



Expand Your Fee Options with Asset Level Billing

When it comes to charging for advisory services, there are many different options. Flat, tiered, hourly, who's to say what's best? In this week's Tech Tip, we'll explore an additional method, Asset Level Billing.

What?

Did you know you can negotiate different fee rates for certain types of positions held in your clients' portfolios?

Why?

Asset Level Billing allows you to assign a different fee schedule to a certain Product Category, Product Class, Asset Category, or Risk Category within an account. An Asset Level fee schedule will override the traditional Fee Schedule field, and then assign a Flat 1.0% schedule to the Asset Category - Money Market. Every asset that is assigned Money Market as the asset category in the account will be billed at 1.0%, while all other assets will be billed at 1.5%

How?

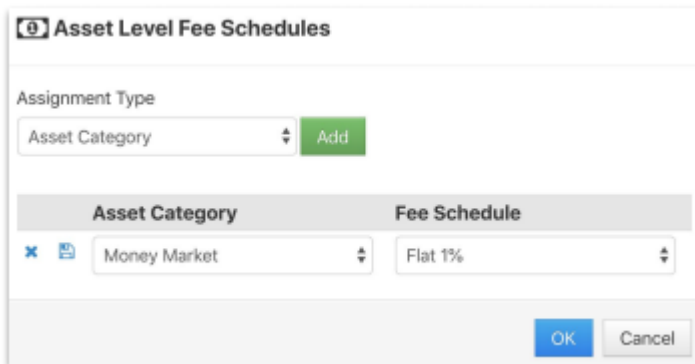
To establish Asset Level Billing:

1. Please contact the SME Billing Team to enable the "Use Asset Class Billing" entity option for the database.
2. Make sure all applicable fee schedules are created in the Billing Audit

app, under the Fee Schedules tab.



3. To apply this to the account, go to the Billing Audit app.
4. Navigate to the “All Accounts” tab and right-click on the applicable account to Edit Account.
5. Navigate to Billing>General. Click on the gray pencil to the right of the “Fee Schedule” field.
6. Choose an “Assignment Type” in the dropdown, and click on “Add.”



7. Select the applicable Class or Category, and the Fee Schedule. Click OK, and then “Save” on the account.

What Does the Bill Look Like?

For example, an account is worth \$100,000, and \$25,000 of that account’s value represents Money Market assets. The account is assigned a flat 1.5% fee schedule, and a flat 1.0% fee schedule is assigned to the Asset Category - Money Market. \$75,000 of the account will be billed at 1.5%, and \$25,000 at 1.0%. The bill will be broken out into separate line items showing each calculation on the invoice and on the payable summary.

Renewal							
Account Number	Billed Market Value	Period	Bill Cycle	Annual Fee	Days in Cycle	Advisory Fee Amount	Pay Method
****8865	\$75,000.00	07/01/19-09/30/19	Quarterly	1.50%	92/365	\$283.56	Direct
****8865	\$25,000.00	07/01/19-09/30/19	Quarterly	1.00%	92/365	\$63.01	Direct
Totals:	\$100,000.00					\$346.57	

Need Additional Help? The Billing Team is standing by! Feel free to contact us at billing@orionadvisor.com

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