

LLC FUND MANAGER

Pool Fund Posting Methods

LLC Fund Manager currently supports these distribution models.

1. Weighted Balance. In this method, a weighted average portfolio balance is calculated based on the number of days in the month (or quarter). Members are paid based on income multiplied by ownership in the weighted balance. This model is recommended by many accountants and is often the easiest to explain.

2. Dollar Days. A total is computed of dollars invested by member times number days in over the posting period. Next an income factor is computed of total period income divided by total dollar days. This income factor is then multiplied by the member's dollar days. This is a very accurate model for a growing fund.

3. Yield Basis. This method is best when you are paying a set yield. But it also works when paying 'cash on cash'. The software computes the yield based on income divided by the weighted average investment balance. This yield is then paid to each member based on the number of days they are in for the period (based on a 360 day calendar).

To change these methods, go to Utilities > Setup > Advanced tab. Change the "Posting Method" setting. See the hint for settings.

4. Profit Split. Income can be paid to members with a percentage split to the broker. The Yield Basis method is used for these calculations.

5. Preferred Yield. Some funds pay a base yield no matter how much income is received. If you use this method, excess income goes into an accrual GL account to be split later. If the fund is short, the accrual account will show this too.