



## SAGE NONPROFIT SOLUTIONS NEWSLETTER

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## Effective Financial Reporting with Sage MIP

Whether your objective is to demonstrate compliance and accountability, secure grant funds, or attract donations, effective financial reporting is extremely important for nonprofit organizations. Like the chapters of a book, your financial reports tell the story of your organization to the Board of Directors, Auditors, Government Agencies, Donors, and many more. So let's take a look at the role that Sage MIP Fund Accounting plays in effective financial reporting.

### Starting with the Basics

As you already know, Sage MIP Fund Accounting delivers reporting tools and standard reports that are designed specifically for your nonprofit. Right out of the box, you can easily produce a wide selection of standard financial management reports such as FASB-compliant, audit-ready financial statements, IRS Form 990 worksheets, and more. That means you'll cut hours off your reporting cycle by creating reports **within** Sage MIP Fund Accounting instead of manually manipulating data in external spreadsheets or struggling with complex "add-on" reporting tools.

### Visualize a Better Way

If you're the kind of person that prefers graphs and charts, then the **Visual Analyzer** is a perfect fit. Visual Analyzer is a business intelligence tool that provides an interactive approach to financial data analysis. The visual queues and financial dashboards help you to quickly uncover emerging trends, track budgets, monitor program spending, manage cash flow, and make timely decisions to keep your organization on track.

Because Visual Analyzer is an interactive tool, you can drill down, drill up, and drill across information segments when you want to "get under the hood" and analyze the detail that make up the top-level financial numbers.

### Reports That Fit Like a Glove

Every organization is unique and it's likely that you'll need a few custom reports to meet the needs of funding sources, internal management, or your board. That's where the **built-in report writer** comes in handy. You can modify existing reports or create totally new reports that fit you like a glove. Plus with the **Forms Designer**, you can totally customize virtually any accounting form, add a logo to your customer billing statements, use an auto-signature for check authorization, or save money by producing your own checks, purchase orders, and invoices on blank paper stock.

If it's difficult to find time to print all the forms and reports you need without disrupting your busy office, then the report **Scheduler** may be the answer. Scheduler works behind the scenes pulling data and running reports based on the parameters you pre-define including which reports to run and when to run them. It's great for reports you need on a regular basis ... just set it and forget!



If you need help with reporting or simply need an existing report customized to meet your needs, [contact us](#) and we'd be happy to assist.

# Internal Controls for Small Nonprofits

By Carl Ho, CPA

Segregation of duties, checks and balances ... sometimes difficult to implement in a nonprofit organization with limited staff. In an article that appears on the Blue Avocado website at [www.blueavocado.org](http://www.blueavocado.org), Carl Ho, a CPA that works with nonprofits, provides a few important and practical internal controls for small organizations.

## Set the Environment

Let everyone know, from the top down, that there are policies in place and **everyone** has to follow the them. In some organizations, the top person makes exceptions for him or herself which sends an inconsistent message and potentially unethical tone. Then, it's not long before others begin cutting corners and skirting policy. Emphasize the importance of ethics and controls at staff meetings and demonstrate that everyone follows the rules, all the time.

## Physical Controls

Simply put, lock it up! Put checks in a locked drawer and secure expensive equipment like computers. If there's cash involved - such as a fundraiser - have two people count the cash together and immediately store it in a secure location. Computer and system passwords are also important to protect sensitive data.

## Reconciling the Bank Statement

This is a critical step in preventing embezzlement. Ideally, someone other than the bookkeeper should reconcile the bank account from an **unopened** statement. If you're a small nonprofit and have only one staff member who handles everything, then consider having someone else (like a board member) receive the unopened statement and look it over before giving it to your staff person.

## Clearly Define Roles

In small organizations, policies and procedures aren't often written down or documented. Therefore, It's common for important control procedures to be missed or overlooked because one staff member assumed another person was going to do it. It's important to clearly define (and document if practical) who's responsible for checking invoices, reviewing the math, reconciling statements, approving payments to vendors, etc.

## Independent Review

Even in the smallest organization, it's a good idea to have an independent person look things over periodically. If you combine this with good controls and an atmosphere that emphasizes accountability for **all**, you'll create a comfortable working environment while ... to protect your organization's assets and mission.

### SAGE MIP VERSION 10.2



As a reminder, Sage MIP Fund Accounting Version 10.2 is now available. Not only does Version 10.2 keep you up-to-date with the latest tax reporting requirements including IRS Form 990, it also offers a few new features that will make you even more productive. Contact us to discuss an upgrade or request a copy of the "What's New In Version 10.2?" brochure.

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