



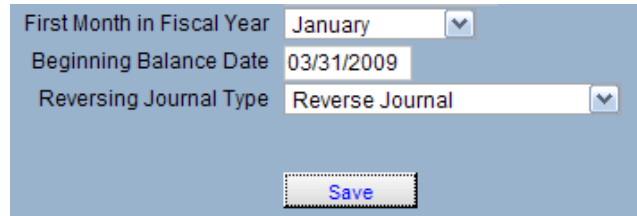
## Startup for Fund Accounting

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\*\*\* Since tax reporting requirements need to be considered when setting up accounting module, it is recommended that you consult your accountant for assistance. Proper account set up will impact both the type of information available and the ease of use \*\*\*

## 1. Setup:

- Organization - Setup - Information
- Select the 'First Month in Fiscal Year' from the dropdown
- Enter the Beginning Balance Date
  - This is the day prior to the start date of using this system. For e.g., let's say you're fiscal year is Jan through Dec but you're going to begin using this system as of April 1st. In this case your beginning balance date would be 03/31/20XX (mm/dd/yyyy).
- Select the Reversing Journal Type (Reverse Journal, Zero Journal or Delete Journal)

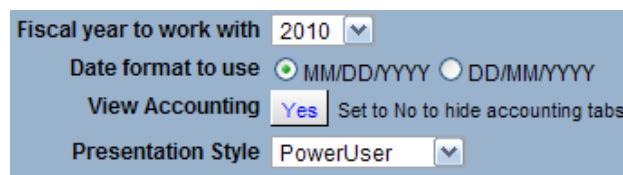


First Month in Fiscal Year: January  
Beginning Balance Date: 03/31/2009  
Reversing Journal Type: Reverse Journal  
Save

- Reverse Journal: This option leaves the original journal alone and creates a new one negating the entries of the original journal.
- Zero Journal: This option zeros the amount fields of the original journal and adds a notation that the journal was reversed, who reversed it and the date it was reversed.
- Delete Journal (not recommended): This option physically removes the original journal from the system and enters a notation in the transaction log file. There will be no other audit trail when this option is used with the exception that a journal number will be missing giving the assumption that it was deleted.

## 2. Preferences:

- Organization - Preferences - Personal
- Set the 'Fiscal Year to work with'
- Make sure View Accounting is set to 'YES'



Fiscal year to work with: 2010  
Date format to use:  MM/DD/YYYY  DD/MM/YYYY  
View Accounting: Yes Set to No to hide accounting tabs  
Presentation Style: PowerUser

## 3. Accounting Funds:

- General Ledger - Funds - Fund Maintenance
- There are two different types of **Funds** that can be created in IconCMO.
  - Contribution Funds
    - Contribution Funds are funds that people contribute to. Contribution Statements are printed from information that is posted to C-Funds
    - Contribution Funds are entered through Contribution module
  - Accounting Funds
    - Accounting Funds are funds that are defined by the financial group in the church for the purpose of managing the finances of the church.
    - For e.g. in addition to the 'General Fund' (which is a required fund) the board might have a Building Fund and a Charities Fund.
- Fund Maintenance form is used to create accounting funds and enter beginning balances.
  - Three different types of funds:
    - Unrestricted
    - Restricted
    - Temporarily Restricted

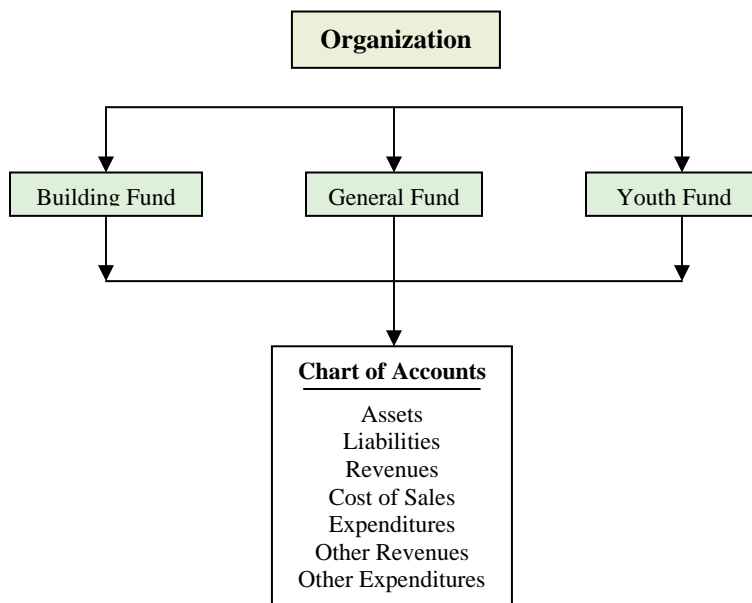
- A separate 'Statement of Activities' (sometimes referred to as a Profit and Loss statement) and a 'Statement of Financial Position' (sometimes referred to a Balance Sheet) can be run for each fund defined as well as for all accounting funds combined.
- Add a new fund:
  - Enter the Fund Name
  - Select the Status and Fund Type.
  - Press the Add button

Fund List	Fund Name	Status	Type
Select a Fund	Building Fund	Active	Unrestricted
<input type="button" value="Add"/> <input type="button" value="Clear"/> <input type="button" value="Delete"/>			

- Fund name can be modified anytime
- A fund cannot be deleted once dollars have been posted to it, however, its status can be set to 'Inactive'. Once the status is set to Inactive the fund will no longer appear in any drop down boxes. The fund will appear in financial reports provided activity had occurred during the date range specified.

#### 4. Chart of Accounts (COA):

- General-Ledger - GL - Chart of Accounts.
- Use this form to view the chart of accounts, rename an account, delete an account that has not been used, inactivate accounts, move an account or create new accounts.
- The first time this window is opened you will notice the existence of some accounts even though you may not have entered any. These are the minimum list of accounts which are required by the system and cannot be modified.
- You will also be given an option to install a default chart of accounts. Accounts that are not required can be renamed or removed.
- All accounts except Net Assets are entered using this window. Funds and their beginning balances are entered into the system using the Funds Setup form located under "General Ledger - Funds - Fund Setup
- IconCMO has a single chart of accounts defined and every fund has access to every account. For this reason we strongly recommend that account names be kept generic. For e.g. Office Supplies - General and Office Supplies – Youth should be replaced with one account Office Supplies.



- IconCMO allows for accounts to be defined up to three levels deep. Accounts always show up in alphabetical sequence within their level.

Account Name	Account Type
Insurance	Expenditures
....Building Insurance	Expenditures
....Vehicle Insurance	Expenditures
.....Pastors Car	Expenditures
Office Expenses	Expenditures

- Each account belongs to an Account Type. The system breaks down the accounts according to the acceptable accounting standard of - Assets, Liabilities, Revenues, Cost of Sales, Expenditures, Other Revenues, Other Expenditures and Other Financial Sources -Uses.

Account Name	Account Type
Accounts Receivable	Assets
Allowance for bad debts	Assets
Interfund Receivable	Assets
Accounts Payable	Liabilities
Credit Card Payable	Liabilities
Interfund Payable	Liabilities
Sales Tax Payable	Liabilities
Sales Discounts Taken	Cost of Sales
AP Discounts Taken	Other Revenues
Bank Interest	Other Revenues
Bank Service Charges	Other Expenditures
Credit Card Charges	Other Expenditures
Transfers In	Other Financial Sources-Uses
Transfers Out	Other Financial Sources-Uses

- Add a New Account:
  - Press the 'Add New Account' button
  - Select the Account Type (Assets, Liabilities, Revenue, and Expenditures etc.)
  - The sub-account drop down contains information based on what selections were made from the first three drop down lists. Leave this field set to 'Not a sub-account' if the account being added is a major account. If the account is to be a sub-account of another account then select its major account from the drop down list.
  - Press the 'Save' button to add the account to the system. Pressing the 'Clear' button clears the contents of the window and pressing the 'Close' button returns you to the main COA window.

**Create a New Account**

Account Type

Assets

Type Detail

Sub-account of

Account Name

Description

To set up beginning balances go to General Ledger - Funds - Fund Setup

## 5. Accounts Payable:

- AP - AP Activities
- Outstanding payables should be entered under Accounts Payable before beginning balances can be entered.
- Enter your vendors
- Enter Invoices that have an outstanding balance as of the end of the beginning balance date  
Remember to set the transaction date on each invoice to the actual date of the invoice

Invoice  Credit Memo

Vendor	Blue Cross Health	Reference No.	123456789
	Blue Cross Health	Invoice Date	12/28/2008
Terms	Net 30 % Net 30 days	Due Date	01/28/2009
Memo	December 08	Amount due	150.00

Expenditures	Debit (+)	Credit (-)	Fund Name	Line Item Memo
Insurance	150.00	0.00	General Fund	December
Insurance	150.00	0.00	General Fund	December

## 6. Credit Card Payable

- Banking - Credit Cards - Credit Card Charges
- Use this form to enter credit card charges or credit memos made to a store or vendor.
- A credit card charge increases the Credit Card Payable (Credit Card) selected while a credit memo reduces the Credit Card Payable account selected.

Credit Card

Vendor	Office Supply	Reference No.	
Add Vendor	Office Supply	Purchase Date	12/23/2008
	<input checked="" type="radio"/> Charge <input type="radio"/> Credit	Amount	25.00
Memo	supplies		

Expenditures	Debit (+)	Credit (-)	Fund	Line Item Mem
....Printing Expenses	10.00	0.00	Youth Fund	supplies
....Office Supplies		15.00	0.00	General Fund
....Printing Expenses	10.00	0.00	Youth Fund	

## 7. Accounts Receivable:

- This section would be used to enter any outstanding receivable invoices.
- Enter Items sold to Customers (optional) using - AR - AR Setup - Items. Only those items that were sold and have not yet been paid for need to be entered at this time
- Record unpaid invoices that occurred prior to the beginning balance date that was entered on the Information form.

**Customer Invoices**

Customer Lookup  Invoice Type  Remit To  Batch Entry  Batch Maintenance

Invoice To:	Church Ladies Group c/o Cindy Beyers 855 Birch lane Moorhead, MN 56560	Invoice Date	12/20/2008	Invoice No.	1014	Terms	Net 15
		Via	Mail	P.O. NUMBER	1	Sales Rep	
						Due Date	01/04/2009

Item	Description	Amount	Taxable
Cleaning	Cleaning Help	\$15.00	Yes

## 8. Entering Beginning Balances:

- General Ledger - Funds - Fund Maintenance
- Whatever accounting system you're coming from there will probably be some balances that exist for each fund that has some activity and you will want to enter those balances into the system.
- Usually, one will pick the end of an accounting period such as a month, quarter or year to determine what those balances will be.
- Because this is a fund accounting system each fund will have a beginning balance assuming its balance is not zero as of the ending period you choose.
  - Select a fund from the drop down list
  - Press the button titled 'View-Enter Balances'

### Situation A

You begin using IconCMO at the beginning of your Fiscal Year. For e.g. January 1<sup>st</sup> 2009, therefore, Dec 31, 2008 is that last day of your previous fiscal year.

- In this case there will be no revenue or expenses to enter since these entries always begin always begin a new year at zero.
- Enter assets and liabilities as of the last day of the fiscal year.

### Situation B

You begin using the system in mid year

- In this case there will be revenue or expenses.
- Use the end of month revenue and expense report from your old system to enter ending balances

- Enter assets and liabilities as into the edit box column titled 'Balance On Last Day.'
  - Beginning balances cannot be saved until debits equal credit
  - For e.g. If you enter \$500 under assets and \$300 Payroll liabilities, then your net assets will equal \$200.
- \*\*\*\* Assets – Liabilities = Net Assets\*\*\*\*
- This is the only form where you will have access to the net asset account for a fund.
  - Press Save Beginning Balances button

Account Beginning Balances for General Fund						
Type	Account Name	Balance On Last Day	Less Any Open AR/AP	Amount To Post	Debit	Credit
Assets	Wells Fargo Checking	<input type="text"/>				
Assets	Certificates of Deposit	<input type="text"/>				
Assets	Money Market Account	<input type="text"/>				
Assets	Savings	<input type="text"/>				
Assets	Accounts Receivable	<input type="text"/>				
Assets	Allowance for bad debts	<input type="text"/>				
Assets	Interfund Receivable	<input type="text"/>				
Assets	Buildings	<input type="text"/>				
Assets	Buildings:Depreciation - Buildings	<input type="text"/>				
Assets	Maintenance Equipment	<input type="text"/>				

0.00
0.00  
 Total Debits      Total Credits

“You’re all set!”