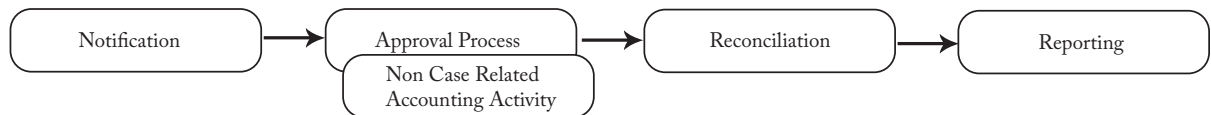




## System Accounting

The Agular CMS system for St Vincent De Paul includes an integrated suite of check register and reporting functions custom designed to specifically address the requirements of the St Vincent de Paul Society. It represents a transaction accounting suite that will help to properly track and process money related to all ongoing SVdP operations both as it relates to the case management flow and other external draws on conference operational budgets.

Many of those who've volunteered to become conference treasurers at SVdP have backgrounds in working with ledgers and accounting - but many do not. For this reason this guide acts as a basic SVdP accounting primer through some of the basics of accounting as supported by the system.



What you'll find in the accounting section of the Agular CMS tool is a robust cash accounting system focused on the check register, client interaction, and the accrual based requirements of monthly and annual reporting. It has been custom tailored to the SVdP process, making it a far more appropriate solution to the needs of the conference treasurer than spreadsheets or off the shelf bookkeeping systems. Treasurers can manage their assistance and expense payments, deposits, check clearing, transaction voiding, adjusting entries, bank statement reconciliation, monthly cash statement closing and monthly financial reporting – all within CMS.

### Cash Accounting and the Check Register

The four balances represented along the top left of the check register and used throughout the accounting process are calculated on a cash accounting basis. This means that all transactions recorded in the system are applied to the balances. A check may not be cleared yet, but it will be represented in the 'Outstanding Check' field - and hence be subtracted from the available funds. The check register balance will always be the bank statement beginning balance + the amount of deposits and credits + the outstanding deposits - the amount of withdrawals and debits - the outstanding checks.

### Assistance and Expense Payments

The largest conjunction of work between casework and the treasurer occurs over the issuance of assistance payments. When a caseworker has completed collecting the assistance requests in a case (there can be more than one) - the assistance items requiring payments

are submitted to the treasurer. These assistance requests are presented to the conference treasury by caseworkers via notifications within the treasurer's message center (and by email if configured) and appear on the check requests screen accessed from the main menu section.

Treasurers have complete control over the assistance request they're working on. Whether they wish to adjust the amount, deny it in its entirety, or switch the financial transaction type associated with the request (caseworkers may incorrectly adjudge which type of financial assistance type is involved in a request). Payments to the district/diocese, payments to other conferences (non-assistance) or monies set aside for gas card vouchers and office supplies are also recorded by the treasurer in the check register.

### **Deposits**

Cash and checks can be deposited and classified by the treasurer within the check register. There are several different types of deposits - whether it's money brought in from more wealthy conferences or donations from individuals - each of the funding sources traditionally associated with keeping the conference working are available as options and are represented appropriately in the reporting.

### **Reconciliation**

This is the process by which the treasurer clears transactions recorded in the ledger. As the banks process the transactions - they need to be recorded as cleared in the CMS system so they can be properly reflected in the month's tallies. After an assistance request has been approved, and a check is cut and it has been cashed - the bank will provide details to the treasurer as to when the bank signed off on that transaction. By selecting the [Reconcile] button at the top of the check register (or by following the month-close wizard) checks and deposits may be tallied against those reported by the bank and cleared in the system. Once done - recalculating the balances will adjust for these newly cleared transactions (moving monies from 'outstanding' entries on the top right into the 'processed' columns on the left).

### **Closing the Month**

The check register has a very simple mathematical process of addition and subtraction. For elements that the conference has recorded but are yet to be processed by the bank, the system tracks outstanding checks and deposits and carries the balances of those outstanding financial elements forward month to month. For example, a check written months ago that has not cleared will be carried forward all the way into the current month, but to close each month the CMS record of the transaction must be committed.

It is important that the ledger (and resulting reports) encapsulate only the transactions and other entries related to the current month's revenues and expenses. A month must close to provide a cut-off for each month's financial activity to allow for the smooth operation of the entire system. Closing a month with uncleared checks automatically carries those checks forward into the following month, but the treasurer must take care to diligently reconcile bank statements and monthly transactions within the month in question. Months that close are closed. One does not reopen old months to adjust history and adjust the books.



**Note:** Closing months is a very important process that should be completely understood before attempting it. Please review the detailed walk-through further along in this section.

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## Reporting

There are several working reports available within the current month tab of the register itself to the treasurer that help both manage the conference finances and break down spending by categories defined by the national standards. The current state of the check register, with all transactions cleared and not cleared, can be printed to pdf at any time simply by pressing the [Print] button. As the check register itself gives the treasurer an up to the minute view of the current state of the finances - this gives the treasurer something physical to use in review if necessary. [Pledge Details] provides a current view of the assistance that the conference has committed to pay. The [Outstanding Report] generates another pdf which shows only the outstanding transactions for the month. A [Preview Financial Report] button generates a snapshot view of the register. This report segments all the transactions in the check register by showing aggregate balances for all the activities in the conference against the time period of the month.

There are a number of other reports available in the Task Pane found in the Conference Reports and the Dashboards folders. Many of these are data mining in nature, others are used to manage the creation of lists for use outside the system.

The authoritative monthly financial report is generated upon month close. This report and its larger more complicated annual financial report are there to pull the data and present it within the context of the required national standard reporting. The annual report in particular is a wizard-based report that allows the treasurer to pull from the check register data for the year, supply additional information, and generate a report to be provided to the national organization at the end of the fiscal year.

## Configuration

Conferences are initialized with someone assigned to one of the treasurer roles. Additional treasurers can be assigned by an administrator by selecting the conference, clicking the 'Roles' tab, and selecting the 'Treasurer' role. This will display any treasurers attached to the conference - and new ones may be added by pressing [Assign] at the top, supplying the name, and adding the individual to the role.

# Check Register

The check register is the section of the accounting suite where financial transactions associated with the conference are tracked and managed. You get to this by selecting the conference from the task pane (or the 'My Conference' shortcut) and then pressing the [Check Register] button. The CMS check register is a reflection of the conference bank ledger for the purpose of mapping and managing finances specifically tuned to the St Vincent de Paul environment - it is not connected to any bank accounts directly - but is connected to the client management side of this application - allowing for integration between requests and assistance provided.

Check Register - Conference South								
Current Month - April 2017		Other Months						
<div style="text-align: right;"> <a href="#">Back</a>   <a href="#">Check Requests</a>   <a href="#">Financial Reports</a> </div>								
<div style="text-align: center;"> <a href="#">Print</a>   <a href="#">Pledge Details</a>   <a href="#">Outstanding Report</a>   <a href="#">Preview Financial Report</a>   <a href="#">Alterations Report</a> </div>								
<div style="text-align: center;"> <a href="#">Add Debit</a>   <a href="#">Add Credit</a>   <a href="#">Recalculate</a>   <a href="#">Reconcile</a>   <a href="#">Close April 2017</a> </div>								
Bank Statement	Check Register				Pledged			
Beginning Balance	\$25,631.83	Outstanding Deposits		\$500.00	Outstanding		\$300.00	
Deposits/Credits	\$1,000.00	Outstanding Checks		\$760.00	Adjusted Balance		\$25,771.83	
Withdrawals/Debits	\$300.00	Register Balance		\$26,071.83				
Ending Balance	\$26,331.83							
C: Cleared.								
C	Type	Number	Date	Debit	Credit	Payee	Client	Case
√	Utilities	47052	02/18/2017	\$100.00		Louisiana Gas and Electric	harrah, belinda	2017-00010
√	Utilities	47055	03/23/2017	\$200.00		Louisiana Gas and Electric	harrah, belinda	2017-00046

If you are familiar with general ledgers and accounting practices, this should be well established ground for you. However, many of those operating as treasurers are not certified accountants - and thus this is new material for them.



**Note:** If your conference has not had a beginning bank balance set during conference configuration, please refer to the Advanced Treasury Functions further along in this section for instructions. If you are looking to open a new conference with outstanding transactions you may want assistance.

The navigation at the top allows the treasurer to easily traverse from the check register to their check requests screen, or to the historical financial report archive to review any old report pdfs. This is important as it is common for a treasurer to move back and forth from the check requests screen to the check register to examine their balances when considering assistance requests.

The 'Other Months' tab allows the treasurer to open up the registers on screen for other months for review as well. This makes it easy to see the originating transactions related to carried forward debts or quickly look back in time at what the register looked like at the close of previous months.

### Check Register Balances

Above the register itself a number of different summed balance figures are presented. The bank statement beginning balance is the cash balance that the system believes was in the bank account(s) at the beginning of the month. The other numbers are all calculated based on the items entered into the check register.

The check register maintains the transaction list for all the financial items within a given month. Nine balances are maintained and updated as transactions are entered, deleted, edited and classified (cleared, uncleared, voided, etc.). These cash (bank statement) and financial (reporting) balances are :

Reconciled Tallies		Outstanding Tallies		Pledge Liabilities	
Beginning Balance	\$25,631.83	Outstanding Deposits	\$500.00	Outstanding	\$300.00
Deposits/Credits	\$1,000.00	Outstanding Checks	\$760.00	Adjusted Balance	\$25,771.83
Withdrawals/Debits	\$300.00	Register Balance	\$26,071.83		
Ending Balance	\$26,331.83				

- (A) Bank Statement Beginning Balance – prior month’s ending cash balance
- (B) Amount of Deposits / Credits – current month’s cleared deposits
- (C) Amount of Withdrawals / Debits – current month’s cleared checks
- (D) Bank Statement Ending Balance – current month’s ending cash balance.
- (E) Outstanding Deposits - uncleared deposits
- (F) Outstanding Checks - uncleared checks
- (G) Check Register Balance - D + E - F
- (H) Outstanding Pledges - total of pledged liability
- (I) Check Register Balance - G - H


Treasurers use these Balances A through D to perform monthly bank statement reconciliation. Balance (D), the Bank Statement Ending Balance is carried forward as (A) the Bank Statement Beginning Balance for the subsequent month. Balance (G), the Check Register Balance, is used in conjunction with the preparation of the Monthly Financial Report. This Balance is carried forward as the beginning balance for the subsequent month. H and I are there as warnings for outstanding liability that has not manifested as a check request at this time.

These aggregate numbers must be recalculated after changes are made to the register (and to capture entries made by any secondary treasurers) - so a [Recalculate] button is provided along the top to allow the accountant to tally up any changes that have been recorded and present new totals.



**Note:** When recording a check the treasurer applies a date that this check has theoretically been drafted by the treasurer. If the treasurer is backdating a check for some reason - it may only be backdated into an open month. So if it’s the 1st and the treasurer was processing a check request from the 28th and wanted to release the check so that it appeared in previous month - they would need to have that previous month open (which is still likely the case on the 1st). When months are closed treasurers lose the ability to post checks to them.

The system also keeps track of which ledger items have ‘cleared’ - so even if an item is listed for a certain date, it will not impact the running current balance until the item has been ‘cleared’ by the treasurer. All checks for a certain month should be cleared (or otherwise dealt with) before a month is closed.

 **Example:** Let’s look at the process in a real world scenario. A check request will be generated by a caseworker for a particular case. The check request will be presented to the treasurer for authorization or amendment. If approved, it will appear in the ledger as a debit - and the date at which it was approved will be the accrued date for tracking it in the ledger. At this point, the amount of the check resides in the outstanding checks column. Later, after the check is delivered to the payee and subsequently cashed, the bank processes the check, and the check has cleared the bank - the treasurer will note that the check cleared (by verifying it against bank records and marking it as ‘cleared’ in the reconciliation process) - and the outstanding check value will move from the outstanding checks column into the aggregated amount of withdrawals column (which will be combined with the others to compose the balances).

Again - this process is reflective of the bank process - not tied directly to the bank data itself. It is up to the treasurer to review the bank log and clear the checks appropriately. Pay particular attention to the transaction type field in this grid. Many different types of transactions are tracked within this ledger - and each of them rolls up into different line items in the monthly and annual financial reporting (as dictated by the SVdP national reporting format guidelines).

<u>Transaction Type</u>		<u>Date</u>	<u>Credit</u>	<u>Client</u>				
C: Cleared.								
C	Type	Number	Date	Debit	Credit	Payee	Client	Case
✓	Utilities	47052	02/18/2017	\$100.00		Louisiana Gas and Electric	harrah, belinda	2017-00010
✓	Utilities	47055	03/23/2017	\$200.00		Louisiana Gas and Electric	harrah, belinda	2017-00046
✓	Donation - from Members		03/23/2017		\$500.00			
	Utilities	47056	04/12/2017	\$100.00		Louisiana Edison	gonzalez, julio	2017-00006
	Housing / Rent	47057	04/12/2017	\$150.00		Stephens Properties	harrah, belinda	2017-00057
Cleared State		Check Number		Debit		Payee		Related Case



**Note:** For a detailed description of each of these elements and how they map to the balances see Financial Transaction Types subsection of this guide. Many of these transaction types are related to traditional accounting practice actions - but some are unique to SVdP so a review of each of them and what they mean is important.

One of the rules of accounting is that when a month’s books are closed - they are cleared. Any adjustments you might want to make need to be made with one of the adjusting transaction types to take into account mistakes that are no longer correctable due to the month being closed. Voiding checks from past months to re-enter them in present ones and other attempted slight of hand will not work - and will only make a bigger mess with your books than making proper adjusting entries.