USALI

12th Revised Edition

Presenting the USALI
12th Revised Edition
Insight on Changes and Additions



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Major Changes:

- Part I Operating Statements
 - Rooms Schedule 1
 - Executive/Club Lounge Subschedule 1-1, NEW
 - Energy, Water, & Waste Schedule 9, NEW
 - Payroll FTE Schedule 15, NEW
 - Annual Schedule of Mandatory Brand & Operator Costs Schedule 16, NEW
- Part II All Inclusive, New
- Part VI Revenue and Expense Guide, Moved Online



Clarifications and Updates:

- Part I Operating Statements
 - Miscellaneous Income Schedule 4
 - Sales and Marketing Schedule 7
 - Non-operating Income and Expenses Schedule 11
- Part III Other Reporting Guidance
- Part IV Financial Statements
- Part V Metrics, Ratios, and Optional Schedules



Minor Changes:

- Part I Operating Statements
 - Food and Beverage Schedule 2
 - Other Operated Departments Schedule 3
 - Administrative and General Schedule 5
 - Information and Telecommunications Systems Schedule 6
 - Property Operation & Maintenance Schedule 8
 - Payroll Related Expenses Schedule 14



No Changes:

- Part I Operating Statements
 - Management Fees Schedule 10
 - House Laundry Schedule 12
 - Staff Dining Schedule 13

Publication:

- E-book July 2024
- Soft Cover Book Q3, 2024

Effective Date: January 1, 2026

Uniform System of Accounts for the Lodging Industry

USALI does not define the accounting principles generally accepted in the United States (GAAP), or internationally under the International Financial Reporting Standards (IFRS).

USALI provides guidance for standardized financial reporting and analysis, critical for effective management and benchmarking, that is intended to be consistent with GAAP with reference to IFRS.

USALI Reporting includes many non-GAAP terms, such as:

- Gross Operating Profit (GOP)
- Earnings before Interest, Taxes, Depreciation, and Amortization (EBITDA)

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Global Finance Committee

The Global Finance Committee (GFC) was formed by HFTP and AHLA to update and maintain the USALI based on U.S. GAAP with consideration of IFRS.

The GFC is comprised of financial leaders from the largest U.S. and international hotel brands, operators, and owners.

Diverse and balanced membership:

- Owners, owner representatives, and asset managers
- Brands, operators, and management companies
- Educators, public practice, consultants, and reporting firms





USALI Development Process

Updates initiated by:

- Formal changes in accounting pronouncements (U.S. GAAP, IFRS, Regulatory Environment) and industry stakeholder input
- GFC meetings began in 2019
- Industry exposure drafts period began in December 2021
- Publication of 12th Revised Edition e-book and soft cover book is scheduled for Q3, 2024
- Effective date is January 1, 2026

Major Changes Part I Operating Statements



Rooms – Schedule 1

Guest Loyalty Program Costs

The definitions for each of the rate categories used to segment Rooms Revenue have been expanded.

Expanded guest loyalty program accounts:

- Loyalty Program Member Benefits (Rooms Schedule 1) Cost incurred by hotels to provide member benefits (e.g., concierge lounge F&B, labor)
- <u>Service Recovery</u> (A&G Schedule 5) Points to guests to remediate service issues
- <u>Loyalty Program Costs</u> (Sales and Marketing Schedule 7) Assessments to hotels for points earned from purchases and opting out of services (e.g., housekeeping)
- <u>Loyalty Promotion Costs</u> (Sales and Marketing Schedule 7) Cost of points for specific promotions (e.g., double points, airline promotions)



Guest Loyalty Program Costs

Loyalty Program Member Benefits:

- Includes on-property costs to deliver benefits to loyalty program members pursuant to the terms of the loyalty program (e.g., complimentary items such as water, breakfast, concierge lounge access as outlined herein, incremental payment to third parties for benefits provided such as parking)
- If a guest opts to receive points instead of other on-property benefits, the cost of those points is recorded in this account
- Costs of services and amenities that are available to all guests, such as items required by brand standards, should be reflected in their relevant operating departments and accounts



Executive Lounge – Subschedule 1-1

- New schedule to provide greater visibility of the costs associated with maintaining an executive lounge program
- The Executive Lounge schedule is similar in detail to the Food and Beverage department, outlet, or venue schedule

Executive Lounge Subschedule 1-1

Costs

Expenses

Cost of Food & Beverage

Cost of Food

Cost of Beverage

Total Cost of Food & Beverage

Compensation and Related Expenses

Compensation

Salaries and Wages

Management

Non-Management

Kitchen

Service

Sub-Total: Salaries and Wages

Service Charge Distribution

Contracted, Leased and

Outsourced Labor

Bonuses and Incentives

Total Compensation

Payroll-Related Expenses

Government-Mandated Payroll

Taxes

Supplemental Pay

Employee Benefits

Total Payroll-Related Expenses

Total Compensation and Related Expenses

	Period of													
C	Current Period		Year-to-Date											
Actual	Forecast/ Budget	Prior Year	Actual	Forecast/ Budget	Prior Year									
\$ %	\$ %	\$ %	\$ %	\$ %	\$ %									

Executive Lounge Subschedule 1-1

Costs (cont.)



Other Expenses

China

Cleaning Supplies

Contract Services

Corporate Office Reimbursables

Decorations

Dishwashing Supplies

Dues and Subscriptions

Entertainment — In-House

Equipment Rental

Flatware

Glassware

Ice

Kitchen Fuel

Kitchen Smallwares

Laundry and Dry Cleaning

Licenses and Permits

Linen

Miscellaneous

Operating Supplies

Paper and Plastics

Printing and Stationery

Training

Travel — Meals and Entertainment

Travel - Other

Uniform Costs

Uniform Laundry

Utensils

Total Other Expenses

Total Expenses

Allocations

Allocation to Executive Lounge Expenses

Allocation to Loyalty Program

Member Benefits

Total Allocations

Net Recovery

Period of												
		Curren	t Period			Year-to-Date						
	tual	Bud	cast/ dget		r Year	Act	:ual	Buc	cast/ lget		Year	
\$	\$ %		%	\$	%	\$	%	\$	%	\$	%	
*		\$		Ψ		Ψ	70				70	
	1								 			
			1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1									

Energy, Water, and Waste (EWW) – Schedule 9



- Corporate travel planners and individual travelers increasingly are asking the question of what a hotel is doing to reduce its carbon footprint
- Disclosure is required in many RFPs, impacting large, medium, or small operations (MICE, SMERF, government and corporate travel)
- Impacts both brand and independent operators
- Government agencies for regulatory purposes





- Energy, Water, and Waste (EWW) need to be consolidated in one place for hotels to accurately record all related expenses.
- Consumption tracking necessary to support Scope 1 and Scope 2 reporting included in Part V, Metrics, Ratios, and Optional Schedules
- Standardized metrics for hotels of all sizes.





- Reclassifying waste expenses from the Property Operations and Maintenance Schedule to the Energy, Water, and Waste (EWW) Schedule
- Expanding Energy, Water, and Waste with more detailed accounts and descriptions
- New EWW metrics to record and align consumption reporting with Scope 1 and Scope 2 Green House Gas emission reporting requirements

EWW Schedule 9



Expense

Energy

Electricity

Fuels, Gases and District Energy

Renewable Energy

Vehicle Fuels

Total Energy Expense

Water and Sewer

Municipal Water

Other Water

Sewer

Total Water and Sewer Expenses

Waste

Landfill or Incinerated

Recycled Waste

Composted Waste

Other Diverted

Total Waste Expense

Contract Services

Total Expenses

	Period of												
		Current	Period			Year-to-Date							
Act	tual		cast/ lget	Prior	Year	Act	:ual		cast/ lget	Prior	Year		
\$	%	\$	%	\$	%	\$ %		\$ %		\$	%		

Metrics

- Hotels come in different sizes, and resources to monitor and understand all regulations vary from property to property
- Metrics such as energy consumption per occupied room (POR), water consumption POR, and waste production POR are important to understand and reduce a hotel's utilities cost and environmental impact
- Establish a baseline from which to monitor and track the environmental components necessary to understand its impact
- For hotels that are part of a brand, these companies will typically support the calculation within their global brand databases and are being contacted by clients for information on hotels within their respective brand

Cost and Consumption Metrics

Cost Metrics

- 1. Energy Cost per kWh
- 2. Water Cost per gal or m³
- 3. Waste Cost per lb or kg

Consumption Metrics

- 1. Energy (kWh) used per square feet/meter ("Energy PSF" or "Energy PSM")
- 2. Water (gal or m³) consumed "Water POR" or "Water PAR"
- 3. Waste (lb or kg) generated "Waste lb POR" or "Waste kg POR", or "Waste lb PAR" or "Waste kg PAR"
- Carbon Emissions, Carbon Footprint, or Green House Gases



Payroll FTE - Schedule 15



Increased Transparency

- Intended to provide greater visibility of FTEs in each department
 - Categorizing management versus non-management

Payroll FTE Schedule 15



Full-Time Equivalent — Schedule 15

Rooms Available Occupancy Total Operating Revenue Rooms Revenue Food & Beverage Revenue Standard Work Week in Hours Used to Calculate FTEs

	Current	Period		Year-to-Date						
Actual	Prior	Change	%	Actual Prior Change						

		Current Period								Year-to-Date								
	\vdash							Non-		\vdash							Non-	
	To	tal FT	Es	Mar	nagem	ent	l .	nagem	ent	To	tal FT	Es	Management			Mai	nagem	ent
		Fore-	Prior		Fore-	Prior		Fore- Drior			Fore-	Prior	Fore- Prior			1-161	Fore-	Prior
	Actual	cast/ Budget	Vene		cast/ Budget	Veer	Actual	cast/ Budget		Actual	cast/ Budget	Year		cast/ Budget	Voor	Actual	cast/ Budget	Vone
Total Hotel														-				
Rooms Complimentary Food & Beverage Front Office Guest Services Housekeeping: Room Attendant Housekeeping — Other Laundry Reservations Transportation Contract Labor																		
Other																		
Rooms																		
Food & Beverage Banquet/Conference/ Catering Service In-Room Dining Kitchen — Other Kitchen — Stewarding Venues Contract Labor																		
Other Food & Beverage																		
Administrative & General Accounting General Support Human Resources Purchasing / Receiving Security Contract Labor Other Administrative & General																		

Payroll FTE Schedule 15

(cont.)



Full-Time Equivalent — Schedule 15

		Current Period									Year-to-Date							
	Total FTEs			Management				Non- nagem	ent	To	tal FT	Es	Mar	nagem	ent		Non- nagem	ent
(continued)	Actual		Prior Year	Actual	Fore- cast/ Budget	Prior Year	Actual	Fore- cast/ Budget	Prior Year	Actual	Fore- cast/ Budget	Prior Year	Actual	Fore- cast/ Budget	Prior Year	Actual	Fore- cast/ Budget	Prior Year
Information and Telecommunications Systems																		
Information Technology Contract Labor Other																		
Information and Telecommunications Systems																		
Sales and Marketing Sales Marketing Contract Labor Other Sales and Marketing																		
Property Operation and Maintenance																		
Property Operation and Maintenance Contract Labor Other Property Operation and Maintenance																		
Executive Lounge Staff Dining House Laundry																		



Annual Mandatory Brand and Operator Costs – Schedule 16



Annual Mandatory Brand and Operator Costs - Schedule 16

Intended to provide greater visibility of costs required by a brand or operator

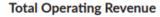
- Prepared once a year in conjunction with the fiscal year-end reporting package
- Includes non-negotiable costs for mandatory programs, systems, and services
- Prepared for information purposes; costs may not be comparable to similarly titled classifications and should not be relied upon for benchmarking



Annual Mandatory Brand and Operator Costs - Schedule 16

- Brands and operators often combine reservation, marketing, central information system, and administrative support assessments into bundled program charges
- Preparer should seek guidance from the brand or operator regarding the estimated allocation of the bundled program charges
- Unallocated bundled program charges go to Franchise and Affiliation Marketing
- Excludes third party 'pass-through' costs, such as travel agent commissions, business intelligence services, etc.

Annual Mandatory Brand and Operator Costs – Schedule 16



Rooms

Reservations

Other Rooms

Sub-total Rooms

Sales and Marketing

Revenue Management Services Franchise and Affiliation Marketing Franchise and Affiliation Fees: Royalties

Loyalty Program Costs

Loyalty Program Promotion Costs

E-Commerce and Digital Marketing Other Sales and Marketing

Sub-total Sales and Marketing

Information and Technology

On-property Revenue Systems Property IT Support Centralized Information Systems Information Security Program

Other Information Technology

Sub-total Information and Telecommunication Systems

Programs, Systems and Services

HR and Payroll Systems

Risk Management Program

Procurement

Other HR Services

Base Management Fees

Incentive Management Fees

Centralized Accounting

Ancillary Accounting Services

Other Programs, Systems and Services Sub-total Programs, Systems and Services

Total Annual Mandatory Brand and Operator Costs

			Brand			Operator		Total					
		rent ear	Prior Year	Change	Current Year	Prior Year	Change	Current Year	Prior Year	Change			
ĺ	\$	%	\$ %	\$ %	\$ %	\$ %	\$ %	\$ %	\$ %	\$ %			
	•	76		\$ 70	* 70	\$ \\ \frac{7}{6}		3 70	\$ 70	\$ %			



Annual Mandatory Brand and Operator Costs - Schedule 16

- Costs are separated into four sections
 - Rooms
 - Sales and Marketing
 - Information Technology
 - Programs, Systems and Services
- Costs may not be compatible to similarly titled classifications and should not be relied upon for benchmarking purposes



Annual Mandatory Brand and Operator Costs - Schedule 16

Rooms includes:

- Reservations (includes mandated costs for brand or operator central reservation system)
- Other (including complimentary food and beverage and on-property costs for loyalty program member benefits)



Annual Mandatory Brand and Operator Costs - Schedule 16

Sales and Marketing includes:

- Revenue management services
- Franchise and affiliation marketing and royalties
- Loyalty program costs and promotional costs
- E-commerce and digital marketing
- Other sales and marketing



Annual Mandatory Brand and Operator Costs - Schedule 16

Information and Technology includes:

- On-property revenue systems
- Property IT support
- Centralized information systems
- Information security programs
- Other information technology costs



Annual Mandatory Brand and Operator Costs - Schedule 16

Programs, Systems and Services includes:

- Human resource and payroll systems
- Risk management program
- Procurement
- Other HR services
- Base and incentive management fees
- Centralized accounting services
- Ancillary accounting services
- Other programs, systems, and services

Major Changes Part II All Inclusive



All-Inclusive Properties

True or False

Hotels that sell all-inclusive packages are to follow this new section for reporting guidance.





FALSE!!

All-Inclusive Properties

- Overall, Al guidance is conceptually consistent with EP Hotels. Al hotels charge a package rate that includes the room, food and beverage, and entertainment for a set rate. EP hotels offer room-only rates, plus options to purchase food and beverage and other services à la carte, or as a package at the guest's discretion
- Required for hotels with AI package revenue greater than 50% of Total Revenue calculated on a 3-year rolling average, and newly opened hotels forecasting AI package revenue greater than 50% of Total Revenue
- Hotels not meeting this threshold report using existing EP guidance
- Al and EP services charges are treated differently

All-Inclusive Properties

Schedules:

- Package Revenue Al 1
- Rooms Expense Al 2
- Food and Beverage Expense Al 3
- Entertainment Al 4
- Non-Package Revenue and Expense Summary Al 5
 - Food and Beverage AI 5-1
 - Weddings AI 5-2

All-Inclusive Properties

Metrics:

- Package ADR
- Package RevPAR
- Total Guests in House
- Package Revenue per Guest
- Average Package Room Rate

For purposes of the financial ratios and metrics, all guests are counted equally (e.g., adults and children)

Package Revenue Schedule Al 1

Package Revenue - Schedule Al 1

	Period of							Period of																
	Current Period					Year-to-Date					Current Period					Year-to-Date								
	Actual		Forecast/ Budget		Prior Year				Forecast/ Budget		Prior Year		Actual Per Guest		Forecast/ Budget Per Guest		Prior Year Per Guest		Actual Per Guest		Per Guest		Prior Year Per Guest	
	\$	%*	\$	%*	\$	%*	\$	%*	\$	%*	\$	%*	\$	%*	\$	%*	\$	%*	\$	%*	\$	%*	\$	%*
Package Revenue Transient Package Revenue Retail Discount Negotiated Qualified Wholesale Total Transient										3 a a a a a a a a a a a a a a a a a a a										1				
Package Revenue Group Package Revenue Corporate Association/ Convention Government Tour/ Wholesalers SMERF Total Group Package Revenue																								
Contract Package Revenue Other Package Revenue Less: Allowances		! ! ! ! ! ! ! !																						
Total Package Revenue	* /													a per o			A !!						-11	

Operating Revenues and Operating Expenses should be shown on a per guest basis. All other revenues and expenses should be shown as a percentage of Total Operating Revenue.

Major Changes Part VI Revenue and Expense Guide



Revenue and Expense Guide

"Alpha" sort by Item included in the text

Supported by a dedicated, searchable, online platform

Clarifications and Updates Part I Operating Statements

Miscellaneous Income – Schedule 4

Clarifications and Updates

- Enhanced guidance regarding proper classification of lease revenue received from food and beverage outlets
- Resort Fees has been changed to Destination, Resort, and Urban Fees
- Enhanced guidance and reporting are provided for:
 - ✓ Cleaning Fees for hotel rooms
 - ✓ Guest-Related Foreign Currency Transaction Gains (Losses)
 - ✓ Pet Fees (should be the same as Cleaning Fees for Hotel Rooms)
 - ✓ Promotional Credits
 - ✓ Space Rental and Concessions

Miscellaneous Income Schedule 4



Attrition Fees Cancellation Fees

Cash Discounts Earned

Commissions

Destination/Resort/Urban Fees

Extraordinary Cleaning Fees

Guest-Related Foreign Currency

Transaction Gains (Losses)

Guest Laundry and Dry Cleaning

Interest Income

Net Revenue from Renting

Mixed-Ownership Units

Other Breakage

Package Breakage

Proceeds from Business Interruption

Insurance

Space Rental and Concessions

Specialized Room Types (Pet and Other)

Other

Subtotal: Miscellaneous Income

Less: Promotional Credits

Total Miscellaneous Income

Period of															
Current Period							Year-to-Date								
Ac	tual		cast/ lget	Prior	Year	Act	ual	Fored Bud	cast/ lget	Prior Year					
\$: %	\$	%	\$	%	\$ %		\$	%	\$	%				



Sales and Marketing – Schedule 7

Significant changes:

- Modernized to incorporate recent changes and emerging trends in marketing systems and tools, CRM systems, and sales channels
- Various clarifying changes for new types of expenses and to address user questions and feedback as well as conforming changes for common expense categories.
- New job titles and accounts added to reflect increased use of digital marketing roles and tools such as director of commercial services, social media coordinator, social media analyst, and sales coordinator

Sales and Marketing – Schedule 7

New accounts:

- Advertising, Print, Radio, and Television
- Digital Paid Search
- Digital Display
- Digital Social
- Loyalty Program Costs
- Loyalty Program Promotion Costs
- Marketing Agency Fees
- Photography and Videography
- Printed Collateral

Sales and Marketing – Schedule 7

Expanded guest loyalty program accounts:

- Loyalty Program Costs (Sales and Marketing Schedule 7) Assessments to hotels for points earned from purchases and opting out of services (e.g., housekeeping)
- Loyalty Promotion Costs (Sales and Marketing Schedule 7) Cost of points for specific promotions (e.g., double points, airline promotions)
- Loyalty Program Member Benefits (Rooms Schedule 1) Cost incurred by hotels to provide member benefits (e.g., concierge lounge F&B, labor)
- Service Recovery (A&G Schedule 5) Points to guests to remediate service issues



Sales and Marketing – Schedule 7

Clarification example:

- Marketing Agency Fees. Includes fees paid to advertising, digital, social or public relations agencies
- Marketing Agency Fees. Includes fees paid to advertising, digital, social or public relations agencies. This does not include the cost of the item or product purchase such as the ad, brochure, PPC, etc.



Non-operating Income and Expenses – Schedule 11

Significant changes:

- The addition of Leasing Income to capture lease income generated by the facility that is associated with leasing activity managed by the Owner (including common area maintenance (CAM) recoveries)
- Clarification that Cost Recovery Income represents income collected from third parties for the recovery of CAM and out-of-pocket expenses for leases managed by the operator. Similarly, Costs Recovery Expenses was clarified to relate to recoverable expenses under leases managed by the operator
- Clarification that Business and Occupation Taxes include gross receipts taxes on revenues and other direct taxes



Non-operating Income and Expenses – Schedule 11

Significant changes:

- Pre-opening Expenses has been added as an Other expense to be consistent with the requirements of U.S. GAAP
- Unrealized Investment Gains or Losses has been added as a caption to record the associated unrealized gains or losses for (1) Investment properties electing the fair value model under IFRS and (2) Equity investments that have readily determinable fair values consistent with the requirements of U.S. GAAP.
- Rent was updated to reflect the changes in lease accounting under U.S. GAAP and IFRS

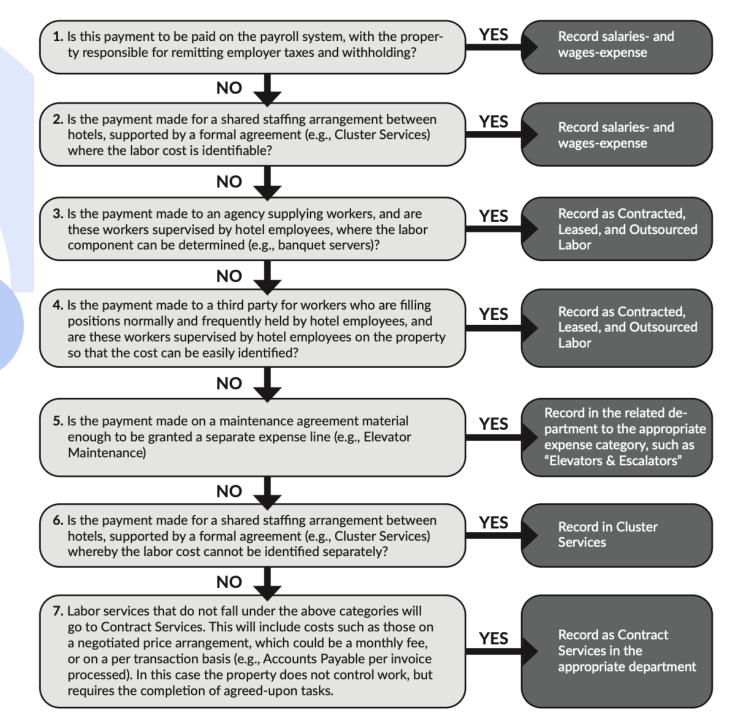
Clarifications and Updates Part III Other Reporting Guidance

Part III Other Reporting Guidance

- Decision Trees and Flowcharts
 - Food and Beverage Venue vs. Other Operated
 - Other Operated vs. Minor Operated
 - Contracted, Leased and Outsourced; Cluster; Contract Services
- Gross vs. Net Reporting
- Forgivable Loans
- Wage Subsidies and Grants
- Lease Accounting Right of Use Assets
- Embedded Lease Arrangements

Decision Tree

Contracted, Leased and Outsourced Labor, Cluster Services, and Contract Services







Gross vs. Net Reporting

Forgivable Loans

Wage Subsidies and Grants

Embedded Lease Arrangement

Lease Accounting



Part III Other Reporting Guidance

Gross vs. Net Reporting

Updated to take into consideration ASC 606 Revenue Recognition and IFRS 15 Revenue from Contracts with Customers.

- Based on Principal or Agency relationship
- Specific goods or services
- Who controls the specific goods or services before they are transferred to the customer



Part III Other Reporting Guidance

Forgivable Loans and Wage Subsidies and Grants

- Based on the Supplemental Guidance developed during the Covid pandemic
- Continued relevance in the face of natural disasters, international armed conflict, other states of emergency or economic downturn
- Recognition is based on determination of Principal vs. Agency and Foreseeability
- Reporting considerations



Part III Other Reporting Guidance

Lease Accounting

Updated to take into consideration ASC 842 Leases and considers IFRS 16 Leases

- Applicable to all Right of Use Assets
- Lease (Right of Use) Liability reported on the balance sheet, and amortized based on effective interest rate
- Lease (Right of Use) Assets reported on balance sheet, and amortized as appropriate to Depreciation and Amortization, or Non-operating Income and Expenses – Schedule 11, Rental Costs
- ASC 842 considers Operating and Financing Leases, whereas IFRS 16 considers a single lease model



Part III Other Reporting Guidance

Embedded Lease Arrangement

Embedded leases may exist in a service contract or contractual obligation when the contractual obligation provides for or includes the exclusive use of identifiable assets through the contract period.

Determination of the existence of an embedded lease arrangement:

- Determination of an identified asset
- Flow of economic benefits
- Right to direct use

If there is an embedded lease, payments must be allocated between operating costs and the rent to use the identified asset on a market value basis.

Clarifications and Updates Part IV Financial Statements





Balance Sheet

Balance Sheet

Significant changes:

- A general reminder was added to highlight that not all assets and liabilities are accounted for by the hotel manager and that delineation of responsibility between hotel manager and hotel owner is of paramount importance
- Deferred Income Taxes Current assets and liabilities have been removed to be consistent with the requirements of U.S. GAAP. All Deferred Income Tax assets and liabilities are to be reflected as <u>noncurrent</u> under U.S. GAAP
- Unrealized Gains or Losses has been added as a caption to record the associated unrealized gains or losses for (1) Investment properties electing the fair value model under IFRS, and (2) Equity investments that have readily determinable fair values, consistent with the requirements of U.S. GAAP

Balance Sheet

Significant changes:

- Right of Use (ROU) Asset, Lease Liability Current and Lease Liability –
 Noncurrent are added as balance sheet captions to reflect the changes in
 lease accounting under U.S. GAAP and IFRS
- Pre-opening Expenses has been removed to be consistent with the requirements of U.S. GAAP
- Key Money was added as an Other Long-term Liability caption given its increased occurrence in practice
- Cash Surrender Value of Life Insurance was eliminated as a separate balance sheet caption given its limited occurrence in practice

Clarifications and Updates Part V Metrics, Operating Ratios, and **Optional Schedules**

Energy, Waste and Water

Cost Metrics

- Energy Cost per kWh
- Water Cost per gal or m³
- Waste Cost per lb or kg

Consumption Metrics

- Energy (kWh) used per sq. ft./m. ("Energy PSF" or "Energy PSM")
- Water (gal or m³⁾ consumed per available room night ("Water PAR")
- Water (gal or m³⁾ consumed per occupied room night ("Water POR")
- Waste (lb or kg) per available room night ("Waste lb PAR" or "Waste kg PAR")
- Waste (lb or kg) per occupied room night ("Waste lb POR" or "Waste kg POR")

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New Metrics

- Overtime Salaries and Wages Management
- Overtime Hours Management
- Overtime Salaries and Wages Non-management
- Total Payroll Related Expenses as a % of Total Salaries and Wages
- Hourly Average Wage Rate
- Loyalty Member Contribution Rate

- Day Use Rooms Sold
- Turns and Turns Per Meal Period by Venue
- Food and Beverage Revenue Per Hour Worked
- Spa Occupancy (Utilization)
- Average Treatment Rate (ATR)
- Revenue Per Available Treatment Hour (RevPATH)





Optional Reporting

Offers management and owners more detailed categorization of the sources of their transient revenues. Five categories:

1. Retail

- OTA Retail Model
- OTA Merchant Model
- Loyalty Member Retail Discount
- Consortia
- Other



Transient Rooms Revenue by Segment

2. Discount

- Advanced Purchase
- Packages
- Promotions
- OTA Opaque
- Other

3. Qualified

- Government
- Membership Clubs
- Loyalty Member Redemptions
- Employee, Friend and Family Rate
- Other
- 4. Negotiated
- 5. Wholesale

Transient Rooms Revenue by Segment

Transient Rooms Revenue

Retail

OTA - Retail

OTA - Merchant

Loyalty Member Retail Discount

Consortia

Other

Total Retail

Discount

Advance Purchase

Packages

Promotions

OTA - Opaque

Other

Total Discount

Negotiated

Qualified

Government

Membership Clubs

Loyalty Member Redemptions

Employee or Friends and Family

Other

Total Qualified

Wholesale

Total Transient Rooms Revenue

Period of											
		Year-to-Date									
A	ctual	Fored Bud	cast/ get	Prior	Year	Act	tual		cast/ lget	Prior Year	
\$	%	\$	%	\$	%	% \$ %		\$	%	\$: %
			70		70	₽	70	ų.	70	4	
	!			<u> </u>							!



Rooms Revenue by Channel

Optional Reporting

Concentrates on the booking mechanisms by which our guests select their stay with our properties.

Eight Channels

- * Brand.com/Brand Mobile Apps
- * Mirrored Brand Direct
- * Global Distribution System
- * Online Travel Agents

- * Property Direct
- * Voice
- * Wholesale Direct Connect
- * Other





Rooms Revenue by Channel

Rooms Revenue

Brand.com / Brand Mobile Apps

Mirrored Brand Direct

Global Distribution System

Online Travel Agents (OTA)

Property Direct

Voice

Wholesale Direct Connect

Other

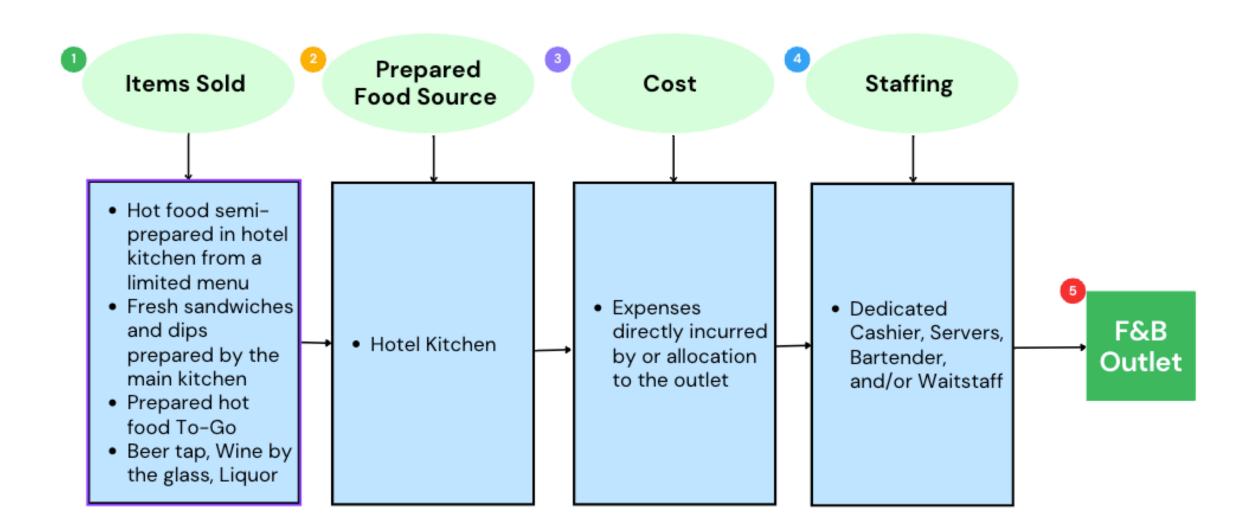
Total Retail

Period of												
	Current Period						Year-to-Date					
Ac	Actual		Forecast/ Budget		Prior Year		Actual		Forecast/ Budget		Prior Year	
\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	
	1		 						! !		! !	
	! !		 						! !		! !	
	 		 				 		! !		! ! !	
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Minor Changes Part I Operating Statements

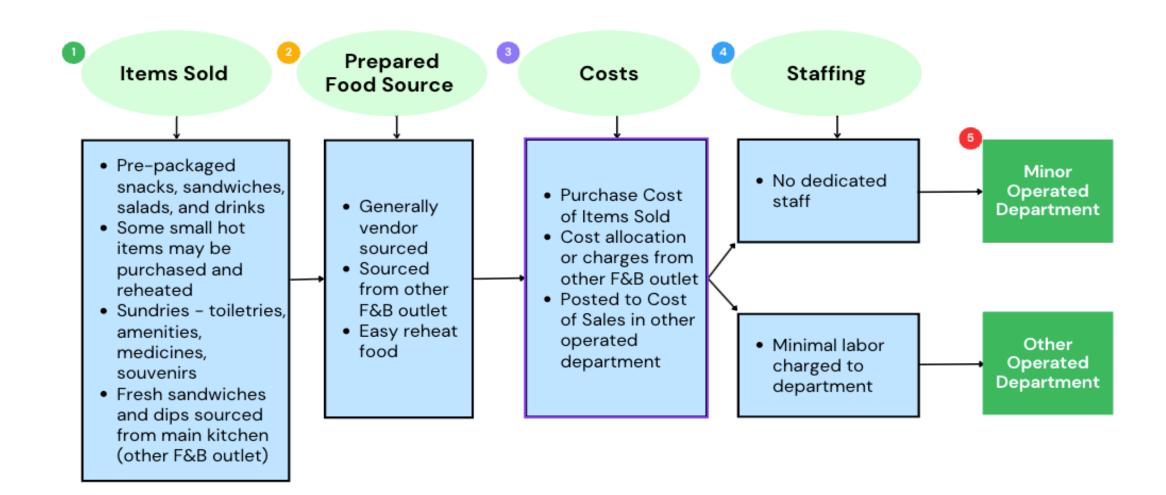
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Food and Beverage Outlet Determination



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Other vs. Minor Operated Departments





Administrative and General

Changes and Clarifications

New Accounts

- Human Resources Recruitment/Relocation
- Human Resources Employee Relations
- Provision for Doubtful Accounts
- Service Recovery



Information and Telecommunication Systems

Changes and Clarifications

In-room Entertainment Systems. In-room Entertainment Systems expense previously in Rooms was moved to Information and Telecommunication Systems.

Cost of Complimentary In-Rooms/ Media Entertainment. Includes the cost of providing media services (e.g., cable, music, games, satellite video) to guest rooms. It does not include the cost associated with pay-for-a-fee media, which is recorded to Other Operated Departments or netted against revenue in Miscellaneous Income, whichever is appropriate.



Information and Telecommunication Systems

System Expenses Captions Enhanced

Administrative and General. Includes any expenses of an accounting system and security system (e.g., forecast and budgeting system and business intelligence (BI) fees) for the property.

Hardware. Includes any expenses for non-capitalized equipment (e.g., keyboards, computer mouse, credit card machines).

Human Resources. Includes any expenses of a human resources system (e.g., payroll, HRIS, time clocks, labor management system, electronic timecards) for the property.

Information Security. Includes any expenses of the Information and Telecommunications Systems department that are for the purpose to secure information data (e.g., PCI compliance software, GDPR and affiliated costs).





Changes and Clarifications

Relocation of Waste Removal, to Energy, Waste, and Water under the section of Waste.



Payroll Related Expenses

Changes in Account Names

- Recognizing that the USALI is a multiple jurisdictional publication, state and national payroll taxes have been combined into Government-mandated Payroll Taxes
- Parental Leave is added as a new expense item
- Contributory Savings Plan now includes Profit Sharing





Release Schedule

E-book July 2024 Soft Cover Book
Late summer
2024

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A Review of the Major Changes

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Rooms - Schedule 1

Archive available

Energy, Water and Waste

July 30, 2024 · 11:00 a.m. CT

Payroll FTE and Annual Mandatory Brand and Operator Costs

August 8, 2024 · 11:00 a.m. CT

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