The Funds (Class) Balance Report Configuration

The Funds Class Balance Report should be reviewed **MONTHLY** to verify Class balances with the Checking Register Balancew.   This report calculates the current balance for each Class.   The configuration for this report is as follows.   You can display balances for **subclasses** by selecting the **Expand** button at top of report screen.

To reconstruct this report from scratch,
- Select **Reports** from the menu bar at top of screen.
- Select **Custom Summary.**

Report Configuration

Date Range -The **From Date** should capture the **oldest transaction date**.   If any outstanding checks or deposit transactions entered at the time Opening Balances were established, then ALL Reports that calculate Balances must include this date!

Under the Modify Report Button:
Display Columns = Total Only
Display Rows = Class
Report Basis = Cash

Under Filters Button:

Accounts = Selected Accounts.
Check the following:
9000 to 9090, 0100 to 1600,
2700 to 8500 (uncheck 1700, 2600)
All other account numbers should not be checked.   Do **no**t check the bank accounts or petty cash account or other asset accounts. **This eliminates the incorrect negative class balances.**
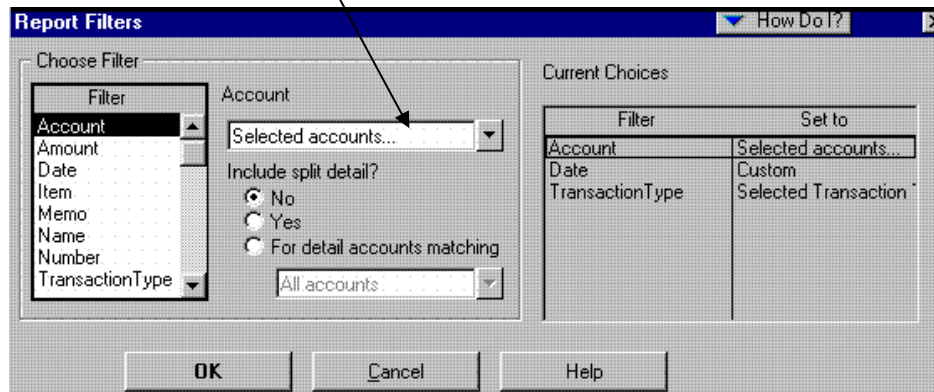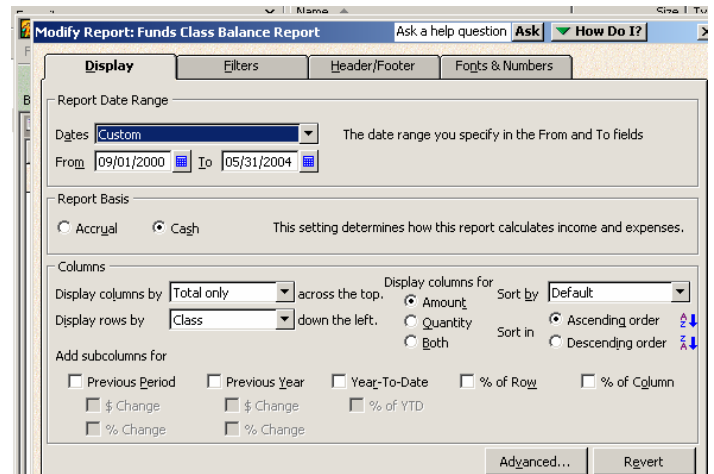
Transactions Types:

> **If you are operating on a Cash Basis, then check...**
> Check, Deposit, Journal, Payroll Check, Payroll Liability Check, YTD Adjustment, Liability Adjustment
> **If you are operating on an Accrual Basic (receivables, payables), then check...**
> Check, Deposit, Invoice, Payment, Journal, Bill, Bill Payment, Bill Credit, Payroll Check, Payroll Liability Check, YTD Adjustment, Liability Adjustment.
> **Billing Status** = Any
> **Classes** = Selected Classes. Check All Class Codes from 1000 to 9999
> **Cleared** = Either
> **Paid Status** = Either
> **Posting Status** = Posting
> **Printed Status** = Either
> (All other filters should have the default settings)

Under Header/Footer button:	Save the Report:
Enter a Report Title, i.e. *Class Balances* Click OK	Click the **Memorize** button at top of screen Select "**New**" Enter new Report Name - Funds (Class) Balance Report Click OK.

Remove Zero Class Balances

- Open the Funds Class Balance Report
- Select Modify Report button
- Select Display Tab
- Click the Advanced Button
- Under Display Rows, Select **Non-Zero** and then OK
- Check the Total Class Balances. Is it correct?

Removing the Negative Signs in Funds (Class) Balance Report

If your Funds (Class) Balance report displays negative amounts when the amount should be positive, then you will need to **uncheck any bank accounts and all Asset Accounts** under the Accounts Filters for that report.

- Open the Funds (Class) Balance Report
- Click **Modify Report button** at top left of screen.
- Click **Filters Tab**
- Select **Accounts** under the filters box (See illustration under "**Report Filters**" section.)
- Click on the **down arrow Under the Account box** (middle of screen)
- Click "**Selected Accounts**" highlighted in black.
- If you have checked any checking or savings accounts or any Asset Accounts, then UNCHECK them. The only Accounts that should be selected are:
  > **All Payroll Liabilities (9000 to 9090)**
  > **All Income acounts 0100 to 1600**
  > **All Expense accounts 2700 to 8500** (uncheck 1700 and 2600)
  > **(All other accounts should not be selected)**
- Click **OK, OK**.
- If the negative balances are removed correctly from balances that should be positive, then Click the **Memorize button** at top of screen to save this change!

Checklist
Looking for discrepancies in Class Balances with Checking Register

The balance in the Checking Register reflects all Cash In and Cash Out. The Class balances on the Funds (Class) Balance Report are calculated for all trransactions including Salary and Employer Payroll Expense accounts, 2700s and 2800s. There should be no class codes associated with the Payroll liability accounts 9000 to 9090.

1. **Have you made any income or expense account INACTIVE?** If so, did you use the inactive account number recently?   Inactive accounts will not appear on any report.
   Solution: make the Inactive Account ACTIVE again under Chart of Accounts.
      Click in box preceding "**Show all**" at botton of Chart of Accounts screen.
      Accounts with an **X** preceding it are Inactive Accounts.
      Click on the Inactive Account to highlight it.
      Click on the **Account** button at botton of screen.
      Select **Make Active**.

2. Due to Class tracking of the payroll expenses accounts 2700s and 2800s, your **State Withholding Tax** is already expensed to a salary account 2700 or 2730 and subtracted from Class balances on the Funds (Class) Balance Report. The Council has withheld the employee state tax but is required to pay the tax by the end of the quarter.
   Therefore, the difference between the Checking Register Balance and the Total Class Balances on the Funds (Class) Balance Report will be the cumulative Unpaid State Withholding Taxes for the first and second months of each quarter.

   Note: You can view the **Balance Sheet Standard Report** (Report, Company & Financial, Balance Sheet Standard) to determine the amount and type of outstanding payroll liabilities**.**

3. **Some transactions are not calculated into the class balances on the Report.**
   Did you forget to include a class code on an income or expense transaction?
   Note: Review the **Unclassified Transaction Report**. (see Unclassified Transaction procedure to create this report)

4. **Was a class code entered for a payroll liability account?   Then remove it!**
   Employee payroll deductions and employer payroll liabilities were already expensed and classed to the appropriate 2700 or 2800 accounts. Payroll Liability accounts 9000 to 9099 should **NOT** have a class code.
   Note: Double-click on the appropriate Ending Class Balance in the Fund Class Balance Report (the class code where the Salary was reported). Review report to determine if any 9000 to 9090 Payroll Liability account was given a class code. If so, remove the class codes!

   Did you remember to enter a class code for Interest earned on the Checking Account?
   If the interest earned was added to the checking account, create the Interest Income transaction in the first screen of the Bank Reconcile. Enter a Class code.

You can change the Class filter to **All Classes** if you want to see what the difference is between the Checking Register balance and the Class Balances on the Report.   "All Classes" includes all transactions that do NOT have a Class Code!

See "Unclassified Transaction Report Configuration" procedure.