

BSA Fiscal Concepts

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Fund Accounting

- The Boy Scouts of America uses fund accounting for local council fiscal recording. The funds that are used and how they are reported are defined by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants (AICPA).



Accrual Accounting

- Definition - The act or process of accumulating an increase
- Revenue is recognized in the accounting period where it is earned
- Expenses are recognized in the accounting period in which they are incurred

Examples:

Invoices are recorded upon receipt, not upon payment

Contributions are recorded upon receiving a pledge, not upon receiving payment



Double-Entry Accounting

- Entry of transactions into the accounting system must have a debit and credit (equal to one another)
- Within the same fund



Fund Accounting

- There are three self-balancing Funds:
 - Fund 1 – Operating
 - Fund 2 – Capital
 - Fund 3 - Endowment



BSA Account System

10 Digit Account Number

X-XXXX-XXX-XX

Which? Fund

What? Account

Who? Project Code

Why? Class Codes



Base Accounts

- Identifies the type of transaction being recorded

<u>Account</u>	<u>Type</u>	<u>Natural Balance</u>
1000	- Assets	Debit
2000	- Liabilities	Credit
3000	- Net Assets	Credit
4000-6000	- Support and Revenue	Credit
7000-9000	- Expenses	Debit



Project Codes

- Defined by the local council to identify various projects
- Each code should be unique in its meaning
- May be used in all three funds
- May be used combination of accounts and classes as needed

Example:

000

159

298



Class Codes

- Class is the final segment of the chart fields that further defines the transactions based on several areas of needed segregation.
- Transactions related to Functional reporting and donor restriction levels.



Class Codes

- 00 Asset, Liability and Net Asset Unrestricted
- 01 Net asset accounts that are temporarily restricted by donors
- 02 Net asset accounts that are permanently restricted by donors
- 20 Revenues & expenses for activities
- 21 Revenues & expenses for camps
- 25 Expenses purely program in function
- 50 Expenses purely management in function



Class Codes

- 70 Expenses purely fund-raising in function including special event expenses
- 90 Contributions and Revenues that is unrestricted – including special event direct benefits.
- 91 Contributions and revenues that are temporarily restricted by donors
- 92 Contributions and revenues that are permanently restricted by donors
- 99 Expenses that are not allocated by function
- 2020, 2021, 2022, 2023, etc. Contribution pledges receivable in future years by the year that they become current.



PeopleSoft Financials



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Adding Project Codes

[Favorites](#) | [Main Menu](#) > [Set Up Financials/Supply Chain](#) > [Common Definitions](#) > [Design ChartFields](#) > [Define Values](#) > [ChartField Values](#)

ChartField Values

ChartField Values

You do not have security privileges to access the ChartFields that are not hyperlinks.

[Account](#)

[Fund Code](#)

Department

[Class Field](#)

Product

[Project](#)

Book Code

Adjustment Type

Scenario

Statistics Code



Add a New Value

Then you can detail information about the project.

The screenshot shows a web application interface with a breadcrumb trail at the top: "Favorites | Main Menu > Set Up Financials/Supply Chain > Com". Below this, the heading "Project ID" is displayed. Two buttons are present: "Find an Existing Value" and "Add a New Value", with the latter highlighted by a red box. Below the buttons are two input fields: "SetID:" with a dropdown menu showing "L" and a search icon, and "Project:" with the value "123" entered. Both input fields are highlighted in yellow. Below these fields is an "Add" button, also highlighted with a red box. At the bottom of the form, there is a secondary breadcrumb trail: "Find an Existing Value | Add a New Value".



Sample – Project

Favorites Main Menu > Set Up Financials/Supply Chain > Common Definitions > Design ChartFields > Define Values > ChartField Values

Project Description

Project

SetID: L

Project: 123

*Description: VAN NEW DINING HALL **1** *Status: Active Attributes

*Start Date: 08/07/2012

*End Date: 12/31/2099 **2** Summary Project

Project Manager Personalize | End | View All | First | 1 of 1 | Last

*Effective Date	*Manager	Manager Name
<input type="text"/>	<input type="text"/>	<input type="text"/>

Project Status Personalize | End | View All | First | 1 of 1 | Last

*Effective Date	*Project Status
<input type="text"/>	Open <input type="text" value="Open"/>

3

Project | Description

1. Description – Limited to 30 Characters – This will appear on reports.
2. Start Date/End Date – Set the end date into the future.
3. Save your work.

Status: This defaults to “Active” and this is where you would make a Project inactive if needed

NOTE: Project code will be available to use the following day.



Monthly Reconciliation



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Reports - Use to Reconcile

Posted Detailed

Trial Balance

Activity Reports (Query)



Fundraising - CRM

- To reconcile fundraising transactions with the general ledger, print the Appeal Progress by Category and Pledge Receivable Aging Report. Print this report after all business transactions for the month have been completed. Compare these figures with the posted journal transactions for that month in General Ledger.
- Remember to calculate Provision for Uncollectible



Accounts Payable

- Verify that all invoices received have been entered into the Accounts Payable system and posted to the General Ledger for the current month.
- Check the Payables Open Liability Report at the end of the month against the balance in the 2006 account (Accounts Payable) in each fund.



Cash Receipts

- Verify that all cash receipts have been entered and that the bank accounts have been reconciled monthly.
- In SellWise, use the “Item Sales Detail” report.



Registration

- At the end of the month, ask the registrar to total the receipted money for business not yet transmitted to the national office. Divide it into registration fees (including charter fees) and *Boys' Life* fees.
- Compare this to the balances in the appropriate custodial accounts (2301 and 2302).



Unit Accounts

- At the end of the month, ask the trading post store manager to total the balances of the unit accounts.
- Match this to the custodial account (2341) in the General Ledger.



Monthly Close Processes

<u>Description</u>
Check status of AP and CD Journals (Posted)
Close Accounts Payable Period
Close Depreciation
Enter all Journal Entries
Check status of Journals (Posted not in Error or Valid)
Generate Scope reports for Camps, Activities and Special Events
Enter Recurring Insurance & Allocations
Define Allocation Step
Run Allocation Process
Close Asset Management Period
Run Detail Operating Statements
Review Income & Expenses
Run Draft Financial Statements
Reconcile Assets & Liabilities
Adjust Actuals If Needed
Adjust Budget Amounts
Run Final Financial Statements
Close General Ledger Period and Open Next Period
Process LC Month-end GL Transmittal
Reconcile Bank Accounts
Reconcile Investment Accounts



Important Steps

- ⦿ Close Accounts Payable period
- ⦿ Close Depreciation
- ⦿ Close Asset Management Period
- ⦿ Close General Ledger Period (Month)
 - Open Next Period
- ⦿ Process LC Month-End Transmittal



Questions



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