

Standard Operating Procedures (SOP) for Bookkeeping Clients

Quick Summary

This document outlines the standard procedures for our full-service bookkeeping clients. It details what services we provide, what services we do not provide, and what we require from our clients to ensure efficient and accurate bookkeeping.

1.0 What We Will Do for You

1.1 Monthly Closing of Financials:

- We will "close out" and reconcile your financials to corresponding statements (bank accounts, credit cards, loans, mortgages, owner transactions, etc.) **on a monthly basis**.
- The month will be considered "closed" once all accounts are reconciled and finalized for accurate reporting.
- The closing process will be completed **within 2-3 weeks** of the month's end to ensure you have timely and accurate financial information.
- Delays in providing necessary information may result in delays in finalizing the monthly close.

1.2 Recording Transactions:

- We will record your financial transactions **every other week**, ensuring most of the month's information is captured within just a few days after month-end.
- Any transactions requiring clarification will be sent to you **at least once a month** or **every other week** if there is a significant amount needing clarification.
- We request that clarifications be provided within **5 business days** to avoid delays in closing the month.

1.3 Customized Record Keeping:

- The level of detail in your record keeping is customizable. We will ensure you have a sufficient chart of accounts tailored to your business needs.
- Expense categories can be structured in any way you prefer.

- We can track income and expenses by job, product, or property, provided we are given the necessary details and structure to support this.

1.4 Monthly Reports:

- Once the month is closed and all accounts are reconciled, we will send out **monthly financial reports** if requested.
- Reports can be customized to fit your business preferences, such as monthly breakdowns, year-to-date comparisons, year-over-year analysis, or prior-year comparisons.
- Reports will be delivered **by the 15th of the following month**, assuming timely provision of required information and responses.

1.5 Client Communication:

- We will respond to all client communications within **24-48 business hours**.
- While we may not have immediate answers, we will always provide an update regarding the status of your inquiry.
- Clients can specify their preferred communication method (email, phone, etc.).

2.0 What We Will Not Do for You

2.1 We will **not** invoice your clients/customers or pay your bills.

2.2 We will **not** audit the information you provide.

2.3 We will **not** be responsible for tracking receipts and vendor invoices for transactions.

- We can assist in setting up a system for you to share receipts, but we do not provide storage or software solutions for receipt management.
- If transaction disputes arise, we will work with you to resolve any issues, but ultimate responsibility for the accuracy of provided information rests with you.

3.0 What We Need from You

3.1 Access to Financial Statements:

- Provide access to your **monthly bank, credit card, loan statements**, and similar financial documents **each month**.

- You can either send these statements manually or provide us with secure log-in access to retrieve them as needed. The method of access is your choice based on comfort and security preferences.
- Statements should be provided by the **10th of each month** to avoid delays in the closing process.

3.2 Transaction Clarifications:

- Provide timely responses for any transactions that require clarification.
- We will send transaction clarification requests at **least once a month**, but possibly **every other week** depending on volume.
- You can clarify transactions either by scheduling a call with us or by completing and returning the file we send detailing the transactions.
- We request that transaction clarifications be provided within **5 business days** to keep the closing process on track.

3.3 Receipt Management:

- Organize and store your receipts in a system that works efficiently for you.
- Digital organization (via software or a designated email) is preferred for ease of transaction clarification.
- If paper receipts are unavoidable, organize them by vendor or date to streamline the clarification process.
- If scanning receipts isn't possible, ensure they're labeled in a way that aligns with your overall organization system.

3.4 Communication Timeliness:

- Prompt responses to communication help us maintain efficiency and accuracy in managing your bookkeeping. If we reach out for clarifications or updates, responding within a few business days will help avoid unnecessary delays.

By adhering to these procedures, we can ensure that your bookkeeping is managed efficiently, accurately, and with minimal disruption to your operations.