

## Current Version

Version 6.9 is the current production release. As always, minor improvements are periodically added to a production release - they are detailed in this bulletin. Even though you may have the mailed update option, we encourage you to download when minor changes are implemented. Check your version by going to Help, About. The most recent version is 6.9.32 Release 2006.08.15. Users with mailed updates will receive a CD with this version.

## Embezzlement

No company with employees is immune to embezzlement. Probably due to significant sums of money - sometimes cash - involved with tenant rent payments, property management companies experience an above average incidence of embezzlement.

If you make it easy for someone to embezzle, you can be sure it will eventually happen. A person who has complete control of the accounting records is more likely to embezzle than one where the responsibilities are separated. Thus the person receipting the funds and paying bills should not also be responsible for performing the bank reconciliation and doing the audit.

Most embezzlement goes undetected due to lack of supervision. Trusting is fine, but verification is essential if you want to minimize the opportunity for someone's hand to dip into the trust account.

Remember - have someone other than the bookkeeper perform the bank reconciliation and the monthly audit. In fact, doing the audit yourself is a good idea. Stopping embezzlement is all but impossible. Discovering it early on should be the focus of your efforts.

2 things you should know - do you?

- How much money should be in the trust account after processing owner distribution checks.
- How much money should be in the tenant security deposit bank account.

## Reports

A new report - Unit Categories - has been added to the Unit reports. It will show all the units assigned to each category. The output sequence is category and then whatever sort field is selected. The normal limit to and restrict to parameters apply. The category fields - qualifier, comments, effective date and expires date - are on the report. For example, you can use it to produce a list of all units that have home warranties and see the details about the contract.

## Printing Checks

Starting with version 6.9.32, 2006.08.15 a dollar (\$) sign will print to the left of the first asterisk in the numeric amount field on preprinted checks when the check is on top. In the past the preprinted check stock provided by our supplier had preprinted the dollar sign on the check when the check was on the top.

## Work Orders

While entering a work order, when the <Invoice> speedbutton or the <Print> button is clicked, the work order is saved prior to jumping to the desired function. If all required fields are not complete you will be prompted to correct them prior to continuing. When the <Notes> button is clicked, it takes you to Notes for the owner without saving.

### Request an Audit Review

A service performed by our experienced support staff. This is how it works: You send a backup of your data to us (see the Help on Send Us Your Data). We will audit your records and analyze your setup. You will receive a full report of our findings and recommendations. Pricing is based on one posting table.

**Pricing - \$150**

Call 800-397-1499 for more details.

## Management Fee Overview

PROMAS maintains a management group (company) ledger that is the recipient of fees and other income derived from the property management activity. These funds are periodically – at your direction – moved out of the management group (company) ledger and put into the company operating bank account.

There are a number of methods available to take a fee. Regardless of the method used the fee amount is deducted from the owner or property ledger and credited to the management group (company) ledger. The method employed is chosen based on a combination of your agreement with the owner and state regulations.

The parameters for the fee amount can be identified in the Management Fee profile associated with each Unit or in the Property profile. The timing for taking the fee from the owner or property ledger depends upon the method chosen.

### Methods

#### Based on Tenant Payment

This is the most common method. The fee percentage is set in the Management Fee profile assigned to the Unit profile. When a charge that has been identified as "Subject to Management Fees" is posted to a tenant, the fee percentage is embedded in the transaction. When payments are made against that charge, the fee amount is computed based on

the percentage and then expensed to the owner or property and credited to the management group. This all happens at the time the receipt is posted.

#### NOT Based on Tenant Payment

The fee amount – percentage or fixed amount – is set in the Management Fee profile assigned to the Unit Profile. The amount can be a Percent of Market Rent (Unit profile), Percent of Actual Rent (Tenant profile), a Fixed Dollar Amount, or any combination of the three. No fee is taken when the rent is paid. The fee is taken (expensed to the owner/property and credited to the management group) when the function <<AR, Scheduled Receivables, Management Fees Not on Tenant Payment>> is run. Note that this method does not accommodate fees on charges to the tenant other than Rent.

This method is also used to take a fee when the unit is vacant. The fee calculation parameters are entered in the Management Fee profile. The fee is only taken when the unit has no tenants with a current status.

#### Based on Payments Received for the Month

This method covers two situations. One when, for a multi unit property, you want a single fee transaction for the month based on the sum of fee bearing income and the second when you have negotiated a minimum or a maximum monthly amount. To use this method the units involved must refer to a property as their ledger. The percentage and any minimum or maximum amounts are entered in the Property profile. Fees may be taken upon payment and if so, they are taken into account when the function <<GL, Scheduled Journal Entries, Reconcile Management Fees>> is run. Whatever amount is needed to make the monthly amount match the agreed upon amount will be posted. The basis for the calculated amount is viewable. The function can be run more than once a month. Whatever amount has been taken month-to-date will be part of the calculation if run more than once a month.

### Supplies We Provide

- Checks-preprinted and blank (MICR)-How To doc.#301
- Deposit Slips - laser, perforated - How To doc.#301
- Envelopes for statements/checks-How To doc.#301
- End of Year Forms - 1099's, W2, Interest forms, Envelopes - order using How To document #310
- MICR Toner Cartridges - call for details
- Monitors-LCD 17"/19" from training classes-call for availability
- Check Reader - call for details

### User Manual

The User Manual has been updated for Version 6.9. It reflects the changes made and additions to PROMAS since the manual was rewritten for Version 6 several years ago. If you would like a new manual, the following options are available.

<u>Media</u>	<u>Cost</u>
PDF, 486 pages download from web site	\$0
Printed Manual, 486 pages 3 ring punched, color printed	\$48 + \$8 shipping
Manual + Binder, 486 pages 3 ring binder, color printed	\$60 + \$8 shipping

### Training - classes

**Basic:** Vienna, VA -- Sept 18,19  
Pensacola, FL -- Oct 13,14  
Orlando, FL Nov 15,16

**Advanced:** Vienna, VA -- Sept 20  
Pensacola, FL -- Oct 15  
Orlando, FL Nov 17

*Classes need a minimum of 12 attendees.*

**Registration forms:**

***www.promas.com/pdf/training302.pdf or  
In PROMAS, click Links, Training Schedule***