



2024 | BOSTON
INNOVATE
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Dynamic Allocations Demystified

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- Join us for evening event at the Connecticut Science Center from 6:30 – 8:30 pm
- We will have a Group Activity to support the United Way

Complimentary Headshots

Weekday 00:00 pm - 00:00 pm

Weekday 00:00 am - 00:00 pm

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- The survey can be completed using your mobile device. Optional paper surveys are available and must be turned in at the registration desk.
- Please silence your mobile device during the presentation

Introduction

Shazeeda Teekah



- CPA
- Director of Professional Services
- Over 30 years of implementing accounting software for Not For Profit Organizations
- Certified Sage Intacct Implementation Consultant
- Certified MIP Implementation Consultant

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Lucy Brennan



- Masters in Business Administration
- 30 years experience in all levels of accounting and finance
- More than 15 years of MIP experience in nonprofit settings
- Certified Sage Intacct Accounting Consultant
- Certified Sage Intacct Implementation Consultant





Client Spotlight



Jackie Mottola

- Controller at Mothers Against Drunk Driving since 2021
- Working in nonprofits since 2008
- Worked 5 years as a consultant to nonprofits, managing:
 - General Ledger, Payroll, and Payment Platform implementations with experience in Sage Intacct, MIP, Xero, Quickbooks, ADP, UKG, Justworks, TriNet, Concur, Bill, Expensify
 - Budgeting and Forecasting
 - Controller services

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Agenda

- **Introduction**
 - **Transaction Allocations vs. Dynamic Allocations**
 - **Common Allocations**
- **Client spotlight**
- **Dynamic Allocations Configuration**
 - **Configuration Components**
- **General Ledger Reporting Options**
 - **Two options**
- **Client spotlight**



Transaction Allocations vs Dynamic Allocations

TRANSACTION Allocations:

- Included in core subscription
- Provides a way to save standard allocation combinations that are routinely used during transaction entry
- Can be defined to distribute amounts across multiple dimensions based on preset percentages
- Can allocate a percentage, a set (absolute) value, or a fixed amount with over/under logic

DYNAMIC Allocations:

- Additional subscription
- Pull source balances automatically
- Distribute them across dimensions
- Allocation basis can be dynamically created based on account balances or statistical account balances (FTE)
- Are applied as after-the-fact; End of month

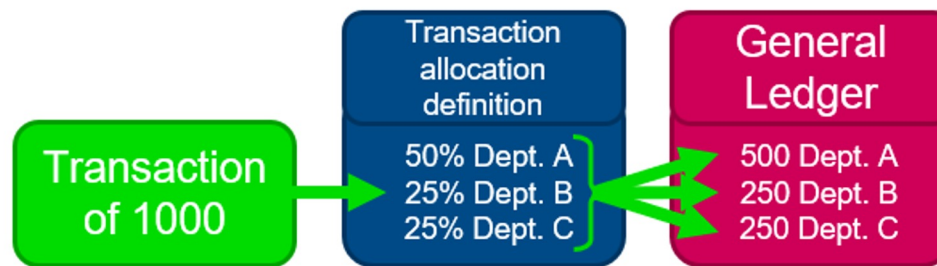


More on Transaction Allocations (Core functionality)

Transaction Allocations are intended for use during transaction entry with preset parameters

(Ex: Preset Percentage)

Example: a transaction allocation that distributes costs such as occupancy across several departments. Select that allocation when you enter the expense line when entering AP Bills. The transaction amount of that expense is then automatically distributed across the appropriate departments:





More on Dynamic Allocations

Dynamic allocations is an additional subscription and offers easy setup, with a dynamically changing basis, routine processing, and a click-through history to make it easy to see how allocations have been derived and applied.

The results of the posted entry provide a rock-solid audit trail for every allocation for full visibility into how the math was derived including drill-down to the source, basis and dynamic split calculation amounts that Intacct found and calculated through the allocation.



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Common Case Examples for Dynamic Allocations

Allocate salaries and Fringe Benefits based on employee FTE

▼ Basis

Select the basis for how the allocation splits source amounts into each target. You can narrow the allocation scope by selecting dimension filters.

Allocation method * Dynamic - relative account statistical Account group * ⓘ Employee Headcount

Reporting book
Accrual

Basis time period * Current Month Drop negative basis lines from consideration

Entries

	Doc	Statistical account	Dept Program
1	--	S100--Headcount	100--Programs--**PARENT DO NOT USE
2	--	S100--Headcount	110--Ministries
3	--	S100--Headcount	120--Outreach
4	--	S100--Headcount	130--Other Program Services
5	--	S100--Headcount	200--Human Resources
6	--	S100--Headcount	210--IT
7	--	S100--Headcount	220--Executive
8	--	S100--Headcount	230--Facilities

Allocate Indirect costs based on Square Footage

▼ Basis

Select the basis for how the allocation splits source amounts into each target. You can narrow the allocation scope by selecting dimension filters.

Allocation method * Dynamic - relative account statistical Account group * ⓘ Square Footage

Reporting book
Accrual

Basis time period * Fiscal - Current Year To Date Drop negative basis lines from consideration

Entries

	Doc	Statistical account	Dept Program
1	--	A110--Square Footage Occupied	200--Human Resources
2	--	A110--Square Footage Occupied	210--IT
3	--	A110--Square Footage Occupied	220--Executive
4	--	A110--Square Footage Occupied	230--Facilities



Client Spotlight - MADD

- **Created an allocation to allocate Mission Support expenses based on 10% of revenues**
- **Created allocation to allocate unrestricted employee salaries and related expenses based on budgeted hours across Locations and Departments for functional reporting and budget tracking**
- **MADD staff is trained in duplicating, and updating allocations**



Dynamic Allocations Configuration



Dimensions Treatment Section

- **Allocation focus** are the dimensions you want to allocate or reclassify based on the calculation method selected in the Basis section
- **Per dimension value*** are the dimensions you want to allocate or reclassify but still process a full allocation per individual value
- **Preserve values** keep their original values assigned during initial entry (as found by the source pool)
- **Not considered** aren't used for the calculations during the generation of the allocation but can still be used as a filter to narrow the source pool or basis

*This selection can only be used with the Employee and Department dimensions.



Source Pool: “What”

Account groups containing accounts to allocate and respective percentage

Source pool

Select the account group that will be the source of your allocation. You can narrow the allocation scope by selecting dimension filters.

Account group *

Reporting book ACCRUAL

Source pool time period *

Percentage to allocate *

Alternate book

True-up

Activity delta

Auto-reverse prior post

None

Dimension filters

Entity/Location(s) *

Vendor(s)

Project(s)

Department(s)

Customer(s)

Contract(s)

Item(s)

Class(es)

Employee ID(s)

Test UDD

True Up Methodology:

Activity Delta: Allocates change in source pool from initial allocation

Auto-Reverse Prior Post: Reverses prior allocation to re-allocate full amount for one posting per period

None: No true up

Dimension Filters (optional):

Filter source pool to only include transactions tagged to specific dimensions. You can also use dimension groups.

Note: If allocating across entities, entity/location is required to serve as the source entity for intercompany transactions.



Basis: "How"

▼ Basis

Select the basis for how the allocation splits source amounts into each target. You can narrow the allocation scope by selecting dimension filters.

Allocation method *
Dynamic-relative account statistical

Account group *
Employee Headcount Dept

Accumulation *
Ending Balance

Reporting book
ACCRUAL

Alternate book
Select

Use amounts from *
Main reporting book and alternate books

Basis time period *
Current Month

Drop negative basis lines from consideration

Dimension filters

Entity/Location(s)
[Dropdown]

Customer(s)
[Dropdown]

Class(es)
[Dropdown]

Vendor(s)
[Dropdown]

Contract(s)
[Dropdown]

Employee ID(s)
[Dropdown]

Project(s)
[Dropdown]

Item(s)
[Dropdown]

Test UDD
[Dropdown]

Department(s)
[Dropdown]

Account groups containing accounts to determine how the allocation will be split (can be financial or statistical)

Period Activity: Net Change/Income Statement
Ending Balance: Cumulative/Balance Sheet

Dimension Filters (optional):
Filter basis to only include transactions tagged to specific dimensions. You can also use dimension groups.



Target Entry: “Where”

▼ Target entry

Select the Journal where the allocation entry will be recorded.
The debit and credit accounts selected depends on how your allocation has been set up.
For example, expense allocations would normally have the allocation as a debit.

Reporting book: ACCRUAL
Alternate book: Allocation
Journal *: ALLOCJ--Allocation Journal

Allocation destination

Account *: 8000--Allocated Expenses
Exchange rate type *: Intacct Daily Rate

Dimension overrides

Dimensions	Name
1	

Flag target lines as billable

Reversing source pool

Use source account

Reversing source pool

Use source account

Dimension overrides

Dimensions	Account *	Name
1	8000--Allocated Expenses	

User Defined Book and Journal where allocation should post to.

GL Account the allocation should post to

Dimension override if dimension treatment was set to “not considered” under *Dimension Treatment*

Reverses amount from where the balances were originally posted (alternatively, can select specific GL account)

Note: You can setup multiple books/journals to separate different type of allocations



General Ledger Reporting Options



General Ledger Reporting Options

Journal entries, Accounts Payable, Cash Management entries are posted to the Accrual Book.

Dynamic Allocation results are posted to a user-defined book and journal:

- General Ledger>Setup

User-Defined Books	
All ▾	Manage views ▾ Advanced filters Clear all filters
	Book ID ▾
Edit View	Allocations
Edit View	Commitments
Edit View	IDC Analysis

User-defined Journals	
All ▾	Manage views ▾ <input type="checkbox"/> Include inactive Advanced filters
	Title ▾
Edit View	Allocated taxes and benefits
Edit View	Commitments
Edit View	IDC Analysis Journal

There are two options for including the allocation results in Financial Reporting

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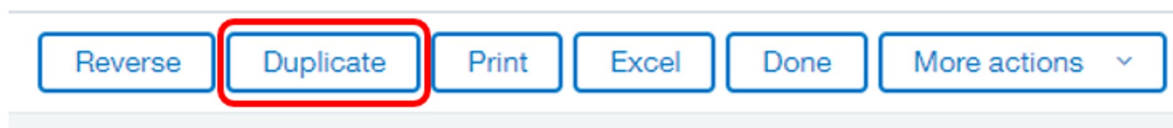


General Ledger Reporting Options

Option 1

1. Validate the allocation has performed as expected.
2. Duplicate the entry to the Accrual Books.
3. Delete the entry from the user-defined book.

		Add	Delete	Done	Export
		(1 - 35 of 35)			
			Delete		
			<input type="checkbox"/>		
		Print	Excel		<input type="checkbox"/>
		Print	Excel		<input type="checkbox"/>
		Print	Excel		<input type="checkbox"/>
		Print	Excel		<input type="checkbox"/>





General Ledger Reporting Options

Option 2

Include the ALLOC Book in financial reporting.

The screenshot displays the 'Columns' configuration interface. On the left, a sidebar contains tabs for 'Columns', 'Computations', 'Filters', 'Format', 'Notations', 'Permissions', and 'Next Steps'. The 'Columns' tab is selected and highlighted with a red box. A red arrow points from this tab to the 'Reporting book' field in the 'Select other reporting books' dialog box, which is also highlighted with a red box. The dialog box shows 'Available Books' (GAAP, Commitments, IDC Analysis) and 'Selected Books' (Allocations). A checkbox 'Include the main reporting book: ACCRUAL' is checked. The 'Reporting book' field is set to 'ACCRUAL' and has an 'Edit books' button next to it.



Client Spotlight - MADD

MADD has multiple user defined books and uses Option 1



Dynamic Allocations saves you time and money!!



Questions???

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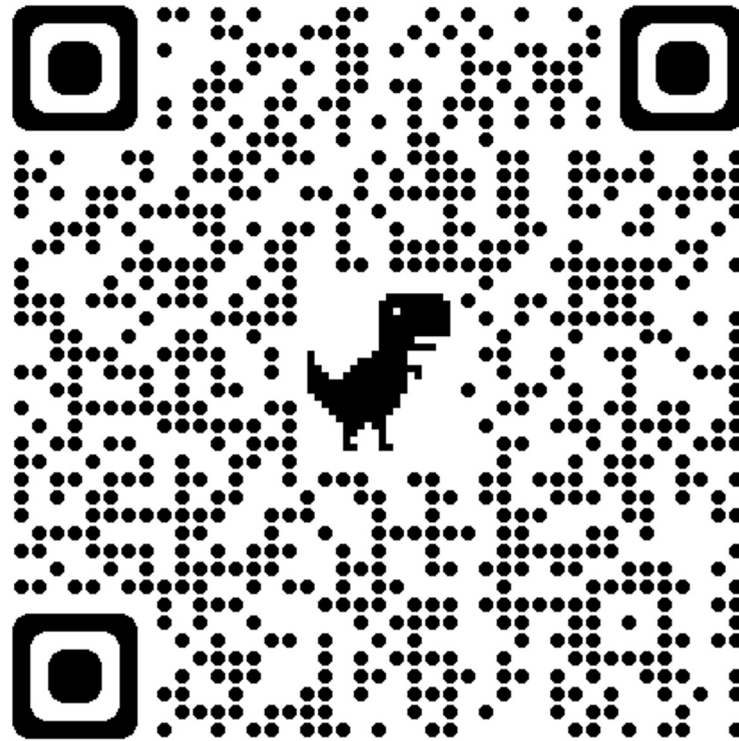


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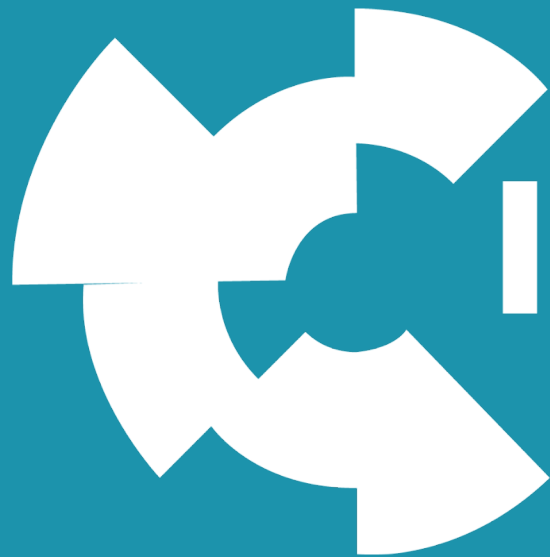


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