

CHANGE & PETTY CASH ACCOUNTS

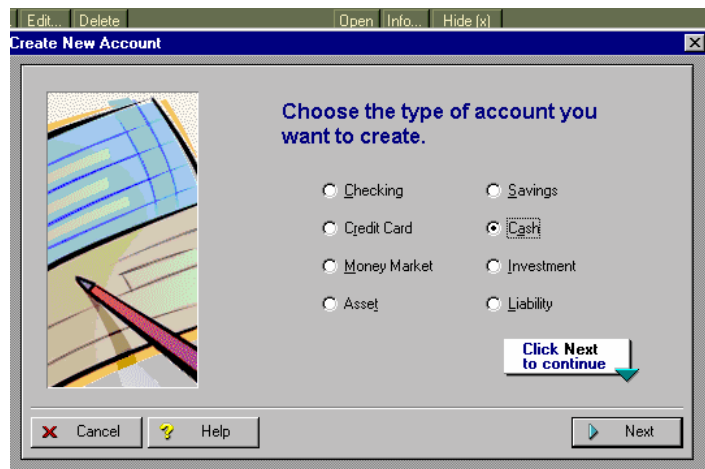
CREATING A CASH BOX CHANGE (INCOME) ACCOUNT – **This is not Petty Cash!**

Cash Box Change Account This account represents cash box (or bag, register) that will be used to make change for purchases, registrations and is the holding place all other money that come into our offices prior to deposit into the bank.

Now let's setup our Cash Box Change Account.

- Click on your *Account* icon.
- Click on *New*

This dialog box then appears. Select the *cash* button
Then click "NEXT" in the lower right corner.



- Select the *Summary* tab in this dialog box. This time you are going to name your account **Cash Box**.
- Use the **Tab** key to move to the next box, or *use your mouse* to click the cursor in the *Description* box.
- Enter **Cash Box Change Account**.
- **Tab** to the *Balance* box. Enter the **\$0.00** in the *Balance* box.
- **Tab** to the box to the right of *as of* and **adjust the date** to the day you set up the account.

If you have a change box (money used to make change) in your office that has not been included in you Quicken accounts, then the first entry in your new **Cash Box** account is actually treated as a deposit. Enter the amount of the money you keep in your **Cash Change Box**, and use one of your income categories as the category. The best one might be a "*Miscellaneous*" category under "**7. Other Income**".

If you have never had a Cash Box for Change before, then you would need to write a check to convert money in the checking account to cash for your Cash Box. Make the check out to the bank. The category you will use on the check is actually a Transfer to the **Cash Box** account – [**Cash Box**]. This transaction is not an expense, but merely is converting money held in the checking account to cash

INCOME TRANSACTIONS USING THE CASH BOX ACCOUNT REGISTER

This may be a change from what has been done in your county, however, it represents a better practice, better cash control, and is now the recommended method for accounting for income.

On a regular basis, daily if possible, record cash income transactions in the **Cash Box** account instead of the **Checking** account. You would create the entry just exactly as if you were doing it in the checking account, which was the old method.

Highlight the last transaction line on the register by clicking on it (it should be empty).

- Change the date on the transaction to the date on the receipt you are entering.
- Then [TAB] to the *Ref* field and enter the receipt number.
- [TAB] again to the *Payee* field and enter the name of the person or firm who paid you.
- Next, [TAB] to the *Receive* field and enter the amount of the transaction.
- Next, [TAB] to *Category* field and using the pull-down arrow select the income category appropriate for the transaction.
- Finally, [TAB] to the *Memo* field and type in an explanation of the transaction.
- Then to complete the transaction, either click on the “ENTER” button or press the [ENTER] key to record the transaction.

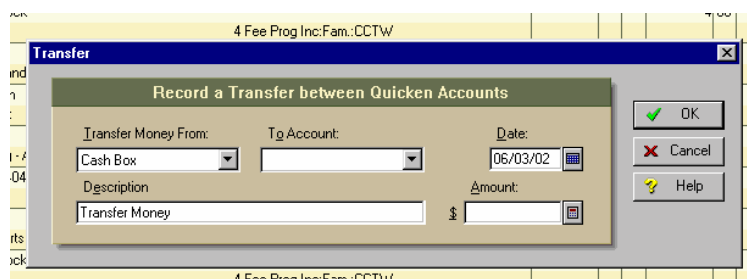
Then, when it is time to make a deposit to the bank, you create an entry in the **Cash Box Account** in the following manner:

- Change the date on the transaction to the date on the receipt you are entering.
- Then [TAB] to the *Ref* field and leave it blank.
- [TAB] again to the *Payee* field and enter the name of the Account into which you are depositing the money.
- [TAB] to the *Spend* field and enter the amount of the transaction.
- Next, [TAB] to *Category* field and using the pull-down arrow select the bracketed [NAME OF ACCOUNT] into which you are depositing the money.
- Finally, [TAB] to the *Memo* field and type in an explanation of the receipt numbers being deposited.
- Then to complete the transaction, either click on the “ENTER” button or press the [ENTER] key to Next, record the transaction.

OR

A different way to do the same transaction – depositing to the bank is as follows:

- Click on the *Transfer* button on the bar just above the register. The following screen appears:



- Next, [TAB] to the *To Account* and select the Account into which you are depositing the money.
- Next, [TAB] to the *Description* field and enter information about the deposit, for example “Receipts # 4 to 32”.
- Finally, [TAB] to the *Amount* field and enter the amount of the transaction.
- Then to complete the transaction, either click on the “OK” button.

Notice that the **Cash Box Account** is decrease by the amount of the deposit and the **Account** into which the money is deposited was increased by the same amount. This kind of transaction is neither an income transaction nor an expense transaction, but rather a transfer between accounts in the same fund.

SPLITS FOR INCOME TRANSACTIONS

Sometimes you will have a receipt for a number of items which are not in the same category. In that case you will click on splits when you get to the category area.

- Enter the **date, payee and amount** as you did before.
- Instead of selecting a category, select the *Splits* button to get the screen shown below.

Category	Memo	Amount
1. 6 Resale Inc:4H Resale:4H T-Shirts	1 T-Shirt	7.00
2. 5 Fee Prog Inc:4H:Camps	Registration Jr. Day Camp	5.00
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
12.		
13.		
14.		
15.		

Split Total: 12.00
Remainder: 0.00

- Enter the various categories and amounts needed. When done correctly, your splits total will equal the total for the check and remainder should be 0.00. Note the dollar amount on the bottom right of your screen.

QuickFill Feature

Once you have entered a transaction Quicken remembers it. The next time you start typing in the payee’s name Quicken fills in payee. When you have selected the correct payee, Quicken fills in the rest of the information. In most cases, all you need to do is change the amount of the transaction and any amounts that need to be changed in the splits. These transactions are kept on file for your use in the **Memorized Transaction List**, which you can access from **List** on the Menu bar.

EXPENSE TRANSACTIONS USING A PETTY CASH ACCOUNT

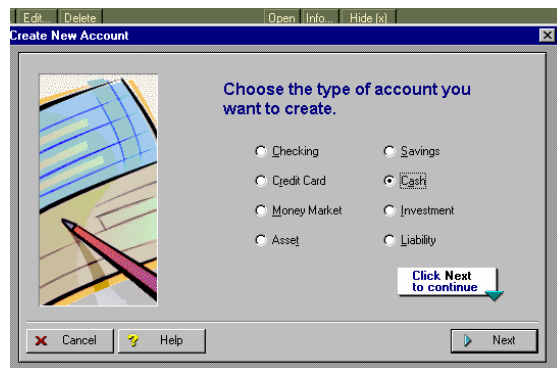
CREATING PETTY CASH (EXPENSE) ACCOUNT – This is not for making sales or registrations

Petty Cash Account can be defined as an account where cash is held within the office to be used in making small expenditures for which issuing a check is viewed as unnecessarily burdensome. The petty cash account needs a person designated as a custodian, who cashes the initial check and any replenishing checks and maintains a fund from which small claims are paid in cash. All expenditures from petty cash are recorded as they are made. When additional petty cash is required, the custodian presents receipts for reimbursement. Each expenditure must have supporting documentation (invoices, sales slips, receipts, and so forth).

Now let's setup our Petty Cash Account.

- Click on your *Account* icon.
- Click on *New*

This dialog box then appears. Select the *cash button*
Then click "NEXT" in the lower right corner.



- Select the *Summary* tab in this dialog box. This time you are going to name your account **Petty Cash**.
- Use the *Tab* key to move to the next box or *use your mouse* to click the cursor in the *Description* box.
- Enter **Petty Cash Account**.
- *Tab* to the *Balance* box. Enter the **\$0.00** in the *Balance* box.
- *Tab* to the box to the right of *as of* and **adjust the date** to the day you set up the account.

Next, a check must be written from your **Checking Account** to start your petty cash account. Make the check out to the bank. The category you will use on the check is actually a Transfer to the **Petty Cash Account – [Petty Cash Account]**. This transaction is not an expense, but merely is converting money held in the checking account to cash. The custodian then cashes the check and keeps the petty cash in a safe place. When petty cash needs to be replenished. The custodian presents the expenditure receipts and a request for replenishment in that amount. A new check is then written and the categories used on that check are categories that the expenditures were for. The balance in the *Petty Cash Account* is always the same in either cash or in cash and receipts.

Expense & Replenishment Method #1

Record every expenditure made from *Petty Cash* in the *Petty Cash Account* register. To do this highlight the last transaction line on the register by clicking on it (it should be empty).

- Change the date on the transaction to the date you spent the money out of *Petty Cash*.
- Then [TAB] to the *Ref* field and you can enter the reference number if you use one for each expenditure from *Petty Cash*.
- [TAB] again to the *Payee* field and enter the name of the person or firm who paid you.
- Next, [TAB] to the *Spent* field and enter the amount of the transaction.
- Next, [TAB] to *Category* field and using the pull-down arrow select the income category appropriate for the transaction.
- Finally, [TAB] to the *Memo* field and type in an explanation of the transaction.
- Then to complete the transaction, either click on the “ENTER” button or press the [ENTER] key to record the transaction.

When it is time to replenish the *Petty Cash Account*, write a check from the Checking Account just as you did when you started the *Petty Cash Account*, in the amount to return the account to its original balance. Make the check out to the bank. The category you will use on the check is actually a Transfer to the **Petty Cash Account – [Petty Cash Account]**. This transaction is not an expense, but merely is converting money held in the checking account to cash, since you have already recorded the expenditures out of the *Petty Cash Account* in its register.

SPLITS FOR EXPENSES

Sometimes you will spend cash for a number of items which are not in the same category. In that case you will click on splits when you get to the category area.

- Enter the **date, payee and amount** as you did before.
- Instead of selecting a category, select the *Splits* button to get the screen shown below.

Category	Memo	Amount
1. Resale Inc: 4H Resale: 4H T-Shirt	1 T-Shirt	7.00
2. 5 Fee Prog Inc: 4H Camps	Registration Jr. Day Camp	5.00
3.		

Split Total: 12.00
Remainder: 0.00

- Enter the various categories and amounts needed. When done correctly, your splits total will equal the total for the check and remainder should be 0.00. Note the dollar amount on the bottom right of your screen.

Expense & Replenishment Method #2

When it is time to replenish the *Petty Cash Account*, write a check to the bank, as you did to start the account. However, this time the category(ies) you will use are the category(ies) that are appropriate for the expenditures that were made in cash. The first method is the preferred method.