Implementing our Accounting Systems

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Our Agenda

1. Responsibilities of an Accounting Dept.
2. Completing the Business Registration Form
3. Ownership Structures
4. Types of financing
5. Covering expenses for the first three months
6. Using the journals
7. General VE questions or concerns
Accounting Department Responsibilities

- With HR, determine salaries
- Project Revenue & Expenses
- Payroll & other payments
- Pricing, Invoicing & Collections
- Create financial statements
- Quarterly & Annual Reports
The Business Registration Form

https://form.jotform.com/62078237071151
What is our ownership structure?

- Subchapter S Corporation
- C Corporation
- B Corporation
- LLC
- Partnership

Other types of legal entities:
- Sole Proprietorship
- Partnership
- C-Corp
- S-Corp
- Franchise
- Cooperative
- Nonprofit
## Types of Financing Available

<table>
<thead>
<tr>
<th>Debt Financing</th>
<th>Equity Financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apply for a loan</td>
<td>Selling ownership shares to an investor</td>
</tr>
<tr>
<td>Payback with interest</td>
<td>Do not pay back money</td>
</tr>
<tr>
<td>Maintain ownership</td>
<td>Very expensive</td>
</tr>
<tr>
<td>Less expensive than equity financing</td>
<td>Max Amount: 3 months operating expenses</td>
</tr>
</tbody>
</table>

**Max Amount**: 3 months operating expenses
Expenses for the first three months

- Rent
- Salaries
- Insurance
- Advertising
- Loan Payments
- Inventory
- Utilities
Applying for a Loan

https://form.jotform.com/62294611345151
Other Types of Financing

Out of Network Sales

- Sales made to non VE enterprises
- Ex: School, Corporate Partner, Parents
- Cannot be greater than 75% of annual salary expense
What about the Journals?

• Asset Log
• Sales Journal and Accounts Receivable
• Cash Receipts and Cash Payments Journal
• Purchases Journal and Accounts Payable Journal

https://portal.veinternational.org/portal/
Additional Accounting Responsibilities

- Inventory Control
- Wholesale Marketplace
- Inventory Log

https://portal.veinternational.org/portal/
Today’s Takeaway

• Accounting complements all departments
  • Accounting/Marketing - Set prices, Ad Budget
  • Accounting/HR - Determine Salaries
  • Accounting/R&D - Determine Budget
• Questions??