

Morrison & Morrison, Ltd.

Financial Reporting System

**Benevolent and Protective Order of Elks of the
United States of America**

Lodge Introduction & Automated File Submission Guidelines

About the Elks Financial Reporting System (FRS)

The Elks Financial Reporting System (FRS) is designed to both enhance and simplify local lodge financial reporting, and **will replace the Annual Financial Report for all participating lodges**. The new system - to be employed by all lodges no later than April 1, 2020 - **will not replace 990 or 990T submissions to the IRS**, nor will it replace an audit or review if required by your state based on other factors or circumstances. In addition, your Grand Lodge Sponsor may still require a review or audit if there are concerns raised by the data in the FRS.

Please note **the Elks FRS does not require anyone to change accounting systems, but all lodges must use the official Elks Chart of Accounts**, as documented in the recently updated Auditing and Accounting Manual.

We encourage all Lodges to prepare for the transition to the FRS program by attending an online webinar. Any Lodge that is ready to start the process should contact their State Coordinator for assistance.

About the Elks Financial Reporting System (FRS)

So how did the Elks
Financial Reporting
System come about ???

Why is my Lodge obligated to follow this?

Resolution 2019-14 to replace the requirement of an Annual Financial Report (audit, review, or compilation) with a standardized on-line financial reporting system was presented at the 2019 Grand Lodge session in St Louis. The lodges voted to accept this resolution. Currently, the Auditing and Accounting Manual has been updated to implement the new resolution. The Statutes are being modified as necessary to implement this resolution as well.

Why did Grand Lodge propose this new reporting system?

- The on-line financial reporting system will enable Grand Lodge Area Auditing and Accounting Committee Members to review the financial status of individual lodges throughout the year.
- Reports built into the system will provide timely alerts of possible financial problems occurring within the lodge.
- By using these reports and reacting to the alerts, financial concerns can be addressed as they arise rather than waiting until sometime after July.

What is the benefit of using the FRS (what's in it for me)?

If a lodge is reporting to the FRS as required and if no concerns are noted then the Annual Financial Report will not be required, a potential savings of thousands of dollars.

\$165/yr. BIG SAVINGS vs. cost of Audit !!!

Note: *“At any time the FRS indicates mismanagement, financial inconsistencies, of failure to follow standard accounting principle, the Grand Lodge Audit and Accounting Committeeman, with approval of the State Sponsor(s), may require an Audit or Review.”*

No more compilations will be accepted.

What changes are required to work with the FRS?

An updated chart of accounts was released in July with the new Auditing and Accounting manual. All lodges must convert to using this chart of accounts.

The lodge will be required to provide two files at the beginning of each year to start using the system. Updates to these initial files will be required if the lodge changes its chart of accounts or budget.

The lodge will be required to provide a file each month showing the financial activity during the previous month.

What stays the same once we are working with the FRS?

Other than the requirement to update the chart of accounts and send the initial and monthly files, nothing else changes.

Lodges will continue to use their same bookkeeper/accountant, & their same financial software (QuickBooks or other)

Lodge keep their same Treasurer, Secretary, and Auditing and Accounting Committee.

Lodge operations will stay the same.

What is the timeline?

Mid-July 2019:

- New Auditing and Accounting Manuals (A&A manual) with new Grand Lodge Chart of Accounts (GL CoA) released

Late July / Early August 2019:

- Small number of selected lodges begin using FRS
- ALL lodges begin transitioning to new Chart of Accounts
- FRS information available on elks.org website

Late August 2019 / March 2020:

- ALL lodges begin using FRS

Deadlines?

April 1, 2020: → Deadline for ALL lodges using FRS

May 15, 2020: → Deadline for ALL lodges to submit first monthly activity file

What does my lodge need to do to prepare for using the FRS?

The most important first step is to convert to the new GL CoA.

This is available today in the Auditing and Accounting Manual. As converting takes some time, lodges should start this process immediately.

The lodge should also review the FRS materials now available on the elks.org website (search for keyword FRS).

The lodge will need to produce the mapping and budget files by early April and the activity file by mid- May. Lodges should start now to understand the format of these files and how to generate them.

My Lodge doesn't use QuickBooks, what do I do?

QuickBooks is not a requirement for the FRS. The required files are not specific to QuickBooks in any way.

Any accounting package should be able to generate reports similar to what is required then manipulated by spreadsheet software such as Excel to create the final file.

Since QuickBooks is a commonly used package, instructions for generating the files from QuickBooks reports are part of the instructions in FRS section of the elks.org site.

My lodge uses an outside accountant, how do I work with the FRS?

The requirements to forward files monthly remains the same.

The financial package the outside accountant uses will be able to generate reports that can then be converted into the required files. It is possible the outside accountant may be able to generate and submit the files for you.

FRS Automated File Submission Guidelines

1. File Formats
 - I. General Ledger Account Mapping File
 - II. Actual Monthly Activity File
 - III. Annual Budget File
 - IV. (One Time) Actual Beginning Balance File
2. Submission Process
3. Support

General Ledger Account Mapping File

The GL Account Mapping file is used to translate your local chart of accounts (COA) to the Elks standard COA. It consists of 3 columns, with a row for every account in your COA:

Column	Name	Example	Description
1	Lodge Number	2362	The numerical lodge number
2	Lodge GL Account	30100.1	The local system account number
3	Elks Standard GL Account	30100	The corresponding number in the Elks Standard COA

The GL Account Mapping file template can be downloaded [here](#). The file must be saved as a csv file.

Annual Budget File

The Actual Monthly Activity file is used to transmit your yearly budget activity to Adaptive. It consists of 5 columns, with a row for every account you plan for in the fiscal year:

Column	Name	Example	Description
1	Lodge Number	2362	The numerical lodge number
2	Lodge GL Account	30100.1	The local system account number
3	Fiscal Year End	2020	The year that the budget ends in. For the FY2019-2020 budget use 2020 for example.
4	Version	Budget	Right now always use Budget
5	Annual Amount	25000	The annual amount budgeted to the account. This amount will be allocated monthly based on prior year actuals.

The Annual Budget file template can be downloaded [here](#). The file must be saved as a csv file.

Actual Monthly Activity File

The Actual Monthly Activity file is used to transmit your monthly activity to Adaptive. It consists of 4 columns, with rows for every account with activity for the month:

Column	Name	Example	Description
1	Lodge Number	2362	The numerical lodge number
2	Lodge GL Account	30100.1	The local system account number
3	Date	1/31/2019	The period where the activity takes place. Use standard US date format mm/dd/yyyy
4	Amount	12587.50	The sum of the debit – credit activity for the lodge GL account for the period in question.

The Actual Monthly Activity file template can be downloaded [here](#). The file must be saved as a csv file.

Actual Beginning Balance File

The Actual Beginning Balance file is a special one-time upload to establish the beginning balances in the system. It is the same format as the Actual Activity file and should be submitted the same way. It should contain opening balances for your balance sheet accounts.

Column	Name	Example	Description
1	Lodge Number	2362	The numerical lodge number
2	Lodge GL Account	10101	The local system account number
3	Date	3/31/2017	The initial date of your
4	Amount	12587.50	The end of period balance for the account.

Use the same template as the Actual Monthly Activity file [here](#). The file must be saved as a csv file.

File Format Guidelines

- All files must be in Comma Separated Values (CSV) format. This is a standard format that has universal support.
- All files must have a header row with the exact headers described here. Please use the sample files for reference.
- All file formats begin with the lodge number in the first column. It should be the simple numeric value assigned to the lodge.
- Fields with actual or budget dollar amounts in them should be formatted as numbers. No \$ or commas should be included. Periods for decimals are allowed.
- Dates should be formatted as MM/DD/YYYY – 07/25/2019

Example Data Files

Click the images below for a full sample file.

General Ledger Account Mapping

	A	B	C
1	LodgeNumber	LodgeGLAccount	ElksStandardGLAccount
2	2362	30100	30100
3	2362	30100.1	30100
4	2362	30100.2	30100
5	2362	30100.3	30100
6	2362	30100.4	30100
7	2362	30100.6	30100
8	2362	30100.7	30100
9	2362	30100.8	30100
10	2362	30102	30102
11	2362	30103	30103
12	2362	30104	30104
13	2362	30110	30110
14	2362	30111.4	30110
15	2362	30111.5	30100
16	2362	30405	30405
17	2362	30450	31100
18	2362	3045001	31100
19	2362	30501	30501
20	2362	30501.3	30501
21	2362	3050101	30501
22	2362	3050102	30501
23	2362	3070001	30700
24	2362	3070002	30700
25	2362	30800	30800

Actual Monthly Activity

	A	B	C	D
1	LodgeNumber	LodgeGLAccount	Date	Amount
2	2362	35502	4/30/2019	4.38
3	2362	36615	4/30/2019	4.38
4	2362	62010.6	4/30/2019	4.38
5	2362	3650600	4/30/2019	4.38
6	2362	3990103	4/30/2019	7
7	2362	32100	4/30/2019	8.75
8	2362	34600	4/30/2019	8.75
9	2362	35300.2	4/30/2019	8.75
10	2362	35507	4/30/2019	8.75
11	2362	61045.6	4/30/2019	8.75
12	2362	3070001	4/30/2019	8.75
13	2362	34904	4/30/2019	8.93
14	2362	9625022	4/30/2019	13.13
15	2362	3900720	4/30/2019	15.31
16	2362	40400	4/30/2019	17.5
17	2362	3450006	4/30/2019	17.5
18	2362	39088	4/30/2019	21.87
19	2362	32601	4/30/2019	26.25
20	2362	35000.3	4/30/2019	26.25
21	2362	3315010	4/30/2019	26.25
22	2362	9625008	4/30/2019	26.25
23	2362	74601	4/30/2019	30.63
24	2362	9330002	4/30/2019	31.5
25	2362	36300.7	4/30/2019	35

Budget - Annual

	A	B	C	D	E
1	LodgeNumber	LodgeGLAccount	FYE	Version	Annual
2	2362	32200.1	2020	Budget	2835
3	2362	33701.2	2020	Budget	2730
4	2362	39008	2020	Budget	945
5	2362	3152004	2020	Budget	735
6	2362	3152008	2020	Budget	1050
7	2362	3152202	2020	Budget	1050
8	2362	3152203	2020	Budget	3150
9	2362	3153005	2020	Budget	1680
10	2362	3315018	2020	Budget	525
11	2362	3315020	2020	Budget	525
12	2362	3315021	2020	Budget	630
13	2362	3315023	2020	Budget	525
14	2362	3315030	2020	Budget	5250
15	2362	3330020	2020	Budget	4410
16	2362	3370201	2020	Budget	368
17	2362	3900701	2020	Budget	105
18	2362	3900705	2020	Budget	1575
19	2362	3900706	2020	Budget	315
20	2362	3900708	2020	Budget	735
21	2362	3900724	2020	Budget	735
22	2362	3900725	2020	Budget	315
23	2362	3900740	2020	Budget	315
24	2362	3900759	2020	Budget	4620
25	2362	3900788	2020	Budget	105

File Submission

After you have formatted and saved your files, the next step is submitting them for processing to Adaptive. This is done by emailing the CSV files to the Adaptive@Elks.Cloud email address.

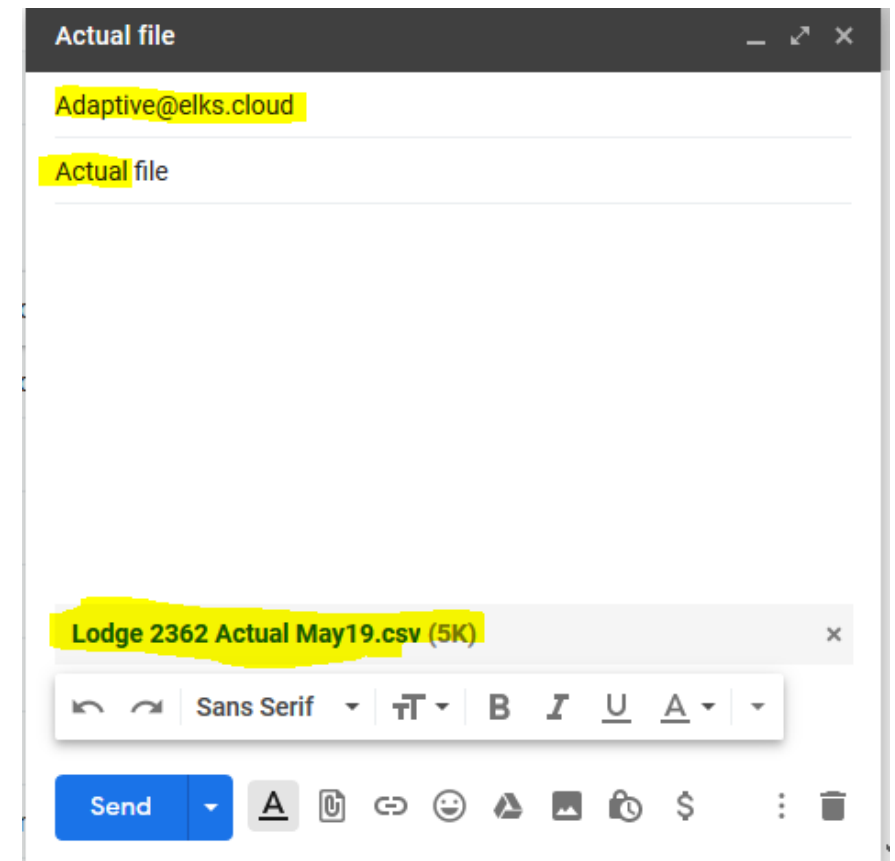
Use your preferred email client to draft a new email. Attach the file. The type of file you are submitting is determined by the Email Subject. Include the following in the subject based on the file type:

- **General Ledger Account Mapping File** – Include the word **Map** in the subject line
- **Actual Monthly Activity File** – Include the word **Actual** in the subject line
- **Annual Budget File** – Include the word **Budget** in the subject line
- **Beginning Balance File (*One Time*)** – Include the word **Actual** in the subject line

File Submission - Email

In this example we'll submit an Actual file using Gmail.

- The To address is **Adaptive@elks.cloud**
- The Subject contains the word **Actual** – signaling an Actual file.
- The file Lodge 2363 Actual May19.csv is attached. Don't forget to include your file! The file name is not critical to the import process however we recommend something that includes the lodge number, file type and date for your reference.
- When you're ready Send the file. Within 5 minutes you'll receive a reply with a success message or a detailed description of issues that need to be corrected



File Submission - Results

Ideally if your data is valid, you'll receive a success message:

Actuals File Lodge 2362 Actual May19.csv Processed  Inbox x



Adaptive

to me ▾

We have successfully processed your file. Thank you!

 Reply

 Forward

File Submission - Error

If there was an issue with the data, you'll receive a detailed message:

Error Importing Actual File Lodge 2362 Actual May19.csv  Inbox x



Adaptive

to me ▾

There was a problem with the file submitted to Adaptive.

Error message: Error processing Actual File - Invalid Elks GL Accounts # 123missing

Please check your data and resubmit a corrected .csv file.

Thanks

The error in this instance is the file contained an unknown Lodge GL Account. Correct the account number with a valid one or add the account to your Mapping file and re-submit that before re-submitting your Actuals again.

Support

Kansas FRS Coordinators:

- East half of the State – **Frank Springer** 620-431-8577 frank@frankspringer.com

Atchison

Chanute

El Dorado

Fort Scott

Galena

Iola

Osawatomie

Ottawa

Overland Park

Parsons

- West half of the State – **Jim Malone** 785-483-8735 jamesmalone99@yahoo.com

Abilene

Clay Center

Garden City

Goodland

Hoxie

Junction City

McPherson

Pratt

Russell

Salina

Support & Frequently Asked Questions

Link to Elks.org website page dedicated to the new FRS:

<https://www.elks.org/grandlodge/auditing/FinancialReporting.cfm>

Link to Morrison & Morrison's frequently asked questions about FRS:

<https://TinyURL.com/Elks-Adaptive>