# Advanced Accounting Topics

CDM+ is a fund accounting program. The basic fund accounting structure tracks specific Income and Expenditures to certain Fund Balances. Balance sheet accounts are not tied to any specific fund. Fund Balances are reflected on the Balance sheet so that the total Liabilities and Funds equal Total Assets. Basic fund accounting does not attempt to track the location of funds within the organization's assets.
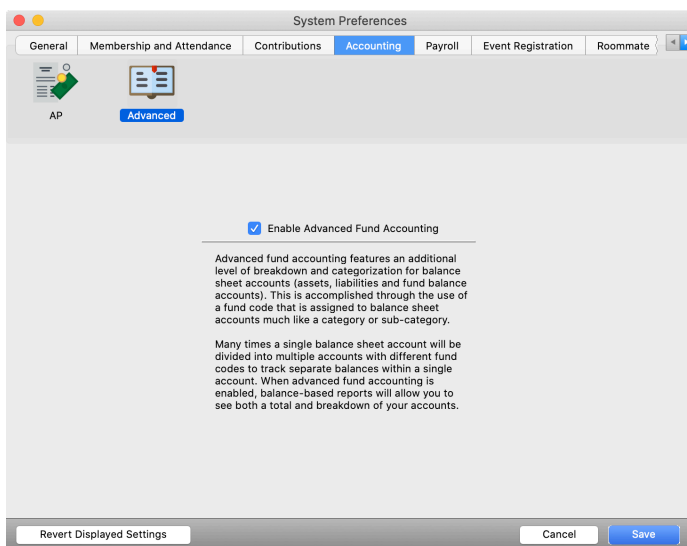
In Advanced Fund Accounting, balance sheet accounts are tied to specific Fund Codes. The overall purpose of Advanced Fund Accounting is to provide a balance sheet for each Fund and keep track of the specific location of monies for each Fund.

In Advanced Fund Accounting, there is a difference between Fund Codes and Fund Balances. A Fund Code (or the mega Fund which is trying to be tracked) will have assets, liabilities, and fund balances. Income and Expense accounts continue to be tied to specific fund balances. Therefore, a Fund in Advanced Fund Accounting will have at least one fund balance. When the Advanced Fund Accounting feature is used in CDM+, one checking account may have multiple fund designations within it. Each designation within that checking account will have its own Chart of Accounts line and balance. The use of category and sub-category designations on the balance sheet accounts in Advanced Fund Accounting are important to represent the totals of specific assets, liabilities, and fund balances.

To activate the Advanced Fund Accounting feature in CDM+, go to the CDM+ System Preferences window, click on the Accounting tab, and then the Advanced icon. Click on Enable Advanced Fund Accounting and then Save.

**NOTE:** Once Advanced Fund Accounting is turned on and being used it is not an easy process to return to basic fund accounting.

**CDM+(Mac)/File(Windows) ▶Preferences ▶CDM+ System ▶Accounting tab ▶Advanced icon**



Set up Advanced Fund Accounting in this order:

1 - Enable Advanced Fund Accounting in System Preferences

2 - Set up Fund Definitions under the Categories/ Sub-Categories/ Fund Codes tab on the Chart of Accounts window

3 - On the Balance Sheet tab of the Chart of Accounts window select the appropriate Fund Code to assign to each Asset, Liability, and Fund Balance

You must first set up Funds under the Funds Definition window. Open the Chart of Accounts window, then select the Categories/Sub-Categories/Fund Codes tab.
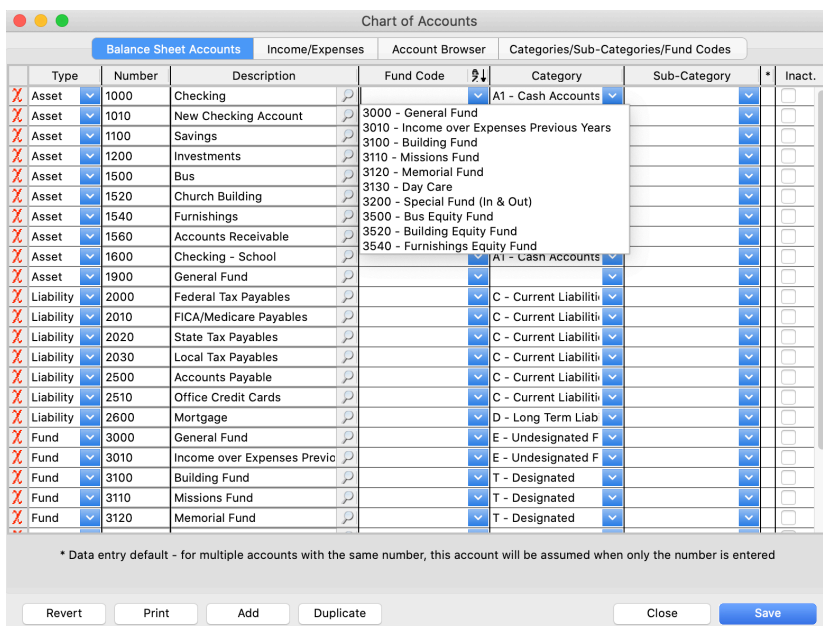
## ▶Program ▶Accounting ▶Chart of Accounts

On the Chart of Accounts window, click on the Categories/Sub-Categories/Fund Codes tab. Select Fund Codes from the drop down list.
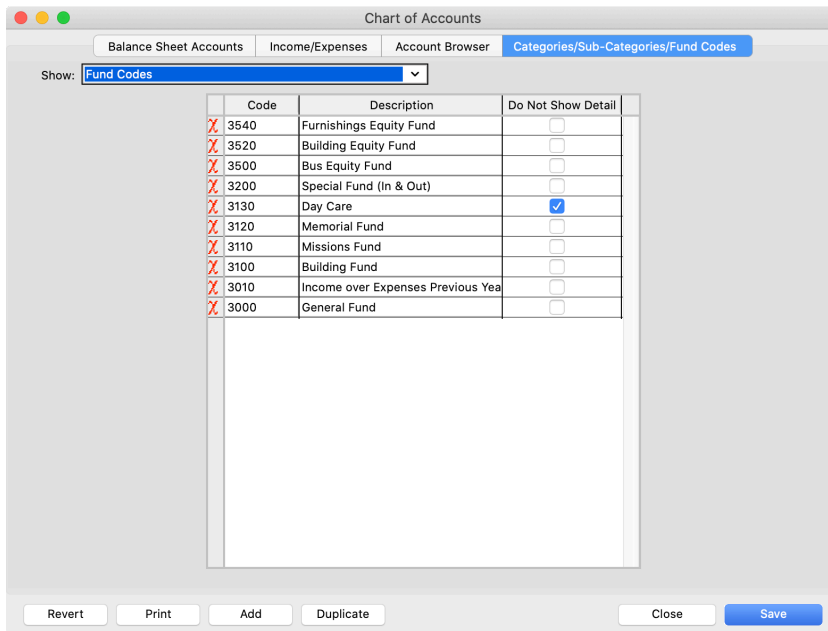


Funds that are defined here are different from fund balances to which income and expenses are tied. The purpose of Advanced Fund Accounting is to be able to create balance sheets for major funds.

Once the major funds are defined on the Fund Codes pane of the Chart of Accounts window, you may designate Assets, Liabilities, and Funds to the major funds on the Balance Sheet Accounts pane.

When Writing Checks from within CDM+ or doing a Bank Reconciliation, just choose the one asset.



**NOTE:** When making ledger or journal entries, the specific asset/liability/fund for the specific entry must be set.



To generate Separate Balance Sheets for each Fund, choose the Page by Fund option under Report Sort. A Single Sheet Balance Sheet report is also available.



Take a special look at the Net Change line on Balance Sheet to be certain everything is accounted for properly.

# Payroll Liabilities and Advanced Fund Accounting

If you need to charge payroll liabilities to different Fund Codes, you need to activate that function on the Payroll Setting tab of the Payroll Setup window.

Click the checkbox next to "Enable Fund Accounting Posting in Payroll."

Then, you need to specify on a per employee/liability line the liability account to which it should post. If this function is not activated, then all payroll liabilities will show on just one Fund Code balance sheet.

▶**Program** ▶**Payroll** ▶**Payroll Setup** ▶**Payroll Settings** tab