

Reconciliation Instructions For Units That Have Not Reconciled in MLS

<p>Before Reconciling in MLS</p>	<p>Before beginning the reconciliation using the Member and Leader Services (MLS) software, you will need:</p> <ul style="list-style-type: none"> • The last correctly balanced Reconciliation Report (this may be from FIS or a manual system). • All Church Unit Financial Statements from the time of the correct reconciliation through December 2006. <ol style="list-style-type: none"> 1. Using the last correct Reconciliation Report, write down all outstanding items (checks, deposits, NSF checks, deposit adjustments, and so on) on a separate sheet of paper. 2. Using each Church Unit Financial Statement since the correct reconciliation, write down all outstanding items (checks, deposits, NSF checks, deposit adjustments, and so on) on the separate sheet of paper used in step 1. Be sure and do the following: <ul style="list-style-type: none"> • Cross off those outstanding items that have been resolved. • Write down as “unresolved” all deposits that were recorded on the Church Unit Financial Statement in the Other category, but never transmitted through MLS.
<p>Reconciling December 2006</p>	<ol style="list-style-type: none"> 1. Bring up the MLS program. 2. On the Finances panel, click More. 3. On the Reports/Reconcile panel, click Income and Expense Report. 4. In the Report field, click the down arrow and select Summary by Sub-Category. 5. On the list that appears, click the boxes next to Other and Ward Missionary. Click Print. 6. After the report prints, click Close. 7. On the Budget panel, click Add/Update Categories. 8. Click to highlight Other. 9. Click Add. 10. Enter O-Unreconciled Differences (or use the prefix you are using to designate a subcategory in Other). 11. Press Enter, and then click Close. 12. On the Reports/Reconcile panel, click Reconcile. 13. Enter (or use the calendar icon to choose) Dec 2006. Click OK. 14. On the December 2006 Church Unit Financial Statement, find the Ending Balance line (located between the Miscellaneous Disbursements and Credits section and the Outstanding Checks section). 15. On the screen, record the ending balances for Ward Missionary and Other. On the bottom right corner, record the interest (this is found in the Miscellaneous Disbursements and Credits section of the statement). At the bottom of the screen, click Next.

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16. On the left side of the screen, click **Reconcile**. Examine the deposits. Make sure the box is clicked (contains a check mark) next to each deposit that was listed on a Church Unit Financial Statement prior to December 2006. (Refer to your sheet for those deposits that are outstanding.)
17. Click the **Expenses** tab. Examine the checks. Make sure the box is clicked (contains a check mark) next to each deposit that was listed on a Church Unit Financial Statement prior to December 2006. If any outstanding checks on your sheet have a check mark next to them on the screen, click the box to uncheck it.

Note: If you have outstanding checks on your sheet that are not listed on the screen for this reconciliation, you will need to open the reconciliation from the month they were issued and uncheck the expense there. If you have non-MLS checks (from FIS) that are not in MLS, you will need to enter them as an expense in MLS and click the **Not a Check** box. After that, open the reconciliation for that month and uncheck it.
18. On the left side of the screen for the December 2006 reconciliation, click **Temporary Items**. For each item that is in MLS but not on the Church Unit Financial Statement, do the following:
 - a) At the bottom left of the screen, click **Add**.
 - b) Enter the item you have in MLS that has not been entered at Church headquarters and is therefore not on the statement. These include adjustments for NSF checks and deposits that may be in the wrong month, such as items appearing on the January statement that need to be adjusted at Church headquarters.
 - c) Repeat steps a and b for all similar items.
19. For any items you found on the statement that are not recorded in MLS (such as Distribution items or Ward Missionary deductions), do the following:
 - a) Leave the reconciliation screen open. You will return to it.
 - b) On the Finances menu, on the Expenses panel, click **Enter Expenses**.
 - c) Be sure to click the **Not a Check** box and enter the expense. Repeat this for all applicable items.
 - d) There will not be any checks to print.
 - e) Be sure to print the Expense Report and file it with the other expense reports.
20. If there are credits on the Church Unit Financial Statement that have not been recorded in MLS (reimbursements from Distribution, Ward Missionary donations made at headquarters and added to your account, and so on), do the following:
 - a) On the left side of the Reconcile screen, click **Other Items**.
 - b) On the bottom-left corner, click **Add Item**.
 - c) Enter the information from the statement.
 - d) On the left end of the line, there is a box with a check mark. Be sure to leave the check mark in the box.
 - e) Repeat steps a through d for all similar items.

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21. Examine the Income and Expense Report you printed at the beginning of these instructions. If you have a balance (+ or -) in the Missionary category (NOT the Ward Missionary), you will need to change this balance to zero. If the balance is already zero, skip to step 22. If you have a positive or negative balance, do the following:
- a) Print another Income and Expense Report. However, in the Report field, select **Details by Sub-Category**. In the window that appears, select **Missionary** as your sub-category.
 - b) If there is a balance forward showing on the screen, in the Date Range field, select **All**.
 - c) If there are donations showing, click the donation date. On the screen that appears, change the category to Ward Missionary (or if you know the sub-category of Ward Missionary it belongs to, select that sub-category). Do this for each deposit showing on the screen.
 - d) Look at Expenses (just below Donations on the screen). If there are expenses, select them one at a time and change each to Ward Missionary (or if you know the sub-category of Ward Missionary it belongs to, select that sub-category).
 - e) Look at Transfers. If there are any amounts listed, do the following for each:
 - Using the month of the transfer date, open the reconciliation for that month.
 - On the left side of the screen, click **Other Items**.
 - Enter the information for this transfer, but change the sub-category to **Ward Missionary** (or if you know the sub-category of Ward Missionary it belongs to, change it to that sub-category).
 - f) Once the deposits, expenses, and transfers are at zero, on the Income and Expense Report screen, in the Report field, select **Summary by Category**. If the Missionary line has a balance of zero, you are finished adjusting the Missionary category. Go to step 22. If it is not zero, use the special instructions below.

Special Instructions to Force-Balance Missionary to Zero

1. On the December 2006 reconciliation screen, click **Other Items**.
2. Click **Add Item**.
3. If the balance left in the Missionary sub-category is positive, enter a negative amount in Other Items. For example, if the balance is 100.00, enter -100.00. If the balance is negative, enter a positive amount.
4. Enter **31 December 2006** as the date, **1** as the reference number, **Missionary** as the category, and **Force Balance, Wrong Category** as the reason.
5. Click **Add Item**.
6. Enter **31 December 2006** as the date, **2** as the reference number, **Ward Missionary** as the category, the opposite of the amount you entered above as the amount (if you entered -100.00 in the first Other Item, enter 100.00 as the amount for this one), and **Force Balance, Wrong Category** as the reason.

<p>Reconciling December 2006 (continued)</p>	<p>22. On the reconciliation screen for December 2006, on the left side of the screen, click Report. If the Unreconciled Differences line has amounts that are all zero, you have finished reconciling the December 2006 statement. If Ward Missionary or Other have unreconciled amounts other than zero, use the instructions for “The Reconciliation Report” before going to step 23.</p>
<p>The Reconciliation Report</p>	<p>Here are some possible situations you may encounter when trying to correct the Reconciliation Report and what to do in those situations.</p> <p>A. If you have a positive forced balance amount or positive Other amount, do not arbitrarily move some of that amount to bring a negative sub-category into balance. Budget allowance guidelines must still be followed.</p> <ul style="list-style-type: none"> ➤ For example, if a sub-category for the one annual camp (Boy Scout camp or girls’ camp) or group equipment is negative and you can prove the funds in the O-Unreconciled Differences sub-category or Other category were from fund-raisers or from youth paying their own expenses, then you may transfer funds to clear the sub-category to zero. ➤ However, if you cannot prove that the funds in the O-Unreconciled Differences sub-category or Other category are from fund-raisers, you must write a check from Budget and deposit it in the Other sub-category to clear the deficit. You can actually write one check from Budget and deposit it to several sub-categories in the Other account if needed. <p>B. If you have a positive amount in a Temple Specific sub-category (for example, for the Nauvoo Temple), research to see if the amount has been paid to Church headquarters as a check.</p> <ul style="list-style-type: none"> ➤ If it has not, enter and print a check for this amount and mail it to Church headquarters to bring the Temple Specific sub-category balance to zero. ➤ If it has already been paid (for example, with a Budget check), then you may move the amount to the O-Unreconciled Differences sub-category. <p>C. If you have a negative amount in a Temple Specific sub-category (for example, for the Nauvoo Temple), research to see if you have double-paid the amount to Church headquarters.</p> <ul style="list-style-type: none"> ➤ If you find that you have not paid it twice, you may transfer an amount from the O-Unreconciled Differences sub-category to bring the balance to zero. (If you don’t have a positive amount in O-Unreconciled Difference but do in Other, use Other.) ➤ If you find that you have paid the amount twice, contact Church headquarters to get a reimbursement to your account.

The Reconciliation Report (continued)

- D. If you have any miscellaneous Other sub-categories that have a positive amount in them, you must either spend the funds for the reason they were collected or send them to Church headquarters as surplus funds. If you discover the amount should have been paid out as a check, but was instead paid using Budget or a wrong Other sub-category, you may change the category on the expense record. If you are changing from Budget to Other, inform Church headquarters and enter a Temporary Adjustment item on the reconciliation screen.
- E. If you have surplus funds that were raised for Boy Scout camp, girls' camp, or group equipment, hold them until the next camp and spend them out of that sub-category.
- If you have a large amount, stop fund-raising or charging the youth until this amount is used up. Reevaluate your needs, and if you need to raise funds, do a smaller event.
 - Remember that fund-raising is discouraged. Paying for camps and equipment out of Budget is the preferred method. Having the youth raise their own individual funds is second. Fund-raising is a last resort.
 - If you were supposed to pay for a camp or equipment out of this sub-category and instead paid it from Budget, you may change the category on the expense record. If you are changing from Budget to Other, inform Church headquarters and enter a Temporary Adjustment item on the reconciliation screen.
- F. Once the Other sub-categories have been cleaned up and you still have a balance in the Other category or the Forced Balance sub-category:
- If the balance is positive, send a check to Church headquarters. Enter **Corporation of the President** as the payee and enter **Surplus Funds** in the TO field.
 - If the balance is negative, write a check out of Budget and deposit it to Other. If you must do this, do a transfer from a sub-category to Other and deposit the Budget check to the sub-category.
- G. If there are sub-categories for specific missionaries under the Ward Missionary category that still have amounts in them:
- If the missionary has returned from his or her mission and it is a positive amount, transfer the amount from the sub-category to the Ward Missionary category to return the subcategory to zero. (Never return donations to the donors.)
 - If the missionary has returned from his or her mission and it is a negative amount, transfer the amount from the sub-category to the Ward Missionary category to bring the sub-category to zero.
 - After all sub-categories for returned missionaries have been returned to zero, deactivate the sub-categories using the Add/Update Categories option in MLS. Detailed instructions for sub-category deactivation are included in the online help.

<p>The Reconciliation Report (continued)</p>	<p>➤ If the missionary is still on his or her mission and there is a negative amount in the missionary's sub-category, you may transfer an amount from the Ward Missionary category to bring the subcategory to zero. However, this is the bishop's decision. The Ward Missionary category is there to help families support their missionary. The sub-category for an individual missionary is a tool to help the bishop see when a family is struggling to provide support. He can then make the decision to help from the ward funds.</p>
<p>Reconciling December 2006 (concluded)</p>	<p>23. For any remaining unreconciled differences (NSF checks, category adjustments on checks, or deposits that affect Other or Ward Missionary categories), use the Temporary Items option on the reconciliation screen. Do not use Other Items. A Temporary Item indicates an adjustment that needs to be made at Church headquarters. Once you see it adjusted on a future monthly statement, you will mark the Temporary Item cleared.</p> <p>24. Once the Unreconciled Differences on the Reconciliation Report for December 2006 are all zero, print the form. The bishop and clerk sign and date the form. Attach the form to the December 2006 Church Unit Financial Statement.</p> <p>25. Close the December 2006 reconciliation.</p>
<p>Reconciling Months after December 2006</p>	<p>Once the December 2006 Church Unit Financial Statement is reconciled to MLS, open a reconciliation screen for January 2007. Perform the same sorts of adjustments as for the December 2006 statement. Repeat for each month up to the month previous to the current one.</p> <p>Remember that the idea is to remove Temporary Adjustment Items from the Reconciliation Report. If you have resolved and corrected all the problems that created the Temporary Adjustment Items on the December 2006 Reconciliation Report, you should have none on the January 2007 Reconciliation Report (unless a new problem has happened in January).</p>