

# 501 Commons

## Financial Service FAQ

### *What services are offered?*

501 Commons's financial program offers a full range of services including check and deposit preparation, account reconciliation, payroll, taxes, related government reporting, Board report preparation, and Form 990 filing. In addition we can provide assistance in developing a robust set of financial policies and procedures.

### *Why should I use 501 Commons instead of an independent bookkeeper?*

While there are multiple independent bookkeepers and accountants to choose from, some are more qualified than others and it can be a challenging process to select the person most appropriate for your needs. 501 Commons has done the work of finding and selecting individuals that possess not only the technical skills to perform the job but also the personal character to develop strong client-bookkeeper relationships. Additionally, the Financial Services Manager at 501 Commons will conduct regular oversight and check-in sessions with you as the valued client.

### *How does it work?*

The client and bookkeeper typically coordinate a standing scheduled meeting in which the bookkeeper comes to the client's place of business. The client will usually have a packet of items such as bills to pay and deposits to prepare. Depending on the specific requests of the client the bookkeeper may also prepare regular financial reports such as a statement of position. In between regular visits your bookkeeper is often available for answering simple questions or special requests. The highly qualified Program Manager is also always available to take questions or concerns.

### *How much does it cost?*

All bookkeeping services are contracted at a standard hourly rate, usually between \$45 and \$50 per hour range. Clients are billed monthly for work performed.

### *My organization is brand new; can you help me get started?*

In addition to offering regular ongoing bookkeeping, we can also help you organize your financial records whether you're just getting started or want help reorganizing the books. Our accounting professionals will work with you to decide which accounting software you should use, the best way to organize the chart of accounts, and develop GAAP-compliant financial reports.

### *How qualified are the bookkeepers?*

We strive to attract and hire individuals with the most appropriate level of technical accounting experience and personal character. All bookkeepers have both formal accounting training and practical understanding of the unique non-profit accounting needs. Many bookkeepers are preparing to take the CPA exam, and have regular access to 501 Commons' volunteer team of financial management and accounting experts for backup expertise. Bookkeepers receive regular mentoring and feedback from 501 Commons staff supervisors, and are continuously developing their skills through professional development training.

### *What will be expected of me?*

An organization is required to have at least a minimum level of documented financial policies and procedures prior to a bookkeeper arrangement. From our experience we have found that clearly documented procedures are an essential element to a well functioning environment. 501 Commons bookkeepers can assist clients with this process and can usually be completed in a short period of time if need be.

Throughout the regular bookkeeping relationship the client organization is expected to provide the bookkeeper with timely and accurate information regarding financial transactions and other relevant data. Before your first scheduled work session, you should think about your expectations and how you would like to structure work flow and communication between you and the bookkeeper. Discuss these things with your new bookkeeper during your first meeting, and check in frequently during the first two months of service to make sure that you and your bookkeeper are on the same page.

### *What happens if my bookkeeper makes a mistake?*

A good bookkeeper is careful, detail-oriented, and thorough. He or she is also human! Mistakes are inevitable in any line of work, and bookkeeping is no exception. If your bookkeeper makes a mistake, 501 Commons takes full responsibility for correcting the error and any resulting damage to your organization, provided that the error was not a result of failure on the client's part to provide information or guidance.

When you discover a mistake, you should alert your bookkeeper immediately so that the error can be corrected. The next step is to work with your bookkeeper to figure out why the mistake was made. Most mistakes are the result of a miscommunication between staff and the bookkeeper, or a misunderstanding about the activities of the organization. This is why it is critical that you communicate frequently with your bookkeeper throughout the service relationship.

If you are unable to resolve the problem directly with the bookkeeper, or feel that there is a performance issue that needs to be addressed, you should contact the Bookkeeping Program Manager, Duane Landon, or 501 Commons' Financial Fitness Program Manager, Katie Behrends.

### *What type of work is not done by a bookkeeper?*

Your bookkeeper will not provide financial management services – things like deciding which bills to pay when; authorizing expenses or timesheets; and transferring funds without direction. While your bookkeeper can provide tools and information that your staff can use to make decisions, the bookkeeper will not make his or her own decisions. Your bookkeeper will be happy to work with your management staff to improve the financial practices of the organization, but all of his or her actions and work must be performed with the direct authorization of the appropriate staff member.

### *What related services are available?*

In addition to the regular ongoing bookkeeping and accounting our highly experienced staff and volunteers are available for high-level items like 990 completion, Washington State Annual Reports, and Financial Policy & Procedure development.

### What is the process to get started?

After your initial inquiry we usually respond by scheduling a time to discuss your needs and make an initial assessment if we can best fit those needs. If both parties wish to proceed we will send a quick and free financial health assessment tool to help us determine the most appropriate course of action. Based on the results of the assessment and your needs we create a proposal for service and proceed from there.

### I'm interested, what now?

If you would like to learn more please contact Duane Landon, the Financial Services Manager, at (425) 214-2460 or [duane@501commons.org](mailto:duane@501commons.org) to schedule an in-person meeting or phone call. After the initial meeting you will have the opportunity to meet directly with your new bookkeeper to refine the process and schedule standing visits.

