



We'll get you there.

CPAs | CONSULTANTS | WEALTH ADVISORS

Dynamic Allocations – the basics

May 30th, 2023



The information herein has been provided by CliftonLarsonAllen LLP for general information purposes only. The presentation and related materials, if any, do not implicate any client, advisory, fiduciary, or professional relationship between you and CliftonLarsonAllen LLP and neither CliftonLarsonAllen LLP nor any other person or entity is, in connection with the presentation and/or materials, engaged in rendering auditing, accounting, tax, legal, medical, investment, advisory, consulting, or any other professional service or advice. Neither the presentation nor the materials, if any, should be considered a substitute for your independent investigation and your sound technical business judgment. You or your entity, if applicable, should consult with a professional advisor familiar with your particular factual situation for advice or service concerning any specific matters.

CliftonLarsonAllen LLP is not licensed to practice law, nor does it practice law. The presentation and materials, if any, are for general guidance purposes and not a substitute for compliance obligations. The presentation and/or materials may not be applicable to, or suitable for, your specific circumstances or needs, and may require consultation with counsel, consultants, or advisors if any action is to be contemplated. You should contact your CliftonLarsonAllen LLP or other professional prior to taking any action based upon the information in the presentation or materials provided. CliftonLarsonAllen LLP assumes no obligation to inform you of any changes in laws or other factors that could affect the information contained herein.

Learning Objectives

At the end of the session, you will be able to:

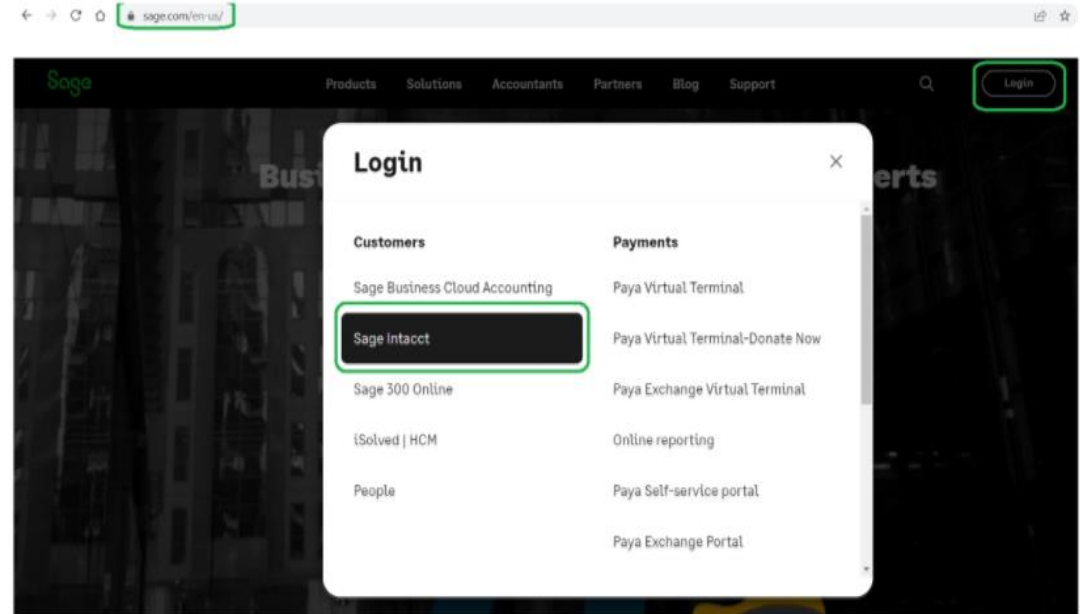
- Identify how to setup allocation definitions
- Recall how to process allocations using Dynamic Allocations
- Review how to troubleshoot allocation entry errors



Reminder...

- Intacct.com will be getting phased out and changing to Sage.com
- When this change takes place, you will want to select Sage Intacct from the Login button

Sage.com





Setting up allocation definitions

Dynamic Allocations Overview



Allocation Definition Setup: Step 1

▼ Rationale

Allocation ID

Salary by Entity

Methodology

50/50 Split for employees

Status

Active

Description *

Salary by Entity Split

Attachments



▼ Dimension treatment

Allow allocations

- Within one entity
 Across entities

Single entity
Multi-entity

- **Allocation focus**- values can change
- **Preserve values**- values will remain static
- **Not considered**- values are scrubbed from final entry

Allocation focus dimensions will be allocated; **Preserve values** dimensions retain their values.
Dimension overrides can be set in the Target Entry section below.

Location

Allocation focus

Customer

Preserve values

Segment

Preserve values

Vendor

Preserve values

Contract

Not considered

Employee

Preserve values

Project

Preserve values

Item

Preserve values

Channel

Preserve values

Department

Allocation focus



Allocation Definition Setup: Step 2

Source pool

Select the account group that will be used for allocation. You can narrow the allocation by using dimension filters.

Account group *

Salary Allocation Group

Reporting book

ACCRUAL

Source pool time period *

Month Ended June 2020

Dimension filters

Entity/Location(s) *

Location-100--USA

Vendor(s)

Project(s)

Department(s)

Salary COGS Departme--Salary COGS Departn

Allocation filters.

Percentage to allocate *

100

Alternate book

Select

True-up

Activity delta

None

Customer(s)

Contract(s)

Item(s)

Currency

USD

Use amounts from *

Main reporting book and alternate books

Segment(es)

Employee ID(s)

Channel

Account groups

Percentage of source pool to allocate

True up methodologies

Dimension filter options *remember can include dimension groups*



Allocation Definition Setup: Step 2, True up

- Activity Delta
 - Ensures source account is cleared out
 - Looks at new activity
 - Useful when running allocations multiple times in same period
- Auto Reverse
 - Reverses prior same period allocation
 - New allocation is made using latest information
 - Most accurate way to allocate to latest source and basis



Allocation Definition Setup: Step 2, Allocation Methods

Statistically driven allocations will allow us to **manually** denote the dimensional splits on our entries.

Financially driven allocations divide by the **proportional** dimensional usage noted in the basis account group.



Allocation Definition Setup: Step 3

▼ Basis

Two methods of allocation:
financial and statistic

Account group which will denote the calculation of the
split

Select the basis for how you want to allocate. You can narrow the allocation scope by selecting dimension filters.

Allocation method *

Account group * ⓘ

Accumulation *

Reporting book
ACCRUAL

Alternate book

Use amounts from *

Basis time period *

Basis time period can be different than our source pool

Dimension filters

Entity/Location(s)

Customer(s)

Segment(es)
Can be based on period activity (income statement) or ending balance (balance sheet)

Vendor(s)

Contract(s)

Project(s)

Item(s)

Department(s)

Channel



Allocation Definition Setup: Step 4

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.

User defined book and journal

Account destination for allocation

Alternate book

Allocations

Journal *

AJ--Allocations Journal

Allocation destination

Account *

7150--Allocated Salary Expense

Exchange rate type *

Intacct Daily Rate

Dimension overrides

Dimensions	Name
1	

Flag target lines as billable

Ability to make amounts billable back to projects, for full integration with projects generate invoices function

Reversing source pool

Use source account

Dimension overrides

Dimensions	Name
1	

Will reverse amounts from where balances were originally posted



Use Case Scenario

Rent by Square Foot:

- Some organizations will allocate rental cost to Locations/Departments by square footage or occupancy counts
- Square footage amounts are held in Statistical Accounts
- If the Square Footage amounts do not change throughout the year you will want to setup the allocation per the following:
 - Use “Ending Balance” on the Accumulation field and matching reporting periods with source pool OR
 - Keep your basis reporting period where the statistical entry was booked (*source pool and basis reporting periods CAN be different*)

Use Case Scenario

Fringe Benefits by Salary Actuals:

- Allocate fringe benefits according to reflect actual salary expense
- Dynamic account groups enable ability to capture a single fringe account, or a host of accounts to capture amounts in the GL
- Fold allocated amounts into financial reports to see pre/post allocation impacts on the GL

Demo





Processing Dynamic Allocations

Statistical Data

Statistical journal entries

Transaction	History		
Transaction number	753		
Books	Journal	Posting date	
Accrual	STAT	01/01/2022	
Description	Import Statistical Values		
Reference number	Attachment	--	
Last modified by	Last modified date and time	State	
kmcloskey	07/24/2020 17:19:48	Posted	

Entries

	Doc	Statistical account	Department	Location	Grant	Site	Increase	Decrease	Allocation	Memo
1	--	S180--Square Footage Occupied	100--Counselling Services	100--TCRC	999--Non-Project or Grant Related	Main	5,500.00	--	--	Record Sq Footage Occupied
2	--	S180--Square Footage Occupied	110--Youth Center	100--TCRC	999--Non-Project or Grant Related	Main	10,000.00	--	--	Record Sq Footage Occupied
3	--	S180--Square Footage Occupied	120--Food Service	100--TCRC	999--Non-Project or Grant Related	Main	1,500.00	--	--	Record Sq Footage Occupied
4	--	S180--Square Footage Occupied	130--Outreach	100--TCRC	999--Non-Project or Grant Related	Main	500.00	--	--	Record Sq Footage Occupied
5	--	S180--Square Footage Occupied	200--Accounting	100--TCRC	999--Non-Project or Grant Related	Main	1,100.00	--	--	Record Sq Footage Occupied
6	--	S180--Square Footage Occupied	210--IT	100--TCRC	999--Non-Project or Grant Related	Main	800.00	--	--	Record Sq Footage Occupied
7	--	S180--Square Footage Occupied	220--Executive	100--TCRC	999--Non-Project or Grant Related	Main	2,000.00	--	--	Record Sq Footage Occupied
8	--	S180--Square Footage Occupied	230--Facilities	100--TCRC	999--Non-Project or Grant Related	Main	1,500.00	--	--	Record Sq Footage Occupied
9	--	S180--Square Footage Occupied	300--Fundraising	100--TCRC	999--Non-Project or Grant Related	Main	3,000.00	--	--	Record Sq Footage Occupied
10	--	S180--Square Footage Occupied	100--Counselling Services	100--TCRC	999--Non-Project or Grant Related	Vance	1,000.00	--	--	Record Sq Footage Occupied
11	--	S180--Square Footage Occupied	100--Counselling Services	100--TCRC	999--Non-Project or Grant Related	Smithwick	400.00	--	--	Record Sq Footage Occupied
12	--	S180--Square Footage Occupied	100--Counselling Services	100--TCRC	999--Non-Project or Grant Related	Reedville	1,500.00	--	--	Record Sq Footage Occupied
13	--	S180--Square Footage Occupied	120--Food Service	100--TCRC	999--Non-Project or Grant Related	Reedville	800.00	--	--	Record Sq Footage Occupied
14	--	S180--Square Footage Occupied	130--Outreach	100--TCRC	999--Non-Project or Grant Related	Vance	400.00	--	--	Record Sq Footage Occupied
15	--	S180--Square Footage Occupied	120--Food Service	100--TCRC	999--Non-Project or Grant Related	Smithwick	1,500.00	--	--	Record Sq Footage Occupied
16	--	S180--Square Footage Occupied	120--Food Service	100--TCRC	999--Non-Project or Grant Related	Vance	2,500.00	--	--	Record Sq Footage Occupied
Total							34,000.00	--	--	



Allocation Groups

- Run multiple allocations at the same time, or in a sequence
- Recommended to Skip and Continue
- Stop if a group member fails is recommended if allocations are intended to run in a specific sequence

☰ Allocation group

▼ Allocation group

Add a name and description for your new allocation group.

Group name * Description * Status

Group error processing method *

Stop if a group member in the sequence fails

Skip and continue if a member in the sequence fails

▼ Allocation group members

Add members to your account allocation group. The order here determines the order in which members are processed in the allocation.

	Member	Source pool time period	Basis time period	Posting journal	
☰ 1	201-6470	Current Month	Current Month	UDBJ--User Defined Book Journal	+ 🗑️
☰ 2	202-6470	Current Month	Current Month	UDBJ--User Defined Book Journal	+ 🗑️
☰ 3	<input type="text" value="Member"/>	--	--	--	+ 🗑️



Generating the Allocations

Generate Allocation

Allocation parameters

Enter **GL posting date** and your email, and click **Generate**.

You will receive an email with information about your results after your allocation have been processed. Results can also be viewed in a financial report or in the journal you selected in the allocation definition.

GL posting date *

01/31/2022

Your email address *

Malcolm.Coate@claconnect.com

Allocation ID

Select the allocation to be processed.

As of date *

01/31/2022

Allocation run type

Individual allocation ID

Group allocation

Allocation group ID *

Daily

	Member	Source pool time period	Basis time period	Posting journal	Last posted date
1	Daily - Fees	Current Month	Current Month	Daily--Endowment Allocation Daily	--
2	Daily - Interest	Current Month	Current Month	Daily--Endowment Allocation Daily	--
3	Daily - Realized	Current Month	Current Month	Daily--Endowment Allocation Daily	--
4	Daily - Unrealized	Current Month	Current Month	Daily--Endowment Allocation Daily	--
5	Daily - Endowment	Current Month	Current Month	Daily--Endowment Allocation Daily	--

- Select GL Posting date of allocation entry
- As-of-date based on source pool or basis
- Run individual or group allocation



Allocation Log

- Tracks progress of processed allocations
- Review entries posted
- If there is a need to delete allocations already processed
 - Used in a situation to re-allocate new postings

Recurring Allocations

- Setup each time based on need
- Specify start date
 - Books must be open
- Frequency
 - Daily, weekly, monthly, quarterly, or yearly

▼ Recurring allocation plan

Plan Name *

▼ Schedule

Journal entry start date *

Ending on *

End on

Repeat by period *

Every

Days

Email Address *

▼ Allocation ID

Select the allocation to be processed.
These will be processed on the GL posting date selected above.

Allocation run type
 Individual allocation ID
 Group allocation

Account allocation ID *



Demo





Troubleshooting Allocation Errors

Allocation Log

- Error notifications will be available to view as the allocation(s) are processed
 - Automated email notifications are also sent out to user who generated the allocation
- Common allocation errors
 - Source Balance not found
 - Basis balance not found
 - Books are closed



Troubleshoot Errors

- Source balance not found
 - Run General Ledger Report for Source Balance account group and confirm balance for the time period the allocation is ran for
- Basis balance not found
 - Run General Ledger report for Basis balance account group and confirm balance for the time period
 - If no balance displays and you are using statistical accounts as your basis confirm:
 - The statistical entry has been entered for the time period
 - The Basis amount is pulling for the correct time period



Resources

- Sage University Training & Release Notes
- Intacct Customer Office Hours
- View and Subscribe to the CLA Intacct Blog

<https://blogs.claconnect.com/intacct/>

- Continue to join our monthly Sage Intacct Webinars

[2023 Sage Intacct Webinar Series : 2023 : Events : CLA \(CliftonLarsonAllen\) \(claconnect.com\)](https://blogs.claconnect.com/intacct/)

The screenshot shows the Sage Intacct Blog homepage. At the top left is the CLA logo. A search bar is located at the top right. Below the search bar is a navigation menu with the following items: "Get More Sage Intacct Resources", "Request a Demo/Product Tour", "Free Trial", "Register for the CLA Sage Intacct webinar series", "Register for a Sage Intacct webinar", and "Current Sage Intacct Customer Login". The main content area features a featured article titled "Incorporating Sage Intacct Order Entry for Itemized Billing" by Ashley Klapperick, dated July 24, 2022. The article includes a social sharing sidebar with icons for LinkedIn, Facebook, Twitter, Email, and Print, and a "SHARE" button. The article text discusses the benefits of Sage Intacct's Order Entry application. To the right of the article is a photo of a woman using a tablet. Below the article is a "Subscribe to Blog" button and a section titled "Get tips on how to use Sage Intacct..." with a link to "simple step-by-step guides".



Thank you!



CLAconnect.com



CPAs | CONSULTANTS | WEALTH ADVISORS

©2023 CliftonLarsonAllen LLP. CLA (CliftonLarsonAllen LLP) is an independent network member of CLA Global. See [CLAglobal.com/disclaimer](https://www.claglobal.com/disclaimer). Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.