

# Converting Your Investment Club from Bivio to myICLUB.com

Congratulations on making the move to myICLUB.com, the world's most popular platform for investment club accounting and operations! We are confident that the vast features you will find at myICLUB.com will help your club streamline its operations and accounting, and hopefully to find investing success as well.

**Please review this document carefully before beginning the transfer process.** It includes important tips for preparing your data as well as suggestions for troubleshooting the most common problems our team has encountered.

We recommend that clubs **not** import their data directly into myICLUB.com. Instead, we encourage clubs to use our **free Club Concierge Service** when transferring to myICLUB.com. Our customer support team will make sure that your myICLUB.com website is set up properly and that your data is imported and verified. They can also provide suggestions for data that may need to be corrected. You can find details about the Club Concierge Service at [www.iclub.com/support/bivio-myiclub.aspx](http://www.iclub.com/support/bivio-myiclub.aspx).

## Advantages of myICLUB.com

When you switch to myICLUB.com, your private club website includes the most complete set of tools available for investment club accounting and recordkeeping, as well as for many needs of club operations beyond merely recording transactions. Here are just a few of the *dozens* of new features you will find useful for your club.

- e-File club tax returns for the IRS and a growing list of states.
- Online voting system.
- Club message boards and email lists.
- Club private file storage.
- Member Withdrawal Scenario Calculator.
- Link Portfolio Reports to members' Stock Selection Guides prepared in BetterInvesting Online Tools.
- Wide selection of Portfolio Diversification Reports and Graphs.
- Account Reconciliation Tool.
- Monthly webinar with club experts.
- Make charitable donations of appreciated stock to qualifying non-profit organizations, gaining a tax deduction that passes through to members. myICLUB.com is the only online tool that supports charitable donations of securities.
- Automatically-updated Stock Watcher Reports.
- Integrated help on each page.
- Concise e-Books and Quick Start Guides.
- More than 45 reports and graphs.
- No limit on the number of annual transactions.
- Two-factor (2FA) authentication for increased security.
- Custom calendar of club events.
- Export any report or graph as a PDF.
- Automatic and manual online backups.
- Switch easily to new treasurer.
- Video library of archived webinars to help tackle nearly any task.

## Key Accounting Differences Between myICLUB.com and Bivio

If you change from a Honda Civic to a Ford Explorer, you would rightly expect there to be a number of differences in the driving experiences of both vehicles, including how each operates, how you choose routes, and how the vehicle responds, though both will ultimately get you to (or close to) your destination.

Likewise, there are differences to be expected when switching to myICLUB.com. Please take a few moments to understand these key accounting differences between the two platforms.

**Use of “rolling” valuations.** Bivio uses a method that does not require a club to establish an official monthly valuation. Instead, each member deposit is applied at a unit value that is calculated automatically on the spot. On the other hand, myICLUB.com uses the BetterInvesting-recommended method of requiring an official valuation to be created each month; then each member’s deposit for that month is made using the unit value determined by the official valuation. While there is nothing “wrong” with using a rolling valuation system (after all, mutual funds and exchange-traded funds revalue their unit prices daily or even hourly), it does pose some problems for investment clubs.

First, if a club uses the BetterInvesting or ICLUBcentral sample partnership agreement, a single monthly valuation is stipulated. If a club uses a rolling valuation system and has not defined this method in its partnership agreement, the club could be considered in violation of the agreement signed by club members. Former members especially may find this troubling if their payout was reduced because of the use of a different method of valuing their payout than had been stipulated in the operating documents they agreed to. In addition, because of the market’s tendency to make significant moves up or down in short periods, two members who make member deposits into the club just a few days apart may see vastly different unit values applied to their unit purchases. Using a single fixed valuation is fairer for members since all members purchase units at the same price.

**Annual allocation of income and expenses.** For tax purposes, investing partnerships must distribute their earnings, income, gains, and losses to partners who then report their share of each on their personal tax returns. In myICLUB, once the club’s books have been “closed” for the year, the treasurer manually generates an Allocation of Income and Expenses that serves IRS requirements. In Bivio, this allocation is done automatically.

**Handling of qualified dividends.** myICLUB utilizes an intelligent “Qualified Dividends Identification” algorithm to determine if distributions paid by securities are non-qualifying or qualifying. With this system, the Security Type, the date of the transaction, and the ex-dividend date of the distribution are used to compute the qualifying status of a dividend. In this way, treasurers do not have to designate whether a dividend is qualifying or not, unlike as in Bivio. Treasurers should review distributions after they have been imported to make sure the ex-dividend dates and transaction dates are correct.

**Options transactions.** Options are not currently supported directly in myICLUB, in reports or in the Club Tax Printer. However, existing options transactions will be imported into myICLUB. It is the club’s responsibility to review and manage these transactions.

**Short selling.** myICLUB does not directly support short sales.

## Support Policies for Clubs Transferring from Bivio

Unit value accounting for investing partnerships was refined and popularized by BetterInvesting (ICLUBcentral's parent) more than 60 years ago. Due to the nature of unit value accounting, each expense, each income item, and each member deposit will affect the calculation of price of a unit. Changing or correcting any transaction, even from years ago, may have an unexpected impact on current unit values.

**As a result, it is the club's responsibility to ensure that their data is correct and complete prior to importing into myICLUB. ICLUBcentral is not responsible for errors in the export of data from your Bivio club.**

Making corrections to historical data in myICLUB after data has been imported is **not** recommended and can lead to issues with the club's current records. ICLUBcentral will assist clubs in identifying problems related to past transactions, but only in accordance with the following policies:

- Our team will work to get the last two months of the club's member status report & valuation statements generated in Bivio to be *reasonably* close to the myICLUB versions. Our team cannot work to make sure *all* reports are *exactly* the same in both platforms.
- Our team cannot help diagnose transactions entered in Bivio that date from more than 52 weeks before the date the data was exported.
- Running parallel books is not recommended, as the differences in the accounting systems mean that the books will likely never match exactly. Fake precision should not be the objective, as long as relative percentages of member ownership remain close. Our team will help clubs to get member ownership percentages to match between myICLUB and Bivio within one-tenth of a percentage point.

## Resolving Most Common Problems

It is usually not useful to run two sets of books in parallel due to the accounting differences, especially as they relate to historical transactions.

Do not try to transfer data at year-end or during tax time. When problems in data arise, it can take time to identify the problem and resolve the issues, and attempting to do so when trying to generate the club's tax returns can make the task doubly frustrating.

**If a sold security shows up in myICLUB with a very small number of shares, or with a negative number of shares**, the sale transaction in Bivio did not include all shares held by the club. To fix this, redo the sale transaction in Bivio, making sure to sell all shares held, then export the data again and re-import into myICLUB. An alternative method to fix this is to use a Beginning Balance transaction in myICLUB (which may create two offsetting tax lots but will resolve the difference in number of shares held).

**If the club uses the Bivio "rolling unit value" system, editing past transactions in myICLUB.com will set a new unit value as of that approximate date and use that unit value for all transactions until another official valuation is created in myICLUB.com.** We suggest that you do **not** edit any past transactions in myICLUB.com that occurred before the was transferred to myICLUB.com.

**If you must edit a transaction in myICLUB that was created in Bivio**, to preserve the past unit values used in Bivio you must create "official" valuations in myICLUB.com, each dated one day before the date

of every member deposit that is recorded. You may need to create one valuation for each grouping of member deposits to bunch together all deposits occurring within about a one-week period. Note that this may create usually-minor variances in number of units owned by a member.

**Sometimes, ticker symbols are exported incorrectly from Bivio with a series of numbers after the ticker symbol.** Simply edit those securities in myICLUB Security Settings (in Accounting > Securities) to correct the ticker symbols.

**If the club's unit value is very small,** create a Year-End Allocation of Income and Expenses (in Accounting > Utilities) for the most recent year.

## After You Have Exported Your Data from Bivio

Make sure to download copies of any files (including tax returns) stored in Bivio before your subscription expires. These files can be uploaded to your club's File Storage area in myICLUB.

For archived files, it may be easier to save groups of files in a compressed zip format on your computer instead of uploading them individually to myICLUB's File Storage area (such as all files for a single year).

## Thank You!

We are pleased that you have moved to myICLUB! Our team is proud of how we have built and improved our platform over the past 20+ years, and are confident that you will find myICLUB to be a vital part of your club's success.