



Monthly Service Overview

This document is a summary of the typical monthly services Advocate Accounting provides, as well as an outline of the ideal division of labor between our team and yours. Our goal is to offer you the support and training needed to handle your own bookkeeping in house, which in turn will allow the Advocate team to focus on our specialised, higher-level accounting work. We recognize that there will be a period of transition as we help you establish these systems and routines, but have found this model to ultimately be the most cost effective for our clients as well as mindful of our internal capacity. Consider this our roadmap toward partnership!

For simplicity's sake, we will refer to your organization's team as "Client" and the Advocate Accounting team as "AA" in the following list. "QBO" stands for Quickbooks Online.

Bookkeeping & Payroll

- Client enters all basic income and expense transactions into QBO
 - Client provides full coding for all transactions, including Income or Expense Code, Class / Program, Funding Source (if applicable) and Entity (if applicable)
- Client runs payroll and maintains files in payroll software (including new employee set up, determining compensation and PTO policies)
 - AA is available for consulting on high level items like initial payroll set up, ensuring deductions are set up correctly for tax purposes, garnishments, tax support, and responding to notices
 - AA will help establish and implement time tracking systems via custom timesheets or directly within the payroll software if possible
- Client completes all monthly tasks via secure portal (including uploading statements and new grant paperwork) in a timely manner, so that AA can provide reports by predetermined deadline each month



Accounting

- AA reconciles accounts and performs regular review of bookkeeping to ensure accuracy and adherence to Generally Accepted Accounting Principles (GAAP).
- AA makes accounting adjustments for the things such as:
 - Grant Spending
 - Revenue Recognition (reviewing grant contracts to ensure that multi-year funding is recorded in a way that adheres to GAAP but is also useful operationally)
 - Accrued and Prepaid Expenses
 - Allocation of Payroll by Class / Program, Entity and Funder / Grant
 - Cross-Entity Allocation of Split Income or Expense transactions
 - Fiscal Sponsorship Activity
- AA notifies Client of monthly inter-entity transfer total (if applicable)

Reporting

- AA prepares financial reports via Google Sheets that include a budget vs actual monthly comparison, cash flow projection and a customized financial dashboard for high level review
- AA also provides a basic financial report packet generated by QBO
 - AA recommends entire packet is reviewed regularly by Client staff and board, with focus on Accounts Receivable Summary, Accounts Payable Summary and Bank Reconciliation Reports
- Reports are provided for management use only and are not compiled, reviewed or audited by us



A note about timing : Report deadlines are typically determined by Client's board or finance committee meeting schedule and AA's internal capacity. AA will confirm the expected due date at the beginning of each month and requires a minimum of 4 business days between the Client's finalization of their monthly task list and AA's completion of that month's financial reports. AA business days are Monday - Thursday, excluding holidays.

Consulting & Other Support

- Based on Client needs, AA can schedule meetings on an ad hoc basis or recurring monthly
- AA provides training as needed on campaign compliance, nonprofit accounting basics, B&O tax, operations, budgeting, QBO and other softwares, how to read financial statements, etc.
 - A growing library of [on-demand trainings](#) is available on AA's website for purchase, including a 4 part series on QBO
- AA offers ad hoc support on special projects, planning items, payroll issues or supplemental financial reporting
- AA provides ad hoc guidance on compliance with IRS, state and local taxing agencies, and the Public Disclosure Commission
- AA develops tools and templates for Client as needed. These may include or be related to:
 - Financial systems development for multiple entities, Restricted grant tracking, Fiscal sponsorships, Campaign and tax compliance, Accessibility, Operations, Policies and Procedures, Internal Controls and more...
- AA provides recommendations on tech solutions and implementation support



- If audits are obtained, AA completes the majority of the requests from auditors and works with the Client's team to provide guidance on various aspects of the process. AA works directly with the auditor to make year end adjustments and complete the audit process.
- AA prepares and files 990's and 1099's
 - Trainings on How to Review a 990 and how to prepare for 1099-NEC & 1099-MISC processing are available on-demand
- Upon request, AA will:
 - Prepare data for SOS renewal
 - Prepare and file state and city B&O tax reports

Services Not Provided

- Political campaign or lobbying reporting
- Attestation services such as compilations, reviews or audits
- Payroll processing
- Accounts payable and accounts receivable management