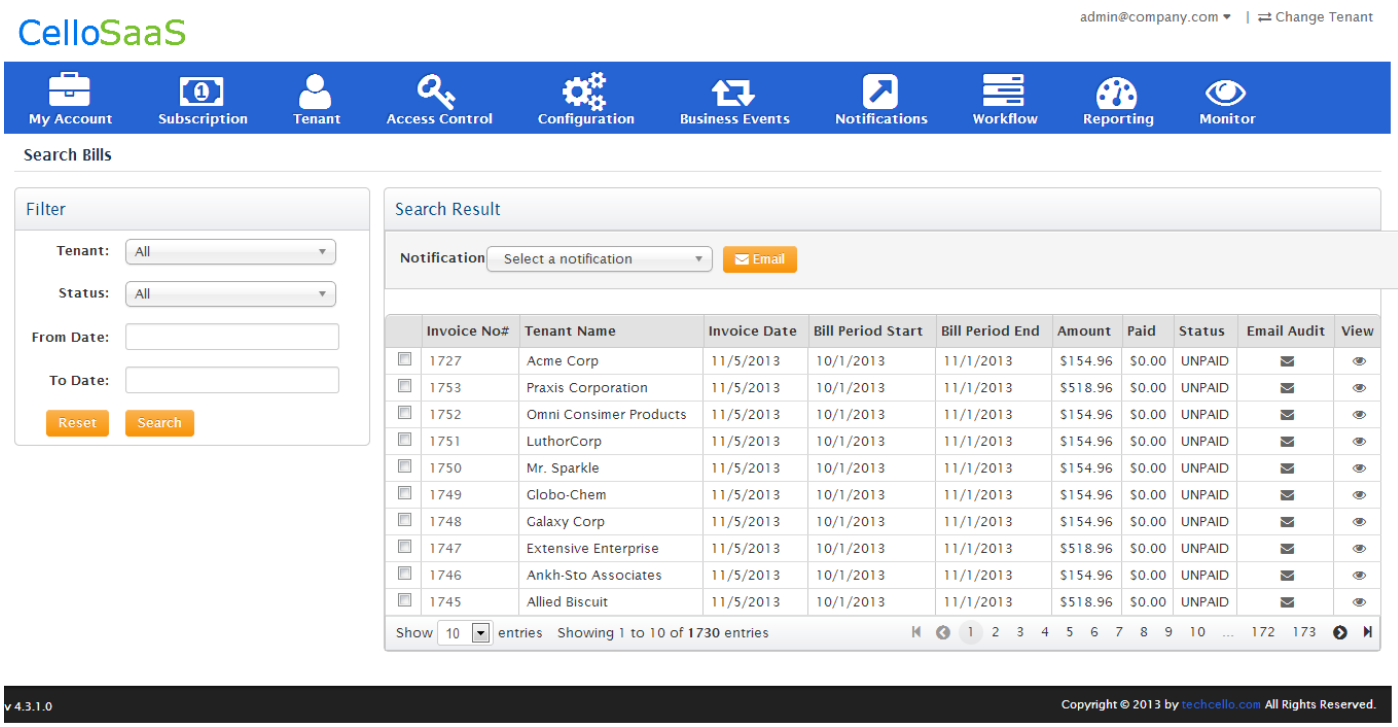


Client Bills

9.5 Invoice Search

The application administrator can have a unified look of all the past invoices using Search Bills page.

Login as Product Administrator and Navigate to Billing >> Search Client Bills



Search Client Bills

10 FAQs

Can I change the billing model i.e. post-paid to post or vice versa being in production?

Yes, refer here.

Can I change the billing frequency i.e. monthly to quarterly or any other billing frequencies supported in TechCello?

Billing frequency can be changed in Price Plan configuration page. However, it's not advisable to change the price plan's frequency once tenants are subscribed to it.

Instead create a new price plan with new required frequency and map the tenants to the new plan.

What is Free Trial period?

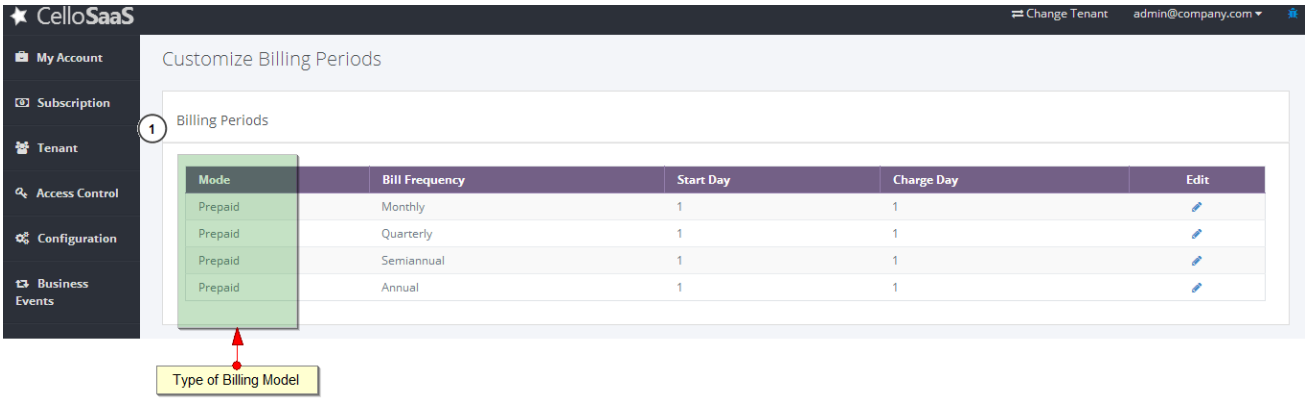
A period of time during which the product can be evaluated without any charge.

What is Meter-able component?

A component or service which will be served on charge basis for every or set of consumption.

As an ISV how do I know the Type of Billing i.e. Post-paid or Post-paid?

You can witness the type of Billing model either navigating to Subscription >> Customize Billing Periods page



Alternatively, Open dbo.BillingSettings table and refer Mode Column and update

0- Postpaid
1- Postpaid

Note: Only ISV Administrator will be allowed to access the page.

How to Change Billing Model from Postpaid to Post & Vice versa?

Open dbo.BillingSettings table and refer Mode Column and update

0- Postpaid
1- Postpaid

After updating the Billing Settings, Restart the Billing Service located in the respective location.

11 Contact Information

Any problem using this guide (or) using Cello Framework. Please feel free to contact us, we will be happy to assist you in getting started with Cello.

Email: support@techcello.com

Phone: +1(609)503-7163

Skype: techcello