

# Administrative

# Accountant

# System Manual

com



## Purpose Statement:

To improve the lives of real estate investors and residents through property management solutions.

## Systems Manual: Administrative Accountant

### KRA's – Key Result Areas

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- 2. Prepare Rent Demand Notices –p9
- 3. Process NSF Payments –p11
- 4. Prepare Security Deposit Refund Statements – p13
- 5. Drive Ex-Resident Collection Process – p17
- 6. Other – p20

### Templates:

#### 1. Accounting

- a. Security Deposits transfers – folder
- b. Security Deposits Sheets – folder
- c. Bank Deposits – folder
- d. New Move-in NSF Track

#### 2. Office Docs

- a. Behavioral Policies
- b. Office Policy
- c. Letterhead

#### 3. Deposit Returns

- a. Manual Disposition Letter
- b. Tenant Remarks for Sec Deposit
- c. EM sent to VPO for Sec Deposits
- d. EM Sent with Disposition Letter to Tenants
- e. EM Sent Prior to Collection Process (Half Way Touch Point)
- f. 2023-city-boulder-interest-security-deposits-calculation-formula

#### 4. Collections

- a. Collection Checklist
- b. Collection Letter 1
- c. Collection Letter 2
- d. Revol Collection Assignment Checklist
- e. AppFolio Tenant Unpaid Charges
- f. SS Collections Procedures

- g. Accounts for Collections
- h. Collection Letter Paid in Full
- i. CC Auth Form

**5. Other**

- a. Performance Evaluation – AA
- b. NSF notice
- c. Recurring Monthly Calendar
- d. Password list
- e. Non-GM Resident Welcome Letter
- f. Owner Notification-Rented
- g. Due at Move-in-Utilities
- gg. Due at Move-in Lease Only
- h. Owner Notification – Property Rented
- i. Legal Fee Invoice
- j. Postage Invoice
- k. Residential Lease Fee
- l. Demand Notices (folder)
- m. EM To PM Lease Only Complete
- n. EM to PM for Owner Contribution

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## **Position Overview – Administrative Accountant**

The Administrative Accountant will report to the Vice President of Operations. It is imperative that the Administrative Accountant understand that while we need to be consistent and follow all processes as much as possible, they will also need to have a level of logic and understanding when they need to not follow the process, rather consult directly with the PM to know what best steps to take and work as a collaborative group.

## **System Manual Overview:**

The system shall run the business, and the team members shall run the system.

Systems are simply road maps or instructions that allow the Grace Management processes to be repeated and easily duplicated.

Property management done on a large scale is an extremely complex business with many moving parts. For Grace Property Management to be successful, it must be consistent.

The purpose of the system manual is to provide a consistent and specific way of doing business, and to ensure that each property, resident, owner, and as much as possible, each situation, are treated the same. Also, to define HOW Grace Property Management will do property management.

The System Manual will provide each team member with specific KRA's (Key Result Areas) for which they are responsible and a specific measure of success for each KRA, so that each team member always knows whether they are succeeding or not.

Team members should always refer to their specific system manual to determine the answer to a question before bringing that question to the VP of Operations.

Any deviation outside of the system must be recognized as an exception to the system. While exceptions are necessary from time to time, each exception is by nature inefficient, and should therefore be avoided.

Each team member shall constantly work to improve the system. One purpose of the monthly Performance / Evaluation meeting with the Vice President of Operations is to ensure that on-going system improvements are suggested, discussed and implemented.

## **1 – Create Batch Bank Deposits & Post Them Daily Into Rentvine**

### **Measure of Success: Make daily deposits of all payments to bank & enter as needed to Rentvine**

1. A deposit should be made each day AFTER the mail has been received and checks removed.
2. No cash payments are accepted.
3. Deposit all check items into the correct checking account each day. There are four accounts.
  - a. Grace Management – Business Operating account  
\* All money going into the Grace Mgmt Business account including application fees, ex-resident collection payments.
  - b. Client Trust Account  
\* All Resident Rents (not related to broker's properties), Owner Contributions, Security Deposits (to be transferred to correct escrow account as needed).
  - c. Broker's Trust Account  
\* All Resident Rents only related to the broker's properties, Owner Contributions, Security Deposits (to be transferred to correct escrow account as needed).
  - d. Grace Gives Account  
\* Grace Gives Donations
  - e. C/M Short Term Loans Account  
\* C/M owners negative balances.
4. Go to <https://www.enterprisebank.com> and login to Online Banking.
5. Check Scanning Procedures / Steps:
  - a. Under Treasury, select Remote Deposit Now
  - b. Choose Transactions on the left, then Remote Deposit Complete, and then Create New Deposit (Green button at bottom of screen)
  - c. Select the correct Bank Account in the Location field, enter the number of checks being scanned and the total batch amount and then select Create (Green button).
  - d. Any money orders need you to either write the total of that check above the number field or you need to trace over that field so the scanner can read the check total.

- e. Put checks in scanner, and they should automatically scan.
  - f. If there is an error for any checks (like a reading error) you can correct them by rescanning. Any unable to read MICO strip, the bank will correct for you. No need to rescan these.
  - g. Next select to close the deposit unless you want to create another deposit. You can close multiple deposit batches if needed.
  - h. Once deposit is closed and approved by the bank, they will email you a notification.
  - i. Once notification is received either log back into the banks site and navigate through to the deposit steps above. Instead of Transactions, choose Reports, then Deposit Results. Choose the date(s) the deposit was made.
  - j. Once you find the correct deposit, choose Items Details for the deposit. Print this report to PDF. If the deposit was made for the GM operating account, indicate on the PDF what amount is going to which GL's. If the report is for a Client Trust or AM LLC Trust account skip this step. Either way save the file as the date of deposit for the naming field.
  - k. For the GM business file, upload into template 1.b for inside the GM business folder and print to paper. Wrap the real checks inside this paper and file in the secure location to be shredded within 60 days per bank retention/security policies.
  - l. For the Client Trust or AM LLC Trust, skip to steps below.
6. Client Trust and AM LLC Trust payments need to be entered into Rentvine. Normally you can manually add payments into Rentvine throughout the day and then deposit into the bank website at the end of the day. This allows for real time view from residents/owners as well as is a time saver.
  7. If a resident or owner client make a payment via their portal, it will post to the correct account and auto deposit into the correct bank account.

Some payment (mostly housing assistance payments) auto deposit into the Client Trust account however not into Rentvine. To find these, you need to log into the banks website to view account activity. Housing assistant companies should email you information once they approve a payment for a resident. This is how you know who the deposit belongs to. You'll use this email to manually enter the payment into Rentvine.
  - b. To manually enter a tenant payment, follow the instructions in the below link. <https://help.rentvine.com/how-to-record-a-payment>

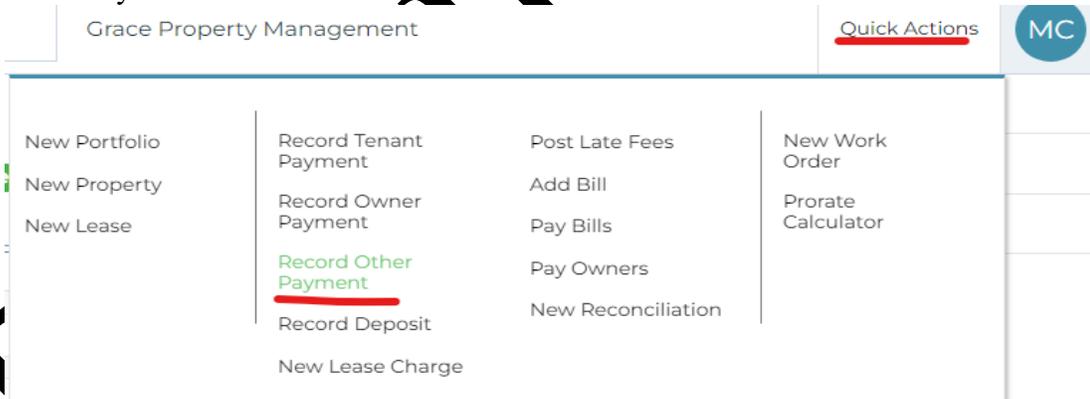
- c. The reference line is the check number or money order number. Description is a good place to indicate if the payment was from a housing provider, who that provider was.
8. If a payment covers or is intended for a resident security deposit, enter the SD information on the appropriate year sheet in template 1.a. Post payment as normal above however note you'll receive a warning from the system.

- a. Leasing will send emails throughout the month informing you of when a resident makes an online payment for a deposit. Use these as notification to confirm funds were applied to the deposit GL in Rentvine as well as to record per the above.
- b. At end of current accounting month, share template 1.a (save printing to PDF) with the PR so they know what funds to move into the SD bank account in real life.
- c. Process a Bank Transfer in Rentvine to show deposits transferred into correct escrow account. <https://help.rentvine.com/how-to-record-a-bank-transfer>

1. Example of bank transaction:

<https://gracemgmt.rentvine.com/accounting/banking/transfers/305>

9. To manually enter an Other Receipt (Utilities, Misc Payment, etc) navigate to Record Other Payment.



10. To manually enter an Owner Receipt, navigate to Record Owner Payment.



- a. Email the PM to notify them of the contribution. If a payment was made online from an owner, you can forward this email to the appropriate PM.
  - b. These payments are commonly posted to Owner Contribution GL.
11. After all payments are posted in Rentvine, you'll need to deposit the batch into Rentvine to match what you deposited in real life (via the banks website) To create a New Bank Deposit, follow the instructions in the below link. <https://help.rentvine.com/how-to-record-a-deposit>
  - a. The PDF file you saved from the banks website is what you need as your deposit file backup in the system.
  - b. After you save the deposit, print the Rentvine report. Wrap the real checks inside this paper and file in the secure location to be shredded within 60 days per bank retention/security policies.

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## **2 – Prepare Demand Notices**

**Measure of Success: Create demand notices per monthly close-out schedule or as needed.**

1. On the date given by the VPO in the monthly close-out schedule, demand notices need to be prepared for all delinquent residents. Residential demands need to be done per Colorado law and in compliance with HB24-1098 using ‘just rent’ demands from TS.
  - a. Residential receives 10-day demand notices
  - b. Residential receives 30-day demand notices
  - c. Commercial receives 3-day demand notices
2. The residential demand notice must also include a Mediation Advisement. This is in Pursuant to C.R.S. § 13-40-106(2) that a Residential Tenant who receives supplemental security income, social security disability insurance under Title II of the Federal 'Social Security Act', 42 U.S.C. 401 et seq., or amended, or Cash Assistance through the Colorado Works program created in Part 7 of Article 2 of Title 26 (Collectively referred to as “assistance”) has a right to mediation prior to the landlord filing an eviction complaint with the Court pursuant to C.R.S. §13-40-110.
3. The demand notice needs to be prepared in the primary language of the resident.
4. If late fees can be charged, charge the appropriate Late Fees in Rentvine. Most late fees kick in on the 1<sup>st</sup> of each month. Otherwise, process late fees daily as needed.
5. After all payments are posted print a Delinquency Report from Rentvine’s saved reports (Delinquency ~ Rent Balances Over \$100.00) showing all unpaid rent balances that are over \$100.00. Collaborate with the DA to learn of any exceptions prior to moving forward (exceptions include: demand already in place, tenant is on housing assistance, etc.)
6. After late fees have been charged, you will manually need to charge posting fees accordingly to each delinquent account.
  - a. Use the Delinquency report from Rentvine to know what dollar amount to charge. Most common fee amount is \$50.00.
  - b. Add charge using GL 4490 with correct posting fee amount.