

The Five Pillars Solutions Manual

created 2017-10-27

updated 2017-11-02



Building Expenses

September 2017

Monthly Total

\$349,884

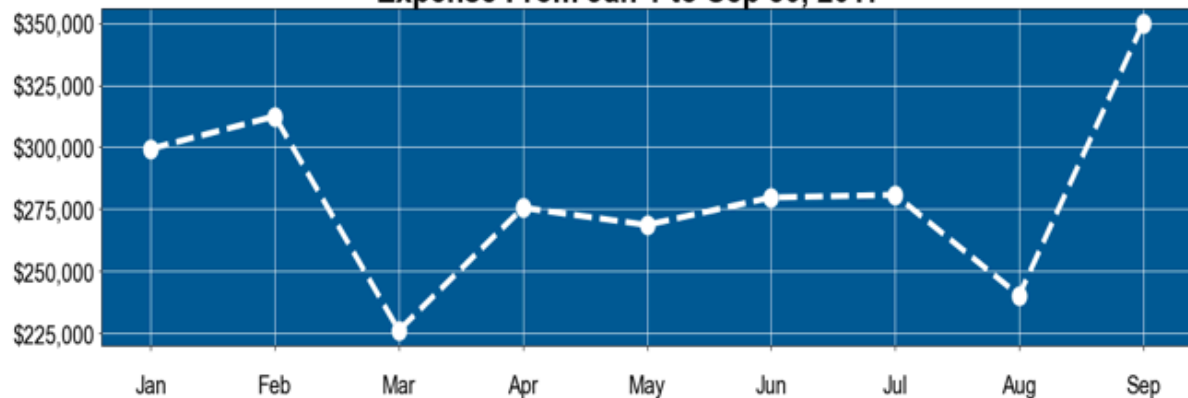
% of Monthly Expenses

8.73%

% of Monthly Income

8.86%

Expense From Jan 1 to Sep 30, 2017



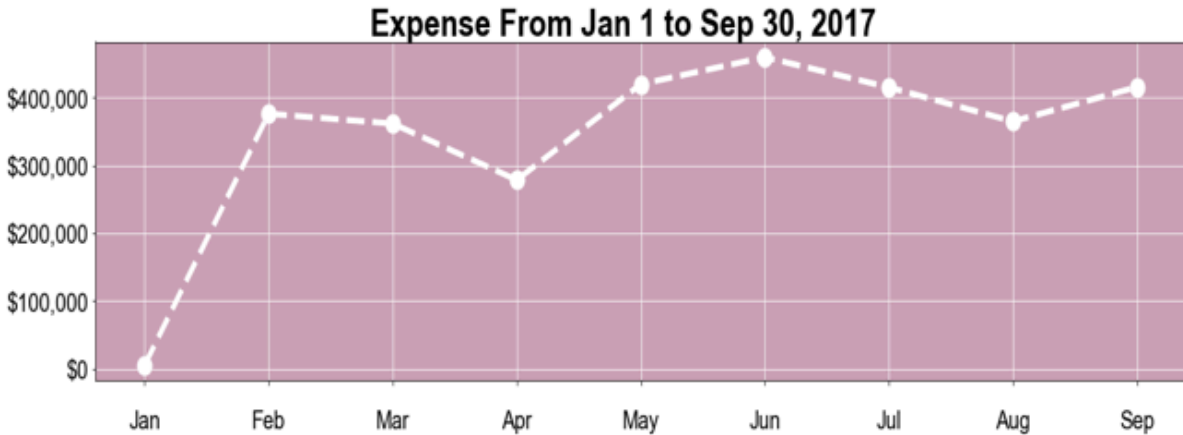
- The spike in February was because no rent for Level 3 was paid in January, but almost triple was paid the following month
- The dip in March was because the rent check for Level 3 Communications was lost by the building
- The dip in August was because our business insurance, business tax, and equipment costs decreased
- The spike in September was because we paid a labor bill and real estate taxes



Marketing and Biz Dev

September 2017

Monthly Total	% of Monthly Expenses	% of Monthly Income
\$415,399	10.36%	10.52%



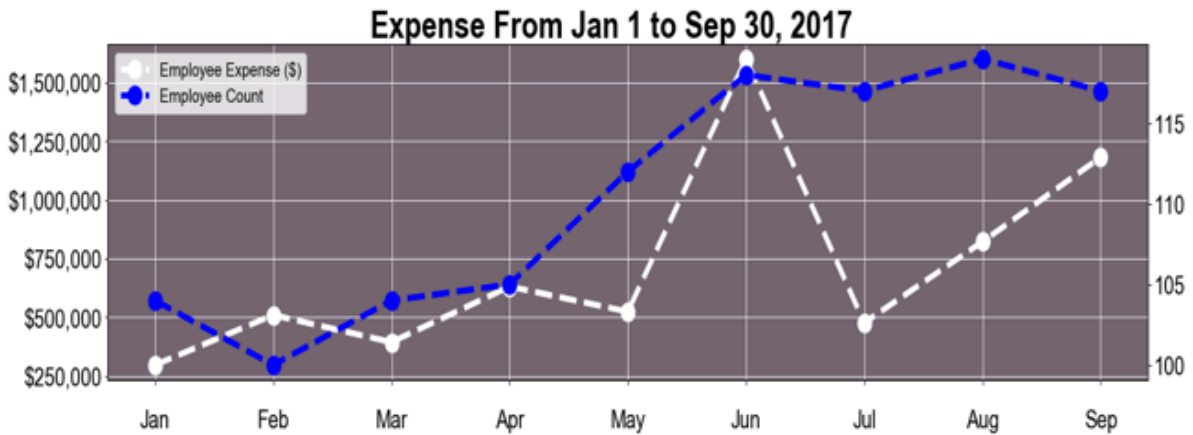
- The near-zero total in January was because Facebook was the only advertising expense during that month. The monthly mean for our Facebook cost is \$1,000 while the mean for AdWords is \$377,000; AdWords expenses appear in every month but January



Employees

September 2017

Monthly Total	% of Monthly Expenses	% of Monthly Income
\$1,181,779	29.47%	29.93%



- The spike in June was because June was a three pay period month
- The increase starting in July was because we started hiring more employees



Contractors

September 2017

Monthly Total

\$234,655

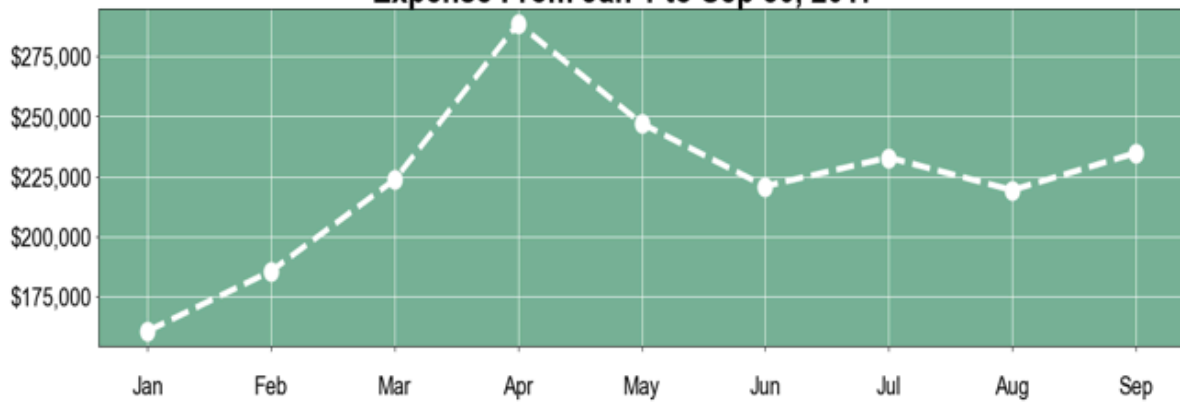
% of Monthly Expenses

5.85%

% of Monthly Income

5.94%

Expense From Jan 1 to Sep 30, 2017



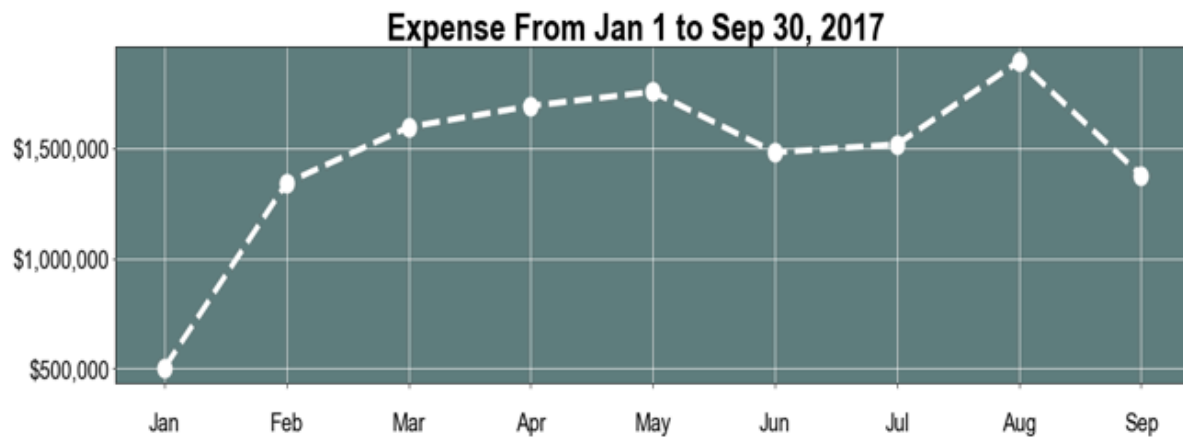
- The low value in January was because we had fewer actual Contractors working for us
- The spike in April was because of increased Contractor activity



COGS

September 2017

Monthly Total	% of Monthly Expenses	% of Monthly Income
\$1,377,027	34.34%	34.88%



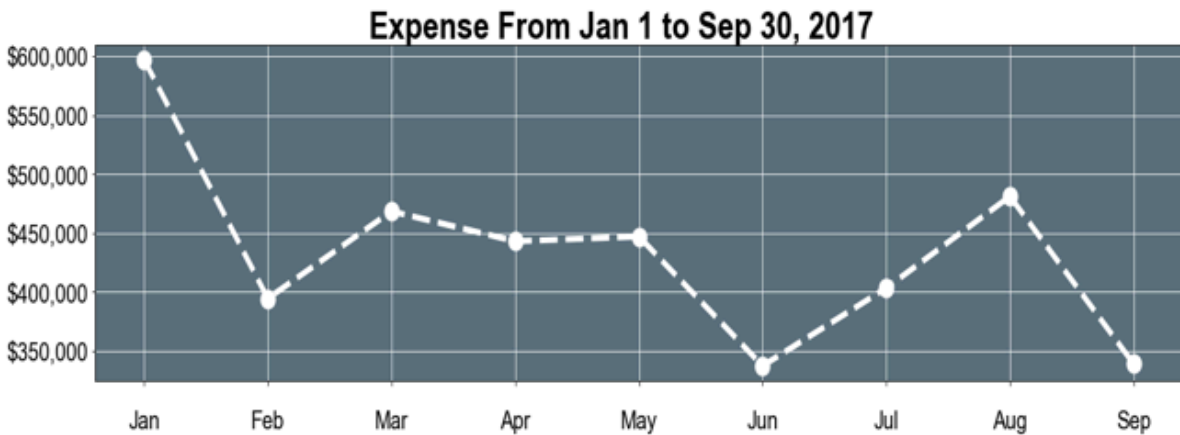
- The slow incline from January onward was because of deductions due to general journal entries
- The dips in June and July occurred during the Purch tool revisions
- The spike in Aug was due to an increase in goods purchasing



Shipping

September 2017

Monthly Total	% of Monthly Expenses	% of Monthly Income
\$339,148	8.46%	8.59%



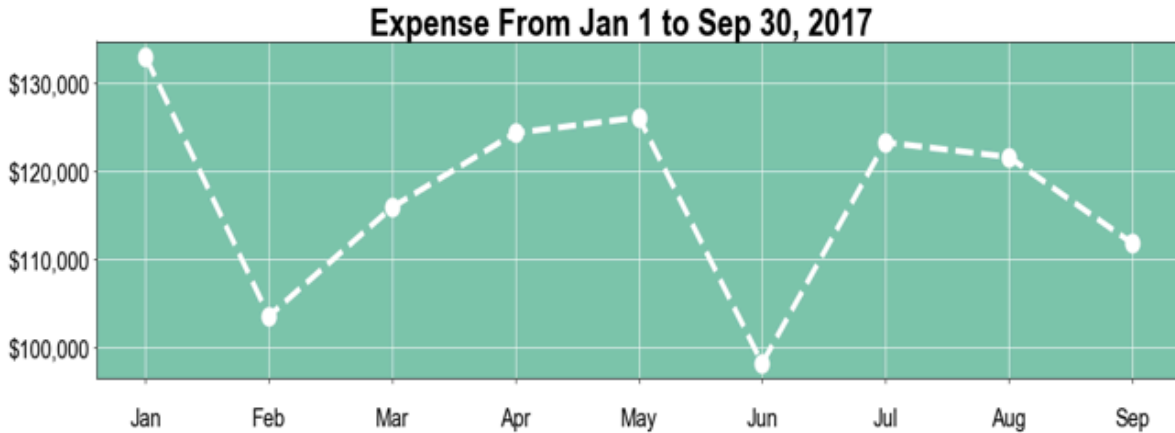
- The spike in January was because of some general journal entries
- The decline in June was because freight-in declined; this was during the Purch tool revisions; you can see this reflected in the COGS chart
- The spike in August was because freight-in increased; you can see this in the COGS chart



Services and Finance

September 2017

Monthly Total	% of Monthly Expenses	% of Monthly Income
\$111,873	2.79%	2.83%



- Bank charges and insurance together are the driving factors here
- Any spikes or dips can be traced back to them