Upcoming New Features
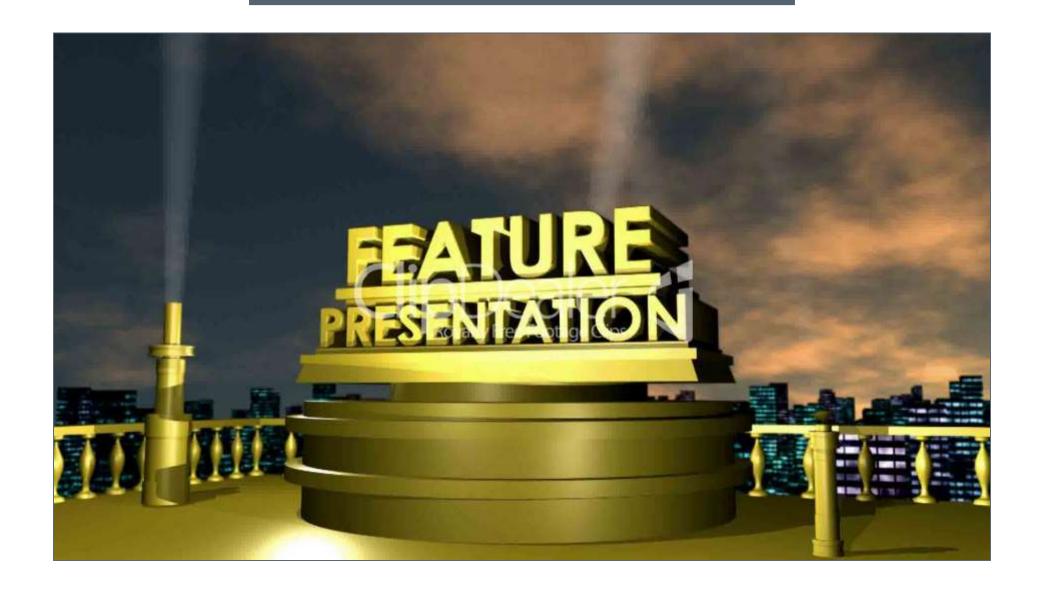
Charles Pevsner

April 19, 2017

XLERANT

- New budgeting/convenience features

- New configuration features

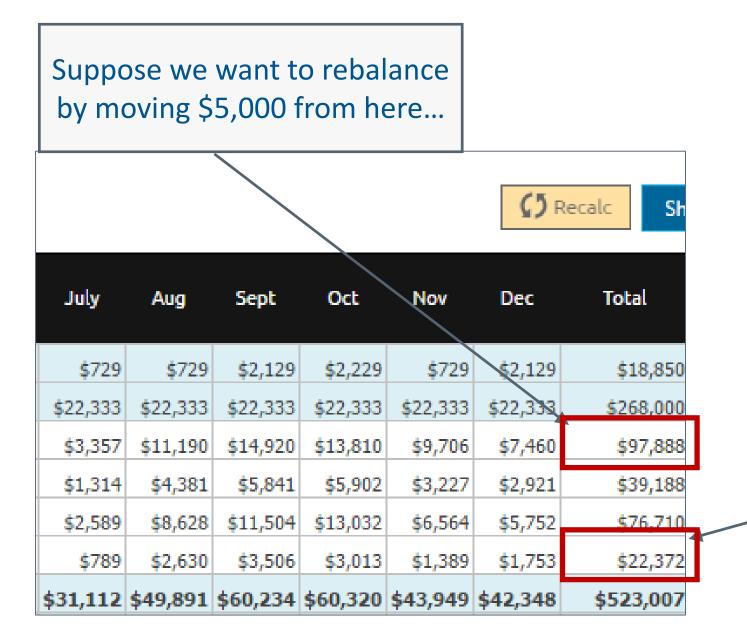- Major new feature: Configurable P&L layouts

New budgeting/convenience features

- **Headcount reports:** Now fully support hourly (wage) employees

- **Responsiveness enhancements:** Snappier page transitions
  Tip: If you have Windows 10, Edge is blazingly fast compared to other browsers

- **New hires:** Can now hire and terminate within the same year

- **Reviewing calculated accounts, and other read-only accounts:** Now automatically shows the formula, along with a customized explanation depending on account type
  (Previously you had to click a button "Show formula")

- **Projections:** Additional on-screen explanatory text added (difference between 'Update grid' and 'Recalc')

- **Raise/bonus sections:** Dramatically improved performance in units with a large number of employees

- **Spreading, across-the-board,** other pages: Now has a "Net unsaved changes" running total on screen
  - Helps with rebalancing (moving amounts from one row to another, while leaving unit total the same)
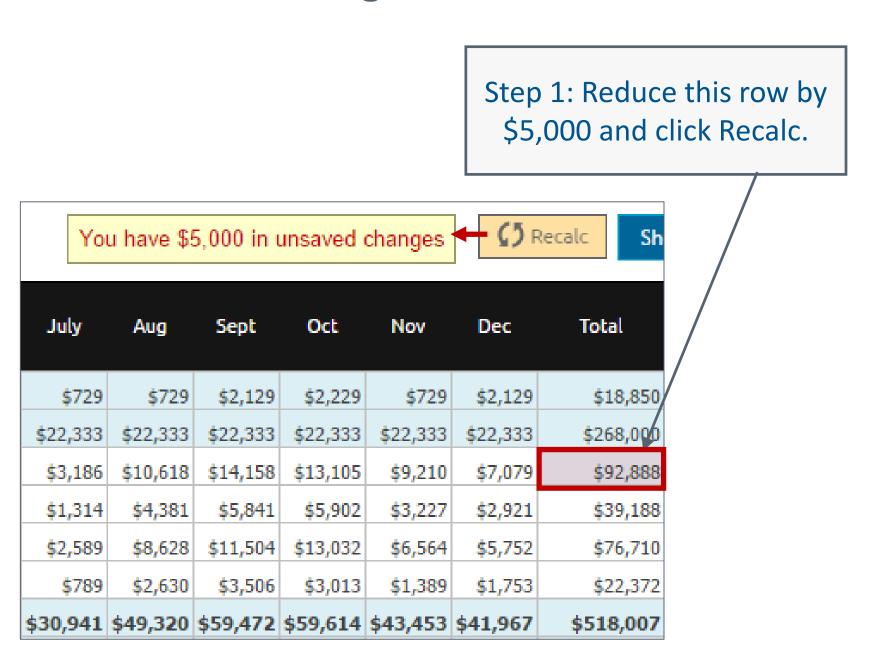 - To rebalance: Save when net unsaved changes equals $0

Illustration:

Suppose we want to rebalance by moving $5,000 from here…

Recalc   Sh

July	Aug	Sept	Oct	Nov	Dec	Total
$729	$729	$2,129	$2,229	$729	$2,129	$18,850
$22,333	$22,333	$22,333	$22,333	$22,333	$22,333	$268,000
$3,357	$11,190	$14,920	$13,810	$9,706	$7,460	$97,888
$1,314	$4,381	$5,841	$5,902	$3,227	$2,921	$39,188
$2,589	$8,628	$11,504	$13,032	$6,564	$5,752	$76,710
$789	$2,630	$3,506	$3,013	$1,389	$1,753	$22,372
$31,112	$49,891	$60,234	$60,320	$43,949	$42,348	$523,007

…to here

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- **"Net unsaved changes":** Illustration

Step 1: Reduce this row by $5,000 and click Recalc.

Step 2: Increase other row by $5,000 and click Recalc.

You have $5,000 in unsaved changes ← ⟳ Recalc | Sh

July	Aug	Sept	Oct	Nov	Dec	Total
$729	$729	$2,129	$2,229	$729	$2,129	$18,850
$22,333	$22,333	$22,333	$22,333	$22,333	$22,333	$268,000
$3,186	$10,618	$14,158	$13,105	$9,210	$7,079	$92,888
$1,314	$4,381	$5,841	$5,902	$3,227	$2,921	$39,188
$2,589	$8,628	$11,504	$13,032	$6,564	$5,752	$76,710
$789	$2,630	$3,506	$3,013	$1,389	$1,753	$22,372
$30,941	$49,320	$59,472	$59,614	$43,453	$41,967	$518,007

You have $0 in unsaved changes ← ⟳ Recalc | Sh

July	Aug	Sept	Oct	Nov	Dec	Total
$729	$729	$2,129	$2,229	$729	$2,129	$18,850
$22,333	$22,333	$22,333	$22,333	$22,333	$22,333	$268,000
$3,186	$10,618	$14,158	$13,105	$9,210	$7,079	$92,888
$1,314	$4,381	$5,841	$5,902	$3,227	$2,921	$39,188
$2,589	$8,628	$11,504	$13,032	$6,564	$5,752	$76,710
$965	$3,218	$4,290	$3,686	$1,699	$2,145	$27,372
$31,117	$49,907	$60,256	$60,288	$43,764	$42,359	$523,008

Net change is now $0; rebalance complete. Save.

New configuration features

- **Account configuration:** Turn an account into a "Reference account"
  - Assign an expiration fiscal year to an account
  - In budgets after that year, the account is no longer visible and no longer included in budgeting

- **Import configuration data:** Can now import benefit selections and their account mappings in one shot

- **Export calculation defaults:** Export only top-level rows and any "different" rows (instead of exporting every value for every unit)

- **Configure units:** Setting to control whether "Allow headcount" and "Allow assets" are pre-selected when creating a new unit

- **Configure units:** Now able to automatically sort units by code

- New **headcount configuration** options related to signoff:
    - Allow signoff without reviewing headcount (if budget holder is not allowed to see headcount)
    - Allow signoff without reviewing restricted accounts (if budget holder is not allowed to see these accounts)

- **Define account calculations:** Sort/filter calculations

- **Override Fiscal Year Lockout** option: Can now leave this permanently on

- **Configure benefit classes:** Additional on-screen explanatory text added (what is and is not included in '% of salary')

Major new feature: Configurable P&L / Statement of Activities layouts

- Current P&L layout/format is designed for universal usage
- Can be limiting

Current P&L reports have a fixed structure: Income/Expense/Net

Current P&L reports allow only one level of subtotals

P&L ANNUAL REPORT

Company:	ABC Organization
Version:	2017 Final Budget
Comparison version:	2016 Actuals
Unit:	10-1002: USA Sales Office
Budget holder:	Brown, Mike (Brown)

Account	Description	2017 Final Budget	2016 Actuals	Variance Amount	Variance Percent	Notes for 2017 Final Budget
3000	Revenue	$121,110	$0	$121,110	100.0 %	
Income		$121,110	$0	$121,110	100.0 %	
TOTAL INCOME		$121,110	$0	$121,110	100.0 %	
1111	Salaries	$995,937	$654,188	$341,750	52.2 %	
1112	Bonus	$50,000	$49,000	$1,000	2.0 %	
Compensation		$1,045,937	$703,188	$342,750	48.7 %	
1113	Payroll Taxes	$84,050	$61,205	$22,844	37.3 %	
1114	Benefits	$228,193	$124,596	$103,597	83.1 %	
Benefits		$312,242	$185,801	$126,441	68.1 %	
1116	Consulting	$550,000	$346,000	$204,000	59.0 %	
1115	Other Professional Fees	$15,950	$12,453	$3,497	28.1 %	
Outside Professional Fees		$565,950	$358,453	$207,497	57.9 %	
1121	Air Transportation	$12,160	$7,877	$4,283	54.4 %	
1122	Auto Expense	$16,648	$10,784	$5,864	54.4 %	
1124	Lodging Expense	$14,593	$9,453	$5,140	54.4 %	
1125	Other T&E	$4,256	$2,757	$1,499	54.4 %	
Travel		$47,657	$30,871	$16,786	54.4 %	
1190	Other	$562,963	$335,360	$227,603	67.9 %	
Other		$562,963	$335,360	$227,603	67.9 %	
2223	Allocations	$0	$0	-	-	
Allocations		$0	$0	-	-	
TOTAL EXPENSE		$2,534,749	$1,613,672	$921,078	57.1 %	
NET		($2,413,639)	($1,613,672)	($799,968)	49.6 %	

- Clean, direct view of account data only allows for ready interpretation…
- …but we know that's not enough

"I need to have calculation and display of ratios, or other kinds of calculations, like EBITDA"

"I need to display driver or headcount values, and use them in calculations"

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Introducing the configurable P&L / Statement of Activities layout

▪ This is a mockup example in Excel (broken up into 3 pieces to fit on this slide)

	A	B
1	**Account**	**Value**
2	INCOME:	
3	10001: Membership Fees	$120,000
4	10002: Sales Revenue	$120,000
5	10003: Merchandise Revenue	$120,000
6	**Revenue**	**$360,000**
7	**TOTAL INCOME**	**$360,000**
8		
9	Headcount:	67.5
10	Sales revenue per head	$1,778

Income, and a ratio

Direct expenses, and gross margin

12	EXPENSE:	
13	1000: Salaries - Exec	$1,000
14	1003: Executive Compensation	$1,000
15	1002: Salaries - Non Exec FT	$1,000
16	1001: Salaries - Non Exec PT	$1,000
17	1100: Bonus	$1,000
18	1300: Medical Benefits - Exec	$1,000
19	1301: Medical Benefits - Non Exec FT	$1,000
20	1302: Dental	$1,000
21	1200: 401K	$1,000
22	1400: Federal Payroll Tax	$1,000
23	1500: State Payroll Tax	$1,000
24	1600: Other Benefits	$1,000
25	**Compensation & Benefits**	**$12,000**
26	4400: Recruiting Fees	$1,000
27	4700: Professional Fees	$1,000
28	4401: Relocation	$1,000
29	**Professional Fees**	**$3,000**
30	8000: Meeting Expense	$1,000
31	8100: Air Transportation	$1,000
32	8200: Rental car	$1,000
33	8400: Lodging Expense	$1,000
34	8500: Seminar Fees	$1,000
35	8600: Training Fees	$1,000
36	**Travel**	**$6,000**
37	*Total direct expenses*	*$21,000*
38	**Gross margin**	**$339,000**
39	**Gross margin %**	**94.17%**

Indirect expenses, and EBITDA

40	5000: Photography	$1,000
41	5100: Printing Costs	$1,000
42	5200: Advertising	$1,000
43	**Photography/Printing/Advertising**	**$3,000**
44	2000: Rent	$1,000
45	2100: Real Estate Taxes	$1,000
46	**Rent & Occupancy**	**$2,000**
47	2150: Utilities	$1,000
48	2175: Facility parking	$1,000
49	5400: Expensed Equipment Purchases	$1,000
50	6000: Software Licenses	$1,000
51	9002: New Leases	$1,000
52	**Other Expenses**	**$5,000**
53	*Total indirect expenses*	*$10,000*
54	**EBITDA (Earnings before interest, taxe**	**$329,000**
55	77001: Depreciation	$1,000
56	70005: Interest	$1,000
57	77020: Amortization	$1,000
58	77030: Taxes	$1,000
59	**Total interest, taxes, depr/amort**	**$4,000**
60	**NET INCOME/LOSS**	**$325,000**

Enabled by a new feature: Statistical accounts

- Statistical accounts are read-only calculations (or placeholders for driver/headcount values)

- New option for enhancing P&L reports

	A	B	C
1	Account	Value	
2	INCOME:		
3	10001: Membership Fees	$120,000	
4	10002: Sales Revenue	$120,000	
5	10003: Merchandise Revenue	$120,000	
6	Revenue	$360,000	<-- Statistical account
7	TOTAL INCOME	$360,000	<-- Statistical account
8			
9	Headcount:	67.5	<-- Statistical account
10	Sales revenue per head	$1,778	<-- Statistical account
11			
12	EXPENSE:		
13	1000: Salaries - Exec	$1,000	
14	1003: Executive Compensation	$1,000	
15	1002: Salaries - Non Exec FT	$1,000	
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21	1200: 401K	$1,000	
22	1400: Federal Payroll Tax	$1,000	
23	1500: State Payroll Tax	$1,000	
24	1600: Other Benefits	$1,000	
25	Compensation & Benefits	$12,000	<-- Statistical account

26	4400: Recruiting Fees	$1,000	
27	4700: Professional Fees	$1,000	
28	4401: Relocation	$1,000	
29	Professional Fees	$3,000	<-- Statistical account
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33	8400: Lodging Expense	$1,000	
34	8500: Seminar Fees	$1,000	
35	8600: Training Fees	$1,000	
36	Travel	$6,000	<-- Statistical account
37	Total direct expenses	$21,000	<-- Statistical account
38	Gross margin	$339,000	<-- Statistical account
39	Gross margin %	94.17%	<-- Statistical account

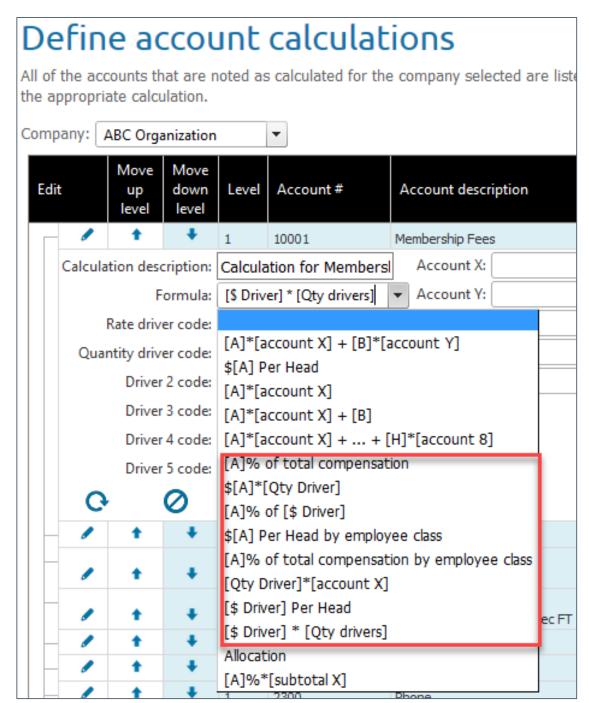## Statistical accounts are treated as special-purpose calculated accounts

- New formulas available for statistical accounts:

Sum	Sum of any set of accounts below this level (including other statistical accounts)
Subtotal	Identical to Sum, but has some special rules and functions
Difference	Difference between any two accounts below this level
Multiplication	Product of any set of accounts below this level
Division	Division of any two accounts below this level
Headcount	The current headcount in the period. Four varieties: Starting, New hires, Departures, Net
Driver	A driver value for the period

In addition, the following existing calculated account formulas can be used for statistical accounts:

- [A]*[Account1]+...+...[H]*[Account8]
- [A]% of total compensation (and by EC)
- [Qty driver]*[Account X]
- [$ Driver] per head (and by EC)
- [$ Driver] * [Qty driver]

- One difference: Statistical accounts have only one constant (coefficient) per company – not one per unit
- No change to existing calculated accounts (which are tethered to a G/L account)

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P&L layout configuration

- Managed with a new menu item: Configure P&L layout
- There will be pre-defined, default P&L layout that mimics the existing P&L layout
  - ...and statistical accounts pre-defined that mimic the existing subtotals
  - The default P&L layout can't be edited or deleted
- You will be able to create *multiple different P&L layouts*, and then choose which one is to be deployed
  - If you make a mistake you can always revert to the default P&L layout while you investigate
- We will provide documentation and support for this feature
- If you need assistance in implementing custom statistical accounts and P&L layout, you may engage our consulting services

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Caveats

- Details may change or get deferred

- We anticipate a June/July release date

<u>Thank you</u> for all of your ideas, suggestions, and feedback

- We couldn't do this without you!

Q&A

Thank you (again)!

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