

GL Coding Policy

To meet the Quality Service Quotients (“QSQ”) of Cash Flow and Financials for Owners, General Managers must manage operating expenses and properly GL Code all operating and capital expenditures. To meet the QSQ, a GL Coding Policy has been developed as part of the integrated Financial Services systems.

Responsibility

Every year District Managers develop an approved Operating Budget for each Community. It is then the responsibility of the General Manager to operate, track and GL Code according to the Operating Budget and GL Coding Policy. In addition, the District Manager is ultimately accountable to the Owner for the performance of the Community, per the Operating Budget, and as such is to supervise and support the General Manager with the acquisition and approval of vendors, services and Invoices.

Intuitive GL Coding

The organization and the name of GL Codes are designed to be intuitive – descriptive. As a part of the policy, a GL Coding – Property Management (Form) listing has been developed for easy reference and use. The following is a guide to the intuitive nature of the GL Coding and the GL Coding – Property Management (Form):

1. The A/P Document Management system limits the GL Codes to those on the GL Coding – Property Management (Form) listing.
2. The first number of the GL Code provides if a GL Code is categorized as an Expense or Asset:
 - a. **4** = Expenses
 - b. **1** = Assets (Capital)
3. Expenses are listed first as they are more often used as provided in the Operating Budget. It is best to GL Code according to the Operating Budget, then to the GL Coding – Property Management (Form).
4. Read the name of the GL Code:
 - a. If it adds the word Expense, Fee or Repair it is an Expense
 - b. If it adds the word Improvement or Replacement, is an Assets (Capital) item
5. Many of the GL Codes have Notes that provide additional information as a guide to the use of GL Code.




It is the responsibility of the District Managers to review all GL Coding as a part of their Invoice approval process; and if they find an error, those Invoices will be sent back to the General Manager for correction.

Proprietary Confidential

GL Codes - Property Management (Form)

GL Name Change
To Cost Center in 2018
GL Code section

Account	Account Code/Description	Note
EXPENSES		
41000 Utilities		
410020	Gas - Resident	Residential - Direct Use
410030	Gas - Common	
410040	Electricity - Resident	
410050	Electricity - Common	
410060	Water	
410070	sewer	
410080	Sewer	
410090	HVAC	
410100	Utility Processing Fee	Pay Lease
41000 Administrative		
410110	General Manager Payroll	Including Temp Services
410120	Assistant Manager Payroll	Including Temp Services
410130	Security Payroll	
410140	Automatic Attendance	
410150	Housing Allowance	
410160	Apartment Screening	
410170	Bank Charge	
410180	Payment Processing Fee	Pay Lease
410190	Credit Card Fee	
410200	VISA Charge	
410210	Copy Paper	Printing/copy/paper/toner
410220	Office Supply	All but copy/paper and printer/toner
410230	Printing Stationery	
410240	Postage	
410250	Card & Subscription	Admission Association BBB Member of Commerce, etc.
410260	Lease Software	Blue/Yoon
410270	Office Equipment Maintenance	Service and repair of any office equipment
410280	Computer Software	Microsoft Office Adobe, Corel, etc.
410290	Property Management Software	Rent Manager
410300	Telephone Service	
410310	Cable Service	
410320	Internet Service	
410330	Cell Phone Service	
410340	Accounting Service	SoftPlan, Res.Rep
410350	Uniform	
410360	Employee Reunion	Meas.O Entertainment
410370	Recreational	Job advertising
410380	Training	QUE Training & Development S.A.A
410390	Air Filter Reimbursement	Airline tickets and baggage
410400	Automobile Mileage Reimbursement	
410410	Lodging Reimbursement	Hotel/airfare
410420	Meals Reimbursement	Per diem
410430	Rental Car Reimbursement	
410440	Rental Truck Reimbursement	
410450	Collision Fee	
410460	Towing	Costs to remove or tow a vehicle, trailer, etc.
410470	Residential Lease	Eviction/enforce related legal expenses
410480	Permit	Pool permit, garage permit, etc.
410490	Leased Equipment	Lawnmower, generator, etc.
410500	Office Services	Document destruction, water cooler, etc.
410510	Rent Insurance	Apartment
410520	Other Administration	Season decorations and small office purchases

GL CODES - PROPERTY MANAGEMENT (FORM) - can be retrieved on employee login website

Is it an Expense or an Asset (Capital)?

Often, what is less intuitive is whether a Maintenance Repair or Supply is to be GL Coded as an Expense or Asset (Capital). The following is guide:

1. The Operating Budget is the best guide.
2. Effectively, if any item is a recurring operating item; is maintained or repaired, it is an Expense.
3. Effectively, if any item is replaced or improved (an addition), it is an Asset (Capital).
4. The following are always an Asset (Capital) item:
 - a. Appliances
 - b. Carpet and flooring replacement
 - c. Blind & Shade Replacements
 - d. New Roof
 - e. Exterior Painting of a Building
 - f. Insurance Casualty due to a claim
 - g. Capital Projects
 - i. Down Units
 - ii. Renovation Projects

- h. Notes on Maintenance Repairs and Supplies provide < or = dollar limits as a guide if to be GL Coded as an Expense or Asset (Capital).
- 5. Insurance Casualty and Capital Projects
 - a. Regardless to how small of a charge/cost, the item is to be GL Coded as an Asset (Capital) – all associated costs to be GL Coded as an Asset (Capital).
 - b. Any fees, permits, inspections related are to be GL Coded as an Asset (Capital).