

## Are You Giving the Right Reports to the Right People? (A Series of Articles)

In addition to the obvious goal of having your accounting software provide you with timely and accurate information, another just as important goal is to distribute this information in a format that is both easy for the recipient to understand as well as help them do their job or provide you with the service which was intended. The specific recipient of a financial report should drive the format of the report you are providing.

This is the first in a series of articles that will help you generate the appropriate reports(s) for your needs and also help assure you are using the GMS Accounting System to its fullest extent. We will be talking about information provided to the Board of Directors, Executive Director, Program Staff, Funding Sources and Auditors, etc.

In some cases the solution may simply be a matter of going to the right place in the software. In other cases a GMS Supplement may be available to meet your needs. This month's article addresses the information you are (or could be) providing the Board of Directors.

A client once told us they would never take a Revenue and Expense Report by Element to the Board of Directors meeting. "All that would do was guarantee the meeting would be three hours longer!!" In many cases that would probably be true. The average board member is not a financial person which is fine as it is not the responsibility of every board member to dissect the day to day detail of the accounting activities. However it is definitely the board's right to be kept informed how the organization is doing financially overall from an agencywide and even a program by program basis.

In order to accomplish this you need to generate a report that gives you important but limited information about each program your organization has, no matter how small. We have seen some very creative work in Excel done by our clients to accomplish this!! A Supplement we have to provide you with this type of information is Supplement # 314 Board of Directors Report.

It prepares three financial reports organized specifically for the Board of Directors. The first report is a Project Financial Report which lists each project's total expenditures including budget, current month, project total, under/over and percent of budget spent. It also lists the total receipts for each project giving you the balance of receipts over expenditures on an individual project bases.

The second report is a Balance Sheet by Category that allows you to group selected assets, liabilities and equity accounts on your agencywide balance sheet. The category feature would allow you to do things like group all of your payroll liabilities such as taxes and deductions withheld into one liability called Payroll Deductions Payable.

The third report is an Agencywide R & E by Category that allows you to group selected revenue and expenditure codes. An example of this type of category is to take rent, utilities, janitorial services and building maintenance into a category called Occupancy.

These three reports will provide your Board of Directors with a concise picture of your organization's overall financial status. Orders for the Supplement can be placed on the GMS website [HERE](#).