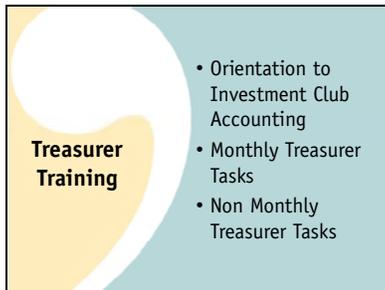




As a club treasurer, you'll have certain tasks you'll be performing each month to keep your clubs financial records. In tonight's presentation, we'll cover the basics of how you should perform these.



This presentation is part of a three part series.

In the first part, we gave you an orientation to your investment club accounting. This is good background information for everyone in your club so they can get a basic understanding about how your club finances work and what you will and will not be able to account for with bivio.

Tonight's presentation is aimed at treasurers. We'll be discussing how to perform the regular tasks you'll be doing each month.

The third and final presentation will be given next week. That one is also designed for treasurers. We'll be discussing the tasks you will be performing less often as a club treasurer.



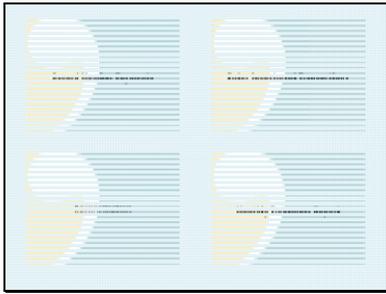
bivio is committed to providing you a system which allows you to be an effective club treasurer and spend a minimum amount of time and effort doing your club accounting. We want you to be a One Minute Treasurer.

To help achieve this, it helps if you can set up your clubs finances in the most simple way you can:

We recommend that you only use a single financial account.

We also recommend you use Account Sync to read in your financial data automatically.

In tonight's presentation we're going to describe how you can be a One minute treasurer.



As a club treasurer, you will have 4 types of tasks you will be performing each month.

First, you'll be collecting, depositing and recording member payments

You'll be making investments and recording the investment transactions

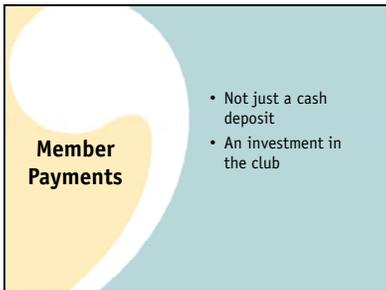
Then, as all good financial professionals do, you will need to verify the accuracy of your records.

You'll use a monthly reconciliation process to make sure your bivio records stay in agreement with your brokerage statements

And finally, each month at your club meetings, you'll provide everyone with a report on your clubs financial status.



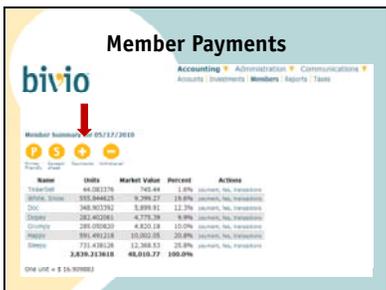
Let's start with the first task, recording your member contributions. We call these member payments.



There is more to accounting for member contributions than just recording the receipt of cash.

Member contributions purchase shares or units of ownership of your club. One of the things bivio does for you is to keep track of your club ownership.

A contribution to your club is an investment in a type of business called a partnership. Just like when you purchase a stock, you will have a basis for your investment in your club. When you withdraw money from the club, you cash out your shares and there is a capital gain or loss to report on your taxes.



Fortunately you do not have to do all the accounting to keep track of this. All you need to do is make sure to enter member payments using the payments form.

You will find it by selecting the payment button on the Accounting>Members page or, as I'm going to show you a little later, directly from a link in an Account Sync email.

Member Payments Form

Enter Member Payments
This is the form to enter payments for your members. A payment purchases units in your club. The amount entered is the amount that will be added to the club's account.

Transaction Date: 06/14/2022

Member Valuation Date: 06/14/2022

Account: From [dropdown]

Remark: [text area]

OK Cancel

The member payments form looks like this. This information you enter gives bivio what is needed do the accounting for the contributions correctly.

Transaction Dates and Valuation Dates

Enter Member Payments
This is the form to enter payments for your members. A payment purchases units in your club. The amount entered is the amount that will be added to the club's account.

Transaction Date: 06/14/2022

Member Valuation Date: 06/14/2022

Account: From [dropdown]

Remark: [text area]

At the top of the member payments form, you'll two dates you need to fill in.

They are the transaction date, which is the date the deposit was received in your account and the

Valuation Date. A valuation date is needed because member contributions purchase shares or units of ownership in your club. The unit value on this date is used to calculate how many units the member payment purchases. Your club may use one valuation date for all deposits made during the month or use the same date as the transaction date. For simplicity, bivio recommends you use the transaction date. If you do that your member contributions purchase shares in your club just as if you were purchasing shares in a mutual fund.

Member Contributions

Account: The amount on the member's check. The most recent payment for each for you. If there is no payment from a particular member, simply blank the field or

Name	Amount	Member Specific Remark
Member Eight	25.01	
Member Eleven	25.08	
Member Five	25.06	
Member Four	25.07	
Laura Fredericksen	25.03	
Member One		
New Person	25.1	
Member Seven	25.05	
Member Six	25.05	
Member Ten	25.02	
Member Two	25.11	
Total	225.53	

At the bottom of the member payments form, you'll enter the amount of each member's contribution.

Member Payments-Steps

1. Collect contributions
 - a) Checks
 - Collect at meeting-treasurer mail to broker
 - Members mail to broker directly
 - b) Electronic Bill Pay
2. AccountSync™ email
3. Identify payments

Your job as treasurer will probably actually start a little before you get to filling in the form. Here are all the steps you'll go through to handle your member payments.

First you'll collect the contributions. Your club should decide how everyone will make their member contributions.

Everyone can write checks,

And you can collect them at your meetings and mail them in or your members can mail their checks directly to the broker themselves

If you'd like, many brokers now allow members to easily set up electronic bill-pay from their bank directly to your brokerage account.

If you are using AccountSync, you'll know your deposits have arrived because you'll receive an AccountSync email. It informs you the checks were received at the brokerage account and AccountSync has pulled the deposit information into bivio.

All you have to do is go into bivio and identify whose check is whose.

AccountSync Email

AccountSync Summary For Sportsman's Club, NOLA Investing #11111111

AccountSync transactions require you to identify the type and source of a deposit or withdrawal. On the account detail, we will list unidentified credits (deposits) so that you may assign their source.

<https://www.bivio.com/members/transactions/account-detail/11111111>

Unidentified Credits

11/14/2018	Unidentified Credits	\$2,000.00
11/14/2018	Unidentified Credits	\$2,000.00

Unidentified Credits

Brokerage Balance: \$ 104.12 Total Balance: \$ 104.12

The brokerage cash balance differs from the Bivio balance by \$ 0.00. This may indicate a pending or erroneous transaction to your Bivio account. Please review your brokerage statement to identify the source of the discrepancy.

Here's what the AccountSync email will look like.

You can see that this one lists two "Unidentified credits". AccountSync knows there were deposits but it has no way to know what they were for. You need to go to bivio and enter some more information to complete the entry.

Here is a link that will take you right to where you need to go.

Identify Multiple Payments

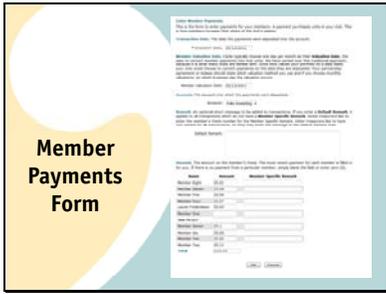
Unidentified Credits

Date	From	Description	Amount	Balance	Action	Status
11/14/2018	Account John	Unidentified credit, Fidelity Investments	20.00	204.12	CS	CS
11/14/2018	Account John	Unidentified credit, Fidelity Investments	20.00	224.12	CS	CS
11/14/2018	Account John	Unidentified credit, Fidelity Investments	20.00	244.12	CS	CS
11/14/2018	Account John	Unidentified credit, Fidelity Investments	20.00	264.12	CS	CS
11/14/2018	Account John	Unidentified credit, Fidelity Investments	20.00	284.12	CS	CS
11/14/2018	Account John	Unidentified credit, Fidelity Investments	20.00	304.12	CS	CS
11/14/2018	Account John	Unidentified credit, Fidelity Investments	20.00	324.12	CS	CS

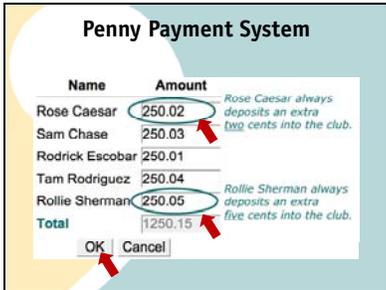
When you click on it, you'll go to the transactions list for your brokerage account.

Here's one of the deposit transactions you need to identify. This box contains a little drop down menu.

If you click on the little arrow, a menu appears. You will need to select what type of deposit this was. Select "multiple payment".



You'll go right to the payment entry form that I showed you earlier.

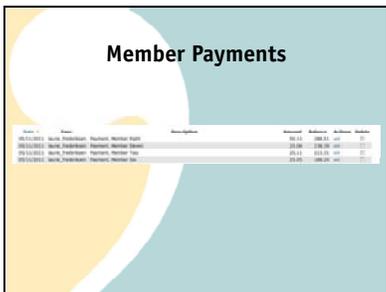


At the bottom, all the payments that were received on the same day will be filled in. bivio will attempt to assign the payment amounts to the correct member. In fact, bivio has invented a way for AccountSync™ to learn which deposit should be credited to which member. We call it the Penny Payment System. To use it, assign a different penny amount to each member to add to their contribution.

For example, Rose always adds \$.02 to her payment and

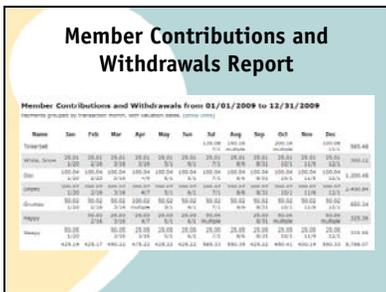
Rollie always adds \$.05 The first time you enter payments, you'll need to manually enter the correct amounts for the correct members. After that, you'll find that AccountSync will have learned which cents amount belongs to which member and will have the amount filled in next to their name when you open up the form. All you have to do is make sure they're correct and

click OK.



That will take you back to the transaction list and you'll see all your payment entries have been made. You no longer have unidentified credits.

The extra cents amount on each person's payment is also very useful for tracking down problems. It makes it easy to tell whose check was missing if one doesn't arrive at your broker for some reason.



If you or any of your members would like to see all the member contributions that have been recorded during the year, there is a summary report you can find on the Accounting>Reports page which lists them by month. It's called the Member Contributions and Withdrawals Report.

Record Member Payments

- All contributions are member payments
- Use the form!

That's all there is to entering your member contributions each month.

All you need to do is remember that all contributions are entered as member payments

And all payments need to be entered using the member payment form.

Enter Investment Transactions

The second thing you'll be doing each month is making sure all your investment transactions are entered. As treasurer, you may not only be recording this information but also placing the trades.

Enter Investment Transactions

- Purchases
- Sales
- Income
- Reorganizations

Basically, for your investments, AccountSync will make the entries for you from the transactions that happen in your brokerage account.

This will include stock purchases,

Stock sales,

Dividends and interest received

And any reorganizations.

All you'll need to do is do a quick double check of what was entered each month by comparing the information to your brokerage statement.

Recording Purchases and Sales

AccountSync Summary For Northshore Bank Investment Club, Bivio Investing 01/01/2024

*** Automatic Transactions ***

The following transactions were imported automatically and require no further action.

01/01/2024
 01/01/2024
 01/01/2024

01/01/2024
 Dividend, FDIC, Bank Interest
 Interest: \$ 0.00

*** BROKERAGE BALANCE ***

BROKERAGE BALANCE: \$ 162.00 BIVIO BALANCE: \$ 162.00

The brokerage cash balance differs from the Bivio balance by \$ 0.00.
 This may indicate a missing or erroneous transaction in your Bivio account.
 Please review your brokerage statement to identify the source of the discrepancy.

When any of these investment entries happen, they will be imported after the market closes and you will receive an email just like when the member payments were deposited. It will look something like this.

Here's a stock purchase this club made.

Here's some interest they received.

There's also a notation showing whether your cash balance in bivio agrees with your brokerage. If it doesn't, you should investigate why. It's something you'll want to make sure you fix. We'll talk about how to do that a little later.



Unlike member payments, there should be no further entries you need to make for your investment transactions. However, occasionally, you may want to edit a transaction. The easiest way for you to do this is to go to what we call transaction lists. On each of the Accounting pages,

Accounts,

Investments and

Members

You can click on the Name of an Account, Investment or Member to get a transaction list.

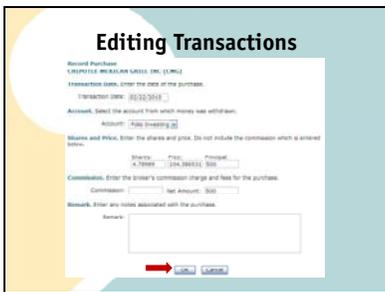
For example, on the Accounting>Accounts screen, you can click on the name of your brokerage account and see all the transactions that have been recorded in that account



In the list, you will see that it says

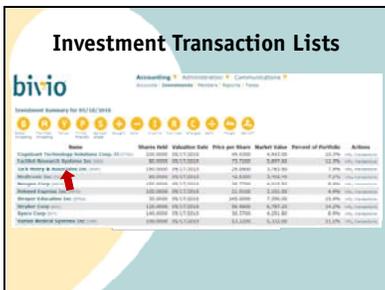
account_sync next to the entries AccountSync has made. Here is a purchase transaction.

If you'd like to edit any of the details of this transaction you can select the edit link you'll see on the right side. This will open the investment purchase screen.



If you need to change any of the information on this screen, make your corrections and then

Click the OK button at the bottom of the screen to save the updated information.



As I mentioned earlier, you can see transactions sorted by account, by member and by investment. This helps you find and focus in on the information you are looking for. For example, if you ever want to see all the entries made for a specific investment, you can

Just click on its name on the Accounting>Investments page.

Investment Transaction List

Date	From	To	Type	Remark	Shares	Amount	Adjusted	Status
01/09/2010	AccountSync	AccountSync	Dividend	AccountSync 2010-01-09	10.25	10.25	10.25	OK
01/09/2010	AccountSync	AccountSync	Dividend	AccountSync 2010-01-09	10.25	10.25	10.25	OK
01/09/2010	AccountSync	AccountSync	Dividend	AccountSync 2010-01-09	10.25	10.25	10.25	OK
01/09/2010	AccountSync	AccountSync	Dividend	AccountSync 2010-01-09	10.25	10.25	10.25	OK
01/09/2010	AccountSync	AccountSync	Dividend	AccountSync 2010-01-09	10.25	10.25	10.25	OK
01/09/2010	AccountSync	AccountSync	Dividend	AccountSync 2010-01-09	10.25	10.25	10.25	OK
01/09/2010	AccountSync	AccountSync	Dividend	AccountSync 2010-01-09	10.25	10.25	10.25	OK
01/09/2010	AccountSync	AccountSync	Dividend	AccountSync 2010-01-09	10.25	10.25	10.25	OK
01/09/2010	AccountSync	AccountSync	Dividend	AccountSync 2010-01-09	10.25	10.25	10.25	OK
01/09/2010	AccountSync	AccountSync	Dividend	AccountSync 2010-01-09	10.25	10.25	10.25	OK

Since this club purchased Jack Henry, they've been receiving dividends. The investment transaction list gives them a convenient place to check to make sure all the dividends have been entered correctly. It comes in very handy at tax time.

Reorganizations

- What are they?
- Research required
- AccountSync™

One of the more complicated accounting tasks that every investor needs to deal with are reorganizations. This is where bivio AccountSync really shines.

A reorganization can be something like a split, a spin off or a merger. It used to be there were just these three simple categories, but nowadays, it seems like there are more and more special circumstances that need to be accounted for.

Depending on how the company sets up the reorganization, it can have a variety of tax consequences. It is important to understand how to account for it correctly. The correct accounting cannot be done until information provided by the company has been analyzed.

Lucky for you, this is part of your AccountSync service. We do the research and make the reorganization entries for you. This means you sometimes have to be a little bit patient if you own a stock that goes through a reorganization. But your patience will pay off because you'll know your investment records have been adjusted correctly.

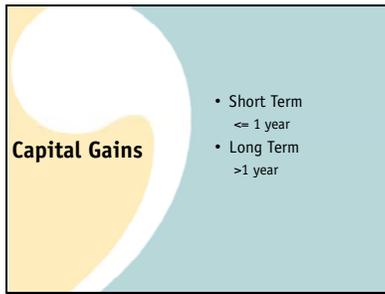
Capital Gains

- Capital gain/loss
- Sale Proceeds minus Adjusted Cost basis

Reorganization entries are important because they can affect the amount of taxes you pay. Let's step back for a moment and talk a little bit about your investments and tax reporting. As you know, when you own an investment there are tax implications related to any gain or loss you have when you sell it.

We call these capital gains and losses.

They are calculated by subtracting something called your Adjusted cost basis from the net proceeds of your sale.



For tax purposes, gains and losses are classified as either

Short term or

Long term, depending on how long you held the investment before you sold it. Long term means you held the investment longer than a year. Short term means you held it for less time than that. For most investors, long term gains are currently taxed at a special, lower rate than short term gains.



To determine your capital gains you need to know your cost basis. It will be different for each purchase of an investment. The original cost basis is the total of:

The original price you paid

And any commissions and fees.

Once you own a stock, it's basis can continue to be adjusted due to the tax impact of things like

wash sales

And Corporate actions such as

Stock Splits

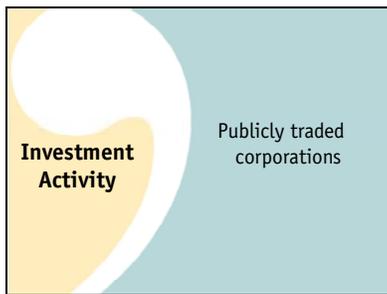
Mergers

Spinoffs and

Stock Dividends.

In addition, if part of any distribution you receive from an investment is a return of capital, that will affect cost basis. You might not find out about this type of adjustment until tax time.

Your basis at the time of a sale, after taking all these things into account is called your Adjusted Cost basis.



Just one more important reminder as we're discussing accounting for your investments and your taxes. As we discussed in the orientation webinar, bivio only provides the accounting and tax reporting you need for

investments in Stocks of publicly traded corporations, stock mutual funds, stock ETF's and (if you have the Active Partnership service), options.



If your club invests in things like:

REIT's (Real Estate Investment Trusts)
MLP's, PTP's (Master Limited Partnerships, Publicly Traded Partnerships)
Commodity ETF's

At best, you will have very complicated tax issues you will have to figure out how to handle at tax time, at worst, you will need to hire a CPA to update your club accounting and prepare your tax forms. Some investments just bring along accounting and tax issues that are beyond the scope of the services you get from us.



Stay a happy camper. Make sure your club only invests in publicly traded corporate stock, stock mutual funds and stock ETFs.

Ask before you purchase if you have any questions at all! We're glad to research a ticker and let you know if there are any issues before you get into trouble!



Basically, those are the main things you'll need to know to do your accounting for your investments. AccountSync will make the entries for you from the transactions that happen in your brokerage account.

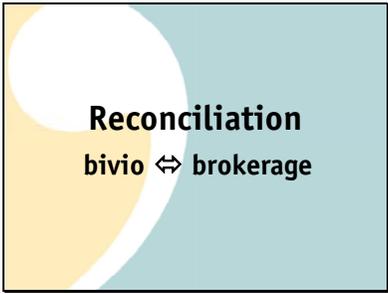
Including your stock purchases,

Stock sales,

Dividends and interest received

And any reorganizations.

All you'll need to do is double check them for accuracy each month which is the third monthly treasurer task we're going to discuss.



One of the most important things you need to do as a club treasurer is 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 it needs human oversight. You need to think of AccountSync as a capable assistant but it doesn't replace you as club treasurer.

A quick reconciliation each month means your records are always up to date. It also means you won't have very many transactions to go through if you do find a problem.

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



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. 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:

garbage in

garbage out

Reconciliation

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

The good news is that reconciliation should be a quick process. 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.

Brokerage Statement

The screenshot shows an Ameritrade brokerage statement for a Statement Reporting Period of 10/01/08 - 10/31/08. It includes a summary table with columns for 10/01/08, 10/31/08, 10/01/08, 10/31/08, and a % column. A pie chart is visible on the right side of the page.

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.

Brokerage Statement

This screenshot is identical to the one above, but with a red rectangular box highlighting the 'Cash' row in the summary table, which shows a balance of \$1,154.00.

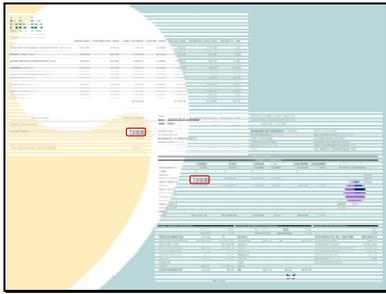
You'll have to get to know the statements your broker sends out but somewhere on them

you'll be able to find the cash balance in your account,

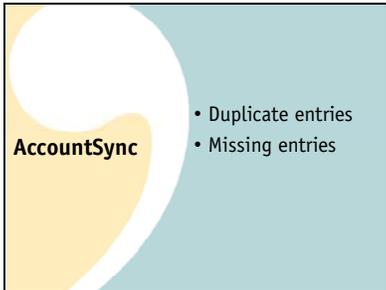
Brokerage Statement

This screenshot is identical to the one above, but with a red rectangular box highlighting the 'Positions' table. The table lists various stocks and their corresponding shares and values.

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



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



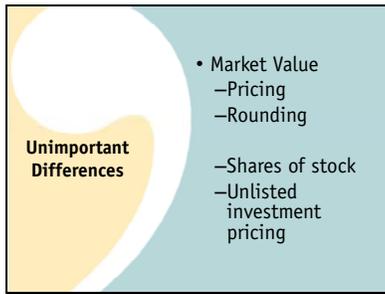
Because we call it AccountSync, sometimes people get confused with how it works. It is not a true synchronization, it just reads in new entries. It does not look to see if they've already been made. If you find that AccountSync has duplicated an entry you've already made manually, it's fine to delete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



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 forms you get to from 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 exactly between your brokerage statement and your valuation report but it is not something you need to fix.

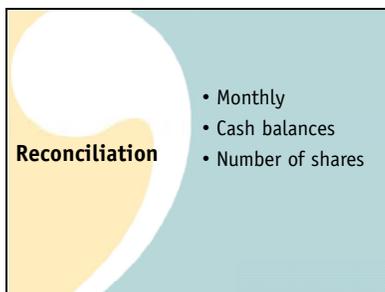
This is the market value of your stocks.

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, but don't stress out about it too much.

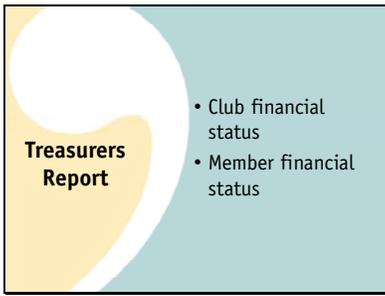
Just take a few minutes each month to reconcile your accounts quickly

by comparing your cash balances and

your number of shares of each stock with your brokerage statements. Make sure to correct anything you find that doesn't agree and you'll find it easy to stay on top of things.



The final monthly task you will have as your club treasurer is to report at your club meeting.



You'll want to give a brief report that will show your club two things:

The financial status of your club

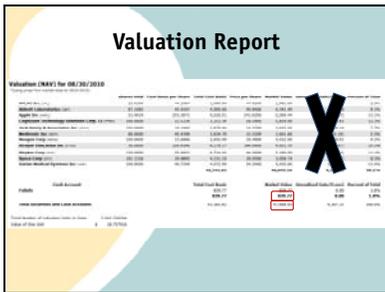
And the current status of each members ownership



You can use the first three reports you will find on the

Accounting>Reports page to do this.

They are the Valuation report, the Member status report and the transaction history report.

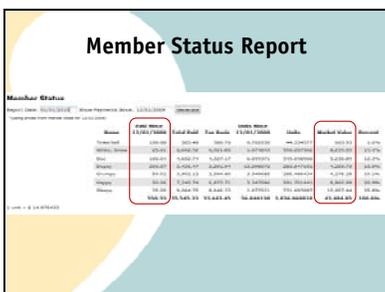


The purpose of the valuation report is to show:

The current value of all your club assets.

It will also show you the amount of cash that you have to invest.

I encourage you to stay away from spending too much time looking at the unrealized gains and losses column. The valuation report is not really very helpful to use as input for making your investing decisions. The amount of gain or loss you have in an investment does not really tell you whether or not you should continue to hold it.

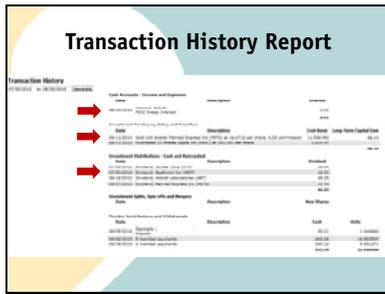


The second report you should show each month is the member status report. It shows several things including:

the payments you have recorded for the previous month. This shows your members that you're keeping track of their contribution amounts correctly.

The report also shows the market value of each club member's share of the club. This is what their account is currently worth.

Showing this report protects both you and your club members. If something is incorrect, their club account is not being tracked correctly and income and expenses are not being allocated to them correctly. Everyone should be involved in verifying their payments have been recorded correctly each month. Finding issues quickly means they can be fixed before they affect things which are difficult to correct such as payment of incorrect amounts for withdrawals or filing incorrect taxes.



Finally, show everyone the transaction history report. This shows the transactions you have recorded so everyone can see the latest activity in your account. You'll see things like

How much interest you received this month,

Any stock purchases or sales that were executed.

And any dividends you've received.

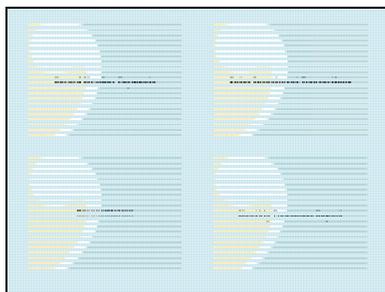


And that's your monthly treasurers report,

A Valuation Report

A member status report

And a transaction history report.



In summary,

These are the tasks you will be performing monthly as a club treasurer

Collecting, depositing and recording member payments

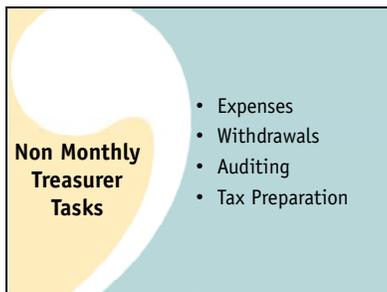
Recording investment activity

Reconciling your records

Giving a report to your club



Don't forget! It shouldn't take you a long time to do these things. Keep your club finances simple so you can truly be a One Minute Treasurer!



The final webinar in our treasurer training series will be held June 5 at this same time. We will be discussing the tasks which you will only need to perform every now and then as a club treasurer. They include:

Recording Expenses

Entering withdrawals

Auditing your club records

And preparing your yearly club taxes.

We hope you'll be able to join us!

