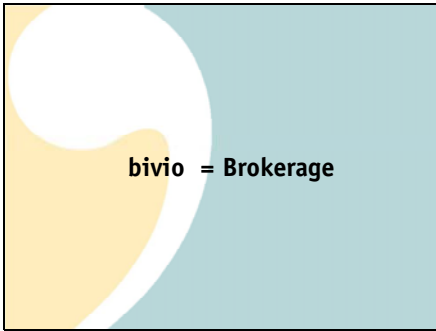


It is important to verify that your bivio records agree with your brokerage records each month. We call this process reconciliation. If you're using AccountSync this should be a very quick process.



Sometimes people think if they are using AccountSync that there is absolutely nothing they need to do as club treasurers. That is almost true but not quite. AccountSync is very good but it is still a computer talking to another computer and needs human oversight.

Your club accounting is very date sensitive. It is important to keep it accurate and up to date by reconciling it each month. That way, you won't have very many transactions to go through if you do find a problem. You cannot know that any accounting transactions that you enter today will be correct unless you know that all of your historical information is correct.

If you are not using AccountSync this process becomes even more important. No matter how perfect we are we all still make occasional typos or forget to make important entries.



Just because your bivio site shows a lot of numbers doesn't mean they're useful for anything. Without verification, any reports you prepare, including your taxes will just be:

<click> garbage in

<click>garbage out

Reconciliation

- Brokerage Statement
- Valuation Report
- Cash balance
- Number of shares of stock
- Make corrections

The good news is that reconciliation should actually be a fairly quick process consisting of only a few steps. First, you'll need the reports that you are going to use to make your comparison. You'll need a: copy of your latest brokerage statement.

And, a club valuation report that is dated the same as the statement date.

All you need to do is compare the cash balance shown on your valuation report to that shown on your brokerage statement.

And then, compare the number of shares of each stock owned with the number shown on your brokerage statement

Edit, delete or add any transactions needed to correct your records And that's it!

Next, we'll go through each of these steps in more detail.

Financial Institution Information

Statement

Your brokerage statement will look something like this.

You may receive a paper copy each month but more and more brokers are going to electronic versions. It still looks the same, you just have to access it online and print it out using your own paper and ink if you'd like a hard copy.

You'll have to get to know the statements your broker sends out but somewhere on them you'll be able to find the cash balance in your account,

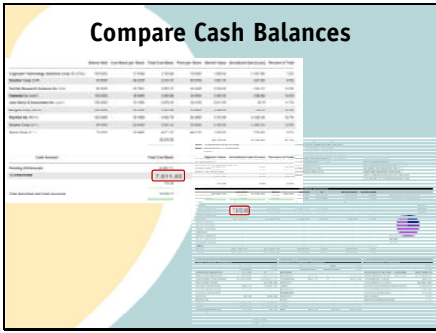
The number of shares of each stock that you own as of the statement date and

A list of all the transactions that have occurred in your account for the month.

Valuation Report

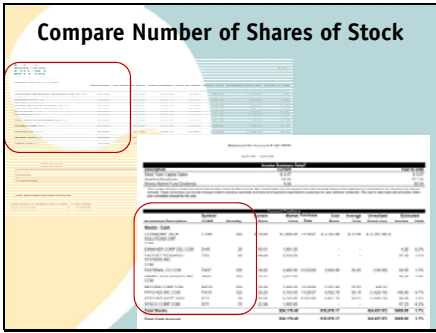
Investment (USD) for 06/30/2023	Shares Held	Cost Basis per Share	Total Cost Basis	Market Value	Market Value	Market Value	Market Value	Market Value
Investment in Cash	120,000	1.00	120,000	120,000	120,000	120,000	120,000	120,000
Investment in Apple	10,000	150.00	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Investment in Microsoft	5,000	300.00	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Investment in Amazon	2,000	150.00	300,000	300,000	300,000	300,000	300,000	300,000
Investment in Google	1,000	200.00	200,000	200,000	200,000	200,000	200,000	200,000
Total	138,000		3,020,000	3,020,000	3,020,000	3,020,000	3,020,000	3,020,000

You will compare your brokerage statement to a valuation report dated the same day as the statement.



The first comparison you will make is to verify the cash balances agree between bivio and your brokerage statement.

Uh Oh, in this case, there's a problem somewhere. These cash balances don't agree. We're going to need to find out why and correct whatever problem might exist. We'll go through how to do that in a minute.



You should also compare the numbers of shares of each stock you own. Your valuation statement should show the same number

That your brokerage statement does. If they are different you may have missed or incorrectly entered a stock transaction at some point and you need to find it and fix it. The investment transaction lists I showed you earlier are a good place to start to figure out what the problem is.

Compare Transactions

Date	Description	Amount	Source	Destination
12/16/2018	Payment 100 shares Neogen Co. (2018) at 20.03 per share, 2000.00	2000.00	Bank of America	Investment
12/16/2018	Payment 100 shares Neogen Co. (2018) at 20.03 per share, 2000.00	2000.00	Bank of America	Investment
12/16/2018	Payment 100 shares Neogen Co. (2018) at 20.03 per share, 2000.00	2000.00	Bank of America	Investment
12/16/2018	Payment 100 shares Neogen Co. (2018) at 20.03 per share, 2000.00	2000.00	Bank of America	Investment
12/16/2018	Payment 100 shares Neogen Co. (2018) at 20.03 per share, 2000.00	2000.00	Bank of America	Investment
12/16/2018	Payment 100 shares Neogen Co. (2018) at 20.03 per share, 2000.00	2000.00	Bank of America	Investment
12/16/2018	Payment 100 shares Neogen Co. (2018) at 20.03 per share, 2000.00	2000.00	Bank of America	Investment
12/16/2018	Payment 100 shares Neogen Co. (2018) at 20.03 per share, 2000.00	2000.00	Bank of America	Investment
12/16/2018	Payment 100 shares Neogen Co. (2018) at 20.03 per share, 2000.00	2000.00	Bank of America	Investment
12/16/2018	Payment 100 shares Neogen Co. (2018) at 20.03 per share, 2000.00	2000.00	Bank of America	Investment

To search for the reason the cash balance is off we'll use the brokerage transaction list from bivio.

What's nice about online brokerages today is that you can also get transaction lists from your brokerage website. Once you have the two lists, all you need to do is go down transactions, checking to make sure all transactions on the brokerage list are also entered in bivio and that the amounts agree with the amounts in your bivio records.

For example, here's the purchase of 100 shares of Neogen which you can see is the same in

bivio as on the brokerage statement.

Here's the receipt of an \$11.25 dividend which you can also see is the same in

Bivio as on the brokerage statement.

Since money market accounts do not change in price each day like stocks, they are normally tracked as cash. Purchases and redemptions of money market funds are not tracked as separate transactions in your bivio records.

As you go through this line by line comparison, eventually you'll find the problem. In this case, the check receipt on 12/16 for 25.03 on the brokerage list disagrees with the amount in the bivio records of 26.03. This is the source of the cash balance being off.

Corrections

12/16/2018	Payment 100 shares Neogen Co. (2018) at 20.03 per share, 2000.00	2000.00	Bank of America	Investment
12/16/2018	Payment 100 shares Neogen Co. (2018) at 20.03 per share, 2000.00	2000.00	Bank of America	Investment
12/16/2018	Payment 100 shares Neogen Co. (2018) at 20.03 per share, 2000.00	2000.00	Bank of America	Investment
12/16/2018	Payment 100 shares Neogen Co. (2018) at 20.03 per share, 2000.00	2000.00	Bank of America	Investment
12/16/2018	Payment 100 shares Neogen Co. (2018) at 20.03 per share, 2000.00	2000.00	Bank of America	Investment
12/16/2018	Payment 100 shares Neogen Co. (2018) at 20.03 per share, 2000.00	2000.00	Bank of America	Investment
12/16/2018	Payment 100 shares Neogen Co. (2018) at 20.03 per share, 2000.00	2000.00	Bank of America	Investment
12/16/2018	Payment 100 shares Neogen Co. (2018) at 20.03 per share, 2000.00	2000.00	Bank of America	Investment
12/16/2018	Payment 100 shares Neogen Co. (2018) at 20.03 per share, 2000.00	2000.00	Bank of America	Investment
12/16/2018	Payment 100 shares Neogen Co. (2018) at 20.03 per share, 2000.00	2000.00	Bank of America	Investment

To correct this, click on the edit link that you will find on the incorrect transaction.

Corrections

Transaction ID: 12/16/2018

Transaction Description: Payment 100 shares Neogen Co. (2018) at 20.03 per share, 2000.00

Transaction Amount: 2000.00

Transaction Date: 12/16/2018

Transaction Source: Bank of America

Transaction Destination: Investment

Transaction Status: Deleted Edit Cancel

Transaction Details:

Date	Amount	Transaction Description
12/16/2018	2000.00	Payment 100 shares Neogen Co. (2018) at 20.03 per share, 2000.00

Transaction Summary:

Total Debit: 2000.00

Total Credit: 0.00

Total Balance: 2000.00

Transaction ID: 12/16/2018

Transaction Description: Payment 100 shares Neogen Co. (2018) at 20.03 per share, 2000.00

Transaction Amount: 2000.00

Transaction Date: 12/16/2018

Transaction Source: Bank of America

Transaction Destination: Investment

Transaction Status: Deleted Edit Cancel

This was an incorrect payment entry so the payment form opens up.

Find the incorrect entry,

Correct the payment amount and select OK to update the transaction.

Date	Description	Amount
10/1/2011
10/2/2011
10/3/2011
10/4/2011
10/5/2011
10/6/2011
10/7/2011
10/8/2011
10/9/2011
10/10/2011
10/11/2011
10/12/2011
10/13/2011
10/14/2011
10/15/2011
10/16/2011
10/17/2011
10/18/2011
10/19/2011
10/20/2011
10/21/2011
10/22/2011
10/23/2011
10/24/2011
10/25/2011
10/26/2011
10/27/2011
10/28/2011
10/29/2011
10/30/2011
10/31/2011

After the corrections, you can recheck and you'll see that the cash balance in bivio now agrees with the brokerage statement.

AccountSync

- Duplicate entries
- Missing entries

You need to reconcile even if you are using AccountSync. It's entries can only be as good as the data file of information provided to us by your broker. There are sometimes mistakes in those files and AccountSync cannot interpret the information correctly. This happens very rarely but it does happen.

Because we call it AccountSync, sometimes people get confused with how it works. It is not a true synchronization, it just reads in new entries. It does not look to see if they've already been made. If you find that AccountSync has duplicated an entry you've already made manually, it's fine to delete the extra one.

If you have missing entries, you will need to make them manually. AccountSync only pulls in transactions newer than the most recent one in your account. If you are missing an older one, it will not go back and fill it in.

Manual Entries

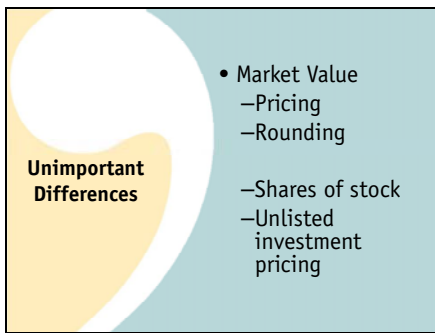
Accounting > Administration > Communications

Investment Summary for 01/11/2011

Name	Shares Held	Valuation Date	Price per Share	Market Value	Percent of Portfolio	Action
AT&T Int'l (INT)	10.2000	10/13/2011	64.0000	652,480.00	18.8%	[Action Buttons]
Account of Public Education Soc (ACED)	10.4147	10/13/2011	64.0000	666,552.80	19.4%	[Action Buttons]
Apple Inc (AAPL)	3.8942	10/13/2011	240.0000	934,608.00	27.3%	[Action Buttons]
COMMERCIAL MORGAN GABLE (CMG)	2.2000	10/13/2011	240.0000	528,000.00	15.4%	[Action Buttons]
Catalyst Health (CAT)	10.3789	10/13/2011	64.0000	664,371.20	19.4%	[Action Buttons]
Microsoft Corp (MSFT)	10.2862	10/13/2011	28.0000	288,014.40	8.4%	[Action Buttons]

If you do not know how to correct a problem, email us in support@bivio.com and we will help you learn how to do it.

But in general, you can make any manual entries you need to using buttons like these you will find at the top of the Accounting>Accounts, Accounting>Investments and Accounting>Members pages.



There is one thing that might not agree between your brokerage statement and your valuation report that is not something you need to fix.

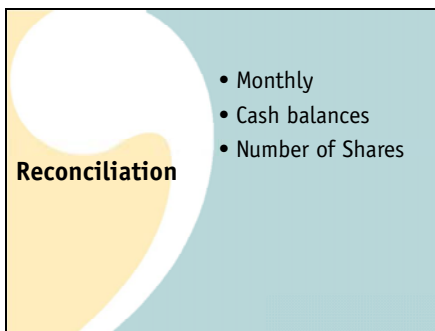
This is the market value of your stocks.

Occasionally, due to different data sources that may have determined prices at different times

or a slightly different rounding method on your brokers report versus bivio's you may see a penny or so difference in the total market value of one of your holdings. This is not something that needs to be fixed.

What is important that the number of shares of each stock agrees exactly

and you are sure you do not have unlisted investments whose prices are not getting automatically updated. But getting an exact match between bivio and a brokerage statement for the market values of each of your holdings is not part of the reconciliation process.



It is extremely important that you keep your records accurate and up to date each month. But don't worry, clubs really don't have a lot of transactions each month and if you are using AccountSync, it will be rare that you will find any differences. Even if you do, finding and fixing them can be done very quickly each month before your meeting.

So in summary,

Reconcile your accounts quickly each month

By comparing your cash balances and

your number of shares of each stock with your brokerage statements and make sure to correct anything you find that doesn't agree.