

TIME & MILEAGE RATES SETUP





RentWorks Time & Mileage Rates Setup Guide

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Overview

This document provides guidance on setting up time & mileage rates in RentWorks. It describes the different types of rates, how rate rules apply, and how to enter rates into RentWorks. Examples are given for various situations.

The information provided applies to all versions of RentWorks from 2.1 on, unless otherwise specified.

Setting Up Rates

There are two parts to a rate. The *rate head* contains general information about the rate, including the code, fleet class, mileage charge, etc. The *rate lines* give specific time ranges and rates for calculating charges on the time of the rental.

When creating a rate, you must specify the location, product, and vehicle class for which this rate can be used. Once that is set up, you then enter rate lines. A rate line denotes a charge for a specific time period, and when to use this charge.

The time period for a rate line is defined by the **Units** and **Time Unit** fields. **Units** is the number of units of time (1, 7, 30, etc.), while **Time Unit** is the kind of units (minutes, hours, days). The **Rate** field is the charge per time unit for this rate line. In the example rate below, the first rate line charges \$15.50 for one hour. Period rates, such as \$100 for 3 days, can be set up on a single rate line by changing the **Units** and **Time Units** fields.

Description	Rate	Units	Time Unit	Max	Type	VP
Overtime	15.50	1	Hours	0	OT	yes
Daily	50.00	1	Days	0	Reg	yes
XDaily	45.00	1	Days	0	Ex	yes
Weekly	325.00	7	Days	0	Reg	yes
Monthly	1,000.00	30	Days	0	Reg	yes

The **Max** field is used for tiered rates. Multiple rate lines can be set up for the same time period, with different maximums for each line. The rate calculation will find the correct rate line to use, based on the maximum values. An example of a tiered rate is given later on.

The **Type** field is used to distinguish regular rate line from ‘special’ rate lines, such as overtime charges when a vehicle is returned late. An Extra type rate line is used after a larger rate line, in place of the regular line. In the example above, the ‘XDaily’ rate line will be used *after* the ‘Weekly’ line is used. If the ‘Weekly’ line is NOT used, then only the ‘Daily’ line will be used. A 3-day rental with the above rate will have 3 days charged at the ‘Daily’ line, while a 9-day rental will have 1 ‘Weekly’ charge, and 2 ‘XDaily’ charges.

Value Pricing (VP) gives you the option to calculate the lowest possible charge on a rental, or to calculate strictly by the rate lines used. For example, four hours charged on the ‘Overtime’ rate line above comes to \$62.00. If **Value Pricing** is set to ‘yes’, then the renter will be charged an extra ‘Daily’ since it is cheaper than four ‘Overtimes’. If **Value Pricing** is set to ‘no’, the renter will be charged the \$62.00.

A tiered rate is a rate which has more than one daily rate. The **Max Units** field determines how many days may be charged on each daily rate line. The Examples section contains an example on how a tiered rate is usually set up.

Rate Calculations

Before the rates are calculated, the rate lines are ordered by their time period, from largest to smallest. The order in which the lines were originally entered and the order in which they appear on-screen have no effect on the calculations. Once the rate lines are ordered, the system starts at the top line and calculates the charges entirely on that line (rounding up, if necessary). Next, the system will go to the next line down and attempt to find a lesser charge. The calculation proceeds through the rate lines until a final total is reached.

Using the above rate, here is how a 10-day rental would be calculated:

1. The rate lines are sorted by time period, shown below.

Description	Rate	Units	Time Unit
Monthly	1,000.00	30	Days
Weekly	325.00	7	Days
Daily	50.00	1	Days
XDaily	45.00	1	Days
Overtime	15.50	1	Hours

2. The 10 days are calculated at the first line, Monthly, for a charge of \$1,000.00.
3. Moving down to the next line, Weekly, the charges are recalculated. Because 10 days is more than one week, the charges are calculated as 2 x \$325.00, or \$750.00. Since this is cheaper than the previous line, the Monthly charges are ignored.
4. The 10-day rental falls between 1 and 2 weeks. So for the second part of the line calculation, the system “remembers” the \$750.00 charge, and now calculates 7 days on the Weekly line as \$325.00. The remaining 3 days are calculated on the next line. Since the Weekly line has been used, the next line will be XDaily.
5. Calculating 3 days on the XDaily line comes to \$135.00.
6. The system now compares the previous 2 Weekly/\$750.00 with the second calculation, 1 Weekly/\$350.00 + 3 XDaily/\$135.00. The second calculation comes to \$460.00, which is less than the first calculation, \$750.00.
7. The renter’s total time charge is \$460.00.

Value Pricing is used to see if a *higher* rate line would be cheaper. If a rate has a daily charge of \$50, and a weekly charge of \$275, then six days charged to the daily line will be \$300. If **Value Pricing** is set to ‘yes’ on the daily line, then the system will charge 1 weekly charge instead, since it is cheaper. If **Value Pricing** is set to ‘no’ on the daily line, then the system will charge the 6 days at \$300.

Rate Calculations *(continued)*

If the rental time is slightly longer, for instance 10 days and 2 hours, the system keeps calculating, using the Overtime rate line next.

When using tiered rates, there can be many lines with the same time period, as shown below:

Description	Rate	Units	Time Unit	Max
1 - 7 Days	50.00	1	Days	7
8 - 14 Days	60.00	1	Days	14
15 - 21 Days	70.00	1	Days	21

In this case, the system picks the correct line to use based on the **Max** field. For the 10-day rental, the system will use the 8 – 14 Days line, since ten days falls in that range.

Using Multiple Rates

More than one rate can be used in the calculations by choosing an *associated rate*. When the rules are violated on a rate, the system will use the associated rate to continue the calculations.

When the **Violation Action** in the Rate Rules is set to 'Fallback' and the rules are violated, no charges are calculated on the current rate and all rental time is transferred to the associated rate. However, if the **Violation Action** is set to 'cascade', the rental time *up to the violation point* is calculated on the current rate, and any remaining time is transferred to the associated rate. For example, a rate has a maximum of 2 days set up in the rules, and cascades to an associated rate. If the rental time is for 2 days and 1 minute, the 2 days are calculated on the first rate, and 1 minute is calculated on the associated rate. If the first rate was set to fall back to the associated rate, no time would be calculated on the first rate, and 2 day, 1 minute would be calculated on the associated rate.

Rate Rules

When setting up rate rules, it is important to only set the *minimum* number of options that are needed to restrict the rate. For example, setting ‘Valid Return Days’ along with ‘End Day/Time’ may cause unwanted results, if only one of those restrictions may be needed to properly restrict the rate.

Also, regular rates should use a rate rule with no restrictions. Using a rule that limits the regular rate can cause the contract to show NO time and mileage charges!

Calc. Method – Sets the method of calculating time & mileage charges for this rate. The standard calculation, “T&M”, calculates based on 24-hour time. “Calendar Day” ignores 24-hour periods and calculates based on the actual calendar days that the vehicle was rented. For example, a rental from 1/5 12pm to 1/7 12pm would be charged 3 calendar days (1/5, 1/6, 1/7), but would only be charged 2 days based on 24-hour time.

Time Slot is used for slot rental rates, where the rental period starts at a specific hour, regardless of when the renter actually picks up the vehicle.

Calc. Mileage By – Method of calculating free miles. If a renter has a car for 2 days and 3 hours, and is charged 3 days, calculating mileage based on ‘Actual Time’ will apply free miles for 2 days, 3 hours. Mileage applied on ‘Charged Time’ will be for 3 days.

Shoppable – A rate marked as shoppable will be considered when ‘Rate Shop’ is checked off in the Rates Search browser. If this rate is not to appear during a rate shop, do not check this box. However, the rate will still appear for its class is selected in the Rates Search, regardless of rate shopping.

Bookings Start/End – The date range during which this rate is available for advanced booking (reservations).

Adv. Hours – The minimum number of hours between the booking time of the reservation and the checkout time of the rental. A rate with 12 advanced hours cannot be used if the checkout date/time is within 12 hours of the time the reservation is being made.

Departure Start/End – The date range for which the rental must begin.

Return By – The date/time that the rental must end by.

Seasons – See the “Rate Seasons” section for information on this field.

Rate Rules *(continued)*

Requirements –

One-Way Allowed – The vehicle may be dropped off at another location.

Requires Associated Rate – Used for special rates, requires that another rate be used with the current one for roll-over T&M charges.

Prepayment Required – Warns user that the charges must be paid when the vehicle is checked-out.

Insurance Required – The renter's insurance information must be entered for this rate to be used.

Accepted Deposit Types – If a deposit is required, it must be one of the checked-off payment types.

Min/Max Keep – The minimum/maximum time that can be charged to this rate. If the rental time is less than the minimum keep, this rate will not be used. If the rental time is greater than the maximum keep, the 'Violation Action' will determine whether or not this rate will be used.

Start/End Day/Time – The weekday and time for which this rate is valid. If the Start Day/Time restriction is not met, the rate cannot be used. If the End Day/Time restriction is not met and the Violation Action is set to Cascade, The time *up to the end time* will be charged to this rate, then the extra time will be charged to the associated rate.

Slot Time – For slot rentals, this is the time that the slot rental actually begins. If an 8-hour slot rate has a slot time of 12pm, and a person rents a vehicle at 12:30pm, the rental time begins at 12pm, and will end at 8pm. Even if the rental begins at 7:59pm, the time will still be calculated from 12pm.

Drop Zone – The highest-numbered drop zone for which this rate is valid. Drop zones are set up in Locations. If the dueback location's drop zone is higher than the rate's drop zone, the rate cannot be used.

Grace Mins. – The number of overtime minutes allowed before overtime charges are calculated. Once the overtime charges begin, ALL overtime minutes are included. For example, a vehicle is due back at 12pm with 60 grace minutes. The vehicle is not returned until 1pm. No overtime is charged. If the vehicle is returned at 1:01pm, 61 overtime minutes will be charged. In order for the grace minutes to work, the rate must have an hourly overtime line.

Rate Rules *(continued)*

Violation Action – Determines which rate is used when the requirements are not met. When set to ‘Cascade’, the current rate is used for as much of the rental as possible, until the requirements are no longer met. For example, if a vehicle is rented past the end date, any rental days before the end date are charged to the current rate. Then the rate cascades to the associated rate, which is used for the extra days. If the violation action is set to ‘Fallback’, *none* of the rental time is charged to the current rate when the requirements are not met; the entire rental time is calculated on the associated rate.

Valid Pickup Days / Req’d Stay Over / Valid Return Days – These checkboxes denote certain day-of-week restrictions on the rate. These restrictions are used only if **SOME** of the boxes are checked; checking off all or none of the boxes will cause the restriction to be ignored. Also, the boxes that are checked off must be contiguous. Checking off ‘Mon, Wed, Fri’ will not give the desired results.

Included Charges – Charges added here will be defaulted onto the contract, but the actual amount will be included in T&M charges. For taxes, the tax amount will be split out of the T&M charges.

Rate Seasons

The rate rules allow you set one range of booking dates. If you need more than one range, you can use rate seasons.

When you create a rate season, you specify a starting day, month and year and an ending day, month and year. Multiple ranges may be added to the rate season. If you would like the season to apply every year, check off the “Every Year” box. This will set the starting and ending years to zero.

Once you have created rate seasons, go into the rate rules and select the appropriate seasons on the **General** tab.

Rate seasons are useful for when a rate is used at several times during the year. For example, a holiday rate might apply during Thanksgiving and Christmas. You can create a “Holiday” rate season with date ranges in November and December. When applied to holiday rates, those rates will be valid only for the specified date ranges.

Code: 

Description:

Date Ranges:

Start Month	Start Day	Start Year	End Month	End Day	End Year
November	22	2010	November	30	2010
December	20	2010	January	2	2011

Rate Utilization

Rates can be set up to apply only when certain fleet utilization levels are reached. This is done through the Rate Utilization screen. Select one or more rates and apply a minimum and maximum utilization to them. For example, you may have a “low” rate which applies when the fleet utilization is 0% to 40%. A “high” rate may apply only when utilization is above 80%. Setting these percentages will make the rates valid only when your fleet utilization is within the set percentages.

Be careful when setting the maximum utilization percentage. If you set a rate’s maximum percentage to 100% and you’re overbooked, making the utilization higher than 100%, the rate will not apply. It is better to set the maximum to 999%.

Special Events

A special event is an occasion where you wish to change the normal Counter operations. As far as rates are concerned, special events can be used to change the fleet utilization calculation. See the “Rate Utilization” section for information on how to assign utilization ranges to rates.

Special events can be set up for a particular product, class and location, and can be set to apply for a particular date range or to occur on a weekly basis.

As an example of a special event, suppose you have a higher rate for peak rental times. The rate applies for utilizations above 80%. It is now July, and you know that Thanksgiving will be a peak rental time. Since few people have made reservations yet for Thanksgiving, your current utilization is below 80% so your peak rate is not valid. You can create a special event for Thanksgiving week to set the utilization to 80%. Now, no matter what your utilization really is, it will be set to 80% during that week and your peak rate will always apply.

The screenshot shows a configuration form for a special event. The fields are as follows:

- Code:** Holiday
- Description:** Thanksgiving Week
- Location:** (empty dropdown)
- Product:** Vehicles
- Class:** (empty dropdown)
- Event Type:** Date Range, Weekly, Web
- Start Date:** 11/21/2010
- End Date:** 11/27/2010
- Blackout:**
- Open From:** 0.00
- Close At:** 23.59
- Day Of Week:** Sun, Mon, Tue, Wed, Thu, Fri, Sat
- Utilization:** 80

Examples

Here are some examples of how to set up some commonly used rates:

Regular Rate

A standard daily/weekly/monthly rate.

Description	Rate	Units	Time Unit	Max	Type
Daily	45.00	1	Days	0	Reg
XDay	40.00	1	Days	0	Ex
Weekly	275.00	7	Days	0	Reg
Monthly	995.00	30	Days	0	Reg
OT Hours	15.00	1	Hours	0	OT

Rules: None

It is important not to set up restrictions on this kind of rate. If you do, and those restrictions are not met, NO time & mileage charges will be calculated!

Weekend Special

A daily weekend rate that is only available from Friday 5pm to Monday 11am. After that, the regular rate (above) applies.

Description	Rate	Units	Time Unit	Max	Type
Daily	40.00	1	Days	0	Reg

Rules:

Start Date/Time: Fri 17.00

End Date/Time: Mon 11.00

Valid Pickup Days: Fri Sat Sun

Violation Action: Cascade (to above rate)

Do not use 'Max Days: 3' for this rate. If you do, someone taking the car out on Sunday will be allowed to have it for the next 3 days at this special rate, instead of only having it until the next day.

Period Rate

A package rate of 3 days for \$100, then \$40 thereafter. The 3 days/\$100 is ALWAYS charged, even for rentals of less than 3 days.

Rate 1:

Description	Rate	Units	Time Unit	Max	Type
3-Day	100.00	3	Days	0	Reg

Rules: Max Days: 3
Violation Action:
Cascade
(to rate 2 below)

Rate 2:

Description	Rate	Units	Time Unit	Max	Type
Daily	40.00	1	Days	0	Reg

Rules: None

Examples *(continued)*

If you wish to charge multiple periods (i.e.: 6 days will charge 2 of the 3-day periods), you can use the following rate:

Description	Rate	Units	Time Unit	Max	Type
3-Day	100.00	3	Days	0	Reg
Daily	40.00	1	Days	0	Reg

Rules: None

Slot Rate

A 4-hour rate where the rental periods are 8am – 12pm, 12pm – 4pm, and 4pm – 8pm. If the renter doesn't bring the vehicle back on time for the next slot, they will be charged a \$100 overtime fee.

Description	Rate	Units	Time Unit	Max	Type	VP	OT Limit
4-Hour Slot	45.00	4	Hours	0	Reg	yes	0.00
Late Fee	100.00	1	Hours	0	OT	no	100.00

Rules: Slot Time:
8.00

Clone this rate & rule twice, changing the slot time to 12.00 and 16.00 for the other slots.

Tiered Rate

A daily rate where the rate per day changes, depending on the length of the rental.

Description	Rate	Units	Time Unit	Max	Type	VP
1 - 7 Days	70.00	1	Days	7	Reg	yes
8 - 14 Days	60.00	1	Days	14	Reg	yes
15 - 21 Days	50.00	1	Days	21	Reg	yes
22+ Days	40.00	1	Days	999	Reg	yes

Rules: None

For a 10-day rental, this rate would charge 10 days at \$60. If **Value Pricing** was set to 'no' on all the lines, the rate would charge the first 7 days at \$70, and the last 3 days at \$60.