

Fiscal year end is awesome!!!!

Said no one  
ever...



somee cards  
user card

# QuickBooks for Grant Administration

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PETERSON COMPANY LTD

Presented by:

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# Grant Management

## Unearned Revenue

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Unearned Revenue represents cash that has been received by the District but is not yet earned

Revenues are recognized when revenue is earned

- Revenue is earned when direct grant expenses have been paid
  - Example: CWF project expense of \$5,000 was paid on 06/01/2020. Revenue should be recognized for \$5,000 when the payment is made
  - Example: John has 10 hours of time directly related to the CWF grant in June 2020. Revenue (10 hours X the billable rate) should be recognized in June 2020

# Grant Management

## Unearned Revenue (continued)

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Track grants through Unearned Revenue Liability accounts

Reduces distortion to Net Income

Provides managers with better monthly financial information

Eliminates the need to calculate Unearned Revenue at year-end

Easier to reconcile grants with eLink reporting

# Grant Management

## Unearned Revenue (continued)

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- Recording BWSR Billable Rates against grants
  - If Unearned Revenue is tracked on the balance sheet
    - Then a monthly entry is needed to record staff time
      - Credit – State Revenue
      - Debit – Unearned Revenue
- Documentation should be kept to support how the monthly adjustment is calculated for staff time
  - Proper documentation would consist of Time Log (Excel Spreadsheet or Software) that tracks time by employee and grant
  - Time logs should include hours for all staff whether administrative or billable (BWSR SAMPLE)

# Grant Management

## Recording Unearned Revenue

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- Recommend having a new Unearned Revenue Account # for each grant
  - Recommend using subaccounts for each new grant
  - #25000 Unearned Revenue account
  - #25100 BWSR – 2021 Clean Water Fund (subaccount of #25000)
  - After each grant is closed, mark as inactive in Chart of Accounts
    - Go to Chart of Accounts
    - Right click on the account you want to mark inactive
    - Search for Make Account Inactive
  - If you ever need to see all accounts, including inactive accounts, click on the Include Active checkbox at the bottom

# Grant Management

## Recording Unearned Revenue (continued)

2400 Unearned Revenue
2401 BWSR 2015 Projects and Practices Grant
2410 BWSR 2016 Local Capacity Services Grant
2420 BWSR 2017 Conservation Delivery Grant
2421 BWSR 2017 Local Capacity Services Grant
2430 BWSR 2018 Conservation Delivery Grant
2431 BWSR 2018 Local Capacity Services Grant
2432 BWSR 2018 Clean Water Fund (CWF) Grant xxx

Organize by grant year

Organize by grant type

2400 Unearned Revenue
2401 BWSR 2015 Projects and Practices Grant
2410 BWSR 2016 Local Capacity Services Grant
2411 BWSR 2017 Local Capacity Services Grant
2412 BWSR 2018 Local Capacity Services Grant
2420 BWSR 2017 Conservation Delivery Grant
2421 BWSR 2018 Conservation Delivery Grant
2430 BWSR 2018 Clean Water Fund (CWF) Grant xxx



# Sample Chart of Accounts

## BASIC CHART OF ACCOUNTS

(Add/Adjust to fit your organization's needs)

### ASSETS

#### CURRENT ASSETS

- 1000 Cash
  - 1010 Petty Cash
  - 1020 Checking
  - 1030 Savings/Investments
- 1200 Accounts Receivable
- 1250 Due From Other Governments
- 1280 Interest Receivable
- 1300 Inventory
- 1400 Prepaid Expenses
  - 1410 Trees
  - 1420 Insurance
  - 1430 Dues & Subscriptions
  - 1440 Software Licenses

### LIABILITIES

#### CURRENT LIABILITIES

- 2000 Accounts Payable

#### OTHER CURRENT LIABILITIES

- 2050 Due to Other Governments
- 2100 Accrued Wages
- 2150 Accrued Payroll Taxes
- 2200 Sales Tax Payable
- 2300 Deposit on Tree Sales
- 2400 Unearned Revenue

- 2401 BWSR 2015 Projects and Practices Grant
- 2410 BWSR 2016 Local Capacity Services Grant
- 2420 BWSR 2017 Conservation Delivery Grant
- 2421 BWSR 2017 Local Capacity Services Grant
- 2430 BWSR 2018 Conservation Delivery Grant
- 2431 BWSR 2018 Local Capacity Services Grant
- 2432 BWSR 2018 Clean Water Fund (CWF) Grant xxx

### FUND BALANCE

- 3000 Fund Balance
  - 3100 Assigned
    - 3110 Compensated Absences
    - 3120 Capital Outlay
  - 3200 Nonspendable
    - 3210 Inventory
    - 3220 Prepaid Items
  - 3300 Unassigned

### REVENUES

- 4000 Intergovernmental
  - 4100 County Revenue
  - 4200 Local Revenue
  - 4300 Federal Revenue
  - 4400 State Revenue
    - 4410 State Revenue-Personnel Time
    - 4420 State Revenue-Capital Outlay
- 4600 Charges for Services
  - 4610 Tree Sales
  - 4620 Equipment Rental
  - 4630 Contracted Services
- 4700 Investment Earnings
  - 4710 Investment
  - 4720 Misc. Interest
- 4800 Miscellaneous
  - 4810 MCIT Dividend
  - 4820 Asset Sale Proceeds
  - 4830 Health Insurance Dividend

### EXPENDITURES

- 5000 District Operations
  - 5100 Personnel Services
    - 5110 Employee Wages
    - 5120 Payroll Taxes
    - 5130 PERA
    - 5140 Employee Benefits
    - 5090 Supervisor Compensation
    - 5091 Supervisor Per Diems
  - 5200 Other Services and Charges
    - 5205 Education/Training
    - 5210 Newsletters
    - 5215 Office Maintenance
    - 5220 Postage
    - 5225 Professional Associations
    - 5230 Professional Services
    - 5235 Rent
    - 5240 Telephone/Internet/Fax
    - 5245 Unemployment/Workers Comp Insurance
    - 5250 Insurance
    - 5255 Utilities
    - 5260 Vehicle Expenses
  - 5300 Supplies
    - 5310 Office Supplies
  - 5900 Capital Outlay
- 6000 Project Expenditures
  - 6100 County Projects
  - 6200 Local Projects
  - 6300 Federal Projects
  - 6400 State Projects

# Grants Management

## Record Grant Activity

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# #1 – Received 50% advance payment on a \$150,000 CWF grant on 2/13/20

Deposit To  Date  Memo

Click Payments to select customer payments that you have received. List any other amounts to deposit below.

RECEIVED FROM	FROM ACCOUNT	MEMO	CHK NO.	PMT METH.	AMOUNT
BWSR	25000 · Unearned Revenue:25100 · BWSR - 2020 Clean Water Fund	2020 BWSR Clean Water Fund 50%		E-Check	75,000.00

- Go to Banking and select Make a Deposit.
- Select the bank account and change the date
- Select the Unearned Revenue account under the From account section

# #2 – Purchased Tractor using Clean Water Funds

BANK ACCOUNT **10000 - Checking** ENDING BALANCE **181,452.62**

NO. TO PRINT  
DATE **05/28/2020**  
\$ **10,000.00**

PAY TO THE ORDER OF **John Deere**

Ten thousand and 00/100\* \*\*\*\*\* DOLLARS

ADDRESS

MEMO **Tractor**

Expenses **\$10,000.00** Items **\$0.00**

ACCOUNT	AMOUNT	MEMO
25000 - Unearned Revenue:25100 - BWSR - 2020 Clean Water Fund	10,000.00	Tractor purchased using 2020 CWF
40000 - Intergovernmental Revenues:40400 - State Revenues:40410 - 2020 Clean Water F...	-10,000.00	Tractor purchased using 2020 CWF
50000 - District Operations:50400 - Capital Outlay	10,000.00	Tractor purchased using 2020 CWF

- Go to Banking and select write checks
- Select the bank account and change the date
- Select the Unearned Revenue account being used
- On the second line, select the revenue account that correlates with that grant and enter the amount as a negative number
- On the third line, select the capital outlay expense account

# #3 – Record Billable Time on CWF

DATE	07/06/2020	ENTRY NO.	18	<input checked="" type="checkbox"/> ADJUSTING ENTRY
ACCOUNT	DEBIT	CREDIT	MEMO	
25000 - Unearned Revenue:25100 - BWSR - 2020 Clean Wate...	3,000.00		Record billable time for 2nd Quarter 2020	
40000 - Intergovernmental Revenues:40400 - State Revenues:...		3,000.00	Record billable time for 2nd Quarter 2020	

- Go to Accountant and select Make General Journal Entries
- Change the date
- Debit the Unearned Revenue account for the billable time
- Credit the revenue account that correlates with that grant

# #4 – Record Project Expenditures

BANK ACCOUNT **10000 - Checking** ENDING BALANCE **171,452.62**

NO. TO PRINT  
DATE **07/28/2020**  
\$ **65,000.00**

PAY TO THE ORDER OF **Corey Taylor**

Sixty-five thousand and 00/100\*\*\*\*\* DOLLARS

ADDRESS

MEMO **Project #CWF-OTN8**

**Expenses \$65,000.00** **Items \$0.00**

ACCOUNT	AMOUNT	MEMO
25000 · Unearned Revenue:25100 · BWSR - 2020 Clean Water Fund	65,000.00	Project #CWF-OTN8
40000 · Intergovernmental Revenues:40400 · State Revenues:40410 · 2020 Clean Water F...	-65,000.00	Project #CWF-OTN8
60000 · Project Expenditures:60300 · State Project Expenditures:60310 · 2020 Clean W...	65,000.00	Project #CWF-OTN8

- Go to Banking and select write checks
- Select the bank account and change the date
- Select the Unearned Revenue account being used
- On the second line, select the revenue account that correlates with that grant and enter the amount as a negative number
- On the third line, select the project expenditure account associated with the grant

# #5 – Record Billable Time on CWF

DATE	10/05/2020	ENTRY NO.	19	<input checked="" type="checkbox"/> ADJUSTING ENTRY
ACCOUNT		DEBIT	CREDIT	MEMO
25000 - Unearned Revenue:25100 - BWSR - 2020 Clean Water Fund		1,000.00		Record billable time for 3rd Quarter 2020
40000 - Intergovernmental Revenues:40400 - State Revenues:...			1,000.00	Record billable time for 3rd Quarter 2020

- Go to Accountant and select Make General Journal Entries
- Change the date
- Debit the Unearned Revenue account for the billable time
- Credit the revenue account that correlates with that grant

# #6 – Record 40% on \$150,000 CWF

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Deposit To  Date  Memo

Click Payments to select customer payments that you have received. List any other amounts to deposit below.

RECEIVED FROM	FROM ACCOUNT	MEMO	CHK NO.	PMT METH.	AMOUNT
BWSR	25000 · Unearned Revenue:25100 · BWSR - 2020 Clean Water Fund	Record 40% on CWF		E-Check	60,000.00
-	-			-	

- Go to Banking and select Make a Deposit.
- Select the bank account and change the date
- Select the Unearned Revenue account under the From account section



# #7 – Record Project Expenditure

BANK ACCOUNT 10000 - Checking      ENDING BALANCE 166,452.62

NO. TO PRINT  
DATE 11/04/2020  
\$ 66,000.00

PAY TO THE ORDER OF Tom Brady

Sixty-six thousand and 00/100\* \*\*\*\*\* DOLLARS

ADDRESS

MEMO Project #CWF-TB12

Expenses \$66,000.00    Items \$0.00

ACCOUNT	AMOUNT	MEMO
25000 · Unearned Revenue:25100 · BWSR - 2020 Clean Water Fund	66,000.00	Project #CWF-TB12
40000 · Intergovernmental Revenues:40400 · State Revenues:40410 · 2020 Clean Water F...	-66,000.00	Project #CWF-TB12
60000 · Project Expenditures:60300 · State Project Expenditures:60310 · 2020 Clean Water...	66,000.00	Project #CWF-TB12

- Go to Banking and select write checks
- Select the bank account and change the date
- Select the Unearned Revenue account being used
- On the second line, select the revenue account that correlates with that grant and enter the amount as a negative number
- On the third line, select the project expenditure account associated with the grant

# #8 – Record Billable Time on CWF

DATE	12/31/2020	ENTRY NO.	20	<input checked="" type="checkbox"/> ADJUSTING ENTRY
ACCOUNT		DEBIT	CREDIT	MEMO
25000 · Unearned Revenue:25100 · BWSR - 2020 Clean Wate...		5,000.00		Record billable time for 4th Quarter 2020
40000 · Intergovernmental Revenues:40400 · State Revenues:...			5,000.00	Record billable time for 4th Quarter 2020

- Go to Accountant and select Make General Journal Entries
- Change the date
- Debit the Unearned Revenue account for the billable time
- Credit the revenue account that correlates with that grant

# #9 – Record Due from Other Government on final 10% of CWF

DATE	12/31/2020	ENTRY NO.	21	<input checked="" type="checkbox"/> ADJUSTING ENTRY
ACCOUNT		DEBIT	CREDIT	MEMO
12100 - Due from Other Governments		15,000.00		Record Due from Other Governments on CWF
25000 - Unearned Revenue:25100 - BWSR - 2020 Clean Water Fund			15,000.00	Record Due from Other Governments on CWF

- Go to Accountant and select Make General Journal Entries
- Change the date to 12/31/??
- Debit the Due from Other Governments account
- Credit the Unearned Revenue account

\*At year-end there should be no negative grants on the Balance Sheet under Unearned Revenue

# #10 – Reverse Due from Other Government in 2021

DATE	ENTRY NO.	ADJUSTING ENTRY	ACCOUNT	DEBIT	CREDIT	MEMO
01/01/2021	22	<input checked="" type="checkbox"/>	25000 - Unearned Revenue:25100 - BWSR - 2020 Clean Wate...	15,000.00		Reverse Due from Other Governments
			12100 - Due from Other Governments		15,000.00	Reverse Due from Other Governments

- Go to Accountant and select Make General Journal Entries
- Change the date to 01/01/??
- Debit the Unearned Revenue account
- Credit the Due from Other Governments account

# #11 – Record Final 10% Received in 2021

Deposit To  Date  Memo

Click Payments to select customer payments that you have received. List any other amounts to deposit below.

RECEIVED FROM	FROM ACCOUNT	MEMO	CHK NO.	PMT METH.	AMOUNT
BWSR	25000 - Unearned Revenue:25100 - BWSR - 2020 Clean Water Fund	Final 10% on CWF		E-Check	15,000.00

- Go to Banking and select Make a Deposit.
- Select the bank account and change the date
- Select the Unearned Revenue account under the From account section

\*Once a grant is closed out, there should be no Due from Governments or Unearned Revenue amounts left on the Balance Sheet. Make account inactive in Chart of Accounts.

# Clean Water Fund Activity - Final

## ABC Soil & Water Transactions by Account As of January 31, 2021

Type	Date	Nu...	Adj	Name	Memo	Split	Debit	Credit	Balance
<b>25000 - Unearned Revenue</b>									<b>0.00</b>
<b>25100 - BWSR - 2020 Clean Water Fund</b>									<b>0.00</b>
▶ Deposit	02/13/20...			BWSR	2020 BWSR Clean Water Fund 50%	10000 - Checking		75,000.00	75,000.00 ◀
Check	05/28/20...			John Deere	Tractor purchased using 2020 CWF	10000 - Checking	10,000.00		65,000.00
General Journal	07/06/20...	18	✓		Record billable time for 2nd Quarter 2020	40410 - 2020 Clean Water Fund	3,000.00		62,000.00
Check	07/28/20...			Corey Taylor	Project #CWF-OTN8	10000 - Checking	65,000.00		-3,000.00
General Journal	10/05/20...	19	✓		Record billable time for 3rd Quarter 2020	40410 - 2020 Clean Water Fund	1,000.00		-4,000.00
Deposit	10/15/20...			BWSR	Record 40% on CWF	10000 - Checking		60,000.00	56,000.00
Check	11/04/20...			Tom Brady	Project #CWF-TB12	10000 - Checking	66,000.00		-10,000.00
General Journal	12/31/20...	20	✓		Record billable time for 4th Quarter 2020	40410 - 2020 Clean Water Fund	5,000.00		-15,000.00
General Journal	12/31/20...	21	✓		Record Due from Other Governments on CWF	12100 - Due from Other Governments		15,000.00	0.00
General Journal	01/01/20...	22	✓		Reverse Due from Other Governments	12100 - Due from Other Governments	15,000.00		-15,000.00
Deposit	01/05/20...			BWSR	Final 10% on CWF	10000 - Checking		15,000.00	0.00
<b>Total 25100 - BWSR - 2020 Clean Water Fund</b>							<b>165,000.00</b>	<b>165,000.00</b>	<b>0.00</b>
<b>Total 25000 - Unearned Revenue</b>							<b>165,000.00</b>	<b>165,000.00</b>	<b>0.00</b>
<b>TOTAL</b>							<b>165,000.00</b>	<b>165,000.00</b>	<b>0.00</b>

# Profit & Loss

ABC Soil & Water Profit & Loss January through December 2020	
Jan - Dec 20	
<b>Income</b>	
40000 · Intergovernmental Revenues	
40400 · State Revenues	
40410 · 2020 Clean Water Fund	150,000.00
<b>Total 40400 · State Revenues</b>	<u>150,000.00</u>
<b>Total 40000 · Intergovernmental Revenues</b>	<u>150,000.00</u>
<b>Total Income</b>	<u>150,000.00</u>
<b>Expense</b>	
50000 · District Operations	
50400 · Capital Outlay	10,000.00
<b>Total 50000 · District Operations</b>	<u>10,000.00</u>
60000 · Project Expenditures	
60300 · State Project Expenditures	
60310 · 2020 Clean Water Fund	131,000.00
<b>Total 60300 · State Project Expenditures</b>	<u>131,000.00</u>
<b>Total 60000 · Project Expenditures</b>	<u>131,000.00</u>
<b>Total Expense</b>	<u>141,000.00</u>
<b>Net Income</b>	<u><u>9,000.00</u></u>

# Profit & Loss - Continued

## ABC Soil & Water Transaction Detail By Account January through December 2020

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
<b>40000 - Intergovernmental Revenues</b>									
<b>40400 - State Revenues</b>									
<b>40410 - 2020 Clean Water Fund</b>									
Check	05/28/2020			John Deere	Tractor purchased using 2020 CWF	10000 - Checking		10,000.00	10,000.00 ◀
General Journal	07/06/2020	18	✓		Record billable time for 2nd Quarter 2020	25100 - BWSR - 2020 Clean Water Fu...		3,000.00	13,000.00
Check	07/28/2020			Corey Taylor	Project #CWF-OTN8	10000 - Checking		65,000.00	78,000.00
General Journal	10/05/2020	19	✓		Record billable time for 3rd Quarter 2020	25100 - BWSR - 2020 Clean Water Fu...		1,000.00	79,000.00
Check	11/04/2020			Tom Brady	Project #CWF-TB12	10000 - Checking		66,000.00	145,000.00
General Journal	12/31/2020	20	✓		Record billable time for 4th Quarter 2020	25100 - BWSR - 2020 Clean Water Fu...		5,000.00	150,000.00
Total 40410 - 2020 Clean Water Fund							0.00	150,000.00	150,000.00
Total 40400 - State Revenues							0.00	150,000.00	150,000.00
Total 40000 - Intergovernmental Revenues							0.00	150,000.00	150,000.00
<b>TOTAL</b>							<b>0.00</b>	<b>150,000.00</b>	<b>150,000.00</b>



# Profit & Loss - Continued

## ABC Soil & Water Transaction Detail By Account January through December 2020

Type	Date	Name	Memo	Split	Debit	Credit	Balance
<b>60000 - Project Expenditures</b>							
<b>60300 - State Project Expenditures</b>							
<b>60310 - 2020 Clean Water Fund</b>							
▶ Check	07/28/2020	Corey Taylor	Project #CWF-OTN8	10000 - Checking	65,000.00		65,000.00 ◀
Check	11/04/2020	Tom Brady	Project #CWF-TB12	10000 - Checking	66,000.00		131,000.00
Total 60310 - 2020 Clean Water Fund					131,000.00	0.00	131,000.00
Total 60300 - State Project Expenditures					131,000.00	0.00	131,000.00
Total 60000 - Project Expenditures					131,000.00	0.00	131,000.00
<b>TOTAL</b>					<b>131,000.00</b>	<b>0.00</b>	<b>131,000.00</b>

# Journal Entries made to Unearned Revenue Accounts

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- Billable Time
- Due from Other Governments

# Program/Project Logs

## SWCD PROGRAM LOG

<b>FISCAL YEAR 2020</b>	Clean Water Fund	Date of Notification to Encumber	
<b>GRANT PROGRAM:</b>		Date Grant Received	February 13, 2020
<b>PROGRAM PERIOD: FY 2020 - FY2021</b>		Grant Amount	\$150,000.00
		Total T & A Available	\$9,000.00

CONTRACT NUMBER	DATE	NAME	CONSERVATION PRACTICE CATEGORY	PRIMARY CODE(S) D-1 THRU D-12	AMENDMENT	CONTRACT AMOUNT	T & A AMOUNT*	TOTAL PROJECT FUNDS ENCUMBERED	Total Project Cost Paid	BALANCE REMAINING TO ENCUMBER	Notes	Percentage of Total	
										\$150,000.00			
<b>T&amp;A</b>													
Admin	6/30/2020						\$ 3,000.00			\$147,000.00			
Admin	9/30/2020						\$ 1,000.00			\$146,000.00			
Admin	12/31/2020						\$ 5,000.00			\$141,000.00			
										\$141,000.00	Admin/TA Remaining to date	\$0.00	
	5/28/2020	John Deere							\$10,000.00	\$131,000.00			
CWF-OTN8	7/28/2020	Corey Taylor				\$65,000.00			\$65,000.00	\$66,000.00			
CWF-TB12	11/4/2020	Tom Brady				\$66,000.00			\$66,000.00	\$0.00			
										<b>Total Grant Remaining</b>	<b>\$0.00</b>		

# Grants Management

## What to do Quarterly/Annually

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- We recommend quarterly billable time is recorded in QuickBooks and reconciled back to the Grant All-Detail Reports
- At year-end make sure your Program Log, QuickBooks file and Grant All-Detail Reports tie to each other
- **\*Note\*** No changes should be made to QuickBooks or Program Logs once E-link reports are submitted to the state

# Questions

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# Audit Limits and Due Dates

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JPB and TSA Revenue Limit - \$233,000

## Due Dates:

- SWCD Audits are Due October 31st
- JPB/TSA Audits are Due December 31st if they have a June 30th Year-End
- JPB/TSA Audits are Due June 30th if they have a December 31st Year-End
- WMO Audits are Due Six Months from Year-End Date (normally June 30th)

# 1W1P and Federal Grants

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## Federal Grants:

- Expenditures at or above \$750,000 in one year will require a Single Audit
- Single Audits will cost more money and is a different audit than the ones normally done for BWSR

## 1W1P Grants:

- Could have additional reporting requirements if they have a separate Board that votes on what to do with the funds
  - If separate Board controls the spending on the grant, the grant should be separate from other grants on the fiscal agents QuickBooks file for the SWCD (create either a new company file for that grant or class that grant so the revenues and expenses are separate from the other grants the SWCD tracks)

# Questions

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