



# District Deputy GER Designate Orientation

*Welcome to the  
District Deputy  
Grand Exalted Ruler – Designate  
Orientation Seminar*

**2021 Grand Lodge Convention  
Tampa, Florida**



# District Deputy GER Designate Orientation

## Financial Reporting System

# **INTRODUCTION TO THE FINANCIAL REPORTING SYSTEM**



# District Deputy GER Designate Orientation

## Financial Reporting System

- Grand Lodge Statute, Sections 4.330 & 13.040, mandates the use of the Financial Reporting System [FRS]. (voted on by delegates at the 2019 St. Louis Grand Lodge Convention )
- The FRS is a cloud based, storage and financial reporting system. It is not a program because it can only process data, it cannot create nor change data.
- The FRS will enable those with access including Grand Lodge Area Auditing and Accounting Committee Members to review the financial status of individual Lodges throughout the year.



# District Deputy GER Designate Orientation

## Financial Reporting System

- Reports built into the system will provide timely alerts of possible financial problems occurring within the Lodges.
- By using these reports and reacting to the alerts, financial concerns can be addressed as they happen and results of operating adjustments can be reviewed.
- Lodges will continue to use their same bookkeeper/accountant, their same financial software (*QuickBooks Desktop is recommended*), their same Treasurer, Secretary, and Auditing and Accounting Committee. Lodge operations will stay the same.



# District Deputy GER Designate Orientation

## Financial Reporting System

- In the Financial Reporting System (FRS), Lodges are considered “Users”.
- Users do not have direct access to the data stored in FRS. As users, the Lodge submits monthly financial transactions to FRS by e-mailing a comma-separated value (.csv) file to Adaptive Insights.
- The csv. files are created from the Lodge software accounting program. The Lodge must use the current authorized Uniform Chart of Accounts (COA).



# District Deputy GER Designate Orientation

## Financial Reporting System

Adaptive will send the Lodge a message stating they have “accepted” the submission. If an “error” message is received, the Lodge will need to correct the error and resubmit the file.

The error message will include the account numbers or issue that need attention. The corrected data is resubmitted, and the file is written over the previous submission.

Lodges will not have direct access to the FRS reports. The District Deputy will provide the Lodge Treasurer with monthly reports.



# District Deputy GER Designate Orientation

## Financial Reporting System

- Viewers include, but are not limited to, State Sponsors, Special Deputy Grand Exalted Rulers, DDGERs, District Leaders, State FRS Coordinators, and various Grand Lodge personnel. Viewers can produce and forward any of the numerous (39) reports now available for use.
- Viewers need to review the training material at [elks.org](http://elks.org) before they are authorized to receive their “login” username and a “password” to access FRS. A video will provide the instructions to acquire the login information.



# District Deputy GER Designate Orientation

## Financial Reporting System

- Lodges will work with their District Deputies to select the most useful reports based on Lodge and Club activity. Reports will be emailed to the Lodge Treasurer who is responsible for distributing the reports as the Lodge desires.
- As a DDGER you need to have a working relationship with the Lodges in your district to provide reports to these Lodges when asked.
- Lodges will not have direct access to monthly financial statements from FRS, as the same information is available directly from the Lodge's accounting software.





# District Deputy GER Designate Orientation

## Financial Reporting System

- The annual “user” access fee is \$165.00 per Lodge year. A Lodge can request viewer access by contacting [frshelp@elks.org](mailto:frshelp@elks.org). The viewer fee is an additional \$380 a year for this access and only allows access to Lodge data.
- Adaptive Insights will only produce reports based on the data it receives from Lodges. It does not replace the accounting software Lodges are currently using. It does not change data and it does not create data.
- Training material is available on [elks.org](http://elks.org) under the “Lodge Accounting Tab”. It is very good and very complete.



# District Deputy GER Designate Orientation

## Financial Reporting System

- The training videos are focused on QuickBooks Desktop software (recommended by the Auditing & Accounting Committee) because it is the accounting system used by most of the Lodges. QuickBooks Online may be used with more difficulty and is more expensive to maintain.
- Any accounting program should be able to generate the reports as required & then exported into Excel as a csv file.
- The csv files are then manipulated using Excel tools to create the final reports to be shared with Lodges. These reports may be used by the Lodge as a guide to a sound financial course.



# District Deputy GER Designate Orientation

## Financial Reporting System

### DDGER FRS Support

- Your State Sponsor or Special Deputy Grand Exalted Ruler
- [frshelp@elks.org](mailto:frshelp@elks.org) – Patrick Weber, a full time Grand Lodge employee
- State FRS Coordinators, two or more assigned per State, their contact information is on [www.elks.org](http://www.elks.org).
- Training material on [elks.org](http://elks.org), and the DDGER Manual, Auditing and Accounting Manual, FRS Manual and the Auditing and Accounting Area Committee Member



# District Deputy GER Designate Orientation

## Financial Reporting System

4 National FRS Coordinators, are available to help anyone in any state by text, phone, email or by one-on-one training:

- Edwin Geishert Jr                      *Coldwater MI Lodge 1023*                      [ecg2@charter.net](mailto:ecg2@charter.net)
- Frank Kerby                                *Blue Springs MO Lodge 2509*                      [fmkerby@gmail.com](mailto:fmkerby@gmail.com)
- Brian Rawding                              *Auburn IN Lodge 1978*                              [enbfromct@hotmail.com](mailto:enbfromct@hotmail.com)
- William Simonds                          *Kent Island MD Lodge 2576*                          [wjsslams@gmail.com](mailto:wjsslams@gmail.com)



# District Deputy GER Designate Orientation

## Financial Reporting System

Detailed operation instructions  
will be explained and  
demonstrated at the DDGER  
Orientation



# District Deputy GER Designate Orientation

## Auditing and Accounting Committee

# **Auditing and Accounting Committee**



# District Deputy GER Designate Orientation

## Auditing and Accounting Committee

### **2021 – 2022 Area Committee Members**

*(all appointments effective at adjournment of Convention)*

Area 1	William J Chinn, Jr <i>Chairman</i>	<i>Danbury, Connecticut Lodge No. 120</i>	wjcglaac@gmail.com
Area 2	John Neetz	<i>Bangor, Pennsylvania Lodge 1106</i>	paelksfrs@gmail.com
Area 3	Carl Gerace	<i>Rotonda, Florida Lodge No. 2710</i>	geracecfa@comcast.net
Area 4	Keith Alverson	<i>Howell, Michigan Lodge No. 2168</i>	keacpa@msn.com
Area 5	Susan Cook	<i>Joplin, Missouri Lodge No. 501</i>	susancookmo1975@gmail.com
Area 6	Steven Weatherly	<i>Fort Worth, Texas Lodge No. 124</i>	steve@sdwservices.com
Area 7	Robert Hollis-Brau	<i>West Covina, California Lodge No 1996</i>	r.hollis_brau@verizon.net
Area 8	Harley (Rick) Eckert	<i>Homer, Alaska Lodge No. 2127</i>	eckert@xyz.net

Committee Advisor: Past Grand Exalted Ruler Roger True





# District Deputy GER Designate Orientation

## Auditing and Accounting Committee

### **Data Availability Overview**

- Financial Reporting System (FRS)
- Prior Year Annual Financial Reports (AFR)
- Prior and current year Evaluations
- Prior year Form 990/990-T and State Returns
- Current year Form 990/990-T and State Returns after Evaluation finalized





# District Deputy GER Designate Orientation

## Auditing and Accounting Committee

### Sample Evaluation



**Lodge Financial Evaluation Report**  
**GRAND LODGE**  
**Benevolent and Protective**  
**ORDER OF ELKS**  
**Auditing & Accounting Committee**  
 Anytown, Lodge No.XXXX Report Year: 2020

State: District: Area:

**ACKNOWLEDGEMENT OF RECEIPT OF FINANCIAL REPORT AND EVALUATION THEREOF:  
 TO BE READ ON THE LODGE FLOOR AND RETAINED AS A PERMANENT RECORD OF THE LODGE:**

**Please ensure that the Trustees/Board of Directors & Your Independent Accountant receive a copy of this report.**

Report for Year Ended March 31st:	2018	2019	2020
<b>Membership Total:</b>	<b>281</b>	<b>264</b>	<b>262</b>
1. Date of Review by Grand Lodge Committee Member:	08/26/2018	06/28/2019	10/19/2020
2. Were all entities of the Lodge reported?	Yes	Yes	---
3. Amount of Working Capital	(\$31,360.00)	(\$54,253.00)	(\$98,731.00)
4. Amount of Total Equity	\$824,217.00	\$821,647.00	\$836,803.00
5. Lodge Net Profit	(\$20,001.69)	(\$1,275.00)	(\$26,803.00)
6. Club and Other Operations Net Profit	\$11,644.39	(\$1,295.00)	---
7. Bar Net Profit	---	---	\$27,919.00
8. Bar, Cost of Sales (pct)	35.70%	27.80%	27.63%
9. Bar, Cost of Labor (pct)	12.90%	0.00%	0.07%
10. Food Service Net Profit	---	---	\$10,259.00
11. Food Service, Cost of Sales (pct)	43.50%	54.10%	51.82%
12. Food Service, Labor (pct)	3.80%	0.00%	0.02%
13. Other Operations Net Profit (bowling alley, golf course, etc.)	---	---	\$0.00
14. Other Operations Net Profit - 16.030 For Profit Corporation	---	---	\$0.00
15. Other Operations Net Profit (501c3Corporation)	---	---	\$0.00
16. Date of last IRS form 990 filing	---	---	08/27/2020
17. Did the Lodge file a Form 990-T?	Yes	No	Yes
18. Date lodge filed IRS form 990-T	---	---	08/27/2020
Submitted by Committee Member:	William Chinn, Jr.	William Chinn, Jr.	William Chinn, Jr.
Report Prepared:	9/19/2018	7/26/2019	10/19/2020
	Finalized	Finalized	Finalized

**2020 Comments:**

Key to comments:

- Normal text - New comment this year *Italics Text* - Repeat of comment from last year
- Bold Text** - Multiple year repeat of comment without correction or response from Lodge
- Bold Italics*** - Critical Issue that requires immediate action by the Lodge

- Page 2 - The Lodge's Working Capital remains negative at \$(98,731) and worsened compared to the prior year. It should be \$82,422.
- Page 8 Line 15 - Food Service Cost of Sales is 16.82% over the recommended 35%. Club management needs to address this issue. Are the proper procedures in place to charge the Lodge accounts for complimentary and/or reduced cost meals and beverages for events such as dignitary visitations?

**PLEASE REVIEW WITH YOUR ACCOUNTANT OR TAX RETURN PREPARER ALL ITEMS REGARDING FORM 990 (or 990-EZ) and FORM 990-T.**

No comments.

Note: With the exception of Question 17, any questions answered "No" indicate a deficiency in the report as it has been submitted. You should consult the Auditing & Accounting Manual and Section 13.040 of the Laws of the Order and make necessary corrections.



# District Deputy GER Designate Orientation

## Auditing and Accounting Committee

### **Communication with Committee Members**

- Always include contact information and advise the Lodges in your District to do the same
- Part of your position is a liaison between the Committee and your District Lodges
- Do not leave any communications from the Committee unaddressed
- Provide Area Committee member with your work session/audit session dates
  - These are important to provide evaluations in advance of official visit
- Include information provided by Committee in your Clinics
  - Handouts
  - Specific topics to inform your Lodges



# District Deputy GER Designate Orientation

## Auditing and Accounting Committee

### **Work sessions/audit sessions**

- Be prepared – review prior evaluations and financial records in advance
- Plan on minimum of 90 - 120 minutes for properly working through checklist
- Require “proof” of any answers to the checklist questions from the DDGER Manual
- For each Corporation is only one set of accounting records being maintained
- Follow up on evaluation comments



# District Deputy GER Designate Orientation

## Auditing and Accounting Committee

### **Auditor to the District Deputy**

- Key member of the District Deputy's suite
- Whenever possible should have working knowledge of finances in general and accounting policies and procedures if possible
- Should review all materials in advance to be properly prepared
- Address any questions pre or post the work session/audit session with DDGER and if necessary the Area Committee Member.



# District Deputy GER Designate Orientation

## Auditing and Accounting Committee

With adoption of the FRS, the DDGER is now the independent third set of eyes reviewing the Lodge's finances.



# District Deputy GER Designate Orientation

## Auditing and Accounting Committee

Today is overview only.

All topics will be discussed in greater detail during Tuesday's extended training



# District Deputy GER Designate Orientation

## Auditing and Accounting Committee

