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Using LUCIS Software: Churches

The LUCIS for Windows modules used by churches are the [Address Book](#), [Donations](#), and [General Ledger](#). Though this chapter covers use of LUCIS Software for Windows Standard [Edition](#) with [ledger level](#) III (Std), the same procedures apply for other [ledger levels](#) and [Editions](#).

Donors & Offerings [\(Back to Top\)](#)

Donors and offerings can be added and/or edited on-the-fly as you are [entering donation receipts](#)—they do not need to be set up ahead of time. Where a donor or offering is to be identified, click [?](#) or press [\[?\]](#) to activate applicable query ([Donor Query](#) or [Offering Query](#)). If the donor or offering is not in the query, click [Add](#) to add it. To edit the information for a donor (e.g., address, etc.) or offering, click [Edit](#). In both cases the software will temporarily activate the proper editor for your use (e.g., [DN Donor Editor](#) or [DN Offering Editor](#)—consult the editor helps for specifics). Once done you will return to the query window, press [\[Enter\]](#), double-click on the item, or click [Select](#) to select the donor or offering and return to the window from which you started the process.

Donations [\(Back to Top\)](#)

All receipts intended to show up on donor statements or tracked as offerings *must* be entered in the [Donations module](#)—it is set up specifically for that purpose. This includes cash/check donations as well as electronic donation deposits (on-line giving). Though the Donations module can also be used for non-offering income, unless you specifically want the entries to appear on donor statements, use one of the General Receipts methods described below instead.

Use [DN Open Batch Entry/Edit](#) to enter donation receipts (each Sabbath's receipts, electronic deposit, or correction entries should be a separate batch). When done, use [DN Close Open Batch](#) and click [Preview Entries](#) and/or [Preview Deposit](#) to produce list(s) of the open batch for review. Use [DN Open Batch Entry/Edit](#) to add entries to, or [edit/delete existing entries](#) in, the open batch as needed then rerun the preview list(s). Once you are satisfied, click [Close Open Batch](#) to close the batch (NOTE: entries cannot be edited once the batch is closed). Post the batch deposit to your ledger using [DN Post Closed Batch to GL](#). Use a separate deposit slip for each batch to aid in bank reconciliation.

General Receipts (General Ledger) [\(Back to Top\)](#)

Use the [Donations procedure](#) to record receipts intended to show on donor statements or tracked as offerings. Do not mix Donations, Summary, or Detail receipts on the same deposit slip.

Summary Method: For club dues, fees and other receipts the easiest and simplest method uses a manual log to record individual receipts. When you make a deposit, note the amount and cutoff in the receipt log then use [GL Receipts Entry](#) to post it—change the [receipt type](#) from CR-Cash Receipts to JV-Misc Receipts, identify your bank account, enter the full deposit amount, distribute to the appropriate income or other account(s), then [Post](#).

Detail Method: To record individual receipts in the ledger use [GL Receipts Entry](#), identify your Cash* account, identify the payor and amount, distribute it to income or other account(s), print a receipt if desired, then [Post](#). Use [GL General Entry](#) to post the deposit of detail receipts—debit your Bank Account and credit Cash for the total amount of the deposit, then [Post](#).

* When you post your bank deposit the Cash account will be cleared. If you post individual receipts directly to your bank account you will make it very difficult to reconcile to your bank statement (individual receipts making up a deposit are not listed on your bank statement, the total for each deposit is shown instead). Your Bank account should only contain entries that will appear on your bank statement.

Check Payments (General Ledger) ([Back to Top](#))

Use [GL Payments Entry](#) to enter check payments—identify the bank account, payee, date, and check amount, distribute the check to the appropriate expense, accounts payable, and/or trust account(s) using identifying memos, print the check if desired, then . If you use hand-written checks post them before you [close the month](#). If you pay bills electronically (debit card or on-line) see Electronic Payments under [Miscellaneous Entries](#) (below).

Miscellaneous Entries (General Ledger) ([Back to Top](#))

Bank Charges (NSF Fees, Check Printing, Account Fees, etc.): Use [GL Payments Entry](#), change the [payment type](#) from CD Check Payments to JV Misc Payments, identify the bank account, use the bank name as payee, enter the date, charge the appropriate expense(s), print a voucher if desired, then . If you are comfortable with Debit/Credit entries you can use [GL General Entry](#).

Bank/Savings Interest: Use [GL Receipts Entry](#), change the [receipt type](#) from CR Cash Receipts to JV Misc Receipts, identify the bank/savings account earning the interest, enter the date, distribute to the interest income account, print a voucher if needed for your records, then . If you are comfortable with Debit/Credit entries you can use [GL General Entry](#).

Bank/Savings Transfers: Use [GL General Entry](#), enter the date and an appropriate memo, identify the account providing the funds for the transfer, the amount and specify Credit, identify the account receiving the funds from the transfer, the amount, and specify Debit, print a voucher if needed for your records, then .

Electronically Deposited Funds: If you received electronically deposited donations (on-line giving) follow the procedure under [Donations](#) (above). If you received electronically deposited general funds follow the procedure under [General Receipts](#) (above).

Electronic Payments (Debit Cards, On-line Payments, etc.): Use [GL Payments Entry](#), change the [payment type](#) from CD Check Payments to JV Misc Payments, identify the bank account,, indicate the payee and date, charge the appropriate expense, accounts payable, or trust account(s), print a voucher if desired, then .

Petty Cash Replenishment: If petty cash is replenished by check use the [Check Payments](#) procedure (above). If replenished with cash, use [GL Payments Entry](#), change the [payment type](#) from CD Check Payments to JV Misc Payments, identify the cash account, use "Petty Cash" as payee, charge the appropriate expense, accounts payable, and/or trust account(s), print a voucher if desired, then .

Property, Equipment, and Property Loans: Consult the chapter on [Property and Equipment: Churches & Schools](#).

Reconcile Bank Statement (General Ledger) ([Back to Top](#))

When you receive your bank statement examine it for bank charges, credits, and transfers that have not been recorded in your ledger. Post them as noted above in [Miscellaneous Entries](#).

NOTE: see [Year-End](#) (below) for special year-end reconciliation procedures.

Use [GL Account Reconciliation](#) to reconcile your bank account to the bank statement. Consult the program helps to guide you. If you discover you missed a bank charge or credit, leave the reconciliation window open and post the entry using one of the methods described [above](#) from the [Reconciliation Edit menu](#) then continue with your reconciliation. When done, print an Outstanding Items list for audit purposes (this must be done at the time of reconciliation since the information changes each time you reconcile your bank account).

Corrections ([Back to Top](#))

Correct entries with the program feature originally used to post the incorrect entry. Use the original reference number and date as noted below. DO NOT correct entries directly in the General Ledger that originated in the Donation module—work through the Donation module instead.

Donation Receipts—Open Batch (Donations) – To correct donation entries in the open batch use the [Edit feature](#) of [DN Open Batch Entry/Edit](#).

Donation Receipts—Closed Batch (Donations) – Since closed batches cannot be edited, use [DN Open Batch Entry/Edit](#) as noted below to make correcting entries. Correcting entries must be in a separate batch to avoid internal audit problems—if you have an open batch, close it first. *Once your correcting entries have been saved to the open batch, close then post the batch.*

- **Correcting the Wrong Offering(s) for the Same Donor:** Identify the donor and the original date, skip the receipt amount, enter a negative amount for the incorrect offering(s), a positive amount for the correct offering(s), then .
- **Correcting the Wrong Donor:** 1) Identify the incorrect donor and original date, enter the cash/check amount(s) to be reversed as negative receipt amount(s) using the original cash/check reference(s), enter a negative amount for each incorrect offering, then . 2) Identify the correct donor still using the original date, enter the full receipt amount(s) and reference(s), enter a positive amount for each offering, then .
- **Reversing a NSF Check Receipt:** Identify the NSF donor and original date, enter the check amount(s) to be reversed as negative receipt amount(s) using the original reference(s), enter a negative amount for each offering affected, then .

Checks and Other Payments (General Ledger)

- **Voiding a check** – Write "VOID" across the check. 1) If the check has not been posted, post the check using [GL Payments Entry](#) with "VOID" as payee, a zero check amount, then . 2) If the check has already been posted, repost (do not print) it with [GL Payments Entry](#) using the original check number and date (ignore warning messages), appropriate memo, all original amounts as negative, then . If the program prompts you to update your controls with the new check number, reply NO.
- **Correcting the check/reference number, date or memo** – use [GL Entries Editor](#).
- **Correcting payment distribution account(s)** – Use [GL Payments Entry](#) with "CORRECTION" as payee, original check number and date (ignore warning messages), a zero check amount, an appropriate memo, a negative amount for the incorrect account(s) and positive amounts for the correct account(s)—if the check was distributed to multiple accounts, only the incorrect ones need to be corrected—then . If the program prompts you to update your controls with the new check number, reply NO.

General Receipts (General Ledger)

- **Correcting a receipt/reference number, date or memo** – use [GL Entries Editor](#).
- **Correcting General Receipt distribution account(s)** – Use [GL Receipts Entry](#) with "CORRECTION" as payor, original receipt number and date (ignore warning messages), a zero receipt amount, an appropriate memo, a negative amount for the incorrect account(s) and positive amounts for the correct account(s)—if the receipt was distributed to multiple accounts only the incorrect ones need to be corrected—then . If the program prompts you to update your controls with the new receipt number, reply NO.

Journal Vouchers (General Ledger)

- **Correcting a JV number, date, or memo** – use [GL Entries Editor](#).
- **Correcting accounts on a JV** – Use [GL General Entry](#) with the original JV number and date (ignore the warning messages), an appropriate memo, a negative amount for the incorrect account(s) and positive amounts for the correct account(s)—you only need to correct the accounts in error, not the entire JV—then . If the program prompts you to update your controls with the new voucher number, reply NO.

Month-End ([Back to Top](#))

Check Batches (Donations): Make sure all donation batches for the month are [closed](#)—use [DN Entry Lists](#) (under DN Reports) to create a list of closed batches (Batch List – Standard).

Close the Month (Donations): Run [DN Monthly/Annual Close](#) to provide a month cutoff for donation reporting—select "Close/Reclose selected month", make sure the batch cutoff for the month is correct, then click . The software will automatically create a remittance report (the same report you can print using [DN Offering Remittance Report](#) under DN Reports).

Run Monthly Reports (Donations): Use [DN Entry Lists](#) (under DN Reports) to produce donation reports for your finance committee, administration and/or board. Common reports are:

- Type=Monthly List, Columns=Offering Groups
- Type=Offering List, Columns=2 Year Comparison
- Type=Batch List, Columns=Offering Groups

Conference Remittance (General Ledger): Use the remittance report created when you closed the donation month to determine the amount to be remitted to the conference (reprint the report if needed using [DN Remittance Report](#) under DN Reports). Use [GL Payments Entry](#) to post (and print if desired) the conference remittance check—charge the check against your conference remittance trust account (e.g. 80).

Entries (General Ledger): Make sure all checks, receipts, and other entries are posted for the month—use [GL Entry List \(Journal\)](#) (under GL Reports) to produce an entry list for review if desired.

Transfers (General Ledger): Use [GL Transfer Entry](#) to transfer Combined Budget and other funds to function activity areas as appropriate.

Close the Month (General Ledger): Once you have posted all activity for the month, use [GL Monthly/Annual Close](#) to provide a month cutoff for financial statement reporting. If you subsequently discover additional entries to be included, post them then re-close the month—you may re-close the month as many times as needed until you start posting entries for the new month.

NOTE: even though the conference remittance is not normally submitted until after the start of the new month, all checks up to, and including, the remittance check may be included for the month the remitted donations were received to avoid showing a large month-end bank balance leading some to believe the church has more funds available to use than it really does (some can only think in terms of cash accounting and, even though it is explained, do not remember that a large portion of the bank balance before remittances are submitted is not available for local church operation).

Financial Reports (General Ledger): Once a month is closed the account balances are available for financial reports. Use [GL Financial Reports](#) to print the financial reports recommended by your conference or follow the [recommendations](#) in the helps for GL Financial reports.

Backup: At least once a month, preferably after all work for the month is done; perform a backup to protect your data. The preferred backup is the [data folder backup](#) accessed from the [File menu](#) of the [LUCIS Software Manager](#). You can make this backup directly to, or copy the results to, an external memory stick, CD, DVD, etc. Check with your support team for recommendations.

Year-End ([Back to Top](#))

Annual Close (Donations): Use [DN Monthly/Annual Close](#) to perform an [annual close](#) at the end of the calendar year after you have finished entering all donations for the year.

The annual close does not affect your "old" year donations (it only creates a donation fileset for the "new" year with forwarded goals and/or pledges if applicable). If you subsequently find you have additional entries and/or adjustments to post to the "old year" use [DN Open Batch Entry/Edit](#) to post them—make sure you [identify the "old year"](#) for your entries. This is the process used to record auditor's adjustments. Then, if, and only if, your entries affect multi-year offering goals or donor pledges, use [DN Monthly/Annual Close](#) to perform an [annual re-close](#) to resynchronize the prior-year goal and/or pledge amounts on your "new" year.

Annual Close (General Ledger): Use [GL Monthly/Annual Close](#) to perform an [annual close](#) at the end of your ledger year after you have finished posting all year-end ledger activity.

However, since the annual close does not affect your "old" year ledger (it only creates a ledger for the "new" year with forwarded balances), you can perform an annual closing even if you know you have additional year-end entries to post but need to start recording the next year's activity.

Once the additional year-end activity is posted use [GL Monthly/Annual Close](#) to perform an [annual re-close](#) to resynchronize the ending balances of your updated "old" year with the beginning balances of your "new" year". This is the process used to record auditor's adjustments.

Bank Reconciliation (General Ledger): The procedure you follow for reconciling the bank statement that contains the last activity of your ledger year depends on whether or not your bank statement is for a calendar month (the 1st thru the last day of the month) or a fiscal month (some cutoff other than the end of the month). *It is highly recommended that you ask your bank to switch your statement to calendar months if it is not already so.*

- **Calendar Month** – If you have already performed an annual close, make sure you [use the "old" ledger file](#) for your reconciliation (see [Bank Statement](#) procedures above). Print and file an Outstanding Item list for auditing (it cannot be reproduced later).
- **Fiscal Month** – If your bank statement cutoff is other than the end of the month then it contains activity for two ledger years. If there are unposted bank charges/credits on the bank statement for the "old" year, post them to the ["old" ledger year](#)—see [Misc Entries](#) above—(if you have already performed an annual close you will need to perform an [annual re-close](#) to update the account balances on the "new" year after you post to the "old" year ledger).

If you are required to have a strict year-end reconciliation cutoff, perform [GL Account Reconciliation](#) on the ["old" year ledger](#) using the bank statement balance *as of the end of your ledger year* for the "Ending Balance", clear only items dated up to your ledger year end date, print and file an Outstanding Items list for auditing (it cannot be reproduced later), then continue.

In all fiscal month cases, if you have not yet performed an [annual close](#) wait until you do so before continuing. Once you have performed an annual close, post any unposted bank charges/credits on the bank statement for the "new" year, then follow the normal [Bank Statement](#) procedures above. Print and file an Outstanding Item lists for auditing.

Backup: After all work for the year is done, perform a permanent archival backup. If your ledger is on a non-calendar fiscal year make an annual permanent archival backup at the end of the calendar year (for donations) and the end of your ledger year (for general ledger).

The preferred backup for archival purposes is the [data folder backup](#) accessed from the [File menu](#) of the [LUCIS Software Manager](#). For insurance you should make this backup directly to, or copy the results to, a CD, DVD, or other permanent external media. Check with your support team for recommendations.