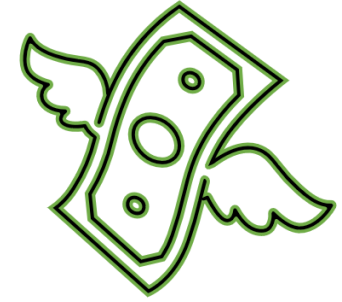




Budgets



Friday, November 4, 2022
9:40am to 10:30am

Presented by Kevin Asker

Who is doing what?

Raise your hand if you are the Lodge bookkeeper?

Who is doing what?

Raise your hand if you are the Lodge bookkeeper?

Raise your hand if you know GAAP?

(Generally Accepted Accounting Principals)

Who is doing what?

Raise your hand if you are the Lodge bookkeeper?

Raise your hand if you know GAAP?
(Generally Accepted Accounting Principals)

Raise your hand if you are a CPA?
(Certified Public Accountant)

Who is doing what?

Raise your hand if you know QuickBooks basics?

Who is doing what?

Raise your hand if you know QuickBooks basics?

Keep your hand up if you know QuickBooks proficiently?

Who is doing what?

Raise your hand if you know QuickBooks basics?

Keep your hand up if you know QuickBooks proficiently?

Keep your hand up if you know QuickBooks expertly?

Who is doing what?

How many are using QuickBooks Desktop?

Who is doing what?

How many are using QuickBooks Desktop?

How many are using QuickBooks On-Line?
(Cloud Version)

Who is doing what?

How many are using QuickBooks Desktop?

How many are using QuickBooks On-Line?
(Cloud Version)

How many don't know?

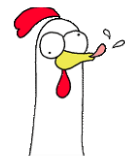
Who is doing what?

How many are using QuickBooks Desktop?

How many are using QuickBooks On-Line?
(Cloud Version)

How many don't know?

How many don't give a damn?



This is why you should care!



Prediction - Intuit is trying to force all users of QuickBooks to the On-Line version. That way they can monitor how many companies you set up and how often you renew your software. Especially if you use their payroll and need yearly tax table updates. If you don't renew or upgrade, then Intuit will be able to control your data in the cloud.

Do you now have a current version? Might buy you a little time before converting.

Financial Reporting System [FRS] Manual updated August 2022 Overview and **Budgeting**

Do NOT throw rotten tomatoes!

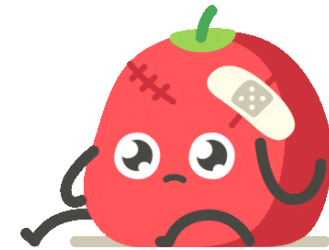


Exhibit B

FRS Monthly Actuals Export Report – Quick Reference

(If not previously memorized – see steps at end of this Exhibit)

1. In the QuickBooks Desktop menu bar, click once on **Reports**, point to **Memorized Reports**, and then click on **FRS Monthly Actuals Export** (or the name this report was given when created).
2. The report will open, and it will display information. You will need to change the dates for the report, as follows:
 - Click the drop down for Dates
 - Choose **Custom** at the bottom of the list
 - Enter the **From** date as the April 1 date of the Lodge year
 - Enter the **To** date as the last day of the month of data you are sending (be sure the range ends with the last day of the calendar month).
 - After entering the To date, press the tab key on the keyboard and the report will refresh
3. The report is now ready to be exported. Click the **Excel** button below the menu bar, and then click **Create New Worksheet**.
4. The Send Report to Excel window is displayed. Click the radio button in front of **Create a comma separated values (.csv) file** and then click the **Export** button at the bottom of the window.
5. The Create Disk File window will open. Choose the directory where you want to store the file, and name it, **Lodge #### Actuals mmyy.csv** (where XXXX is the number of your Lodge, and yymm is the year and month of the data). Do not put any other words in the file name.
6. Locate the file on the computer and open it in Excel (you can simply double-click the file name and it will open).
7. The data file may include an extra row near the top (usually row 2) and at the end containing a date in the first column. It is necessary to delete these rows (delete the entire row, not just the values in the cells).
8. The column headings must be replaced with the following names (note: the names MUST be entered EXACTLY as shown here, and cannot have spaces before, in or after the name):
 - Column A – LodgeNumber
 - Column B – Date
 - Column C – LodgeGLAccount
 - Column D – Amount
9. Type the number of your Lodge in cell A2. Copy the value of cell A2 and paste in column A for every row having data. Do NOT drag the number down, as it may increment the number by one on every row.

Fiscal Year to Last Month

Easy to find on the Desktop
when attaching to an email
then cut and paste in a folder.

Exhibit B (continued)

FRS Monthly Actuals Export Report – Quick Reference

(If not previously memorized – see steps at end of this Exhibit)

10. Check to be sure the Amount column sums to zero. To do this, click on the "D" above the word Amount. At the bottom of the Excel window, there should be an Average, Count and Sum shown – be sure the Sum is 0. Note: sometimes Excel will display a sum with an "E-11" or "E- some number at the end", this is usually fine and is still effectively a sum of 0.
11. Save the file, then compose an E-mail addressed to adaptive@elks.cloud, with the subject being "Lodge nnnn Actuals" (where nnnn is your Lodge number) attach the previously saved csv file and send it for processing. Do NOT put any other words in the subject or body of the e-mail. A computer processes all these e-mails – no person ever touches it. You should receive an error or successful message back from Adaptive within a few minutes (depending on other processing occurring and internet speeds).

You should have
adaptive@elks.cloud
saved in your contacts.

How to Memorize the FRS Monthly Actuals Export Report

1. Open QuickBooks file
2. Select Reports -> Accountant & Taxes -> Transaction Detail by Account
3. Select customize report (in top left of pop-up window)
4. On display tab choose the below 4 specific columns and select ok
 - a. Left Margin
 - b. Date
 - c. Account
 - d. Amount
5. In the bar choose the specific date periods that will be loaded (i.e., most months will be the prior month start and end date).
6. Go to the Total Box on the top of the report and change from "Account List to "Total"
7. Select the Memorize button from the row of buttons near the top of the Report
8. Name the Report **FRS Monthly Actuals Export**
9. Continue from Step 2 under **Running the Memorized FRS Monthly Actuals Export Report** (above).

Now for the FRS reports you get back from your District Deputy.

Exhibit D (continued)**Sample FRS Reports to be provided by DDGER monthly****01 Balance Sheet**

	Year to date as of Apr-2022	Year to date as of Apr-2021
Assets		
Current Assets		
Bank		
10104 - Cash Bank Bar	800	800
Total Bank	800	800
Other Current Assets		
10801 - Lodge Supplies Inventory	550	550
Total Other Current Assets	550	550
Total Current Assets	1,350	1,350
Restricted Assets		
10302 - Savings Restricted Funds	713	713
Total Restricted Assets	713	713
Fixed Assets		
15001 - Land	2,017,513	2,017,513
15100 - Buildings	496,524	496,524
15200 - Accumulated Depreciation Bldg. and Improvements	-108,486	-78,486
Total Fixed Assets	2,405,551	2,435,551
Other Assets		
19000 - Loan Refinance Costs	5,235	5,235
19001 - Accumulated Amortization	-1,669	-1,669
Total Other Assets	3,566	3,566
Total Assets	2,411,180	2,441,180
Liabilities and Equities		
Liabilities		
Current Liabilities		
20000 - Accounts Payable	3,337	4,762
Total Current Liabilities	3,337	4,762
Long Term Liabilities		
23200 - Mortgage Payable	285,777	296,741
Total Long Term Liabilities	285,777	296,741
Total Liabilities	289,114	301,503
Equity		
Temporary Restricted Funds		
29020 - Lodge Designated Restricted	3,582	3,782
Total Temporary Restricted Funds	3,582	3,782
Unrestricted Funds		
29900 - Equity - Unrestricted Funds	2,060,940	2,110,899
Total Unrestricted Funds	2,060,940	2,110,899
Retained Earnings	57,544	25,966
YTD Earnings(Loss)	0	-970
Total Equity	2,122,066	2,139,677
Total Liabilities and Equities	2,411,180	2,441,180

Exhibit D

Sample FRS Reports to be provided by DDGER monthly

00 P&L with Summary

	Apr 2022					Year to date as of Apr 2022					Annual - 2022	
	Actuals	Budget	Var \$	Var %	Flag	Actuals	Budget	Var \$	Var %	Flag	Budget	Remaining Budget
Revenue	0	0	0	0%		0	0	0	0%		0	0
Lodge Income	0	0	0	0%		0	0	0	0%		0	0
30011 - Members Dues Life	0	0	0	0%		0	0	0	0%		0	0
Bar Income	0	0	0	0%		0	0	0	0%		0	0
40100 - Liquor Sales	0	0	0	0%		0	0	0	0%		0	0
Food Service Income	0	0	0	0%		0	0	0	0%		0	0
50100 - Food Service Sales	0	0	0	0%		0	0	0	0%		0	0
Restricted Funds Income	0	0	0	0%		0	0	0	0%		0	0
90202 - State Major Project Rev.	0	0	0	0%		0	0	0	0%		0	0
Cost of Goods Sold	0	0	0	0%		0	0	0	0%		0	0
Bar Cost of Sales	0	0	0	0%		0	0	0	0%		0	0
40205 - Liquor Purchases	0	0	0	0%		0	0	0	0%		0	0
Food Service Cost of Sales	0	0	0	0%		0	0	0	0%		0	0
50205 - Food Purchases	0	0	0	0%		0	0	0	0%		0	0
Gross Profit	0	0	0	0%		0	0	0	0%		0	0
Expense	0	0	0	0%		0	0	0	0%		0	0
Lodge Expense	0	0	0	0%		0	0	0	0%		0	0
30200 - Alarm Service	0	0	0	0%		0	0	0	0%		0	0
Bar Expenses	0	0	0	0%		0	0	0	0%		0	0
40525 - Cred Card Fees and Expenses	0	0	0	0%		0	0	0	0%		0	0
Food Service Expenses	0	0	0	0%		0	0	0	0%		0	0
50520 - Food Service Supplies	0	0	0	0%		0	0	0	0%		0	0
Restricted Funds Expenses	0	0	0	0%		0	0	0	0%		0	0
90121 - State Major Project Exp.	0	0	0	0%		0	0	0	0%		0	0
Net Income	0	0	0	0%		0	0	0	0%		0	0

03 P&L Grouped by Department with MTD and YTD

Departments are stacked:

- Lodge Income
- Lodge Gross Profit
- Lodge Expenses
- Lodge Net Income
- Bar Income
- Bar Cost of Goods
- Bar Gross Profit
- Bar Expenses
- Bar Net Income
- Food Service Income
- Food Service COG
- Food Service Gross Profit
- Food Service Expenses
- Food Service Net Income
- Golf Clubs Income
- Golf Clubs Gross Profit Margin
- Golf Clubs Expenses
- Golf Clubs Net Income
- Swimming Pool Income
- Swimming Pool Gross Profit
- Swimming Pool Expenses
- Swimming Pool Net Income
- Restricted Funds Income
- Restricted Gross Profit
- Restricted Funds Expenses
- Restricted Net Income
- Total Net Income**

	Apr. 2022			Year to date as of Apr. 2022		
	Actuals Value	Budget Value	Variance Value	Actuals Value	Budget Value	Variance Value
Lodge Income	187,989	0	187,989	187,989	0	187,989
Lodge Gross Profit	187,989	0	187,989	187,989	0	187,989
Lodge Expense	33,096	0	33,096	33,096	0	33,096
<u>Lodge Net Income</u>	<u>154,894</u>	<u>0</u>	<u>154,894</u>	<u>154,894</u>	<u>0</u>	<u>154,894</u>
Bar Income	18,356	0	18,356	18,356	0	18,356
Bar Cost of Sales	6,292	0	6,292	6,292	0	6,292
Bar Gross Profit	12,063	0	12,063	12,063	0	12,063
Bar Expenses	4,874	0	4,874	4,874	0	4,874
<u>Bar Net Income</u>	<u>7,189</u>	<u>0</u>	<u>7,189</u>	<u>7,189</u>	<u>0</u>	<u>7,189</u>
Food Service Income	26,992	0	26,992	26,992	0	26,992
Food Service Cost of Sales	13,042	0	13,042	13,042	0	13,042
Food Service Gross Profit	13,951	0	13,951	13,951	0	13,951
Food Service Expenses	29,883	0	29,883	29,883	0	29,883
<u>Food Service Net Income</u>	<u>(15,932)</u>	<u>0</u>	<u>(15,932)</u>	<u>(15,932)</u>	<u>0</u>	<u>(15,932)</u>
Golf Clubs Income	281,812	0	281,812	281,812	0	281,812
Golf Clubs Gross Profit Margin	100%	0%	100%	100%	0%	100%
Golf Clubs Expenses	40,657	0	40,657	40,657	0	40,657
<u>Golf Clubs Net Income</u>	<u>241,155</u>	<u>0</u>	<u>241,155</u>	<u>241,155</u>	<u>0</u>	<u>241,155</u>
Swimming Pool Income	32,580	0	32,580	32,580	0	32,580
Swimming Pool Gross Profit	32,580	0	32,580	32,580	0	32,580
Swimming Pool Expenses	1,722	0	1,722	1,722	0	1,722
<u>Swimming Pool Net Income</u>	<u>30,858</u>	<u>0</u>	<u>30,858</u>	<u>30,858</u>	<u>0</u>	<u>30,858</u>
Restricted Funds Income	6,577	0	6,577	6,577	0	6,577
Restricted Gross Profit	6,577	0	6,577	6,577	0	6,577
Restricted Funds Expenses	529	0	529	529	0	529
<u>Restricted Net Income</u>	<u>6,048</u>	<u>0</u>	<u>6,048</u>	<u>6,048</u>	<u>0</u>	<u>6,048</u>

$$\begin{aligned} &\text{Beginning Inventory} \\ &+ \text{Purchases} \\ &\underline{- \text{Ending Inventory}} \\ &= \text{Cost Of Goods} \end{aligned}$$

$$\begin{aligned} &\text{Income (Sales)} \\ &\underline{- \text{Cost Of Goods}} \\ &= \text{Gross Profit} \\ &\underline{- \text{Expenses}} \\ &= \text{Net Income} \end{aligned}$$

P & L with Summary

	Sep-2022					Year to date as of Sep-2022					Annual - 2023	Remaining
	Actuals	Budget	Var \$	Var %	Flag	Actuals	Budget	Var \$	Var %	Flag	Budget	Budget
Revenue	0	0	0	0%		0	0	0	0%		0	0
Lodge Income	0	0	0	0%		0	0	0	0%		0	0
30010 - Members Dues Regular	0	0	0	0%	🚩	0	0	0	0%		0	0
30110 - Raffles/Drawings	0	0	0	0%	🚩	0	0	0	0%		0	0
30135 - Donations Unrestricted	0	0	0	0%	🚩	0	0	0	0%		0	0
30165 - Lodge Activities Members	0	0	0	0%	🟢	0	0	0	0%		0	0
Bar Income	0	0	0	0%		0	0	0	0%		0	0
40100 - Liquor Sales	0	0	0	0%	🚩	0	0	0	0%		0	0
40105 - Beer Sales	0	0	0	0%	🟢	0	0	0	0%		0	0
40106 - Wine Sales	0	0	0	0%	🟢	0	0	0	0%		0	0
Food Service Income	0	0	0	0%	🟢	0	0	0	0%		0	0
50100 - Food Service Sales	0	0	0	0%	🟢	0	0	0	0%		0	0
Restricted Funds Income	0	0	0	0%	🟢	0	0	0	0%		0	0
90205 - Local Charity Revenues	0	0	0	0%	🚩	0	0	0	0%		0	0
90214 - ENF Grants Received	0	0	0	0%	🟢	0	0	0	0%		0	0
Cost of Goods Sold	0	0	0	0%	🟢	0	0	0	0%		0	0
Bar Cost of Sales	0	0	0	0%		0	0	0	0%		0	0
40200 Inventory Variance - Bar												
40205 - Liquor Purchases	0	0	0	0%		0	0	0	0%		0	0
40210 - Beer Purchases	0	0	0	0%	🚩	0	0	0	0%		0	0
40211 - Wine Purchases	0	0	0	0%	🚩	0	0	0	0%		0	0
Food Service Cost of Sales	0	0	0	0%	🚩	0	0	0	0%		0	0
50205 - Food Purchases	0	0	0	0%	🚩	0	0	0	0%		0	0
Gross Profit	0	0	0	0%		0	0	0	0%		0	0
Expense	0	0	0	0%	🟢	0	0	0	0%	🟡	0	0
Lodge Expense	0	0	0	0%		0	0	0	0%		0	0
30235 - Convention G/L	0	0	0	0%	🟢	0	0	0	0%	🚩	0	0
30270 - Insurance G/L Property Plus	0	0	0	0%	🟢	0	0	0	0%	🚩	0	0
30345 - Officer Salary-Treasurer	0	0	0	0%	🚩	0	0	0	0%	🟢	0	0
30370 - Per-Capita G/L	0	0	0	0%		0	0	0	0%	🟡	0	0
30375 - Per-Capita State	0	0	0	0%		0	0	0	0%		0	0
30400 - Maintenance/Repairs	0	0	0	0%	🟢	0	0	0	0%	🚩	0	0
30450 - Utilities-Electricity	0	0	0	0%	🟢	0	0	0	0%	🟢	0	0
30500 - Depreciation Lodge	0	0	0	0%	🟢	0	0	0	0%	🚩	0	0
Bar Expenses	0	0	0	0%		0	0	0	0%		0	0
40325 - Cred Crd Fees and Expenses	0	0	0	0%	🟢	0	0	0	0%	🟢	0	0
40326 - Bank Fees + Returned Checks	0	0	0	0%		0	0	0	0%		0	0
40355 - Insurance G. L. Property Plus	0	0	0	0%		0	0	0	0%	🚩	0	0
40375 - Licenses	0	0	0	0%	🟢	0	0	0	0%	🟢	0	0
40420 - Wages-Bartenders/Waitress	0	0	0	0%	🚩	0	0	0	0%	🟢	0	0
40440 - Taxes-Payroll	0	0	0	0%	🟢	0	0	0	0%	🟢	0	0
40470 - Utilities-Electricity	0	0	0	0%	🟢	0	0	0	0%	🚩	0	0
40495 - Depreciation Bar	0	0	0	0%	🚩	0	0	0	0%	🚩	0	0
Food Service Expenses	0	0	0	0%		0	0	0	0%		0	0
50480 - Utility-Gas	0	0	0	0%		0	0	0	0%		0	0
Restricted Funds Expenses	0	0	0	0%	🟢	0	0	0	0%	🚩	0	0
93101 - Dictionary Program	0	0	0	0%		0	0	0	0%		0	0
93104 - Community Activities	0	0	0	0%	🟢	0	0	0	0%	🚩	0	0
93120 - Veterans Activities	0	0	0	0%		0	0	0	0%		0	0
93214 - ENF Grants Expenses	0	0	0	0%		0	0	0	0%	🚩	0	0
Net Income	0	0	0	0%	🟢	0	0	0	0%	🟡	0	0

Exhibit E

Available Financial Reporting System Reports

Users should work closely with their District Deputy Grand Exalted Ruler to get the reports that will best serve their Lodge. You and the DDGER can choose from this list of reports:

- 00 P & L by District and Series Sections
- 00 P & L with Lodge and Series Sections
- 00 P & L with Lodge and Series Sections w %
- 00 P & L with Series Monthly
- 00 P & L with Series Sections
- 00 P & L with Summary
- 02 P & L with MTD and YTD
- 02 P & L with Series Monthly
- 02 P & L with MTD and YTD by District
- 03 P & L Grouped by Department with MTD & YTD
- 03 P & L Grouped by Department with Series Monthly
- Bar & Food P&L
- Snapshot Bar & Food P&L
- 01 Balance Sheet
- 01 Balance Sheet – 3 Year Span

Base Report

- 30 Lodge P & L
- 40 Bar P & L
- 50 Food Service P & L
- 61 Bowling Center P & L
- 62 RV Camper Club P & L
- 63 Motorcycle Club P & L
- 64 Fitness Center Club P & L
- 65 Golf Club P & L
- 66 RV Park P & L
- 67 Swimming Pool P & L
- 68 Tennis Center P & L
- 70 Commercial Property P & L
- 71 Gun Range Shooting Club P & L

With Percentages

- 30 Lodge P & L w %
- 40 Bar P & L w %
- 50 Food Service P & L w %
- 61 Bowling Center P & L w %
- 62 RV Camper Club P & L w %
- 63 Motorcycle Club P & L w %
- 64 Fitness Center Club P & L w %
- 65 Golf Club P & L w %
- 66 RV Park P & L w %
- 67 Swimming Pool P & L w %
- 68 Tennis Center P & L w %
- 70 Commercial Property P & L w %
- 71 Gun Range Shooting Club P & L w %

How to compare QB Reports to FRS Reports

To create the Balance Sheet Report from QuickBooks, follow these steps:

- In the menu bar, click Reports, point to Company & Financial, and choose Balance Sheet Standard
- Change the as of date to the last day of the month for the report from FRS and press the tab key to leave the field (the report will then refresh)
- Check the balances in the report from QuickBooks against the balances in the report from FRS

To create the Income Statement Report from QuickBooks, follow these steps:

- In the menu bar, click Reports, point to Company & Financial, and choose Profit & Loss Standard
- Change the date range to be from the first day of the Lodge year to the last day of the month for the report from FRS and press the tab key to leave the from date field (the report will then refresh)
- Check the balances in the report from QuickBooks against the Year-to-Date balances in the report from FRS
- Change the date range to be from the first day of the month to the last day of the month of the FRS report and press the tab key to leave the from date field (the report will then refresh)
- Check the balances in the report from QuickBooks against the Month to Date balances in the report from FRS

Please note – the amounts shown in the reports are rounded to the nearest whole dollar, so there may be some \$1 differences here and there. Also, the FRS report will not show data in sub-accounts – they are all rolled into the 5-digit Standard Chart of Account numbers.

Back to Budgeting

Oboy! Hurray! Most Excellent! Awesome! I can't wait!

File Submission Instructions

Annual Budget File Format

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	30010	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 Actual Budget file template can be downloaded from Elks.org. The Budget file must be saved as a CSV file as Adaptive will only be able to except CSV files.

Budget Example:

Lodge Number	Lodge GL Account	FYE	Version	Annual
2362	30010	2020	Budget	2835
2362	3001002	2020	Budget	2730
2362	30490	2020	Budget	945
2362	31520	2020	Budget	735
2362	3152001	2020	Budget	1050
2362	3152202	2020	Budget	1050
2362	3152203	2020	Budget	3150
2362	31530	2020	Budget	1680
Lodge Number	Lodge GL Account	FYE	Version	Annual
2581	30010 · Membership Dues - Lodge portion	2019	Budget	33000
2581	3001001 · Dues - Grand and State Portion	2019	Budget	10125
2581	30045 · Initiation/Reinstatement Fees	2019	Budget	1500
2581	30050 · Other Members Fees	2019	Budget	15000
2581	30250 · DD clinics	2019	Budget	-300
2581	30055 · Lodge Training Other	2019	Budget	-2400
2581	30112 · Rents Lodge	2019	Budget	-3000

File Submission Instructions

File Submission Results – Elks Budget file

1. Select Reports -> Budgets & Forecasts -> Budget Overview
2. Select the Budget you wish to Export. Click Next.
3. Select "Account by Month". Click Next.
4. Click Finish
5. Select customize report (in top left of pop-up window)
 - a. On display tab make sure the Dates From and To are the full fiscal year (Lodge year of April 1 through March 31)
 - b. Under Columns and Rows switch Display columns by "Totals only"
 - c. Select excel in the top of the window and select create a comma separated values (.csv) file
 - i. Hit export
 - d. Open .CSV file that was just saved
 - i. There will be two columns on the new .csv file. Column A will have the GL account and B will have the budget amount.
 - ii. Filter by Column B and delete all blank rows.
 - iii. Sort by Column A [A-Z]. Delete all summary and total lines (Gross Profit, anything starting with Total)
 - iv. Insert a new column in Column A. Change the header row to LodgeNumber and fill in all the rows with your Lodge number.
 - v. Change the Column B header to LodgeGLAccount
 - vi. Insert 2 new columns between the LodgeGLAccount and Amount.
 - vii. Enter "FYE" in the Header row of Column C. Add the ending year of the budget in all rows (ex. 2019)
 - viii. Enter Version in Column D. Enter the word "Budget" in all rows.
 - ix. Update the header in Column E to "Annual". This year will have your budget amount.
 - x. Your header names should be as follows when you are done:
 1. A1 - LodgeNumber
 2. B1 - LodgeGLAccount
 3. C1 - FYE
 4. D1 - Version
 5. E1 - Annual
 - e. Column C1 - FYE, is always the ending year of the current lodge year. The budget for 2020-2021 will display the FYE as 2021; **The budget for 2019-2020 will display the FYE as 2020.** An incorrect FYW number will throw the budget into the wrong year and invalidate any reports showing budget entries.

Submit the file as directed above to Adaptive@elks.cloud with the subject including the word **Budget**

LodgeNumber	LodgeGLAccount	FYE	Version	Annual					
1234	30010 · Members Dues Regular	2023	Budget	8267	Lodge Income				
1234	30180 · Lodge Fund Raisers	2023	Budget	520					
1234	40100 · Liquor Sales	2023	Budget	12050					
1234	50100 · Food Sales (Dining Room)	2023	Budget	226					
1234	90201 · ENF Donations Received	2023	Budget	50	Restricted Funds Income				
1234	90214 · ENF Grants Restricted Income	2023	Budget	11000					
1234	40205 · Liquor Purchases	2023	Budget	4505	Cost of Goods Sold				
1234	40210 · Beer Purchases	2023	Budget	2770					
1234	50205 · Food Purchases (Dining Room)	2023	Budget	650					
1234	30205 · Accounting - Lodge	2023	Budget	550	Expenses of Lodge, Bar, Food Service				
1234	30235 · Convention G/L	2023	Budget	1785.9					
1234	30240 · Convention State	2023	Budget	800					
1234	30270 · Insurance G/L Property Plus	2023	Budget	5925					
1234	30370 · Per-Capita G/L	2023	Budget	2190					
1234	30375 · Per-Capita State	2023	Budget	545					
1234	30400 · Maintenance/Repairs	2023	Budget	1470					
1234	30450 · Utilities	2023	Budget	7205					
1234	30500 · Depreciation Lodge	2023	Budget	6000					
1234	30700 · Lodge Charitable/Community	2023	Budget	8453.63					
1234	40325 · Bar - Credit Card Fees	2023	Budget	777.46					
1234	93110 · Youth Programs (Hoop Shoot BSA)	2023	Budget	1350	Restricted Fund Expenses				

No colors or categories. No blank rows. No “Total” rows.

LodgeNumber	LodgeGLAccount	FYE	Version	Annual					
1234	30010 · Members Dues Regular	2023	Budget	8267					
1234	30180 · Lodge Fund Raisers	2023	Budget	520					
1234	40100 · Liquor Sales	2023	Budget	12050					
1234	50100 · Food Sales (Dining Room)	2023	Budget	226					
1234	90201 · ENF Donations Received	2023	Budget	50					
1234	90214 · ENF Grants Restricted Income	2023	Budget	11000					
1234	40205 · Liquor Purchases	2023	Budget	4505					
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1234	30235 · Convention G/L	2023	Budget	1785.9					
1234	30240 · Convention State	2023	Budget	800					
1234	30270 · Insurance G/L Property Plus	2023	Budget	5925					
1234	30370 · Per-Capita G/L	2023	Budget	2190					
1234	30375 · Per-Capita State	2023	Budget	545					
1234	30400 · Maintenance/Repairs	2023	Budget	1470					
1234	30450 · Utilities	2023	Budget	7205					
1234	30500 · Depreciation Lodge	2023	Budget	6000					
1234	30700 · Lodge Charitable/Community	2023	Budget	8453.63					
1234	40325 · Bar - Credit Card Fees	2023	Budget	777.46					
1234	93110 · Youth Programs (Hoop Shoot BSA)	2023	Budget	1350					

Looks like this saved as .csv

LodgeNo	LodgeGLAccount	FYE	Version	Annual					
1234	30010 · Members	2023	Budget	8267					
1234	30180 · Lodge Fun	2023	Budget	520					
1234	40100 · Liquor Sale	2023	Budget	12050					
1234	50100 · Food Sales	2023	Budget	226					
1234	90201 · ENF Donat	2023	Budget	50					
1234	90214 · ENF Grant	2023	Budget	11000					
1234	40205 · Liquor Pur	2023	Budget	4505					
1234	40210 · Beer Purch	2023	Budget	2770					
1234	50205 · Food Purc	2023	Budget	650					
1234	30205 · Accountin	2023	Budget	550					
1234	30235 · Conventio	2023	Budget	1785.9					
1234	30240 · Conventio	2023	Budget	800					
1234	30270 · Insurance	2023	Budget	5925					
1234	30370 · Per-Capita	2023	Budget	2190					
1234	30375 · Per-Capita	2023	Budget	545					
1234	30400 · Maintenan	2023	Budget	1470					
1234	30450 · Utilities	2023	Budget	7205					
1234	30500 · Depreciati	2023	Budget	6000					
1234	30700 · Lodge Cha	2023	Budget	8453.6					
1234	40325 · Bar - Credi	2023	Budget	777.46					
1234	93110 · Youth Prog	2023	Budget	1350					

File Submission Instructions

File Submission Results – Budget

- In this example we'll submit a Budget file using Gmail. The To address is: Adaptive@Elks.Cloud.
- The Subject contains the word **Budget** and your Lodge # signaling a Budget file.
- The file **Budget 2020 #NNNN.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.

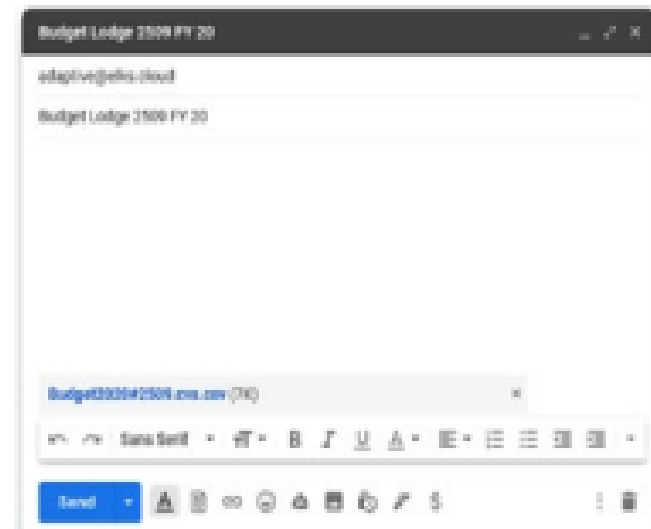


Exhibit C (continued)

Quick Reference Guide — Error Messages: Reason and Fixes

Budget	Error processing Budget File – Negative Budget Amounts for yyyy	FRS only accepts “positive” budgets	Make sure the sum of all budgeted income account amounts is greater than or equal to the sum of all budgeted expense account amounts (individual accounts can be negative)
Budget	Error processing Budget File – Invalid FYE yyyy	An incorrect year was submitted; budgets are only accepted for up to 2 years into the future	Be sure the year is the same on every row, it is valid and four-digits in length; this is the year as of the last day of the Lodge year (March 31); example – budget for 2020-2021 would have an FYE of 2021
Budget	Error processing Budget Import for Lodge ### SQL error Conversion failed when converting date and/or time from character string	The year for the budget MUST be a four-digit year (not 20 or 21, etc.)	Update the year to be four-digits (e.g., 2020, 2021, etc.), save and re-submit

Other Information:

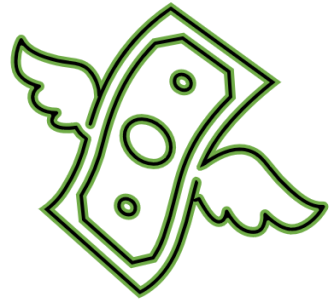
- In FRS, the Lodges are “Users” and cannot access reports directly. Ask your DD to get any reports you need.
- There are 2 ways your District Deputy can download your FRS Reports – in PDF format or in Excel format. You have to let your DD know which you want. Ask for an extra P&L report in Excel for budgeting?
- Chart of Accounts numbering protocols – the Grand Lodge COA numbers are 5 digits. In QuickBooks you can name subaccounts with an additional 2 digits. These extra digits can be alpha-numeric (i.e. 30115 Lodge Rents can have subaccounts 3011503 Dining Room or 30115DR Dining Room. FRS will still roll all subaccount into the main account numbers.
- The FRS program will not accept a negative budget. Total Revenue \geq Total Expenses + Cost of Goods Sold. Your charitable works can give away all but the last dollar.

All this and more can be found in your
Auditing & Accounting Manual

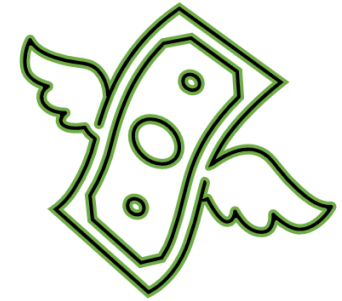
Section 3-120 Budgets
which starts on page 34.



Questions?



On To Budgets



Why do we Budget?



Auditing & Accounting Manual

Updated & Posted March 2022

3-120. Budgets:

A budget is defined as a financial plan that estimates future Revenues and future Expenses and is used to manage the operating results of the business entity the budget was prepared for. It is a management tool that is most effective when actual revenue and expenses are compared to the budgeted amounts periodically during the year, and management decisions are made to adjust operations as needed.

This enables the Lodge to manage its operations to attain a profit sufficient to finance the Lodge's fraternal and charitable objectives, to provide for growth and prevent year-end losses.

Grand Lodge Statutes Section 12.070 require a budget be prepared (by the Board of Directors or Board of Trustees) for every entity of the Lodge including Restricted Fund activities and presented to the Lodge for approval no later than the final regular Lodge meeting in April. Grand Lodge Statutes also require that any separate corporations formed by the Lodge (Section 16.030) and the club, social parlor or other facility established (Section 16.040) also present a budget to the Lodge for approval by the final regular meeting in April.



These Statutes also require that these entities also report to the Lodge on a monthly basis the actual results compared to the budget. Lodges should also take special note of Opinion 20 of Section 12.070 which states

*“Appropriations set forth in a budget **do not** authorize the expenditure of funds until the Lodge passes a specific motion authorizing same.”*



All budgets should be prepared using the Grand Lodge Chart of Account numbers currently in use by the Lodge. Subaccounts should be added or removed as necessary. The use of a spreadsheet program is highly recommended. This allows “what if?” adjustment of row items in your Profit & Loss Report.

The budget presented to the Lodge should include as a minimum the Actual results from the immediate prior fiscal year, the proposed budget for the current fiscal year, and a variance column detailing the increases or decreases of the budget versus the Actual results.



An explanation for any significant variances should also be presented. Presentation of more than one prior year of actuals can provide additional insight into the Lodge's operations.

The process for preparing the budget should include the following steps:

Auditing & Accounting Manual page 35

1. After the February FRS data has been submitted obtain a copy of the year-to-date Actual Profit and Loss Statements compared to the full year budget for all business activities.
2. Review these statements and note any one-time Revenues and Expenses that occurred during the year. These one-time items should not be included in the budget.
3. Prepare the Revenue sections first making reasonable estimates for all anticipated Revenues. The estimates should be both reasonable and conservative.
4. Prepare the Cost of Goods Sold (CoGS) sections for those activities that require it. Lodges should use the recommended target CoGS percentages as a starting point.
5. Prepare the Expense sections last. Begin with those expenses that are either fixed (rent, property taxes, mortgage interest, etc.) or semi-variable but required (payroll, utilities, supplies, etc.) and finally those expenses that are not required but that the Lodge wants to incur (charitable donations, Lodge funded scholarships, community activities, etc.). The first two categories are those that the Lodge has little or no control over. The last category of Expenses is “optional” in nature, meaning that the Lodge is not obligated to make the expenditure but will do so if funding is available.

Preparing the Budget, cont.

6. Review the results on an activity basis. Is the activity generating a profit? If not, what adjustments can be made to reduce the loss from the activity. It is never good financial management to prepare a deficit budget.
7. Review the results on a consolidated basis for the Lodge and all its activities. Is an overall profit being generated? If not, where can Expenses be reduced or what other sources of Revenues can be tapped to close the gap.
8. After the March preliminary FRS data is submitted update the current year actuals in the comparison. If necessary, adjust the proposed budget for any significant Revenues or Expenses recorded in the month of March.
9. Finally prepare an estimate of any capital improvements (Fixed Asset replacements or additions) anticipated to take place during the fiscal year. While these are not Expenses of the Lodge, they are an expenditure of cash. You should already be including Depreciation in your Balance Sheet. If you have questions about your Depreciation amount, ask your Lodge accountant.

The Board of Directors should coordinate the consolidation of the various budgets to prevent overlap and duplication. Inclusion in the budget of an amount for contingencies will allow for the adjustment of the budget in the event of an unforeseen emergency. Members should recognize the importance that each entity of the Lodge be as financially self-sufficient as possible. To the extent possible each entity budget should generate a profit so that the Lodge can grow and meet its fraternal and charitable and community service objectives.

Consideration of the profitability of the Lodge and its objectives should be taken into account when establishing the pricing for any of the business activities undertaken by the Lodge. Remember that the Lodge was formed for fraternal and charitable reasons and that the social quarters and other activities provided are secondary in nature.

Once the budget has been approved by the Lodge, Section 12.070 of the Statutes clearly states that all expenditures must be kept within the limits of appropriations made and specifies the action to be taken when proposals are made for an expenditure in excess of the budget or an expenditure requiring use of any amount budgeted for contingencies.

The following guides should be used in interpreting these strict statutory requirements:

1. Line items budgeted for operating Expenses are estimates. It is to be expected that actual expenditures will exceed or fall short of the estimates on specific items. When expenses exceed approved budgets, Grand Lodge Statutes Section 12.070 must be followed. This includes referral to the Board of Directors for a written recommendation at the next regular Lodge meeting and an affirmative vote by two-thirds majority of the Members present at a regular Lodge meeting.
2. Binding contracts and major expenditures of an unusual nature, such as purchase of major equipment or major repairs, even if included in the budget, should be submitted to the Lodge for approval after receipt of proposals and estimates from the vendor. The Board of Directors should make an appropriate recommendation.
3. The supervising or managing body of club or other entities should be authorized to make purchases in support of day-to-day operations but should not enter binding contracts extending over a period of time, or purchase major items of equipment, without prior approval of the Lodge.
4. Approval of expenditures which exceed the total amount budgeted must specify the source of funds. If savings are to be used the Board of Directors should so indicate in their recommendation.
5. Amendment of a budget requires Lodge approval and requires re-submission of the budget into the FRS.

Periodic reviews of performance compared to the budget and reporting to the Lodge at a regular lodge meeting is required. The Board of Directors and Auditing & Accounting Committee should give this high priority on the agenda of their regular meetings. Regular reports from the accounting system providing actual revenue and expenses to date are required. Comparing this actual progress to the budget will point up variances of material amounts that require action or further investigation. It is important that management decisions be made at this time to adjust for shortfalls in income or excess expenses, such as implementing conservation measures, eliminating non-productive hours of club operation, reducing labor costs, raising selling prices, etc., in order to prevent a loss at the end of the year.

Use of QuickBooks can greatly simplify the preparation of the Lodge's budgets. From exporting the comparison statements used as the starting point to automatically preparing a future budget based on the prior year the software provides a robust and relatively user-friendly method for making use of budgets.

To access the **Budget** feature, Select *Company/Planning & Budgeting/Set Up Budgets*.

Enter the fiscal year that the Lodge is entering the Budget for and select *Profit and Loss (reflects all activity for the year)* in the **Create New Budget window**. Then click *Next*.

Create New Budget

Create a New Budget

Begin by specifying the year and type for the new budget.

2022-23

Choose the budget type

Profit and Loss (reflects all activity for the year)

Balance Sheet (reflects ending balance)

Back Next Finish Cancel

On the next screen, select *No additional criteria* and then click *Next*.

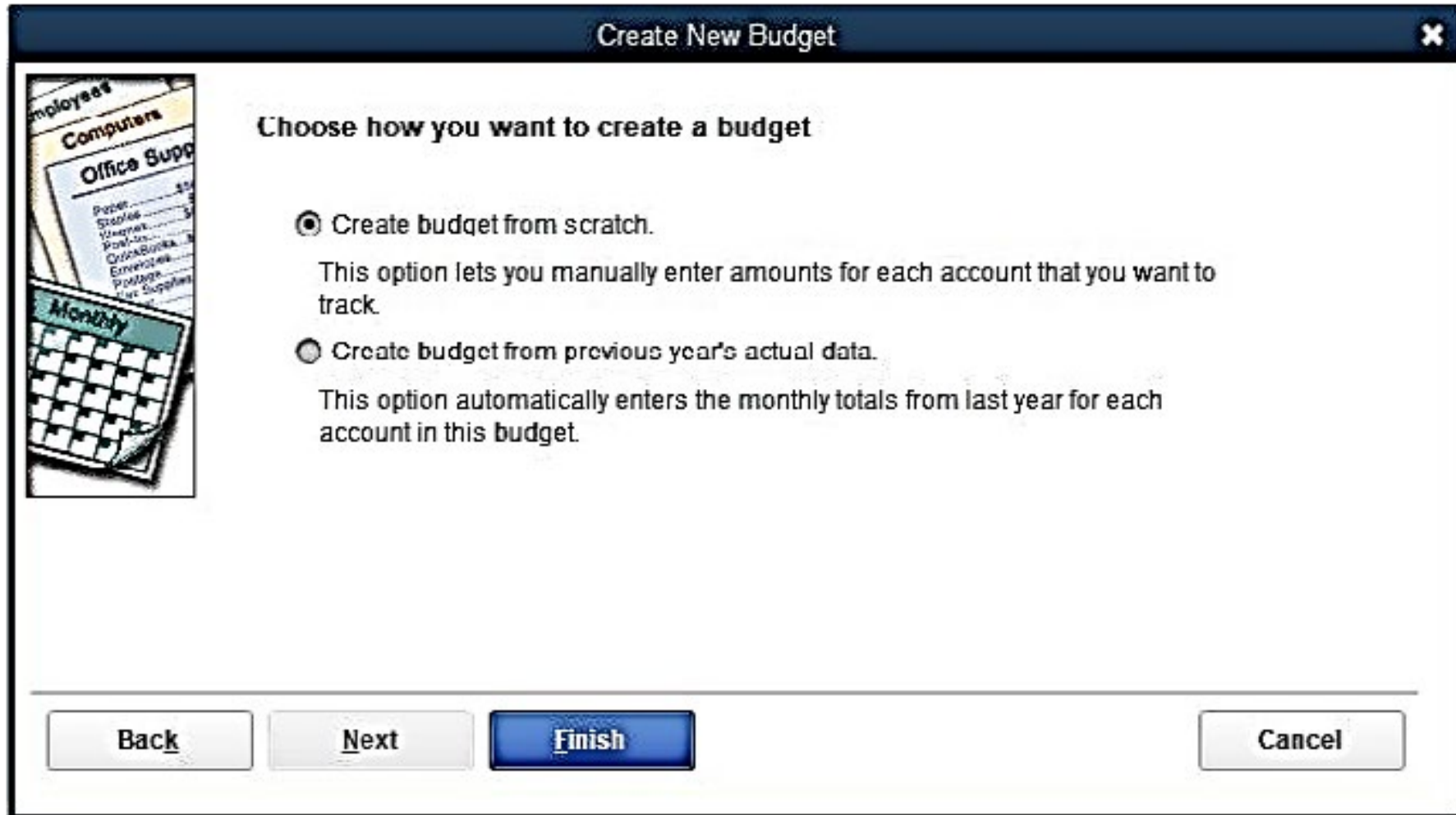
Create New Budget

Additional Profit and Loss Budget Criteria

- No additional criteria
- Customer Job
- Class

Back Next Finish Cancel

Select a method to create the Budget and then click *Finish*.



Create New Budget

Choose how you want to create a budget

- Create budget from scratch.**
This option lets you manually enter amounts for each account that you want to track.
- Create budget from previous year's actual data.**
This option automatically enters the monthly totals from last year for each account in this budget.

Back **Next** **Finish** **Cancel**

Now we understand **how** to budget.
QuickBooks makes it easy.

And we understand **why** we budget.
To manage our Lodge like a business, so we don't
have a loss at the end of the year and still maximize
our events, activities and charitable works.

Okay. **Why is it so critical!**

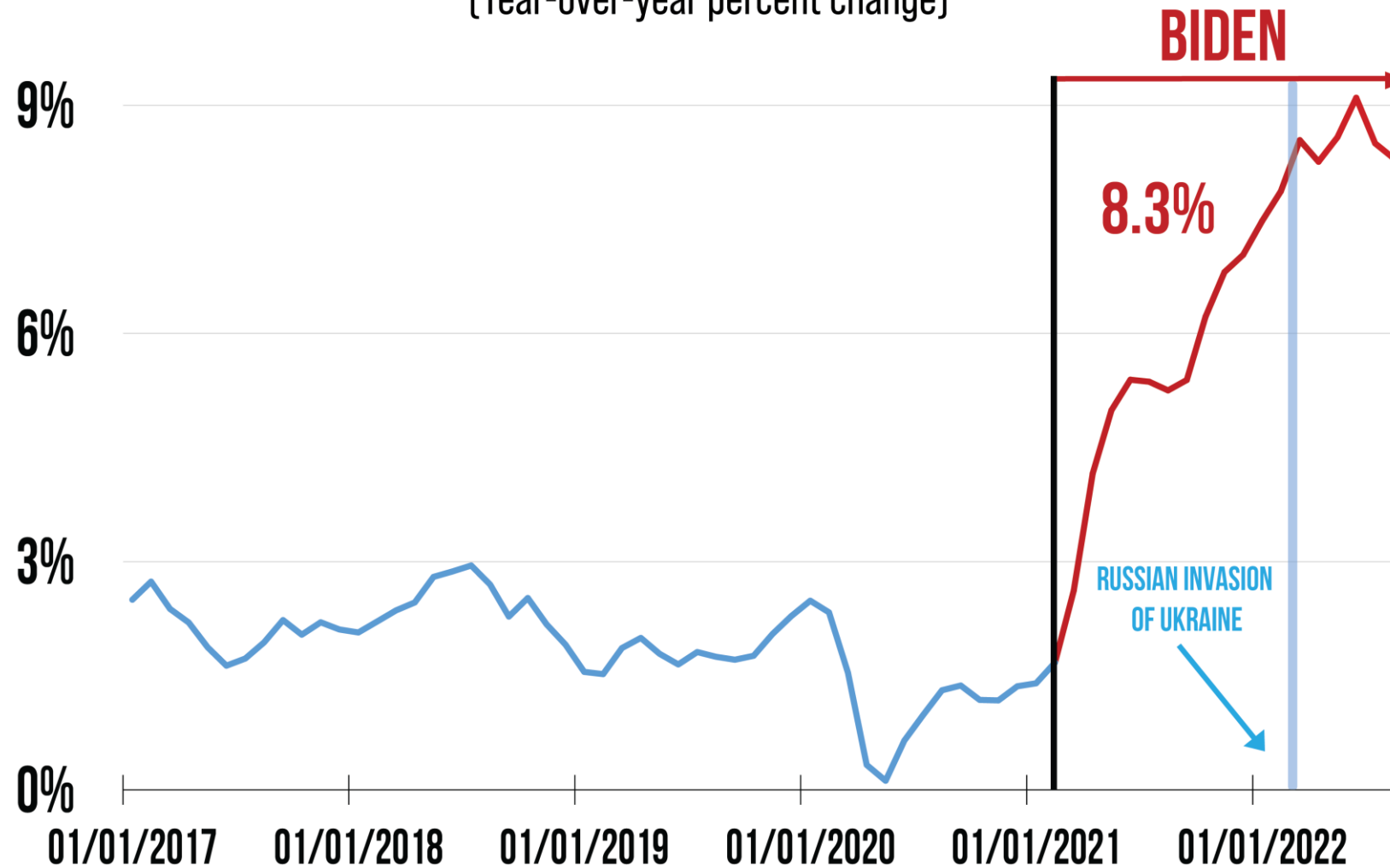


Inflation

- The annual inflation rate hit 9.1% last month, and monthly bills and grocery prices are outpacing inflation.
- Rent increased by nearly 40% for a two-bedroom dwelling from where it stood a year prior, according to a report from Rent. Look at what's happening in the housing market. Nobody wants to buy or build right now.
- The national average gas price-per-gallon exceeded \$5 — an increase of nearly 50% during the past year ending in May.
- According to the Consumer Price Index, the cost of ingredients, which accounts for grocery store and supermarket food purchases, rose even higher to 12.2%. Product pricing for your bar and food service are going through the roof.

CONSUMER PRICE INFLATION

[Year-over-year percent change]



Source: Bureau of Labor Statistics, Consumer Price Index

Things to consider:

- Rising prices, interest rates and mortgages. How will they impact your lodge? Do your customers in the lounge and dining room have as much money to spend?
- On the other side of that coin, do we need to offer lower cost alternatives to encourage members to come out for food and beverages? How can we cut the costs of the food we serve? Would frozen items be a more profitable way to go? Is there overpouring in your bar? Don't let your bartenders give your profit away. How about a large jug of Hurricanes on ice on the back bar to save money on mixed drinks?
- High costs of maintaining the lodge. Heating and A/C, electricity, water and sewer and garbage are all sucking money away from your charities. How can we reduce these costs?

More things to consider:

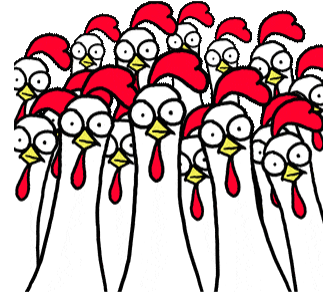
- Inventory control. Will people come to the lounge to drown their woes? They will have less money to spend. We need to make sure that our volume of inventory follows our customers demands. It will be critical to not over-stock high priced liquors in the lounge. How much food waste is there in the kitchen? Are we getting a head count for planned events?
- Labor costs. Can we afford to staff as much as we have in the past? Can we send a waiter, a bartender or waitress home earlier? Do we need to keep the lounge open the same hours? What will happen if we are open less hours or days in the dining room or lounge?

More things to consider:

- Grand Lodge per capita going up because of insurance issues (alcohol related). Will there be a 5% increase in per capita next year? Lodges back east are causing us grief. We must be even more vigilant.
- Can we cover 8% inflation this year. There is not much time left and some Lodges already have negative bottom lines. What will inflation be like next year?

Even if future inflation gradually goes down next year, we still must plan for a significant amount. If we don't account for inflation in next year's budget, we will have a very hard time being successful or even having any profit at the end of the year.





Remember to consider **Inflation** when creating your Budget!

Questions on Budgets?

Now I want all of you to go home and look at your P & L Reports and see how your budget compares. You don't have much time before fiscal year-end to make adjustments. Then be ready for next year.

