

# Director of Accounting System Manual



## Purpose Statement:

To improve the lives of real estate investors and residents through property management solutions.

## Systems Manual: Director of Accounting (DA)

### KRA's – Key Result Areas

- \* Position Overview / System Manual Overview – p4
- 1. Create Batch Bank Deposits – p5
- 2. Post The Daily Batch Bank Deposit to AppFolio – p6
- 3. Prepare 10-day Notices –p7
- 4. Drive the Collection Of Delinquent Rents –p8
- 5. Process NSF Payments –p11
- 6. Close Monthly AppFolio Software Accounting Cycle –p12
- 7. Other – p15

### **Templates:**

#### **1. Accounting**

- a. Security Deposits transfers - folder
- b. Nettrour Property Balances - folder
- c. Nettrour Payments - folder
- d.
- e. Owner Reserve Adjustments
- f. Payout Owner Funds

#### **2. Office Docs**

- a. Behavioral Values
- b. Office Policy
- c. Letterhead

#### **3. Owners**

- a. Late rent note to owner (AppFolio letter)
- b. Monthly payment notes
- c. Evicting Resident Notification EM (AppFolio letter)
- d. Account Shortage Notification
- e. Service Fee due GM – Account Shortage

- f. Mid Month Owner Notification Email (AppFolio letter)
- g. W9 form
- h. 1099's info (old) - Folder
- i. Escrow Shortage - Folder

**4. Residents**

- a. 3 Day notice (manual back up form)
- b. NSF notice
- c. Rent Credit Invoice
- d. Rental Payment Assistance Locations
- e. Eviction checklist
- f. Delinquency Timeline

**5. Other**

- a. Performance Evaluation – DA
- b. MISC Payment Form
- c. Reoccurring Monthly Calendar
- d. Password list
- e. MISC Payment Form Tracker

PROPERTYmanagementSYSTEM.org

## **Position Overview – Director of Accounting (DA)**

The DA will report to the Vice President of Operations.

### **System Manual Overview:**

The system shall run the business, and the team members shall run the system.

Systems are simply road maps or instructions that allow the Grace Management processes to be repeated and easily duplicated.

Property management done on a large scale is an extremely complex business with many moving parts. In order for Grace Property Management to be successful, it must be consistent.

The purpose of the system manual is to provide a consistent and specific way of doing business, and to ensure that each property, resident, owner, and as much as possible, each situation, are treated the same. Also to define HOW Grace Property Management will do property management.

The System Manual will provide each team member with specific KRA's (Key Result Areas) for which they are responsible and a specific measures of success for each KRA, so that each team member always knows whether or not they are succeeding.

Team members should always refer to their specific system manual to determine the answer to a question before bringing that question to the Director of Operations.

Any deviation outside of the system must be recognized as an exception to the system. While exceptions are necessary from time to time, each exception is by nature inefficient, and should therefore be avoided.

Each team member shall constantly work to improve the system. One purpose of the monthly Performance / Evaluation meeting with the Director of Operations is to ensure that on-going system improvements are suggested, discussed and implemented.

## 1 – Create Batch Bank Deposits

### **Measure of Success: Daily deposit all payments to bank**

1. A deposit should be made each day AFTER the mail has been received and checks removed.
2. No cash payments are accepted.
3. Deposit all check items into the correct checking account each day. There are three accounts.
  - a. Grace Management – Business Operating account
    - \* All money going into the Grace Mgmt Business account including application fees, ex-resident collection payments.
  - b. Client Trust Account
    - \* All Resident Rents, Owner Contributions, Security Deposits.
  - c. Grace Gives Account
    - \* Grace Gives Donations
4. Go to <https://www.seacoastbank.com> and login to business banking.
5. Check Scanning Procedure Steps:
  - a. Under Account Services, select merchant capture
  - b. Select Create Deposit
  - c. Enter required fields, click enter (Deposit Name, Amount & Account)
  - d. Put checks in scanner, then press Scan.
  - e. The next screen will list each scanned check. There will be an error symbol next to any checks that need corrections.
  - f. Click 'Fix Error' and make corrections
  - g. Proceed until all checks are corrected and deposit is in balance.
  - h. Once in balance, click Submit Deposit and Submit

Print 2 copies of the deposit report

- i. Paperclip the checks to one deposit print out and file to be shredded.
- j. Proceed to system manual KRA #2, to enter the batch payments into AppFolio.

**PROPERTY management SYSTEM.org**

## **2 – Post The Daily Bank Deposit Into AppFolio**

### **Measure of Success: Daily enter all deposits to AppFolio**

1. Once the bank deposit has been completed, post that deposit into AppFolio.
2. To manually enter a Tenant Receipt follow the instructions in the below link.
  - a. <https://help.appfolio.com/s/article/Manually-Enter-a-Tenant-Receipt#enterreceipt>
  - b. For tenant security deposit receipts, enter SD information for the appropriate year on template 1A.
3. To manually enter an Other Receipt follow the instructions in the below link.
  - a. <https://help.appfolio.com/s/article/Enter-an-Other-Receipt>
4. To manually enter an Owner Receipt follow the instructions in the below link.
  - a. <https://help.appfolio.com/s/article/Manually-Enter-an-Owner-Receipt>
5. To create a New Bank Deposit follow the instructions in the below link.
  - a. <https://help.appfolio.com/s/article/Create-a-Bank-Deposit>
6. Print deposit information from AppFolio, staple with batch deposit from Seacoast and file in monthly Client Trust deposits.

PROPERTYMANAGEMENTSYSTEMS.ORG

### **3 – Prepare 10-day Notices**

#### **Measure of Success: Daily create needed 10-day notices**

1. On the date given by the VPO in the monthly close-out schedule, 10-day notices need to be prepared for all delinquent residents.
2. Print a Delinquency Report from AppFolio showing all balances over \$50. Follow the instructions in the below link:
  - a. <https://help.appfolio.com/s/article/Delinquency-Report>
3. Charge the appropriate Late Fees in AppFolio. Follow the instructions in the below link:
  - a. <https://help.appfolio.com/s/article/Charge-Late-Fees>
4. After late fees have been charged, you will manually need to charge posting fees accordingly to each delinquent account using GL code 4490:
  - a. <https://help.appfolio.com/s/article/Enter-a-One-Time-Tenant-Charge>
5. After appropriate fees have been charged, print two copies of each 10-day notice to be served. Follow the instructions in the below link:
  - a. <https://help.appfolio.com/s/article/Send-3-Day-Notice-Letters>
6. After all 10-day notices have been printed; give them to the individual currently in charge of serving notices.
  - a. All notices should be completed and given to the individual serving notices by noon on the day they are to be posted so they can be delivered immediately.
  - b. Email individual 10-day notices, anytime you need a 10-day served.
7. Once delivered, the individual serving the demands will place the original notices in the ‘In-Box’ of the DA.
8. Place all pending 10-day notices and the delinquency list in the “Demands for Rent” folder.
9. Initiate the Collection of Delinquent Rent process as outlined in KRA item #4

**Quick reference below for late fees and due dates:**