



# Introduction

to Microsoft® Forecaster

**FRx Software**

A part of Microsoft® Business Solution:

# Control

**It's about control.**

Today's dynamic business environment requires flexible budget development and fast, easy revision capabilities. Microsoft Forecaster allows you to effortlessly distribute budgeting data and financial information throughout your organization, collaborate with management, plan more effectively, and achieve your business objectives.

Microsoft Forecaster is designed to work for your company. If you want timely, relevant budgeting and planning in your company, start experiencing the benefits of Microsoft Forecaster today.

**MICROSOFT FORECASTER**

### Microsoft Forecaster makes it easy for you to immediately realize the benefits of budgeting and planning

The very words “budgeting and planning” remind accounting professionals of long, exhausting hours spent developing a budget, which is then ignored by most people in the company. Many view participation in the budget process as a waste of time because they just don’t see the benefit. They feel that the budget numbers aren’t based on valid assumptions or accurate data. And because budgeting is so time consuming, most budgets are obsolete by the time they are approved.

A good business process for budgeting and planning for your financial future can have a positive impact on your company’s bottom line and show an on-going return on investment through time and money savings.

#### Microsoft Forecaster allows you to quickly implement a comprehensive budgeting solution that saves time and money throughout the year

Microsoft Forecaster is a Web-based budgeting application that saves time and money throughout the year. Because it is easy to learn and use, end-users can start building a baseline budget in as little as two weeks.

Many can utilize ExpressLink<sup>®</sup> to assist in establishing a baseline budget. With this unique built-in capability, financial data may be pulled from your general ledger or imported, which saves you time and ensures the accuracy of your financial information. With ExpressLink, the initial set-up of Microsoft Forecaster is automated, so the transfer of basic information such as the chart of accounts and historical general ledger data is easily transferred into Microsoft Forecaster. Capital, revenue, personnel, and other information can easily be imported. Many of the tedious manual tasks associated with budget set-up are automated for you.

Microsoft Forecaster makes it practical and cost effective for managers to use budget and actual information to help make daily decisions. You can monitor business conditions and adjust plans, all of which have the potential to improve business performance and justify the investment in Microsoft Forecaster.

By implementing Microsoft Forecaster, you can easily base your daily decisions on the most current numbers compared to the budget, and continually adjust the plan with ease.

\* May not be available with all general ledgers.

#### Microsoft Forecaster gives you control of budgeting and planning by simplifying, speeding up, and more efficiently managing the entire budgeting process

Historical information can be populated from your general ledger, which makes it easier and faster to establish a baseline budget. Everyone can enter their cost center data into templates made by you over the Web. You can involve more people in the process; especially those not always involved in the budgeting process (but should be) and those responsible for daily decisions.

Workflow management helps companies more efficiently manage the budget process by monitoring and keeping it on schedule. A quick glance tells you the status of budget components by center and individual. You also have a map of the line-of-authority to see who is responsible for specific pieces of the budget allowing notifications to be sent to the right individual when budgets are due.

#### Microsoft Forecaster lets you streamline the budgeting process

Individual creation of budgets, changing the budget model, budget consolidations, iterations for review and modification, reporting, and collaborating with interrelated departments; it is easier and faster to construct a thoughtful budget that is based on valid data and assumptions, and therefore is more predictive of the future. Because Microsoft Forecaster is completely Web-based, it is readily available for all individuals participating in the budget process.

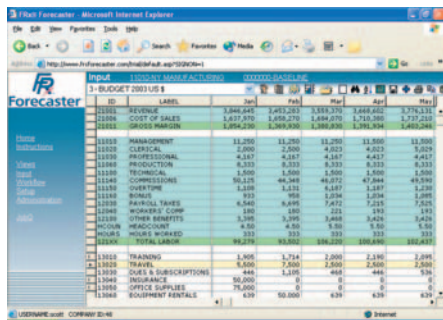
Microsoft Forecaster also makes it easier for Microsoft<sup>®</sup> Excel<sup>®</sup> users to continue to use spreadsheets, if necessary. Create a variety of user-defined Excel output files, so that you can create budgets, manipulate and analyze.

Adjustments and changes are easy to make with Microsoft Forecaster - and they are reflected throughout the budget without additional work on your part. The result is a higher quality plan with goals that are realistic and more achievable. You can immediately view the impact as the numbers change.



## Input Screens make it easy for you to control what users see and how they enter numbers

A simple, browser-based interface and familiar functionality helps you and your end users get comfortable with inputting and analyzing data quickly and with minimal training. Input Screens can be customized to use the time periods and accounts that you specify, and you can define formulas for calculations and assign them to any line, column or cell. Each budget version stores up to 13 periods to support multiple scenarios and flexible input screens can be defined with up to 100 different periods from multiple budget versions. Copy/Grow functions let you enter an amount in a cell and either copy the amount across time periods or increase or decrease the amount according to your specifications. Single account input allows you to input and compare the current account's budget against a baseline amount. And, the Single Account Input Screen makes it easy to apply automatic increases or decreases based on variance percentages or amounts over the baseline.



ID	LABEL	01	02	03	04	05
10000	REVENUE	3,044,248	2,451,253	3,551,370	2,668,202	2,774,311
10004	COST OF SALES	1,817,470	1,454,270	2,444,070	1,741,000	1,737,210
10005	GROSS PROFITS	1,226,778	996,983	1,107,300	927,202	1,037,101
10100	MANAGEMENT	11,200	11,200	11,200	11,200	11,200
10101	CERICAL	2,800	2,800	2,800	2,800	2,800
10102	PROFESSIONAL	4,187	4,187	4,187	4,187	4,187
10103	TECHNICAL	1,500	1,500	1,500	1,500	1,500
10104	COMMISSION	9,513	9,513	9,513	9,513	9,513
10105	OVERTIME	1,100	1,100	1,100	1,100	1,100
10106	PAIDROLL TAXES	6,540	6,495	7,472	7,215	7,215
10107	WORKERS COMP	100	100	100	100	100
10108	OTHER BENEFITS	3,395	3,395	3,440	3,424	3,424
10109	MISCELLANEOUS	4,100	4,100	4,100	4,100	4,100
10110	TOTAL LABOR	74,210	73,210	79,210	78,210	78,210
10200	TRAINING	2,000	2,000	2,000	2,000	2,000
10300	TRAVEL	8,000	8,000	8,000	8,000	8,000
10400	PHONE & SUBSCRIPTIONS	100	100	100	100	100
10500	INSURANCE	50,000	50,000	50,000	50,000	50,000
10600	OFFICE SUPPLIES	70,000	70,000	70,000	70,000	70,000
10700	EQUIPMENT RENTALS	6,000	6,000	6,000	6,000	6,000

Input Screens can be customized to use the time periods and accounts that you specify, and you can define formulas for calculations and assign them to any line, column or cell.

## Your budgets are accurate, relevant and realistic with Microsoft Forecaster

Microsoft Forecaster makes budgeting and planning easy, but will the budgets be used? The major reason budgets are ignored is that they aren't relevant or realistic, and they quickly become obsolete. With Microsoft Forecaster, accommodating changes is easier when you can view one report that shows both budgeting goals and actual performance. With ownership of the numbers, and current budget-to-actual comparisons, it is very powerful for front-line managers and others to see how their departments are performing in relation to their targets. And there's no waiting for a report that might be weeks out of date—anyone can access a current report via the Web whenever they want. They can also answer their own questions immediately by drilling down from summary data in the budget to supporting details.

After the budget process has been completed, you continue to receive feedback on the accuracy and realism of the budget. Microsoft Forecaster gives you an easy way to keep score—how are individual departments and divisions doing in relation to the budget? This business process reinforces management's commitment to making the budgeting process meaningful and more relevant.

## How are individual departments and divisions doing in relation to the budget?

You can collaborate by using email notification, memos, notes, attachments, and a centralized bulletin board to post goals, objectives, assumptions and instructions. This documentation helps everyone understand the rationale behind important budget numbers and changes made by others.

Control costs and understand your numbers better with our line-item detail for activities like travel, entertainment, and meals by entering supporting line items for any account. A difference row alerts you to any variance between the account balance and the line-item entries. This approach to budgeting gives you the flexibility to add details for specific items and roll up the information for presentation and review. Line-item detail along with summary roll-ups, compensation budgeting, capital expenditure planning and expense allocation and revenue modeling allow you to build a precise budget.

## Human Resources Budgeting allows you to add detailed budgeting data for specific personnel and includes flexibility in designating salaries and bonuses

Employees typically account for the highest expense in a company's budget. When it comes to budgeting for this important cost component, Microsoft Forecaster supports you with advanced capabilities that allow you to plan for human resource expenses with precision and flexibility.

Microsoft Forecaster allows you to easily understand the impacts of salary adjustments, bonuses, overtime and benefits. Employees can be budgeted on a monthly or annual basis, using an hourly or salaried status, and they can be tracked by defining both hours and FTE/headcount. Quickly allocate employees across multiple cost centers and easily view employee information to quickly determine the time allocation by individual. Detailed records for each component of employee compensation are stored to make it easy to pull this important information into account-level views. An incremented benefits tier can be defined to apply fixed benefits—flat rate, fixed amount, or fixed amount incremented. Limits on individual benefits can be defined and enforced.

# Control

It's about control.

## The Capital Expense Module allows you to standardize the accounting of capital expenditure by cost center

Based on the type of capital expense, depreciation is calculated according to the time frame you choose, and the results are allocated to the appropriate accounts. You can even track the cash outflow and balance sheet impact of projected purchases.

## The Revenue Module tracks revenue by market and product

Custom formulas can be used to calculate revenues and cost of sales in the worksheet. Enter factors such as price/cost per item and items sold, and then let Microsoft Forecaster automatically calculate your profit margin for you.

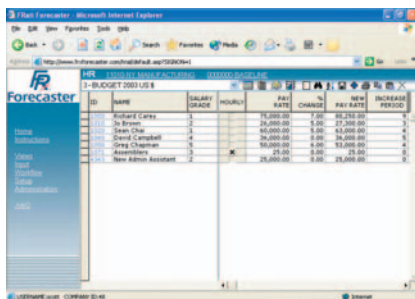
## Allocate amounts from one cost center to multiple cost centers

With the allocation wizard, you can allocate company overhead or other items among cost centers by defining the distribution percentages yourself, or letting Microsoft Forecaster distribute it on the basis of the factors you choose, such as headcount or square footage.

## Quickly adjust your plan to take advantage of changes in the business environment

Microsoft Forecaster gives you the ability to monitor the status of your business in real time. Comparison reporting allows you to immediately track trends in your business. And you can quickly and easily access the information you need to test a variety of alternatives to support a well-informed decision to expand, contract, emphasize or de-emphasize business initiatives.

For many companies, budgets are unrealistic and inaccurate because their systems can't easily accommodate change. As a result, arbitrary across-the-board changes are made to expenses and revenues. Microsoft Forecaster makes it easy to make top-down adjustments and communicate the reasons for budget changes. New versions can be made to accommodate unexpected changes in assumptions or business conditions using online collaboration tools.



ID	NAME	SALARY GRADE	HOURS	RATE	CHANGE	PAY RATE	PERIOD
1	Richard Carty	1	17,000.00	7.00	89,250.00	4	
2	Jo Bercini	1	20,000.00	5.00	27,000.00	4	
3	Dean Cole	1	20,000.00	5.00	53,000.00	4	
4	Greg Campbell	1	20,000.00	5.00	25,000.00	4	
5	Greg Campbell	1	20,000.00	5.00	25,000.00	4	
6	Administrators	1	25.00	0.00	25.00	8	
7	New Father Assistant	1	25,000.00	0.00	25,000.00	8	

Detailed records for each component of employee compensation are stored to make it easy to pull this important information into account-level views.



Use the FRx® DrillDown Viewer™ to make Microsoft Forecaster and Microsoft FRx® especially vigorous tools for analysis

Reports from Microsoft FRx can combine Microsoft Forecaster and general ledger data into the same report. It's easy to drill down past the account level to retrieve transaction-level detail located in either the general ledger or the Microsoft Forecaster database. That means supporting details that roll up to an account are a mouse click away.

## About FRx Software

FRx Software, a Microsoft company and a part of Microsoft Business Solutions, is a leading provider of financial analytic applications that work with virtually any general ledger to give you the control you need to be more effective. Our product suite, Microsoft FRx and Microsoft Forecaster, can improve productivity by helping you efficiently manage your organization's financial reporting and budgeting processes. Microsoft FRx is used by more than 120,000 sites worldwide to gain immediate control of the financial reporting process. Microsoft Forecaster is a browser-based budgeting and planning application that makes it easy for organizations to quickly realize the benefits of budgeting. Used together or separately, Microsoft FRx and Microsoft Forecaster provide the financial visibility you need to actively manage your business and take decisive action. Our applications are widely available through a worldwide channel of Integration Partners and Analytics Solution Providers, who can help you quickly implement these solutions and start saving you time and money throughout the year.

[www.frxsoftware.com](http://www.frxsoftware.com)

**United States** +1 303.741.8000 | 800.379.8733

**Australia and Asia-Pacific** +61 (2) 9870 2531

**EMEA** +44 (118) 909 3759