PC SOFTWARE ACCOUNTING, INC.

A GUIDE TO COMPUTER CHECKBOOK FOR WINDOWS

COMPUTER CHECKBOOK for Windows®

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Table of Contents

Chapter 1
Introduction and Installation 1-1

Chapter 2
The Practice Set 2-1

Chapter 3
Conversion Instructions for Converting DOS Computer Checkbook to Windows Computer Checkbook 3-1

Chapter 4
Setup 4-1

Chapter 5
Checks & Receipts 5-1

Chapter 6
Advanced Payables 6-1

Chapter 7
Advanced Payroll 7-1

Chapter 8
Accounts Receivable 8-1

Chapter 9
Interfacing 9-1

Chapter 10
Miscellaneous 10-1

Chapter 1

Introduction and Installation

Welcome to Computer Checkbook!

Thank you for choosing the *PC Software Windows Computer Checkbook System* for your client or company accounting needs. We appreciate your business and are committed to doing our best to make you a satisfied user of this system. Our goal is to make this system as productive as possible for your company.

Overview

The *Computer Checkbook System* is designed to allow you to quickly and easily manage your bank account(s). It allows you to print vendor and payroll checks, record or print deposit slips and handle other bank transactions. The system has an assortment of reports which can be either viewed and/or printed. It also provides a method of transferring your data via diskette or electronically to your accountant.

To assist you in learning and using the *Computer Checkbook System*, we have provided you with a number of helpful sources of information. The book you are now reading is the documentation manual which should be able to assist you with many of your questions. This manual includes a practice set which is a hands-on exercise which guides you through the setup and processing of a sample company. The *Practice Set* is contained in *Chapter 2*. There is also a set of **PROCEDURAL GUIDES**, which are part of the *System's Help*. The **System Help** is a menu item on the **Home Screen**.

There is also extensive online documentation in the system. A very helpful index and search feature for the online documentation is available and can be accessed by selecting any **Help** button and choosing the **Help Topics** tab on the resulting display. Don't forget that you may also call us. The system is sold with one year of WATS line support. Our WATS number is 1-800-237-9234. After that you may subscribe to an annual support update plan. If you do this, you will automatically be provided with system updates and you may call us whenever you need assistance on a non WATS number (941-365-1162). We will either answer your call immediately or call you back on one of our lines.

Our Recommendations

We recommend that you first install the enclosed **Windows Computer Checkbook System**, using the CD ROM installation procedures found on the following pages. We next recommend that you complete the **Practice Set**, which begins in *Chapter 2*. The *Practice Set* is designed to help you learn the *PC Software Accounting Window's Computer Checkbook System* as quickly and as easily as possible.

Current DOS Users

If you are a current user of the P.C. Software DOS Computer Checkbook System you should read Chapter 3, entitled Conversion Considerations.

Chapter 3 contains instructions for converting your data from the *PC Software DOS 3.1 Computer Checkbook* to the *PC Software Windows Computer Checkbook* data format. The conversion routine allows present users of the *PC Software DOS Computer Checkbook System* to quickly transition to the new system. It also leaves the original data on the system as a backup so that it may still be processed with the *DOS 3.1 Computer Checkbook System* if any problem occurs with a particular client's conversion.

New Features

We have redesigned some areas of our **DOS** system to take advantage of the strong points of the *Windows* environment. The first major difference is that the new system will take advantage of printer drivers, allowing greater latitude in how checks will print and in allowing the user flexibility to change the format of the check printing.

The second major design difference from the *PC Software Accounting DOS System* concerns payroll. Each item that affects a paycheck is now totally independent from any other item as far as taxing and reporting purposes. This change in design allows us to handle unusual and even illogical taxing rules with a minimum of hassle or special setup time.

In Conclusion

Whether you are an existing user of the *PC Software DOS System* or a new user of the *PC Software Windows Computer Checkbook System*, we think you will be delighted with the *Windows Computer Checkbook System*. We are continuously improving and adding enhancements to the system. We are open to any comments and suggestions that you have. We are standing by to assist you in implementing the *Windows* system for your company.

Thank you again for choosing the *PC Software Windows Computer Checkbook System*.

How To Use This Manual

This manual provides all the information that should be needed to get you up and running with the *Computer Checkbook System*. This section contains a brief overview of the major sections of the manual.

Since *Windows* is a complex operating system, it is to your advantage to learn as much as possible about *Windows*, not only to use this system effectively, but to also maximize the benefits from any *Windows* system you select for your firm.

Organization

Chapter 1: Introduction and Installation - This chapter provides an overview of the system to help you get the most out of the manual. It also serves as a guide during the installation of the *Windows Computer Checkbook System.*

Chapter 2: The Practice Set - This chapter contains a practice exercise which introduces the major features of the *PC Software Accounting's Windows Computer Checkbook System.*

Chapter 3: Conversion Considerations - This chapter covers the procedures that are necessary to convert *DOS Computer Checkbook* data to the *Windows Computer Checkbook System.*

Chapter 4: Setup - This chapter provides a general **Checklist** for setting up a new company, followed by more specific setup instructions for individual options such as setting up employees and vendors.

Chapter 5: Checks and Receipts - This chapter covers the payroll and vendor check writing options. It also has instructions for recording deposits and other common banking transactions.

Chapter 6: Advanced Payables - This chapter provides instructions for using the *Advanced Payables* option which allows invoices to be entered into the computer as they are received by the company and paid in a batch mode.

Chapter 7: Advanced Payroll - This chapter provides instructions for using the Advanced Payroll option which allows payroll to be completed in a batch mode.

Chapter 8: Accounts Receivable - This chapter provides instructions for using the Accounts Receivable functions.

Chapter 9: Interfacing - This chapter provides instructions to an accounting firm so that they will be able to interface their clients' data into their *Client Write Up System*. It also provides instructions for a company that has both *Computer Checkbook* and the *General Ledger* program and interfaces their own data.

Chapter 10: Miscellaneous - This chapter documents options of the system that have not been documented in the previous chapters and also contains a **How to Guide** which provides a large number of answers to common questions such as "How do I

Change an Existing Vendor Check?"

Index - This is a topical index to assist both new and current users in locating the information that is located in the documentation manual.

Pictures and Print

Screens

The *Windows* environment provides a graphical user interface, enabling the user to quickly navigate through systems in a more intuitive fashion. Such navigation can be easily accomplished using the mouse or the keyboard. In this manual, screens are shown to illustrate the operations under discussion, and descriptive captions and pointers are included where appropriate to call attention to specific areas of interest.

Text items on menus and screens, particularly those that you point to and click on with the mouse, are printed in **boldface type** for clarity and emphasis.

Icons

Throughout the manual, when an instruction refers to a graphical **Icon** on a screen, a picture of that icon appears to the left of the paragraph in which it is discussed.

Using the Mouse

Menu options and items that you click with the mouse are shown in **bold**. The following terms are standard throughout the manual when describing mouse usage:

Click: Click the left mouse button once.

Double-click: Click the left mouse button twice, in rapid succession.

Right-click: Click the right mouse button once.

Point to or **Highlight**: Position the mouse pointer to an item or area on the screen. Depending on the item, Windows may highlight it automatically, or you may be further instructed to click on the item.

Drag and Drop: Position the mouse pointer to an item, then hold down the right mouse button and move the mouse to reposition the item, then release the mouse button.

Before You Begin

System Requirements

It is important to note that this system requires a *Pentium* processor with **64** megabytes of ram memory, the *Windows 95, 98, 2000, ME, NT, XP, Vista or 7* operating system and a laser or inkjet printer. **If you do not have these required hardware and software items, you should not attempt to use this system**.

Preparing for Installation

Quit All Other Applications

The first step in installing the new system is to terminate any applications that are currently running on your computer. The **Install** procedure must process alone on the computer. This is important for two reasons. The first reason is that other applications may interfere with the installation process. The second reason is that the last step in the installation might involve a reboot and there should not be any applications running if you are required to reboot.

Determine if you are using a 64 Bit Version of Vista or Windows 7

If you are running either **Vista or Windows 7** you will need to determine what version of the operating system you are using. (32 bit or 64 bit). So left click on **Start** and right click on **Computer**. A menu will appear, left click on **Properties**. The View basic information about your computer screen will pop up. Scroll down until you find **"SystemType"**. It will tell you what version of the Operating System you are running (32 bit or 64 bit).

Installation Instructions

Note: If you are installing the system for the first time you will need to call P.C. Software Accounting or the company that is supporting your system for a license number which depends on your machine's serial number. This licensing can be accomplished any time within 60 days of the initial installation.

It is strongly recommended that you install the CD to a **local hard drive** such as **C:** and to the **\PCSW** folder. (These are the defaults settings). However, during the installation process, the hard drive may be changed to a different local hard drive and the folder may be changed to a different folder if there is some significant reason that you wish to do this. Do not install to the root folder of a drive because as the folder fills up with files, the machine will get slower and slower when you access that folder. **Do not install the CD to a network drive** as the system is not designed to operate reliably from a network drive. However, the system is designed to access **data** from a network drive or from any other local drive on your computer.

Step 1A: Installing the Program on a <u>32 Bit Version of Windows</u>.

If you need to install the program on a *64 bit* version of **Vista or Windows 7** skip to *Step 1B*, otherwise insert the CD-ROM, if you are running any version of *Windows* besides **Vista or Windows 7** then proceed to *Step 2*.

If you are using **Vista or Windows 7** are screen similar to the one shown below will appear.

32 Bit Vista or Windows 7 install

Just click on **"Run setup.exe"** as shown and proceed to **Step 2**.

Step 1B: Installing the Program on a <u>64 Bit Version of Windows</u>.

Insert the CD-ROM. A screen similar to the one shown below will appear.

64 Bit Vista or Windows 7 install

You will want to take the second option **"Open folder to view Files"** as shown.

This will bring up the contest on the CD. Open for the folder labeled **64 Bit** and double click on it. This will bring up the contest of the folder. Double click on the **Setup Application file**. (Setup.exe). Continue to **Step 2**.

Step 2: Windows Computer Checkbook Installation Screens

The first screen that will display is the **Welcome Screen**.
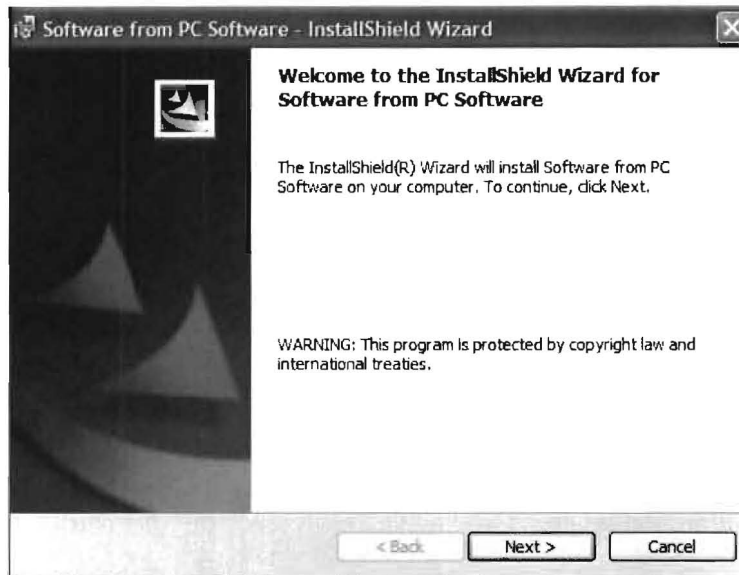
Figure 1-1: Welcome Screen

Click on the **Next** button to continue the installation. The **User Information Screen** will display:
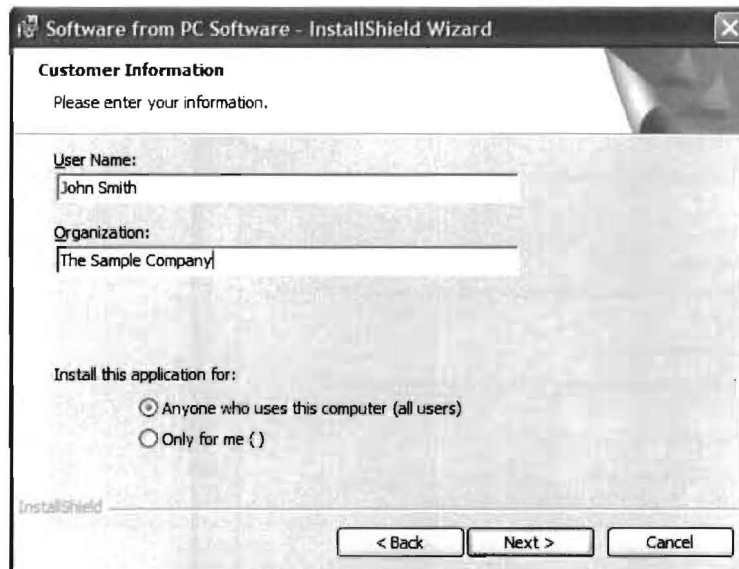
Figure 1-2: Enter your User Information on this screen.

Key in your name and the name of your company and click on the **Next** button. The **Choose Destination Folder Screen** will appear as shown on the next page:
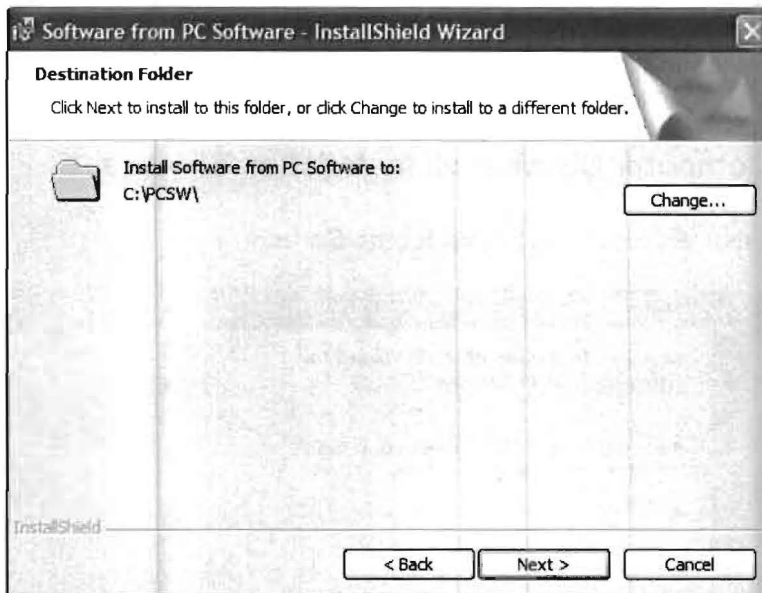
Figure 1-3: Click on the Next button to install the system in the default folder, C:\PCSW

This is your chance to install the system in a different location other than **C:\PCSW** which is the default. It is strongly recommended that you install the system on the C-drive, because it has been our experience that the system will run faster and have fewer problems. If you wish to install the system in a different location, click on the **Change** button and do so.

Once you are satisfied with the system location, click on the **Next** button to continue the installation.

Step 3: Selecting Computer Checkbook

The **Setup Type Selection Screen** will appear:
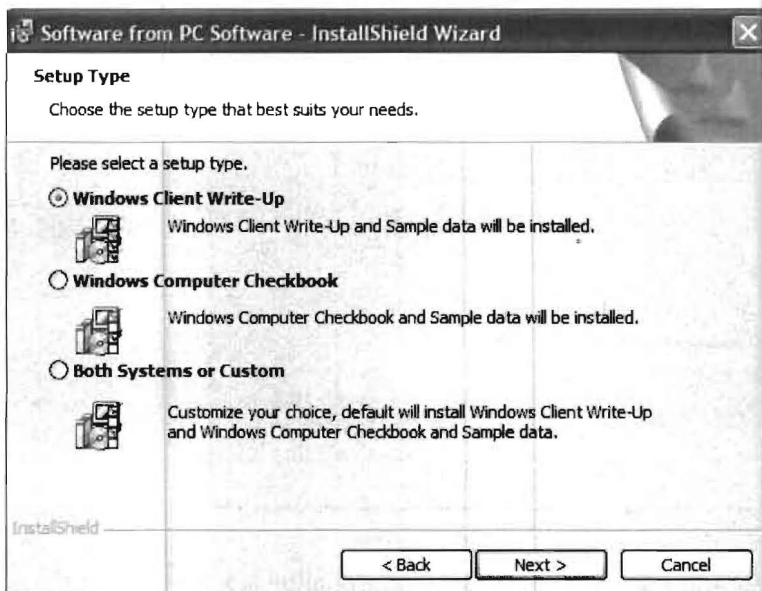
Figure 1-4: Click on the **Windows Computer Checkbook**

This screen allows you to select the systems that you wish to install. Simply enable the *Radio Button* in front of the *Windows Computer Checkbook* by clicking on it if this is the only system you are installing. If you have also purchased the Client Write Up System or the General Ledger System, you should click on the choice **"Both Systems or Custom"**. Once you have enabled the correct option, click on the **Next** button to continue the installation. If you have clicked on the Computer Checkbook Button, the **Ready to Install the Program** screen will display:

Figure 1-5: Verify the settings and continue on

If the information is correct, click on the **Install** button. Click on the **Back** button to correct any information if necessary. The installation will proceed and display the following screen when it is complete:
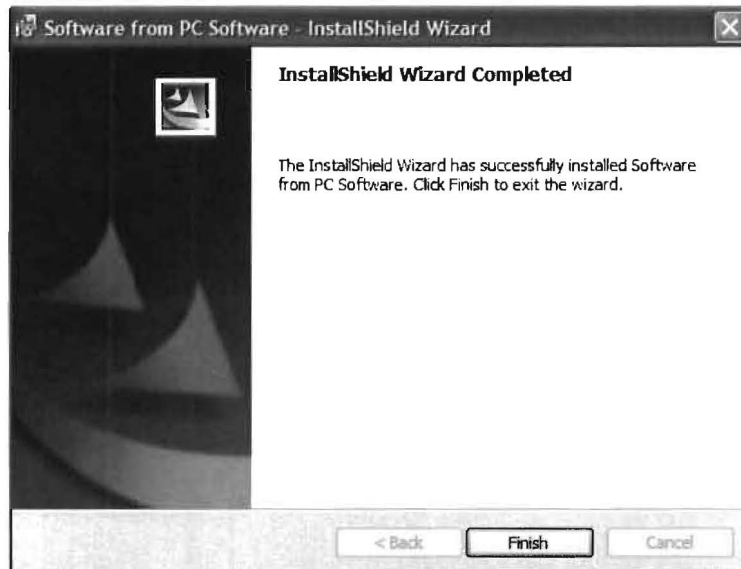
Figure 1-6: Click the **Finish** button to complete the setup and restart the computer.

It is recommended that you reboot your computer. Once the system has returned to the *Windows Desktop* you will have the *PC Software Windows Computer Checkbook Icon,* shown to the left, on your desktop.

Starting the System the First Time

Once the system is installed, start it by double clicking the **System Icon** on your desktop. A message will display showing the days left on the system, ignore this message and, after a short pause, the system will start. This standard message is part of the software security in the *Computer Checkbook System*. To eliminate the message and remove the restriction, call *PC Software Accounting or the company that is supporting your system* to receive an access code, which will permanently authorize the system and the number of users desired. The system will work fine for the next 60 days, giving you plenty of time to make the call.

Network Installation Issues

If you have workstations, you are not finished yet. You should run this same installation on each workstation, installing the system to a local drive. Once all workstations have been through the installation process, the system installation is complete. From each workstation, you should choose the **Setup** pull-down menu and then the **System** selection. Then choose the **Default Data Directory**. This is where you tell the system, where the client data for each workstation will be found. The system will remember your preference and always look for data in the designated folder.

Note For Networks: *Microsoft* recommends that systems be installed on the local drive C of each computer including the server. Following this recommendation leads to faster and easier operation with fewer network problems. Only the system needs to be installed on each workstation. All data can be on the server or anywhere else you want it, and it can be easily and automatically accessed using the **Default Data Directory** which was discussed above.

Trouble Shooting with Computers Running Windows XP, 2000, NT, Vista or Windows 7

After installing the system you may get either one of the following error messages; "**error sending licensing information over the network**" or "**ckserve not running**". If this happens, respond to the system by clicking **OK**. The system window should close automatically. Now complete the following steps to fix this situation:

1. Click on **Start** and then **Run.**
2. From the Open field, key in **C:\PCSW\NETFIX**
3. Hit the **OK** button.

This will initiate a program which will run very fast. You might not even be able to detect that it has run. However, when you activate the **WINCCB** icon again, it should work. If it still does not work, then contact your software vendor for support. If you get any other unusual messages during installation please contact either P.C. Software Accounting or the company that is supporting your system.

Chapter 2

The Practice Set

Introduction

This **Practice Set** is a "hands on" exercise which guides you through the setup and processing of a sample *Computer Checkbook* company. Performing this exercise is a fast, efficient way to learn the basic setup and flow of information through the system. The *Practice Set* finishes with a review of the reports generated from the practice exercise.

If you have purchased the Computer Checkbook system but not yet installed it on the workstation that you are using, please refer to Chapter 1: Introduction and Installation, for installation instructions. If you are evaluating the system with a demonstration CD, and have not yet installed the demonstration system, please refer to the materials that were sent with the CD for installation instructions.

Please feel free to call us at **PC Software Accounting** (800-237-9234) if you have any specific questions regarding the *Practice Set* or the *PC Software Windows Computer Checkbook* in general.

Gathering Initial Information

The first step in setting up a *Computer Checkbook* company is to gather the basic company information such as the Chart of Accounts, the basic payroll information and a list of vendors that will be used. The following page provides the sample information that will be entered into the system for the "Sample Company, Inc.". You might want to set this page aside to make it easier for yourself when you will need it to access it to key into the system. This information is very brief and straightforward. It is brief because its only purpose is to get you familiar with the flow and the mechanics of the *Windows Computer Checkbook System*.

Practice Set Source Documents

Chart of Accounts		
Account Number	Account Description	Type of Account
110	Cash	Asset
220	Accounts Payable	Liability
222	Federal Tax W/H	Liability
223	FICA Payable	Liability
224	State Tax W/H	Liability
315	Retained Earnings	Equity
410	Sales	Income
610	Salaries	Expense
620	Rent	Expense
630	Telephone	Expense
640	All Other	Expense

Employee Information		
Employee Number	Name and Address	SSN
1	James J. Smith 111 First Street Statesville, NC 12345	987-12-3456
This employee has no dependents and is only claiming himself for a tax deduction. He makes $15 an hour, is paid weekly, and is not married.		

Vendor Information		
Vendor Number	Vender Name and Address	Memo
501	Verizon 222 Second Street Raleigh, North Carolina 54321	Look up Codes - Telephone Coded to account: # 630
502	United Reality 333 Third Street Statesville, North Carolina 12345	Look up Code - Rent Coded to account: # 620 Fixed Amount $750.00
503	Sam's Cleaning Service * 444 Fourth Street Statesville, North Carolina 12345	Look up Code - Cleaning SSN of owner 123-45-6789 Coded to account: # 640 Fixed Amount $250.00

* Sam's Cleaning Service requires a 1099 at year end

Starting the Practice Set

From your *Windows desktop*, double click on the **WinCCB Icon**, shown to the left, to start the system. The system will briefly display a small licensing information screen which you should ignore. The small licensing information screen will disappear on its own and the system will display the *PC Software Accounting Window's Computer Checkbook System* **Entry Screen**, with the spinning globe on it. Click on **OK** and the system will display the **Home Screen** shown below:
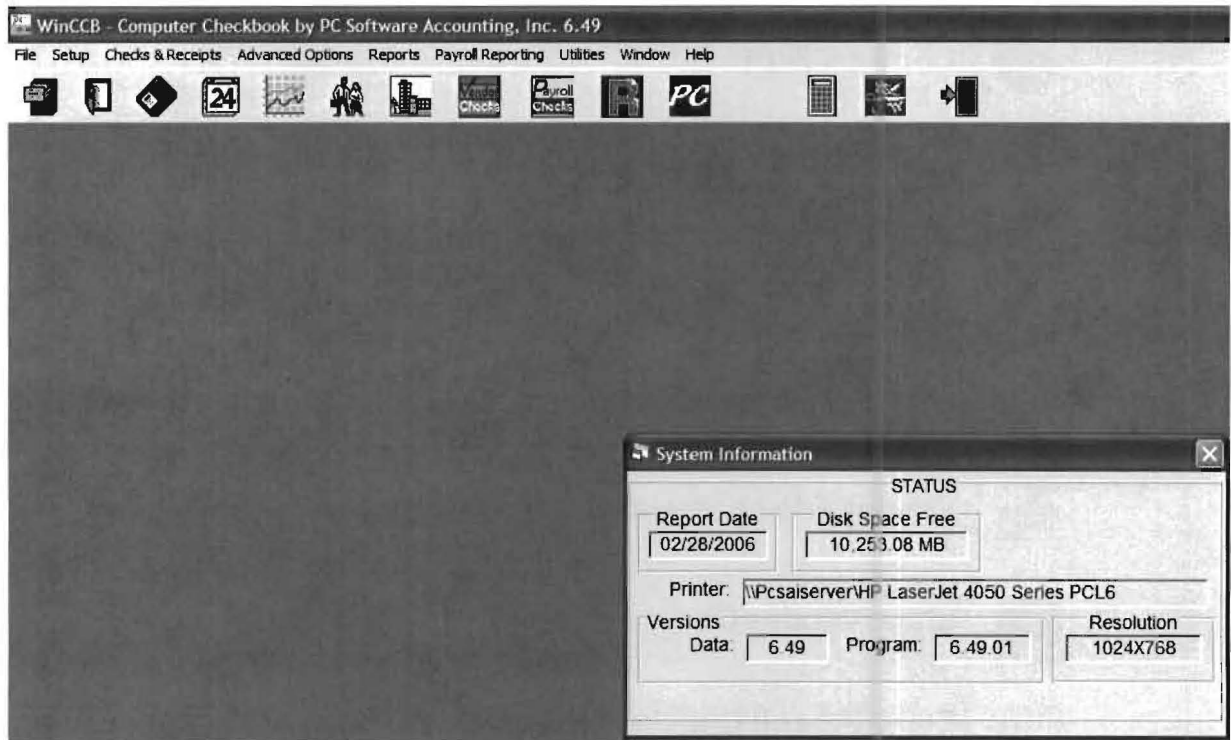
The **Home Screen** is the main screen of the *PC Software Windows Computer Checkbook System*. The first line of the **Home Screen** is called the **Title Bar**, which displays the name of the current active program, the program version, and the name of the active client or company if a company is activated. The **Title Bar** shown above is only labeled with "**WinCCB - Computer Checkbook for Windows by PC Software Accounting, Inc.**" and the current version number of the program. When a client within the *PC Software Accounting System* is activated, information about that client will also appear on the **Title Bar**.

Note: Because this system is used by accounting firms, the terms "**client**" and "**company**" are used interchangeably throughout the system. They both refer to a company that is being processed.

The second bar of the *Home Screen*, directly below the **Title Bar**, is called the **Menu Bar**. The words contained in the *Menu Bar* consist of words that refer to the various **Pull-down Menus** of the system. The *Menu Bar* consists of **File, Setup, Checks & Receipts, Advanced Options, Reports, Utilities, Window** and **Help.** Clicking on a specific pull-down menu will access the options related to that menu. Below the **Menu Bar** is the **Icon Bar** which consists of icons which access the most commonly used system functions. The **Icons** used in the system are shown on the next page.

Computer Checkbook Icons and Their Function

Activate a Client - Used to select a client for processing.

Create a New Client - Used to setup a client the first time.

Copy a Client - Used to make a backup to diskette of the active client.

Current Reporting Period - Used to change the active period.

Chart of Accounts Maintenance - Used to enter the chart of accounts.

Employee File Maintenance - Used to enter employee information.

Vendor File Maintenance- Used to enter vendor information.

Enter Vendor Checks - Used to enter Vendor checks.

Enter Payroll Checks - Used to enter Payroll checks.

Process Receipts - Used to enter Deposits and other "Non Check" Cash transactions

Go to Client Write-Up – used to go directly to CWU (if available)

Calculator- brings up a standard calculator

Bank Withdrawals- used for withdrawals not paid with a check

Close Computer Checkbook - Used to end a session of Computer Checkbook

Now that you have reviewed the **Home Screen** and its functions, you are ready to begin the actual operation of the **Practice Set**.

Step 1: Create a New Client

Click on the **Create a New Client Icon**, which is shown to the left. The following screen will display and the cursor will be flashing in the **New Client Number** Field.

```
┌─────────────────────────────────────────────────────────────┐
│ ▣ Create New Client File                          _ □ ×      │
│                                                              │
│    New Client Number: [                    ]                 │
│                                                              │
│  ┌─── Location For New Files ──────────┐   ┌──────────────┐  │
│  │ ⌂ C:\                               │   │      Ok       │  │
│  │ ▣ PCSW                              │   └──────────────┘  │
│  │                                     │   ┌──────────────┐  │
│  │                                     │   │    Cancel     │  │
│  │                                     │   └──────────────┘  │
│  │                                     │   ┌──────────────┐  │
│  │                                     │   │     Help      │  │
│  │                                     │   └──────────────┘  │
│  │                                     │   ┌──────────────┐  │
│  │ ▣ c:                           ▼    │   │    Close      │  │
│  └─────────────────────────────────────┘   └──────────────┘  │
└─────────────────────────────────────────────────────────────┘
```
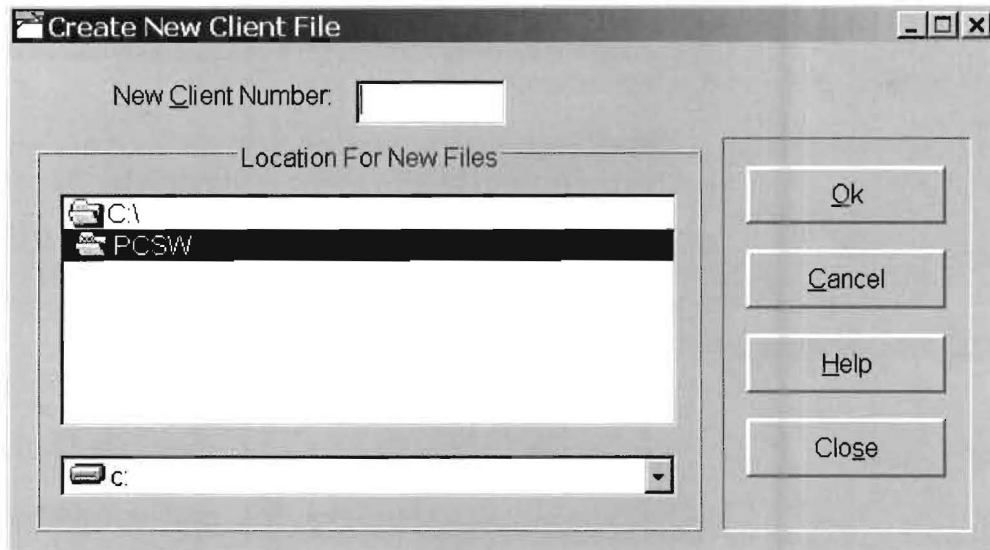
Key in a new company number of **101** and press **Enter**. Press **Enter** again and an area for new client **101** will be created in the system database. You will then be returned to the **Home Screen**. Verify that "**101 New Client 101**" is now the active client by checking the **Title bar** of the **Home Screen**. *101 New Client 101* will be displayed next to the *PC Software Accounting* program name and version number. The "**Create a New Client**" function has created a unique data area for company 101, which will be assigned to company 101 as long as this company is processed on the system. "**Create A New Client**" should **not** be selected for any company more than once.

Step 2: Beginning the New Client Setup

When you create a new company, the system assumes that you will begin working on this company immediately and assigns the current month as the active reporting period. The *Practice Set* does not require you to change the period. (In a real-life situation, you might wish to begin entering data in some other period. If this is the case, you can easily change to a different period using the **Setup** pull-down menu then **Date**, and **Current Reporting Period** or by clicking on the **Current Reporting Period Icon**, shown to the left.)
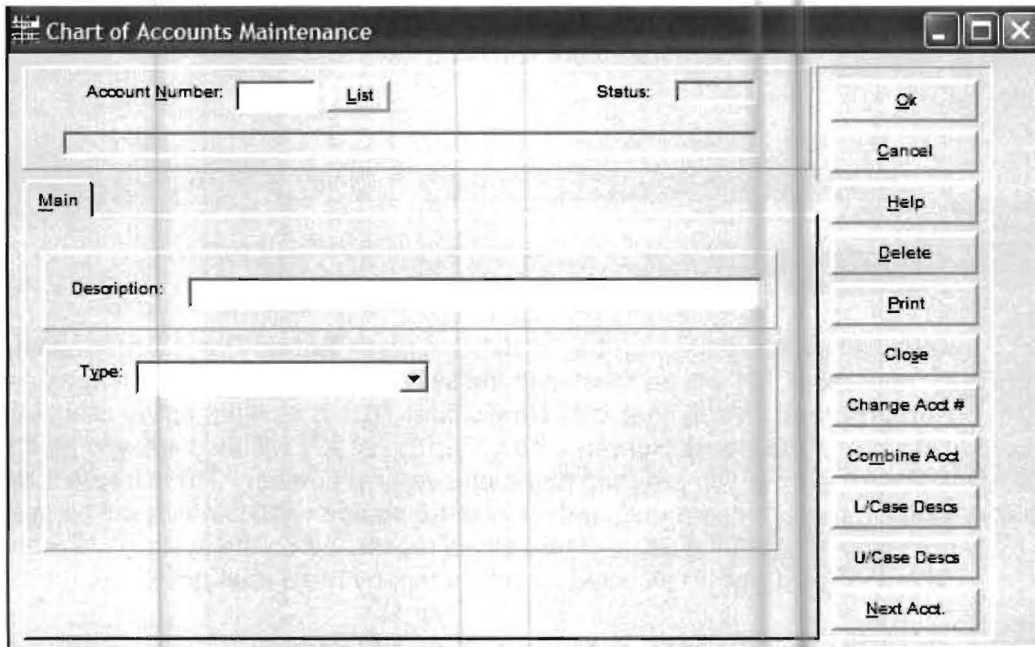
The system assumes 12 reporting periods, one for each month.

Step 3: Entering the Chart of Accounts

The next step is entering the "The Sample Company's" Chart of Accounts. Account numbers may be arbitrarily assigned with the only limitation being that account numbers must be from three to six digits long. The sample chart we are using for the *Practice Set* has account numbers that are three digits long. (In a real-life situation, the company's chart of accounts should be coordinated with their accounting firm so that the two charts are identical.)

Click on the **Setup** pull-down menu then **Account** and the **Chart of Accounts** option or click on the **Chart of Accounts Icon** shown to the left. The following screen will display:

The **Chart of Accounts Maintenance Screen** is where accounts are added, changed or deleted as necessary. For this exercise, refer to the Chart of Accounts shown at the beginning of this chapter (Page 2-2).

The cursor will be flashing in the **Account Number** field. Key in **110** (the first number on the provided chart of accounts) and press **Enter**. Notice that as you enter the account, the word **NEW** appears in the status field. You can later change the account by entering the account number again and the status **Active** will appear. The cursor will now be positioned in the **Description** field. Key in **Cash** and press **Enter**. The cursor has disappeared but the **focus** is now on the **Type** field. This **focus** is shown by this field being highlighted. A highlighted field indicates that some data is already present in a field. In this case, the data that is already present is the word, "**Asset**" and it is one of the possible account **Type** choices. **Asset** is preselected since the first account that is usually keyed into a new chart of accounts is an asset and the computer knows you have just entered this program. Since cash is an asset, you should click on the **OK** button to accept this entry. (Instead of clicking on the **OK** button, you could also press the **Enter** key one additional time in order to accept the screen. This is a more efficient way to enter your information.)

You are now ready to enter the rest of the chart of accounts. Key in **220** and press **Enter**. Next key in **Accounts Payable** and press **Enter**. Now you are in the **Type Field** which still says **Asset**. Since **Accounts Payable** is a liability, you must change the type from Asset to Liability. To change the type to liability, key in the letter "**L**" or click on the down arrow at the end **Type Field** this will display a drop-down list of possible choices, click on the word **Liability**. Do not accept this screen but leave the *focus* in the **Type Field**. The next step will begin from this position and illustrate the **Help System**.

Step 4: Using the Help System

PC Software Accounting follows the *Windows* standards for **Help**. Press the **F1** key and the **Help Screen** for **Type** will appear. You will see the possible accounting types displayed. Once you are finished looking at the *type help screen*, press the **Esc** key to return to the **Chart of Accounts Maintenance Screen**. The **F1** key will always show you the help information for the field you are in. This is called field by field help. There is also a **Help** pull-down menu from which you can access help on any *Computer Checkbook* topic. It is found on the **Menu Bar** on the top of the **Home Screen**. Finally there is a **Help Button** on most screens which will let you access help for the whole screen that you are on.

Step 5: Continuing Chart of Accounts Entry

Make sure that you are still on the **Chart of Accounts Maintenance Screen** and that the entry for account 220 is complete. If not, exit from help using the **Esc** key, and make sure the entry for account 220 is complete. Click on **OK** to accept account number 220, Accounts Payable.

Enter the remainder of the Chart of Accounts as shown on page 2-2. Remember that the **Type** will have to be changed whenever you get to an account with a different type than the previous account. After the last account (number 640, "All Other") has been entered and accepted by clicking on the **OK** button click on **Close** to return to the **Home Screen**.

Step 6: Printing the Chart of Accounts

Click on the **Reports** pull-down menu then **File Listings** and the **Chart of Accounts** option. A screen which controls the printing of the chart of accounts will appear. There are two sets of *option frames* which include choices enabled by a **Radio Button**. Only one *radio button* can be enabled in a particular frame. In the first frame the **Standard List** is selected by default by having its *radio button* enabled. The second box refers to printing the chart of accounts on either the screen (with **view**) or on the printer (with **print**). **View** is selected by default by having its *radio button* enabled.

For the *Practice Set* exercise the **Standard List** is what we want, but we actually want to print the chart on the printer, so enable the **Print** *radio button* by clicking on it. Click on **OK** and the Chart of Accounts will print. You could also print the chart of accounts from the **Chart of Accounts Maintenance Screen** using the **Print Button** but it is important that you know the main place to list files is found on the **Reports** pull-down menu. It should be noted that many reports may be printed from more than one place in the system as a matter of convenience.

If the listing of the Chart of Accounts that you have just printed does not contain the same information as the sample listing on page 2-2, you must correct any errors that you have. To correct errors click on the **Setup** pull-down menu then **Account** and the **Chart of Accounts** option. This will display the **Chart of Accounts Maintenance Screen** which will let you change any previously entered account. If you wish to change an account just key in the account number and press **Enter**. Make the necessary corrections and accept the change by clicking the **OK** button. When finished with any corrections click the **Close** button to return to the **Home Screen**.

Now click on the **Reports** pull-down menu then **File Listings** and **Chart of Accounts**. On the **List Chart of Accounts** screen enable the **Print** *radio button*. Click on **OK** to accept that choice and the Chart of Accounts will print again. If the Chart of Accounts listing is correct, continue; if not, you may change it and reprint it until the listing of the Chart of Accounts matches the sample listing.

Step 7: Company Information
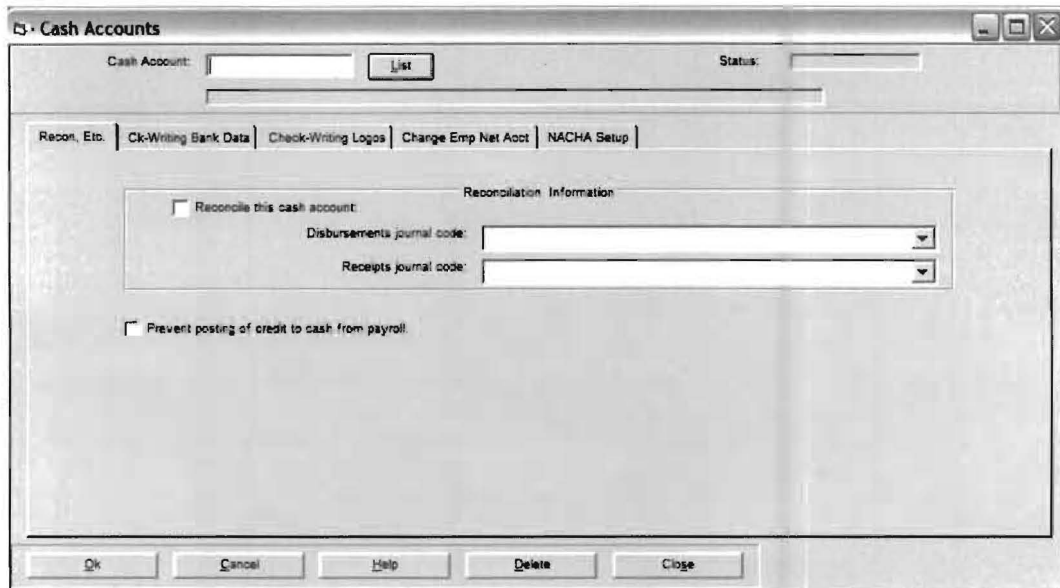
The next step is entering the necessary company information for "**The Sample Company, Inc.**" Click on the **Setup** pull-down menu then **Company**. The following screen will display:

The **focus** will be on the first line of the company name as shown by **New Client 101** being highlighted. The company name of **New Client 101** is the default name. Key in **The Sample Company, Inc.** and press **Enter**. Notice the six **Tabs** in the upper portion of the screen. They are labeled **Name and Address, Options, Options/2, Check Writing Name and Address, Receipts Default Accounts, and Disclaimer Letter Options**. Each *tab* refers to a different screen of information and can be accessed by clicking on it. The active screen is the **Name and Address** information screen which is indicated by that *tab* being in the foreground. The company name is the only data that will be entered on this screen for the purpose of the *Practice Set*. Click the **OK** button to return to the **Home Screen**.

Step 8: Entering the Cash Account

Cash Accounts are bank accounts (checking, money market, savings, etc.) that you will be reconciling to a bank statement. The purpose of this option is to identify which accounts are **Cash Accounts** and thus can be reconciled.

Click on the **Setup** pull-down menu then **Account** and the **Cash Accounts** option, the following screen will display:

Enter the cash account **110** and press **Enter**. The *focus* will now be on the **Reconcile this cash account** *check box*. Enable this box by either clicking on the box or by pressing the space bar. Now click on the arrow at the end of the **Disbursements journal code Field** and the available *journal codes* will display. Scroll through the list until you find the **CD** journal, click on the **CD** journal to select it. In the same way select **CR** for the **Receipts journal code**. Finally click on the **OK** button to accept the screen.

Note: The system comes with a number of **Journal Codes** already setup. If you need or want additional *Journal Codes*, they **must** be entered into the system from the **Setup** pull-down menu then **System** and the **Journal Codes** option before they can be used.

The **Recon, Etc** *tab* is the only Cash Accounts tab that is used in the *Practice Set*. The **Ck-Writing Bank Data**, **Check-Writing Logos** and **NACHA Setup** *tabs* are used with the optional **MICR** feature to provide the bank encoding information. The **Change Employee Net Account** *tab* accesses a utility program that makes it easy to change the cash account from which paychecks are written, either for a single employee or for all employees. Finally click the **Close** button to return to the **Home Screen**.

Step 9: General Payroll Information

Next we need to enter the general payroll information for the company. Click on the **Setup** pull-down menu then **Payroll** and **Payroll Setup**. The **Payroll Setup Screen** will display:

Key in **123456789** for the Federal ID and press the **Enter** key. Now Click on the **Options and Tab Stops** and the following screen will appear:

There is an important, time-saving field on this screen for client processing. It is the **Define new employees based on the default employee** *check box*. If enabled, (the system automatically enables this option for a new client), all employees entered into the system after the first employee will have the same basic additions and deductions to their pay as the first employee. In common payroll situations, this streamlines setting up the payroll for each employee.

Now enable the **Unemployment State** *check box*. This will direct the system to skip this field during payroll transaction entry since all employees are in the same state in this exercise. Click on **OK** to return to the **Home Screen**.

Step 10: State Information

The next required screen is the **State Entry** screen. Click on the **Setup** pull-down menu then **Payroll** and **State**. Key in the state abbreviation of **NC** in the **State Abbreviation Field** and press **Enter**. **North Carolina** will appear in the **State Name Field** and the **Wages** and **State Withholding** fields will be filled in with the default *Payroll Items Codes* for NC; **NCGROS** and **NCSTWH**.

NCGROS and NCSTWH are the *payroll item codes* that you will be using for the *Practice Set* for state information. You will also be using similar codes in almost every case with regular companies. The default **Wages** *payroll item code* for a state will begin with the state initials and end with **GROS**. The default **State Withholding** *payroll item* code for a state will begin with the state initials and end with **STWH**. Since the *Practice Set* is using North Carolina for the example, the codes are **NCGROS** and **NCSTWH**.
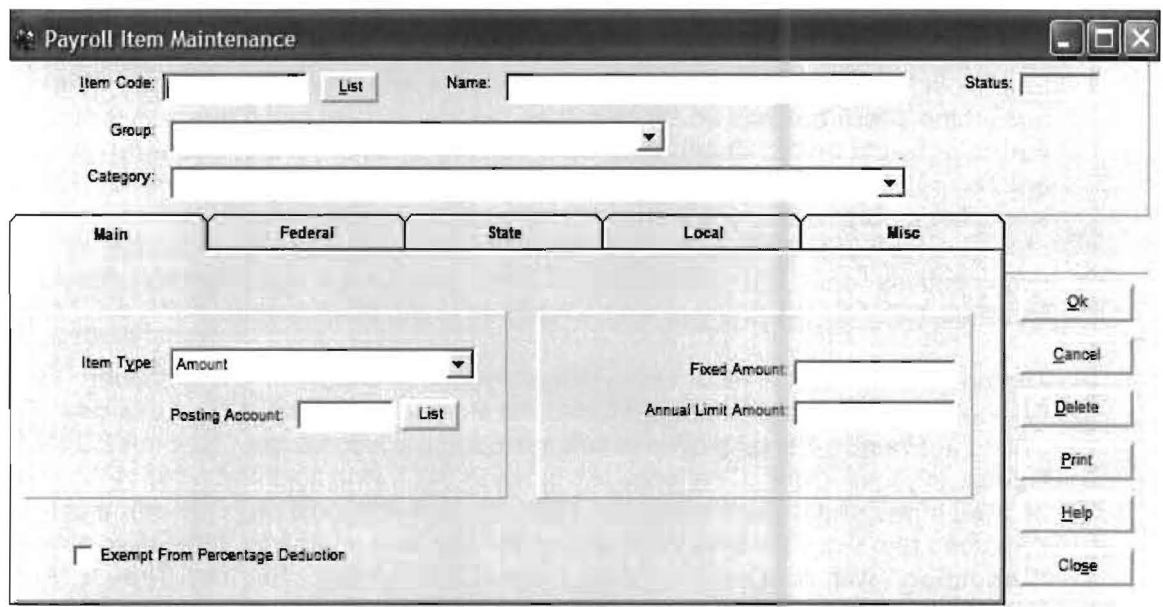
Position the cursor to the **Wages Account Field** by clicking in that field. Key in **610**, which is the Salaries Expense account, and press **Enter**. Now position the cursor in the **State Withholding Account Field** and key in **224,** which is the State Withholding liability account, and press **Enter**. Now press **OK** to accept the screen, then click on the **Close** button to return to the **Home Screen**.

Step 11: Payroll Item Codes

The **Payroll Item Screen** is the next required screen. What is a *payroll Item*? A *payroll item* is any item that affects a payroll check. This system allows each *payroll item* to be separately considered as far as being subject to or exempt from any particular taxing entity. It also allows each *payroll item* to be considered separately for placement on forms and chart of account postings.

The **Payroll Item Screen** is used to enter all the *payroll items* used by the company. Later the *payroll items* that apply to each employee are attached to those employees. Thus a typical company might have "10" to "15" *payroll items* for the company as a whole, but only "3" to "7" *payroll Items* for any particular employee.

Now we will enter the *payroll items* that are valid for *The Sample Company*. Click on the **Setup** pull-down then **Payroll** and **Payroll Item**. The following screen will display:

The cursor will be positioned in the **Item Code Field**. Key in **NCGROS** and press **Enter**. The entire screen will be filled in correctly because the system automatically setup **NCGROS** as a *payroll item* when you set up North Carolina under **State File Maintenance**. (The previous step) Although the screen is already completed, we will discuss the different fields for instructional purposes.

NC GROSS is the name of the *payroll item*. Press **Enter** to proceed to the next field which is the **Group** field. The **Group Field** designates how this item affects payroll. (**Additions** add to the gross and are posted to the general ledger. **Deductions** subtract from the gross and are posted to the general ledger. **Notations** have no effect on the paycheck and are not posted to the general ledger. A typical notation is cash tips which is retained for W2 purposes. **Employee Paid Items** have no effect on the paycheck but are posted to the general ledger.)

NCGROS is an addition so press **Enter** to accept **NCGROS** as an addition and the *focus* will proceed to the **Category** field. The **Category Field** identifies different categories of *payroll items* so they will be correctly handled on the paycheck, in the general ledger, for the different taxing entities, and for reporting on various government forms. **NCGROS** is a gross pay and its category is **GROSS**. Press **Enter** to accept it and move the *focus* to the **Item Type** field.

The **Item Type Field** is defaulted to "**Amount**" since most *payroll items* are amounts. Press **Enter** to accept "**Amount**" as the **Item Type** for **NCGROS**. The *focus* will now be in the **Posting Account Field** and account number **610** is highlighted. This account number was previously entered in the **State Setup (Step 10)**, as the default account number for gross pay in NC. Press **Enter** to accept this entry and the *focus* moves to the **Fixed Amount Field**. The **Fixed Amount** field is not used in the Practice set and neither are the **Annual Limit Amount** or the "**Exempt from Percentage Deduction.**" There are also four additional tabs on the top of this screen besides the Main screen which allow you the capability to handle complicated taxing situations. Click on the Federal tab. Notice that there are four **check boxes** under the words "**Subject To**".

Each *check box* can either be enabled or disabled and is not related to any other *check box*. If the *check box* has an "**X**" in it, then the *payroll item* that it refers to is subject to that particular taxing entity. The system automatically enables all four *check boxes* on newly entered *payroll items* since this is the most common situation. If a *payroll item* is not subject to a particular taxing entity, you would disable that particular *check box* by clicking on it to remove the "**X**" from the box. In the *Practice Set*, **NCGROS** is subject to all four taxing entities listed. The state and local TABS give similar flexibility for states and localities. Click on **OK** and you will be returned to the **Main** Screen.

The next *payroll item* is **FED**, which is a pre-set code used for Federal Income Tax Withheld for all individuals subject to federal income tax. We will need this *payroll item* since the *Practice Set* employee is subject to federal income tax. Key in **FED** for the **Item Code** and press **Enter**. The focus will move to the **Name** field and most of the screen will be filled in with the default entries for **FED**. Federal Withholding is the name of the **FED** item code and since Federal Withholding represents a *deduction*, the *Group* selection is "**Deduction**", with the *Category* being Federal Withholding. The **Item Type** is "**Amount**". The screen will now appear as follows:

Click on the **Posting Account Field**. The posting account for **FED** in the *Practice Set* is **222**, so key in **222** and press **Enter**. The cursor will move to the **Fixed Amount Field**. This field is not used for the **FED** *payroll item* code. Click **OK** and you will now be ready to enter the next *Item Code*.

The next *payroll item* is **FICAMD**. Key in **FICAMD** as the **Item Code** and press **Enter**. **FICAMD** is another pre-set *payroll Item* code, which stands for "FICA and Medicare Withholding". The system provides this pre-set item code because almost all the companies in the country will be subject to FICA and Medicare taxes and this code makes the calculations and record keeping of those taxes simple.

Notice the default entries that have been made for **FICAMD**. The name of **FICAMD** is "FICA + Medicare Withholding". The *Group* default is "**Deduction**". The *Category* is "FICA/MEDICARE Withholding (Employee Share)". The *Item Type* is defaulted to "**Amount**" since **FICAMD** is entered as the combined amount of both of these deductions. After reviewing all of the default entries, click on the **Posting Account Field** and key in **223** which is the general ledger account for FICA and Medicare Withholding in the *Practice Set* and press **Enter**. Click on **OK** to accept the screen. We are done with the Gross Pay and Federal *payroll items* and now we need to move onto the State withholding payroll item.

Note: The system handles FICA and Medicare in a special way by allowing these deductions to be entered as a combined amount called **FICAMD**. The system then pro-rates the FICA and Medicare amounts to the forms as needed. This eliminates some time consuming tasks. It also automatically considers the limits of FICA and Medicare in its calculations as well as providing a changeable tax table set up for the current percentages and limits of FICA and Medicare. This tax table is set up by *PC Software Accounting* when the system is shipped and you can change it after the last pay period of each year using the **Setup** pull-down menu then **System** and **Calendar Year**.

Step 12: The State Payroll Item Code

The next *payroll item* code that needs to be entered is **NCSTWH** for North Carolina State withholding. Key in **NCSTWH** as the **Item Code** and press **Enter**. The following screen will display:

The entire screen will be filled in correctly because like **NCGROS** the system automatically setup **NCSTWH** when NC was entered under **State File Maintenance** (**Setup, Payroll** and **State**) Click on the **OK** button to accept this screen.

This will complete the entry of all the *payroll item* codes needed for the *Practice Set*. Click on the **Close** button to return to the **Home Screen**.

Step 13: Entering Employees

A sample employee will now be entered using the **Employee File Maintenance Screen**. To access this screen either click on the **Setup** pull-down menu then **Payroll** and **Employee** or click on the **Employee File Maintenance Icon** shown to the left. The **Employee File Maintenance Screen** will display and the cursor will be positioned in the **Employee ID Field**. Key in an **Employee ID** Number of "**1**" and press **Enter**. Now enter the employee information as shown on the *Employee File Maintenance Screen* below, but do not click on the **OK** button since the employee information takes more than one screen to complete.

There is an important field on this screen you should be aware of and that is the **Look Up Field**. This field allows you to enter a **Look Up Code** for this employee. This **Look Up Code** can be used in place of an *Employee ID* anywhere in the system where it prompts you to enter an *Employee ID*. The system already allows you to look up an employee using their first or last name, so the **Look Up Code** is typically a nickname or a short code that can make it easier to distinguish a number of people with similar names. In this example we can access James Smith's employee record by entering the ID# of "1 or James or Smith or the first letters of either of those names." Now we could also use his **Look Up Code** of "Jack" (his nick name) or just "Ja" .

Note: You have to assign a numeric *Employee ID* when first setting up a new employee.

The main information just entered was input on the **Basic Information Screen** (The **Basic Information** *radio button* is enabled). Now enable the **Items** *radio button* by clicking on it. The **Items Screen** will display, This screen is where you will enter the particular *payroll items* that apply to this employee. (Remember that a *payroll item* is any item that affects a paycheck.) When you enter the *payroll items* for an employee, you have to enter them by correct grouping (*Additions*, *Deductions*, *Notations* or *Employee Paid Items*)

James Smith, the sample employee has a simple payroll check. He has gross wages represented by the *payroll item* **NCGROS**, Federal Withholding represented by **FED**, FICA and Medicare represented by **FICAMD** and NC State Withholding represented by **NCSTWH**. His net pay is normally paid out of account **110**.

The **Additions** radio button is enabled. Click on the **List** button in the lower left portion of the screen next to the **Remove** button to list the available **Payroll Item** *addition* codes. (Remember your choices for an employee must be made from the *payroll items* that were set up for the company in general.) Highlight **NCGROS** from the list and click on the **OK** button **within the Payroll Item List Window** and **NCGROS** will appear on the employee screen as an *addition*. The screen will display as follows:

You have just informed the system that **NCGROS** is an *Addition* to the paycheck. Since there are no other additions for James Smith's paycheck enable the **Deductions** *radio button* by clicking on it. Click on the **List** button in the lower left portion of the screen next to the **Remove** button. Highlight **FED** from the list and click on the **OK** button **within the Payroll Item List Window** and **FED** will appear as a *Deduction*. Click on the **List** button again and enter **FICAMD** as a *Deduction* in the same manner as **FED** was entered. Click on the **List** button a third time and enter **NCSTWH** in the same manner as **FED** and **FICAMD** were entered. The screen should now look like the screen shown on the next page.

Now click in the **Net Account Field**. The system is now waiting for the *Net Account* for James Smith's paychecks so key in **110** and press **Enter**. Since the **Net** account was the last field on this screen, you will automatically be taken to the **Standard Check Screen**. This screen shows that James Smith has North Carolina Gross as an addition to his paycheck and the account for North Carolina Gross is **610**. It also shows that his net account is **110**. (By the way, when you are doing your regular company, and you are interfaced with *P.C. Software's General Ledger* or *Client Write Up System*, you may enter any account on this screen for any employee. This allows you great flexibility in distributing wages to the proper account.)

Now enable the **Deductions** *radio button,* and you will see that his deductions are **FED**, **FICAMD** and **NCSTWH** with accounts of **222**, **223** and **224** respectively. In other words the **Standard Paycheck Screen** tells the user everything about an employee's check.

The *Standard Check Screen* has another very important function which is not used in the *Practice Set* but it provides a powerful capability that is worth mentioning at this point. If an employee gets the same weekly paycheck, the amounts for the various *payroll items* can be entered into the amount fields on this screen. Then those amounts will automatically appear each time the employee is accessed and these amounts will not have to be re-keyed with every paycheck. This is a great time saver. **This is how employees on salary are handled. It is also how fixed amount deductions that vary by employee are handled.** In other words if someone had 50 dollars taken out for medical insurance each paycheck and used **INS** as the *payroll item* code for Medical Insurance, then **INS** would be entered as a *deduction* and the 50 dollar amount would be placed in the standard check even if it was the only amount that did not change with each paycheck.

Step 14: State Tax Jurisdictions

The *payroll items* that have been entered so far were all entered under the Federal Tax Jurisdiction. Looking back at the last couple of *payroll item* screens you will notice the word **Federal** in the **Tax Jurisdiction Field**. Now we have to enter the *payroll item* codes that apply to the State of North Carolina. The only ones that we need to be worried about are **NCGROS** and **NCSTWH**. So, click on the **Items** *radio button* to return to the *Items Screen.* Click on the **List** button to the right of **Tax Jurisdiction Field**. The following display will appear:

Highlight North Carolina and click on the **OK** button **within the Tax Jurisdiction List Window**. When you do this, the following screen will display.

You will notice that North Carolina is now showing in the **Tax Jurisdiction Field**. Enable the **Additions** *radio button* and click on the **[List]** button located in the lower left hand portion of the screen next to the **[Remove]** button. Highlight **NCGROS** from the list and click on the **[Ok]** button within the **Tax Jurisdiction List Window** and **NCGROS** will appear as an *Addition*. Now enable the **Deductions** *radio button* by clicking on it. Next click the **[List]** button again and highlight **NCSTWH** from the list, click on **[Ok]** within the **Tax Jurisdiction List Window** and **NCSTWH** will appear as an *Deduction*. The screen will appear as shown as follows.

Click the **[Ok]** button to record the information for John Smith. You will then get the following prompt "Do you want to go to Check Writing Setup?" Answer No.

Note: If there were other employees we needed to enter into the system, the *payroll item* codes setup under John Smith (the first employee) would duplicate to all remaining employees without you having to key them all in again. You can still add and remove items as needed but this is such a significant time saver, you should always be aware of it.

The next step is to make sure we have the **Tax Tables** needed to actually calculate federal, state and local taxes.

Step 15: Tax Tables

In order to calculate taxes properly, the appropriate tax tables that have been legislated by the various government entities must be setup. To save you time and effort, *P.C. Software Accounting* ships the system with the federal and most state withholding tax tables already setup. For the purpose of standardization and to make communication and customer support more efficient, *P.C. Software Accounting* has named these tables (See State Tax Tables starting on the next page). The **Federal Tax Withholding** tables are quite straightforward. There are only two Federal Tax Tables used by the system. They are **FEDS** for federal single and **FEDM** for federal married.

State Tax Withholding Tables

There are a wide array of different laws governing state income taxes. Many of these laws are similar in their basic approach while others are unique. Some states have no state income taxes at all. The way the system handles the different state situations are discussed below:

1) States with only one table would be "xxSTWH"

2) States with only "Single" and "Married" would be "xxSTS" & "xxSTM"

3) States with "Single", "Married" & "Head of Household" would "xxSTS", "xxSTM" & "xxSTH"

4) States that have a unique methodology would have their own unique item ID's. These ID's are shown in the following table.

5) States that have no state income tax are shown in the following table.

6) Connecticut is handled in a special way. When processing a client with Connecticut payroll taxes you must designate which Connecticut W/H code (A, B, C, D or F) each employee needs according to the Connecticut State rules.

Note: The "xx" is where you would put your states abbreviation.

State Tax Table Names

Abb	State	Single	Married	Head of Household
AL	Alabama	ALSTS	ALSTM	ALSTH
AK	Alaska	No State Income Tax		
AZ	Arizona	AZST10 10% AZST17 17% AZST20 20% AZST22 22% AZST28 28% AZST32 32%	AZST1M 10% AZST2M 17% AZST3M 20% AZST4M 22% AZST5M 28% AZST6M 32%	
AR	Arkansas	ARSTWH Single Tax Table		
CA	California	CASTS	CASTM1 0-1 Exemptions CASTM2 2+ Exemptions	CASTH
CO	Colorado	COSTS	COSTM	
CT	Connecticut	CTSTWH Single Tax Table using in conjunction with codes (A, B, C, D & F)		
DE	Delaware	DESTS	DESTM	
DC	District of Columbia	DCSTS	DCSTM	
FL	Florida	No State Income Tax		
GA	Georgia	GASTS	GASTM GAST1 Filing Separately	
HI	Hawaii	HISTS	HISTM	
ID	Idaho	IDSTS	IDSTM	
IL	Illinois	ILSTWH Single Tax Table		
IN	Indiana	INSTWH		
IA	Iowa	IAST1 0-1 Exemptions IAST2 2+ Exemptions		
KS	Kansas	KSSTS	KSSTM	
KY	Kentucky	KYSTWH Single Tax Table		
LA	Louisiana	LAST0 0 Exemptions LASTS	LASTM	
ME	Maine	MESTS	MESTM 1 Income MEST2 2 Incomes	
MD	Maryland	Tables by County see System		
MA	Massachusetts	MASTS	MASTM	
MI	Michigan	MISTS	MISTM	
MN	Minnesota	MNSTS	MNSTM	

Abb	State	Single	Married		Head of Household
MS	Mississippi	MSSTS	MSSTM 1 Income MSST2 2 Incomes		MSSTH
MO	Missouri	MOSTS	MOSTM 1 Income MOST2 2 Incomes		MOSTH
MT	Montana	MTSTS	MTSTM		
NE	Nebraska	NESTS	NESTM		
NV	Nevada	No State Income Tax			
NH	New Hampshire	No State Income Tax			
NJ	New Jersey	NJSTS	NJSTM		
NM	New Mexico	NMSTS	NMSTM		
NY	New York	NYSTS	NYSTM		
NC	North Carolina	NCSTS	NCSTM		NCSTH
ND	North Dakota	NDSTS	NDSTM		
OH	Ohio	OHSTWH			
OK	Oklahoma	OKSTS	OKSTM		
OR	Oregon	ORSTS	ORSTM		
PA	Pennsylvania	PASTWH			
RI	Rhode Island	RISTS	RISTM		
SC	South Carolina	SCST0 0 Exemptions SCST1 1+ Exemptions			
SD	South Dakota	No State Income Tax			
TN	Tennessee	No State Income Tax			
TX	Texas	No State Income Tax			
UT	Utah	UTSTS	UTSTM		
VT	Vermont	VTSTS	VTSTM		
VA	Virginia	VASTWH Single Tax Table			
WA	Washington	No State Income Tax			
WV	West Virginia	WVSTWH Single Tax Table			
WI	Wisconsin	WISTS	WISTM		
WY	Wyoming	No State Income Tax			

Step 16: Entering Tax Tables into the System

If you only have **federal** and **state tax**, all you have to do is update your system with the tables that *P.C. Software Accounting* has provided. This will load all the tables you will need into the system. Later when you setup individual employees, all you have to do is assign them the correct tables.

If you have also have **local taxes**, you will also have to set up the local tax tables. Since the *Practice Set* does not have local taxes, this will not be discussed here. However a detailed discussion of local taxes can be found in the **Miscellaneous Section** of this documentation manual.

To update your system with the pre-loaded tax tables, click on the **Utilities** pull-down menu then **System Utilities** and **Get Updated Tax Tables after Update** as shown below:

ng	Utilities	Window	Help		
	Locate Setup Errors				
	Compact Files				
	Rebuild File List				
	Version Control				
	Delete Tables from Active Client				
	Copy Client Selectively				
	Employee/Vendor Utility				
	Repair Data				
	System Information				
	System Utilities	▶	Repair System Data		
	Transaction Utilities	▶	Copy System Data		
	Copy Accounts		Process System Data Update		
	Copy DOS CCB Employees/Vendors from Floppy		Get Updated Tax Tables After Update		
	Alternate Rebuild File List - Show Errors				
	Fix Duplicate Check Numbers				
	Fix Credits To Cash				
	Choose New Date for Initial Balances				
	Delete Old Time Cards				
	Refresh Demo Data				
	Alternate Version Control				

This option will process for a few seconds and you will have the tables you need.

If you wish to look at the tables or check them against the **Circular E** or your annualized state tables, you may access them using the **Setup** pull-down menu then **System** and **Tax Tables**. When you do this, the following screen will display:

To examine a tax table simply key the name of the tax table (i.e. *FEDS* or *NCSTS*) or click the **List** button to the right of the **Table ID Field** and select the table off the list by double clicking the name or by highlighting the name and press the **OK** button. **You also have to select a year before the table will appear**. To select a year either key in a year or click on the down arrow at the end of the **Year Field** and select the year off the list, in either case once the field is filled in press **Enter** to display the table. The **FEDS** table for federal single for 2006, is shown on the next page.

Note: If you type in a year and the table is zero, just enter the appropriate figures for that year.

Tax Tables

Table ID: FEDS [List] Description Federal Withholding - Single

Source: FED [List] 2006 ▼ Year [Copy From]

Table				Exemptions/Credits/Reductions

◉ Annual ○ Check

Wages up to	Take	Plus %	Of excess over	
2650.00	0.00	0.0000	0.00	
10000.00	0.00	10.0000	2650.00	
32240.00	735.00	15.0000	10000.00	
73250.00	4071.00	25.0000	32240.00	
156650.00	14323.50	28.0000	73250.00	

[Delete Line]

Standard Deduction

Percentage	Minimum	Maximum	Annual Limit
0	0	0	0

[Okay] [Delete] [Cancel] [Close] [Remove Old Tables]

Now access the **NCSTS** table for North Carolina Single Individuals. This screen displays as follows:

Tax Tables

Table ID: NCSTS [List] Description North Carolina ST WH - Single

Source: NC [List] 2006 ▼ Year [Copy From]

Table				Exemptions/Credits/Reductions

◉ Annual ○ Check

Wages up to	Take	Plus %	Of excess over	
12750.00	0.00	6.0000	0.00	
60000.00	765.00	7.0000	12750.00	
120000.00	4072.50	7.7500	60000.00	
99999999.00	8722.50	8.2500	120000.00	

[Delete Line]

Standard Deduction

Percentage	Minimum	Maximum	Annual Limit
0	3000	0	0

[Okay] [Delete] [Cancel] [Close] [Remove Old Tables]

Click the **Close** button to return to the **Home Screen**. This concludes the section on updating and entering Federal and State Tax Tables. Remember that you should refer to this section to decide what tables your employees should be assigned.

Step 17: Entering Payroll Figures in Mid Year

There is one other payroll related topic that should be discussed and it concerns the entry of payroll figures in mid year. If you want to have complete and accurate payroll records on your paycheck stubs and payroll summary reports for the purpose of completing quarterly deposits, and if you were entering a company in the middle of the year, you also have to gather the payroll records up to that point and enter them. The rules for entering initial payroll earnings into the system involve the computation of two amounts.

The first amount is the year-to-date figures for all components of pay (payroll items) for all quarters previous to the current quarter. They may be summarized and dated with the end-of-quarter date for the latest quarter.

The second amount is the quarter-to-date figures for all payroll components for the current quarter that will not be entered into the system as individual checks. They may be summarized and dated with the date of the last check of the group.

These summary entries would be entered as payroll checks. The current period would have to be changed to the period immediately preceding it so that the monthly, quarterly and year-to-date numbers would be registered correctly. The current period would be changed using the **SETUP** pull-down menu then **DATE** and **Current Period** or by clicking on the Current Reporting Period Icon shown to the left.

Note: The actual entry of payroll checks will be explained a little later on in the *Practice Set.*

Step 18: Individual Check Writing Setup

Since you will be entering time cards and calculating checks on the system, you will need to inform the system about specific information concerning each employee, such as what tax tables they will be using and how many deductions they are claiming. Click on the **Setup** pull-down menu then **Payroll** and **Check Writing Employee Setup**. The following screen will display:

The cursor will be in the **Employee ID Field**. To access an employee you can either key in the Employee's ID and press **Enter** or click the **List** button and select them off the list. Since we only have one employee key in "1" and press **Enter**. There are only two possible Federal Tax Tables to select from (Single or Married) and they are selected via a *radio button*. John Smith is a single taxpayer so the **Single** *radio button* should be enabled.

The state and local jurisdictions are selected in the **Tax Jurisdiction** *Frame*. To select the appropriate State and/or Local tax jurisdiction, press the down arrow located at the right of the **Jurisdiction Field**. The Tax Table(s) corresponding to the selected Tax Jurisdiction are accessed by clicking on the down arrow at the end of the **Tax Table Field**. The *Practice Sets* only tax jurisdiction is North Carolina. There is no local state tax so only the State Tax table must be selected. Highlight NC and press **Enter**.To decide what state tax table to use, refer to the drop down list on the Tax Table Field or to the *Tax Tables Section* beginning on page 2-23. When you do this, you will see that there are three possible state tax tables for North Carolina. They are **NCSTS**, **NCSTM** and **NCSTH**. **NCSTS** is used for single individuals. **NCSTM** is used for married individuals and **NCSTH** is used for individuals who are defined as a head of household. In the case of John Smith, who is single, the **NCSTS** tax table should be selected. Now press **Enter** and you will be in Deductions Claimed for State. Enter a 1 in this field. "Now hit **Enter** and you will be in Credits claimed. Credits are not used in North Carolina so leave it zero and press **Enter**. Leave additional W/H for the state blank also and press **Enter**."

Now you are in Deductions Claimed for Federal. Enter 1 and press **Enter**. Leave the other fields in the federal jurisdiction blank. Your screen should appear as the one below:

Now click on the **Hours/Rates Tab** and the following screen will display

The cursor will be in the **Pay Rate Field**. This is where you would enter the employee's hourly wage.

You would leave this field blank if this is a salaried employee. The **Extra Hours Type Description and Rates** Frame is where you would enter a description and rate for any special time the employee may work. The system gives you room to setup three different cases. All you have to do is enter a description and dollar figure. See the Miscellaneous Section of this manual for further discussion of the special time fields.

The **Hours Accruals** Frame is where you would enter any Vacation and/or Sick time that the employee accrues per month. The **Total Field** is where you would enter any hours the employee had accrued before being entered into the system.

The three *check boxes* **Hourly**, **Use Time Card** and **Direct Deposit** on the right hand side of the screen are used to further define the type of employee. Simply click on the appropriate box to select the option.

The **Hourly** box is enabled if the employee is an hourly employee. The system will then use the entered hours and the rate in the **Pay Rate** Field to calculate the employees paycheck. If you do not check *Hourly* the system will ignore the figure in the **Pay Rate** Field, assume the employee is **salaried** and use the figures entered on the **Standard Check** in gross wages.

If you enable **Use Time Card** the system will then bring up a time card when entering payroll checks.

If the **Direct Deposit** check box is selected if the employee is setup to have his paycheck directly deposited into their back account. The system will generate a **Non-Negotiable** copy of their check to give to them instead of an actual check. The information concerning where to send the money is located on the **Misc Tab**.

James Smith earns $15 an hour so key in "**15**" into the **Pay Rate Field** and press **Enter**. You should also enable the **Hourly** and **Use Time Card** *check boxes*. Next click the **OK** button to accept the screen and then click the **Close** button to return to the **Home Screen**.

Step 19: Vendor Setup

The *Practice Set* vendors must be setup, so click on the **Setup** pull-down menu then **Vendors** and the following screen will display (you could also use the vendor ID icon shown to the left):

Each vendor must be given a unique **Vendor ID**. You may use whatever numbers you wish but many firms number their employees (employees receiving a 1099 should be considered a vendor) starting with number 1 and their vendors starting with a much higher number like 500 or 900 so that it is easy to distinguish them. (You can even use a four digit number if you wish. This would be appropriate if you had large numbers of employees or vendors. In that case you would start your employees numbers with 1 and start your vendor numbers with a much higher number like 5000 or 9000.)

Then enter the information for the first vendor in the *Practice Set* as shown on the next page.

The entry of vendor information is brief and straightforward. **Social Security Numbers** or **Federal ID's** are not required for all vendors. The only vendors that need them are individuals or firms who require a 1099. One of the nice features of the system is its ability to lookup vendors using the information found in Lookup when you are writing that vendor a check. The system will also lookup the vendor based on the first letters you key into the **Vendor ID** when you are writing checks. In other words, if you key "Ver" in the *Vendor ID*, the system would find "Verizon." If more then one vendor has a name beginning with "Ver", then the system would list all companies starting with "Ver". You would then just pick the one you wanted off the list. The system will also search based on the **Look Up Codes** you enter on this screen. For example, the system would find "Verizon" if you entered either Telephone or the first few letters of telephone in the *Vendor ID*. (Note you can have multiple look up Code just separate them by a comma.)

The **Memo Field** is important because whatever you enter here will appear on the memo line of this vendors check.

While the system does not require you to enter an account number it will speed up vendor check entry if you do enter one. This way you will not need to keep entering this number when writing them a check. The same principle applies to amounts. If the vendor receives the same amount on each check you may enter an amount. (i.e. Rent checks, lease payments, etc) If you do not recall what account a vendor's payments should be recorded to, just click on the **List Account** button which will list the company's accounts. Then select the proper account off the list.

The Change all non-W2 Employees to Vendors button is only valid for people who had a prior DOS version of Computer Checkbook. This button will convert vendor employees to vendors. See the *Chapter 3 - Conversion Considerations* for more information.

When you have entered this vendor as shown above, click on the **OK** button to accept it. Then enter the two remaining vendors shown on page 2-2 of the *Practice Set* in the same manner. Make sure you enter their *look up codes* and *fixed amounts*. When you are finished click on the **Close** Button. This will return you to the **Home Screen**.

This completes the setup of the *Practice Set* company and the input of the source data. The next sections will cover the day-to-day operation of making deposits and writing vendor and payroll checks.

Day to Day Operations

The options that are used in day to day tasks are accessed under the **Checks & Receipts** pull-down menu. When this option is selected, the following sub-menu displays:

> **Checks & Receipts**
>
> Write Vendor Checks
> Write Payroll Checks
> Journals
> Receipts
> Fix Check Numbers
> View Transfered Dos Receipts
> Bank Withdrawals
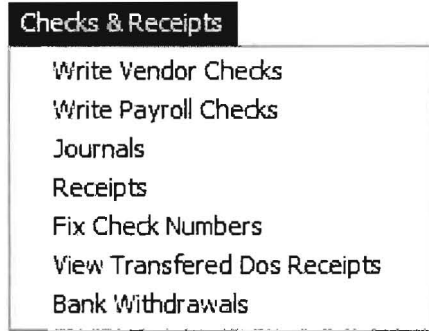
The table below lists the sample transactions you will be entering into the system in this section of the *Practice Set*.

Sample Transactions	
A deposit for $10,000 from capital	
A vendor check for $750.00 to United Reality for rent	Ck #1001
A vendor check for $333.33 to Verizon for telephone expense	Ck #1002
A paycheck based on 40 hours of regular time and 8 hours of overtime for John Smith	Ck #1003
A vendor check for $250.00 to Sam's Cleaning Service for office cleaning	Ck #1004
A journal entry reflecting a $10 debit to account 630 and a $10 credit to account 640	

Step 20: Receipts

The first transaction is a deposit so either click on the **Receipts Icon** shown to the left or click on the **Checks & Receipts** pull-down menu then **Receipts.** The screen shown below will display:

The **New Entry** *radio button* is automatically enabled when you first enter this option. Since there is only one **cash account** (110) it should be placed in the **Cash Account Field**. If it is not, place it there. Now lets look at the items on the screen. The **Type** is defaulted to **Deposit**. (Notice the different non-check entries the system handles, these types make it easy for you to record common banking transactions.)

The **Help Screen** further explains the different options. The help screen for **Type** appears on the next page. It is accessed by clicking on the **Help** Button and selecting **Type**. If you access it to look at it, make sure you press **ESC** to return to the deposit screen.

The **Journal Code Field** holds the *journal code* you setup under the **Setup** pull-down menu, **Account** and the **Cash Accounts** option for Cash Account 110. The **Description** defaults to a description that describes the transaction depending on the type of transaction and the date. (This description does not show on this screen at entry time, but will be placed in the permanent record if it is left blank.) If the **Calculate Balance** *check box* is checked, then the line items of the deposit will automatically total and will do this for each successive deposit without further selection unless you turn it off. The **Date Field** defaults to today's date, but you can change it to the true day the transaction took place. The **Amount Field** is where you enter the total amount of the transaction, in this case the total amount of the deposit will be entered here.

Receipts - Type

Deposit – A deposit can be recorded as a total or each item can be input individually such that an actual deposit slip can be printed by the system.

Transfer – A transfer between two bank accounts can be recorded, using this type transaction. The transfer amount field will reduce the cash account and the distribution amount field will increase the bank account listed in the distribution account field. This type can also be used to record other transactions, such as automatic bank payments.

Return Fee – A transaction recorded under this type will reduce the cash account and is usually used to record a charge from the bank for a returned check

Return Deposit (Bad Check) – Use this type transaction to record a check that was returned by the bank. The transaction reduces the cash account.

Purchase Checks – This transaction records the bank charge for the cost of checks or deposit slips. The transaction reduces the cash account.

Interest – This transaction records interest earned on the bank account. The transaction increases the cash account.

Service Charge – This transaction records any charges on the bank account. The transaction reduces the cash account.

Misc – This type can be used for any other transaction. To increase the cash account, both sides of entry must be positive numbers(+). To decrease the cash account, both sides of the entry must be negative numbers(-).

You should now enter the $10,000 deposit from Capital. To reach the *Amount Field* either press **Enter** until you reach the field or just click in the *Amount Field*. Enter the amount as a positive number without a comma and press **Enter**. The cursor will now be in the **Account Number Field**, key in **315** (the Capital Account number) and press **Enter**. Press **Enter** again to leave the **Description** alone and 10,000 should be in the other **Amount Field.** Press **Enter** since there is only one account involved for the $10,000. The **Balance Remaining** should then show zero. Now click on the **Print Deposit Slip** button, this will accept the deposit and print a deposit slip for you. Close the **Receipts** screen by clicking on the **Close** Button to return to the **Home Screen**.

Note: If we didn't press the **Print Deposit Slip** button before pressing the **Close** button the deposit would not have been recorded. If you do not want to print a deposit slip then you would have to press the **OK** button to accept the transaction before pressing the **Close** button.

Deposit slips are meant to be printed on pre-printed MICR encoded deposit slips, so that they can be deposited at the bank.

To change or view a previously entered transaction you would enable the **Update Entry** radio button. A **Sequence** box would appear and then you would click on the **List** button located next to this field and you can then pick the transaction off the list (either by double clicking it or by highlighting it and pressing **OK** within the *Receipts List Window*). You could then change the transaction or print a deposit slip again if need be.

Step 21: Entering Vendor Checks

The next four transactions are checks, with the first two being vendor checks. So either click on the **Checks & Receipts** pull-down menu and then **Write Vendor Checks** or click on the **Vendor Checks Icon** shown to the left. The screen shown below will display:

The **Cash Account** will default to **110** because it is the only cash account we have setup. If you had setup more than one cash account you would have to pick the appropriate account either by keying in the account number or by using the **List** button and selecting it off the list. The *focus* is in the **Check Number Field**. The first check we are entering is check 1001 so enter the check number of **1001** and press **Enter**. (The system will remember this check number and will start numbering all future checks starting from this number) Press **Enter** to bypass the date which will automatically reflect today's date, which should be the date you are writing the check.

Enter **Rent** in the **Vendor ID Field** and press **Enter**. The system will then look up the vendor, (In this case by **Lookup Code**. We could also have entered a Vendor ID of **502** or typed in "**United**" to bring up this vendor), and display the vendor's name, account number and fixed amount if any. Remember these were entered for this vendor on the **Vendor File Maintenance Screen**. The screen should look like the screen shown on the next page. This is all the information we want on this check so click the **Write Check** button to record and print the check.

Note: You can enter a memo in the **Memo Field** and it will appear on the check. Enable the **Save Memo** *check box* and this memo will be saved and appear on all future checks. You can always remove or change it from the **Vendor File Maintenance Screen**.

Now Enter the check to Verizon for $333.33 in the same manner. You may use either Ver, or telephone to look up the vendor. You will notice that the check number was automatically incremented to 1002. Once the Verizon check is entered and written with **Write Check** click the **Close** button to return to the **Home Screen**.

Step 22: Entering Payroll Checks

The next check is a payroll check. To access the **Payroll Entry Screen** either click on the **Write Payroll Checks Icon** shown to the left or click on the **Checks & Receipts** pull-down menu and then **Write Payroll Checks**. The following screen will display:

The *focus* will be in the **Transaction Number Field,** which contains the number 1. This field starts with one on the first payroll check and automatically increases by one with every subsequent check. This makes it easier to change a check if necessary. Notice also that the system has entered the correct check number (**1003**) into the **Check Field**. Press the **Enter** key until you get to the **Employee ID Field** and then enter the number "**1**" and press **Enter**. The system will display only the *additions* and *deductions* that apply to James Smith on the screen. (Remember these were defined when we setup James Smith, Step 13 page 2-17) Press the **Enter** key to bypass the **Date**. The **Center** and **Unemployment State** will be bypassed because you selected to bypass them on **Payroll Setup**. The **Time Card Entry Screen** will appear over part of the **Payroll Transactions Screen**. It will appear as the screen on the following page:

The *focus* will be in the **Regular Hours Field**. Enter 40 hours in regular hours and 8 in overtime hours. The following screen will display:

Since this is the only time card for John Smith for this pay period, click on **Save and Return** when the screen reappears. The system will calculate the *Additions*, *Deductions* and the *Net* amount of the check and display them the to the screen. The new screen will display as follows:

There are three options at the bottom of the screen we should mention. The first is the **Memo Field**. Anything you entered into this field will print on the memo line of the check. The **Check has already been written manually** *check box,* if enabled, tells the system that this check has already been hand written and not to print it. So if you clicked the **Write Check** button the system would record the check but not print it out. The **Make Std Check** *check box,* if enabled, will record this check as the standard paycheck for this employee once you click the **Write Check** button. If you need to change the standard check for an employee you should access it from the **Employee File Maintenance Screen** (click on the **Employee File Maintenance Icon** shown to the left). Once the screen displays, you should then enable the **Standard Check** *radio button* to access and change the **Standard Check** figures.

To finish this payroll check click on the **Write Check** button to record and write the check. Then click on the **Close** button to end payroll entry and return to the **Home Screen**.

Click on the **Vendor Check Icon** to access the vendor check screen again. Now write the vendor check to Sam's Cleaning Service for $250. Then close the **Vendor Checks Screen**.

Note: If you need help return to Step 21 Entering Vendor Checks page 2-37.

Step 23: Journal Entry

Your last transaction is a Journal entry. Click on the **Checks & Receipts** pull-down menu and then on **Journals**. The following screen will display:

While this is an important option it **should not be used** for the everyday entry of transactions. This option is primarily intended to be used to enter non-standard entries as directed by your accountant.

Click on the down arrow at the end of the **Journal Code Field** and select the **GJ** *journal code* and press **Enter**. Key in a **Reference Number** of "1" and press **Enter**. Press **Enter** again to bypass the **Date**. Now type in account number **630** and press **Enter**. Type in "**10**" in the **Debit Field** and press **Enter**, for a **Description** enter "**Phone Card**" and press **Enter** until you get to the **Account Number Field** again. Now type in account number **640** and press **Enter** until you get to the **Credit Field**, type in "**10**" and press **Enter**. You can duplicate the **Description** in the second line by entering a period ("**.**") in the first position of the *description field*. The screen should now look similar to the one shown on the next page.

Note: The system comes with a number of **Journal Codes** already setup. If you need or want additional *Journal Codes*. They **must** be entered into the system from the **Setup** pull-down menu then **system** and the **Journal Codes** option before they can be used.

Account	Account Description	Debits	Credits	Description	Memo
630	Telephone	$10.00	$0.00	Phone Card	
640	All Other	$0.00	$10.00	Phone Card	

Now click on the **OK** button to accept the entry and then click the **Close** button to return to the **Home Screen**.

A Brief Note on Setting Up a Beginning Bank Balance

Setting up your beginning bank balance can be accomplished by either entering a *deposit* or by making a *journal entry* for the amount of the beginning balance.

Here are a couple items to consider when making this entry for the beginning bank balance:

1) The date on the entry should be prior to the first date period that you will start or that you will be transferring to the accountant. For example if you were starting the system as of January 1, 2006, you would usually date the entry December 31, 2005.

2) When making the off setting entry for the beginning bank balance dollar amount, you need to post to an account other than the cash account. In other words, if you were to do a *journal entry* and use the cash account for both sides of the entry, the net of the entry would be zero ($0) and your bank balance would be incorrect.

This completes the *Practice Set* exercise with the exception of reviewing some reports.

Step 24: Sample Reports

We recommend you print the following reports to familiarize yourself with reports. Click on the **Reports** pull-down menu and run the following reports.

1) Check Register (Payroll Only) - Simple Check Register

2) Check Register (Payables & PR) - Simple Check Register

3) Payroll Summary

4) Bank Report

5) Vendor Summary - Hold down the **CTRL** key and highlight all three vendors and then click the **Select** button to move them to the **Selected Vendors** side of the screen. Click the **Okay** button. The Vendor Summary will print to the screen. Click on the **Printer Icon** to print the report.

6) Account Report - Hold down the **CTRL** key and highlight all the accounts and then click the **Select** button to move them to the **Selected Accounts** side of the screen. Click the **Okay** button. The Account Report will print to the screen. Click on the **Printer Icon** to print the report.

The reports are listed on the following pages in the order shown above for your reference. The reports were printed using the default settings and asking for all vendors and accounts. This completes the *Practice Set* exercise.

```
                    The Sample Checkwriting Company
                    Payroll Check Register - All Checks
                         3/1/2006 to 3/31/2006      Client No: 101      Page  1
Trn #    Chk #    Date       Emp ID    Name
         Gross              Fed WH     FICA/MD     State WH    Other Deds         Net

1        1003   03/29/06     1         Smith, James J
         780.00             102.42       59.67      44.74        0.00         573.17

Totals   780.00             102.42       59.67      44.74        0.00         573.17
```

Practice Set Payroll Check Register- Simple

Printed by clicking on **Reports** ↪ **Check Register (Payroll Only)**.

```
                    The Sample Checkwriting Company
                    Payroll Check Register - All Checks
                          3/1/2006 to 3/31/2006        Client No: 101        Page  2


        Additions
          NCGROS          780.00

        Deductions
          FED             102.42
          FICAMD           59.67
          NCSTWH           44.74

          Net             573.17

        Deposit Liabilities
          Fica Liability                 96.72
          Medicare Liability             22.62
          Fed WH Liability              102.42
          Advance EIC                     0.00
          Total                         221.76

          FUTA Liability                  6.24

        Number of checks to print: 0

        Ledger Entries

          610      Salaries                      780.00
          222      Federal Tax W/H              -102.42
          223      FICA Payable                  -59.67
          224      State Tax W/H                 -44.74
          110      Cash                         -573.17
```

The total page shows the company totals, the payroll liabilities for the purpose of making the tax deposit for payroll and the allocations to the general ledger accounts

```
                    The Sample Checkwriting Company
                    SIMPLE CHECK REGISTER
March 31, 2006                CD - Cash disbursements          Client No: 101       Page  1

           Date   Payee                        Amount   Ck Num

         3/29/06  United Reality               750.00    1001
         3/29/06  Verizon                      333.33    1002
         3/29/06  Smith, James                 573.17    1003
         3/29/06  Sam's Cleaning Service       250.00    1004

                  Totals for 4 Checks        1,906.50
```

Practice Set General Ledger Transaction Register-Simple

Printed by clicking on **Reports** ↪ **Check Register (Payables &PR)** ↪ **Simple Check Register** *radio button*.

```
                    The Sample Checkwriting Company
                              Payroll Summary
3/1/2006 to 3/31/2006                           Client No: 101      Page  1

  Check     Date       Gross        Fed         Fica        State      Deds        Net

     1   James J Smith                       987-12-3456
  1003    3/29/06      780.00      102.42      59.67       44.74       0.00      573.17
  QTD                  780.00      102.42      59.67       44.74       0.00      573.17
  YTD                  780.00      102.42      59.67       44.74       0.00      573.17
```

Payroll Summary - Narrow Report

Printed by clicking on **Reports** ↪ **Payroll Summary** ↪ **Narrow Report** *radio button.*

```
                        The Sample Checkwriting Company
                              BANK REPORT
March 1, 2006 - March 31, 2006              Client No: 101      Page  1

   Date      Check      Payee                      Amount


   110       Cash

   Initial Balance                                    0.00

   03/29/06     2     D   Deposit # 2 03/29/06
   315                    Retained Earnings       10,000.00

   03/29/06   1001    L   United Reality
   620                    Rent -                    -750.00

   03/29/06   1002    L   Verizon
   630                    Telephone -               -333.33

   03/29/06   1004    L   Sam's Cleaning Service
   640                    All Other -               -250.00

   03/31/06   1003    P   James J. Smith
   610                    NC GROSS                   780.00
   222                    Federal Withholding        102.42
   223                    Fica + Medicare Withholding  59.67
   224                    NC State Withholding        44.74
   110                    Net                       -573.17


   Ending Balance                                  8,093.50
```

Practice Set Bank Report - Detail Report

Printed by clicking on **Reports** ↪ **Bank Report**.

```
                        Vendor  Summary              Page  1


The Sample Checkwriting Company
Report for: 03/01/06 - 03/31/06

Vendor                                                Amount
501     Verizon                                       333.33
502     United Reality                                750.00
503     Sam's Cleaning Service                        250.00

***     Selection Total                             1,333.33
```

Practice Set Vendor Summary

Printed by clicking on **Reports** ↪ **Vendor Summary** ↪ **Summary** *radio button* and selecting all the vendor from the list.

```
                        Account  Report             Page  1


The Sample Checkwriting Company
Report for: 03/01/06 - 03/31/06

Account                                    Debits       Credits
110   Cash                               10,000.00      1,906.50
222   Federal Tax W/H                                     102.42
223   FICA Payable                                         59.67
224   State Tax W/H                                        44.74
315   Retained Earnings                               10,000.00
610   Salaries                             780.00
620   Rent                                 750.00
630   Telephone                            343.33
640   All Other                            260.00         10.00
      File Total                        12,133.33     12,123.33
```

Practice Set Account Report for all Accounts

Printed by clicking on **Reports** ↪ **Account Report** and selecting all of the accounts on the list.

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Chapter 3

Conversion Instructions for Converting

DOS Computer Checkbook to Windows Computer Checkbook

General Information

The purpose of this conversion program is to provide an efficient way to convert existing DOS Computer Checkbook Company information into Windows Computer Checkbook Company information. This conversion program was written with the goal of minimizing operator intervention and minimizing any rekeying of existing information. Note that if you have a version of DOS Computer Checkbook that has not been updated in the last few years, it is important that you make sure to load a current version of the DOS Computer Checkbook. Instructions for the loading of this update will be enclosed with the DOS Computer Checkbook Update.

How far back should I convert the data?

This conversion is capable of converting all the data of the existing DOS Computer Checkbook Company but it is also capable of limiting the amount of data to be converted based on a user entered cut off date. Our recommendation is that you only convert the data from the current calendar year for the following reasons:

Reason 1: You should convert the data for the current calendar year so that payroll information will be complete in the new system. If you do not do this, your check stub information will be incorrect.

Reason 2: You should not convert old data from DOS Computer Checkbook because you will not need it to run the new system. All information that you do need such as the chart of accounts and the vendor information will be converted regardless of when it was entered. What can be bypassed is primarily old check information. If you are concerned that if you don't convert the old information, you will not be able to look up old checks from previous years on the computer, you should just keep DOS Computer Checkbook loaded on your machine. That way if the need arises to look up information from previous years and you want to do it on the computer, you can. You can do this if you keep the DOS information on the computer because the Windows Computer Checkbook Program will not interfere with the DOS Computer Checkbook program and the conversion program will not affect the DOS Computer Checkbook data.

Reason 3: The main reason that you don't want to convert data from previous years is that data will probably exist on DOS Computer checkbook that goes back many years. This can cause problems in that this old data is often invalid for a number of valid reasons. For example, the company may have deleted inactive account numbers without deleting checks that were written using those account numbers. Therefore, if you want to convert the old data and you want it to be correct, then you have to fix the invalid information before you do the conversion. This is probably not worth the time or the effort.

Steps To Take In DOS Computer Checkbook

1. Load the latest version of the DOS Computer Checkbook: Make sure that you have loaded the latest DOS Computer Checkbook program on your machine. Instructions to do this are provided with the updated CD ROM that you have been sent.

2. Run the "CHECK FOR ERRORS" option in the Computer Checkbook: As we discussed in the question about "How far back should I convert the data?", the quality of the converted data is dependent on the quality of the original data. For this reason, the original data should be examined using the Check Errors option of DOS Computer Checkbook. The CHECK ERRORS option is found on the Utility Menu / Option number 5. It should be run for all files. You should print the error list. When the original data is examined, most errors that exist will probably be from many years ago and will typically reflect valid changes that have been made in subsequent years. For example, accounts that were used five used ago might have been changed by the company to different accounts three years ago. The old accounts might have then been deleted but the old checks may have been left in the system with the old account numbers. A transaction such as this will be noted in the Check Errors option as having an account number that is not in the chart of accounts. In the same manner, employees who are no longer with the company may have been deleted from the system. Check records for those employees may still exist and will show in Check Errors even if the checks are deleted. A transaction such as this will be noted as having no gross amount although it has a state code. You may always ignore any errors from checks that are marked deleted. You may ignore any errors that occur before the date that you have decided to convert. You will have to correct errors in the vendor file and other files with general information if there are any. For example, if you have a vendor showing an invalid account number, you have to correct the account number or delete the vendor if you are sure that the vendor will have no transactions after the cut off date that you plan to select for the conversion. Once you are satisfied that you will only be converting valid data, you may proceed to the next step.

3. Select option 16 on the interface menu to run the DOS side of the Conversion:
You should access the Interface Menu and select option 16 which is entitled, "Export to WINCCB." If you don't have an option 16 on the interface menu, you do not have the correct version of DOS Computer Checkbook correctly loaded in your machine. When you do run this option, a screen similar to the following will display:
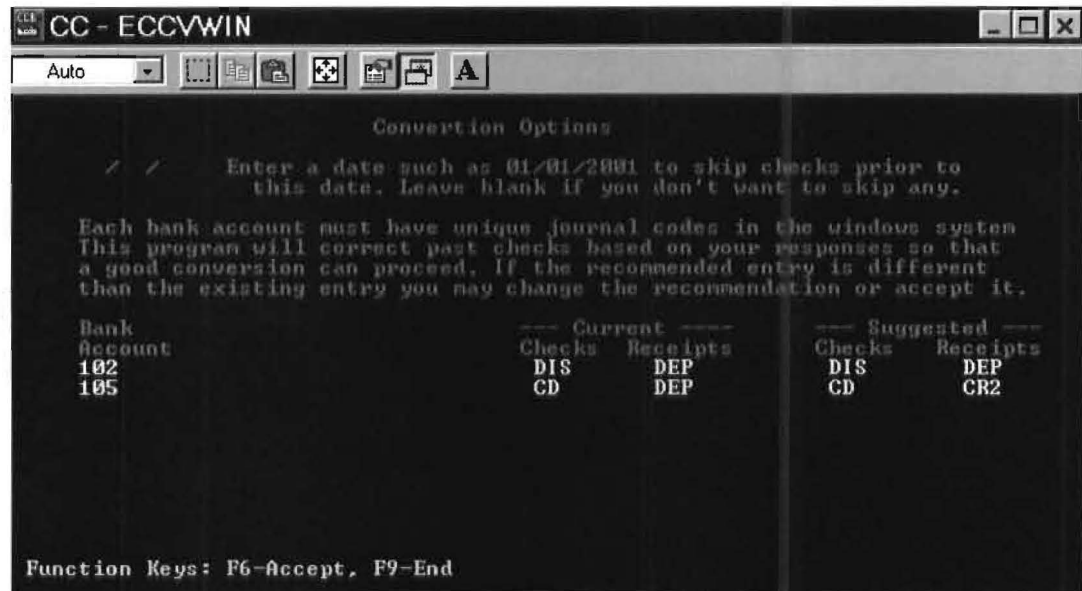
Figure 3-1: The DOS Conversion Options Screen

This screen will display all the bank accounts that you have set up in the Company Data option of DOS Computer Checkbook and the Checks and Receipts journal codes that you have selected for those accounts. A common error is depicted above. The error is that the same journal code is selected for more than one bank. In this case, DEP is used for the Receipts Journal Code for both banks 102 and 105. The system will still work but the purpose of the journal code is to allow transactions to be separated by bank on reports like the journal report. A different journal code must also be used for each bank if you wish to reconcile the banks using the bank reconciliation program on the computer. The conversion program will automatically suggest non duplicate journal codes in an attempt to help you get better usage out of the Windows Computer Checkbook System. You can use your existing journal codes and continue to not use various reports and the reconciliation feature if you wish, but we recommend you take this opportunity to make things work better for yourself by correcting the journal codes.

We think the best journal codes to use are CD1 and CR1 for the first bank, CD2 and CR2 for the second bank, CD3 and CR3 for the third bank, etc., etc. (Some people like to use CD and CR for the first bank because there is often only a single bank and if there is a second and third to use CD2 and CR2 and CD3 and CR3, etc.) The nice thing about this choice of journal codes is that it makes the journal codes easy to remember and it also allows the system to work at maximum efficiency. If you leave the changes to the recommended codes at this time in the conversion, all the previous history will be converted to the new journal codes during the conversion. On the new system, you will then be able to use the corrected codes which will allow you to run all the reports and also use the bank reconciliation feature.

The correctly filled out screen for our recommendation is shown below:


```
CC - ECCVWIN                                                      _ □ ✕
 Auto        ▼  [] ▣▣ ⊕ ▣▣ A

                        Convertion Options

     01/01/2001 Enter a date such as 01/01/2001 to skip checks prior to
                 this date. Leave blank if you don't want to skip any.

     Each bank account must have unique journal codes in the windows system
     This program will correct past checks based on your responses so that
     a good conversion can proceed. If the recommended entry is different
     than the existing entry you may change the recommendation or accept it.

     Bank                                --- Current ---      --- Suggested ---
     Account                             Checks  Receipts     Checks   Receipts
     102    FIRST NATIONAL BANK          DIS      DEP          CD1       CR1
     105    NATIONS BANK                 CD       DEP          CD2       CR2




     Function Keys: F6-Accept, F9-End                   ·
```

Figure 3-2: The DOS Conversion Options Screen with recommended responses.

Note that on the above screen, the date 01/01/2001 has been entered as a cut off date. This means that any transactions prior to 01/01/2001 will not be converted. It is our recommendation that you only convert transactions from the current fiscal year, so change the cut off date to the first day of the current fiscal years i.e. 01/01/2003 to follow our recommendation.

Once you are comfortable with your choices on this screen, select the F6 key to actually complete this step of the conversion. It will process very quickly and return to the menu. If you are doing the conversion on the same machine or on a networked machine, you are finished with the DOS system. If you are using different non networked machines to do the conversion or you are sending this disk to another location, you can place the converted files on a diskette using option 17.

Now exit the DOS Computer Checkbook program and enter the Windows Computer Checkbook system.

Steps To Take In Windows Computer Checkbook

1. Load the latest version of Windows Computer Checkbook: Make sure that you have loaded the latest Windows Computer Checkbook system. Instructions to do this are provided in Chapter 1 – Introduction and Installation.

2. Select the FILE pulldown menu and then select the IMPORT DOS CCB OPTION: If you do not have this option, you do not have the correct version of Windows Computer Checkbook loaded on your machine. When you select this option, the screen shown below will display. It is the main conversion screen.
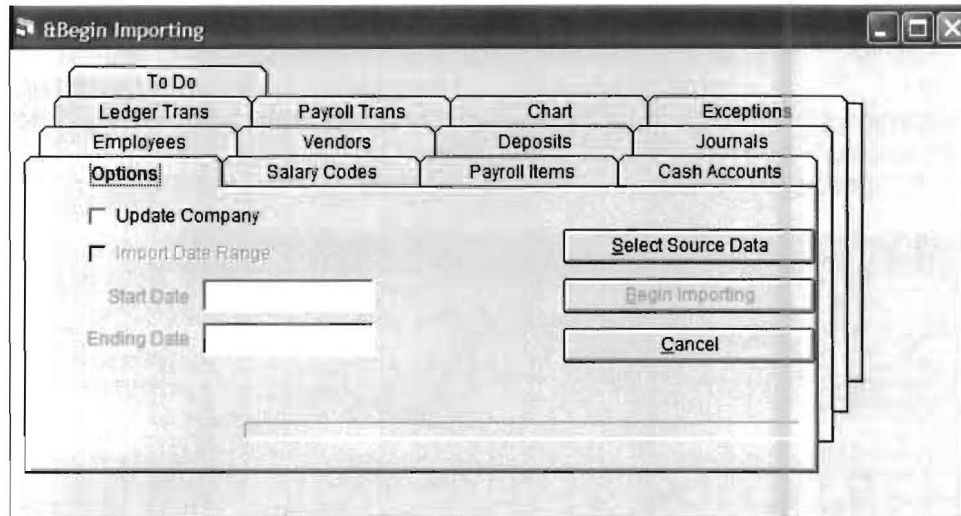
Figure 3-3: The Main Windows Conversion Screen.

3. Inform the system where the converted data is located: The first task is to click on the **Select Source Data** button so that you can inform the system where to look for the DOS Computer Checkbook Converted Data. When you do this an OPEN windows screen similar to the one shown below will display:
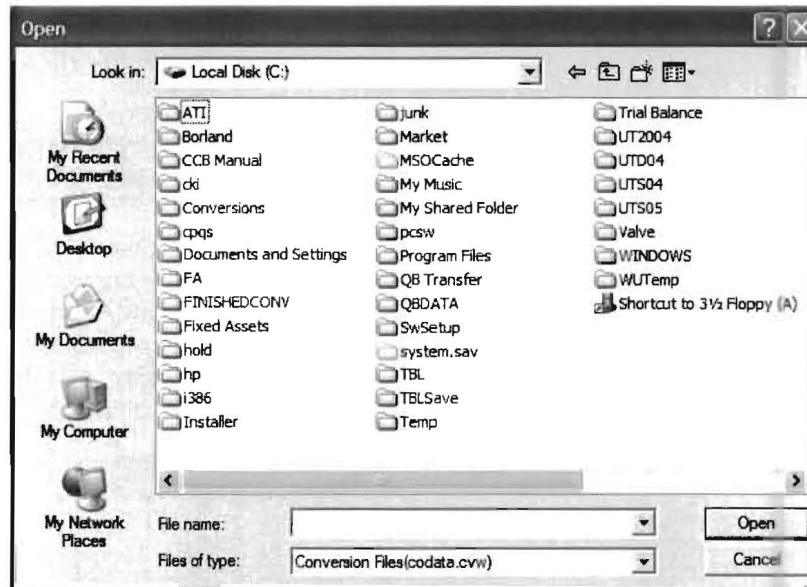
Figure 3-4: Selecting the location of the DOS conversion file.

The files and folders that display on this screen will depend on what information is on your computer. You should click on the downward pointing arrow to the right of the LOOK IN box. When you do this, you will be able to select the drive where your converted Computer Checkbook data is located. If you have put your information on a diskette with option 17 of the interface menu, select the 3 ½ inch Floppy Drive A. If you data is on a floppy diskette, you have completed this step. If your data is not on a floppy diskette, you will have to first select the drive for your conversion files and then the folder and subfolder within that drive. If you are on a single machine, the drive will probably be drive C.

If you are on a network, it will be the network drive. Once you have selected the correct drive by double clicking on it, you will need to select the correct folder and subfolder. The correct folder and subfolder are the **CWU** folder and a subfolder labeled with the letter **E** and then the company number. You will have to double click on the folder and then on the subfolder to select them. Your final display with the correct selected files would look something like that shown on the next page. (In this sample case, the Computer Checkbook Company is numbered 801 so the Company subfolder is E801)
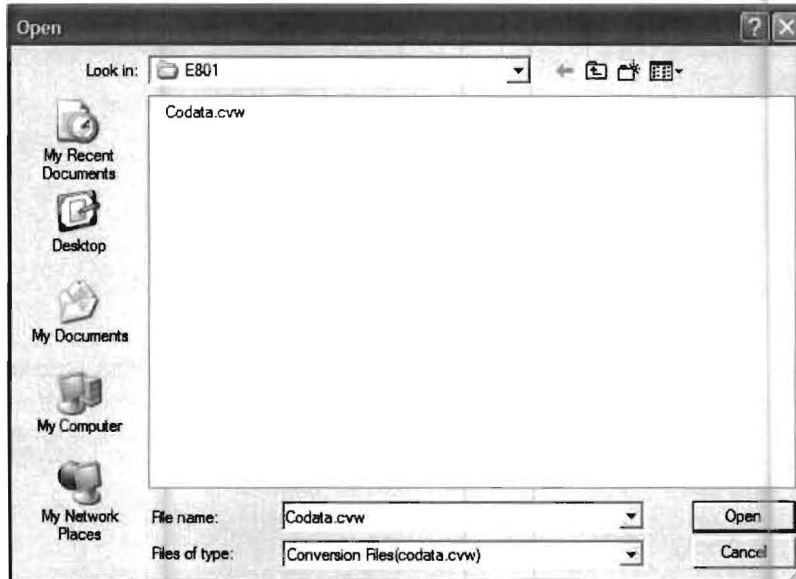
Figure 3-5: Sample display of located DOS conversion file.

4. Select the Conversion Data: Now highlight the conversion data file, "**Codata.cvw**" and click on the **[Open]** button.

After you do this, the conversion will begin. The above screen will disappear from view and the "Import DOS CCB" screen will appear. As each portion of the data is converted, the name of the data being converted will display along with a progress bar indicating the progress of that portion of the conversion. When all portions of the conversion are completed, the last progress bar will disappear from view, "**Ready**" will appear in the lower left-hand corner and a screen similar to the one that is shown below will display:
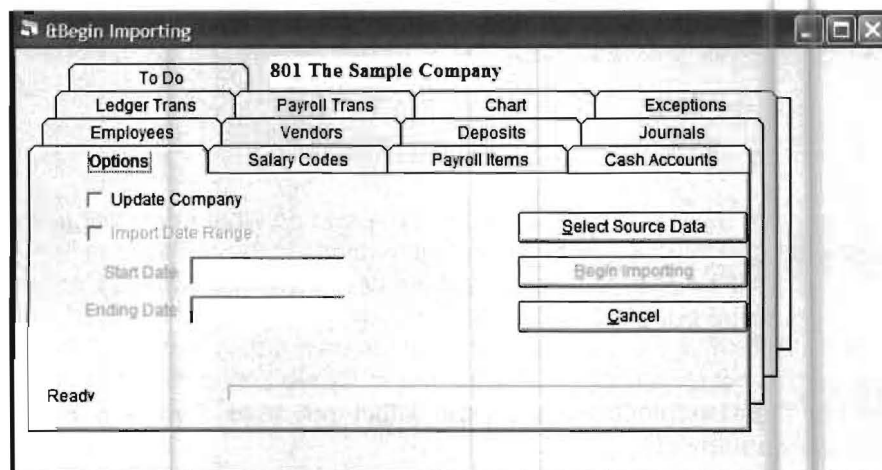
Figure 3-6: The Main Windows Conversion Screen.

5. Provide Account Numbers for Salary Codes: Click on the **Salary Codes** Tab. A screen similar to that shown below will appear:
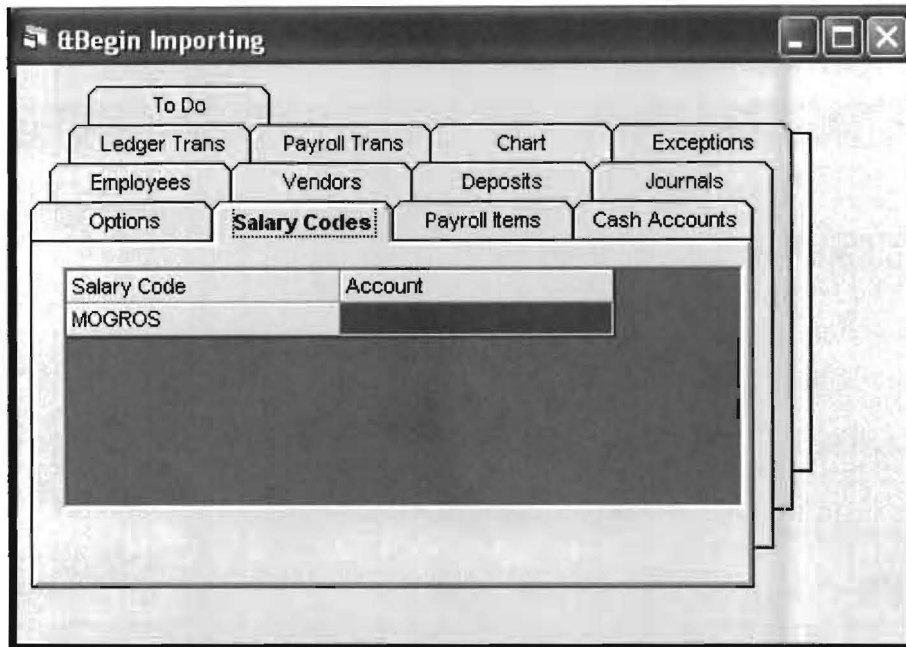
Figure 3-7: Entering the Account Numbers for Salary Codes.

Click on the account number field and enter the account number that should correspond to whatever salary codes are shown. After you have completed this step, click on **Payroll Items**. The screen shown below will display:
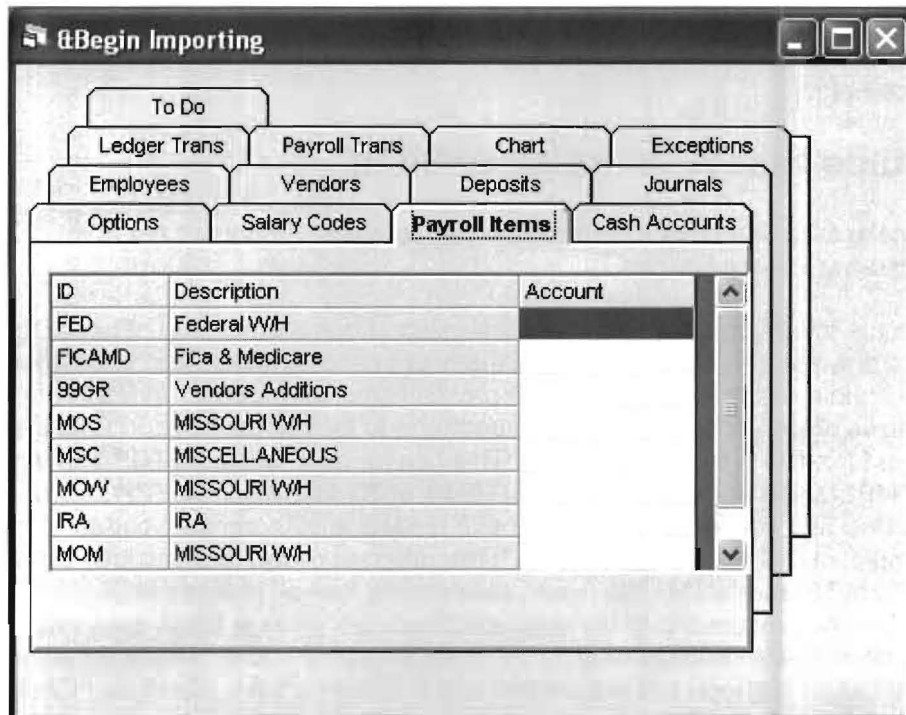
Figure 3-8: Entering the Account Numbers for Payroll Items.

6. Provide Account Numbers for Payroll Items: Click on the account box next to each deduction code that originated in DOS Computer Checkbook and enter the appropriate account number next to it. Write down each payroll item code on a scrap sheet of paper. After you have completed this step, click on the **Options** TAB. The screen shown below will display:
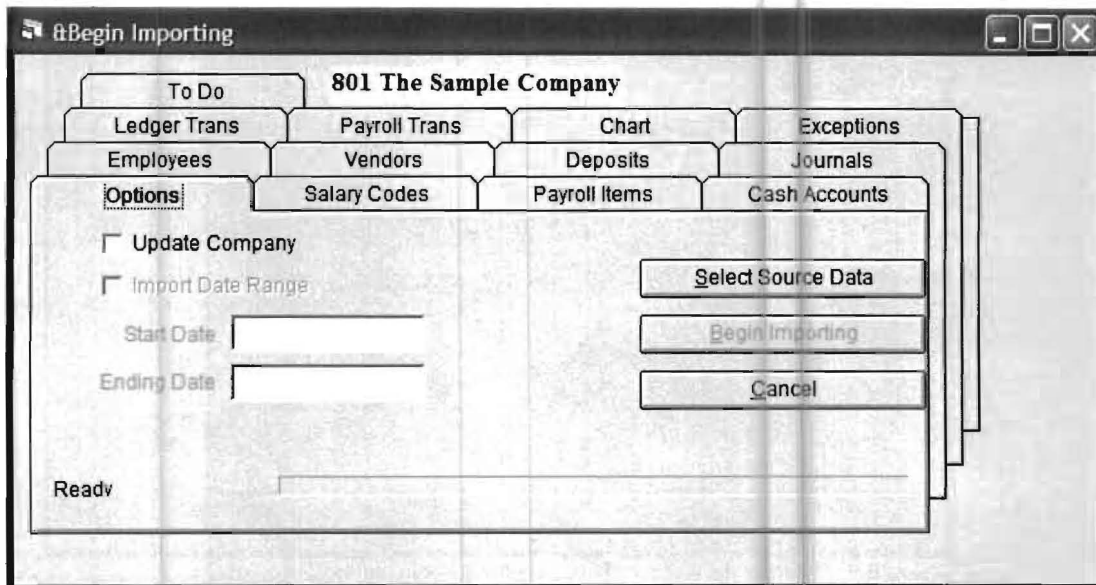
Figure 3-9: The Main Windows Conversion Screen.

7. Start the Final Import of Data: Click on the **[Begin Importing]** button and the conversion will proceed. It does not matter which client is active as long as the client you are trying to create does not exist. The client will be created by this step. When this step is finished, the screen will display "**Complete**" in the lower left-hand corner. Now click on the **[Cancel]** button as the computer steps of the conversion are complete.

Other steps that must be completed

1. Make sure that payroll items are what you want. If they are not, then change them using Payroll Utilities.

Examine the payroll items that you are using. Look at the scrap of paper that you wrote down to see the payroll items that were used by DOS Computer Checkbook. Now double check to see that those payroll items have been created in the new windows client. The easiest way to do this is to look at the payroll items that are set up for a few typical employees. This can be done using **SETUP** ↪ **PAYROLL** ↪ **EMPLOYEE** and clicking on the **ITEMS or STANDARD CHECK** radio buttons. Now decide if you want to change these ITEMS to different item codes. For example, in this example, there are three different codes for Missouri Withholding. **MOW, MOS and MOM**. We would recommend that all of these should be changed to **MOSTWH**. The normal situation is that you will change these codes to match the codes that your accountant is using for the same items. This is where coordination between the accountant and the client is very important. Once you have decided which items to change and what to change them to, the actual changes can be easily accomplished using the **Utilities** ↪ **Employee/Vendor Utility** and selecting **Substitute or Add PR Items**.

2. **CHECK THE CHECK WRITING SETUP FOR EACH EMPLOYEE**: Go into **SETUP** ↪ **PAYROLL** ↪ **CHECK WRITING EMPLOYEE SETUP** for each employee. You should check the information to make sure that the correct tables are designated, the hourly rate is correct, etc., etc. If everything seems fine, click the OK button and you are ready to use the system. You do have to do this for each employee otherwise that employee will not be allowed to have a check written.

3. Click on the Vendor Check Writing Icon to see what the cash balance of any cash accounts are showing. If the company is ready to write checks now, the balance may be corrected by first changing the date to the previous accounting period and then entering the necessary adjustment. Then return to the current accounting period and verify that the adjustment was correct. If the company is going to make entries to catch up before using the system to write checks, you should delay making the correction to cash until they are ready to start writing checks on this system so that you do not have to make an entry twice.

The following page presents an abbreviated checklist of the items that have been discussed in this documentation.

Conversion Checklist

Get Ready

1. Make sure you have the latest versions of DOS Computer Checkbook and Windows Computer Checkbook loaded before you begin the conversion. Both of these systems are on the Windows Computer Checkbook CD ROM that you recently received. The instructions that you will need to install these systems were provided with that CD ROM.

2. Decide how far back you want to convert the data. We recommend that you only convert the current year.

Enter into the DOS Computer Checkbook System:

3. Run the "CHECK ERRORS" option in DOS Computer Checkbook. (Utility Menu/Option 5). Make any corrections that are necessary remembering that you do not need to correct any check or deposit data prior to the cut off date that you select on your conversion.

4. Select Option 16 on the Interface Menu entitled "Export WINCCB". This will run the DOS portion of the conversion.

5. If necessary place the converted data on a diskette. (This will only be necessary if the data from the DOS conversion is not on the same machine as the Windows Computer Checkbook program or is not on a network that is accessible to the Windows Computer Checkbook program.

Enter into the Windows Computer Check System:

6. Select the File pulldown menu and then select the "IMPORT DOS CCB" option.

7. Access the converted data using the "Select Source Data" button.

8. Select the conversion data and click on the open button. This will begin the Windows side of the actual conversion process.

9. When the machine portions of the conversion are completed, you will be returned to the IMPORT DOS CCB conversion screen. Provide the Account numbers for the salary codes by clicking on the Salary Codes TAB.

10. Click on the Payroll Items TAB and provide account numbers for the Payroll Items.

11. Click on the "Begin Importing" button to begin the final import of the data with the updated account information.

12. Check the payroll items that you now have. If they do not match when the accounting firm has for these same items, they must be changed.

13. Check the "Check Writing Employee Setup" for each employee and correct any data that is incorrect and add any data that is missing.

14. Adjust the cash balance if necessary by making a journal entry in the previous accounting period.

15. If you have to send this data to another location, click on the diskette Icon and zip the information to drive A. At the other location, they can access the data by clicking on the diskette Icon and unzipping the information from drive A.

16. When the system is first used, make sure to particularly examine the vendor and payroll checks that are produced to ensure correctness.

This concludes the instructions for the DOS COMPUTER CHECKBOOK TO WINDOWS COMPUTER CHECKBOOK conversion.

Chapter 4

Setup

This chapter begins by providing a **Checklist** to setup a **New** *Windows Computer Checkbook Company* (**New** - meaning a company that was not previously setup on P.C. Software's *DOS Computer Checkbook*). The checklist is followed by a section entitled **Setting Up a New Company** which explains the use of the options that are used in setting up a new company.

General Note One:

Make sure you have correctly installed the *Windows Computer Checkbook System*. This installation is discussed in the *Introduction and Installation* section of this manual. If you also use the *Windows Client Write Up System* or the *Windows General Ledger System*, you will also need to install the update for those systems. The programs (Computer Checkbook, Client Write Up and General Ledger) should all have the same version number. If you do not do this, you will constantly be asked to run the **Version Control** program whenever you access the same data with the different systems.

General Note Two:

You should go through the **Checklist** shown on the next page to setup any new company for the *Windows Computer Checkbook System*. These steps will not implement the advanced *Windows Computer Checkbook* features which are **Advanced Payables** and **Advanced Payroll**. If you wish to implement either of these features, you should still follow the **Checklist** and then follow the instructions for implementing these options which are found in *Chapter 6: Advanced Payables* and *Chapter 7: Advanced Payroll*.

General Note Three:

Users on the *Windows Client Write Up* program will notice that the options in *Computer Checkbook* do not have as many fields or choices, compared to the same options in *Client Write Up*. For example, in the Chart of Accounts, only the basic postable accounts may be entered in *Computer Checkbook*. All the financial formatting and tax interface fields and choices that are found in *Client Write Up* are removed in *Computer Checkbook* since they are not applicable.

General Note Four:

If you will be setting up more than one company using Computer Checkbook, you should consider using the option "**Clone Client**" for set up of any company after the first company setup. This will save you a lot of time compared to setting up a company from the beginning. Details on how to use this option can be found in chapter 10 and the option is located under the **File** menu and sub-option **Copy**, and then **Clone Client**.

Checklist to Setup a New Company:

1. Set up a new company using the **Create a New Client Icon**, shown to the left.

2. The **Fiscal Year End** and the **Current Monthly Period** for processing will automatically be set up based on the day you set up a new company. *Fiscal Year End* **is not used** in *Computer Checkbook* as such. It is only used to set up the periods that you want to process. The system will assume you want to process monthly and you will be in the current month. You may change to a different month or set up different periods if you wish by using the **Setup** pull-down menu then the options found under **Date**.

3. Use the **Chart of Accounts Maintenance Icon**, shown to the left, and enter a Chart of Accounts. All you should enter are accounts that will have balances. There is no need to enter any "heading" accounts and their entry will not be permitted.

4. Use the **Setup** pull-down menu then **Accounts** and the **Cash Accounts** option and enter any *Bank Accounts* that will be used in *Computer Checkbook* and their appropriate *journal codes*.

   Note: Only the first *TAB* (**Recon, etc.**) should be used. The second and sixth *TAB* (**Check Writing Bank Data & Check Writing Name & Address Override**) and the third *TAB* (**Check Writing Logos**) are only used with the MICR feature. The fourth TAB (**Change Employee Net Account**) is a utility program that would only be used if the company changed the bank account that it uses to write payroll checks. The fifth TAB (**NACHA Setup**) is used in conjunction with Direct Deposit of payroll checks for employees.

5. Use the **Setup** pull-down menu then the **Company** option and enter the company's name.

   Note: The only *TAB* that you would typically use is the first *TAB* (**Name and Address**) which is used to enter the company name. The second *TAB* (**Options/2**) only applies to customers that have had custom programming done for special requirements. The third *TAB* (**Check writing Name and Address**) applies to **MICR** Checks and an assortment of additional features.

6. Use the **Setup** pull-down menu then **Payroll** and the **Payroll Setup** option to set up a company for payroll just like you would in after-the-fact payroll.

7. Use the **Setup** pull-down menu then **Payroll** and the **State** option to set up state information, gross pay and gross state withholding for payroll just like you would in after-the-fact payroll. The system will default the state payroll item codes to XXGROS for gross pay and XXSTWH for state withholding, where XX is the abbreviation of the state.

8. Use the **Setup** pull-down menu then **Payroll** and the **Payroll Item** option to set up deductions and additional gross pay. Make sure that you enter the payroll items, FED and FICAMD. You also need to add any other payroll item codes that you will need for the payroll such as INS for medical insurance etc.

---

9. Use the **Employee File Maintenance Icon**, shown to the left, to enter the employees. It is best to use the recommended *payroll items* that you have set up for federal and state withholding. Thus if someone was using the Federal Single Table, they would still have FED for the federal deduction code in ITEMS. Likewise a married person that was using the Federal Married Table, would also use FED for the federal deduction code in ITEMS. In the same manner the general state code XXSTWH would be used for all employees in that state regardless of which state tax table they will be using. Make sure that you set up all appropriate taxing jurisdictions such as the state and local jurisdictions if they are needed. (If you need more detailed information on how to do this - please accomplish the *Practice Set* exercise found in *Chapter 2* of this manual.)

10. Use the **Setup** pull-down menu and the **Vendors** option to enter the vendors. Note that this option does not exist in the *Client Write Up System*.

11. Make sure you have the tax tables you need to process your company. You can probably get what you need by loading the pre-set tables provided by *P.C. Software Accounting*. You can do this by using the **Utilities** pull-down menu then **System Utilities** and the **Get Updated Tax Tables after Update** option. If you are not familiar with what tables you need to assign to each employee, you should read the section on *Tax Tables* found in the *Practice Set Chapter* beginning on page (2-21).

12. Use the **Setup** pull-down menu then **Payroll** and the **Check Writing Employee Setup** option to setup the paycheck information that will be needed to calculate taxes on the paychecks. This is where you enter the information for each tax jurisdiction including the correct tax table to use and the numbers of deductions or credits. This is also where you designate which tax table is used for an employee. In the right center of this screen there is a place to enter the federal tax tables and deductions or credits. It is important to check the **Hourly** *check box* and the **Timecard** *check box* if you are going to enter time cards for the individual.

   Note: You have now completed the setup of the system and you are ready to write either payroll checks or vendor checks or enter and print deposit slips.

13. To write payables checks use the **Enter Vendor Checks Icon** shown to the left. Enter the information and check it. When you are finished and click on **Write Check**, the check will be written and immediately become a part of the *Client Write Up* records.

14. To write payroll checks use the **Enter Payroll Checks Icon** shown to the left. If you have indicated that this individual is going to have a timecard (Step 12 above), then a **Timecard** will flash up when you get to the **Gross Field**. Enter the timecard. The time card may have as many components as necessary. When you have entered the full timecard, click on **Save and Return** and the individuals check will be calculated. The check will print when you click on the "Write Check button".

15. To enter and print deposit slips or other types of miscellaneous transactions, use the **Process Receipts Icon** shown to the left. You enter the information and print the deposit slip from here. This information is also immediately available to the *Client Write Up System*.

16. This completes the basic *Computer Checkbook* Cycle. There are a number of other reports that you can run using the **Reports** pull-down menu, such as a bank statement report and vendor and account reports.

Setting Up a New Company

This section will walk you through the setup of a completely new company. The setup will include the following items:

- Creation of a basic company data file
- Establishing Dates (Fiscal Year and Current Reporting Period)
- Setting up a Chart of Accounts
- Defining Cash Accounts for check writing
- Entering beginning bank account balances
- Entering company payroll information
- Setting up payroll items like deductions, etc
- Entering employees and vendors

If a step does not apply, (such as you will not be handling payroll), or you do not have the information at hand you can skip that step. If you need to complete the step, you can return to it later.

To complete the setup of a new company the following source documents are necessary in most cases.

- Chart of Accounts Listing
- Bank Balances
- Employee Listing
- Employee Year-to-Date Wage Amounts
- Vendor Listing
- Company payroll information

New Client

Before setting up a new company for processing with *Computer Checkbook*, you must first create the data files for the new company. This may be done by clicking on the **File** pull-down menu and then the **New** option or by clicking on the **Create A New Client Icon**, shown to the left, which will provide a speedier access to this option.

Once you are in this option, you should select the disk drive where you wish to store the new files. The system will default to drive **C** and the folder **PCSW**. To change the drive first click on the down arrow located at the end of the **Drive Location Field** which will display a list of available drives. Select the drive where you wish to store the data files from this list. Next, in the frame titled **Location for New Files**, select the folder where you wish your new company files to be stored. Double-click on any folder to display the names of any subfolders within it. Click on the up or down arrows to scroll through the folder list. Next, click on the **New Client Number** input box, and enter a company number, which can be up to five characters. This will be the number (it can be alphanumeric) that will be used to identify the company for future processing. Finally, click on the **OK** button. The company files will be created, and the system will display the **Home Screen**. The newly created company will be activated for processing. Later on you will be able to name the company and enter their information.

Setup Pull-Down Menu

The options listed on the Setup pull-down menu are discussed below:

Date

The Date option has two sub-options, **Enter/Change Fiscal Years** and **Current Reporting Period** which are discussed below:

Enter/Change Fiscal Years

This is where you can change the **Fiscal Year Ending** and how many **Reporting Periods** exist in the year. When you first setup the company the system will assume a December year-end and 12 periods since this is by far the most common choice. Once these items are input, the system will calculate the date ranges automatically for you. You can override these dates if desired.

Current Reporting Period

This is where you establish which **Accounting Period** you want to process. Usually a selection will be made from the displayed list. If there is data available from a prior year which you would like to access, you may select the **Reporting Period** date within that year.

The **Current Reporting Period** option can also be accessed using the **Current Reporting Period Icon**.

Account

The Account option has two sub-options, **Chart of Accounts** and **Cash Accounts**. They are discussed below:

Chart of Accounts

Shown on the next page is the **Chart of Accounts Maintenance Screen**. It is accessed either by using the **Setup** pull-down menu then **Account** and the **Chart of Accounts** option or by clicking on the **Chart of Accounts Maintenance Icon**.
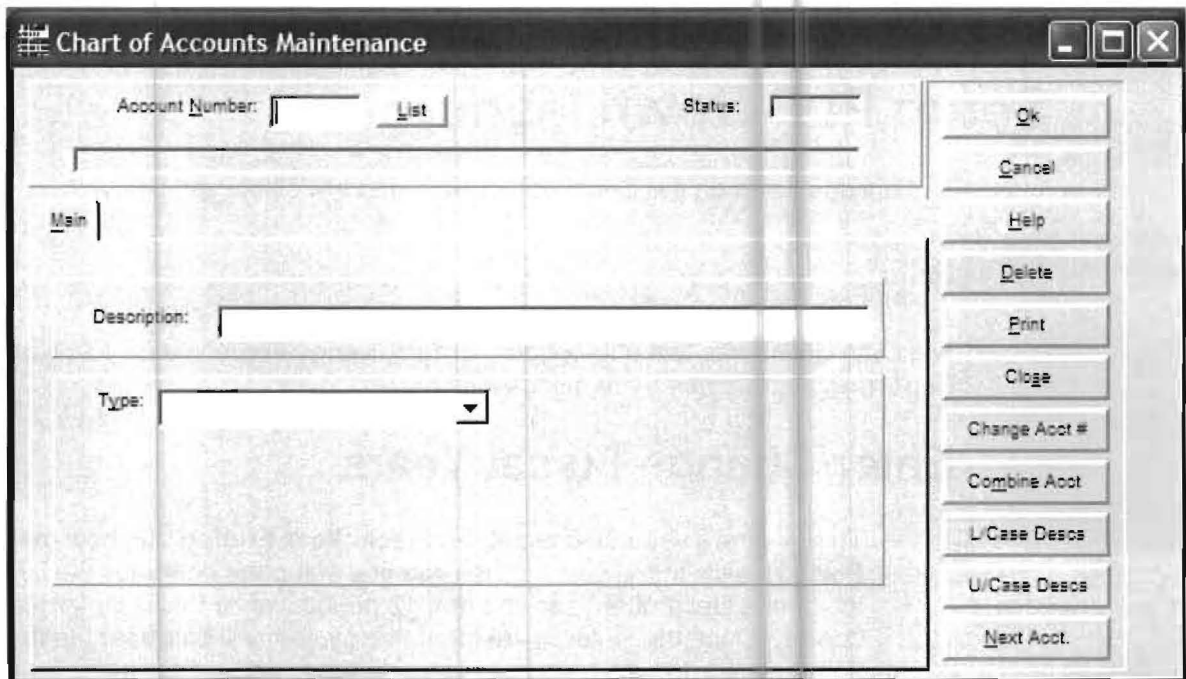
Figure 4-1: Chart of Accounts Maintenance Screen.

All of your Chart of Account information is entered into the system using this screen.

Account Number

The account number may be any length between three and six digits. The account number **must not** include any non-numeric characters with the exception of a period.

For example, 118 or 118.1 would both be valid account numbers. 118A would not be acceptable.

Note: The accounts will appear in numerical sequence on the financial statements as long as all of the accounts for a company contain the same number of digits such as 1002, 3001 and 4010, which all have four digits.

It is possible to enter accounts of mixed length if necessary, by using a decimal point. For example, 234 and 234.5 could be in a single Chart of Accounts. If accounts of mixed length are entered in any other manner, the accounts will not necessarily sort in numeric order. For example, account 99 would come at the end of the chart, instead of preceding account 100. Consequently, if you desire to use 99, enter it as 099.

List Account Number

The **List** button located to the right of the **Account Number Field** will display the Chart of Accounts for your review and/or account selection. To select an account, highlight the account and click **OK** or double-click on the desired account.

Account Description

Each account should have an associated description entered. This description may be up to 100 characters in length. Due to the varied width of the margins, font sizes and content of the various reports generated by the system, the system will control how many characters and lines the account title description will take to print. A good rule of thumb is to keep the description at less than 30 characters, unless you don't mind it taking more than one line in reports.

The operator may use upper and lower case letters when entering the description. (i.e. If all upper case letters were desired on the reports then the accounts should be entered in upper case. Likewise an account keyed in using both upper and lower case letters will appear that way on the reports.)

Account Type

In order for the computer to accomplish the correct accounting calculations, each account must be classified as to its accounting type.

The types possible using this system are:

- Assets
- Liabilities
- Equity
- Income
- Cost of Sales
- Expenses
- Other Income
- Other Expenses
- Provision For Taxes

Print Chart of Accounts

To verify that the Chart of Accounts has been entered correctly, you should print a copy of the Chart of Accounts. To print and correct the Chart of Accounts either:

1. Click the **Print** button while in the **Chart of Accounts Entry Screen.**
2. Compare the listing with your source documents.
3. Make any necessary corrections or changes.

or

1. Click on the **Reports** pull-down menu then **File Listings** and the **Chart of Accounts** option.
2. Enable the **Standard List** and **Print** *radio buttons.*
3. Click **OK.**
4. Compare your printed list with your source document.
5. Make any corrections necessary

Cash Accounts

This option allows the setup of **Cash Accounts**, also referred to as bank accounts, and their related **Journal Codes**. The system, when asked to use a particular *Cash Account*, will display the related *Journal Codes* you have entered.

Journal Codes are important to the system, because they are the means by which you segregate transactions. So when you want to print a check register or reconcile a bank account, you want to assign all the checks and deposits for a particular bank account a unique *Journal Code*. The recommended choice for a first bank account is CD1 for cash disbursements and CR1 for cash receipts. In the same manner a second bank account would use CD2 for cash disbursements and CR2 for cash receipts, etc. If you only have a single bank account and don't anticipate adding a second bank account, you could use CD for cash disbursements and CR for cash receipts.

The following fields are discussed below:
- Cash Account
- Reconcile this Cash Account
- Disbursement Journal Code
- Receipts Journal Code
- Prevent Posting of credit to cash from payroll (The following field is not used in Computer Checkbook).

Cash Account

A valid account number (one already entered into the Chart of Accounts) can either be typed into this field or entered by clicking on the **List** button located to the right of the **Cash Account Field** and selecting an account from the list of accounts.

Note: Only Asset and Liability accounts can be setup as *Cash Accounts*.

Reconcile this Cash Account

If you enable the **Reconcile this cash account** *check box* the system will allow you to reconcile this bank account using the *Bank Reconciliation* feature which is discussed beginning on page 4-39.

Disbursement Journal Code

Journal Codes are setup using the **Setup** pull-down menu then **System** and **Journal Codes**. Any *Journal Code* that you setup is available to be used by all clients.

Either type in a valid *Journal Code* which applies to the *Cash Account* or select a *Journal Code* from the list of available *Journal Codes*, by clicking on the down arrow located at the far right of the **Disbursement Journal Code Field**.

Note: Various reports, like the *Check Register* and *Journal Report*, are segregated by *Journal Codes*

Receipts Journal Code

Journal Codes are setup using the **Setup** pull-down menu then **System** and **Journal Codes**. Any *Journal Code* you setup is available to be used by all clients.

Either type in a valid *Journal Code* which applies to the *Cash Account* or select a *Journal Code* from the list of available *Journal Codes*, by clicking on the down arrow located at the far right of the **Receipts Journal Code Field**.

Note: Various reports, like the *Check Register* and *Journal Report*, are segregated by *Journal Codes*

What are Journal Codes?

The system uses both the predefined **Journal Codes** and any others you add to segregate transactions/entries into separate journals. This is a **system wide** feature, so the *Journal Codes* that you setup will apply to all clients.

The *journal code* is three digits long and may have any characters that you desire with a few exceptions.

How to Setup Cash Accounts:

In order to setup your Cash Accounts, follow the steps below:

1. Click on the **Setup** pull-down menu then **Account** and select the **Cash Account** option. The **Cash Account Entry Screen** will display.
2. Enter your *Cash Account* number in the **Cash Account Field** or click on the **List** button to select the account number from the list.
3. Using the *drop down list*, select from one of the preset **Disbursement Journal Codes** that relate to this *Cash Account*.
4. Using the *drop down list*, select from one of the preset **Receipts Journal Codes** that relate to this *Cash Account*.
5. Click on the **OK** button to record the information.
6. Setup any remaining *Cash Accounts* using the same steps.

Note: If you are coordinating with an accountant please check with them for the *Journal Codes* that would be best for your use.

The Check-Writing Bank Data TAB

This TAB accesses a screen which is only used with the optional **MICR** feature which is discussed beginning on *Page 10-36.*

The Check-Writing Logos TAB

This TAB accesses a screen which is used mainly with the optional **MICR** feature which is discussed beginning on *Page 10-36.* This TAB screen can be used to establish a logo that would print a signature on pre-printed standard checks.

The Change Employee Net Account TAB

This TAB accesses a screen, which allows you to change the employee's net account for a single employee or for all employees. This option is useful if you change payroll bank accounts for your company.

Note: This option will not change any existing payroll transactions.

The NACHA Setup TAB

This TAB accesses screen is only used with the **Direct Deposit** option which is discussed beginning on *Page 7-19*.

Check Writing Name & Address Override

This TAB accesses a screen, which is only used with the optional **MICR** feature, which is discussed beginning on *Page 10-36*.

Setting Up a Beginning Bank Balance

Setting up your beginning bank balance can be accomplished by entering either a deposit or by entering a journal entry for the amount of the beginning balance.

Here are a couple of items to consider when making this entry for the beginning bank balance:

1. The date on the entry should be prior to the first date period that you will begin to enter transactions. For example if you were starting the system as of January 1, 2006, you would usually date the entry December 31, 2005.

2. When making the offset entry for the dollar amount of the beginning bank amount, you need to post to an account other than the *Cash Account*. In other words, if you were to do a journal entry and use the *Cash Account* for both sides of the entry, the net of the entry would be zero ($0) and your bank balance would be incorrect.

Company

The **Company** option has the following setup screens **Name and Address, Options, Check-Writing Name and Address, and the Receipts Default Accounts**. Note that the Disclaimer Letter options TAB is not used in CCB. Each of these screens is discussed below:

The Name and Address TAB

This TAB accesses a screen where you can enter the company's name and address that you want to appear on Statements and Reports, and consists of three (3) lines. There is also a place to enter the company's name and address that you want to use as their letterhead for letters and consists of four (4) lines. This should be ignored as letters **are not** produced in *Computer Checkbook*.

The Options Tab/The Options 2 Tab

The **Options** *tab* accesses a screen which allows you to select the "**Auto Cents**" feature, which allows cents to be set to be entered without entering the decimal point. (i.e. 20012 would mean 200.12). You can also indicate to the program that you are using the "Cost Centers". This screen would also contain any special custom modifications that might have been made to your system. The **Options 2** *tab* is where you would type in a code to unlock any special modifications to the system that *P.C. Software* has specially made for your company. Normally this portion of screen is blank and not used.

The Check-Writing Name and Address Tab

This TAB accesses a screen where you would enter the company's name and address, exactly as you want it to print on a check. This feature works in conjunction with the **special add-on** option for producing **MICR** codes on checks.

If you print checks from many different bank accounts and prefer having only one stack of checks, the **MICR** add-on option may be of interest to you. Under this method of printing checks, you would order what is called "**Blank Stock Checks**" which have no bank name, no company name and no pre-printed **MICR** bank encoding numbers. The system will produce this information on the check for you. If you think you might be interested in this option, contact *P.C. Software Accounting.*

This screen also contains check boxes for a number of special features.

Payroll Check Stub Note - If you enter a message or note in this field, you can have it print on each employee's payroll check stub (i.e. Happy Holidays to you and your family). While in the **Write Payroll Checks** option, you would want to check the box "Print Note On Check Stub" to print your note.

Vendor Check Stub Note - If you enter a message or note in this field, you can have it print on each vendor's check stub (i.e. Thank You for your continued business). While in the **Write Vendor Checks** option, you would want to check the box "Print Note On Check Stub" to print your note.

Show Bank balance during Check-Writing - This checkbox allows you to decide if you want your bank balance to appear on the screen while writing checks and recording bank withdrawals. If the check box is enabled the balance will show, otherwise it will not show.

Show Check Number on Receipts - Checking this box tells the system you would want place a column labeled "Check Number" on the Receipts screen on the Distribution Grid between the Description field and Amount field. This feature is very useful if you want to track the check numbers from customer's check deposits.

Client Specific Check Alignment - Checking this box tells the system that you will be setting up a check alignment specific to this active client. For more information on setting up a check format, go to "Align Laser Checks" on page 4-34.

AP Check Stub Distribution Printing - You control how the Account Distribution Description prints on the vendor check stubs:

Print as Entered - With this selection, the system prints whatever text exist in the Account Description field in the Distribution Grid on the check stub. If you override the account description or leave the existing chart of accounts description, the system will print every description with a dollar amount.

Print Only Overrides (And Totals) - Selecting this choice will cause the system to print each distribution on the check stub where the account description is overridden. It prints a MISC total of the distributions that are not overridden. And then prints a total of the check amount.

Print Total Only - This selection will only print the check total amount on the check stub, no matter what entries you make in the distribution grid.

Display Bank Balance on System Info Screen - Checking this box will cause a bank balance to appear in the **System Information Screen**, which is display on the lower right hand corner of the Home Screen of Computer Checkbook. The screen will display the Cash Account number and current balance for the last cash account with activity.

The Receipt Default Account(s) TAB

This screen allows you to specify a default offset account for any or all of the receipt type transactions. For example, you can set Interest default account to 450, which is the Interest Income Account. Then when you select the Interest Receipt type, account 450 will automatically display in the **Distribution** section of the **Receipt Entry Screen**. All you have to do now is fill in the amount.)

Payroll

The **Payroll** sub-options are discussed below.

Payroll Setup

Setting up your payroll information is very important and needs to be done systematically. Below is our recommended order in setting up your payroll options.

1. Payroll Setup – General
2. Payroll Setup - Options and Tab Stops
3. State Setup
4. Payroll Items
5. Locality
6. Employee Setup
7. Assign Deductions By Week
8. Check Writing Employee Setup

General TAB of Payroll Setup

Below is a brief description of the fields contained on this screen and their function.

Federal ID - Enter the company's federal tax identification number. Enter the number as you want it to print.

FICA Options: The FICA option choices you make here have no effect on the calculation of the FICA and Medicare for Computer Checkbook. The FICA options only pertain to the Client Write-Up or General Ledger programs and how they handle FICA and Medicare. The Computer Checkbook program will always calculate the FICA and Medicare based on the correct year-to-date amounts.

Auto FICA Fix - This check box is only used in after-the-fact payroll for accounting firms. Leave blank if you are calculating checks.

Correct YTD FICA - This check box is only used in after-the-fact payroll for accounting firms. Leave blank if you are calculating checks.

Prevent FICA Recalculations - If this check box is enabled (has an "**X**" in it) the system will not recalculate the FICA withholding on a **standard check** if the employee's earnings exceed the FICA maximum limit. Leaving the option disabled (blank) will allow the system to automatically make this correction to FICA.

The check box "**Create GL Detail for Entire Paycheck**" and the cash account choices under "**Cash Account Default for New 1099/Vendor Recipients**" are Client Write-Up or General Ledger functions.

Minimum Wage - In this field you would enter the Federal minimum wage. The system uses this figure to determine if a tipped employee is meeting the minimum wage requirements.

Options and Tab Stops TAB of Payroll Setup

Below is a brief description of the fields contained on this screen and their function.

Define new employee based on the default employee - To help speed up the setup of new employees, the system allows you to designate an employee as the sample setup employee. Thereafter any payroll information, such as the payroll items and the tax jurisdictions that you input for the default employee will carry forward to any new employee that is being setup. To make this function work, complete the following steps:

1. Enable the option by clicking on it, and "**X**" will appear in the *check box*.
2. Access **Employee File Maintenance Screen (Setup, Payroll** and **Employee)** and bring up the default employee. Enable the **Use this record as default** *check box* and click **OK**.

During Transaction Entry Prevent the Cursor from Stopping On (Tab Stops) - During payroll transaction entry, some of the entry fields may contain defaulted information or may not need any data entered. An example would be the date where the system carries forward the existing date; and the day would normally be changed using the **Day Field**.

In the same manner, the **Cost Center Field** should be skipped if the company does not use cost centers.

The system allows you to select the following fields to bypass during transaction entry:

- Memo
- Date
- Cost Center
- Unemployment State

Misc Tab

This tab screen handles features related to the Transmittal Sheet used in conjunction with the Advanced Payroll. The left hand side of the screen allows you to customize the column headings for the Transmittal Sheet.

The right hand side of the screen addresses a feature to help speed up time card entry in Advanced Payroll. The program can be setup to have employees automatically sequence without having to call up each employee. If you are then inputting from the transmittal sheet, the employee sequencing can match the transmittal sheet. You would check the box labeled "Auto sequence to the next employee during Time Card Entry" and select the sequencing you desire. Only employees marked as hourly under "Setup/Payroll/Check Writing Employee Setup" will appear in the sequence. Employees indicated as terminated in the "Basic Information" screen of "Employee File Maintenance" will not show up in the sequencing.

State

Before any payroll checks can be processed, information regarding the states in which the company operates must be entered. Below is a description of each field.

State Abbreviation - Enter the two-character postal abbreviation for the state. Clicking on the **List** button located the right of the **State Abbreviation Field** will display all the states, which have been previously setup.

State Name - If a valid state abbreviation is entered in the **State Abbreviation Field**, the full state name will be displayed in this field.

Status - This is only a display field. This field indicates whether this state is being setup for the first time (**NEW**) or it is being changed (**ACTIVE**).

State Income Tax withholding - Enable this *check box* if your state has state income tax.

Income Tax ID - This is a 15 character field for the state income tax ID.

Fed WH Reduces SIT Taxable Wages - Federal Withholding Reduces State Income Taxable Wages. Some state income tax withholding calculations allow the reduction of gross wages by the amount of Federal Withholding before calculating the state tax withholding. If your state does this, enable this *check box*.

Default State for New Employees - Enable this box if the majority of the employees are from a particular state and you want this state to be automatically assigned to each new employee that is being setup.

When a two digit state ID code is entered in the **State Abbreviation Field**, the *Payroll Item* Creation entry area will appear. At this time you can go ahead and assign the Gross Wages and State Withholding codes and the accounts the system will post to. This bypasses having to go the **Payroll Item Setup Screen** to setup this same information.

In cases where the state has no Income Tax Withholding, only the following fields will appear:

Gross Wages - This field will default to an entry of the State two digit ID + GROS. Unless there is a good reason to override this selection you should use this code for your state's *gross wages payroll item code*.

Posting Account - In this field you will enter the account number you want this state's gross wages to post. If your company uses different accounts for different employees, enter the most commonly used account here. Remember that each employee may have a different account number setup in their employee record if necessary.

In cases where the state does have state income tax withholding, the following two additional fields will appear:

State Withholding - This field will default to an entry of the State two digit ID + STWH. Unless there is a good reason to override this selection you should use this code for your state's *withholding payroll item code*.

Posting Account - In this field you will enter the Account Number you want this state's income tax withholding to post. If your company uses different accounts for different employees, enter the most commonly used account here. Remember that each employee may have a different account number setup in their employee record if necessary.

How to Setup State Payroll Information Summary

1. Click on the **Setup** pull-down menu then **Payroll** and **State**.
2. Enter your state code into the **State Abbreviation Field**.
3. If your state charges income tax, enable the **State Income Tax W/H** *check box*, enter your **State Tax ID**, and enable any other option needed.
4. Click on the **Gross Wages-posting Account Field** and enter the account number that you want the gross wages to be posted to.
5. If your state has income tax withholding, click on the **State Withholding-posting Account Field** and enter the account number that you want the withholding to be posted to.
6. Click on the **OK** button to accept the screen.
7. Click on the **Close** button to return to the **Home Screen**.

Payroll Items

You will now need to setup the *payroll items* that are needed by your company. A *payroll item* is anything that affects a payroll check (addition, deduction, etc). The gross wages *payroll item* was automatically setup by the system during State Setup and so was the state withholding *payroll item* if that state has a state income tax. Any other additional gross wages, taxes withheld, insurance deductions, etc, must be setup with this option.

Payroll Item Code

The **Payroll Item Code** can be up to a six digit alphanumeric code. Our recommendation would be to either use the codes we have already setup or to enter a code which best describes or identifies the *payroll item* you are setting up.

Below are a few examples of our preset codes:

FLGROSS   Florida Gross Wages (Automatically setup when you
                                     setup the state)
FED   Fed Withholding
FICAMD   SS & Medicare   (If combined on the paycheck)
MED WH   Medicare   (If separated on the paycheck)
INS   Health Insurance
EIC   Advanced EIC

Payroll Item Name

This field should be used as a complete description of the payroll item and the description that will print on the employee's check stub.

Payroll Items - Type

This section of the screen allows you to establish what type or how you want the system to handle the **Payroll Transaction Items** and to what account you want the system to post the dollar amounts. Your choices of item types are:

Amount - A field appears which allows you to enter a **Fixed** dollar amount or more commonly to leave it blank and enter the amount while processing the payroll check. Once you enter the dollar amount and add this *payroll item* to an employee's setup, the dollar amount will automatically appear each time you attempt to enter a payroll transaction for the employee. An example of a fixed amount might be a deduction for health insurance where each payroll period the same dollar amount is withheld.

Percentage - Four fields appear which allows you to enter a percentage, a maximum and/or a Minimum dollar limit and an Annual Limit Amount. An example of a percentage item might be a deduction for a SEP/IRA where we want to withhold 15% of the gross up to an annual maximum limit of $5,000.00.

Setup FED Payroll Item

Next you will call up the pre-set *payroll item* code used for Federal Income Tax Withheld, **FED**.

Note: Later you will tell the system which tax table, **FEDS**(Single) or **FEDM**(Married), to use for calculating Federal Income tax withholding for each employee. This is done by marking either Single or Married in the **Employee Check Writing Setup** option.

The main task in setting up any *payroll item* is to designate the account number that will be used for that *payroll item*. The following steps take you through entering the posting account number for **FED**.

1. Click on the **List** button to the right of **Item Code Field**.
2. Select **FED** from the list by highlighting it.
3. Click on **OK**.
4. Insure the **Name Field** says Federal Withholding.
5. Insure the **Group Field** says Deduction.
6. Insure the **Category Field** says Federal Withholding.
7. Insure the **Item Type Field** says AMOUNT.
8. Enter your Federal Withholding account number in the **Posting Account Field**.
9. Click the **OK** button to accept the screen.

Setup FICAMD Payroll Item

Next you will call up the pre-set *payroll item* code used for FICA and Medicare Withholding (**FICAMD**).

1. Click on the **List** button to the right of **Item Code Field**.
2. Select **FICAMD** from the list.
3. Insure the **Name Field** says "Fica + Medicare Withholding".
4. Insure the **Group Field** says Deduction.
5. Insure the **Category Field** says FICA/Medicare Withholding(Employee Share).
6. Insure the **Item Type Field** says Amount.
7. Enter your FICA + Medicare account number into the **Posting Account Field**.
8. Click the **OK** button to accept the screen.

Setup Payroll Deduction

Below is an example of how to setup a normal payroll deduction.

1. Enter INS in **Item Code Field**.
2. Enter a description of HEALTH INSURANCE in **Name Field**.
3. Insure the **Group Field** says DEDUCTION.
4. Insure the **Category Field** says OTHER DEDUCTION.
5. Insure the **Item Type Field** says Amount.
6. Enter **465** into the **Posting Account Field**.
7. Click the **OK** button to accept the screen.
8. Click the **Close** button to return to the **Home Screen**.

The Payroll Deduction Examples listed on the next page illustrate additional examples of deduction setup, such as 401K, local withholdings, deductions calculated by percentage, etc.

Payroll Deduction Examples

The following table depicts some common deductions:

Deduction	Category	Item Type
401K Employee Deduction	401K (Employee Paid)	Amount
Cafeteria Plan	Cafeteria Plan	Amount
Local Withholding	Local Withholding	Amount
Typical Deduction (Uniforms, etc)	Other Deduction	Amount

The table shown below depicts the status of the deduction in relationship to being subject to Federal taxation (for state or local status, check with your accountant):

Deduction	W/H	FICA	Medicare	Unemp
401K Employee Deduction		X	X	X
Cafeteria Plan				
Local Withholding	X	X	X	X
Uniforms, etc.	X	X	X	X

Locality

This option allows you to setup **multiple** **Local** **Taxing Entities**. You will use this screen primarily to identify Locality information which will print on the W-2's.

The following fields are available:

Locality Abbreviation - This is a six (6) digit character field. This abbreviation is used to name this locality and is used in the setup of the local tax tables.

Locality Name - This is a twenty (20) digit character field. This field will carry forward and print on the W-2's if you request.

Income Tax ID - This is a fifteen (15) digit character field. This field will also carry forward and print on the W-2's if you request.

Posting Account - Enter the account number or select from the *drop-down* **List** the account number where you want to post the local tax withheld from an employee's pay check.
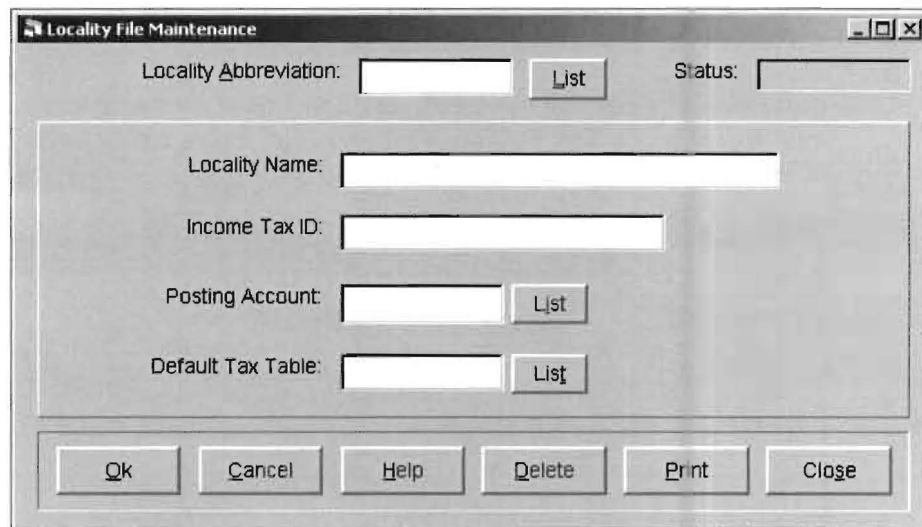
Default Tax Table ID - Enter the tax table ID or select from the *drop-down* **List** the tax table ID that you want to use to calculate this locality's tax withholding. If there is no local tax table available that you want to use, then you will need to setup a local tax tables using the method described below. Once the local tax table has be setup, you will need to access this option and enter the tax ID.

Note: You can have more then one tax table for a locality. The default field holds the tax table most often used with this locality. In most cases it should have the same ID as the locality abbreviation for example if the locality abbreviation is ATL for Atlanta then this code should also be ATL.

Local Tax Tables

If your company requires a local tax, you should accomplish the following steps. The process will be illustrated by setting up a local tax table for Smalltown, North Carolina. This locality has a 1% tax on all wages earned in its locality.

1. Setup the Locality. Click on the **Setup** pull-down menu then **Payroll** and **Locality**. The screen shown below will display:

Figure 4-2: Locality File Maintenance Screen

Key in a unique Locality Abbreviation for your location. Then enter the locality's name and the company's tax ID. Next enter the account the locality tax liability will be posted to and the Default Tax Table for this locality. The screen shown on the following page is correctly filled out for the Smalltown, North Carolina example:

Note: The locality must be setup before you can enter the local tax table. (**Setup, System, Tax Tables**)

Note: While the system doesn't require that the locality abbreviation and the default tax table ID match, they should. The only exception to this would be if there were more than one tax table for a specific local tax which is possible but unusual.

Figure 4-3: SMA Locality Abbreviation Defined

2. Enter the tax table that the locality will use. Click on the **Setup** pull-down menu then **System** and **Tax Tables**. Once the **Tax Table Entry Screen** appears fill it in as shown:

Figure 4-4: SMA Local Tax Table Defined.

Note: That 999,999,999.99 is used to indicate an unlimited upper limit.

3. The next step is to check that the *payroll item code* for this locality was automatically setup correctly.

Click on the **Setup** pull-down menu then **Payroll** and **Payroll Item**. Enter the locality name that you used once the *payroll item* screen appears. The screen should look similar to the one shown on the next page for Smalltown, North Carolina.

Figure 4-5: SMA Payroll Item Code Defined

This completes the general setup of a locality entry. You may now assign the locality to any employees that need it. To assign the locality click on the **Setup** pull-down menu then **Payroll**, **Employee** and select the **Item Screen**. The locality item code should be included in both the Federal and Local Jurisdictons. It should also be included in the State Jurisdiction if the local tax affects the State Tax in any way. If the local tax does not affect the state tax, it should be left out of the state jurisdiction items.

The normal gross pay for the local tax is typically the same as the federal and state gross pay. The default for these items is **XXGROS** where **XX** is the state abbreviation of the state in which the employee is paid.

Employee

This option is used to set up new employees or to edit existing employee records and can be accessed either by clicking on the **Setup** ↪ **Payroll** ↪ **Employee** or by clicking on the **Employee File Maintenance Icon** shown to the left.

Note: To help speed up the setup of new employees, the system allows you to designate an employee as the default setup employee. Therefore any payroll information that you input for the default employee will carry forward to any new employee during setup. To make this function work, complete the following steps:

1. Enable the **Use this record as default** *check box* on the **Employee File Maintenance Screen**.
2. Click **OK** to accept the screen.
3. Click **Close** to return to the **Home Screen**.
4. Click on the **Setup** pull-down menu then **Payroll**, **Payroll Setup** and the **Options and Tab Stops Screen**. Enable the **Define new employees based on the default employee** *check box*.
5. Click **OK** to accept the screen and to return to the **Home Screen**.

The three major screens associated with employee maintenance are listed below with each discussed in detail.

- Basic Information
- Items and Accounts
- Standard Check

Basic Information TAB of Employee Option

This screen allows for the entry of basic employee information such as name, address and Social Security Number.

In addition, the following miscellaneous information can be noted.

Tax Identification - The default is set to Social Security Number. But if the employee is reported under their Federal ID Number, then enable the **Federal ID** *radio button*.

Pay Frequency - Select the appropriate pay frequency for this employee using the *drop-down* list.

Unemployment State - Input the two-character postal abbreviation for the state used in the calculation of state unemployment for this employee.

Center - Enter the cost center number if one usually applies to this employee. Otherwise leave this field blank. Applying cost centers helps in being able to distribute payroll costs to various accounts and printing various reports by cost centers.

Pension Plan - If this employee is covered under a pension plan, enable this *check box* (put an "**X**" in the box) so the system will mark the Pension Plan box on the W2 Form.

Foreign Address - Enable this *check box* if this employee has a foreign address, so the system will know to indicate such on the W2 form.

943 - If this is a farm employee, enable this *check box* so they will be reported on a 943 instead of a 941.

Hired & Terminated - These two date fields are primarily used to calculate and print the number of weeks worked on the state unemployment report forms.

Note: Employees with a terminated date in a prior year will cause that employee not to appear in the current year's payroll reports.

Setup Employees

The next step in payroll setup is to add employees.

Here is an example of an employee setup:

1. Click on the **Employee File Maintenance Icon** shown to the left or on the **Setup** pull-down menu then **Payroll** and **Employee**.
2. Enter **1** in **Employee ID Field** and press **Enter**.
3. First name   James
4. Middle Initial   M
5. Last Name   Smith
6. St Address   1402 Main St
7. City   Sarasota
8. State   FL
9. Zip   34234-0009
10. SSN   987-65-4321
11. Pay Feq   Weekly
12. Unemp St   FL

Items TAB of the Employee Option

This screen handles the setup of **Payroll Transaction Items** which will affect the display/function of the employee's payroll check transaction. If most employees will have the same *payroll items* associated with their payroll checks, you can setup a default employee which best represents the most common payroll check. To do this just check that box labeled "Use this record as default (standard new employee settings)". After you have set up the items for an employee. This will have the effect of repeating the same items for any new employee that you set up.

The payroll check transaction will be broken down into the following groups:

*   Additions
*   Deductions
*   Notations
*   Employer Paid Items
*   Net

Standard Check TAB of the Employee Option

Many employees receive the same payroll check each pay day. If this is the case and you want to save time on payroll entry, you can setup the repetitive check information in this screen. The *Payroll Items* which appear in this screen are derived from the setup in the **Employee - Items Screen**. If changes, additions or deletions are needed to be made, you will need to return to the **Items Screen**.

Once the standard/repetitive entries have been made, any time this employee is entered during payroll transaction entry, the standard information will automatically appear.

Set up of a standard check is not limited to just the total payroll check. You can limit the standard items to certain deductions which are repetitive from check to check. For example if the only standard item on a paycheck is the $50 deducted for health insurance, you can enter the $50 on this screen.

Payroll Additions

Payroll items entered in this area represent the items which will add to or increase the net of the payroll check. These items can be taxable as well as nontaxable amounts. The most common taxable item for additions is gross wages for a particular state (i.e. XXGROS, where XX is the state abbreviation.)

The items could also be taxable amounts from multiple states. Tips from credit cards reimbursed through the check would also be *Additions*. Examples of nontaxable items would be special nontaxable income and Advanced EIC. Expense reimbursements can be handled either as an addition or as a negative deduction.

Payroll Deductions

Payroll items entered in this area represent the items which will subtract from or reduce the net of the payroll check. These items can be Federal, state or local withholdings or FICA and Medicare withholdings. They can be items which have special tax exemptions, such as 401K Pension Plans or Section 125 deductions. Or they can be just ordinary deductions. Remember there is basically no limit on the number of items which can be setup.

Payroll Notations

Payroll items entered in this area fall into two categories - Those which may have some tax effect and those which have no tax effect.

Examples of items which have some tax effect would be Reported Tips.

Examples of non taxable items would be if you wished to use notations to track some form of employee personal time.

Payroll Employer Paid Items

Payroll items entered in this field, represent items paid by the employer usually for the benefit of the employee or which have some tax consequences for the employee, but have no affect on the net of the check.

Examples would be money paid into a Pension Plan by the employer for the employee or life insurance paid by the employer which is taxable to the employee.

Payroll Net

The bank account number on which the payroll check has or will be drawn should be entered in this field.

Setup Employee Payroll Items

We will now apply the *payroll items* to the employee. These items were setup using Setup Payroll Items (pages 4-16 to 4-18)

1. Enable the **Items** *radio button* (below Employee ID).
2. Insure the **Additions** *radio button* is enabled.
3. Click on **Code Field** and enter **FLGROS** or click on the **List** button located next to the **Remove** button and select **FLGROS** from the list.
4. Click on the **Deductions** *radio button* to enable it.
5. Enter the **FEDS** and **FICAMD** payroll item deductions in the same manner as shown in step 3 above.
6. Click on the **Net Field** and enter 110 (The Checking Account Number).
7. Click on **OK** to accept the employee information.
8. Click on **Close** to return to **Home Screen**.

Setup Employee YTD Wages

If you are setting up the company in mid-year and need to enter year-to-date wage information for employees, you would use the following procedures to enter the employee's year to date earnings.

Assume that you are setting up this company as of April 1, 2006. Then you must first change the **Reporting Period** to 3/31/06, the date just prior to going live.

1. Click on the **Setup** pull-down menu then **Date** and **Current Reporting Period** or on the **Current Reporting Period Icon.**
2. Click on the down arrow located at the end of the **Change Period End To Field**.
3. Select the date period 3/31/06.
4. Click **OK** to accept the screen and return to the **Home Screen**.

We will enter the YTD wage data in the next step.

Enter Employee YTD Wages

To enter the Year To Date wage information for each employee, a payroll transaction will be required to record the earnings.

Here is an example:

1. Click on the **Checks & Receipts** pull-down menu then on the **Write Payroll Checks** option or click on the **Enter Payroll Check Icon,** shown to the left.
2. Press **Enter** to leave the **Transaction Number** alone.
3. Enter **1** in the **Check Number Field**.
4. Enter an employee number or pick one from the *drop-down* list and press **Enter**.
5. Click on each **Amount Field** and enter the corresponding **YTD** amount.
6. Click on the check box the "Check has been manually written".
7. Click on the **Write Check** button.
8. Click on **Close** button.

Check Writing Employee Setup

This option is used to complete the Employee Setup by entering the withholding deductions claimed by the employees plus credits, all tax jurisdictions, hourly pay rates, hour accruals and special types of pay.

To access this option click on the **Setup** pull-down menu and then on **Payroll** and **Check Writing Employee Setup**. Below is a brief discussion of each field on the screen:

- Employee ID
- Tax Jurisdiction
- Tax Table
- Federal Dependencies Claimed
- Hours Accruals
- Claim Check Boxes
- Hourly, Time Card & Pay Rate Boxes
- Extra Hours Type Description and Rates

Employee ID

Just as the field implies, this is where you would enter the ID of the employee that you wanted to work on. You can either type in the employee ID or click on the **List** button locate to the right of the **Employee ID Field** and select the employee from the list.

Tax Jurisdiction

If the employee has state or local withholding withheld from their check, select that jurisdiction from the *drop-down* list and then assign the number of deductions or credits the employee will be claiming.

If any of the *check boxes*, **Claim Self**, **Claim Spouse** or **Claim Head of Household**, are enabled, those deductions or credits will be added to the number entered under **Tax Jurisdiction**.

If the employee desires any additional amount withheld for a particular jurisdiction, the dollar amount can be enter in the **Additional W/H Field**.

Tax Table

If you want the system to calculate state income tax withholding for an employee, you need to assign the **State Tax Table ID** for each employee for wages earned in that state. Most state tax withholding tables are shipped as part of the program.

The *drop-down* list will only display those tax tables that relate to the state tax jurisdiction. In other words, for the state of New York, the system will display two tax tables, NYSTM (Married) & NYSTS (Single). For a detailed discussion on tax tables, see *Chapter 2: Practice Set - Step 15: Tax Tables*, starting on page (2-21).

Federal Dependencies Claimed

The number of deductions that the employee will be claiming for Federal Withholding purposes should be entered in this field. Presently the Federal tables do not use Credits. If any of the *check boxes*, **Claim Self**, **Claim Spouse** or **Claim Head of Household**, are marked, those deductions will be added to the number entered under **Federal Dependencies Claimed**. If the employee desires an additional amount withheld for Federal withholding the dollar amount should be entered in that field.

Claim Check Boxes

Because some tax jurisdictions allow different amounts to be deducted for **Self**, **Spouse**, **Head of Household** or Dependents, this screen will allow you to handle all situations that arise.

Note: That any *check boxes* which are enabled will be added to the claimed deductions/credits indicated under **Tax Jurisdictions** or **Federal Dependencies**.

Hourly/Rate Screen

Hourly Employees: The system requires the following fields, as a minimum, to be setup for an hourly employee.

> **Hourly** - Enable this *check box* to indicate an hourly employee.
>
> **Use Time Card** - Enabling this *check box* will cause a pop-up screen to appear during payroll check writing, so that time card information may be entered.
>
> **Pay Rate** - Enter the base pay rate for the employee in this field.

Salaried Employees: The system does not require any field on this screen to be setup to process a salaried employee's paycheck. Salaried employees are setup using the **Standard Check Option** located on the **Employee File Maintenance Screen**. However, if the salaried employee has a special item, (i.e. they get commissions or overtime in addition to their salary), and you want the system to calculate the amount you can enable the **Time Card Option**. If you don't want the system to calculate the amount then disable the *Time Card Option*, and just type the figure in on the **Payroll Checks Entry Screen** and *Recalculate the Taxes*.

Use Time Card - Enable this *check box* and a time card screen will appear during check entry allowing you to enter an hour times a rate and let the system figure the amount.

Note: Once the card comes up enable the radio button for this additional code and enter the hours and the rate. You will also have to **Recalculate** the tax amounts.

Note: If you need a special item for a salaried employee you will need to add an additional *addition payroll item* to the employees *standard check*, with a zero balance.

Extra Hours Type Description and Rates

These fields are used in cases where you want to define some special type of pay and assign that pay a rate. This may be some special overtime pay or some form of unit pay, etc.

Desc - This description will appear on the time card screen and print on the check pay stub.

Rate - Enter the special rate associated with the description.

Setup Employee Check Writing

After the basic employee information is setup, additional information for calculating an employee payroll check must be entered.

Here is an example of a normal setup:

1. Click on the **Setup** pull-down menu then **Payroll** and **Check Writing Employee Setup**.
2. Enter an employee number or select it from the *drop-down* **List**.
3. If the employee has state withholding, select the correct state jurisdiction, then select a tax withholding table and enter the number of claimed Deductions or Credits.
4. If the *check boxes* **Self**, **Spouse** and/or **Head of Household** are enabled they will be added to any claimed deductions under this tax jurisdictions.
5. Enter the number of claimed Deductions for Federal Withholding.
6. If the *check boxes* **Self**, **Spouse** and/or **Head of Household** are enabled they will be added to any claimed deductions under the Federal jurisdictions.
7. Click on the **Hours/Rate Tab**.
8. If an employee is paid on an hourly basis, check the boxes **Hourly** and **Use Time Card** and enter the hourly Pay Rate.
9. Click the **OK** button to accept the screen.
10. Click the **Close** to return to the Home Screen.

Vendor Setup

This option is used to setup the vendor information. It has features like "Look Up" for vendor recall, "Memo" for information to print on stub and check, "1099 Type" for designation as 1099 recipient and for default distribution of the vendor check.

The topics listed below will be discussed:

- Vendor ID
- Vendor Name & Address
- Look Up
- Memo
- Tax Identification
- SSN
- 1099 Type
- Acct
- Account Description
- Amount
- Total Amount
- Vendor Setup - Control Buttons
- Vendor Setup - Change Employees

Vendor ID

This is a unique four (4) digit number used to identify the vendor. Vendors and employees share the same numbering sequence. Therefore a vendor and an employee can not have the same id number.

Vendor Name & Address

Enter either the individual or the company name and address for this vendor. If the vendor is an individual that will be receiving a 1099, there are special fields under the title "Optional Employee Name" to enter the individual's name to match that needed for the IRS Form 1099.

Look Up

The system initially requires the setup of a vendor using a numeric *Vendor ID*, however it is not always easy to remember a *Vendor ID* number. Therefore the system includes a **Lookup Field**, where you can enter any easy to remember word or words to identify this vendor. (i.e. Phone, Rent, Water, Cleaners, Consultant, etc) The system then uses this field as an additional method of vendor recall, whenever the system requests a *Vendor ID*, even on this screen. In other words, lets say we had setup Tri-State Reality with a Vendor ID of 501 and we had RENT and LANDLORD in the lookup field. (Note RENT and LANDLORD must be separated by a blank space.) We can then look up this vendor by keying in Tri, 501, rent or landlord into any field that asks for a *Vendor ID* and Tri-State Reality will appear.

Note: The system will always look up the vendor based on the first few letters of the vendor name. So the **Look Up Fields** should not contain the vendors name.

Memo

Any information that you enter in the **Memo Field** will automatically appear in the **Memo Field** on the **Vendor Check Entry Screen**. (i.e. You could enter your account number, assigned to you by the vendor). Information entered will print on the check and check stub.

Tax Identification

If this vendor will be receiving a 1099 form, mark whether they report with a "Social Security" number or "Federal ID" number.

Social Security Number

Enter the vendor's Social Security number or Federal ID number. You do not have to enter any of the dashes, as the system will automatically add the dashes based on your selection of SSN or Fed ID.

1099 Type

The system defaults each newly entered vendor to "**No 1099 No W2**" which means the system will not generate a 1099 or W2 for this vendor. If the vendor is to receive a 1099 form, you need to indicate the type of 1099 form they will be receiving.

A *drop-down* list provides the following types:

1099M	Miscellaneous
1099I	Interest
1099D	Dividends
1099B	Brokerage
1099S	Stock
1099R	Retirement
1098	Mortgage Interest
No 1099 No W2 (Default Setting)	

Account, Description & Amount

Account Number - Enter the posting account for this vendor's checks in this field. **Do not** enter the *Cash Account* that the checks will be written out of but the offset account (i.e. Rent Expense, Notes Payable, etc). You can enter the account number or use the **List** button and select the account from the Chart of Accounts listing.

Account Description - This field will automatically display the account description setup in the Chart of Accounts for the account number you just entered.

Note: On the **Vendor Check Entry Screen**, you can override the account description with other information such as an invoice number and the system will print the override information on the vendor's check stub.

Amount - Enter the dollar amount for each posting or distribution in the appropriate fields.

Note: You would only enter an amount if the vendor is receiving the same dollar amount for every check that you write to that vendor, like a fixed amount for rent each month. Otherwise leave the amount field blank. You would fill it in on a check-by-check basis as necessary

Total Amount

The system will display a running total of all distributions made during vendor setup.

Change All Non-W2 Employees to Vendors

Clicking on this button will take all non-W2 people or companies (vendors) setup as employees and convert them to vendors.

This way they will appear as vendors in any list, call up or report. This is a convenient option to assist in organizing data that has been converted from the *PC Software DOS Computer Checkbook*.

Find Next Available Vendor ID

This button will find the next available vendor ID. This Find feature will work in conjunction with the "Vendor ID Starting Point" discussed below. So in the example below, the system would find the next available number above 500.

Vendor ID Starting Point

This allows the user to start vendors at a certain number so the vendor numbers do not interfere with employee payroll numbers. (i.e. 500 which means employee #'s 1-499 and vendor numbers 500 and higher)

Control Buttons

At the bottom of the **Vendor File Maintenance Screen** is a series of **Control Buttons**. Below is brief discussion of each button:

OK - Clicking on this button, once all information regarding the vendor is complete, will record that vendors information into the system.

Cancel - Clicking on this button will remove or clear any information from the fields and return the cursor to the **Vendor ID Field**. If the information is for a new vendor, that data will not be saved. If the information is for an existing vendor, the system will retain the original information.

Delete - Clicking on this button will cause the currently displayed vendor to be deleted from the system.

Help - Clicking on this button will display the **Vendor Setup Help Topic**. This topic discusses the vendor setup screen and the related fields of entry.

Close - Clicking on this button will close the **Vendor File Maintenance Screen** and return you to the **Home Screen**. Like the Cancel button, the Close button will not save any information entered since the information saved with the OK button.

Setup Vendors

The following example will take you through the steps that are necessary to setup a vendor. It should be noted that vendors, that will receive a 1099 at year end, can be paid as either an Employee or Vendor. Setting them up as a vendor is the recommended method.

Now let's setup a vendor:

1. Click on the **Setup** pull-down menu then on the **Vendors** option.
2. Enter a number (up to 4 characters) in the **Vendor ID Field**.
3. Enter the vendor's name in the **Vendor Name Field**.
4. Enter the vendor's complete address.
5. Enter **Lookup Codes** if desired. This field allows you to enter alphanumeric characters that can be used to call up the vendor during vendor check writing. (i.e. Rent and Landlord - should be separated by at least one blank space)
6. Determine the Tax Identification method that will be used with this vendor and enable the appropriate *radio button*.
7. Enter either the vendor's Social Security or Federal ID number that corresponds to the Tax Identification method you selected.
8. Determine which 1099 form, if any, this vendor will receive and select this 1099 type from the *drop-down* list.
9. Next you can enter a default account number to be used when writing this vendor's checks. During vendor check writing, this information will accompany the vendor called up. It may be overridden at that time if necessary.
10. If the vendor receives the same check amount, such as a fixed amount for a rent check, then this amount can be entered along with the account number.
11. When you have completed the vendor entry click the **OK** button to accept the screen.
12. Click the **Close** button to return to the **Home Screen**.

Align Laser Checks

The system gives you the opportunity to select the style of check that you are using and has the ability to modify the print positions of each item on that check.

The default format will a pre-printed **stub/check/stub** style check. These match the style of the checks sold by *P.C. Software Accounting, Inc.* Unless you have a different format or the checks are not printing correctly, you do not have to use this option.

The following options are listed on this screen:

- Check and Stub Sequencing
- Type Check
- Print Ck Number On Stub
- Print Payer Name & Address On Stub
- Print Pay Rate On Stub
- Print Period End On Stub
- Print SSN On Stub
- Print Cash Account Description On Stub
- Print Only 1 Stub/Emp (no check)
- Cash Acct
- Set/Reset to Standard Pre-Printed Check
- Set/Reset to Standard Pro System Check
- Set/Reset to Standard MICR Check
- Set/Reset to Standard Quickbooks check
- Point Size for Check Name/Address

Clicking the **OK** button will take you to the **Adjust Print Positions Screen** to continue with your adjustments.

Check and Stub Sequencing

Select the form that matches the checks you are using by enabling the corresponding *radio button*.

- Stub/Check/Stub (Default)
- Stub/Stub/Check
- Check/Stub/Stub
- Stub/Check
- Check/Stub

Type Check

There are two types of checks support by the system, **Pre-printed** or **MICR-encoded**. The default will be **Pre-printed**. **MICR-encoding**, or the ability for the system to print the bank encoding information on blank check stock, is an **add on feature** to *Computer Checkbook*. If you are interested in this feature, contact *PC Software Accounting, Inc.*

Print Check Number on Stub

Even though most checks are pre-printed with a check number on the stub and check, you may want to have the system print the check number on the stub. This will confirm, when looking at the check stub, that in fact the system did record the check number to the actual check. Enable this *check box* if you want the system to print the check number on the stub.

Print Payer Name on Stub

Enable this *check box* if you want to print the company's name on the check stub.

Print Payer Address on Stub

Enable this *check box* if you want to print the company's address on the check stub.

Print Pay Rate on Stub

Enable this *check box* is you want to print the employee's pay rate on the check stub.

Print Period End on Stub

Enable this *check box* is you want to print the employee's period end on the check stub. This feature applies only in the Advanced Payroll.

Print SSN on Stub

Enable this *check box* is you want to print the employee's Social Security Number on the check stub.

Print Cash Account Description on Stub

Enable this *check box* is you want to print the company's cash account description on the check stub.

Suppress Printing "$" on Check

Enable this *check box* to suppress the printing of the dollar signs on the check.

Print Only 1 Stub/Emp (no check)

This feature is only available with the *Advanced Payroll Option*. If all the employees will be processed with direct deposit or you are providing only calculated payroll information to a client, you may want to use the feature where the system only prints a payroll stub for each employee. This print feature then would print three stubs for three different employees on a single sheet of blank paper.

Bold Payer Name on Checks

Enable this *check box* if you would like to have the Payer/Company name print bolded.

Cash Account

You do not need to enter a Cash Account number unless you want to include a logo on the test check.

Set/Reset to Standard Pre-Printed Check

Enabling this *check box* will set the check format to a Pre-Printed Stub/Check/Stub style format and disable the other three Set/Reset Options.

Set/Reset to Standard Pro Systems Check

Enabling this *check box* will set the check format to a Pre-Printed Pro Systems Stub/Check/Stub style format and disable the other three Set/Reset Options.

Set/Reset to Standard MICR Check

Enabling this *check box* will set the check format to a Stub/Check/Stub style format and disable the other three Set/Reset Options, it also tells the system to print the MICR codes on the check.

Set/Reset to Standard QuickBooks Check

Enabling this *check box* will set the check format to a Pre-Printed QuickBooks Check/Stub/Stub style format and disable the other three Set/Reset Options.

Point Size for Check Names/Addresses

You can control the print size of the employee's name and address with this option. If you want the name to print larger on the check, just increase the point size. If you want the name to print smaller, just decrease the point size.

Once you are satisfied with your selections click on the **OK** button to proceed to the **Adjust Print Positions TAB**. This TAB will allow you to reposition the actual location of information that you wish to print on the check.

Adjust Print Positions

From this screen, you start the process of modifying the print positions on the style of check you have selected.

The topics for this screen are listed below:

- Field Name
- Update Type
- Test Print
- Modify Location
- Reset Check to Original Values

Field Name

Use the *drop-down* list and select the particular field that you want to reposition.

Update Type

You have the choice of making the change only for the **Individual Field** that you have selected or you can select the **Whole Page** and move every field at once.

Test Print

Click this button if you would like to print a test check so that you can check your changes.

Twips

Twips is a unit of measurement used in programming which establishes a default scale for a form or picture box. There are 1,440 twips to one inch. A conversion table between inches and TWIPS is shown below. It can assist you in determining your repositions.

Size in Inches	Twips
1/8	180
1/4	360
1/2	720
3/4	1080
1	1440
2	2280

Modify Location

If you click on the **Modify Location** button, you will get the window that will allow you to decide how much and in what direction you wish to move an individual field or the whole page.

Below is a discussion of each field:

Field Name - The system will display the **Individual Field** name you selected or **PBL CK - Whole Page** if you have selected to move the whole page.

Current Horizontal/Vertical Positions - The default starts at the current position of the individual item or zero (0) if moving the whole page. As you make changes, the system shows the differences from the default position.

Direction To Move - The system allows you to move **Left**, **Right**, **Up**, **Down** or return to **Zero**. Enable the *radio button* for the direction you want to move the printing.

Adjustment Amount (In TWIPS) - Once a direction has been selected, enter a number for the amount you want to move the field or whole page and click on the **OK** button.

NOTE: An individual field name with Current Horizontal/Vertical Position of zero (0/0) will cause that field name not to print.

Reset Check to Original Values

If during your attempt to move field positions, things get out of control, click on this button and the system will return **all** fields/page to their original default positions, based upon the check style you are working on. You can then start over again.

Bank Recon

The **Bank Reconciliation** feature is discussed below and will cover the various options found on the **Bank Recon** Menu.

Bank Reconciliation

Bank reconciliation worksheets and reports for all *Cash Accounts* are available from the system via an integrated *Bank Reconciliation* feature. In order to use this feature for a client, it is necessary to setup the company for bank reconciliation and to process the bank statements as a part of the regular monthly processing. To illustrate the concept and operation of the *Bank Reconciliation* feature, The *Sample Company, Inc.* of the **Practice Set** will be reconciled and discussed in this section.

To setup The Sample Company, Inc. or any company for bank reconciliation it is first necessary to enter information concerning the company's bank account(s), using the **Cash Accounts Entry Screen**, into the system. To enter this information click on **Setup ↪ Account ↪ Cash Accounts**.

Enter each *Cash Account* (bank account) that you want to reconcile with its respective disbursements and receipts *journal codes*. These *journal codes* are accessible from the *drop-lists*, which will show all *journal codes* currently setup in the system. (If the journal code that you want to assign to a *Cash Account* does not appear on this *drop-list*, you may add it by clicking on the **Setup** pull-down menu then **System** and then **Journal Codes**).

The screen on the following page shows the *Practice Set's* Cash account (**110**) setup with a *Cash Disbursement Journal Code* of **CD** and a *Cash Receipt's Journal Code* of **CR**. Note that the **Reconcile this cash account** *check box* is checked (enabled) to indicate this *Cash Account* can be reconciled.

Figure 4-6: Use the Cash Account Screen to setup a company for Bank Reconciliation.

Once all information has been entered, accept the screen by clicking on the **OK** button. After this screen is entered and accepted for the *Cash Account*, a blank **Cash Account Entry Screen** will appear. If there were more cash accounts that needed to be setup, use the same method discussed to enter them. Since there are no other cash accounts in the *Practice Set*, click on **Close** to return to the **Home Screen**.

This is the procedure that you will use to setup whatever cash accounts will be needed for reconciliation purposes. **If new cash accounts are added to the Chart of Accounts that you desire to reconcile, they also will need to be added using this option at that time.**

After setting up Your *Cash Account(s)*, it is also necessary to setup the *Bank Reconciliation Feature* itself. To do this, click on the **Setup** pull down menu then **Bank Recon** and **Reconciliation Setup**. The screen shown below will display.
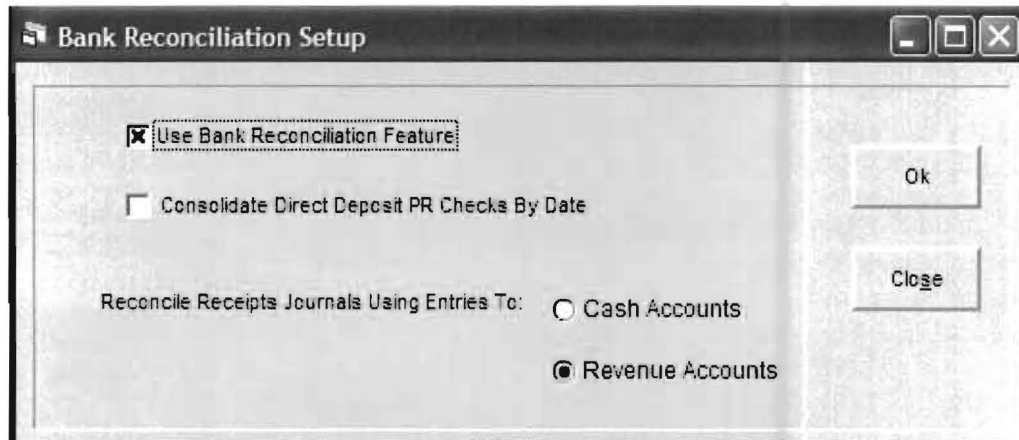
Figure 4-7: Enable the Bank Reconciliation feature.

Enable the **Use Bank Reconciliation Feature** *check box* to activate the *Bank Reconciliation Feature*, and select the type of accounts to which journal entries are to be reconciled. Notice that the default is set to **Revenue Accounts**. Revenue Accounts are preselected since based on the entries made by most accounting firms, the revenue accounts will generally show the detailed transactions whereas a single entry to cash for all revenue will not. If each deposit to the bank gets its own debit transaction to the *Cash Account*, then you can choose **Cash Accounts**. Click the **Ok** button to record these settings, then click on **Close** to return to the **Home Screen**.

To process a **Bank Reconciliation** on a monthly or other periodic basis, access the **Bank Reconciliation** option. This is accomplished by clicking on **Setup** ↪ **Bank Recon** ↪ **Bank Reconciliation** or by clicking on the **Reports** ↪ **Bank Reconciliation**. The screen shown on the next page will be displayed:
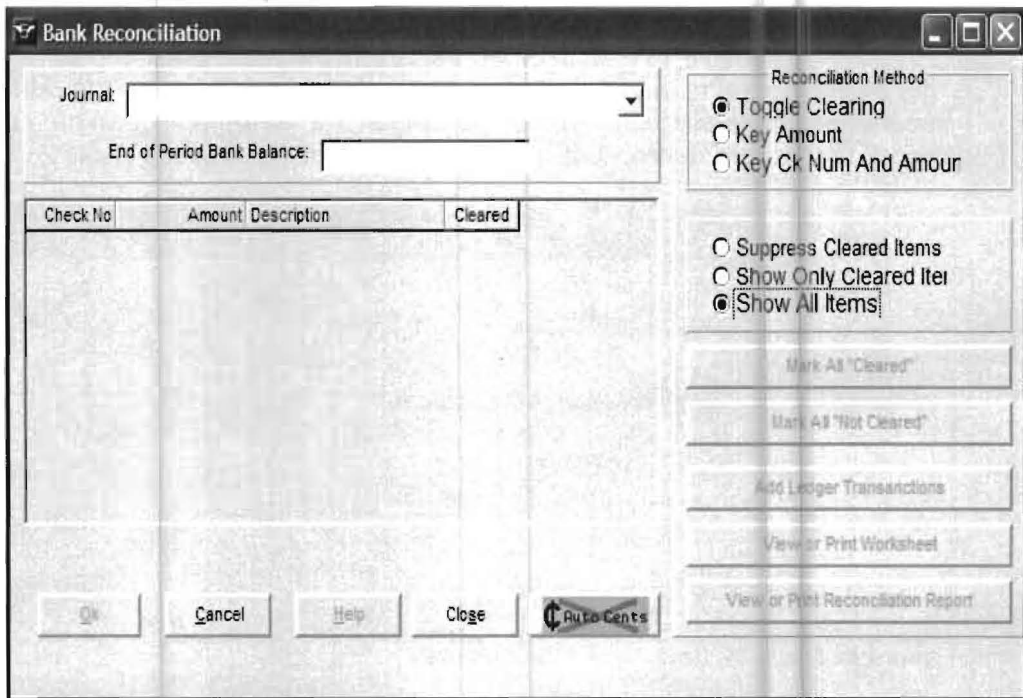
Figure 4-8: The Bank Reconciliation Screen

Use the *drop-list* to the right of the **Journal Field** to select the *journal code* associated with the bank account you want to reconcile. In the case of the *Practice Set* data, first select the **CD** journal. When you press **Enter** to accept the **CD** journal, the checks for the **CD** journal will display. (Not all of the checks may display as the space for the display is limited. Use the scroll bar to the right of the displayed checks to access the remaining checks)

Now the screen on the next page should display as follows:
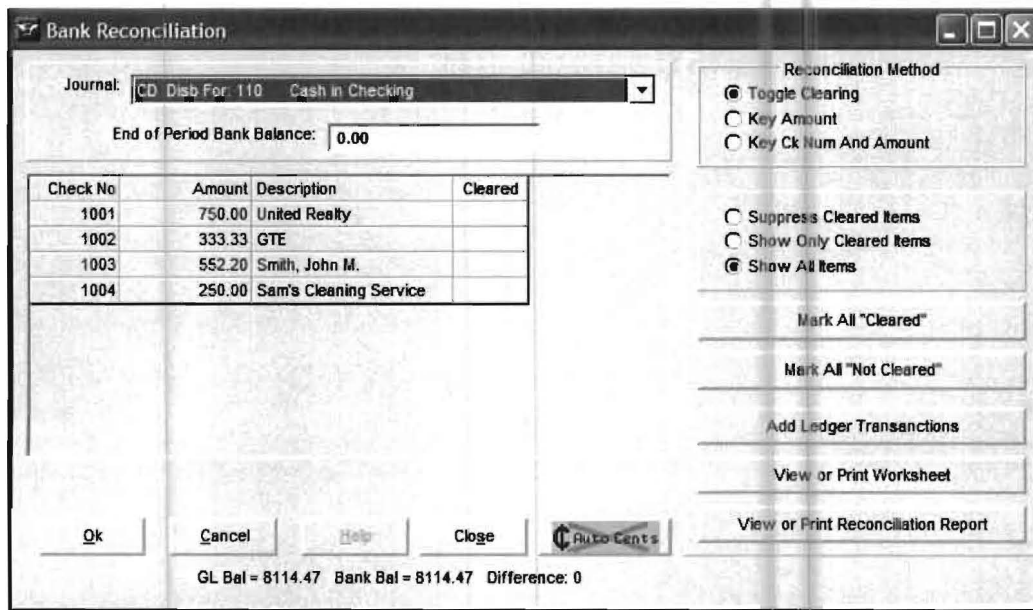
Figure 4-9: Checks for the CD Journal are displayed

The next job is to mark the checks that have cleared. The table below shows which checks have cleared and which have not cleared for the purpose of this exercise:

Check Number	Check Description	Amount	Bank Statement
1000	ABC Electric	307.52	Cleared
1001	United Reality	750.00	Cleared
1002	GTE	333.33	Uncleared
1003	John Smith	552.20	Cleared
1004	Sam's Cleaning Service	250.00	Cleared
Check 1000 reflects an outstanding check from last month that cleared this month. It is not showing on the screen since it was not entered into the Practice Set.			
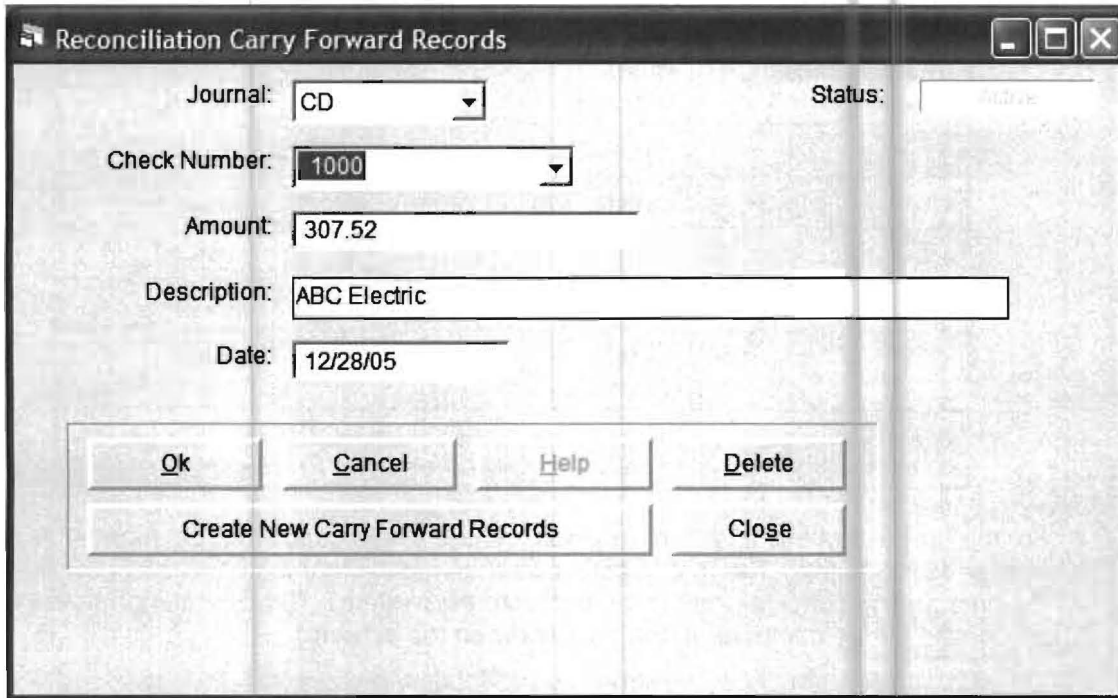
For the purpose of this exercise, assume that the single deposit for the month has also cleared ($10000.00). The first question when trying to clear the checks is, how do you get the outstanding check(s) from last month into the system? (Since that month was not processed on the computer it does not show on the screen.)

To enter this outstanding check, close the **Bank Reconciliation Screen** and click on the **Setup** pull-down menu then **Bank Recon**. You should select the **Edit Carry Forwards** option to enter the outstanding check from last month.

The following screen will display:

Figure 4-10: Edit Carry Forwards Screen

The outstanding check **must** be entered on this screen. First select the *journal code* and then enter the check number, amount, and description. The correct entry would be as follows:

Figure 4-11: Outstanding check #1000 from last month

Once this entry is complete, click the **[OK]** button to accept the screen. **This is the method used to enter outstanding checks or deposits in transit the first time you process this company.** Once all of the outstanding checks for the first period have cleared, the system will automatically generate your carry forward entries each new period.

Now return to the **Bank Reconciliation Screen** by clicking on the **Setup** ↪ **Bank Recon** ↪ **Bank Reconciliation**. The reconciliation screens for the appropriate journals will now show the outstanding checks and deposits in transit. The *Bank Reconciliation* screen will appear as shown on the next page after the entry of check number 1000:
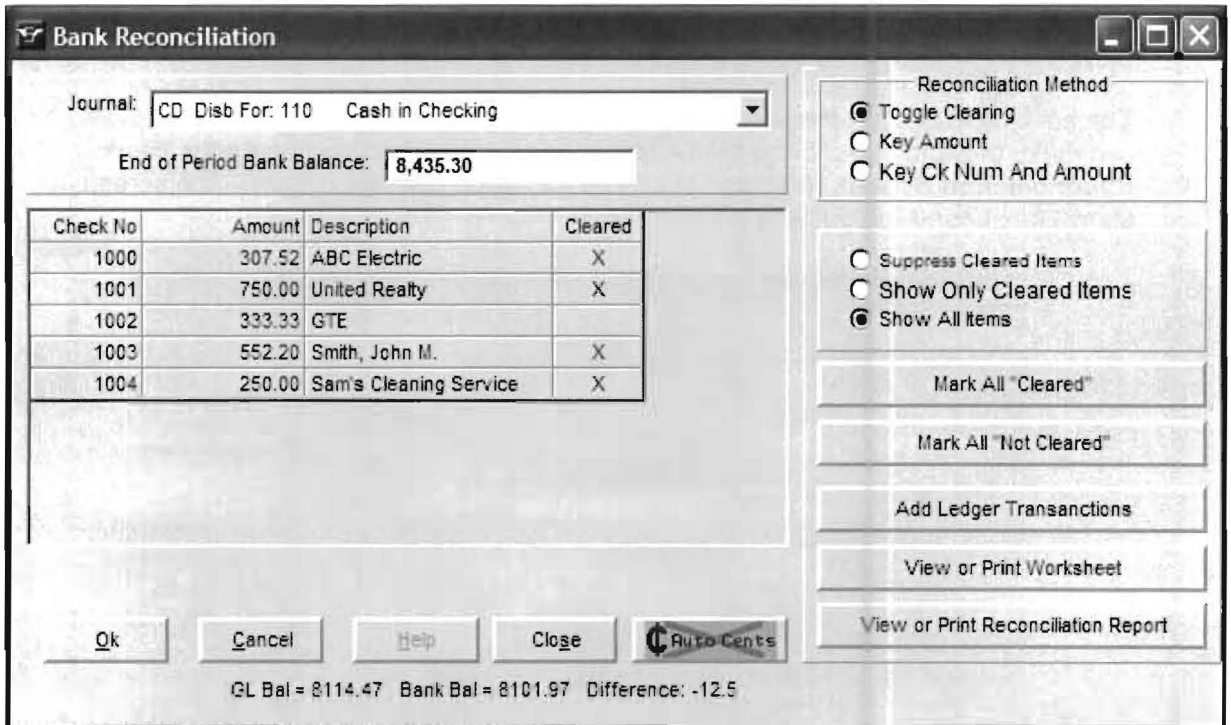
Figure 4-13: Updated Reconciliation CD Journal Screen

Notice that 1000 now appears on the check display. The first step each month is to enter the ending balance from the bank statement. Enter the ending bank balance as it shows on the bank statement in the field labeled **End of Period Bank Balance.** (This amount is 8435.30 for the *Practice Set* data which reflects the actual checkbook balance of $8101.97 plus the uncleared check from this month (1002 - $333.33) minus the service charge of $12.50 which was not entered in the *Practice Set* exercise.)

To mark the checks cleared in the *Bank Reconciliation Feature*, you would most commonly use the **Toggle Clearing** feature which is always enabled by default. With the **Toggle Clearing** *radio button* enabled, position the cursor in the **Cleared** column, to the right of each check, and click to mark the check as cleared. This works well but can be tedious in normal reconciliations because typically a company will write many checks each month and most of them are cleared the following month. The recommended way to use the toggle feature is to mark all of the checks cleared and then unmark those checks that have not cleared. To do this, first click on the **Mark all Cleared** button. This will place an **"X"** next to all the checks, marking them as being cleared. Now click on check 1002 to remove the **"X"**, marking it as being uncleared.

Once this is done click on **OK** to accept your choices. (If you do not accept the screen using the **OK** button, the reconciliation entries that you just made would be lost when you proceed to the next screen.)

You may also mark checks cleared by entering the amounts (**Key Amounts**) or the check numbers and the amounts (**Key Ck Num and Amount**). The benefit of these options is a more accurate check reconciliation, because they will catch errors that the toggle feature will not catch as easily, such as incorrectly numbered checks.

The next step is to reconcile the deposit. Use the **Journal Field** *drop-down* list again and select the **CR** journal. The single deposit of $10000 will display. Mark this item cleared, using the same method you used to mark the checks as being cleared, then click on the **[OK]** button to accept this screen.

The next job is to enter the service charge which was not entered in the *Practice Set*. You can make this entry by clicking the **[Add Ledger Transaction]** button on the **Bank Reconciliation Screen**. A screen similar to the one shown will display. The screen shown has been filled out with the debit entry.

Figure 4-14: Bank Service Charge Debit Entry

We did this by first replacing the default *journal code* shown with a non **CD** or **CR** *journal code*. In this example, we are using **AJE** for the adjustments journal code. To replace the defaulted journal code, click on the **List** button located to the right of the **Journal Code Field** and select the **AJE** journal from the *drop-down* list. Enter the remainder of the information shown on the screen and click the **OK** button to accept the information. The credit entry is shown on the next page, please entered the credit transaction and click the **OK** button to accept the screen.

Note: This is a time saving feature of the system, which allows you to enter bank transactions without leaving the **Bank Reconciliation Screen**. However, you could also enter any bank charges using the **Process Receipts Option** before starting the Bank Reconciliation process.

Figure 4-15: Bank Service Charge Credit Entry

Now that you have just made two entries to reflect a bank service charge, you should realize that there are other entries that will work for a bank service charge and also other entries that will work for other adjustments. **By "correct" entries or entries that will "work", is meant that these adjustments will be recognized and noted by the bank reconciliation program in the category that you designate them.**

There are some important rules about non-check and non-deposit transactions that must be followed in order for the *Bank Reconciliation Feature* to properly categorize them. First of all, any transaction to cash that is not a check or deposit falls under the general category of an adjustment. There are many kinds of adjustments such as service charges, bank drafts, interest charges, etc.

Both the **Reconciliation Work Sheet** and the **Reconciliation Report** can categorize these adjustments for what they are if you follow the general rules below:

1. All adjustments should be entered as **General Ledger** transactions posted to the cash account that they affect. Individual adjustments will only show up on the reconciliations of the cash accounts that they affect.

2. All adjustments should have a *journal code* that is **not** a disbursement or receipt journal code for any *Cash Account*. In the example above, a journal code of **AJE** was used. (If the system will not accept the journal code you enter, enter it using the **Setup** pull-down menu **System**, and **Journal Code**, to enter the new journal code into the system).

3. The **Reference Field** for adjustments may not be **"CKS"** or **"DEP"** which are reserved for summary entries.

There are four different categories of adjustments that the reconciliation program will distinguish on its reports. These four categories are:

1. Bank Drafts
2. Interest Income
3. Service Charges
4. Other Adjustments.

The reconciliation program can categorize these adjustments by using the information you entered into the **Description Field** or **Reference Field**. If you want the *Bank Reconciliation Feature* to recognize one of these adjustments as a particular type of adjustment, then you must enter the adjustment with one of the accepted codes that are shown below for either the **Description** or **Reference**. The listings below shows the **Description Fields Codes** that will identify the transactions category. It is important to note that the **Description Fields must** match the samples exactly to be recognized by the program.

Recognized Description Fields

Bank Drafts

Draft
DRAFT
Bank Draft
BANK DRAFT

Interest Income

Interest
INTEREST
Interest Income
INTEREST INCOME

Service Charges

Service Charge
SERVICE CHARGE
Service Charges
SERVICE CHARGES

Bank Charges
BANK CHARGES
Bank Charge
BANK CHARGE

Note that there are no descriptions listed for the category **Other Adjustments**. This is a catchall category. If a transaction is made to the *Cash Account* and is not a disbursement, receipt or does not fall into one of the three categories shown above, than for purposes of the bank reconciliation program it will be placed in the category of **Other Adjustments**. The listings that follows show the **Reference Fields Codes** that will identify the transactions category. Note that the reference fields must exactly match the samples to be recognizable to the computer program.

Recognized Reference Fields

Bank Drafts
Draft, DRAFT

Interest Income
Int, INT

Service Charges
S/CHG, S/Chg, SVCHG, Svchg, SVC

Remember that matching entries in **either** the **Description** or **Reference Field** will result in adjustments being placed in the above-mentioned categories.

Now that you have entered the service charge with the correct terminology in the **Description** or **Reference Field**, it will appear on the reconciliation reports. There is no need to mark an item that is coded this way as cleared. You may now print the reconciliation worksheet and reconciliation report.

In this exercise, you found that you had to enter the outstanding check using the **Enter Carry Forwards** option. If you had to do this with all outstanding checks or deposits in transit, it would be to time consuming. You do not have to do this once you have entered the initial carry forwards.

As long as you proceed forward in the expected manner, from period to period, the program will maintain the carry forward file for you. It will remove those carry forwards that have cleared, and add receipts and deposits that did not clear.

Occasionally problems may arise when you choose to return to previous periods and reconcile. This makes it much more difficult for the program to know what to do with the carry forward records, and there will be times when the carry forwards may not be accurate. Here is what you can do to correct this situation should it occur: If the problem involves just a few records, then it would be easy to make these changes using the **Edit Carry Forwards Main Screen** (described in detail on page 4-43). If there are many problems, it may be more efficient to use the **Reconciliation Carry Forward Records Screen**, which is accessed by clicking on the **Create New Carry Forward Records** button. This allows the system to regenerate carry forward entries for selected date ranges.

To use this option, you **must not** have any carry forward entries left from the initial setup and processing of the client. (In other words, if you process the client for the first time in June of 2006, and you had several outstanding checks from May of 2006 you cannot use the **Create Carry Forward Records** option until those checks from May of 2006 have **all** cleared. Since they would most likely all clear in June, you could use the automatic carry forward feature when processing in July.)

To use the **Create Carry Forward Records** option select the **Setup** ↪ **Bank Recon** ↪ **Edit Carry Forwards** option and the following screen will display:

Figure 4-16: Edit Carry Forwards Screen

When you previously entered the outstanding check in the *Practice Set* exercise (check 1000), you entered the journal code, check number, amount and the description. You then pressed the **OK** button and were done. This time just click the **[Create New Carry Forward Records]** button, without making any entries. When you do this, the following screen will display:

Reconciliation Carry Forward Records

Date Range For Carry Forward Creation

Journal Code [▼]

Beginning of Range [12/01/05]

Ending of Range [12/31/05]

[OK]   [Cancel]

This is NOT a recommended procedure. It will remove all carry forward records for a given journal code and regenerate records based upon what is found not cleared within the specified date range. There is a significant chance that your Carry Forward file will end up inaccurate and will need to be manually adjusted.

Figure 4-17: The Reconciliation Carry Forward Records Screen.

Now select the **Journal Code** for the outstanding checks from the *drop-list* and select the range of dates for which there are outstanding checks. (The default is the period before the **Current Reporting Period**.) After you do this, select **OK**. When this is done, all the outstanding checks will automatically be placed into the reconciliation system for this period. If there were deposits in transit, you would have to select the journal code for the deposits and the date range again. If there were multiple cash accounts, you would repeat this process for each cash account.

Summarized Steps for Bank Reconciliation

1. If the company has never been setup for bank reconciliation, do so by using the **Setup** pull-down menu, **Accounts**, and **Cash Accounts**. Detailed instructions for this begin on page 4-8 of this section. If there are any new cash accounts that have been added to the Chart of Accounts this period, then also add them using this same option.

2. If you are just beginning to process the client for the first time, see entering **Carry Forward Transactions** beginning on page 4-43 of this section. If you are continuing with a client that you have processed before, the system will automatically generate the carry forward entries. Occasionally you might have to regenerate the carry forward records as described beginning on page 4-43.

3. Enter the **Bank Reconciliation Screen** using either the **Setup** pull-down menu then **Bank Recon** and **Bank Reconciliation** or the **Reports** pull-down menu and then **Bank Reconciliation**. Choose the correct journal, enter the bank balance from the bank statement, and mark the items that have cleared. Make sure that both the disbursements and the deposits have been reconciled. Remember, that you will have to change journal codes to do this. Accept the screen with the **OK** button, otherwise your reconciliation will not take. If you want other adjustments (such as service charges) to show on the reports, follow the instructions on page 4-45 of this section.

4. Run the **Bank Reconciliation Worksheet** and **Report** to be certain that the company is reconciled. These reports are run from the **Reconciliation Screen**. Repeat summarized steps 2-4, above until the company is reconciled and the reports are correct.

   If the reports are not coming out as they should, make sure that you have done the following:

   1. You have correct carry forward items as per step 2.

   2. You have entered the cash amount from the bank statement into the **Bank Reconciliation Screen**. You have used the **OK** button once the items were marked as cleared as per step three.

   3. From the **Reports** pull-down menu, you should select **File Listings**, **Ledger Transactions**, and **Journal Reports**. Your journal reports must be in balance with the correct journal codes assigned to each transaction.

   4. Your adjustment transactions must be in accordance with the rules of pages 4-47 of this section.

System

The **System** menu allows you to access system wide setup options, which are discussed below:

Setup Default Data Directory

This option is found under the **Setup** pull-down menu then **System** and **Setup Default Data Directory**.

This last step in the setup is optional, but for many users it can be very helpful. The option allows you to set, as a default, where the system will look for company data, when you select **Activate Client**.

Default data directories - There are four default data directories you can establish. In the top center section of this screen option are the three radio buttons to select: **Client Write-Up, Computer Checkbook** and **Disclaimer Letters**. A fourth button below these three is for establishing a directory for backups if you will not be using a diskette drive to backup your client data files.

If you have both programs, you can use the same data directory for both programs. This would mean that in the case that you were doing accounting and check writing for the same client ID, you would actually be working on the same data from both programs. You are allowed to have separate directories for each program, as some accounting firms like to keep their check-writing data separate from their accounting data.

You can establish default data directories for the following four program situations:

- Client Write-Up
- Computer Checkbook
- Disclaimer Letters
- Backup/Restore

When you are in either the **Client Write-Up or Computer Checkbook** programs, various system options will look to these default directories as necessary to display the data files. So when you select options like, **"Activate a Client", "Copy a Client Advanced", "Rebuild File List,** etc., the system will display for you the data files in the default data directories.

If you setup a default directory for **Backup/Restore**, instead of using a diskette drive, the system will refer to default data directory when zipping or unzipping data using the option **"Copy a Client Simple"**.

Auto Load Last Client - The tells the program to bring up the program automatically with the last client you were working on when you last exited. We recommend that this box be marked. This is especially nice where you only have one company on the system, because if you have checked this box, then that company will always be active when *Computer Checkbook* is entered.

Backup Client When Activated - If this box is marked, the program makes a copy of a client's data when the client is activated. We recommend that you not mark this box. It will slow you down when activating a client, and it is PC Software's observation that the backup files are almost never used to recover from problem data.

Copy Tables from Default Data Directory - This option allows the copying of certain system setup information from default data directory to the active workstation.

Journal Codes

The option is where you would enter, change or delete system wide **Journal Codes**. Clicking on the **[List]** button will display all the *Journal Codes* with descriptions which have already been setup on the system.

To enter a new **Journal Code** key in up to a three (3) digit *journal code* in the **Journal Code Field** and press **Enter**. The focus will now be in the **Journal Name Field**, so key in the description that you want for this *Journal Code* and press **Enter**. (This description will print on the Journal Report.) Press **Enter** again or click on the **[OK]** button to accept this *Journal Code*.

Calendar Years

This is a system wide option that allows you to setup the related tax table information for FICA, Medicare and state and federal unemployment on a year by year basis. Since this is a system option, once you set up this information, it will apply to all companies that are being processed on the system.

> **FICA -Medicare** - Fields are available to enter percentages and maximum amounts for the Employee's and the Employer's share of FICA, Medicare and the Combined percentages.

> **Unemployment** - For Federal Unemployment, there are fields to enter the percentage and maximum amounts to which the percentages apply. For state unemployment, there are fields for each state and the related maximum amounts.

Tax Tables

In order to calculate taxes properly, the appropriate tax tables that have been legislated by the various government entities must be setup. To save you time and effort, *P.C. Software Accounting* ships the system with the federal and most state withholding tax tables already setup. For the purpose of standardization and to make communication and customer support more efficient, *P.C. Software Accounting* has named these tables. The **Federal Tax Withholding** tables are quite straightforward. There are only two Federal Tax Tables used by the system. They are **FEDS** for federal single and **FEDM** for federal married.

You can see a complete discussion on Tax Tables in **Step 15: Tax Tables** of the **Practice Set**. (Page 2-21)

Note: Make sure that you select the option **Get Updated Tax Tables After Update** to update your tax tables whenever you receive a new update from *P.C. Software Account, Inc.* The option is found under the **Utilities** pull-down then **System Utilities**.

EIC Tables

This option accesses the **Earned Income Credit Table Maintenance Screen**. You can make any necessary corrections to EIC, for single and married employees using this option. If the tables for a year have been previously entered into the system. Click on the **List** button located to the right of the **Year Field** and select the appropriate table from the list.

If a new table needs to be entered. Click on the **Year Field** and enter the year the table is for. Next enable the **Table is for Married** *check box* if the table is for a married person, disable the *check box* is this will be the single person table. Finally enter the appropriate figures in the remaining fields. Once you have everything like you want it click the **OK** button to accept the table.

Note: Make sure that you select the option **Get Updated Tax Tables After Update** to update your EIC tax tables whenever you receive a new update from *P.C. Software Account, Inc.* The option is found under the **Utilities** pull-down then **System Utilities**.

Default PDF Directory

This option can serve as a great substitute for those tons of paper copies of data you keep. The system will allow you to save selected printed reports in a PDF file format. Once in the PDF format, a file can be called up with the **Adobe Acrobat Reader** program.

The PDF Default Directory can be set to the PDF files are saved in a Global folder or select a location specific for each client. In the sample screen above, the global folder is **"C:\pcsw\PDF Files"** and the client specific folder is **"C:\pcsw\PDF Files\PDF 951"**.

When the system saves the PDF files, it does so the following file format:

Client ID_Reporting Period Ending Date_Report or Statement Name.PDF

Here are a few examples:

101_05MAR31_BankRepCompDet.PDF Complete Detail Bank Report for March 31, 2005

101_05JAN31_PRCkReg.PDF   Check Register (PR Only) for January 31, 2005

101_05JAN31_TCReport.PDF   Time Card Report for January 31, 2005

101_05MAR31_Simple PR Sum.PDF   Payroll Summary for March 31, 2004

An ICON, **PDF**, has been added to the Home Screen of the Client Write-Up program to allow you to access the Acrobat Reader . When the Acrobat Reader program comes up, it will leave you in the default PDF folder you have setup.

Cost Centers

The system handles Cost Centers through the Chart of Accounts by assigning accounts a cost center number and using the **Consolidate To** feature in the Chart of Accounts setup.

Cost Center numbers can range from **10** to **98.** So whether you manually enter the accounts or have the system create the cost center accounts, the cost center number will always represent the **fifth** and **sixth** positions of the chart of accounts number scheme. This means that your consolidating accounts can be either three or four digit numbers.

Here are a couple examples of a Cost Center Chart of Accounts.

If we were using **three digit account numbers** for our Consolidating accounts, an account group would look like this:

Acct	Desc	Type	Consol
610	Advertising	Expense	610.30
610.10	Advertising	Expense	
610.20	Advertising	Expense	
610.30	Advertising	Expense	

If we were using **four digit account numbers** for our Consolidating accounts, an account group would look like this:

Acct	Desc	Type	Consol
6110	Advertising	Expense	611030
611010	Advertising	Expense	
611020	Advertising	Expense	
611030	Advertising	Expense	

Cost Center Maintenance

This option allows you to create each cost center with a cost center description and the default accounts for suppressing cents and payroll posting. Cost Center numbers can range from **10** to **98.**

Once you have entered the cost center number and optionally entered the description, there are two tabs to select from to input additional information.

Cent Suppression - If you will be suppressing cents on your financial statements and want to do it for a cost center, enter the account number for rounding.

Payroll Overrides - This screen allows you to establish default account numbers to related **Payroll Transaction Items**, so when you are writing payroll checks, you can assign a cost center number to an employee's payroll check and the system will apply these default accounts entered.

Add Cost Centers

With this option you are going to have the system generate cost center account numbers for a range of accounts for one or more cost centers. If the active client is a non cost center client with existing initial balances and transactions, the system will allow you to pick a cost center which it will transfer all the data from the non cost center accounts to a designated cost center and it's accounts.

The screen has a **Beginning Account** and **Ending Account** number range. There is also a **List** button for each account field, if you need to scan your chart of accounts.

Under the **Cost Centers to Add** section, you can input up to 30 cost centers at a time. The **List** button allows you to display all the cost centers you have setup under the option **Cost Centers**.

NOTE: It is a requirement that you setup a cost center under the option **Cost Centers** before the system will allow you to use this add feature to expand your chart of accounts with cost center account numbers.

The **Model Cost Center (Optional)** field would be used in cases where you had different cost centers with different chart of account schemes. Therefore if you were adding another cost center, you could have the system model the new cost center after an existing cost center. Note that it is an optional feature.

The **Transfer Orphaned Balances & Transactions To** field would be used the first time you were expanding your chart of account from a non cost center client to a cost center client.

List Cost Centers

This feature will display all cost centers which have been setup under the option **Cost Centers**. If you want to select one of the cost centers from the list, either double click on the cost center or single click on the cost center then click on **OK**. If you do not want to select from the list and want to close the list, click on **Cancel**.

Delete Cost Center

This option will allow you to delete one cost center at a time, as long as there is one cost center remaining. This requirement exist so the system can have a cost center to receive the balances and transactions.

If your purpose is to delete all cost center and return to a non cost center client, you would delete all cost center till there was one cost center remaining. Then you would select the option **Consolidate Chart to be Non-Cost Center** to complete the transition back.

NOTE: If a cost center is deleted, it can be regenerated as a new cost center with no balances and/or transactions. This could be very helpful if you are using the system for job costing. A discussion on that topic can be found on the following pages, titled **Job Costing**.

In the option screen you have fields to enter a cost center number under **Center to Delete** and **Transfer Balances To**. There is a **List** button for each field so you can scan for the cost center you want to select for the field.

Consolidate Chart to be Non-Cost Center

The purpose of this function is to allow you to take a cost center client, with all the balances and transactions consolidated into one cost center, and convert the data back into a client with a conventional chart of accounts.

Consolidating the balances and transactions from multiple cost centers into one cost center is accomplished by using the **Delete Cost Centers** function.

When this option is selected, the following warning will be displayed:

> **Warning! Data should be backed up to tape or diskette before utilizing this function.**

This warning should be taken very serious. If you were to proceed with this function and there were some computer malfunction, the data files could easily be corrupted.

Your options are either to click on **OK** to proceed with the consolidation or click on **Close** to abandon the function.

Cost Center Setup - New Client

Now let us take you through the steps of setting up a new client with cost centers. The assumption here is that you are setting up a brand new client.

1. Select **Company/Options** from the **Company** Setup Option on the **Setup Menu** and check the button box **"Using Cost Centers/Departments"**.

2. Create a base chart of accounts, meaning a chart without the cost center accounts. This would be a chart with only heading and consolidating accounts. Here is a sample:

Acct	Desc	Level	Consol
400	Income	1	
410	Restaurant	5	
420	Bar	5	
430	Catering	5	

3. Select **Cost Centers Maintenance** from the **Setup/Cost Center Menu**. Here you will tell the system about the information relating to each cost center.

4. We are now ready to have the system expand the chart of accounts so it will include the cost center accounts. Select **Add Cost Centers** from Setup/Cost Center/Expand Shrink Chart for Cost Centers. After completing this step our sample chart from above would look like this:

Acct	Desc	Level	Consol
400	Income	1	
410	Restaurant	5	410.20
410.10	Restaurant	5	
410.20	Restaurant	5	
420	Bar	5	420.20
420.10	Bar	5	
420.20	Bar	5	
430	Catering	5	430.20
430.10	Catering	5	
430.20	Catering	5	

Cost Center Setup - Existing Client

The assumption here is that you want to take an existing client which has **no cost centers** and convert or expand it to a client with cost center capabilities. So the portion of our chart below has accounts 410 through 430 as postable accounts with activity for the year.

Acct	Desc	Level	Consol
400	Income	1	
410	Restaurant	5	
420	Bar	5	
430	Catering	5	

1. Select **Company Options** from the **Company** setup option on the **Setup Menu** and check the button box **"Using Cost Centers/Departments"**.

2. Select **Cost Centers Maintenenace** from the **Setup/Cost Center Menu**. Here you will tell the system about the information relating to each cost center.

3. We are now ready to have the system take our accounts with activity and switch all that information to accounts under a cost center number. We can at the same time expand our chart to include any other cost centers we want to create. To accomplish this we will select **Add Cost Centers** from Setup/Cost Center/Expand Shrink Chart for Cost Centers. After completing this step our sample chart from above would look like this, with cost center 10 containing all the activity as before when they were non cost center accounts:

Acct	Desc	Level	Consol
400	Income	1	
410	Restaurant	5	410.20
410.10	Restaurant	5	
410.20	Restaurant	5	
420	Bar	5	420.20
420.10	Bar	5	

420.20	Bar	5	
430	Catering	5	430.20
430.10	Catering	5	
430.20	Catering	5	

Other Printers

Check Writing Printer

This option is used to assign a specific printer as the printer for printing checks.

Deposit Slip Printer

This option is used to assign a specific printer as the printer for printing deposit slips.

NOTE: All other printing will be directed to the printer setup under the menu option: **File/Select Printer (Default).**

Mail Labels Printer

This option is used to assign a specific printer to print mail labels.

Invoice Printer

This option is used to assign a specific printer to print invoices. (This is only valid if you have the **Accounts Receivable** advanced option enabled.)

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Chapter 5

Checks & Receipts

This chapter discusses the various **Checks and Receipts** options found in the *Computer Checkbook System.*

Checks & Receipts Pull-Down Menu

The options listed under the **Checks & Receipts** pull-down menu are discussed below:

Write Vendor Checks

This option allows you to input the information that is needed to print vendor checks. You can access this option by either clicking on the **Checks & Receipts** pull-down menu then **Write Vendor Checks** or by clicking on the **Enter Vendor Checks Icon** shown to the left. You should be aware of the following automatic features of this option.

1. The system will use the computer's date in the **Date Field**.

2. If there is only one bank account setup, the system will automatically input that account in the **Cash Account Field** and place the next available check number in the **Check Number Field**.

3. Once the *Cash Account* has been entered, the system will display the *journal code* and current bank account balance for that account.

4. As dollar amounts are entered, the **Remaining Balance Field** will display the difference between the check amount and the distribution amounts. **The check can not be printed until the remaining balance is zero**.

Below is a list of the fields that are displayed on this screen:

- Cash Account
- Check Number
- Vendor ID
- Check Date
- Check Amount
- Memo
- Account Distribution Section
- Date for New Checks
- Manual Checks
- Control Buttons and Check Boxes

Cash Account

The *Cash Account* is an account from the Chart of Accounts that has been designated by the user to represent one of the company's bank accounts. The **List** button next to the **Cash Account Field** will display a list of the *Cash Accounts* that have been previously setup by the user.

Note: At least **one** *Cash Account* must be setup before you can use this option.

Cash Accounts are setup by clicking on the **Setup** pull-down menu then **Accounts** and **Cash Accounts**.

Check Number

Once a *Cash Account* has been selected, the **Check Number Field** will automatically display the next available check number to print for that bank account.

If you need to recall a check, simply enter the desired check number or click on the **List** button to the right of the **Check Number Field** and select the check from the list and the check information will be displayed.

Note: The list feature will only list Vendor Checks. Because not all checks written from this bank account will be listed, the check numbers may not be in order. (i.e. Check 1000-1004 are vendor checks, 1005-1013 are payroll checks and 1014 is a vendor check. This list will only show checks 1000-1004 and 1014.)

Vendor ID

This field is used to call up the desired vendor. To call up a vendor, you can either enter their **Vendor ID Number**, the first few letters of the vendor name, or one of the **Look Up Codes** that were entered on the **Vendor File Maintenance Screen** for the desired vendor.

You can also click on the **List** button located next to the **Vendor ID Field** and select a vendor from the resulting list.

There is an important feature on this screen you should be aware of, and that is the **Temp** button. This feature allows you to enter a one time Vendor name and address. This information will appear on the vendor check but will not be stored in the Vendor Data File. Click on the **Temp** button to bring up the **Enter Temporary Vendor Name & Address Screen**. Then enter the information you want to appear on the vendor check and click **Ok**. The name and address that you entered will appear in the fields below the **Vendor ID Field**.

Check Date

Based on the assumption that the check you are about to print should have the current date; the system will automatically place the computer's date in this field. The user may change this date if necessary. But the date must be within the current reporting period.

Check Amount

This field allows you to enter the total dollar amount of the check.

If you do not know what the amount of the check is going to be because you are going to pay a batch of invoices, the **Check Amount Field** can be skipped. Enable the **Calc Bal** *check box* by clicking on it. A check mark will then appear in the box. Now as you enter the distributions for the check , the system will display the running balance in the **Check Amount Field**. After all the invoices have been entered, check the validity of the check amount and if correct write the check.

Memo

The **Memo Field** is used to input information that you want to print on the check and stub. Usually this would be something like a customer account number.

If you would like to save the entry in the **Memo Field** so it will display on the screen and print on the check in the future, enable the **Save Memo** *check box* and the system will save the memo.

Note: You can add, delete or change saved memos by clicking on the **Setup** pull-down menu and the **Vendor** option. Look for the **Memo Field** on the **Vendor File Maintenance Screen**. This field holds the saved memo description.

Account Distribution Section

This section is used to post or distribute all or part of a vendor check, to selected accounts and allows flexibility in descriptive entry.

This section contains the following fields:

Account Number - The account number can be any account already setup in the company's Chart of Accounts. You can either key in a valid account number and press **Enter** or click on the **List** button located at the bottom on the Account Section and select an account from the list.

Account Description - This field will automatically display the account description setup in the Chart of Accounts. This feature allows you to determine if you have the right account. You may override this description if desire, with information such as an invoice number. You have different options as to what you may print on the check stub. These options are setup using the **Setup** pull-down menu then **Company** and the **Options/2 TAB**. Press **Enter** to bypass this field and proceed to the **Amount Field**.

Amount - In this field, you should enter the amount for each posting or distribution.

Note: If you had setup an *Account Number* and a *Fixed Amount* for the Vendor under **Vendor File Maintenance (Setup, Vendor),** then the Account Number and Amount Fields will be automatically filled in by the system when you select this vendor. You can override both these numbers if desired.

Date for New Checks

Upon entering the **Write Vendor Checks Screen,** the computer's date will appear in this field. The system will use this date for the check date and display it in **Check Date Field**.

This field can be very helpful if you have to record a group of manually written checks that have a date different than today's date. If you enter a different date in this field, the system will use that date for the check date for all checks to be recorded until changed.

Note: Once you leave the option the date will revert back to the computer's date. So if you changed the date and left this option and then came right back into it, you would have to again change the date as the computer's date will be displayed again.

Manual Checks

Not all checks will be written on the computer. You may need to record checks written before this system was put into use or a check may be taken off site to pay for items away from the business.

These checks still need to be recorded into the system, so make your normal check entries and then enable the **Check has already been written manually** *check box*. Note, that when you now click the **Write Check** button to record the check, nothing will print.

Control Buttons

At the bottom of the **Write Vendor Checks Screen** is a series of *Control Buttons*. Below is brief discussion of each button:

Write Check - Once all vendor check information is complete, clicking on this button will send a print command to the selected printer to print the check and record the check as a transaction.

Cancel - Clicking on this button will remove or clear any check information from all fields and return the cursor to the **Cash Account Field**. If the information is for a new check (not previously recorded), that data will not be saved. If the information is for an **Active** check (previously recorded check), the system will retain the original information.

Close - Clicking on this button will close the **Write Vendor Checks Screen** and return you to the **Home Screen**. If information for a new check (not previously recorded) had been entered, that data will not be saved. If the information is for an **Active** check (previously recorded check), the system will retain the original information.

Additional Description Button - Clicking on this button will cause a pop-up window to appear. This window is designed to allow the user to input additional descriptive information for each distribution on a vendor check, which in turn will be transferred over to the *PC Software Accounting Client Write-Up program* as an additional transaction description.

Help - Clicking on this button will display the **Write Vendor Checks Help Topic**. That topic discusses the write vendor check screen and the related fields of entry.

Void Check - Clicking on this button will cause the currently displayed check to be voided.

Note: A voided check will remain in the system but all distributions comprising the check will be zeroed (0).

Print Blank Check - This button is used in conjunction with the MICR check printing option for people printing to blank stock checks. This feature will print enough information on a blank stock check so the check can be written manually. You should enter the check number to be printed on the blank stock check and have entered through the date field to the vendor ID field. Then click on this button to print a useable check. After the check has been manually written, the check will need to be recorded as would any manually written check.

Auto Cents - When the Auto Cents is activated, dollar amounts may be entered without having to enter a decimal point to separate the dollars and cents. This feature can be turned on or off by clicking on this button. Auto Cents can be activated as the default by checking the box **Auto Cents** from the Options tab screen in the **Setup/Company** option.

Thus with the Auto Cents activated, a dollar amount like $1,098.23 would be entered as 109823. A dollar amount like $1,000.00 would be entered as 100000.

Invoices

If you are using the Advanced Options feature of **Accounts Payable**, here is an alternate method of paying invoices. This method of paying invoices will allow you to enter the vendor you want to write the check for and the selected pre-entered invoices you want to pay that vendor.

Once in the **Write Vendor Checks** screen, call up the vendor as if you were going to write a normal check for that vendor. At this point, click on the button to the right of the Vendor ID field labeled **Invoices**. The system will present a screen displaying all open and/or selected invoices for this vendor. Now make the selections for the invoices to be paid and click on the OK button. The system will bring forward these selected invoices into the account distribution section. The check is ready to now print if you so desire.

Write Payroll Checks

This option allows you to input the information that is needed to calculate and print payroll checks. You can access this option by either clicking on the **Checks & Receipts** pull-down menu then the **Write Payroll Checks** option or by clicking on the **Enter Payroll Check Icon** shown to the left.

Note: When an employee is called up, the system only displays the payroll items that have been setup for that employee.

You should be aware of the following automatic features of this option.

1. The system will use the computer's date in the **Date Field**.

2. If there is only one bank account setup, the system will automatically input that account in the **Cash Account Field** and place the next available check number in the **Check Number Field**.

    If you have more then one cash account setup the system will prompt you for the account you will be writing checks out of when you access this option.

3. As dollar amounts are entered, the **Net Amount Field** will display the difference between the gross wages or additions and the deductions.

Below is a list of the fields that are displayed on this screen:

- Transaction Number
- Current
- Check Number
- Employee ID
- Date
- Center
- Unemployment State
- Additions
- Deductions
- Notations
- Employee Paid Items
- Net Account
- Net Amount
- Copies
- Control Buttons & Check Boxes

Transaction Number

The **Transaction Number** is a unique number that the system automatically assigns to each new payroll transaction. This number should not be changed when entering a new payroll transaction. You can use this field to recall a previously printed payroll check, if you know its transaction number or you can click on the **[List]** button to search for the check to be recalled. You may also search by employee by clicking on the **Employee TAB** after clicking on **List**.

Current

The **Current** *check box* tells the system in what period the payroll transaction can be entered or changed. If this box is checked, then only payroll transactions for the **Current Reporting Period** can be entered or changed. If the box is unchecked, then payroll transactions from pervious periods can be accessed and changed.

Check Number

The **Check Number Field** will automatically display the next available check number for the *Cash Account* that you selected. If this check number is incorrect, it should be changed to the correct check number.

If you need to recall a payroll check, use the **Transaction Number Field** to enter a known *transaction number* or use the **List** button located right next to the **Transaction Number Field** to search for the check.

Employee ID

Enter the employee's ID number in this field, the first part of the employee's last name or the **Look Up Code** that was entered for this employee in employee setup. You could also click on the **List** button and select the employee from the list of company employees.

Note: The system uses the **Last Name Field** in the **Employee Setup Screen** when searching for employees. (i.e. If you typed a **SMI** in the **Employee ID Field** and pressed **Enter**, the system would bring up a list of every employee who's last name started with SMI and if only one employee was found it would automatically select that employee) You may also enter something like the first or a nickname in the **Look Up Field** on the **Employee Setup Screen,** then that information can also be used to call up the employee.

Check Date

Based on the assumption that the check(s) you are about to print should have the current date, the system will automatically place the computer's date in this field.

If for some reason this date needs to be changed, it can be over written by the user, by either keying in the date or by using the *spin buttons* located at the end of the **Date Field**.

Center

This field allows the user to distribute, for general ledger purposes, the individual payroll items to various cost center (departments) accounts. If you need to do this either enter the proper *Center Code* or click on the **List** button located to right of **Center Code Field** and select the *Center Code* from the list.

Note: A default cost center can be assigned in employee setup. You can override the default center and enter any cost center number for an individual payroll check.

Unemployment State

During employee setup, the employee will be assigned a state for unemployment purposes and that state code will appear in this field.

Note: The state code can be changed to another state code if necessary for this transaction.

Additions

The system is only going to display the payroll addition items that have been setup during employee setup for this employee.

Additions represent items that add to or increase the total of the payroll check. Usually the only addition will be gross wages subject to income tax.

Deductions

The system is only going to display the payroll deduction items that have been setup during employee setup for this employee.

Deductions represent items that subtract from or decrease the total of the payroll check. Usually deductions are items like federal income tax withholding, FICA, Medicare, state tax withholding, health insurance, 401K, etc.

Note: If the employee receives a nontaxable reimbursement, such as travel expenses reimbursement, for check stub purposes it may be better to setup the reimbursement as a deduction and record the dollar amount as a negative(-) amount.

Notations

Notations are usually one of two things:

1. A *Notation* may be an item that has an indirect effect on the payroll check. An example would be employee tips which is needed to calculate the correct taxes and also must be tracked for payroll reports.

2. A *Notation* may also be an item that has no effect on the payroll check. An example would be sick or vacation days.

Note: Tips(Check) is an addition item. Usually it is payment for tips made on a credit cards.

Tips(Cash) is a notation item. These are tips that the employee reports, which they received in cash.

Employee Paid Items

These are items that have no effect on the payroll check, but may need to be recorded as a general ledger entry. Such items may be matching 401K contributions, officer life insurance, etc.

Net Account

This field represents the bank or *Cash Account* that this check will be drawn on. The *Cash Account* is entered by the user on the first screen that appears after selecting to print payroll checks.

Note: This field should not have to be overridden, but can if need be.

Net Amount

As dollar amounts are entered, the **Net Amount Field** will display the difference between the gross wages or additions and the deductions.

Note: This field should not be overridden, rather if it is incorrect, something else on the check should be corrected.

Copies

This field defaults to one (1) as the number of copies of a check that print, which usually means that the original check only prints. The number that is inserted will determine how many times the check will print. You will need to properly insert additional sheets of paper between the checks, if you are printing one or more copies of the original check.

Control Buttons

At the bottom of the **Write Payroll Checks Screen** is a series of *Control Buttons*. Below is brief discussion of each button:

Write Check - Once all payroll check information is entered, clicking on this button will sent a print command to the selected printer to print the check and record the check as a transaction.

Cancel - Clicking on this button will remove or clear any check information from all fields and return the *focus* to the **Transaction Number Field**. If the information was for a new payroll transaction, that data will not be saved. If the information was for an **Active** check (a previously recorded check), the system will retain the original information.

Void Check - Clicking on this button will cause the currently displayed check to be voided.

Note: A voided check will remain on the system but all payroll items comprising the check will be zeroed (0).

Close - Clicking on this button will close the **Write Payroll Checks Screen** and return you to the **Home Screen**.

Help - Clicking on this button will display the **Write Payroll Checks Help Topic**. That topic discusses the write payroll check screen and the related fields of entry.

List - Clicking on this button will access the Print Payroll Transactions option.

Remove - Clicking on this button will remove the payroll transaction totally from the system as opposed to voiding it, which will zero the check but will leave the check number on the system. The most common reason to remove a payroll check is that it was supposed to be written as a vendor check. Remember, each option can only list the type of check it has written. (i.e. Vendor checks from Vendor Check Writing and payroll checks from Payroll Check Writing)

Auto Cents - The Auto Cents feature affects how you enter dollar amounts. If it is off, you must enter the amounts with a decimal point. If it is on, the system will assume two decimal places for any amount entered. This feature can be turned on or off by clicking on this button. Auto Cents can be activated as the default by checking the box **Auto Cents** from the Options tab screen in the **Setup/Company** option.

Recalculate Check - Clicking this button will cause the system to recalculate the taxes for the check. If you change a gross amount it is recommended that you click on this button.

Memo – Check/Stub

The two long field near the top of the **Payroll Transaction Screen** are the **Memo Fields**. Any thing you put in this field will print on the memo portion of the check or stub

Note: If you would like to save the memo message for the employee, there two check boxes at the bottom of the screen labeled "Save Check(Stub) Memo by Employee" that can be selectively marked.

Check Boxes

There are multiple *check boxes* displayed on the **Payroll Transaction Screen**. Here is discussion for each.

Check Has Already Been Written - Enable this *check box* if the check you are entering has already been written (i.e. by hand, before you started the system, etc). Then when you click on the **Write Check** button the system will record the check but nothing will print.

Make Std Check - Enable this *check box* and when you click on the **Write Check** button the system will record the check and also record this check as the **Standard Check** for this employee. You could then view, change or remove this **Standard Check** by clicking on the **Employee File Maintenance Icon** shown to the left and going to the **Standard Check Screen**.

Caution: The **Make Std Check** box, once marked, will remained marked until you either unmark it or reenter this Payroll Transaction option screen. Therefore if the next employee to receive a check is an hourly employee, the system will save their pay check information as standard amounts for the future.

Print Note on Check Stub – This note feature will allow a universal message to be printed on the bottom of each payroll check stub if the box is checked. The setup of the message is entered in the option "Setup/Company/ Chk Writing Name & Adrs".

Override Payroll Item Amounts - There may be times when it is necessary to override certain payroll items that the system has calculated or are standard check amounts. Check the box and the system will allow override input. Some examples of overrides could be an employee with standard amounts for certain payroll items that need to changed for this one check or where prior payroll data is being entered into the system.

Journal Entries

While this is an important option it **should not be used** for the everyday entry of transactions. This option should only be used to enter **non-bank** related transactions or to correct problems in existing transactions. This mode of transaction entry is most practical where you are entering a series or group of transactions which will have the same *Journal Code* and *Reference Number*. One of the big advantages is that the screen displays seven (7) transactions at a time and if more entries are made, it will scroll continually till the last transaction is entered. A total of the debit and credits, plus the difference between the total debits and the total credits is displayed.

If any transaction in the group needs to be corrected or updated, the **Journal Code** and **Reference Number** can be reentered and the first seven (7) transactions will reappear.

Journal Code

The **Journal Code** is selected using the *drop-down* list of available *journal codes*, which were previously entered into the system file using the **Setup** pull-down menu then **System** and **Journal Codes**.

Reference Number

The **Reference Number** may be up to eight (8) characters long and may contain both alphabetic and numeric information. The *Reference Number* you enter will be used for all entries on the screen. If you want to change the number you will have to start a whole new journal entry.

Date

This is the transaction date. The date automatically defaults to the ending date of the current reporting period. This date can be changed by using the *spin button* located at the end of this field.

Account

This is where you would enter the account number for this transaction. You can either type in the number or click on the **List** button and select if from the list.

Account Description

This is the accounts description found in the Chart of Accounts.

Debit-Credit Fields

If the amount is a debit to this account enter it into the **Debit Field**, if it is a credit to the account enter it into the **Credit Field**.

Ledger Transaction Description

This is a 40 character field used to describe the current transaction, such as the check payee.

Note: The system has a nice time saving feature. In situations where transactions repeat the same description, like a check with multi-distributions, rather than keying in the same description again and again, just key in a period (.) in the **Description Field** and the system will duplicate the description from the prior transaction.

Memo

This is where you can enter a memo concerning this transaction.

Date Range

The **Date Range** will default to the **Current Reporting Period** that you have selected. The system limits you to entering transactions with a date falling within this date range. This protects you from inadvertently entering a transaction with an incorrect date. This range may be changed if desired.

Auto Cents

When the **Auto Cents** option button is activated, dollar amounts maybe entered without having to enter a decimal point to separate the dollars and cents.

Thus with the **Auto Cents** activated, a dollar amount like $1,098.23 would be entered as 109823. A dollar amount like $1,000.00 would be entered as 100000.

Setting Up a Beginning Bank Balance

Setting up your beginning bank balance can be accomplished by entering either a deposit or by entering a journal entry for the amount of the beginning balance.

Here are a couple things to consider when making this entry for the beginning bank balance:

1. The date on the entry should be prior to the first date period that you will start or that you will be transferring to the accountant. For example if you were starting the system as of January 1, 2006, you would usually date the entry December 31, 2005.

2. When making the off set entry for the dollar amount of the beginning bank amount, you need to post to an account other than the *Cash Account*. In other words, if you were to do a journal entry and use the cash account for both sides of the entry, the net of the entry would be zero ($0) and your bank balance would be incorrect.

Receipts

This screen allows you to input the information that is needed to print or record a bank deposit and also to record other miscellaneous bank transactions. It should be noted that the system will bring forward and display information as you input data.

To access this option either click on the **Checks & Receipts** pull-down menu then **Receipts** or click on the **Process Receipts Icon**.

There are several things you should be aware of concerning this option:

- The system will automatically place the computer's date in the **Date Field**.

- If there is only one bank account setup, the system will automatically input that account in the **Cash Account Field**.

- Once the *Cash Account* has been entered, the system will display the *journal code*.

- As dollar amounts are entered, the **Remaining Balance Field** will display the difference between the transaction amount and the distribution amounts. A deposit can not be printed or a transaction recorded until the remaining balance is zero.

On the next page is a list of the fields that are displayed on this screen:

- Entry - New & Update
- Sequence
- Type
- Cash Account
- Journal Code
- Description
- Date
- Amount
- Distribution Section
- Receipts - Control Buttons & Check Boxes

Note: When recording a deposit, the system can handle *Coins & Currency*. (See page 5-17)

Entry

The system will default to **New** when you first access this option. If you need to change an existing receipt enable the **Update** *radio button*.

Sequence

The system will assign its own **Sequence Number** to each new receipt's transaction. To recall a previously recorded receipt's transaction, first enable the **Update** *radio button*. The **Sequence Field** will now display, you can then key in the **Sequence Number** if it is known or click on the **List** button and select the receipt from the list.

Type

As the field implies this is where you mark what type of transaction this is. Simply enable the proper **Type** *radio button* by clicking on it. The sign after the type indicates how the transaction will affect the bank account balance. A (+) sign means the transaction will increase the bank balance and a (-) will reduce it.

Deposit (+) - A deposit can be recorded as a total of all items or each item can be input individually so that an actual deposit slip can be printed by the system.

Transfer (-) - A transfer between two bank accounts can be recorded, using this type transaction. The **Transfer Amount Field** will reduce the *Cash Account* and the **Distribution Amount Field** will increase the bank account listed in the **Distribution Account Field**. This type can also be used to record other transactions, such as automatic bank payments.

Return Fee (-) - A transaction recorded under this type will reduce the *Cash Account* and is usually used to record a charge from the bank for a returned check.

Purchase Checks (-) - This transaction records the bank charge for the cost of checks or deposit slips. The transaction reduces the *Cash Account*.

Return Deposit (Bad Check) (-) - Use this type transaction to record a check that was returned by the bank. The transaction reduces the *Cash Account*.

Interest (+) - This transaction records interest earned on the bank account. The transaction increases the *Cash Account*.

Service Charge (-) - This transaction records any charges on the bank account. The transaction reduces the *Cash Account*.

Misc (-/+) - This type can be used for any other transaction. To increase the *Cash Account*, both sides of entry must be positive numbers (+). To decrease the *Cash Account*, both sides of the entry must be negative numbers (-).

ATM Withdrawal (-) - This transaction type is used to record any ATM Withdrawal. The transaction reduces the *Cash Account*.

Cash Account

This field will display the *Cash Account* that this transaction will be using. If you have only one *Cash Account* the system will default to that account number. If you have more than one *Cash Account* the last account you were working with will be displayed. The **List** button located to the right of this field can to used to change *Cash Accounts*.

Journal Code

This is the **Journal Code** associated with this transaction. The *Journal Code* defaults to the **Receipts Journal Code** setup for the *Cash Account* under the **Cash Account Entry** option. (**Setup, Accounts** and **Cash Accounts**)

You can override this *Journal Code* if need be. But usually you would want any transaction entered to show up under the default journal.

Description

An automatic description will be generated for the transaction. If you wish you may input a description of your own to better describe this transaction.

In addition to this description, you also have a **Description Field** for each distribution item of the transaction.

Date

The system will automatically place the computer's date in this field. If for some reason this date needs to be changed, it can be over written by the user.

Amount

In this field you would enter the **total dollar amount** of the deposit that is to be printed or the total dollar amount of the transaction to be recorded.

If you are recording a deposit and you don't know what the total amount of the deposit is, (i.e. You are entering a large group of checks), the deposit amount field can be skipped. Enable the **Calc Bal** *check box* and the system will keep a running total of the deposit in the **Amount Field**. Once the last check is entered, the **Amount Field** will hold the **total amount** of the deposit. Make sure you press the **Enter** key after you have entered the last check of the deposit, otherwise your total will be incorrect.

Distribution Section

The **Distribution** Section of the screen as a default contains three (3) fields, (**Account, Description** and **Amount**), which detail the transaction.

Note: If you are actually printing deposit slips and/or recording individual checks, you have the option of adding a fourth field (**Check Number**). This would allow you to record the check number for each check deposited. This feature is activated by checking the box **Show Check Number on Receipts** in the option **"Setup/Company/Chk Writing Name & Adrs"**.

Account - When recording receipt transactions the system needs to know where you will be posting or distributing the amounts for accounting purposes. This is where you enter the *Distribution Account* for this transaction. (i.e. Sales, Interest Income, Other Income, etc)

Either key in the account number or click on the **List** button located at the bottom of the *Distribution Section* and select the account from the list.

Description - This field should describe the nature of the distribution for this transaction.

If recording a deposit, it is typically the name of the company or person whose check you are depositing. If the deposit is being printed, the system will use this description to print on the deposit slip. For a returned check, it may be the name of the company or person whose check was returned to you. For a transfer transaction, it may be the purpose of the transfer you made.

Amount - For each distribution, enter the dollar amount of that distribution.

Negative(-) amounts can be used, such as the withdrawal of cash as part of a deposit.

Coins & Currency Amounts - When recording a deposit, it may be necessary to deposit coins and currency. Below are the procedures.

For currency, enter a dollar sign **("$")** into the Distribution Description field. In the distribution window, which appears, enter the accounts and amounts for distribution of the currency which you are depositing. If currency is being distributed to more than one account, use the "$" sign for each distribution entry. The system will total all entries with a "$" sign when a deposit slip is printed. You may also add additional descriptions after the "$" sign to indicate information about the monies deposited.

In the next Distribution Description field, enter **"COIN"** in the Distribution Description field to record coins to be deposited. The same feature apply to coins as did entering currency. In the distribution window, which appears, enter the accounts and amounts for distribution of the coins, which you are depositing. When this window closes, the system will place the cursor in the next Distribution Description field.

Control Buttons

At the bottom of the **Receipts Screen** is a series of *Control Buttons*. Below is brief discussion of each button:

OK - Once all transaction information is complete, clicking on this button will **record** (save) the transaction.

Print Deposit Slip - Once all deposit information is complete, clicking this button will sent a print command to the selected printer to **print** the deposit slip and **record** the deposit as a transaction. On the next page is more information regarding printing deposit slips.

Delete - Clicking on this button will cause the currently displayed transaction to be deleted, removing any reference to the transaction from the system.

Help - Clicking on this button will display the **Receipts - Deposits/Charges/Misc Entry Help Topic**. That topic discusses the receipts screen and the related fields of entry.

Cancel - Clicking on this button will remove or clear any check information from the fields and return the cursor to the **Cash Account Field**. If the information is new, that data will not be saved. If the information is for an Active Receipt (previously entered and recorded), the system will retain the original information.

Close - Clicking on this button will close the **Receipts Entry Screen** and return you to the **Home Screen**.

Note: If you have entered a transaction but have not recorded it by clicking either the **OK** or **Print Deposit Slip** buttons and you then click the **Close** button, the system will **Cancel** the transaction and then **Close** the screen. Thus the transaction will not be recorded.

Separate Descriptions - This button is only used if you want to separate a combined description. (i.e. you have entered the same description for two or more deposit items in a row.) If this is not what you want, use this button to separate the descriptions and enter the descriptions you want.

Auto Cents - When the Auto Cents is activated, dollar amounts may be entered without having to enter a decimal point to separate the dollars and cents. This feature can be turned on or off by clicking on this button. Auto Cents can be activated as the default by checking the box **Auto Cents** from the Options tab screen in the **Setup/Company** option.

Thus with the Auto Cents activated, a dollar amount like $1,098.23 would be entered as 109823. A dollar amount like $1,000.00 would be entered as 100000.

Print Deposit Slips

The system can generate deposit slips that are acceptable to any bank. You would need to order the deposit slips, because they need to be the proper paper weight, pre-perfed to separate the actual deposit slip from the record copy and to have the bank routing and account number MICR encoded. If you were using the MICR option to print deposit slips, you still need to order deposit slips. You just would not have the bank routing and account number imprinted.

As part of the setup for printing deposit slips, the **Company Name** and **Bank Name** should be setup so they will print on the deposit slips. The company name is setup in the option "Setup/Company" on the first screen in the first field labeled **"Company Name and Address for Letterhead"**. The bank name is setup in the option "Setup/Account/Cash Account" on the "Ck-Writing Bank Data" in the first field labeled "**Bank Name and Address**".

A sample is shown on the next page of the input screen from the Receipts option for the deposit slip that is shown on the next page. Note that there were three entries for currency because amounts were being posted to three different accounts.

Deposit/Charge/Misc Entry

○ New Entry
○ Update Entry

Cash Acct: 110   [List]

Cash in Bank

Jnl Code: CR   [List]   Status: New

Description:

Date: 03/31/06

Amount: 4,388.12

☑ Calc Bal

Bal. Remaining:
0.00

Type

● Deposit   ○ Interest
○ Transfer   ○ Service Charge
○ Return Fee   ○ Misc
○ Purchase Checks ○ ATM Withdraw
○ Return Deposit (Bad Check)

Account	Description	Check Num	Amount
410.10	COIN		12.12
410.10			123.00
410.20	$		321.00
410.30			432.00
410.20	ABC INC	3212	1,200.00
410.30	SMITH & JONES	34567	1,500.00
410.10	ANDERSON & ASSOC	4567	350.00
410.20	TYLER, HARRISON	91243	450.00

[OK]   [Print Deposit Slip]   [Delete]

[Help]   [Cancel]   [Close]   [List]   [Separate Description]   [Auto Cents]   876.00

Sample Company

Bank of America

Date: 03-31-2006

	Description	Chk #	Amount
	Currency		876.00
	Coin		12.12
1	ABC INC	3212	1,200.00
2	SMITH & JONES	34567	1,500.00
3	ANDERSON & ASSOC	4567	350.00
4	TYLER, HARRISON	91243	450.00
	Total		4,388.12
	Sum 410.10		485.12
	Sum 410.20		1,971.00
	Sum 410.30		1,932.00

Deposit Ticket

Sample Company

Bank of America

Date 03-31-2006	Dollars	Cent
Currency	876	00
Coin	12	12
Checks		
1 ABC INC	1,200	00
2 SMITH & JONES	1,500	00
3 ANDERSON & ASSO	350	00
4 TYLER, HARRISON	450	00
TOTAL	4,388	12

Sample Deposit Slip – The two parts would be separated. The left had side would become the record copy and the right would be the deposit slip that would taken to the bank for deposit.

Fix Check Numbers

This option (**Check & Receipts** and **Fix Check Numbers**) will allow you to renumber a single check or a series of checks. It should be noted that when doing a series of checks, there should be no break in the check numbers such as a voided check in the series.

Here is brief discussion of each field:

Check Numbers - In this field, you would enter the beginning check number, as it currently exists in the system, of the series to be renumbered or in the case of a single check, you would enter the single check number.

Through - In this field, you enter the ending check number, as it currently exists in the system, of the series to be renumbered or in the case of a single check, you enter the single check number again.

For Cash Account - Here you would enter the *Cash Account* number that these checks were drawn from.

List button - This *drop-down* list box will display the cash account(s) setup for this company.

Should be Numbered - Enter the new beginning check number for a series of checks or for a single check. This check number should be the actual check number that was printed.

Through - The system will generate the ending check number, based on your input, for the number it thinks will represent the actual ending check number after renumbering.

OK button - Clicking on this button will accept the information entered and process the renumbering.

Close button - Will close the window and return you to the **Home Screen**.

View Transferred DOS Receipts

This option allows you to view receipts previously entered on the *DOS Computer Checkbook* system and transferred to the *Windows Computer Checkbook*.

Bank Withdrawals

This option is designed to handle bank transactions that reduce the bank balance and do not have check numbers. That would represent on-line payments, automatic payments, etc. The advantage of using this screen over either the "Write Vendor Checks" or "Receipts" options is that you do not have to worry about assigning check numbers and you get to track vendor history, because this Bank Withdrawals option assigns vendors to each transaction.

To access this option either click on the **Checks & Receipts** pull-down menu then **Bank Withdrawal** or click on the **Bank Withdrawal Icon** shown to the left.

There are several things you should be aware of concerning this option:

- The system will automatically place the computer's date in the **Date Field**.

- If there is only one bank account setup, the system will automatically input that account in the **Cash Account Field**.

- Once the *Cash Account* has been entered, the system will display the *journal code*.

- As dollar amounts are entered, the **Remaining Balance Field** will display the difference between the transaction amount and the distribution amounts. A transaction can not be recorded until the remaining balance is zero.

Below is a list of the fields that are displayed on this screen:

- Entry - New & Update
- Reference
- Cash Account
- Journal Code
- Date
- Amount
- Vendor ID
- Distribution Section
- Control Buttons & Check Boxes

Entry

The system will default to **New** when you first access this option. If you need to change an existing transaction enable the **Update Entry** *radio button.*

Reference

The system will assign its own **Reference Number** to each new withdrawal transaction. The reference number will always begin with the letter **"H"**. To recall a previously recorded withdrawal transaction, first enable the **Update Entry** *radio button.* The **Reference Field** will display, key in the **Reference Number** if it is known or click on the **List** button and select the transaction from the list.

Cash Account

This field will display the *Cash Account* that this transaction will be using. If you have only one *Cash Account* the system will default to that account number. If you have more than one *Cash Account* the last account you were working with will be displayed. The **List** button located to the right of this field can to used to change *Cash Accounts*.

Journal Code

This is the **Journal Code** associated with this transaction. The *Journal Code* defaults to the **Disbursements Journal Code** setup for the *Cash Account* under the **Cash Account Entry** option. (**Setup, Accounts** and **Cash Accounts**)

You can override this *Journal Code* if need be. But usually you would want any transaction entered to show up under the default journal.

Date

The system will automatically place the computer's date in this field. If for some reason this date needs to be changed, it can be over written by the user.

Amount

In this field you would enter the **total dollar amount** of the transaction to be recorded.

If you are recording a transactin and you don't know what the total amount of the transaction is, (i.e. You are entering a large group of distributions or invoices), the transaction amount field can be skipped. Enable the **Calc Bal** *check box* and the system will keep a running total of the transaction in the **Amount Field**. Once the last amount is entered, the **Amount Field** will hold the **total amount** of the transactions. Make sure you press the **Enter** key after you have entered the last transaction, otherwise your total will be incorrect.

Distribution Section

The **Distribution** Section of the screen as a default contains three (3) fields, (**Account, Description** and **Amount**), which detail the transaction.

Account - When recording transactions the system needs to know where you will be posting or distributing the amounts for accounting purposes. This is where you enter the *Distribution Account* for this transaction. (i.e. Sales, Interest Income, Other Income, etc)

Either key in the account number or click on the **List** button located at the bottom of the *Distribution Section* and select the account from the list.

Description - This field should describe the nature of the distribution for this transaction.

Amount - For each distribution, enter the dollar amount of that distribution.

Negative(-) amounts can be used, such as the credit memos.

Control Buttons

At the bottom of the **Bank Withdrawals Screen** is a series of *Control Buttons*. Below is brief discussion of each button:

OK - Once all transaction information is complete, clicking on this button will **record** (save) the transaction.

Delete - Clicking on this button will cause the currently displayed transaction to be deleted, removing any reference to the transaction from the system.

Help - Clicking on this button will display the **Bank Withdrawal - Help Topic**. That topic discusses the bank withdrawal screen and the related fields of entry.

Cancel - Clicking on this button will remove or clear any check information from the fields and return the cursor to the **Cash Account Field**. If the information is new, that data will not be saved. If the information is for an Active Receipt (previously entered and recorded), the system will retain the original information.

Close - Clicking on this button will close the **Bank Withdrawal Entry Screen** and return you to the **Home Screen**.

Note: If you have entered a transaction but have not recorded it by clicking either the **OK** button and you then click the **Close** button, the system will **Cancel** the transaction and then **Close** the screen. Thus the transaction will not be recorded.

Auto Cents - When the Auto Cents is activated, dollar amounts may be entered without having to enter a decimal point to separate the dollars and cents. This feature can be turned on or off by clicking on this button. Auto Cents can be activated as the default by checking the box **Auto Cents** from the Options tab screen in the **Setup/Company** option.

Thus with the Auto Cents activated, a dollar amount like $1,098.23 would be entered as 109823. A dollar amount like $1,000.00 would be entered as 100000.