UNIT ACCOUNTING

Accounting For Unit Funds

Income

If the unit makes the deposit directly to the bank, the unit must send the deposit slip (original or copy) and a Deposit Advice form to wing HQ within seven days so the proper entries may be recorded in QuickBooks®. If the unit sends the checks to wing to be deposited, the unit must also submit a Deposit Advice form. The unit may specify names and account numbers from the standard chart of accounts or describe the transaction with enough detail so the proper account numbers may be identified. Enter the deposit in QuickBooks® as a normal wing deposit. Make sure the unit sub-account is selected in the “Deposit To” box for the appropriate cash account, the date is correct and that you class all transactions to the correct unit. Wing must do a separate deposit for each unit so that each unit’s checking account receives credit for the deposit. All entries on the deposit must be classed to the unit account.

Accounts Receivables

Most of the funds received from units do not require an account receivable to be created. However, any funds received in the next fiscal year for an activity that occurred in the previous fiscal year will require an invoice to ensure the income is recorded in the correct period. Accounts receivables will be entered the same way you enter them for wing transactions; however, you must ensure the unit class is used on the invoice. Wings must be especially vigilant at year-end and into the new fiscal year. All aircraft minor maintenance funds due must have an accounts receivable created.

Entering Bills

Accounts payables must be entered for all bills. These are entered the same as wing payables. Be sure to class each bill to the unit for whom you are paying the bill.

Paying Bills

Paying bills and printing checks requires more vigilance than normal. The opportunity to make mistakes greatly increases during this procedure. The wing must ensure that all necessary approvals have been obtained before paying any bills. To pay unit bills:

• Select “Vendors” and then “Pay Bills”
• Select bills for only one unit at a time. It may be helpful to sort the paper bills by unit so it is easier to select them from the list
• Under “Payment Account” select the appropriate unit’s checking sub-account.
• Make sure that “To Be Printed” is checked and the date is correct
• Click on “Pay Selected Bills.” The Payment Summary screen appears. If you have more unit bills to pay select “Pay More Bills”, otherwise select “Print Checks.”
• If you have other unit bills to pay, repeat the above process ensuring that you select the appropriate unit’s checking sub-account each time
• After selecting the unit bills to pay it is time to print checks. You will print these the same way you print wing checks. However, you must ensure that you use the correct check stock.
• You may print all the unit checks at once from the Print Checks screen. Select only those checks being used to pay unit bills. **You must select the Lead Account for the Unit Checking Account on the “Select Checks to Print” screen.**

If more than one unit uses the same vendor, such as a telephone company, adjust the vendor name in the vendor list by hyphenating the name and adding the unit name after the hyphen. Make sure at the bottom of the individual vendor screen you fill in the “Print on Check As” section with just the vendor name.

You can also select the “Additional Info” tab and add the vendor account number.
Unidentified Unit Deposits

When reconciling the unit bank statement, there may be deposits listed on your bank statement, but no corresponding entry in QuickBooks®. This will occur when the units make deposits locally. Record the deposit in QuickBooks® on the date deposited. Use the “Unidentified Deposits” sub-account under the Unit Checking lead account as the “Deposit To” entry. Enter the miscellaneous income account in the “From Account” box. In the memo, enter “Unknown Deposit.” Use a new “VA???” class (use your own two-letter wing identifier) so the deposit is easier to find. Enter the amount of the deposit. The fastest way to find out who owns the deposit is to send out an e-mail to all units listing the date and amount of the deposit and asking to whom it belongs. Remind the units that unclaimed deposits will be equally divided among all units after one year. When a unit claims the deposit, they must submit the deposit slip and Deposit Advice form so they may receive proper credit.

Once the deposit has been identified, correct the entry in QuickBooks®. The easiest method is to use the “transfer funds” feature to move the funds from the unknown account to the correct unit account. Remember to clear this transfer with your next reconciliation since these transfers will not actually take place at the bank, just within the QuickBooks® file.

Interest

All interest earned on the unit checking account remains with the wing to assist in funding the wing banker program. This money should be deposited to the wing sub account in the Unit account. The interest from the unit savings account belongs to the units participating in the account. Allocate the interest earned proportionally based upon the balance in each sub account at month end. Once you calculate the interest allocated to each unit, enter this in QuickBooks® via the “Make Deposits” function. A separate deposit must be entered for each unit. Follow the previous instructions for entering deposits remembering to select the appropriate unit sub-account, entering Interest Income as the account, and classing the transaction to the appropriate unit. You may also allocate unit interest through
a journal entry. Using a journal entry allows you to post to all sub bank accounts in one transaction.

**Unit Reports In Quickbooks®**

Follow these steps to create unit reports in QuickBooks® that resemble bank statements.

- In QuickBooks®, select Reports; Accountant and Taxes; General Ledger

- Select Modify Report; Filters; filter by Account; select Multiple Accounts

- Select Manual on the left. On the right, place a check mark next to the unit. If that unit has a savings account and/or a Certificate of Deposit, place a check mark next to those accounts. Select accounts for one unit at a time. Select “OK.”
• Select the Header/Footer tab. Under “Company Name” enter the unit name for the unit you just select, such as Any Unit Composite Squadron. For “Report Title” enter Unit Cash Balance, or something similar. Subtitle and Date Prepared will be entered for you.

• Select the Display tab. Select your date range.
• Select “Advanced” at the bottom of this screen. Select “In Use” in the “Include” column. Select “OK.”
• The following report appears:

![Image of a report]

• You may either print the report or e-mail it directly to the unit. To print, select “Print.” From the Print Menu, select Portrait or Landscape. It is recommended that you use the “Preview” function to verify that the orientation you select looks okay on paper. Select “Print.”

• If you wish to e-mail the report to the unit, select “E-Mail” and select “Send Report as Excel” or “Send Report as PDF.”

![Image of e-mail options]
• The following screen appears. You must enter the e-mail address of the person you wish to send the report to. You can edit the subject and default text to your preference. If you wish to receive a copy of this email, remember to include your email address in the CC section. Select “Send Now.”

• The current wing e-mail address you will use to send these reports monthly must be listed under “Company” and “Company Information”

• If you receive error messages indicating “Outlook not found,” go to Edit, Preferences, Send Forms and make sure that QuickBooks® e-mail is selected

• You must also have an on-line account with Intuit. If you do not have an account, the first time you try to e-mail you will receive a message from Intuit asking you to create an account.

• If you do not have an account, it is recommended you establish a new account. Save the user ID and password for future reference.
• For quick future reference, memorize the report. You may want to establish a Group under Memorized Reports to store your reports in so it is easily accessible in the future. From the Reports Menu select Memorized Reports and then Memorized Reports List.
• On the bottom left select Memorized Reports and New Group
• Give the Group a name, such as Unit Cash Reports and select OK

![Image of QuickBooks interface]

• Click on the “x” in the upper right corner of QuickBooks® and the report you created previously reappears. Select Memorize at the top of the report. Use the unit name somewhere in the Name field; place a check mark in the Save in Memorized Report Group box; select your previously named Group. Select OK.
• It is recommended you initially create and memorize all the unit reports at one time.
• To continue creating the next report, select Modify Report, Filters; Multiple Accounts. Click on Multiple Accounts to open up the list. Unclick the check marks next to the previous unit names and place new checkmarks next to the unit for which you are creating the new report.
• Select Header/Footer to change the Company Name to the new unit name
• E-mail the new report
• Memorize the new report. Select “New” instead of replace. Change the name of the report and select “Save in Memorized Report Group” and the name of the group you created for these reports.
• Once the unit reports are memorized, you can send the reports for the previous month as soon as all the unit cash accounts have been reconciled. CAPR 173-1 requires the wing to send monthly reports to the units. Cash reports must be sent to each unit within 30 days after the end of each month.
• After the memorized reports are created you may access them at any time by selecting Reports; Memorized Reports; Unit Cash Reports; and then selecting any unit report you wish. The template is saved; simply change the dates when you use these reports again. If you select “Last Month” as your date and memorize the report, the correct month will always be displayed. If you change anything in a previously memorized report, remember to re-memorize it by selecting Memorize and Replace.

When you become more proficient you should be able to adjust column widths, select which columns are shown in reports, etc. Your WFA can help you with these.

To print a profit and loss report by unit:

• Select “Reports”
• Select “Company and Financial”
• Select “Profit and Loss by Class”
• Select the desired date
• Select “Modify Report”
• Select the “Filter” tab
• Under “Choose Filter” select “Class”
• In the next box under “Class” choose “Selected Classes”
• Select the class for the desired unit

Wing must send these reports to the units monthly. The unit must verify the cash balances and the transaction details to confirm that everything was done correctly.

To print a unit budget report:

• Select “Reports”
• Select “Budgets”
• Select “Budget vs. Actual”
• Select the desired budget year and unit budget
• Select “Next” and “Finish”
• You may email this report to the unit also.
• Budget vs. Actual reports must be sent to each unit within 30 days of the end of each quarter.