Working with Pledges

When an initial pledge request comes in to a treasurer it appears much as a check request. The notification in the Messages pane will show a New Pledge Request - as does the grid of currently outstanding check requests. When selected, a screen similar to that used to approve checks appears. It has minor changes reflecting pledges. For example: these changes exclude the need for a mailed or delivered notation.

Once a pledge has been approved the numbers will be reflected amongst the outstanding liabilities in the check register balance columns until it is processed - and moved left - or it is withdrawn and eliminated.

Once the caseworker adjudges the client has fulfilled their part of the bargain, they will 'Execute' the pledge - transforming it into a Check Request. Note the additional information displaying pledge details such as client target amount.

Note: Pledges that have been executed and become check requests will disappear from this pledges grid report even though they are not yet approved - but the amount of pledged liability will not have changed.

Recording Additional Transactions

Treasurers must also record non-case related financial events in the ledger. These may be anything from checks issued for office supplies to the recording of deposits or refunded monies from failed assistance efforts.

This is not intended to record transactions related to assistance. The core value proposition of using the CMS system is to be able to track the relationship between monies being spent as assistance in direct aid with what sort of assistance was provided, when it was provided, and to whom it was provided. Simply recording transactions in the system as generic assistance events without having cases to map them to reduces the value of the software. That said - it may be that situations come up where money was provided to a client by a caseworker with the authority to cut checks and who for some reason was unable to use CMS to track their casework.

In the main section of the check register there are 2 buttons - [Add Debit] and [Add Credit]. Pressing these will spawn an appropriate screen allowing for the capture of the associated transaction. Debits allow you to record notes related to the transaction. Credits allow you to record extended tracking information - allowing you to supply details related to donors in donations and whether the debit should be considered tax deductible. Reports can be run to collect and export this data later in the year for donor tax/thank you letters.

The treasurer selects the transaction type from a pulldown list of options - and each of these types have an important role in determining which line item the transaction impacts in financial reporting. In most cases this is all very simple - but making the right call as to which type of transaction type applies to any given situation is key to understanding your role as conference treasurer.

All financial items related to assistance, credit and debit adjusting entries, and other various deposit options are available. The fixed system transactions that occur as a result of some corrective actions (such as void and refund) are not available as they require the treasurer to perform those actions within the context of existing transactions.

Corrective Actions

The vast majority of the work a treasurer is asked to perform falls into the basic functionality found in the check register and check requests screens. However, there will be times a check will be recorded in the system and it must be adjusted. The system is reasonably forgiving - but there are limits as to what sort of actions are allowed.

Deleting or Withdrawing A Check

Treasurers cannot delete an entry from the register. So long as the month during which the transaction is recorded is still open, the treasurer can alter the amount, alter the check number, alter the date, but they cannot eliminate the entry. Allowing treasurers to alter the amounts of a recorded check is allowed even though it may violate standard accounting practice. If a treasurer wants to eliminate a check as if the check never existed - they should navigate to the transaction and void it but once a check is 'cleared' it cannot be edited. Treasurers may 'unclear' a transaction - which allows for the correction of mistakes in the check register - but they can only 'unclear' transactions prior to closing a month.

Voiding Checks

Voiding has a very specific meaning within accounting practice - it is to cancel or reverse a transaction as if it never happened. Voiding is the process of recording that an entry in the check register needs to be eliminated. By clicking on an entry in the register one may void the check simply by hitting the 'void' button. In a GAAP sense, voiding is representative of the idea that the check never cleared and for all intents and purposes did not exist.

A treasurer should never have a reason to void a cleared check. However, in the extremely unlikely scenario where this is a necessary action, the treasurer could unclear the check and then void it.

A voided check does not have an offsetting transaction line item (like an adjusting credit does) - it eliminates the entirety of any sort of financial outlay as if it never happened. Voiding should be a rare occurrence. Though this system is a reflection of the actual bank account - not the actual bank ledger - it is still strongly recommended that you treat voids the way you would an actual bank account ledger. Conferences should try not to overuse void for checks that are not actually being voided as it can lead to a very difficult to follow Check Register.

Voided entries are automatically cleared in the system - but pressing the recalculate button is still required to acquire properly adjusted balances taking this action into account. In situations where a check was carried forward several months, as the check is still not cleared it can still be voided. The months where the check was a provisional liability will still have that fact reflected in their monthly reports - but the amount of the liability is recaptured in the current month and should be reflected in a commensurate reduction in the outstanding checks balance.

When a check is voided, it may be voided regardless of the status of the case. A case might be recorded as 'Closed - Assistance Provided' when the check is voided. If this happens, the treasurer should manually reopen the case and inform the caseworker of events.

Undoing a Voided Check

Checks that have been voided may have the void rolled back as long as the month is not closed. This will reinstate the original check, with the same time stamp and values as if the void action never took place. To perform this action select the voided item in the check register and simply press the [Undo Void] button at the top.

Revisiting a Check/Pledge Request

Check and Pledge requests that had been denied may be revisited and approved - and vice versa so long as the month is not closed and the case is open. Details of these requests may also be changed so long as the transaction is uncleared and the month is not closed and the case is open. Requests that are recent will be available in the processed tab of the check requests grid whereas older requests may always be found using the [Search] function at the top. Managing check requests or reviewing them is the primary purpose of these grids. There are shortcuts to transactions themselves if there are associated transactions, but altering transactions is ideally performed via the more natural review from the check register grid.

If the request was approved, a transaction will invariably be recorded in the check register associated with this request. This transaction may be adjusted from the check register regardless of the open/closed status of the case as well - but the question of approval or denial is not germane as at that point the request will be seen as approved. If the check is voided and the case reopened the case can then be closed as 'Closed - Assistance Not Provided' regardless of whether the treasurer at one point approved the assistance.

If working from the check requests screen, the process involves visiting the request and selecting [Change Status] (visible if the case is not closed as changing the status of requests for a closed case would be problematic for caseworkers and clients alike). Performing this action on a denied request will return the treasurer to the check request approval screen allowing the treasurer to perform actions such as approving previously denied requests. However, if the case itself is closed the treasurer should reopen the case if they're looking to perform corrections that would impact the casework and the client. Using the messaging to explain the situation to the caseworker is strongly encouraged.

Revisiting a Transaction

Similar to revisiting a check request, this allows the review and updating of transaction information associated with a recorded transaction. Many of these transactions will be related to check requests - but operating from the register ignores the status of the casework itself. This allows treasurers to void checks or adjust amounts regardless. However, if a transaction amount has changed for some reason, it may be useful to reopen the case for the purpose of informing the caseworker of the changes - just as with voids. Transactions that are in marked cleared in closed months may not be altered. Refunds may be applied against them (which would appear in the current month).

Carrying a Check Forward

Many times a check will be written in one month but it has not cleared the bank by the end of the month when the treasurer is looking to close. When a treasurer closes a month - all outstanding non-cleared transactions (debits and credits) are automatically carried forward to the next month. Once a transaction has been carried forward - it is 'locked' as if it had been cleared. The treasurer can no longer edit the entry in any way (amount, date, etc) - hence closing a month will lock everything to a read-only state.

When this is done, the amount of the carried forward check will be shown in the outstanding balance for the just closed and the newly opened month. Essentially, outstanding balance is a snapshot reflection of the recorded assets and liabilities - and as the treasurer has chosen to carry the transaction forward it will be represented in balances for both months.

If a transaction that has been carried forward is later voided - the previous month's outstanding balance amount is unaffected. The closed month is closed - the numbers for that month represent things as they stood at the moment in time when the month was closed - hence it will still suggest that the conference had the liability represented by the check at the moment in time when the month was closed. Those outstanding liabilities are clawed back when the check is voided in the current month - and as they never crossed the bank's desk they should never have impacted the bank balances at any time (merely impacted the amount of money the treasurer thought they had to work with during that period of time).

Adjusting Entries

If a transaction occurred in a previous month that has been closed - and it turns out the amount of the transaction was incorrectly recorded in the ledger - then the treasurer should record an adjustment for the purpose of getting the books back in order. This happens - people mistype things and make mistakes. However, months cannot be reopened - so the only method for recording these mistakes is through the use of adjusting entries. The system allows editing of checks prior to a close - this is as far as the system is able to compromise and keep monthly reporting intact.