

USING CATEGORIES AND SUBCATEGORIES

When a subcategory is created under a main category or a subcategory, then that category or subcategory under which a subcategory has been created is no longer used for transactions. The reason a subcategory would be created in the first place is to differentiate between transaction recorded under general category

Example:

I. Communications
 Phone
 Postage

In this case, the general category is “Communications,” and would not be used when recording transactions. The subcategories of either “Phone” or “Postage” would be the categories that you would use on all transactions in general category. Once you begin creating subcategories under a category you must create a minimum of two subcategories.

Example:

N Fee Programs Expenses
 4H Activities
 Specific Program
 General/Miscellaneous

In the above example we want to breakout a specific program. Our temptation would to record any other or general transactions using just the “4H Activity” subcategory. Doing that would create an odd category in reports of “4H Activities-Other.” If you need a subcategory under a main categories or subcategories that is general or miscellaneous in nature, then create it. Do **NOT** use the main category once you have created subcategories.

Below is an example of how a report would look when a general category is used for transactions instead one of the subcategories. The line “1 Property Tax-Other”^{*} represents a transaction or transactions that are not categorized correctly. That \$33.77 is either “Current Property Tax” or one of the allowable credits that are subcategories under “1 Property Tax.”

INCOME

1 Property Tax:	
Ag Land Credit	1,652.87
Current Property Tax	119,240.56
Elderly-Disable	119.11
Family Farm Credit	332.31
Homestead Credit	5,904.54
* 1 Property Tax-Other	33.77
TOTAL 1 Property	127,283.16

To edit transactions that have been mis-categorized in this way, place your cursor over the transaction in the [Itemized Categories Report](#). The cursor will turn into what looks like a magnifying glass with a Z in the middle of it. When that happens, double-click and that will take you to the transaction itself. Change the category on the transaction to the correct one and click “ENTER”.