

Loan Management

Take Control of Your Loan Portfolio for More Effective Use of Funds



Any business today faces challenges that are complex and multi-faceted, and managing money is no exception. You must carefully track spending to ensure money is being handled responsibly.

At some point, some businesses will either issue or have a need for loans. The task of managing those loans can get complicated, particularly because many companies do not have the appropriate methods to support their efforts. The process is often highly manual, and if there are technology systems involved, they typically are outdated, lacking in appropriate functionality, and do not work together with your accounting/finance (ERP) software.

The results are slow, error-prone, and expensive, often compelling your staff to go "outside" those systems to bridge the gaps. That brings in a whole new

level of potential for risk in the areas of security, auditability, and the ability to meet regulatory requirements. In addition, there is no easy way to get the full picture of the state of the loan—and that can be disastrous.

CUSTOM-DEVELOPED OR STAND-ALONE SOLUTIONS DON'T CUT IT

Businesses that are ready for a better solution often take one of two paths—stand-alone applications or internally developed solutions:

1. Stand-alone applications might have specific loan management functionality, but they lack a strong foundation with the accounting functionality needed for smooth, seamless loan management, like accounts receivable. In addition, these systems do one thing only, which means you still have to deal with disparate applications that are not integrated—and that, again, results in the need for manual intervention. It is also often very challenging to customize stand-alone solutions, if it's possible at all. So, if you have unique processes—which it's very likely you do—you might have to find a work-around or change your processes to fit the software.

Schedule id	Active	Created date and time	ъ									
AMS-00000048	~	3/29/2019 03:54:39 AM		Am	ortization schedule							
				Gen	eral							
				Los	n id	Customer account		Type				
				LM-000000100		ECY-000079		Final				
				Sch	edule id	Amount		Created by				
				A	MS-000000	100,156.22		jgillett				
				Tern	15							
				Effi	ctive interest rate	Lingth		Start date				
					3.00000	5 Yea	rs	3/1/20	19			
				Ad	ministration charge	Number of payments Per		Total pay				
					1.00000	2 Yea	rs		10			
				Раут	nents							
				Line	s							
					Payment no. Payment date	Beginning balan. Sch	eduled pay	Principal	Interest	Administration	Ending balance	
					1 8/30/2019	100,156.22	10,860.36	9,358.01	1,001.56	500.78	90,798.21	
					2 3/1/2020	90,798.21	10,860.36	9,498.38	907.98	453.99	81,299.82	
					3 8/30/2020	81,299.82	10,860.36	9,640.86	813.00	406.50	71,658.96	
					4 3/1/2021	71,658.96	10,860.36	9,785.47	716.59	358.29	61,873.49	
					5 8/30/2021	61,873.49	10,860 36	9,932.26	618.73	309 37	51,941.23	
					6 3/1/2022	51,941.23	10,860.36	10,081.24	519.41	259.71	41,859.99	
					7 8/30/2022	41,859.99	10,860.36	10,232.46	418.60	209.30	31,627.54	

Finally, licensing and support will impact cost of ownership.

2. Internally developed solutions, while having the potential to provide you with specific loan management functionality, come with a challenge: the cost and resources required to customize the product because it likely won't have exactly what you need. Do you want to get into the software development business? Do you have that capability? Likely not.



Gold Cloud Platform Gold Cloud Business Applications Gold Cloud Customer Relationship Management Gold Enterprise Resource Planning Gold Application Development

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∇	LOANS LM-000000100									
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	Loan id LM-00000100 Credit agreement Customer account ECY-000079 Funding distribution # Workflow status Approved	TERMS Loan type Standard Loan status Disbursement Currency Longth Length S Years PRYMENT	INTERST Maturity No O Paydown No O Period Monthly Admin charge % 	DATES Initiation of Operations Project Completion First disbursement: 3/1/2019	Start date 3/1/2019 Maturity date 3/1/2024 Ecology Signature Date	Request date Funding Effective Funding Expiration				
	Project tille Amort. Sch. Principal Split Notes Agreement #	Number of payments per Years	3.00000 Daily rate 0.008219178							
	Responsible									^
	Financial Manager	Project manager	Fund coordinator	AR loan accountant	Payable manager					

A PLATFORM SOLUTION THAT DELIVERS ACROSS THE BOARD

AKA's DynamicsAdvantage for Loan Management, built on Microsoft Dynamics 365 for Finance & Operations, addresses the critical components of loan management with the backing of a robust, ERP platform. DynamicsAdvantage for Loan Management provides you with the tools and functionality you need to manage the receivables aspect of your loan portfolio, including approving, disbursing, collecting on, and monitoring the availability of funds. Other benefits include:

- > Configurability that allows you to easily create a solution that fits the way you do business—and since it's fully ingrained into account structures, codes, tracking mechanisms, and other accounting functionality, you get a complete, fully integrated solution, tailored to your needs.
- > Full integration, so you get one version of the truth: See how much of your funds you have consumed and committed so you can feel confident in honoring requests
- > A fully functional system that includes AR functionality, eliminating the need for manual processes and multiple applications
- > Standardization of revenue management processes
- > Improved accuracy of data and enterprise, federal, and recipient reporting
- > Reduced risk: Organizational, data security, and audit
- > Improved staff efficiency and productivity, reduction of paper generation and storage
- > Low, subscription-based cost, based on the needs of the entity and number of users

ABOUT AKA ENTERPRISE SOLUTIONS

AKA specializes in making it easier to do business, simplifying processes and reducing risks. With agility, expertise, and original industry solutions, we embrace projects other technology firms avoid—regardless of their complexity. As a true strategic partner, we help organizations slay the dragons that are keeping them from innovating their way to greatness.

