



REVvue Installation and User Guide

A Salesforce.com Application

REVue by APPropoz

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Table of Contents

| | |
|--|----|
| Glossary of Terms | 5 |
| About this Application | 7 |
| Target Audience | 7 |
| Business Overview | 7 |
| Functionality Overview | 7 |
| How Do I Use REVvue? | 8 |
| Integration | 11 |
| Salesforce <i>Products</i> Module | 11 |
| Application Settings | 12 |
| Installation and Setup | 13 |
| Before you begin | 13 |
| Install the APPropoz REVvue package from the AppExchange | 14 |
| Add APPropoz Solutions tab to the SFDC tab bar: | 16 |

| | |
|--|----|
| Add the REVvue module on the opportunity layout | 19 |
| Add the REVvue Rule field to the product form | 21 |
| Configure the Application Settings | 25 |
| Configure opportunity types and stages | 25 |
| Configure the available dates for creating rules | 27 |
| Configure your rules | 29 |
| Step1: Create rule details | 29 |
| Step 2: Select a recognition (rule) type | 31 |
| Step 3: Assign rules to your products | 42 |
| Features | 44 |
| Rules | 44 |
| Working with rules in REVvue | 44 |
| Working with the five rule types | 45 |
| Overriding rules | 47 |
| Working with rule dates | 48 |
| Opportunities | 48 |
| Working with REVvue in the opportunity | 49 |
| Calculations | 54 |

| | |
|----------------------------------|----|
| Mass Calculate | 55 |
| Multicurrency | 56 |
| Forecasts and Reports | 57 |
| About reporting with REVvue | 60 |
| Working with report types | 60 |
| Building your report | 61 |
| Sample reports | 65 |
| Tips and tricks for reporting | 67 |
| REVvue vs Salesforce schedules | 74 |
| More Information | 76 |
| Examples of Amortization Options | 77 |

Glossary of Terms

Table 1 lists terms we use in this document.

TABLE 1: GLOSSARY OF TERMS

| Term | Definition | Acronym | Usage |
|----------------|--|---------|---|
| Salesforce.com | Official company name of the Salesforce.com organization | SFDC | SFDC is widely used to refer to the Salesforce user interface. For example, 'In SFDC, click...' |
| AppExchange | Salesforce's online application store. This is where you install REVvue. | | |
| Opportunity | A business element in SFDC. | | (From Salesforce.com) Opportunity is something associated with revenue. Salesforce.com assumes that when you convert a Lead it is because you have uncovered some type of revenue opportunity. An Opportunity is neither a business, nor a person, but rather a potential future sale. |
| Product | A business element in SFDC. | | (From Salesforce.com) Products are the items and services that you sell to customers. Each product can exist in multiple price books with different prices. |

| | | | |
|------------------------------|--|--|--|
| revenue recognition schedule | A schedule that shows revenue-related information such as the distribution of revenue into accounting periods and tracks how and when revenue is recognized. | | |
| amortization | In REVvue, an accounting practice whereby the cost of a contract is distributed over time. Installments are paid using a fixed amortization schedule throughout a designated period. | | |
| milestone | A specific delivery based on a customer agreement. | | |

About this Application

Target Audience

REVue is intended for sales and finance professionals working in the Salesforce.com area of revenue management.

Business Overview

REVue by APPropoz Solutions is a Salesforce application that you install from Salesforce.com's AppExchange. You can use the application to create customizable revenue recognition rules that you assign to various products. REVue allows you complete visibility of company revenue in the following areas:

- Revenue recognition
- Forecasting
- Revenue management

REVue runs on APPropoz Solutions' rules engine, which provides users with clear visibility and up-to-date revenue information when the opportunity value or line items change. Sales professionals need this information to work on opportunities to bring them to a *Closed* state. REVue provides visibility into the following:

- How current and future (recurring) revenue is managed and distributed throughout the life of the contract
- When to start recognizing revenue
- The impact on revenue and forecast when opportunities or milestones get delayed.

Functionality Overview

TABLE 2: OVERVIEW OF REVUE'S FUNCTIONALITY

| Feature | Details |
|---|--|
| Automated Revenue Recognition | <ul style="list-style-type: none"> View of revenue schedule detail by company, opportunity, and line item. Native Salesforce application provides users a complete view of company-related revenue. |
| Revenue Recognition, Forecasting, and Management | Revenue recognition and forecasting at the company, opportunity, and product line item levels. |
| Rule-based Technology | <ul style="list-style-type: none"> User-defined rules for single transaction, amortized and milestones Assign Revenue Recognition Rules to Products Revenue Recognition Rules: Five types of built-in revenue recognition rules: <ul style="list-style-type: none"> Single Transaction Amortize Milestone Amortized Milestones (Actual vs Forecasted) Blended Revenue User override rules at product line item level Flexible date-based rule configuration <ul style="list-style-type: none"> Salesforce standard and custom opportunity and product date field support. |
| Other Features | <ul style="list-style-type: none"> All processing completely managed within Salesforce Global settings across all products and opportunities (for example, end of the month date, for revenue purposes, is last business day of the month, global rules, and so on.) Revenue rollup summary within the opportunity. Consolidated and customizable reports and dashboards (by company, opportunity, product line item, year, quarter, and more). Application fields exposed for Salesforce reporting. Supports multicurrency, allowing you to manage revenue over multiple global locations. |

How Do I Use REVvue?

You use REVue to create business rules for amortization, single, and milestone-type transactions in Salesforce. These rules allow you to view past, current, and future revenue, and view forecasts. Each time you add a product to an opportunity, the system automatically calculates the revenue based on a revenue rule assigned to the product. This means that you no longer have to create new revenue schedules for each product for each opportunity.

This is the REVue workflow:

1. You create rules using any of the built-in five rules (for more information, see Rules on page 54.
2. After you create a rule, attach it to the related product in Salesforce.
3. Once a product is added to an opportunity, the revenue is automatically included, in real time, based on the assigned rule.
4. You can now view the revenue for each product line item, rolled-up for an entire opportunity, and across all opportunities over time.
5. You can use Salesforce's reports and dashboards to view additional reporting details to manage your revenue.

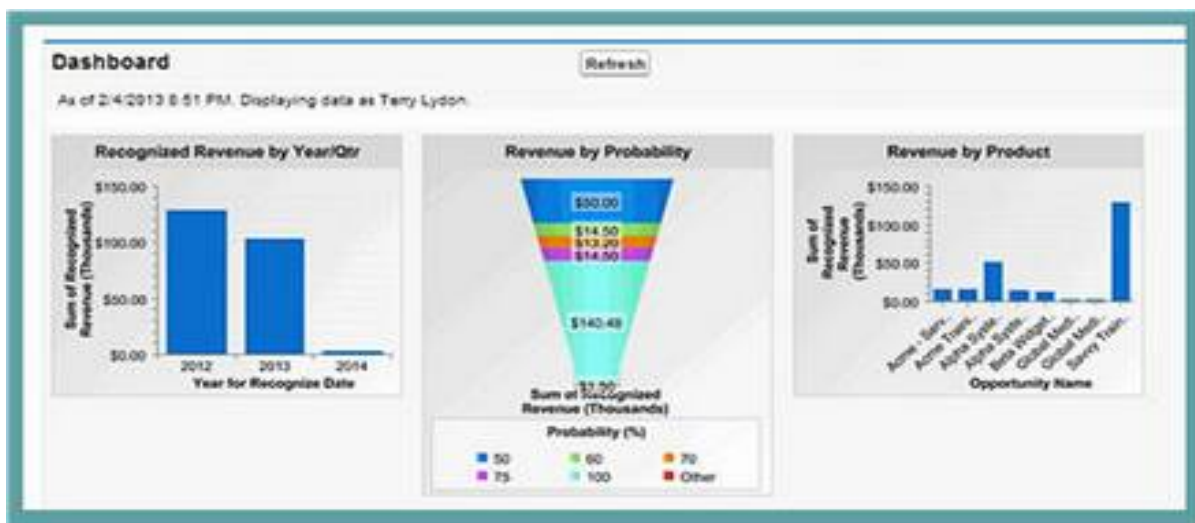


FIGURE 1: REPORTING DASHBOARD

Integration

REVvue is a native Salesforce.com application that you install from Salesforce's AppExchange. REVvue is available with the following editions of Salesforce.com:

TABLE 3: SALESFORCE INTEGRATION

| Salesforce Edition | REVvue Integration |
|--------------------------------|--------------------|
| Professional | Yes |
| Enterprise | Yes |
| Unlimited | Yes |
| Performance/Base Functionality | Yes |

The REVvue application is based on two key components of Salesforce, *Opportunities* and *Products*, and uses a revenue management rule assignment process.

Salesforce *Products* Module

For REVvue to work as intended, you must first define everything that you sell (or plan to sell) to a customer as part of an opportunity as a product in Salesforce and associate a price with each item. When building and working on a customer opportunity, add the different products in the deal to the opportunity, in accordance with Salesforce's best practices.

Application Settings

REVvue's application settings allow you to:

- Select which opportunity types and stages to use when creating rules.
- Select which date fields to use when creating rules (any standard or custom Salesforce date field available on the *Opportunity* or *Product* records, as required by your business).
- Set when your revenue periods start (for example, *Last Friday of the Month*).
- Set which monthly transaction date to use for recognition (for example, the 10th day of the month, the last day of the month, and so on).


Installation and Setup

Before you begin

You must be logged into your Salesforce.com account to install and set up the REVue application.

Notes

- Ensure that the standard Fiscal Year setting in SFDC is set to your company preferred value. You can do this in SFDC by choosing **Setup → Administration Setup → Company Profile → Fiscal Year**. If you do not make any changes from the default, the system uses the Calendar Year for your Fiscal Year, as per the SFDC default setting.
- Consult your finance organization with questions about your company's Revenue Management/Recognition rules (for example, the revenue treatment assigned to each product).
- A key requirement of REVue is to use the Salesforce Products module in your Sales Cloud implementation. This means that for each opportunity, everything you sell to your customers through your Salesforce opportunities has an associated product and corresponding standard price.

 **Standard Price Book** Printable View | Help for this Page ?

View: Standard Price Book Create New View

A B C D E F G H I J K L M N O P Q R S T U V W X Y Z Other All

| Action | Product Name ↑ | Product Code | Standard Price | Active (Price) |
|--|-----------------------|--------------|----------------|----------------|
| <input type="checkbox"/> View Edit Del | Channel Product | – | USD 10,000.00 | ✓ |
| <input type="checkbox"/> View Edit Del | Course Product | – | USD 500.00 | ✓ |
| <input type="checkbox"/> View Edit Del | Licenses | – | USD 1,200.00 | ✓ |
| <input type="checkbox"/> View Edit Del | Marketing Retainer | – | USD 5,000.00 | ✓ |
| <input type="checkbox"/> View Edit Del | Physical Product | – | USD 5,000.00 | ✓ |
| <input type="checkbox"/> View Edit Del | Services By Milestone | – | USD 200.00 | ✓ |
| <input type="checkbox"/> View Edit Del | Utility Product | – | USD 1,200.00 | ✓ |

FIGURE 2: STANDARD PRICEBOOK VIEW

Install the APPropoz REVvue package from the AppExchange

To install REVvue, follow the standard Salesforce (SFDC) process to install applications from the AppExchange. You can find the REVvue AppExchange package at the following page:

<https://appexchange.salesforce.com/listingDetail?listingId=a0N30000009xCDiEAM>

1. Click the link above to the REVvue package.

The page *SFDC* appears.

2. Click **Get it Now**.
3. Follow the standard login steps to start the REVvue installation process in your SFDC instance.

Note

You must be logged into your Salesforce.com account to complete the installation.)

The *Install* screen appears.

4. Select users that you want to have access to the REVvue module.
5. Select the third option: **Install for Specific Profiles Only.**

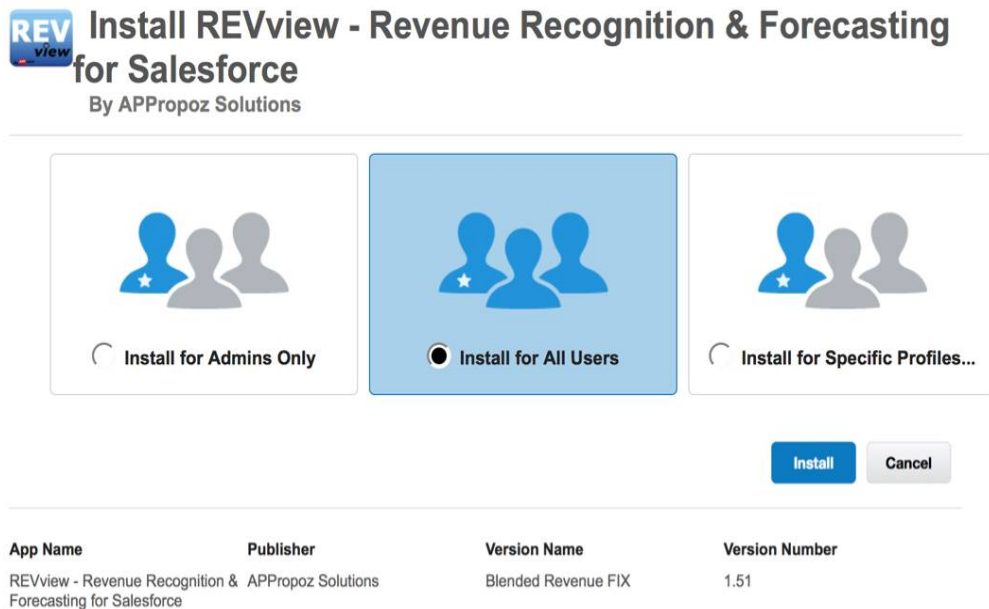


FIGURE 3: REVVUE PROFILE PERMISSIONS

This option allows you the most flexibility for granting and/or removing access.

6. Click **Install.**

The installation screen appears.

Install REVview - Revenue Recognition & Forecasting for Salesforce By APPropoz Solutions


Installing and granting access to all Users...

| App Name | Publisher | Version Name | Version Number |
|--|--------------------|---------------------|----------------|
| REVview - Revenue Recognition & Forecasting for Salesforce | APPropoz Solutions | Blended Revenue FIX | 1.51 |
| Description Powerful, easy-to-use native Salesforce application providing complete view of company revenue (Revenue Recognition, Forecasting & Revenue Management). Flexible revenue recognition rules for amortization, single transactions and milestones. Multi-currency. | | | |
| Additional Details View Components API Access | | | |

FIGURE 4: REVVUE INSTALLATION SCREEN

Once the package is installed, a confirmation appears. You may also receive an email that your request to install the package **APPropoz REVvue** was successful.

7. Click **Done**.

You are now ready to complete your setup in SFDC.

Add APPropoz Solutions tab to the SFDC tab bar:

1. Go to **View Profile** → **Options** in SFDC and choose **Switch to Salesforce Classic**.
2. Click the **APPropoz Solutions** package link in SFDC. A new window displays the package details.

3. In the SFDC tab bar, click the **+** link.
4. Click the **Customize My Tabs** button at the top-right.

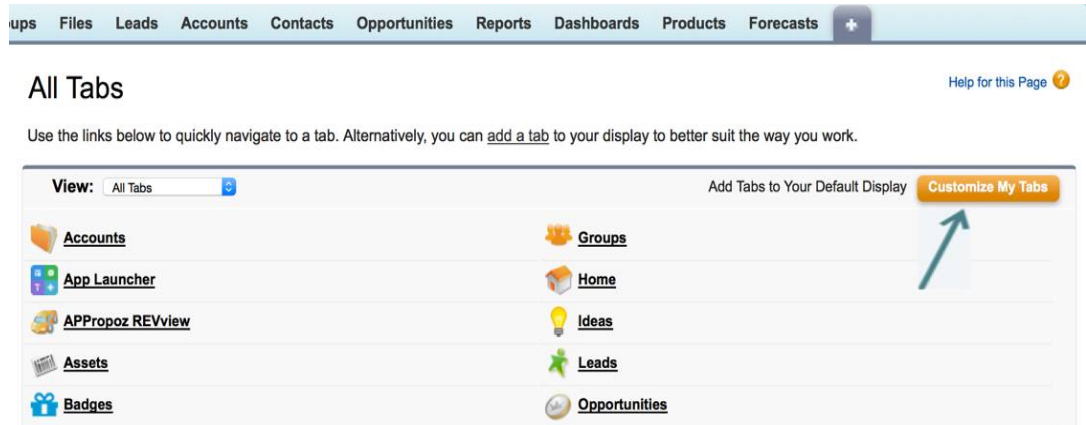


FIGURE 5: CUSTOMIZE MY TABS OPTION

5. Select **APPropoz Solutions** and use the **Add** button to move it from **Available Tabs** to **Selected Tabs**.

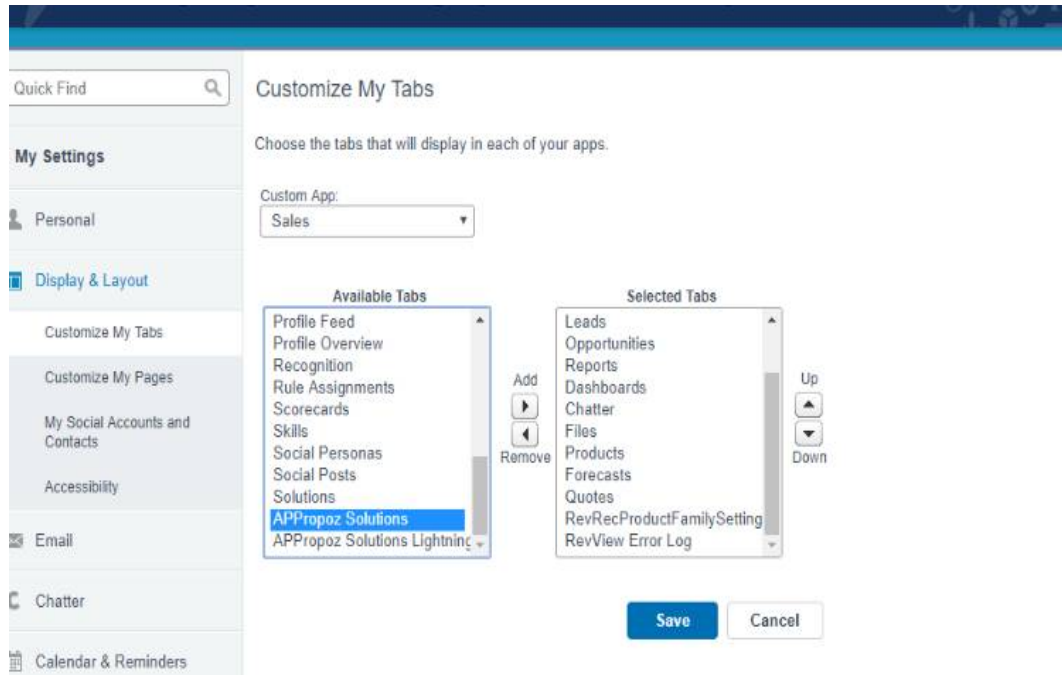


FIGURE 6: CHOOSE APPROPOZ SOLUTIONS

6. Click **Save** to retain your entries.

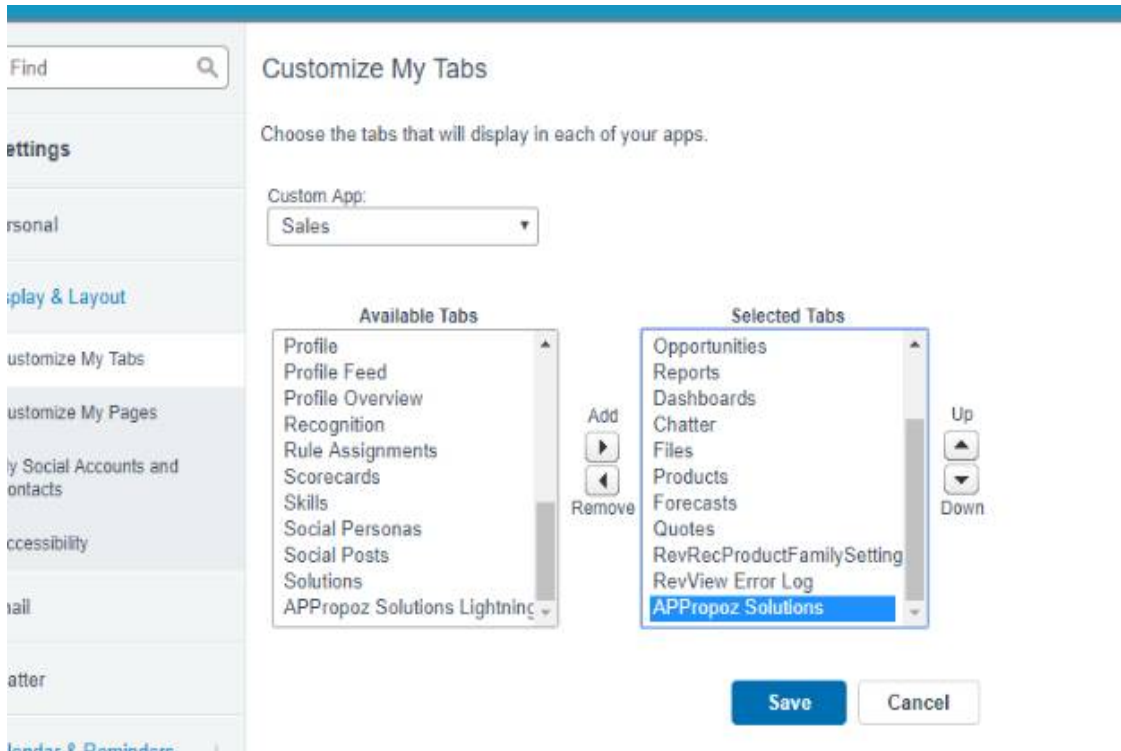


FIGURE 7: APPROPOZ SOLUTIONS ADDED

Add the REVvue module on the opportunity layout

1. Go to **Setup** → **Build** → **Customize** → **Opportunities** → **Page Layouts**.

2. Choose **Edit** to select the opportunity layout you need to customize with the REVvue module.

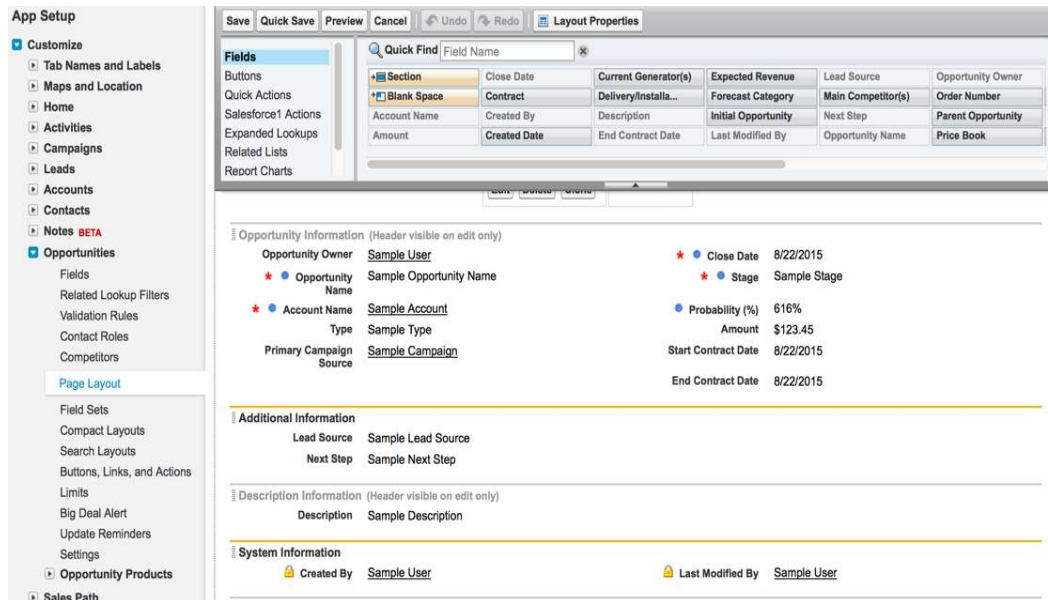


FIGURE 8: CUSTOMIZE LAYOUTS WITH REVVue

3. Scroll down to **Visualforce Pages** under **Opportunity Layout**.
4. Drag the **RevRecOpportunity** item down to just below the **Additional Information** section.

Ensure that the green line indicating the space that this section will occupy goes across the entire section. If the green line only goes halfway, the REVvue section will not be visible.

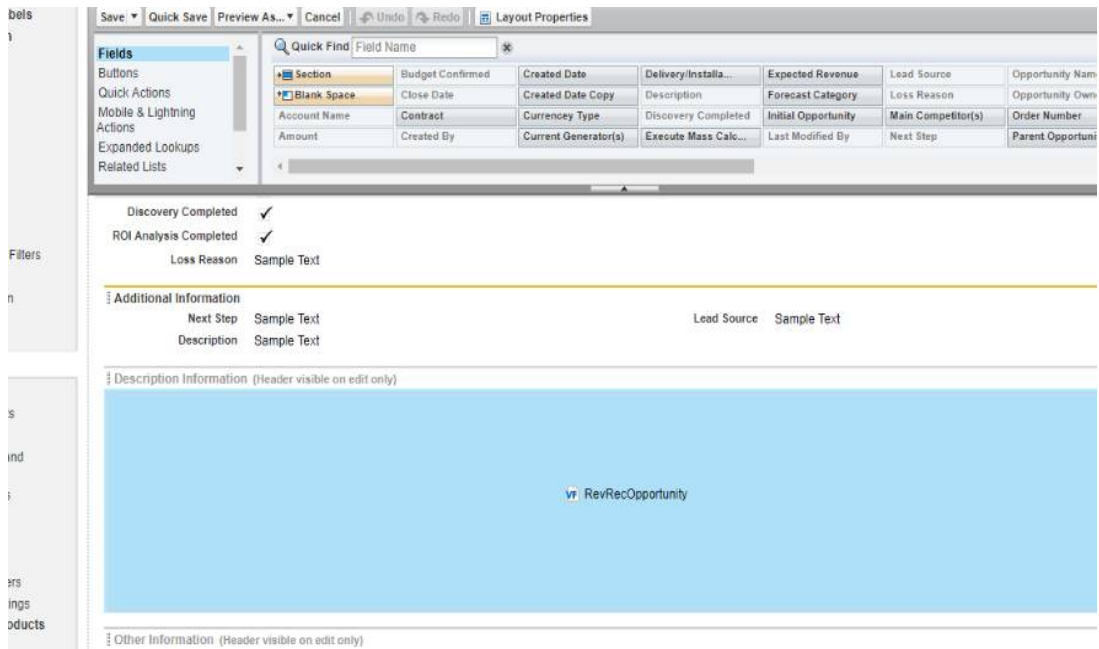


FIGURE 9: REVRECOPPORTUNITY FILE

5. Hover over the **RevRecOpportunity** file until the wrench icon appears at the top right of the section.
6. Select the **Show Scrollbars** option in the **Visualforce Page Properties** pop-up and click **OK**.
7. Click **Save** to retain your entries.

You can click the **Save** dropdown menu and choose **Save As** to enter a new page layout name and save.

Add the REVvue Rule field to the product form

Adding the **RevRecRule** field to the SFDC **Product Layout** form allows you to assign an existing rule to a product at the time you are creating the product.

1. Go to **Build → Customize → Products → Page Layout**.
2. Choose **Edit** to select the product layout you need to customize with the REVvue module.
3. Drag the **RevRecRule** field in the **Fields** screen area into the **Product Information** screen area.

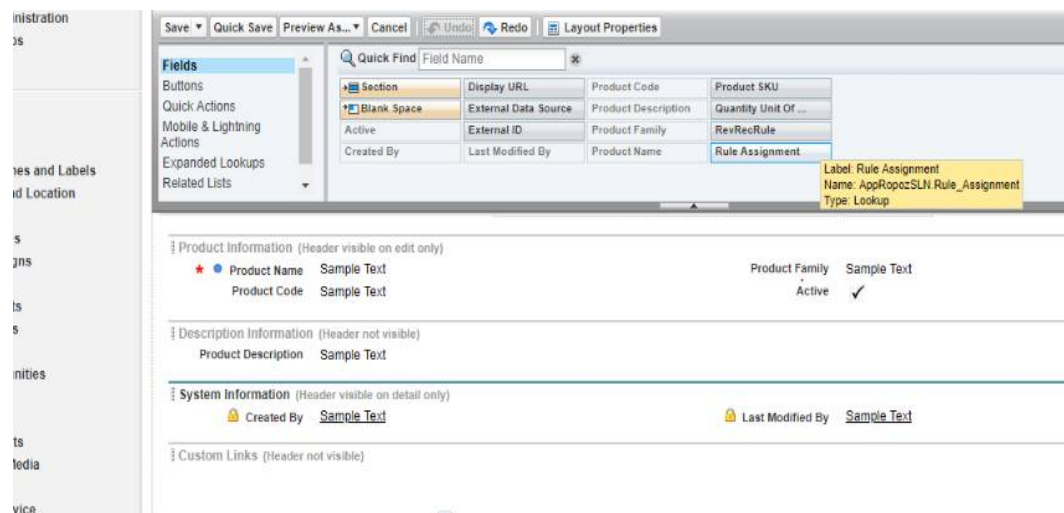


FIGURE 10: REVRECRULE FIELD

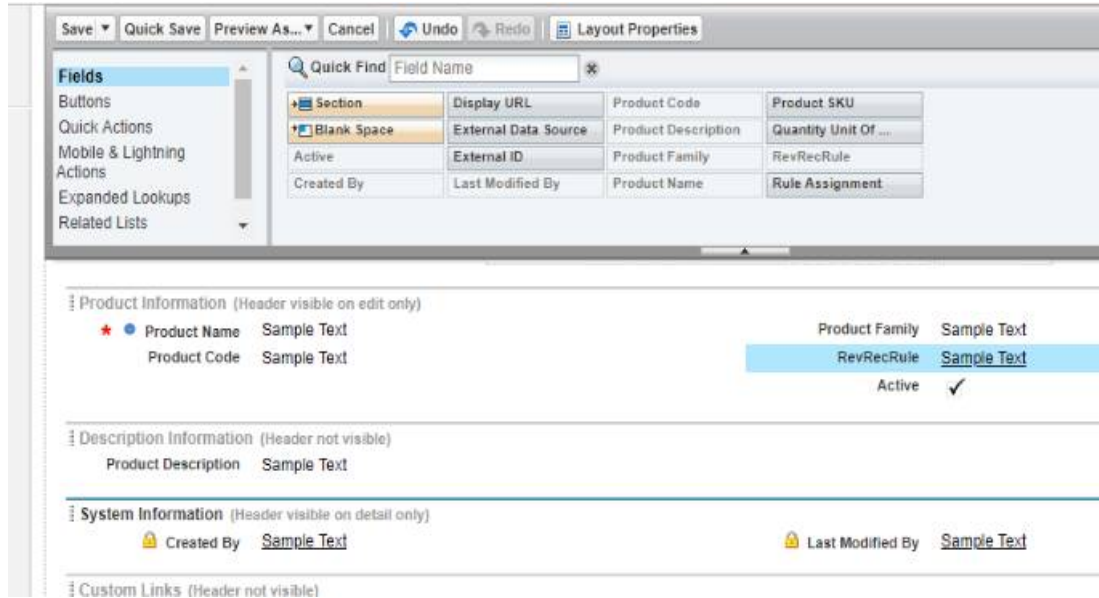


FIGURE 11: ACTIVE REVRECRULE

4. Click **Save** to retain your entries.

You can click the **Save** dropdown menu and choose **Save As** to enter a new page layout name and save.

Figure 12 shows the page layout without the **RevRecRule** field.

Product Licenses

[Customize Page](#) | [Edit Layout](#) | [Printable View](#) | [Help for this Page](#)

[« Back to List: Products](#)

[Standard Price \[1\]](#) | [Price Books \[0\]](#)

Product Detail

Edit

Delete

Clone

| | | |
|---------------------|----------|--|
| Product Name | Licenses | Product Family |
| Product Code | | Active <input checked="" type="checkbox"/> |
| Product Description | | |

System Information

FIGURE 12: WITHOUT RULE FIELD – EXAMPLE

Figure 13 shows the page layout after you have added the **RevRecRule** field:

Product Licenses

[Customize Page](#) | [Edit Layout](#) | [Printable View](#) | [Help for this Page](#)

[« Back to List: Products](#)


[Standard Price \[1\]](#) | [Price Books \[0\]](#)

Product Detail

Edit

Delete

Clone

| | | |
|---------------------|----------|---|
| Product Name | Licenses | Product Family |
| Product Code | | RevRecRule <u>Amortization Rule</u>  |
| Product Description | | |

Active ☒

FIGURE 13: RULE ACTIVE

Configure the Application Settings

Note

In general, you only need to set the Application Settings once during your initial configuration; however, if your business needs change (for example, when adding new fields to your portfolio that require new custom date fields for revenue management), add those date fields to the list of date options.

Configure opportunity types and stages

1. Choose **APPropoz Solutions** → **Application Settings**.

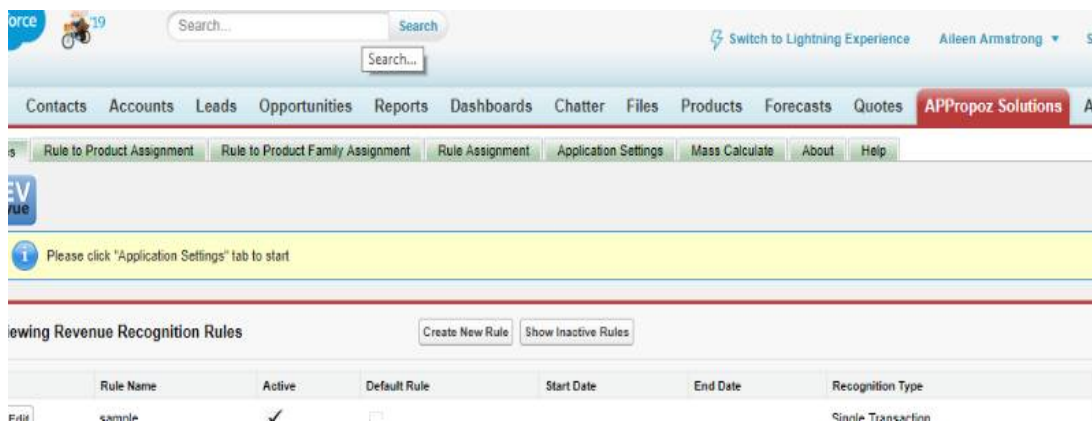


FIGURE 14: CHOOSE APPLICATION SETTINGS

2. In the **Application Settings** screen, select the opportunity types that you want to be available for REVvue:
 - a. Click the specific opportunity types under the **Available** pane
 - b. Click the right arrow to move them over to the **Selected** pane.

The opportunity types that you add here will be the only ones that REVvue will process for Revenue Management. You can add or remove these at any time. If you

do not select any, REVvue processes all opportunity types in your instance for Revenue Management.

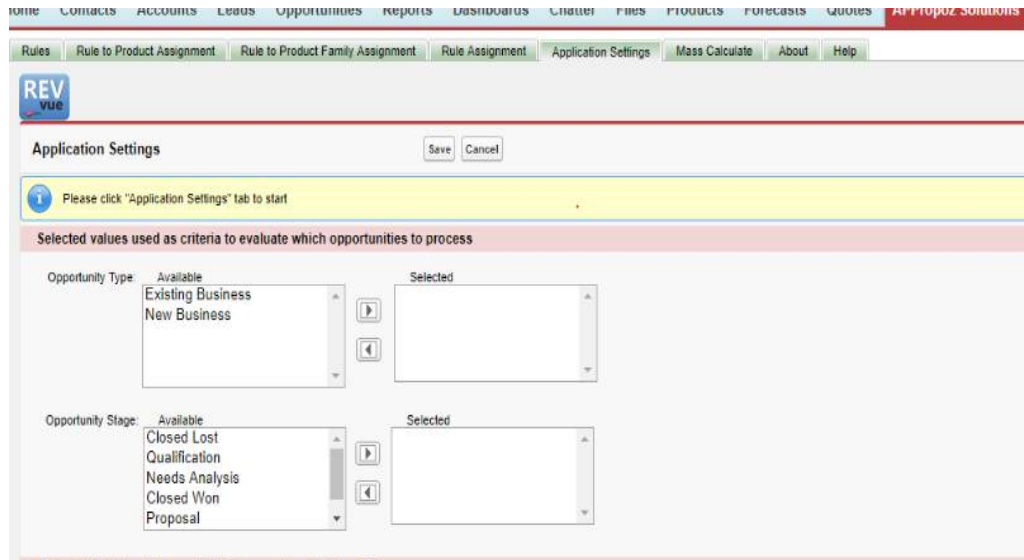


FIGURE 15: CONFIGURE OPPORTUNITY TYPES

3. Select the opportunity stages you want available for Revenue Management and click the right arrow to move them over to **Selected**.

The opportunity stages you add here will be the only ones that REVvue processes for Revenue Management. You can add or remove these at any time. Unlike opportunity types, you must select one or more opportunity stage.

Note

While it makes sense to add the **Closed Won** stage, for example, for revenue management processing for opportunities you have successfully won, you don't need to add the **Closed Lost** stage. Including other opportunity stages (opportunities at different levels of closing probability in Salesforce) allows you to examine future revenue forecast by considering the revenue that might come as those opportunities are potentially won.

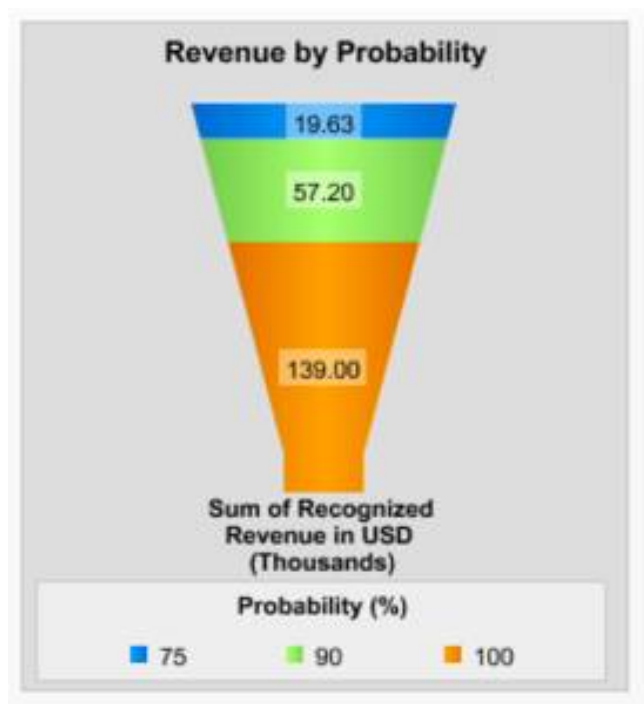


FIGURE 16: REVENUE BY PROBABILITY

Configure the available dates for creating rules

1. In the **Application Settings** screen, select the start and end options for the rule dates.
2. Choose the specific items from the **Available** pane and move them to the **Selected** pane.

Selected date(s) will be available for use when defining Rules

| Revenue Recognition Start Date: | Available | | Selected |
|---------------------------------|--|--|--|
| | OPPORTUNITY:Last Activity OPPORTUNITY:End Contract Date PRODUCT:Date | <input type="button" value="→"/> <input type="button" value="←"/> | OPPORTUNITY:Close Date OPPORTUNITY:Start Contract Date PRODUCT:Product Shipping Date |
| Revenue Recognition End Date: | Available OPPORTUNITY:Close Date OPPORTUNITY:Last Activity OPPORTUNITY:Start Contract Date PRODUCT:Date PRODUCT:Product Shipping Date | <input type="button" value="→"/> <input type="button" value="←"/> | Selected OPPORTUNITY:End Contract Date |

FIGURE 17: CONFIGURE AVAILABLE DATES

3. Select the date for REVvue to use as your end-of-month revenue recognition date.

This option determines when one period ends and the next begins. The day or date set is the last day of the period. If you are unsure what this date is, check with your Finance department. Here are the options:

- End of the month (the system uses the last day of the month, even if it's on a weekend)
- Day of the month (for example, the 26th of every month)
- A specific day of a specific week (for example, the third Monday of the month)

Select the time of month for Revenue Recognition Month to move to the next month

Time of Month Selection Types

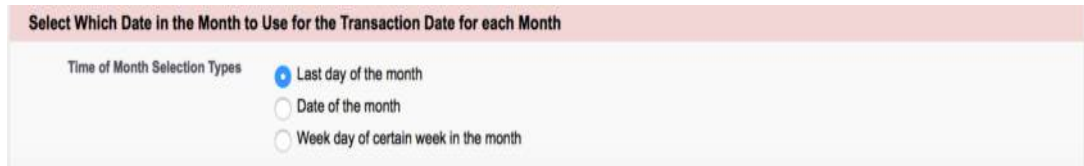
☒ Last day of the month
☐ Date of the month
☐ Week day of certain week in the month

FIGURE 18: SELECT TIME OF MONTH

4. Select which date you want the REVue system to timestamp each revenue recognition transaction record.

This date determines when a record is recognized. If you are unsure what this date is, check with your Finance department. Here are the options:

- End of the month (the system uses the last day of the month, even if it's on a weekend)
- Day of the month (for example, the 26th of every month)
- A specific day of a specific week (for example, the third Monday of the month)



Select Which Date in the Month to Use for the Transaction Date for each Month

Time of Month Selection Types

- ☒ Last day of the month
- ☐ Date of the month
- ☐ Week day of certain week in the month

FIGURE 19: SELECT DATE IN MONTH

5. Click **Save**.

Your Application Settings are configured. You can make changes at any time, but we recommend that make your settings as close to final the first time you do this.

Configure your rules

Note

This section describes the settings necessary to create rules. For detailed background information about REVue's different rule types, see Rules on page 44. Consult your Finance organization with questions about your company's revenue management or recognition rules.

Step1: Create rule details

Note

Step 1 of the rule creation process applies to all rules you will create.

1. Go to the **APPropoz Solutions** tab.
The **Rules** page appears. No rules are listed until you create them.
2. Click the **Create New Rule** button.
The **Enter the rule entry** page appears.

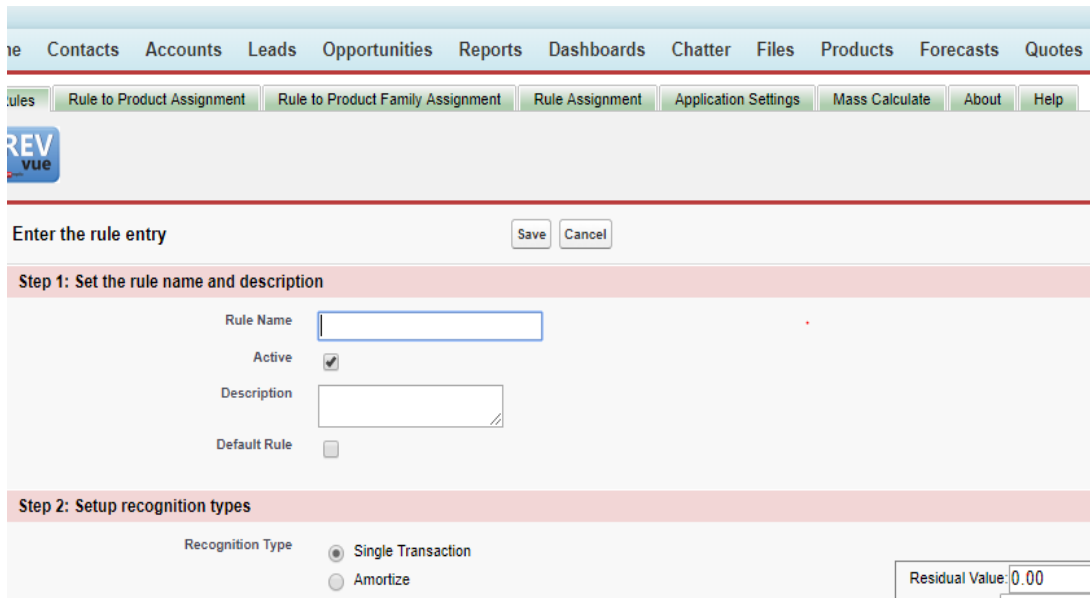


FIGURE 20: RULE ENTRY SCREEN

3. Enter a name for your rule.

This field is required and the name you enter must be unique.

4. Leave the **Active** option checked.
5. (Optional) Enter a description for the rule.
6. Select the **Default** option only for the rule you to use for products with no associated rules.

Note

Having a default rule is not required; however, if you do choose to use one, you can only have one. The system uses the default rule for any product that does not have a rule assigned.

Step 2: Select a recognition (rule) type

Select a rule type from the options in the **Step 2: Setup recognition types screen area**. The options are *Single Transaction*, *Amortize*, *Milestone*, *Amortized Milestone*, or *Blended Revenue*.

Settings for Single Transaction Rules

The settings for single transactions are listed in Table 4: Options for Single Transaction Rules.

TABLE 4: OPTIONS FOR SINGLE TRANSACTION RULES

| Setting | Description |
|---------|-------------|
|---------|-------------|

| | |
|-------------------------|--|
| Residual Value | Check with your finance team to determine if you must assign a residual value to a rule. This is determined by the type of products the rule is assigned to. |
| Residual Type | Choose Percent or Amount for the residual value |
| Transaction Date | Select the date to use as a trigger to initiate revenue recognition. |



FIGURE 21: SINGLE TRANSACTION RULE SETTINGS

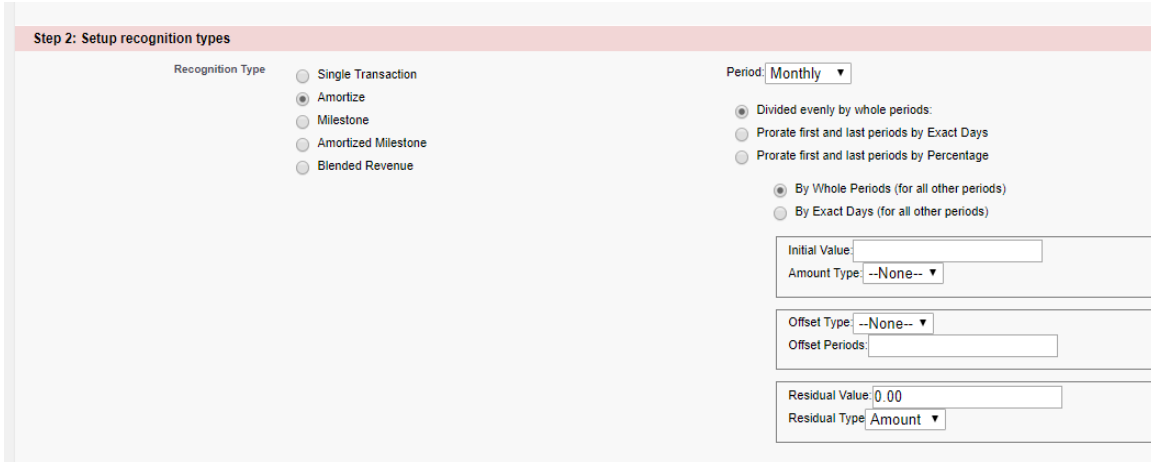
Settings for Amortize Rules

There are many settings available for *Amortize* rule types. You must also assign a revenue recognition start and end date. Please consult your finance department to determine the correct settings.

The basic definitions for the amortization options are listed in Table 5: Options for Amortize Rules.

TABLE 5: OPTIONS FOR AMORTIZE RULES

| Setting | Description |
|--|---|
| Period | Amortizes daily, weekly, monthly, quarterly, or yearly. |
| Divided evenly by whole periods | Recognizes the same amount of revenue for all periods. |
| Prorate first and last periods by Exact Days/Percentage | Prorates the revenue for the first and last periods, depending on the number of days By Exact Days within the period or By Percentage . |
| Initial Value | Recognizes a portion of the product revenue up front. This amount will not be amortized. This can be done as an amount or a percentage. |
| Offset | <p>Delays the amortization of revenue by a number of periods. This can be done in the following ways:</p> <ul style="list-style-type: none"> • Start: Delays the amortization starting date by the number of periods but keeps the same amortization end date – it actually reduces the number of amortization periods. • By Period: Pushes the amortization start and end dates by the number of periods – it keeps the original number of amortization periods. |
| Residual Value | Enter a residual value as an Amount or Percent . |



Step 2: Setup recognition types

Recognition Type

- ☐ Single Transaction
- ☒ Amortize
- ☐ Milestone
- ☐ Amortized Milestone
- ☐ Blended Revenue

Period: Monthly

☒ Divided evenly by whole periods:
☐ Prorate first and last periods by Exact Days
☐ Prorate first and last periods by Percentage

☒ By Whole Periods (for all other periods)
☐ By Exact Days (for all other periods)

Initial Value:

Amount Type: --None--

Offset Type: --None--

Offset Periods:

Residual Value: 0.00

Residual Type: Amount

FIGURE 22: SETTINGS FOR AMORTIZE RULE

The different amortization options result in slightly different ways to split revenue over the amortization period. To better understand the differences and define the settings that are the best for your business, see the *Examples of Amortization Options* on page 87.

Settings for Milestone Rules

Milestone rules are flexible. You are not locked in to your initial settings for basic milestone rules. You can predefine or add milestones during rule creation or at the opportunity level as needed.

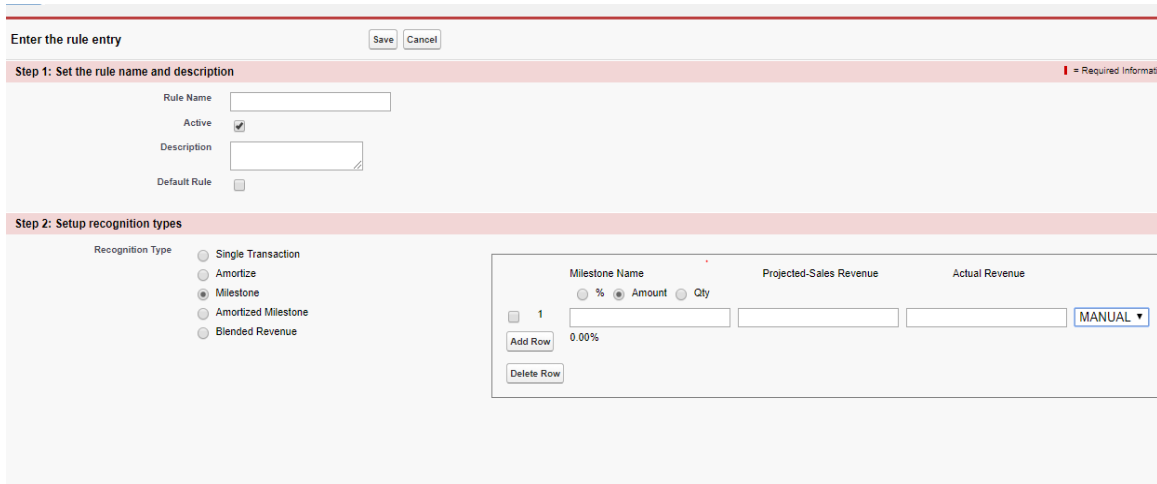
The *Milestone* rule settings allow you to:

- Manage the revenue as a percentage (%) of the total, a specific revenue amount, or a specific quantity from the total quantity of the opportunity product/line item.

- Select whether you set a milestone date (the specific date when the revenue milestone happens) manually, or to be automatically defined by the system. You predefine this when you create a rule. If necessary, you can override this at the specific opportunity product/line item level. If you enter the *Milestone* dates manually, the system adds the actual date at the opportunity product line item level.
- Add or remove milestones from the rule as needed. The rule performs general checking that the revenue corresponding to the sum of all revenue in the *Milestone* rule does not exceed the overall product/line item revenue in the opportunity.

Note

Since *Milestone* rules depend upon specific conditions related to the customer agreement, creating milestones now is an option.



Enter the rule entry Save Cancel

Step 1: Set the rule name and description Required Information

Rule Name

Active ☒

Description

Default Rule ☐

Step 2: Setup recognition types

Recognition Type

- ☐ Single Transaction
- ☐ Amortize
- ☒ Milestone
- ☐ Amortized Milestone
- ☐ Blended Revenue

| | Milestone Name | Projected-Sales Revenue | Actual Revenue |
|---|----------------------|-------------------------|----------------------|
| 1 | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| | 0.00% | | MANUAL |

Add Row Delete Row

FIGURE 23: SETTINGS FOR MILESTONE RULES

Settings for Amortized Milestone Rules

Milestone rules enable the management of revenue through milestones within a defined time period. Milestones forecast the split of revenue in equal monthly amounts between the predefined revenue recognition start and end dates.

The settings for *Amortized Milestone* rules allow you to manage revenue by either amount or quantity. Using the *Amortized Milestone* rule is one of the few situations in which you must manually enter data into REVvue.

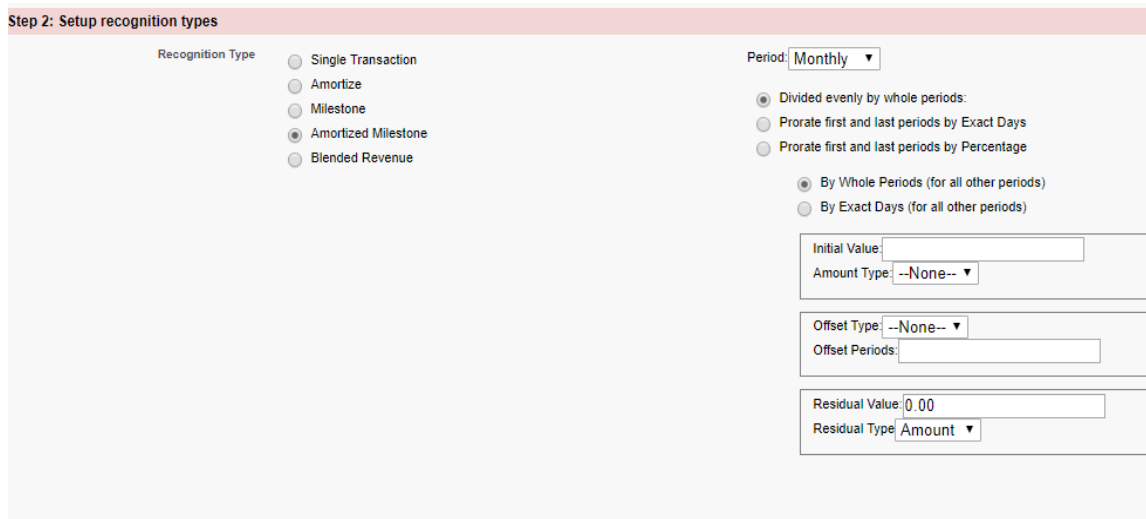


FIGURE 24: SETTINGS FOR AMORTIZED MILESTONE RULES

Figure 25 is an example of a utility product sold in Quantity 1 for an amount of \$1,200 per year. From a vendor perspective, the actual revenue is based on some type of monthly usage or consumption that can change each month. At the specific opportunity

level, you can enter the revenue, based on the accurate usage or consumption, by overriding the *Milestone* rule for the product/line item each month. For more information about overriding rules, see Overriding rules on page 56.

Edit overridden rule

Save Rule

Cancel

Assigned Rule Information

= Required Information

RevRecProductRule Name

[overridden] Utility Rule

Recognition Type

Amortized Milestone

Overridden Rule

Start Date:

9/1/2015

[8/23/2015]

End Date:

8/31/2016

[8/23/2015]

| | Milestone Name | (Forecasted) <input checked="" type="radio"/> Amount <input type="radio"/> Qty | (Actual) <input checked="" type="radio"/> Amount <input type="radio"/> Qty | Milestone Date |
|----|------------------|---|---|--------------------------|
| 1 | September - 2015 | 100.00 | 200.00 | 9/30/2015 [8/23/2015] |
| 2 | October - 2015 | 100.00 | 50.00 | 10/31/2015 [8/23/2015] |
| 3 | November - 2015 | 100.00 | | 11/30/2015 [8/23/2015] |
| 4 | December - 2015 | 100.00 | | 12/31/2015 [8/23/2015] |
| 5 | January - 2016 | 100.00 | | 1/31/2016 [8/23/2015] |
| 6 | February - 2016 | 100.00 | | 2/29/2016 [8/23/2015] |
| 7 | March - 2016 | 100.00 | | 3/31/2016 [8/23/2015] |
| 8 | April - 2016 | 100.00 | | 4/30/2016 [8/23/2015] |
| 9 | May - 2016 | 100.00 | | 5/31/2016 [8/23/2015] |
| 10 | June - 2016 | 100.00 | | 6/30/2016 [8/23/2015] |
| 11 | July - 2016 | 100.00 | | 7/31/2016 [8/23/2015] |
| 12 | August - 2016 | 100.00 | | 8/31/2016 [8/23/2015] |

Add Milestone

Remove Milestone

1200.00/1200.00 - Allocated

Variance 250.00/1200.00 - Recognized

0.00 Remaining

50.00 950.00 deferred

Save Milestone

FIGURE 25: OVERRIDDEN RULE SCREEN

Figure 25 shows that, originally, the forecast for revenue is \$100 per month for 12 months. It also shows that the first two months were already entered with different amounts, \$200.00 and \$50.00. For such opportunities and products using this type of rule, REVvue allows you to compare the forecasted monthly revenue with the actual revenue.

Settings for Blended Revenue Rules

Blended Revenue rules allow you to manage the revenue for a product/line item in an opportunity by defining categories, each with its own revenue treatment “rule.”

As with *Milestone* rules, you can create the *Blended Revenue* rule with or without predefined categories. If you don’t predefine it when you’re creating rules, then for specific opportunities, you can define specific categories at the opportunity product/line item rule override.

If the revenue management follows a similar pattern for most opportunities, we recommend that you predefine the categories when you are creating rules.

For *Blended Revenue* rules, click **Add a Row** and make the following settings for each category you define (see Figure 26):

| Setting | Description |
|-------------------------|--|
| Category Name | Enter a name for the category. |
| Sub Category | Enter a sub category. |
| Revenue Type | Choose Percent , Quantity , or Amount |
| Projected Sales Revenue | Enter the projected sales revenue for this category. |

| | |
|--|--|
| Actual Revenue | Enter the actual revenue for this category. |
| Line Item | <ul style="list-style-type: none"> 0 means taking the amount from the total opportunity product/line item x (different from 0) means taking the amount from the category with line item x. |
| Revenue Recognition Start Date/Revenue Recognition End Date | Splits the revenue in equal quantities between the start and end dates |

Step 2: Setup recognition types

Recognition Type

☐ Single Transaction
☐ Amortize
☐ Milestone
☐ Amortized Milestone
☒ Blended Revenue

Period: Monthly ▼

☒ Divided evenly by whole periods:
☐ Prorate first and last periods by Exact Days
☐ Prorate first and last periods by Percentage
☒ By Whole Periods (for all other periods)
☐ By Exact Days (for all other periods)

| Select | Sequence | Category Name | Sub Category | Revenue Type | Projected-Sales Revenue | Actual Revenue | Line Item |
|--------------------------|----------|---------------|--------------|--------------|-------------------------|----------------|--------------------|
| <input type="checkbox"/> | 1 | | | PERCENT ▼ | | | Of Line Item # 0 ▼ |

Add Row Delete Row

Save Cancel

FIGURE 26: SETTINGS FOR BLENDED REVENUE RULES

Figure 27 shows an example of a blended rule.

Assigned Rule Information

RevtecProductRule Name

[overridden] Blended Channel Rule

Recognition Type

Blended Revenue

Change Recognition Type

Single Transaction

Amortize

Milestone

Amortized Milestone

Blended Revenue

Overridden Rule

Original Line Item Amount : 11000.00

Original Line Item Quantity : 1.00

| Category Name | Values | Value Type | Line Item | Recognized Amount | Deferred Amount | Actual Start Date | Revenue Recognition Start Date | Actual End Date | Revenue Recognition End Date |
|---------------------|---------|------------|------------------|-------------------|-----------------|-------------------|--------------------------------|---------------------------------|------------------------------|
| 1.00 Initial Amount | AMOUNT | 1,000.00 | Of Line Item # 0 | 0.00 | 1,000.00 | 9/1/2015 | [8/23/2015] | OPPORTUNITY:Close Date | None |
| 2.00 Royalty 1 Fee | PERCENT | 49.00 | Of Line Item # 1 | 0.00 | 4,900.00 | 9/1/2015 | [8/23/2015] | OPPORTUNITY:Start Contract Date | 2/29/2016 [8/23/2015] |
| 3.00 Royalty 2 Fee | PERCENT | 49.00 | Of Line Item # 1 | 0.00 | 4,900.00 | 9/1/2015 | [8/23/2015] | OPPORTUNITY:Start Contract Date | 2/29/2016 [8/23/2015] |
| 4.00 Channel Fee | PERCENT | 0.00 | Of Line Item # 1 | 0.00 | 0.00 | 9/1/2015 | [8/23/2015] | OPPORTUNITY:Start Contract Date | 2/29/2016 [8/23/2015] |
| 5.00 Other | PERCENT | 2.00 | Of Line Item # 1 | 0.00 | 200.00 | 9/1/2015 | [8/23/2015] | OPPORTUNITY:Close Date | None |

Add Category

Remove Category

Recognized : 00,000.00

Deferred : 11,000.00

Remaining Qty : 01.00

Remaining Percentage : 100.00

FIGURE 27: CONFIGURED BLENDED REVENUE RULE

Categories within a *Blended* rule can be split to enable milestone-driven revenue management. For example, the following figures show a sequence of *Category Definition*, *Category Split* (for the last category), and specific *Milestones* for the split category.

Edit overridden rule Save Rule Cancel

Assigned Rule Information Required Information

RevRecProductRule Name: [overridden] Blended Date Carnegie
Recognition Type: Blended Revenue

Change Recognition Type

☐ Single Transaction
☐ Amortize
☐ Milestone
☐ Amortized Milestone
☒ Blended Revenue

Overridden Rule

Original Line Item Amount : 100000.00 Original Line Item Quantity : 1.00

| Select | Category Name | Values | Value Type | Line Item | Recognized Amount | Deferred Amount | Actual Start Date | Revenue Recognition Start Date | Actual End Date | Revenue Recognition End Date |
|--------------------------|---------------------|---------|------------|------------------|-------------------|-----------------|-------------------|--------------------------------|-----------------|------------------------------|
| <input type="checkbox"/> | 1.00 Initial Amount | AMOUNT | 2,000.00 | Of Line Item # 0 | 2,000.00 | 0.00 | 9/1/2014 | OPPORTUNITY Close Date | | None |
| <input type="checkbox"/> | 2.00 Dale Fee | PERCENT | 49.00 | Of Line Item # 1 | 12,005.00 | 36,015.00 | 5/1/2015 | OPPORTUNITY Project Start Date | 4/30/2016 | OPPORTUNITY Project End Date |
| <input type="checkbox"/> | 3.00 Howdy fee | PERCENT | 2.00 | Of Line Item # 1 | 1,960.00 | 0.00 | 9/1/2014 | OPPORTUNITY Close Date | | None |
| <input type="checkbox"/> | 4.00 partner fee | PERCENT | 49.00 | Of Line Item # 1 | 12,005.00 | 36,015.00 | 5/1/2015 | OPPORTUNITY Project Start Date | 4/30/2016 | OPPORTUNITY Project End Date |

Add Category
 Remove Category

Recognized : 27,970.00 Deferred : 72,030.00

Remaining Qty : 00.72
 Remaining Percentage : 72.03

FIGURE 28: CATEGORY DEFINITION

Edit overridden rule Save Rule Cancel

Assigned Rule Information Required Information

RevRecProductRule Name: [overridden] Blended Date Carnegie
Recognition Type: Blended Revenue

Change Recognition Type

☐ Single Transaction
☐ Amortize
☐ Milestone
☐ Amortized Milestone
☒ Blended Revenue

Overridden Rule

Original Line Item Amount : 100000.00 Original Line Item Quantity : 1.00

| Select | Category Name | Value Type | Values | Line Item | Recognized Amount | Deferred Amount | Actual Start Date | Revenue Recognition Start Date | Actual End Date | Revenue Recognition End Date |
|--------------------------|---------------------|------------|----------|------------------|-------------------|-----------------|-------------------|--------------------------------|-----------------|------------------------------|
| <input type="checkbox"/> | 1.00 Initial Amount | AMOUNT | 2,000.00 | Of Line Item # 0 | 0.00 | 2,000.00 | 9/1/2015 | OPPORTUNITY Close Date | | None |
| <input type="checkbox"/> | 2.00 Dale Fee | PERCENT | 49.00 | Of Line Item # 1 | 16,006.67 | 32,013.33 | 5/1/2015 | OPPORTUNITY Project Start Date | 4/30/2016 | OPPORTUNITY Project End Date |
| <input type="checkbox"/> | 3.00 Howdy fee | PERCENT | 2.00 | Of Line Item # 1 | 0.00 | 1,960.00 | 9/1/2015 | OPPORTUNITY Close Date | | None |
| <input type="checkbox"/> | 4.00 ---Split--- | PERCENT | 49.00 | Of Line Item # 1 | 16,006.67 | 32,013.33 | | | | ---Split--- |

Add Category
 Remove Category

Recognized : 32,013.34 Deferred : 67,986.66

Remaining Qty : 00.68
 Remaining Percentage : 67.99

FIGURE 29: CATEGORY SPLIT



FIGURE 30: MILESTONES

Step 3: Assign rules to your products

Now that you have rules, assign a rule to each of your products.

Notes

- A product can only have one rule assigned to it.
- You can customize rules for a specific product within an opportunity. If you have a special circumstance, you don't need to edit a rule set up under the **Rules** tab. Simply make the change in the opportunity.
- If you edit a rule, you do not have to change the Rule Assignments.
- If you make a rule "inactive," you must assign a new rule to products assigned to that rule.
- **We strongly recommend that you do not change a rule definition once the rule is already in use.** Unless your rule is "incorrect," changing the rule definition could potentially impact all opportunities/products already assigned to the rule.

You can assign rules to products by assigning a value to the **RevRecRule** field in the product screen.

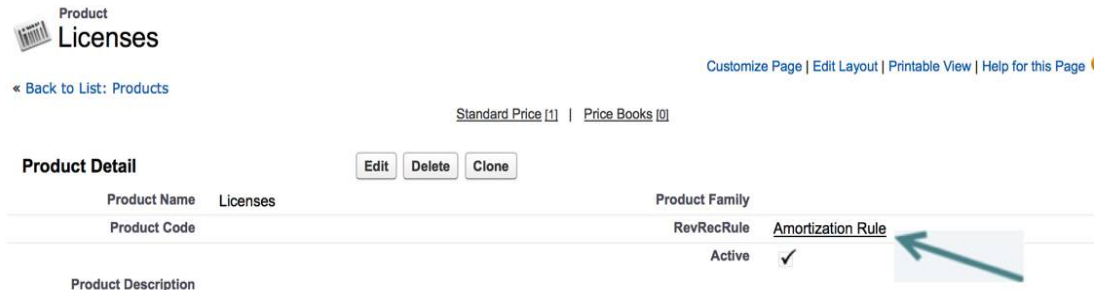


FIGURE 31: PRODUCT SCREEN

Alternatively, in the **Rule to Product Assignment** tab, complete the following steps:

1. Select the product to assign to the rule, and click the search icon to display a list of all your rules.

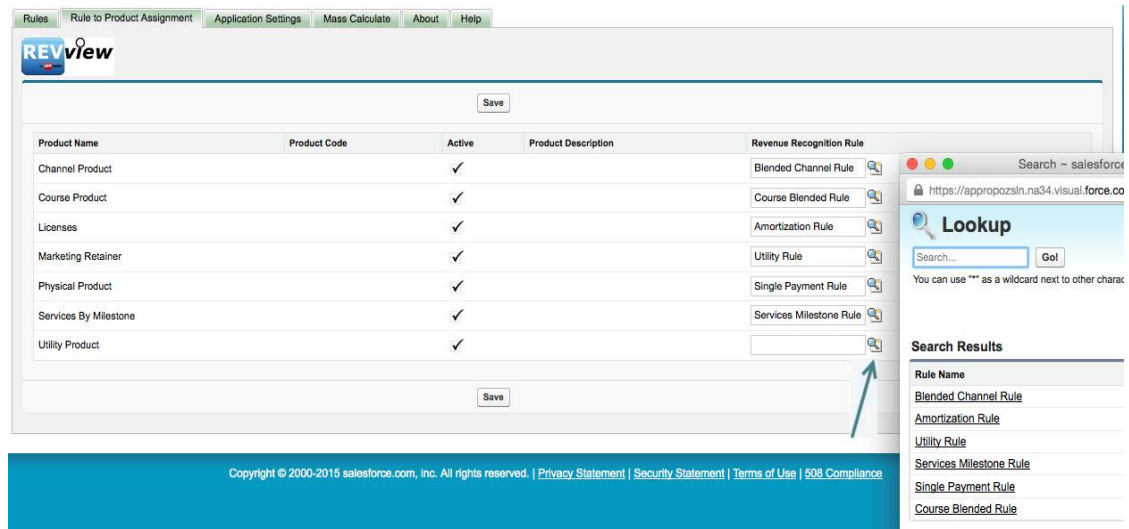


FIGURE 32: RULE TO PRODUCT ASSIGNMENT SCREEN

2. In the pop-up that appears, select the rule you want to use for the product.
3. Click **Save** at any time. You do not have to save your entries after each rule assignment. You can wait until all products have been assigned a rule.

You can now start using REVvue within your opportunities.

REVvue automatically adds products to the REVvue module as you add products to an opportunity. For more information about working with opportunities, see *Opportunities* on page 58.

Features

Rules

Revenue management rules and how you define them are the most important aspect of working with REVvue. Each product must have one—and only one—assigned revenue management rule. This rule defines how REVvue treats the revenue according to the finance standards for that product (as a single transaction, amortized over a period of time or as you go, or based on project/services milestones). You can base your rules on any opportunity or product date, including custom dates unique to your organization.

Working with rules in REVvue

Usually, depending on the types of products and the way revenue needs to be managed according to finance rules and regulations, each business only requires a few rules. For a successful experience with REVvue, ensure that your rules are defined correctly.

The rules in REVvue allow you to:

- Flexibly define and model your revenue requirements.
- Determine how the system manages revenue for each product (line item) in the Salesforce opportunity: Each time you add a product from your portfolio to the opportunity with its associated quantity, pricing, and so on, the product brings with it an associated revenue rule that defines how to split or manage revenue.
- Customize or override rules at the opportunity line item level to include modifications such as initial values, delayed amortization start, and residual values.

Working with the five rule types

Table 5 lists the five rule types you can create and assign to opportunities and products.

TABLE 6: OVERVIEW OF RULE TYPES

| Rule Type | About this Rule Type | Configuration Information |
|----------------------------|----------------------|--|
| Single Transaction | Single Transaction | Settings for Single Transaction Rules |
| Amortize | Amortize | Settings for Amortize Rules |
| Milestone | Milestone | Settings for Milestone Rules |
| Amortized Milestone | Amortized Milestone | Settings for Amortized Milestone Rules |
| Blended Revenue | Blended Revenue | Settings for Blended Revenue Rules |

Single Transaction

The system recognizes revenue once based on the opportunity date field set in the rule.

Amortize

The system supports daily, weekly, monthly, quarterly, and yearly amortization. It recognizes revenue over a period determined by the opportunity start and end date fields set in the rule. Additional variables are provided such as initial amounts, offsets, prorating, and residuals.

Milestone

Manage revenue for projects and billable hours. You set these rules when your revenue is recognized based on specific deliverables based on your customer agreement. This could be a service delivery, a date during the contract, a customer acceptance milestone, and so on. Note that:

- You must have products set up with your milestone rule(s).
To use a milestone rule for a project, project type, or consulting service deliverable, the product must be in your Salesforce *Product* module for that project (for example, Product: Implementation Services; Price: \$200/hour). If you charge for “Implementation Services,” then create a product with that name and assign one milestone rule to that product. Even though you only have one product and one rule, you can have different price and milestones for each opportunity by overriding or editing the rule at the product line item within the opportunity.
- Each milestone occurs at a specific date. This date can be either:
 - Manually set as determined by the Salesforce user (for example, the Sales Ops, Finance, or Professional Services) updating the line item revenue (overriding/customizing the rule) and the date values.

- Automatic as defined by a specific date set when the rule was created or customized at the opportunity level. When set to automatic, users can also predefine specific revenue values based on Quantity, Amount, or Percentage.

Amortized Milestone

Combines the capabilities of monthly milestones with the amortization/split revenue over the period of the customer contract. Imagine an example deal for a certain amount (\$1,200 per year). This amount must be amortized over 12 months with equal monthly amounts. However, the actual monthly revenue differs each month. Instead of a fixed \$100 per month, the monthly revenue could be higher (\$135) or lower (\$57), depending on usage or some other variable. The *Amortized Milestone* rule determines this actual amount at the specific month over the period of the customer contract.

Blended Revenue

Provides the flexibility to define revenue rules that blend different revenue treatment mechanisms that cannot be modeled by any single rule mentioned above. You can define and divide revenue into several categories, each category with a specific revenue management process. The revenue in each category can be amortized between specific date ranges or split into milestone events. This also can be used for splitting revenue into multiple channels (company, channel, royalties, and so on) to allow visibility of specific revenue for each channel.

Overriding rules

You can override any custom rule at the opportunity level to accommodate special circumstances. When you define a rule, the rule governs revenue management, allocation, and your business distribution/recognition plan. However, for each customer deal (*opportunity* in Salesforce), there might be special conditions agreed upon the

customer (for example, *Start Contract 3 months after opportunity is Closed Won*). Since these conditions are customer/opportunity-specific and do not apply to all customers, REVue allows you to **override** (or customize) the revenue rule at the opportunity level and at the specific line item/product level in the opportunity. This is especially important when your opportunity has milestones.

Note

While overrides at the opportunity level are possible, they should be the exceptions, since your rule set should be comprehensive.

Working with rule dates

REVue considers the standard and custom Salesforce date fields available in the *Opportunity* and *Product* modules in your instance. These could be dates such as **Close Date** (a standard field), **Start Contract Date** (a custom field), **End Contract Date** (a custom field), and so on. Date fields are key to the way REVue functions, since they determine the place in time when revenue actions may occur (for example, **Shipping Product Date**), the completion of a particular milestone or delivery that results in revenue to be recognized, and the period for revenue amortization (that is, between the **Start Contract Date** and the **End Contract Date** timestamps).

Another reason for defining revenue-related dates from the beginning is that they play a key role in the Revenue Management Rules definition, behavior, and automation of the system. By carefully defining the appropriate date fields needed for your revenue management functions and setting them at this stage, REVue automatically manages the overall revenue with almost no manual intervention. The goal is to ensure that, while your Sales, Finance, and Operation teams work with customers and opportunities through Salesforce on a daily basis, REVue provides them with information on revenue

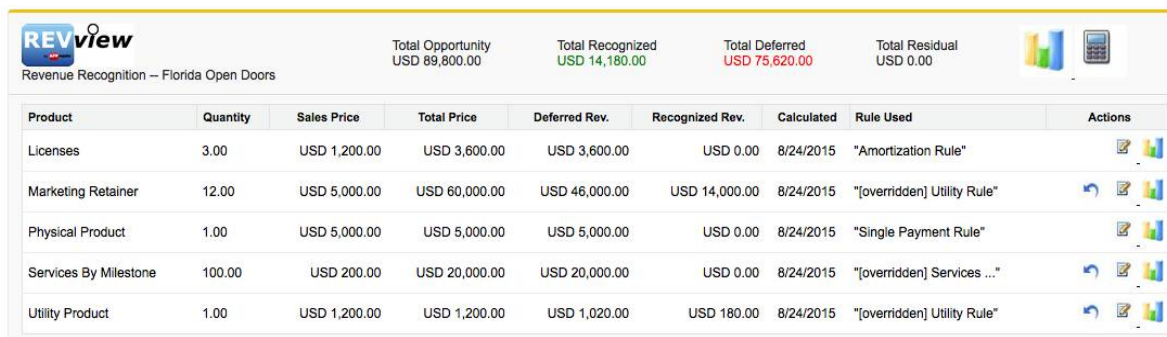
forecast and recognition without requiring any change in their day-to-day operational processes. For more information about configuring dates for rules, see the Configure the available dates for creating rules section on page 27.

Opportunities

REVvue provides a revenue rollup summary within the opportunity. You can see what revenue is deferred and what has already been recognized at opportunity level, opportunity line item level, and across all opportunities. You can also forecast revenue “what ifs” using the opportunity stages.

Working with REVvue in the opportunity

After installation and configuration, REVvue displays a new revenue recognition section in the *Opportunity* page, similar to that shown in Figure 33.



















| REVview | | Total Opportunity USD 89,800.00 | | Total Recognized USD 14,180.00 | | Total Deferred USD 75,620.00 | | Total Residual USD 0.00 | |
|---|----------|------------------------------------|---------------|-----------------------------------|-----------------|---------------------------------|-----------------------------|---|--|
| Revenue Recognition -- Florida Open Doors | | | | | | | | | |
| Product | Quantity | Sales Price | Total Price | Deferred Rev. | Recognized Rev. | Calculated | Rule Used | Actions | |
| Licenses | 3.00 | USD 1,200.00 | USD 3,600.00 | USD 3,600.00 | USD 0.00 | 8/24/2015 | "Amortization Rule" |    | |
| Marketing Retainer | 12.00 | USD 5,000.00 | USD 60,000.00 | USD 46,000.00 | USD 14,000.00 | 8/24/2015 | "[overridden] Utility Rule" |     | |
| Physical Product | 1.00 | USD 5,000.00 | USD 5,000.00 | USD 5,000.00 | USD 0.00 | 8/24/2015 | "Single Payment Rule" |    | |
| Services By Milestone | 100.00 | USD 200.00 | USD 20,000.00 | USD 20,000.00 | USD 0.00 | 8/24/2015 | "[overridden] Services ..." |     | |
| Utility Product | 1.00 | USD 1,200.00 | USD 1,200.00 | USD 1,020.00 | USD 180.00 | 8/24/2015 | "[overridden] Utility Rule" |     | |

FIGURE 33: OPPORTUNITY DETAILS

For each product line item that you add to the opportunity, the system creates an equivalent product-revenue line item in the REVvue section with the status of the

revenue for the opportunity and each product line item. Revenue calculations automatically take place within REVvue, using the necessary information and dates from the products and opportunity fields (for example, **Close Date**). Each time you delete a product from the opportunity or modify its details (pricing, quantity), the REVvue section either deletes the product-revenue line item or modifies its parameters accordingly.

| Products (Standard Price Book) | | | | | | |
|---|-----------------------|------------------|----------|--------------|---------------|-----------|
| Add Product Edit All Choose Price Book Sort Products (Standard Price Book) Help | | | | | | |
| Action | Product | Line Description | Quantity | Sales Price | Total Price | Date |
| Edit Del | Licenses | | 3.00 | USD 1,200.00 | USD 3,600.00 | 8/24/2015 |
| Edit Del | Marketing Retainer | | 12.00 | USD 5,000.00 | USD 60,000.00 | 7/8/2015 |
| Edit Del | Physical Product | | 1.00 | USD 5,000.00 | USD 5,000.00 | 8/1/2015 |
| Edit Del | Services By Milestone | | 100.00 | USD 200.00 | USD 20,000.00 | 8/11/2015 |
| Edit Del | Utility Product | | 1.00 | USD 1,200.00 | USD 1,200.00 | 8/18/2015 |

FIGURE 34: PRODUCTS IN THE OPPORTUNITY

At the top of the page, the REVvue section has the following fields to provide information at the opportunity level:

TABLE 7: FIELDS IN THE OPPORTUNITY

| Field | Description |
|--------------------------|--|
| Total Opportunity | Amount matches the Opportunity Amount field in Salesforce. |
| Total Recognized | Amount indicates the amount of revenue (from the Total Opportunity) recognized up to today's date. |
| Total Deferred | Amount indicates the amount of revenue (from the Total Opportunity) deferred as of today's date (or the amount that will be recognized in the future). |

For each product line item in the opportunity, the REVvue section indicates **Quantity**, **Price Total Price**, **Deferred Rev.**, and **Recognized Rev.**

All revenue calculations at the opportunity level, as well as the product/line item level, are driven based on the specific revenue rules in place for each product, as defined and created during the installation and configuration of REVvue. All the calculations are automatically done by REVvue, unless there is data in the product or an opportunity missing that does not permit REVvue to perform the revenue calculation (for example, a contract start date not defined, a product shipping date is not yet available, specific milestones for Milestone-based products are not available, and so on).

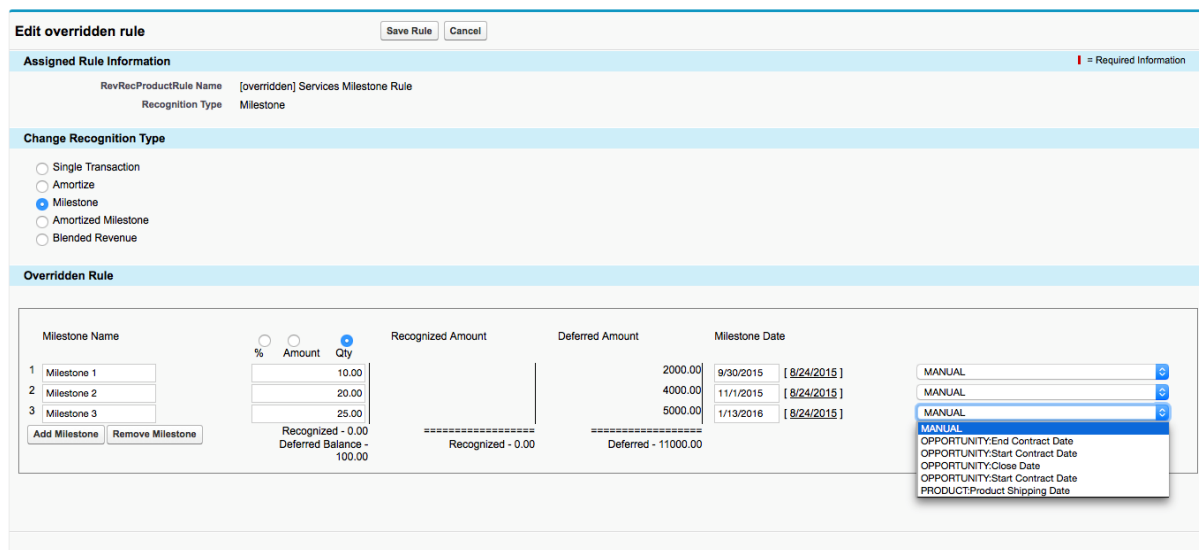
The REVvue revenue section has three icons you can click for detailed information:

- Edit/Override
- Revenue Schedule
- Reset Rule

Edit/Override

Click this icon at the product/line item level to customize or override the base rule for the product (as originally defined during the setup and configuration process) to match the specific conditions of a deal (for example, delayed amortization start, initial amount, and so on). This is particularly useful for entering specific information for *Milestone*, *Amortized Milestone*, and *Blended Revenue*-based products, such as the milestone date and the specific amount of revenue corresponding to the milestone.

Figure 35 shows an example **Edit/Override** screen for a *Milestone* rule. You can enter milestones as they occur over the period of a contract (manually, if they are not known until delivered) or set milestones to trigger automatically at a custom-defined date.



Edit overridden rule [Save Rule] [Cancel]

Assigned Rule Information ! = Required Information

RevRecProductRule Name: [overridden] Services Milestone Rule
Recognition Type: Milestone

Change Recognition Type

☐ Single Transaction
☐ Amortize
☒ Milestone
☐ Amortized Milestone
☐ Blended Revenue

Overridden Rule

| Milestone Name | <input type="radio"/> % <input type="radio"/> Amount <input checked="" type="radio"/> Qty | Recognized Amount | Deferred Amount | Milestone Date |
|----------------|---|-------------------|-----------------|-------------------------|
| 1 Milestone 1 | 10.00 | | 2000.00 | 9/30/2015 [8/24/2015] |
| 2 Milestone 2 | 20.00 | | 4000.00 | 11/1/2015 [8/24/2015] |
| 3 Milestone 3 | 25.00 | | 5000.00 | 1/13/2016 [8/24/2015] |

Add Milestone Remove Milestone
 Recognized - 0.00
 Deferred Balance - 100.00
 Recognized - 0.00
 Deferred - 11000.00

MANUAL
 OPPORTUNITY:End Contract Date
 OPPORTUNITY:Start Contract Date
 OPPORTUNITY:Close Date
 OPPORTUNITY:Start Contract Date
 PRODUCT:Product Shipping Date


FIGURE 35: EDIT OVERRIDDEN RULE SCREEN

Revenue Schedule

This icon is available in two areas in the REVvue section: at the top (overall opportunity), and at the right side of each product-revenue line item.

When you click the icon at the top, REVvue displays the revenue schedule for the overall opportunity, including details of **Recognized Revenue**, **Deferred Revenue**, and totals on a monthly basis.

Revenue Recognition Schedules - Florida Open Doors



[Back to Opportunity](#)

[Export to Excel](#)

▼ Summary

| | | | | |
|--------------------|------------------------------------|------------------------------|----------------------------|----------------------------|
| Today 8/24/2015 | Total Opportunity USD 89,800.00 | Total Recognized USD 0.00 | Total Deferred USD 0.00 | Total Residual USD 0.00 |
|--------------------|------------------------------------|------------------------------|----------------------------|----------------------------|

▼ Detail

| Revenue Transaction | Recognized Revenue | Deferred Revenue | Total Recognized | Year | Month |
|---------------------|--------------------|------------------|------------------|------|-------|
| 1 | USD 5,350.00 | USD 84,450.00 | USD 5,350.00 | 2015 | 9 |
| 2 | USD 1,430.00 | USD 83,020.00 | USD 6,780.00 | 2015 | 10 |
| 3 | USD 19,300.00 | USD 63,720.00 | USD 26,080.00 | 2015 | 11 |
| 4 | USD 300.00 | USD 63,420.00 | USD 26,380.00 | 2015 | 12 |
| 5 | USD 5,300.00 | USD 58,120.00 | USD 31,680.00 | 2016 | 1 |
| 6 | USD 300.00 | USD 57,820.00 | USD 31,980.00 | 2016 | 2 |
| 7 | USD 300.00 | USD 57,520.00 | USD 32,280.00 | 2016 | 3 |
| 8 | USD 300.00 | USD 57,220.00 | USD 32,580.00 | 2016 | 4 |
| 9 | USD 300.00 | USD 56,920.00 | USD 32,880.00 | 2016 | 5 |
| 10 | USD 300.00 | USD 56,620.00 | USD 33,180.00 | 2016 | 6 |
| 11 | USD 300.00 | USD 56,320.00 | USD 33,480.00 | 2016 | 7 |
| 12 | USD 300.00 | USD 56,020.00 | USD 33,780.00 | 2016 | 8 |
| 13 | USD 0.00 | USD 56,020.00 | USD 33,780.00 | 2016 | 9 |

FIGURE 36: REVENUE SCHEDULE

When you click the icon at the right side of any line item, REVue displays the revenue schedule for the specific product line item, as driven by the revenue rule associated with the product.

Note

Figure 36 still has deferred revenue at the end of the schedule because there are milestone-related line items that the Salesforce user has not yet provided details for.


| Revenue Recognition Schedules | | | | |
|--|--------------------|-------------------------------------|--|---------------------------------|
| | | Back to Opportunity | | Export to Excel |
|  Revenue Recognition -- Product: Services By Milestone | Total | Recognized | Deferred | Residual |
| | USD 20,000.00 | USD 0.00 | USD 20,000.00 | USD 0.00 |
| | Today: 8/24/2015 | Date Calculated: 8/24/2015 | Rule Used: Services Milestone Rule | Product Quantity: 100.00 |
| | | | | |
| | Recognized Revenue | Deferred Revenue | Date | Month |
| | USD 2,000.00 | USD 18,000.00 | 9/30/2015 | 9 |
| | USD 4,000.00 | USD 14,000.00 | 11/1/2015 | 11 |
| | USD 5,000.00 | USD 9,000.00 | 1/13/2016 | 1 |
| | | Back to Opportunity | | Export to Excel |

FIGURE 37: REVENUE SCHEDULE FOR PRODUCT LINE ITEM

Reset Rule

When a rule is overridden at the product line item level in a specific opportunity, you may must reset the rule to its original state (that is, as originally defined when the rule was created and before it was customized). If you click this icon and agree to proceed, the system cancels the rule override for the line item and the rule reverts to its original state.

Calculations

REVvue calculates the revenue (**Recognized**, **Deferred**, and so on) and automatically creates associated revenue schedules both at the opportunity and product line item level. As the information becomes available in the opportunity, and/or the dates of specific events or milestones dates are reached, REVvue considers this and provides a full view of past, present, and future revenue.

Each time you open, close, update, or save an opportunity in Salesforce, as well as when you update any related revenue element (such as a milestone date and amount), REVvue automatically calculates and updates the revenue schedule for the opportunity

to keep it up to date for populating reports and dashboards. So, when you open an opportunity in Salesforce, the revenue picture is always current.

Mass Calculate

Although REVue strives to automatically calculate and keep revenue current, the Salesforce system is driven by user activity. In general, things happen in Salesforce when users perform actions, such as create a new opportunity, open or close a new lead, change the value of a field and save a case, and so on.

Example scenario for Mass Calculate

Imagine it is July 2015 and you have just implemented REVue. You could have thousands of opportunities already in your system. You could have **Closed Won** opportunities that expand over multiple years and are still generating regular monthly revenue. Or have several hundred opportunities that were **Won** or open on the pipeline during the six months prior to July. This means REVue has to calculate and update the revenue information for all associated opportunities without requiring that you open, change, update, and save them. This uses the **Mass Calculate** functionality.

The **Mass Calculate** option in the **APPropoz** menu allows you to identify a subset (from all opportunities in the system or filtered for a specific group) of opportunities for REVue to calculate and update. This feature, even if you implement REVue in July 2015, allows you to mass calculate past opportunities generating revenue in 2015 and beyond, even if they were **Open** or **Closed Won**.

Once REVvue calculates an opportunity (regardless of its stage) the first time, it always keeps it updated. It continues to adjust with future changes, saves, updates, and so on, ensuring that your system is always up to date.

Figure 38 shows the *Mass Calculate* screen. When you click the **Execute Batch** button, REVvue processes all opportunities in the system and recalculates them according to their associated products and revenue rules.

Use the filtering capabilities to narrow the number of opportunities for recalculation based on different criteria. When you click the **Execute Batch** button for specific criteria, REVvue searches for opportunities matching that criteria and calculates the revenue.

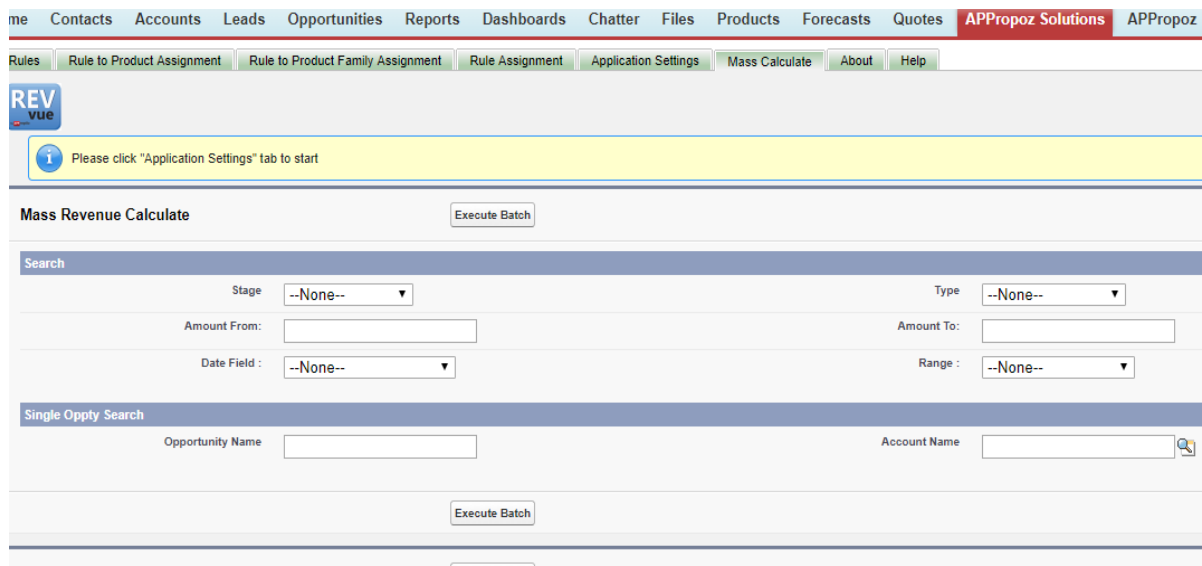


FIGURE 38: MASS CALCULATE SCREEN

Multicurrency

REVvue supports all multicurrency capabilities enabled in Salesforce. If you configure your Salesforce implementation for **Multicurrency to Manage Currencies, Enabled Currency Management**, and/or **Parenthetical Currency Conversion**, REVvue manages, converts, and displays revenue information that supports these capabilities.

For currency conversion in opportunities, REVvue uses the currency exchange rate valid at the **Opportunity Close Date** for calculations, because neither Salesforce or REVvue can predict future currency changes. Although the revenue generated by an opportunity could expand over several months or years during which the currency might fluctuate, it is not possible for REVvue to enable multiple currencies during the life of the opportunity/contract. It will only use the currency at the **Close Date**.

Forecasts and Reports

When you have installed REVvue and created rules, REVvue uses your activities to build a complete forecast of your past, present, and future revenue. The system captures and considers when you perform the following kinds of activities:

- Define, create, and work on your Salesforce opportunities:
- Manage the opportunity stages, probabilities, and close dates
- Ensure that as the opportunities evolve your sales team has more details about the products and quantities that a customer might purchase when closing
- Create the appropriate reports in Salesforce that help you track and monitor your business

The picture of future revenue includes:

- Past **Closed Won** opportunities still generating revenue.
- Recently **Closed Won** opportunities starting to generate revenue.
- All opportunities in the pipeline at the opportunity stage selected when configuring your application settings. Follow standard Salesforce reporting capabilities and apply probability percent-based formulas to reports to adjust your pipeline revenue based on the opportunity probability/stage.

For full visibility and to allow modification and tuning forecasts, you must:

- Implement and work with Salesforce as required for your business.
- Implement REVue and let the application manage your revenue.
- Define the proper reports that you must use to view your revenue (yearly, quarterly, or monthly), and adjust the data as needed in the opportunity to see it immediately reflected in your revenue plans and forecast.

Figure 39 is an example report of a Salesforce matrix-type report that applies the opportunity probability percent to the opportunity amount, resulting in a lower amount for use in the pipeline.

| Probability (%) | Opportunity Name | Date Month for Recognize Date | Q1 CY2013 | | |
|-----------------|--------------------------------------|---|------------------------------------|------------------------------------|------------------------------------|
| | | | 1 | 2 | 3 |
| 50% | Alpha Systems - elearning | Sum of Amount Average Probability (%) Testformula | USD 50,000.00 50% 25,000.00 | USD 50,000.00 50% 25,000.00 | USD 50,000.00 50% 25,000.00 |
| | Alpha Systems Server and Maint. | Sum of Amount Average Probability (%) Testformula | USD 39,500.00 50% 19,750.00 | USD 39,500.00 50% 19,750.00 | USD 39,500.00 50% 19,750.00 |
| | Subtotal | Sum of Amount Average Probability (%) Testformula | USD 89,500.00 50% 44,750.00 | USD 89,500.00 50% 44,750.00 | USD 89,500.00 50% 44,750.00 |
| 80% | Alpha Systems Server and Maint. 2013 | Sum of Amount Average Probability (%) Testformula | USD 28,200.00 80% 22,560.00 | USD 28,200.00 80% 22,560.00 | USD 28,200.00 80% 22,560.00 |
| | Beta Systems Server and Maint. | Sum of Amount Average Probability (%) Testformula | USD 29,700.00 80% 23,760.00 | USD 29,700.00 80% 23,760.00 | USD 29,700.00 80% 23,760.00 |
| | Global Media Custom Expansion Module | Sum of Amount Average Probability (%) Testformula | USD 55,500.00 80% 44,400.00 | USD 55,500.00 80% 44,400.00 | USD 55,500.00 80% 44,400.00 |
| | Global Media Server and Maint. | Sum of Amount Average Probability (%) Testformula | USD 0.00 0% 0.00 | USD 0.00 0% 0.00 | USD 0.00 0% 0.00 |
| | Zeta Systems | Sum of Amount Average Probability (%) Testformula | USD 0.00 0% 0.00 | USD 0.00 0% 0.00 | USD 0.00 0% 0.00 |
| | Subtotal | Sum of Amount Average Probability (%) Testformula | USD 113,400.00 80% 90,720.00 | USD 113,400.00 80% 90,720.00 | USD 113,400.00 80% 90,720.00 |

FIGURE 39: SALESFORCE REPORT

About reporting with REVvue

REVvue leverages the SFDC reporting functionality. Salesforce administrators and users can define and create reports that fit their specific business needs because REVvue's revenue fields, data, and calculations are exposed through the reporting module in Salesforce. REVvue includes a few sample reports in the installed package folders accessed through the **Reports** and **Dashboards** modules. You can view these sample reports to gain insight about building business reports.

Working with report types

REVvue includes several report types that are the foundation to build specific reports. One of these is the report type *Opportunities with RevRecOpportunityLineItems with RevRecOpportunityLineItemSchedules with RevRecScheduleCategorys*.

We strongly recommend that you create a new report type in your instance that is a slight modification of the *Opportunities with RevRecOpportunityLineItems with RevRecOpportunityLineItemSchedules with RevRecScheduleCategorys* report type installed by REVvue. Use this report type when creating revenue reports that require REVvue data/fields.

Note

- Create this report type from scratch (do not clone the REVvue report type), so that the new report type includes your Salesforce opportunity custom fields and that they are available in your reports.

- Report types can have any title; however, use the object relationship taxonomy shown in Figure 40. See the last row below in the definition of the report type. Choose the option **with or without related records**..

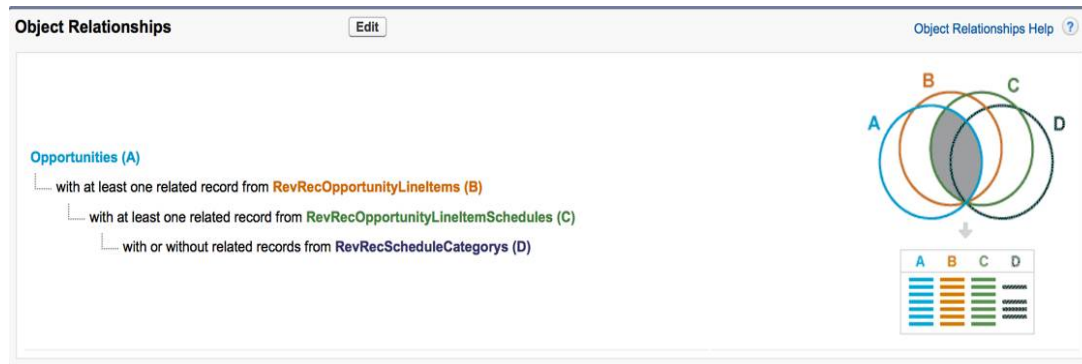
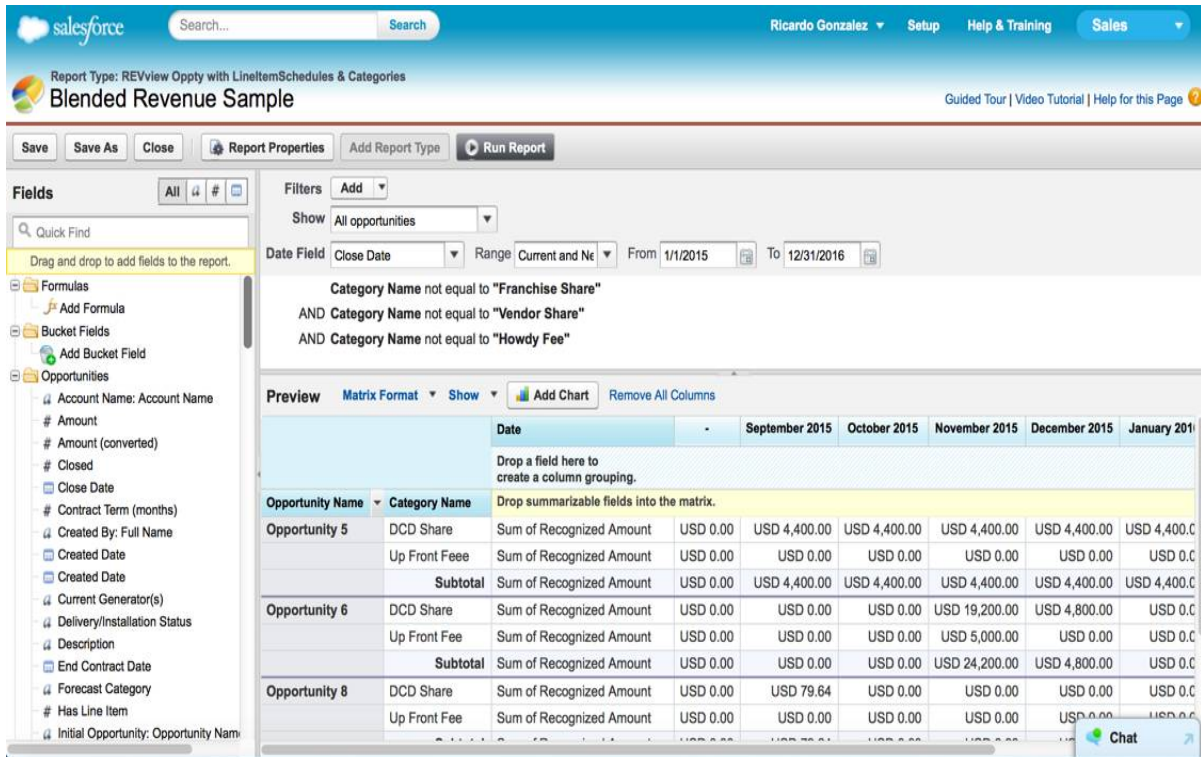


FIGURE 40: OBJECT RELATIONSHIPS

Building your report

When you create or customize a Salesforce report, the Salesforce reporting module displays the *Report Type* screen to allow you to define the type of report and build the report using drag-and-drop. The left side of the screen displays all available fields for creating the report based on the objects that constitute the report type.



The screenshot shows the Salesforce report builder interface for a report titled "Blended Revenue Sample". The top navigation bar includes the Salesforce logo, a search bar, and user information (Ricardo Gonzalez). The report type is "REVview Oppty with LineltemSchedules & Categories". The interface includes buttons for "Save", "Save As", "Close", "Report Properties", "Add Report Type", and "Run Report".

Fields Panel:

- Formulas: Add Formula
- Bucket Fields: Add Bucket Field
- Opportunities:
 - Account Name: Account Name
 - Amount
 - Amount (converted)
 - Closed
 - Close Date
 - Contract Term (months)
 - Created By: Full Name
 - Created Date
 - Created Date
 - Current Generator(s)
 - Delivery/Installation Status
 - Description
 - End Contract Date
 - Forecast Category
 - Has Line Item
 - Initial Opportunity: Opportunity Name

Filters:

- Show: All opportunities
- Date Field: Close Date, Range: Current and Ne, From: 1/1/2015, To: 12/31/2016
- Category Name not equal to "Franchise Share"
- AND Category Name not equal to "Vendor Share"
- AND Category Name not equal to "Howdy Fee"

Preview Matrix:

| | | Date | September 2015 | October 2015 | November 2015 | December 2015 | January 2016 |
|---------------|-----------------|--------------------------|----------------|--------------|---------------|---------------|--------------|
| Opportunity 5 | DCD Share | Sum of Recognized Amount | USD 0.00 | USD 4,400.00 | USD 4,400.00 | USD 4,400.00 | USD 4,400.00 |
| | Up Front Fee | Sum of Recognized Amount | USD 0.00 | USD 0.00 | USD 0.00 | USD 0.00 | USD 0.00 |
| | Subtotal | Sum of Recognized Amount | USD 0.00 | USD 4,400.00 | USD 4,400.00 | USD 4,400.00 | USD 4,400.00 |
| Opportunity 6 | DCD Share | Sum of Recognized Amount | USD 0.00 | USD 0.00 | USD 19,200.00 | USD 4,800.00 | USD 0.00 |
| | Up Front Fee | Sum of Recognized Amount | USD 0.00 | USD 0.00 | USD 0.00 | USD 5,000.00 | USD 0.00 |
| | Subtotal | Sum of Recognized Amount | USD 0.00 | USD 0.00 | USD 0.00 | USD 24,200.00 | USD 4,800.00 |
| Opportunity 8 | DCD Share | Sum of Recognized Amount | USD 0.00 | USD 79.64 | USD 0.00 | USD 0.00 | USD 0.00 |
| | Up Front Fee | Sum of Recognized Amount | USD 0.00 | USD 0.00 | USD 0.00 | USD 0.00 | USD 0.00 |

FIGURE 41: AVAILABLE FIELDS FOR REPORT

REVvue provides objects as sources for fields to be included. Scroll down the left panel to find these REVvue-related options:

- **RevRecOpportunityLinelItems**
- **RevRecOpportunityLinelItemSchedules**
- **RevRecScheduleCategories**

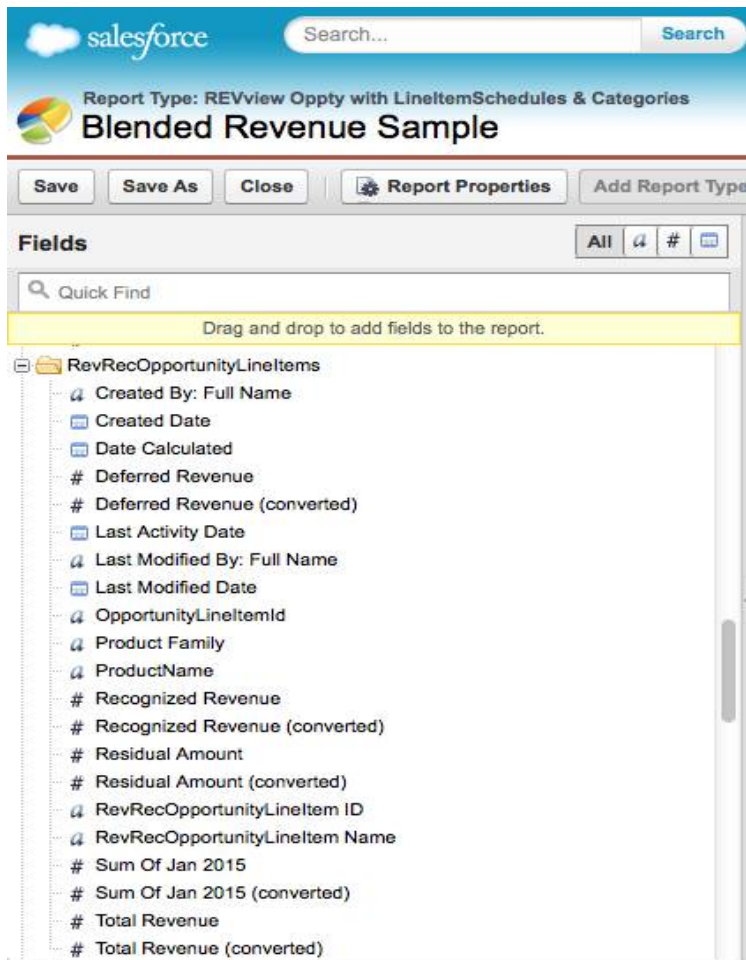


FIGURE 42: REVUE-RELATED REPORT FIELDS

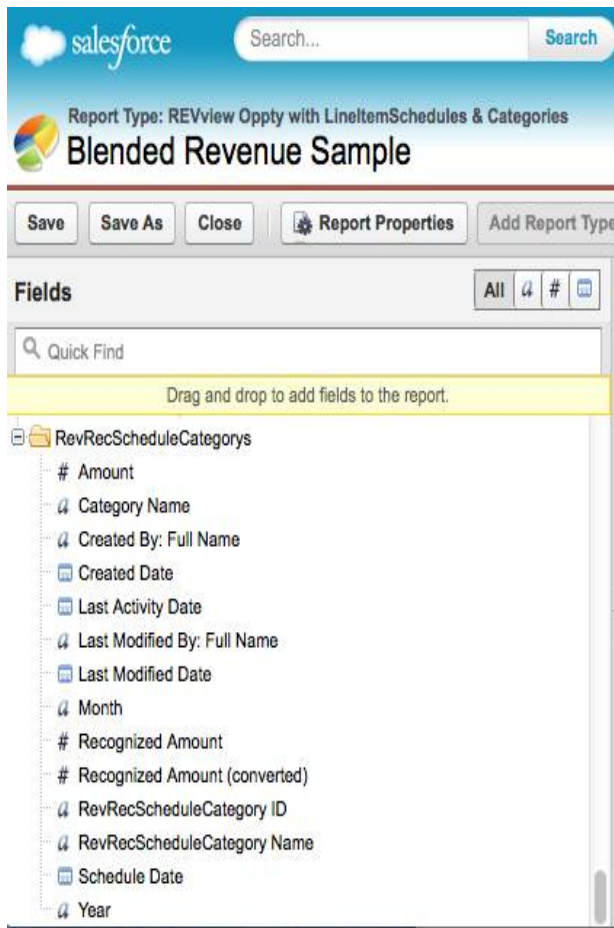


FIGURE 43: EXPANDED REVRECSCHEDULECATEGORYS REPORT FIELDS FOLDER

Note

- The field names for **RevRecScheduleCategorys** and **RevRecOpportunityLineItemSchedules** are the exact same in some cases.
- For most reports, select and use the fields from **RevRecOpportunityLineItemSchedules** and **RevRecScheduleCategorys**. Those fields

contain the REVvue data up to the granularity required. If you create a report with REVvue data and your revenue seems inaccurate or did not change as expected, check that you selected the correct object/fields for the report.

Sample reports

This section presents sample reports included in the REVvue application package. These reports may look different based on the data you have in your Salesforce implementation.

Revenue by Probability

This report allows you to examine “what if” scenarios. It leverages the SFDC probability fields so you can see what your revenue will look like in the future when you include opportunities that are not yet closed. Figure 44 shows the revenue by **Year** and **Quarter**.

| Base of Recognized Revenue Probability % | Opportunity Name | Year for Recognition Date | | | | 2010 | | | | 2011 | | | | 2012 | | | | Grand Total |
|--|--|------------------------------|---------------------------|----------|--------------|--------------|-------------|-------------|------------|----------|----------|----------|----------|----------|----------|----------|----------|----------------|
| | | Quarter for Recognition Date | | | | Q | 2 | 3 | 4 | Summed | 1 | 2 | 3 | 4 | Summed | 1 | 2 | |
| 90% | Home Systems - Wireless | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| | | Subtotal | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 80% | Home - Server and Main | Sum of Recognized Revenue | \$82.50 | \$176.92 | \$102,008.42 | \$1,214.42 | \$16,173.88 | \$1,214.42 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$16,173.88 |
| | | Subtotal | Sum of Recognized Revenue | \$82.50 | \$176.92 | \$102,008.42 | \$1,214.42 | \$16,173.88 | \$1,214.42 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$16,173.88 |
| 70% | Home Systems Server and Main | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$1,940.73 | \$5,682.33 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 |
| | | Subtotal | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$1,940.73 | \$5,682.33 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 |
| 10% | Home Printing | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$878.82 | \$878.82 | \$878.82 | \$878.82 | \$878.82 | \$878.82 | \$878.82 | \$878.82 | \$878.82 | \$878.82 | \$878.82 | \$878.82 | \$878.82 |
| | | Subtotal | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$878.82 | \$878.82 | \$878.82 | \$878.82 | \$878.82 | \$878.82 | \$878.82 | \$878.82 | \$878.82 | \$878.82 | \$878.82 | \$878.82 |
| 80% | Cloud Work Center (Essential) Profile | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$454.82 | \$454.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 |
| | | Subtotal | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$454.82 | \$454.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 |
| 70% | Cloud Work Center (Essential) Profile | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$454.82 | \$454.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 |
| | | Subtotal | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$454.82 | \$454.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 | \$278.82 |
| Grand Total | | Sum of Recognized Revenue | \$82.50 | \$176.92 | \$102,008.42 | \$1,214.42 | \$16,173.88 | \$1,214.42 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$16,173.88 |

FIGURE 44: REVENUE BY PROBABILITY

Recognized Revenue by Year and Quarter

Figure 45 shows a roll-up report for **Year** and **Quarter** only.

| Run Report ▾ Hide Details Customize Save Save As Delete Printable View Export Details | | | | | | | | | | | | | | | | | | | |
|---|---------------------------------------|----------------------------|-------------------------|------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--|--|-------------|
| Sum of Recognized Revenue | | | Year for Recognize Date | | | | 2012 | | | | 2013 | | | | 2014 | | | | Grand Total |
| Opportunity Name | Product Name | Quarter for Recognize Date | 1 | 2 | 3 | 4 | Subtotal | 1 | 2 | 3 | 4 | Subtotal | 1 | 2 | Subtotal | | | | |
| Acme - Server and Maint. | Computer Maintenance | Sum of Recognized Revenue | \$92.31 | \$276.92 | \$276.92 | \$276.92 | \$923.08 | \$276.92 | \$0.00 | \$0.00 | \$0.00 | \$276.92 | \$0.00 | \$0.00 | \$0.00 | \$1,200.00 | | | |
| | Computer Server | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$12,000.00 | \$0.00 | \$12,000.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$12,000.00 | | | |
| | eLearning Library Annual Subscription | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$312.50 | \$937.50 | \$1,260.00 | \$937.50 | \$312.50 | \$0.00 | \$0.00 | \$1,250.00 | \$0.00 | \$0.00 | \$0.00 | \$2,600.00 | | | |
| | Subtotal | Sum of Recognized Revenue | \$92.31 | \$276.92 | \$12,589.42 | \$1,214.42 | \$14,173.08 | \$1,214.42 | \$312.50 | \$0.00 | \$0.00 | \$1,526.92 | \$0.00 | \$0.00 | \$0.00 | \$15,700.00 | | | |
| Acme Training | eLearning Library Annual Subscription | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$576.92 | \$576.92 | \$576.92 | \$576.92 | \$576.92 | \$192.31 | \$1,923.08 | \$0.00 | \$0.00 | \$0.00 | \$2,500.00 | | | |
| | Subtotal | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$576.92 | \$576.92 | \$576.92 | \$576.92 | \$576.92 | \$192.31 | \$1,923.08 | \$0.00 | \$0.00 | \$0.00 | \$2,600.00 | | | |
| Alpha Systems - eLearning | eLearning Library Annual Subscription | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$3,846.15 | \$3,846.15 | \$11,538.46 | \$11,538.46 | \$11,538.46 | \$11,538.46 | \$46,153.85 | \$0.00 | \$0.00 | \$0.00 | \$50,000.00 | | | |
| | Subtotal | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$3,846.15 | \$3,846.15 | \$11,538.46 | \$11,538.46 | \$11,538.46 | \$11,538.46 | \$46,153.85 | \$0.00 | \$0.00 | \$0.00 | \$50,000.00 | | | |
| Alpha Systems Server and Maint. | Computer Maintenance | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$92.31 | \$92.31 | \$276.92 | \$276.92 | \$276.92 | \$276.92 | \$1,107.69 | \$0.00 | \$0.00 | \$0.00 | \$1,200.00 | | | |
| | On-site Training | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$1,500.00 | \$1,500.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$1,500.00 | | | |
| | Subtotal | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$1,592.31 | \$1,592.31 | \$276.92 | \$276.92 | \$276.92 | \$276.92 | \$1,107.69 | \$0.00 | \$0.00 | \$0.00 | \$2,700.00 | | | |
| Beta Widgets Enterprise Training | SaaS Enterprise Software | Sum of Recognized Revenue | \$0.00 | \$5,644.00 | \$16,932.00 | \$16,932.00 | \$39,508.00 | \$16,932.00 | \$16,932.00 | \$16,932.00 | \$16,932.00 | \$67,728.00 | \$16,932.00 | \$16,932.00 | \$33,864.00 | \$141,100.00 | | | |
| | Subtotal | Sum of Recognized Revenue | \$0.00 | \$5,644.00 | \$16,932.00 | \$16,932.00 | \$39,508.00 | \$16,932.00 | \$16,932.00 | \$16,932.00 | \$16,932.00 | \$67,728.00 | \$16,932.00 | \$16,932.00 | \$33,864.00 | \$141,100.00 | | | |
| Global Media Custom Financing | Banner Ad | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$300.00 | \$300.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$300.00 | | | |

FIGURE 45: ROLL-UP REPORT

Recognized Revenue by Opportunity and Product

Figure 46 shows **Year** and **Quarter** revenue report by the opportunity, including the associated products.

| Run Report | Hide Details | Customize | Save | Save As | Delete | Printable View | Export Details | | | | | | | | | | | | | | |
|----------------------------------|---------------------------------------|----------------------------|-------------------------|------------|-------------|----------------|----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|-------------|--|-------------|--|--|
| Sum of Recognized Revenue | | | Year for Recognize Date | | | | 2012 | | | | 2013 | | | | 2014 | | | | Grand Total | | |
| Opportunity Name | Product Name | Quarter for Recognize Date | 1 | 2 | 3 | 4 | Subtotal | 1 | 2 | 3 | 4 | Subtotal | 1 | 2 | Subtotal | | | | | | |
| Acme - Server and Maint. | Computer Maintenance | Sum of Recognized Revenue | \$92.31 | \$276.92 | \$276.92 | \$276.92 | \$923.08 | \$276.92 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$276.92 | \$0.00 | \$0.00 | \$0.00 | \$1,200.00 | | | | |
| | Computer Server | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$12,000.00 | \$0.00 | \$12,000.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$12,000.00 | | | | |
| | eLearning Library Annual Subscription | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$312.50 | \$937.50 | \$1,260.00 | \$937.50 | \$312.50 | \$0.00 | \$0.00 | \$0.00 | \$1,250.00 | \$0.00 | \$0.00 | \$0.00 | \$2,600.00 | | | | |
| | Subtotal | Sum of Recognized Revenue | \$92.31 | \$276.92 | \$12,589.42 | \$1,214.42 | \$14,173.08 | \$1,214.42 | \$312.50 | \$0.00 | \$0.00 | \$0.00 | \$1,526.92 | \$0.00 | \$0.00 | \$0.00 | \$15,700.00 | | | | |
| Acme Training | eLearning Library Annual Subscription | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$576.92 | \$576.92 | \$576.92 | \$576.92 | \$192.31 | \$1,923.08 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$2,600.00 | | | | |
| | Subtotal | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$576.92 | \$576.92 | \$576.92 | \$576.92 | \$192.31 | \$1,923.08 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$2,600.00 | | | | |
| Alpha Systems - eLearning | eLearning Library Annual Subscription | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$3,846.15 | \$3,846.15 | \$11,538.46 | \$11,538.46 | \$11,538.46 | \$11,538.46 | \$46,153.85 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$50,000.00 | | | | |
| | Subtotal | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$3,846.15 | \$3,846.15 | \$11,538.46 | \$11,538.46 | \$11,538.46 | \$11,538.46 | \$46,153.85 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$50,000.00 | | | | |
| Alpha Systems Server and Maint. | Computer Maintenance | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$92.31 | \$92.31 | \$276.92 | \$276.92 | \$276.92 | \$276.92 | \$1,107.89 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$1,200.00 | | | | |
| | On-site Training | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$1,500.00 | \$1,500.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$1,500.00 | | | | |
| | Subtotal | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$1,592.31 | \$1,592.31 | \$276.92 | \$276.92 | \$276.92 | \$276.92 | \$1,107.89 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$2,700.00 | | | | |
| Beta Widgets Enterprise Training | SaaS Enterprise Software | Sum of Recognized Revenue | \$0.00 | \$5,644.00 | \$16,932.00 | \$16,932.00 | \$39,508.00 | \$16,932.00 | \$16,932.00 | \$16,932.00 | \$16,932.00 | \$67,728.00 | \$16,932.00 | \$16,932.00 | \$33,864.00 | \$141,100.00 | | | | | |
| | Subtotal | Sum of Recognized Revenue | \$0.00 | \$5,644.00 | \$16,932.00 | \$16,932.00 | \$39,508.00 | \$16,932.00 | \$16,932.00 | \$16,932.00 | \$16,932.00 | \$67,728.00 | \$16,932.00 | \$16,932.00 | \$33,864.00 | \$141,100.00 | | | | | |
| Global Media Custom Financing | Banner Ad | Sum of Recognized Revenue | \$0.00 | \$0.00 | \$0.00 | \$300.00 | \$300.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$300.00 | | | | |

FIGURE 46: RECOGNIZED REVENUE BY OPPORTUNITY AND PRODUCT

Tips and tricks for reporting

Calculate an end date using a starting date and the number of months (or contract term).

An example is having a **Start Contract Date** and a **Contract Term** (numbers of months) as fields in the opportunity. You can define an **End Contract Date** formula field with the following formulas and additional intermediary custom fields (**End Contract Year, End Contract Month, End Contract Day**)

We have seen many implementations where formula fields are implemented with the wrong formula, producing incorrect dates that result in inaccurate revenue amortization calculations (such as one month more or less).

Use these formulas to obtain an accurate end contract date.

.

Date Type

Contract Term: Number, Length 2, 0 Decimals

End Contract Year: Formula, Number, 0 Decimals

$\text{IF}(\text{MONTH}(\text{Start_Contract_Date_c}) + \text{MOD}(\text{Contract_Term_months_c}, 12) \leq 12,$

$\text{YEAR}(\text{Start_Contract_Date_c}) + \text{FLOOR}(\text{Contract_Term_months_c} / 12),$

$\text{YEAR}(\text{Start_Contract_Date_c}) + \text{FLOOR}(\text{Contract_Term_months_c} / 12) + 1$

End Contract Month: Formula, Number, 0 Decimals

$\text{IF}(\text{MONTH}(\text{Start_Contract_Date_c}) + \text{MOD}(\text{Contract_Term_months_c}, 12) \leq 12,$
 $\text{MONTH}(\text{Start_Contract_Date_c}) + \text{MOD}(\text{Contract_Term_months_c}, 12),$
 $\text{MONTH}(\text{Start_Contract_Date_c}) + \text{MOD}(\text{Contract_Term_months_c}, 12) - 12)$

End Contract Day: Formula, Number, 0 Decimals

$\text{IF}(\text{AND}(\text{End_Contract_Month_c} = 2, \text{DAY}(\text{Start_Contract_Date_c}) > 28),$
 $28,$
 $\text{IF}(\text{AND}(\text{OR}(\text{End_Contract_Month_c} = 4, \text{End_Contract_Month_c} = 6,$
 $\text{End_Contract_Month_c} = 9, \text{End_Contract_Month_c} = 11),$
 $\text{DAY}(\text{Start_Contract_Date_c}) = 31),$
 $30,$

DAY(Start_Contract_Date__c)

)

)

End Contract Date: Formula, Date

DATE(End_Contract_Year__c , End_Contract_Month__c , End_Contract_Day__c) - 1

Residual values to manage early contract termination

You may have contracts with customers that need to stop accruing revenue. You might have a contract for \$1,200 a year that is amortizing at a rate of \$100 per month. However, after a certain number of months, you need to stop the contract and amortizing revenue for the future.

The defined *Amortization* rule was for the whole amortization period. Just changing the end date will not be enough. This rule will correct the revenue schedule by splitting the original quantity in fewer months, resulting in higher monthly amortization values.

This is when to use the **Residual** field. You must override the rule for each impacted product in the opportunity by:

1. Changing the end of the amortization date to the date you want to stop the amortization.
2. Entering the amount of revenue that has been amortized so far in the **Residual** field.


3. Saving the rule.

Example

The following opportunity is **Closed Won** with the following characteristics:

- **Amount:** \$25,600
- **Start Contract Date:** 5/18/2015
- **End Contract Date:** 5/17/2016

The opportunity has a SaaS product for \$2,400 with an *Amortization* rule (Figure 47).


Opportunity 1

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Opportunity Detail

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| | | | |
|-------------------------|---|------------------|---------------|
| Opportunity Owner | Ricardo Gonzalez Change | Close Date | 5/18/2015 |
| Opportunity Name | Opportunity 1 | Milestone 2 Date | 7/17/2015 |
| Account Name | Company 1 | Milestone 3 Date | 10/15/2015 |
| Type | | Stage | Closed Won |
| Primary Campaign Source | | Probability (%) | 100% |
| Start Contract Date | 5/18/2015 | Amount | USD 25,600.00 |
| End Contract Date | 5/18/2016 | | |
| Contract Term | | | |
| Installation Date | | | |
| End Date of Maintenance | | | |
| First Shipment | 6/17/2015 | | |

Additional Information

| | |
|-------------|--|
| Lead Source | |
| Next Step | |
| Description | |




















Total Opportunity
USD 25,600.00

Total Recognized
USD 3,573.06

Total Deferred
USD 22,026.92

Total Residual
USD 0.00

| Product | Quantity | Sales Price | Total Price | Deferred Rev. | Recognized Rev. | Calculated | Rule Used | Actions |
|------------------|----------|---------------|---------------|---------------|-----------------|------------|-----------------------------|---|
| HW SW Maint | 1.00 | USD 12,000.00 | USD 12,000.00 | USD 9,230.77 | USD 2,769.23 | 8/25/2015 | "HW SW MT Rule" |    |
| Hardware Product | 1.00 | USD 5,000.00 | USD 5,000.00 | USD 5,000.00 | USD 0.00 | 8/25/2015 | "Single Payment on Ship..." |    |
| PSO1 | 100.00 | USD 50.00 | USD 5,000.00 | USD 5,000.00 | USD 0.00 | 7/20/2015 | "[overridden] CogBooks ..." |    |
| SaaS Product | 1.00 | USD 2,400.00 | USD 2,400.00 | USD 1,846.15 | USD 553.85 | 8/25/2015 | "Amortization Rule" |    |
| Utility Usage | 1.00 | USD 1,200.00 | USD 1,200.00 | USD 950.00 | USD 250.00 | 8/25/2015 | "[overridden] Utility Rule" |    |

System Information

Created By [Ricardo Gonzalez](#) 6/24/2014 8:05 PM

Last Modified By [Ricardo Gonzalez](#) 8/25/2015 3:47 PM

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| Action | Product | Product Code | Line Description | Quantity | List Price | Discount | Sales Price | Shipping Product Date | Total Price |
|--|----------------------------------|--------------|------------------|----------|---------------|----------|---------------|-----------------------|---------------|
| Edit Del | Hardware Product | - | | 1.00 | USD 5,000.00 | 0.00% | USD 5,000.00 | 10/1/2015 | USD 5,000.00 |
| Edit Del | HW SW Maint | - | | 1.00 | USD 12,000.00 | 0.00% | USD 12,000.00 | | USD 12,000.00 |
| Edit Del | PSO1 | - | | 100.00 | USD 50.00 | | USD 50.00 | | USD 5,000.00 |
| Edit Del | SaaS Product | - | | 1.00 | USD 1,000.00 | 0.00% | USD 2,400.00 | | USD 2,400.00 |
| Edit Del | Utility Usage | - | | 1.00 | USD 1,200.00 | 0.00% | USD 1,200.00 | | USD 1,200.00 |

FIGURE 47: PRODUCT WITH AMORTIZATION RULE

Click the **Revenue Schedule** icon to see that, originally, the revenue was split equally in 12 months (duration of the contract) with \$200 per month, starting on 5/31/2015 and ending on 4/30/2016.

Revenue Recognition Schedules

REVview

Revenue Recognition --
Product: SaaS Product

Total

USD 2,400.00

Today: 8/25/2015

Recognized

USD 600.00

Date Calculated: 8/25/2015

Deferred

USD 1,800.00

Rule Used: [Amortization Rule](#)

Residual

USD 0.00

Product Quantity: 1.00

| Revenue Transaction | Recognized Revenue | Deferred Revenue | Date | Month |
|---------------------|--------------------|------------------|------------|-------|
| 1 | USD 200.00 | USD 2,200.00 | 5/31/2015 | 5 |
| 2 | USD 200.00 | USD 2,000.00 | 6/30/2015 | 6 |
| 3 | USD 200.00 | USD 1,800.00 | 7/31/2015 | 7 |
| 4 | USD 200.00 | USD 1,600.00 | 8/31/2015 | 8 |
| 5 | USD 200.00 | USD 1,400.00 | 9/30/2015 | 9 |
| 6 | USD 200.00 | USD 1,200.00 | 10/31/2015 | 10 |
| 7 | USD 200.00 | USD 1,000.00 | 11/30/2015 | 11 |
| 8 | USD 200.00 | USD 800.00 | 12/31/2015 | 12 |
| 9 | USD 200.00 | USD 600.00 | 1/31/2016 | 1 |
| 10 | USD 200.00 | USD 400.00 | 2/29/2016 | 2 |
| 11 | USD 200.00 | USD 200.00 | 3/31/2016 | 3 |
| 12 | USD 200.00 | USD 0.00 | 4/30/2016 | 4 |

FIGURE 48: REVENUE RECOGNITION SCHEDULE

You now need to stop the contract and future amortization by the end of September 2015. Figure 48 shows the that deferred revenue at the end of September 2015 is \$1,400.

To stop the contract and future amortization from the opportunity:

1. Go to the **Opportunity** screen.
2. Click the **Edit/Override** icon to the right of the **SaaS Product** in the REVvue section.

The **Edit overridden rule** screen appears.

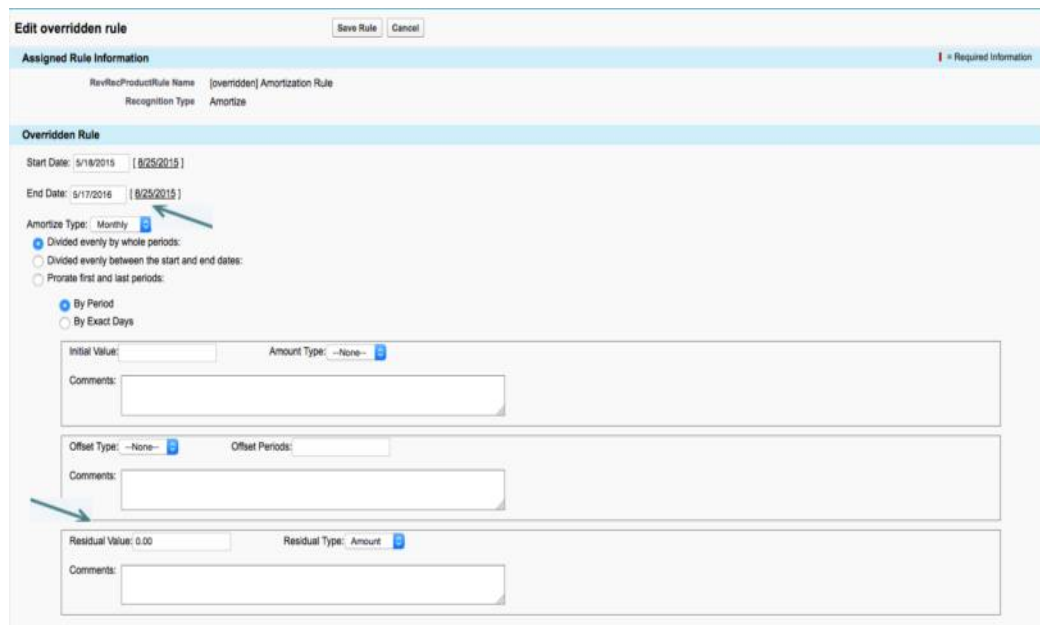


FIGURE 49: EDIT OVERRIDDEN RULE

3. Change the **End Date** and the **Residual Value** by entering 9/30/2015 and \$1,400, respectively.
4. Click **Save Rule**.
5. Return to the opportunity screen, and click the revenue schedule icon for the SaaS product.

The **Revenue Recognition Schedules** screen appears.


| Revenue Recognition Schedules | | | | |
|---|--------------------|-------------------------------------|--|---------------------------------|
| | | Back to Opportunity | | Export to Excel |
|  | Total | Recognized | Deferred | Residual |
| Revenue Recognition -- Product: SaaS Product | USD 2,400.00 | USD 600.00 | USD 400.00 | USD 1,400.00 |
| | Today: 8/25/2015 | Date Calculated: 8/25/2015 | Rule Used: Amortization Rule | Product Quantity: 1.00 |
| Revenue Transaction | Recognized Revenue | Deferred Revenue | Date | Month |
| 1 | USD 200.00 | USD 800.00 | 5/31/2015 | 5 |
| 2 | USD 200.00 | USD 800.00 | 6/30/2015 | 6 |
| 3 | USD 200.00 | USD 400.00 | 7/31/2015 | 7 |
| 4 | USD 200.00 | USD 200.00 | 8/31/2015 | 8 |
| 5 | USD 200.00 | USD 0.00 | 9/30/2015 | 9 |
| | | Back to Opportunity | | Export to Excel |

FIGURE 50: REVENUE RECOGNITION SCHEDULES

In this instance, REVue adjusted the schedule to the following:

- The amounts recognized/amortized prior to 9/31/2015 remain at \$200 per month.
- The last amortization month is September 2015.
- There are only five months for amortization instead of 12.
- The residual is \$1,400, which is the amount for the sum of the revenue from September 2015 to May 2016 (the end of the original contract) will not be amortized. This keeps the opportunity, revenue schedule, and derivative reports current and accurate.

This example shows how to do it for one product in the opportunity. Repeat this procedure for each product in the opportunity that might have revenue deferred after the early contract termination date.

REVue vs Salesforce schedules

REVue allows you to define five types of rules: single transaction, milestone, amortized, amortized-milestone, blended revenue. These rules are created based on the types of products/services you add to an opportunity. Add the product to the

opportunity, and revenue management is automatic. You assign the appropriate rule to each product and add products to the opportunity to automatically apply the related rule.

Salesforce Revenue Schedules do not support milestone-based rules, offsets, or other customization options you can find in REVue.

Each time you modify an opportunity (for example, the amount or quantity is altered), you must manually adjust the revenue schedule.

Salesforce Revenue Schedules have fixed duration (for example, for 12 months). REVue's schedules are date-based and automatically adjust if the dates or duration change. This is not automatic in Salesforce.

REVue not only tracks revenue recognition, but also deferred revenue and residual amounts at the opportunity and line item level. Once you assign rules to products, REVue does the processing.

.

More Information

For further information and support or to ensure that your REvue installation and configuration aligns with your business practices, reporting, and general requirements, contact support@appropoz.com. Use our consulting services to help create custom reports and dashboards, implementation processes, rule/revenue modeling, and more.

Examples of Amortization Options

The following figures show REVvue's different amortization options:

EXAMPLE 1

Start Date: 4/1/2016

End Date: 3/31/2017

Amortize Type: Monthly

☒ Divided evenly by whole periods:

☐ Divided evenly between the start and end dates:


☐ Prorate first and last periods:


☒ By Period


☐ By Exact Days

| Revenue Transaction | Recognized Revenue | Deferred Revenue | Date |
|---------------------|--------------------|------------------|------------|
| 0 | USD 0.00 | USD 1,200.00 | 3/1/2016 |
| 1 | USD 100.00 | USD 1,100.00 | 4/30/2016 |
| 2 | USD 100.00 | USD 1,000.00 | 5/31/2016 |
| 3 | USD 100.00 | USD 900.00 | 6/30/2016 |
| 4 | USD 100.00 | USD 800.00 | 7/31/2016 |
| 5 | USD 100.00 | USD 700.00 | 8/31/2016 |
| 6 | USD 100.00 | USD 600.00 | 9/30/2016 |
| 7 | USD 100.00 | USD 500.00 | 10/31/2016 |
| 8 | USD 100.00 | USD 400.00 | 11/30/2016 |
| 9 | USD 100.00 | USD 300.00 | 12/31/2016 |
| 10 | USD 100.00 | USD 200.00 | 1/31/2017 |
| 11 | USD 100.00 | USD 100.00 | 2/28/2017 |
| 12 | USD 100.00 | USD 0.00 | 3/31/2017 |

EXAMPLE 2

Start Date: 4/1/2016 

End Date: 3/31/2017 

Amortize Type: Monthly 

☒ Divided evenly by whole periods:

☐ Divided evenly between the start and end dates:


☐ Prorate first and last periods:


☐ By Period


☒ By Exact Days

| Revenue Transaction | Recognized Revenue | Deferred Revenue | Date |
|---------------------|--------------------|------------------|------------|
| 0 | USD 0.00 | USD 1,200.00 | 3/1/2016 |
| 1 | USD 98.63 | USD 1,101.37 | 4/30/2016 |
| 2 | USD 101.92 | USD 999.45 | 5/31/2016 |
| 3 | USD 98.63 | USD 900.82 | 6/30/2016 |
| 4 | USD 101.92 | USD 798.90 | 7/31/2016 |
| 5 | USD 101.92 | USD 696.99 | 8/31/2016 |
| 6 | USD 98.63 | USD 598.36 | 9/30/2016 |
| 7 | USD 101.92 | USD 496.44 | 10/31/2016 |
| 8 | USD 98.63 | USD 397.81 | 11/30/2016 |
| 9 | USD 101.92 | USD 295.89 | 12/31/2016 |
| 10 | USD 101.92 | USD 193.97 | 1/31/2017 |
| 11 | USD 92.05 | USD 101.92 | 2/28/2017 |
| 12 | USD 101.92 | USD 0.00 | 3/31/2017 |

EXAMPLE 3

Start Date: 3/10/2016 

End Date: 3/9/2017 

Amortize Type: Monthly 

☒ Divided evenly by whole periods:

☐ Divided evenly between the start and end dates:


☐ Prorate first and last periods:


☒ By Period


☐ By Exact Days

| Revenue Transaction | Recognized Revenue | Deferred Revenue | Date |
|---------------------|--------------------|------------------|------------|
| 1 | USD 100.00 | USD 1,100.00 | 3/31/2016 |
| 2 | USD 100.00 | USD 1,000.00 | 4/30/2016 |
| 3 | USD 100.00 | USD 900.00 | 5/31/2016 |
| 4 | USD 100.00 | USD 800.00 | 6/30/2016 |
| 5 | USD 100.00 | USD 700.00 | 7/31/2016 |
| 6 | USD 100.00 | USD 600.00 | 8/31/2016 |
| 7 | USD 100.00 | USD 500.00 | 9/30/2016 |
| 8 | USD 100.00 | USD 400.00 | 10/31/2016 |
| 9 | USD 100.00 | USD 300.00 | 11/30/2016 |
| 10 | USD 100.00 | USD 200.00 | 12/31/2016 |
| 11 | USD 100.00 | USD 100.00 | 1/31/2017 |
| 12 | USD 100.00 | USD 0.00 | 2/28/2017 |

EXAMPLE 4

Start Date: 3/10/2016 

End Date: 3/9/2017 

Amortize Type: Monthly 

☒ Divided evenly by whole periods:

☐ Divided evenly between the start and end dates:


☐ Prorate first and last periods:


☐ By Period


☒ By Exact Days

| Revenue Transaction | Recognized Revenue | Deferred Revenue | Date |
|---------------------|--------------------|------------------|------------|
| 1 | USD 72.33 | USD 1,127.67 | 3/31/2016 |
| 2 | USD 98.63 | USD 1,029.04 | 4/30/2016 |
| 3 | USD 101.92 | USD 927.12 | 5/31/2016 |
| 4 | USD 98.63 | USD 828.49 | 6/30/2016 |
| 5 | USD 101.92 | USD 726.58 | 7/31/2016 |
| 6 | USD 101.92 | USD 624.66 | 8/31/2016 |
| 7 | USD 98.63 | USD 526.03 | 9/30/2016 |
| 8 | USD 101.92 | USD 424.11 | 10/31/2016 |
| 9 | USD 98.63 | USD 325.48 | 11/30/2016 |
| 10 | USD 101.92 | USD 223.56 | 12/31/2016 |
| 11 | USD 101.92 | USD 121.64 | 1/31/2017 |
| 12 | USD 121.64 | USD 0.00 | 2/28/2017 |

EXAMPLE 5

Start Date: 4/1/2016 

End Date: 3/31/2017 


Amortize Type: Monthly 


☐ Divided evenly by whole periods:
☒ Divided evenly between the start and end dates:
☐ Prorate first and last periods:


☒ By Period
☐ By Exact Days

| Revenue Transaction | Recognized Revenue | Deferred Revenue | Date |
|---------------------|--------------------|------------------|------------|
| 0 | USD 0.00 | USD 1,200.00 | 3/1/2016 |
| 1 | USD 100.00 | USD 1,100.00 | 4/30/2016 |
| 2 | USD 100.00 | USD 1,000.00 | 5/31/2016 |
| 3 | USD 100.00 | USD 900.00 | 6/30/2016 |
| 4 | USD 100.00 | USD 800.00 | 7/31/2016 |
| 5 | USD 100.00 | USD 700.00 | 8/31/2016 |
| 6 | USD 100.00 | USD 600.00 | 9/30/2016 |
| 7 | USD 100.00 | USD 500.00 | 10/31/2016 |
| 8 | USD 100.00 | USD 400.00 | 11/30/2016 |
| 9 | USD 100.00 | USD 300.00 | 12/31/2016 |
| 10 | USD 100.00 | USD 200.00 | 1/31/2017 |
| 11 | USD 100.00 | USD 100.00 | 2/28/2017 |
| 12 | USD 100.00 | USD 0.00 | 3/31/2017 |

EXAMPLE 6

Start Date: 4/1/2016 

End Date: 3/31/2017 


Amortize Type: Monthly 


☐ Divided evenly by whole periods:
☒ Divided evenly between the start and end dates:
☐ Prorate first and last periods:


☐ By Period
☒ By Exact Days

| Revenue Transaction | Recognized Revenue | Deferred Revenue | Date |
|---------------------|--------------------|------------------|------------|
| 0 | USD 0.00 | USD 1,200.00 | 3/1/2016 |
| 1 | USD 98.63 | USD 1,101.37 | 4/30/2016 |
| 2 | USD 101.92 | USD 999.45 | 5/31/2016 |
| 3 | USD 98.63 | USD 900.82 | 6/30/2016 |
| 4 | USD 101.92 | USD 798.90 | 7/31/2016 |
| 5 | USD 101.92 | USD 696.99 | 8/31/2016 |
| 6 | USD 98.63 | USD 598.36 | 9/30/2016 |
| 7 | USD 101.92 | USD 496.44 | 10/31/2016 |
| 8 | USD 98.63 | USD 397.81 | 11/30/2016 |
| 9 | USD 101.92 | USD 295.89 | 12/31/2016 |
| 10 | USD 101.92 | USD 193.97 | 1/31/2017 |
| 11 | USD 92.05 | USD 101.92 | 2/28/2017 |
| 12 | USD 101.92 | USD 0.00 | 3/31/2017 |

EXAMPLE 7

Start Date: 3/10/2016 

End Date: 3/9/2017 


Amortize Type: Monthly 


☐ Divided evenly by whole periods:
☒ Divided evenly between the start and end dates:
☐ Prorate first and last periods:


☒ By Period
☐ By Exact Days

| Revenue Transaction | Recognized Revenue | Deferred Revenue | Date |
|---------------------|--------------------|------------------|------------|
| 1 | USD 92.31 | USD 1,107.69 | 3/31/2016 |
| 2 | USD 92.31 | USD 1,015.38 | 4/30/2016 |
| 3 | USD 92.31 | USD 923.08 | 5/31/2016 |
| 4 | USD 92.31 | USD 830.77 | 6/30/2016 |
| 5 | USD 92.31 | USD 738.46 | 7/31/2016 |
| 6 | USD 92.31 | USD 646.15 | 8/31/2016 |
| 7 | USD 92.31 | USD 553.85 | 9/30/2016 |
| 8 | USD 92.31 | USD 461.54 | 10/31/2016 |
| 9 | USD 92.31 | USD 369.23 | 11/30/2016 |
| 10 | USD 92.31 | USD 276.92 | 12/31/2016 |
| 11 | USD 92.31 | USD 184.62 | 1/31/2017 |
| 12 | USD 92.31 | USD 92.31 | 2/28/2017 |
| 13 | USD 92.31 | USD 0.00 | 3/31/2017 |

EXAMPLE 8

Start Date: 3/10/2016 

End Date: 3/9/2017 


Amortize Type: Monthly 


☐ Divided evenly by whole periods:
☒ Divided evenly between the start and end dates:
☐ Prorate first and last periods:


☐ By Period
☒ By Exact Days

| Revenue Transaction | Recognized Revenue | Deferred Revenue | Date |
|---------------------|--------------------|------------------|------------|
| 1 | USD 72.33 | USD 1,127.67 | 3/31/2016 |
| 2 | USD 98.63 | USD 1,029.04 | 4/30/2016 |
| 3 | USD 101.92 | USD 927.12 | 5/31/2016 |
| 4 | USD 98.63 | USD 828.49 | 6/30/2016 |
| 5 | USD 101.92 | USD 726.58 | 7/31/2016 |
| 6 | USD 101.92 | USD 624.66 | 8/31/2016 |
| 7 | USD 98.63 | USD 526.03 | 9/30/2016 |
| 8 | USD 101.92 | USD 424.11 | 10/31/2016 |
| 9 | USD 98.63 | USD 325.48 | 11/30/2016 |
| 10 | USD 101.92 | USD 223.56 | 12/31/2016 |
| 11 | USD 101.92 | USD 121.64 | 1/31/2017 |
| 12 | USD 92.05 | USD 29.59 | 2/28/2017 |
| 13 | USD 29.59 | USD 0.00 | 3/31/2017 |

EXAMPLE 9

Start Date: 4/1/2016 


End Date: 3/31/2017 


Amortize Type: Monthly 


☐ Divided evenly by whole periods:
☐ Divided evenly between the start and end dates:
☒ Prorate first and last periods:

☒ By Period
☐ By Exact Days

| Revenue Transaction | Recognized Revenue | Deferred Revenue | Date |
|---------------------|--------------------|------------------|------------|
| 0 | USD 0.00 | USD 1,200.00 | 3/1/2016 |
| 1 | USD 100.00 | USD 1,100.00 | 4/30/2016 |
| 2 | USD 100.00 | USD 1,000.00 | 5/31/2016 |
| 3 | USD 100.00 | USD 900.00 | 6/30/2016 |
| 4 | USD 100.00 | USD 800.00 | 7/31/2016 |
| 5 | USD 100.00 | USD 700.00 | 8/31/2016 |
| 6 | USD 100.00 | USD 600.00 | 9/30/2016 |
| 7 | USD 100.00 | USD 500.00 | 10/31/2016 |
| 8 | USD 100.00 | USD 400.00 | 11/30/2016 |
| 9 | USD 100.00 | USD 300.00 | 12/31/2016 |
| 10 | USD 100.00 | USD 200.00 | 1/31/2017 |
| 11 | USD 100.00 | USD 100.00 | 2/28/2017 |
| 12 | USD 100.00 | USD 0.00 | 3/31/2017 |

Start Date: 4/1/2016 

End Date: 3/31/2017 

Amortize Type: Monthly 

☐ Divided evenly by whole periods:

☐ Divided evenly between the start and end dates:


☒ Prorate first and last periods:


☐ By Period


☒ By Exact Days

DO NOT USE THIS OPTION: SHOULD NOT BE ALLOWED. NOT CLEAR RATIONALE FOR 1ST AND LAST

| Revenue Transaction | Recognized Revenue | Deferred Revenue | Date |
|---------------------|--------------------|------------------|------------|
| 0 | USD 0.00 | USD 1,200.00 | 3/1/2016 |
| 1 | USD 98.63 | USD 1,101.37 | 4/30/2016 |
| 2 | USD 99.95 | USD 1,001.42 | 5/31/2016 |
| 3 | USD 99.95 | USD 901.48 | 6/30/2016 |
| 4 | USD 99.95 | USD 801.53 | 7/31/2016 |
| 5 | USD 99.95 | USD 701.59 | 8/31/2016 |
| 6 | USD 99.95 | USD 601.64 | 9/30/2016 |
| 7 | USD 99.95 | USD 501.70 | 10/31/2016 |
| 8 | USD 99.95 | USD 401.75 | 11/30/2016 |
| 9 | USD 99.95 | USD 301.81 | 12/31/2016 |
| 10 | USD 99.95 | USD 201.86 | 1/31/2017 |
| 11 | USD 99.95 | USD 101.92 | 2/28/2017 |
| 12 | USD 101.92 | USD 0.00 | 3/31/2017 |

Start Date: 3/10/2016 


End Date: 3/9/2017 


Amortize Type: Monthly 


☐ Divided evenly by whole periods:
☐ Divided evenly between the start and end dates:
☒ Prorate first and last periods:

☒ By Period
☐ By Exact Days

| Revenue Transaction | Recognized Revenue | Deferred Revenue | Date |
|---------------------|--------------------|------------------|------------|
| 1 | USD 70.97 | USD 1,129.03 | 3/31/2016 |
| 2 | USD 100.00 | USD 1,029.03 | 4/30/2016 |
| 3 | USD 100.00 | USD 929.03 | 5/31/2016 |
| 4 | USD 100.00 | USD 829.03 | 6/30/2016 |
| 5 | USD 100.00 | USD 729.03 | 7/31/2016 |
| 6 | USD 100.00 | USD 629.03 | 8/31/2016 |
| 7 | USD 100.00 | USD 529.03 | 9/30/2016 |
| 8 | USD 100.00 | USD 429.03 | 10/31/2016 |
| 9 | USD 100.00 | USD 329.03 | 11/30/2016 |
| 10 | USD 100.00 | USD 229.03 | 12/31/2016 |
| 11 | USD 100.00 | USD 129.03 | 1/31/2017 |
| 12 | USD 100.00 | USD 29.03 | 2/28/2017 |
| 13 | USD 29.03 | USD 0.00 | 3/31/2017 |

Start Date: 3/10/2016 

End Date: 3/9/2017 

Amortize Type: Monthly 

☐ Divided evenly by whole periods:
☐ Divided evenly between the start and end dates:
☒ Prorate first and last periods:
☐ By Period
☒ By Exact Days

DO NOT USE THIS OPTION: SHOULD NOT BE ALLOWED. NOT CLEAR RATIONALE FOR 1ST AND LAST

| Revenue Transaction | Recognized Revenue | Deferred Revenue | Date |
|---------------------|--------------------|------------------|------------|
| 1 | USD 72.33 | USD 1,127.67 | 3/31/2016 |
| 2 | USD 99.83 | USD 1,027.85 | 4/30/2016 |
| 3 | USD 99.83 | USD 928.02 | 5/31/2016 |
| 4 | USD 99.83 | USD 828.19 | 6/30/2016 |
| 5 | USD 99.83 | USD 728.37 | 7/31/2016 |
| 6 | USD 99.83 | USD 628.54 | 8/31/2016 |
| 7 | USD 99.83 | USD 528.72 | 9/30/2016 |
| 8 | USD 99.83 | USD 428.89 | 10/31/2016 |
| 9 | USD 99.83 | USD 329.07 | 11/30/2016 |
| 10 | USD 99.83 | USD 229.24 | 12/31/2016 |
| 11 | USD 99.83 | USD 129.41 | 1/31/2017 |
| 12 | USD 99.83 | USD 29.59 | 2/28/2017 |
| 13 | USD 29.59 | USD 0.00 | 3/31/2017 |