

Sales and marketing expenses consist primarily of personnel expenses and costs associated with advertising, marketing events and trade shows.

(In thousands)	Change between Fiscal increase (decrease)	
	2019 and 2018	2018 and 2017
Payroll and payroll-related benefits	\$ (48)	\$ 48,717
Commissions	(6,588)	16,993
Contract labour and consulting	(871)	609
Share-based compensation	(752)	(454)
Travel and communication	(1,113)	271
Marketing expenses	(5,742)	3,880
Facilities	808	8,373
Bad debt expense	3,519	4,013
Other miscellaneous	(319)	2,285
Total change in sales and marketing expenses	<u>\$ (11,106)</u>	<u>\$ 84,687</u>

Sales and marketing expenses decreased by \$11.1 million during the year ended June 30, 2019 as compared to the prior fiscal year. This was primarily due to (i) a decrease in commissions expense of \$6.6 million, of which approximately \$8.9 million is the net result of the Company capitalizing more commission expense under Topic 606, whereas previously, under Topic 605, such costs would have been expensed as incurred, (ii) a decrease in marketing expenses of \$5.7 million and (iii) a decrease in travel and communication expenses of \$1.1 million. These were partially offset by (i) an increase in bad debt expense of \$3.5 million as certain low dollar receivables were provided for entirely as they became aged greater than one year. Overall, our sales and marketing expenses, as a percentage of total revenues, decreased to approximately 18% from approximately 19% in the prior fiscal year.

Our sales and marketing labour resources increased by 103 employees, from 1,948 employees at June 30, 2018 to 2,051 employees at June 30, 2019.

General and administrative expenses consist primarily of payroll and payroll related benefits expenses, related overhead, audit fees, other professional fees, contract labour and consulting expenses and public company costs.

(In thousands)	Change between Fiscal increase (decrease)	
	2019 and 2018	2018 and 2017
Payroll and payroll-related benefits	\$ 4,089	\$ 22,908
Contract labour and consulting	(618)	(1,054)
Share-based compensation	768	(1,709)
Travel and communication	794	80
Facilities	(4,537)	5,777
Other miscellaneous	2,186	8,872
Total change in general and administrative expenses	<u>\$ 2,682</u>	<u>\$ 34,874</u>

General and administrative expenses increased by \$2.7 million during the year ended June 30, 2019 as compared to the prior fiscal year. This was primarily due to an increase in payroll and payroll-related benefits of \$4.1 million and an increase in other miscellaneous expenses of \$2.2 million, which includes professional fees such as legal, audit and tax related expenses. These were partially offset by a reduction in the use of facility and related expenses of \$4.5 million. The remainder of the change was attributable to other activities associated with normal growth in our business operations. Overall, general and administrative expenses, as a percentage of total revenue, remained at approximately 7%.

Our general and administrative labour resources increased by 119 employees, from 1,501 employees at June 30, 2018 to 1,620 employees at June 30, 2019.