

Contents:

[Budget Formula](#)
[Start of Year Class Balances](#)
[SubClasses & SubAccounts](#)
[Create Budget Transactions](#)
[Create New Budget](#)
[Remove Budget Transaction](#)
[Budget Reports](#)
[Print Budget Report](#)
[Reports to Regional Director](#)
[Excel Budget Reports in csv format](#)
[Create New Account Or Class](#)

Entering Budget Transactions for Bookkeepers or County Program Directors

An annual operating budget is required by each extension office and should include all sources and uses of Council funds.

All expected **income** (deposits) and expected **expenses** (disbursements) for the year are reported as budget income transactions and budget expense transactions respectively. In addition, the **start of year Class balances** are identified and budgeted as an available source of income. The budget formula is:

$$\text{Start of Year Class Balance} + \text{Total Expected Income} = \text{Total Expected Expenses.}$$

Therefore, your budget must be balanced.

Before Entering Budget Transactions for the New Year

Review ending class balances as of December 31 of the prior year with the County Program Director. Determine if transfers between classes or to savings investments are necessary so that the council's ending class balances reflect what is expected at the end of the year. The ending class balances will be budgeted in the new year. See [Transfers](#) procedures.

How do I find my Start of Year Class Balances?

The Ending Class Balances from your December (prior year) Funds Class Balance Report are your Start of Year Class balances for the new Year. With the exception of the Opening Balance transaction created when your QB data file was created, your **Ending Class balances are calculated balances and are not stored in a transaction record.**

Under Reports, Memorized Report, select and display the **Fund Class Balance Report**. Date range should capture *the oldest transaction* of your data file. The total of the Report should match the Checking Register balance (and combined Savings accounts, if you are using class codes for savings transactions). Expand the report to display SubClass balances, if appropriate.

Use **1600-Balance Transfer account** to create a Budget Income Transaction for **Start of Year Class Balances** in your Budget File.

- A) As you prepare your budget, first determine **all start of year class balances** and estimated income per Class. Budget Class budgets to the first 1 or 2-digit level Class code. For example, during the year a typical extension office might use the following Class codes when creating deposit and check transactions:
1000, 2000, 3000, 3100, 3200, 3300, 3310, 3340, 3341, 5000, 5020.

However, MU Extension Administration recommends that you budget to the first or second digit of the Class code. So, the typical extension office that uses the above class codes will create a budget for the following class codes:
1000, 2000, 3000, 3100, 3200, 3300, 5000.

B) Now that you have estimated all expected income and know your available start of year Class Balances as of January 1, the CPD, Council and Bookkeeper decides how to allocate the total **Start of Year balances plus new income** among all the **expenses**.

In other words... plan how you will spend the money!

SubClasses and SubAccounts

To allow QuickBooks (QB) to consolidate and calculate balances, income, and expenses on Reports, review your List of Classes and Chart of Accounts. Determine if you correctly have identified subclasses and sub-accounts.

To create a new class or account or adjust an existing class or account, see sections at end of this document, **"Create New Account" or "Creating Class Codes."**

Classes

- If you create a new Class code 5050-Workforce Grant, then set up 5050 as a subclass under 5000.
- If you create a new Class code 3341-Home Based Business Workshop, then set up 3341 as a subclass under 3300 (3300 already is set up as a subclass under 3000).

Income and Expense Accounts

- If you create a new expense account 5130-Printing Supplies, then set up 5130 as a subaccount under 5100.
- If you create a new expense account 7020-Office Subscriptions, then set up 7020 as a subaccount under 7000.

Create Budget Transactions

Usually, **Savings bank accounts** are not classified under Class 4000. Class 4000 represents a **temporary place** to earmark money that you consider moving to a savings account. The money is still in your checking account.

However, for budget purposes, MU Administration recommends that all Savings balances be represented on county budget reports. Using class 4000 is the only way to incorporate the external Savings accounts with the Checking budget amounts. Call your Trainer or Mary Ann Horvath 314 516-6153 if you need assistance.

Savings/Money Market Bank Accounts

Use Class **4000** to enter budget transactions for any Council **Savings** accounts.

- Use **1600-Balance Transfer** to enter a consolidated start of year Balance for Savings, Money Market, and other investment accounts.
- Use **0320-Interest Income** to budget expected interest earned on Savings account(s), if interest is deposited to the savings account.
- Use **7090-Working Capital** as the budget expense **or another appropriate expense** account.

Checking Bank Account

In Quickbooks, use **1600-Balance Transfer** to enter your start of year Class Balance.

You have two choices regarding the way you enter your annual budget amounts.

- A) Enter your **annual** budget amount (in the January field)
- B) **Allocate** your annual budget across all 12 calendar months.
Consult with your County Program Director regarding which method to use.

Be consistent and enter all budget income transactions and budget expense transactions either as an annual amount or as allocated amounts.

Start of Year Balance budget transaction (1600) is the exception. Do not allocate the start of year balance budget amount. Enter this balance amount in the January field.

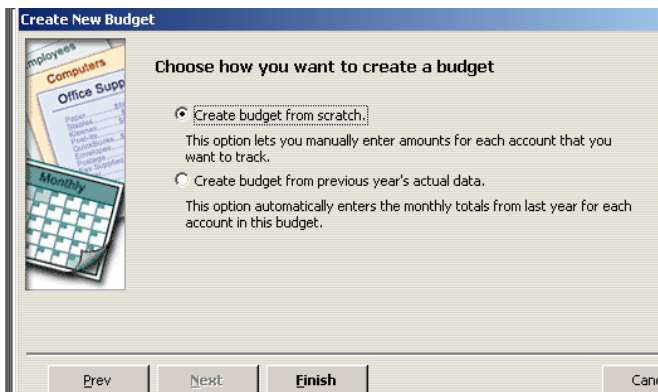
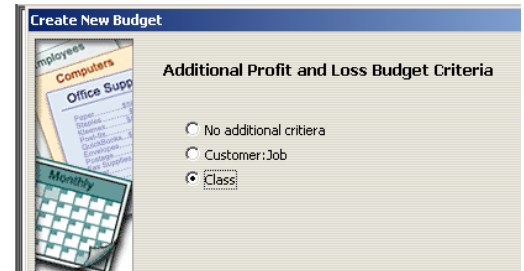
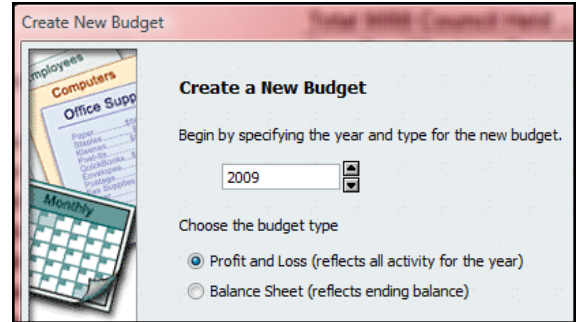
Enter budget balance, income , and expense amounts for one class at a time.

Note: Due to rounding, you may need to add a new cents to any of the allocated amounts if the total allocated amounts do not equal the annual amount.

Create a New Budget

- Select **Company** from the menu bar.
- Select **Planning & Budgets**
- Select **Set Up Budgets**
- Select **Create new Budget** button.
- Select **Fiscal Year**
- Selet **Profit and Loss**, Click Next
- Select **Class**, Click Next

- Select **Create Budget From Scratch.**
- Click **Finish.**



Choice A) Enter the Annual Budget Amount Only - No Allocation

- Select the correct Budget **Year** – Profit & Loss by Account and Class
- Select the correct **Class** Code
- Enter Budget amounts as Annual Amounts in the **January** column for
 - Start of year class balance (1600 acct)
 - Each income account
 - Each expense account
 - Click **Save** button.

Account	Annual Total	Jan05	Feb05	Mar05	Apr05	May05	Jun05	Jul05	Aug05	Sep05	Oct05	Nov05	Dec05
0210 · County Approp...	50,000.00	50,000.00											
0220 · City Appropriati...													
0300 · Investment Income													
0310 · Endowment Inc...													
0320 · Interest Income													
0400 · Gift/Grants/Contr...													
0410 · Corporate/Busi...													
0420 · Individuals													
0430 · Foundations an...													
0440 · Governmental ...													
0900 · Resales/Educ Ser...													
0910 · Resale Publicati...													
0920 · Soil Test Fees													
0921 · Other Testing S...													
0930 · Other Fees													
0935 · Capitol Improv...													
0940 · School Enrichm...													
1000 · Proceeds - Sale o...													
1100 · Proceeds from Loan													
1300 · Miscellaneous Inc...													
1500 · Postage Allotment													
1600 · Balance Transfers	550.50	550.50											
2700 · Personl Serv - Sal...	30,000.00	30,000.00											
2730 · Office Salaries													
2800 · Payroll Expenses													
2820 · Social Security	400.00	400.00											

Note: Click the **OK** button only when you are finished entering all **budget balances, income, and expense** transactions.

Choice B) Allocating the Annual budget amount for 12 months

Same screen as Choice 1.

- Enter the Annual Amount in the January box.
- Divide the annual budget amount among the 12 calendar months.
 - Immediately after the amount, enter a forward slash /. The calculator window opens.
 - Enter **12** and press <enter>. The calculated allocation displays.
 - Keep your cursor inside the January box and click on the **copy across** button at the bottom left of screen.

Account	Annual Total	Jan05	Feb05	Mar05	Apr
2835 · MCHCP Medical...					
2840 · Group Life Insu...					
2850 · Workers Comp...					
2860 · Retirement - PE...					
2861 · Other Retirement					
2870 · Unemployment ...					
2880 · Dental Insurance					
2890 · Other Benefits					
2900 · Non Payroll Salaries		3,000.00			
3100 · Travel		/			
3110 · Mileage					
3120 · Meals					
3130 · Other Travel F					

2870 · Unemploy...						
2880 · Dental Ins...						
2890 · Other Ben...						
2900 · Non Payroll ...						
3100 · Travel	3,000.00	250.00	250.00	250.00	250.00	250.00
3110 · Mileage						
3120 · Meals						

The allocated result will display for all 12 months.

- If the Annual Total amount is off by a few cents, add (or subtract) the few cents to (from) any allocated month. The Annual Total will adjust.
- Click OK.

If You Need to Remove a Budget Transaction

In the budget screen, enter the correct year and class code.

- Highlight the amount in the **January** field for the appropriate account.
- Press Delete key
- With cursor in the January field, click **Copy Across** button at bottom left of screen.
- All the amounts in the February through December fields will be removed!
- Click **Save** button.

Budget Reports

To determine if your Budget is "in Balance," select the **Budget Summary - All Classes Report (Report Center, Memorized Reports)**

- Enter appropriate fiscal year data range at top of screen.
- All classes will display across the columns.
- All budget income plus the 1600-Balance (start of year balances) will display as rows.
- All budget expenses will display as rows.

See sample report on next page.

Budget Summary - January to December 2001

	1000 - C...	Total 2000-...	3100-So...	3200 - R...	Total 3300...	Total 3000...	Total 4000...	TOTAL
	Jan - De...	Jan - Dec '00	Jan - De...	Jan - De...	Jan - Dec '00	Jan - Dec...	Jan - Dec...	Jan - De...
Income								
0100 · Student Fees					150.00	150.00		150.00
0200 · Governmental Approp...	33,000.00	0.00						33,000.00
0300 · Investment Income							200.00	200.00
0400 · Gift/Grants/Contracts		2,357.00						2,357.00
0900 · Resales/Educ Services...			5,874.83	360.00		6,234.83		6,234.83
1600 · Balance Transfers	1,013.22	100.00	-100.00	50.09		-49.91	51,123.00	52,186.31
Total Income	34,013.22	2,457.00	5,774.83	410.09	150.00	6,334.92	51,323.00	94,128.14
Expense								
2700 · Persnnl Serv - Salaries...	18,144.00							18,144.00
2800 · Payroll Expenses	1,780.68							1,780.68
3100 · Travel	4,420.32							4,420.32
3600 · Postage	120.00							120.00
3700 · Telephone Serv - Local	950.04	0.00						950.04
3800 · Telephone Serv - Tolls	720.00	0.00						720.00
4400 · Rent/Lease Equipment	399.90							399.90
5100 · Supplies/Services	2,499.96	547.00			150.00	150.00		3,196.96
6400 · Other Contract Services	360.00							360.00
6800 · Insurance	429.96							429.96
7000 · Miscellaneous	2,363.28	100.00					51,323.00	53,786.28
7100 · Soil Test Expenses			5,774.83			5,774.83		5,774.83
7200 · Publications for Resale				410.09		410.09		410.09
7300 · Repairs/Maintenance	875.04	960.00						1,835.04
7700 · Furniture/Equipment	950.04	850.00						1,800.04
Total Expense	34,013.22	2,457.00	5,774.83	410.09	150.00	6,334.92	51,323.00	94,128.14
Net Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

The **Total Budget Income plus the 1600- Balance** should equal the **Total Budget Expenses**, as illustrated on this Sample Budget Report. Notice the two negative start of year balances on the 1600-Balance Transfer row. Enter any **negative** beginning Class balances in the Budget data entry screen with a **minus sign**.

The Total 1600 Balance Transfer in the TOTAL column should represent your Council's start of year Class balances in your QB Checking Register plus any Savings balances.

The Total Income row and Total Expense row are equal! The Budget is in balance!

The Total 3000 Class column (3RD Column from right) represents the consolidated Totals for budget income and expenses transactions for classes 3100, 3200, 3000.

Print the Budget Report

Select **File, Print Report**

You may need to adjust...

- your column widths on your budget report to fit your Class columns across 1, 2 or more pages.
- change your page orientation to landscape
- Review budget report with County Program Director and Council Officers.
- When approved, the County Program Director and Council Officer sign the **County Budget Summary Signature form**.

Send Reports to the Regional Director's Office by March 1

When the budgets for appropriate funding sources (classes) are completed and approved, export the budget file from QuickBooks to Excel in a **csv format** and send report via email to the Regional Director's Office by March 1. The procedure is the same as the export process for the quarterly revenue and expense reports. The only difference is the file name will be slightly different.

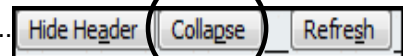
- Send the original of the **County Budget Summary Signature form** to the Regional Director's Office.
- Send an email message to the Regional Director's office with the **exported budget report** attached. **See next section on how to export the budget report.**

Export Budget Report to Excel in CSV Format

Export the Budget report to Excel in a **csv format**, create a filename, and save it to your desktop (or a folder) before attaching it to an email message to your Regional Director's Office.

Note: Budgets in .xls format are incompatible with the server upload process performed by the Regional Director's office.

With the **Budget Summary-All Classes** report displayed on your screen..

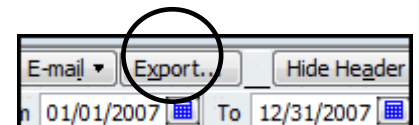


- The Report should be in **collapsed view**.

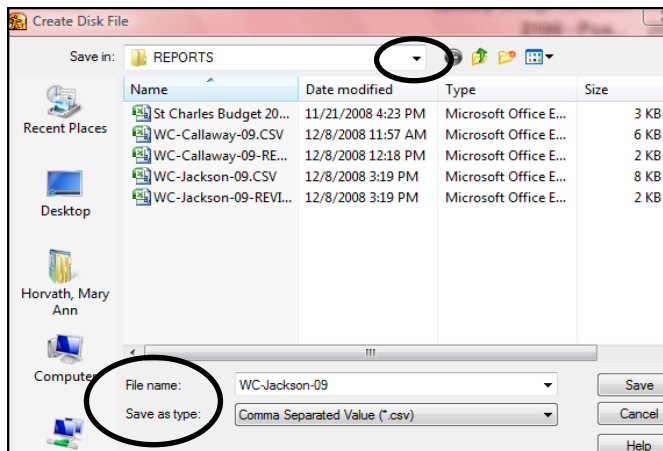
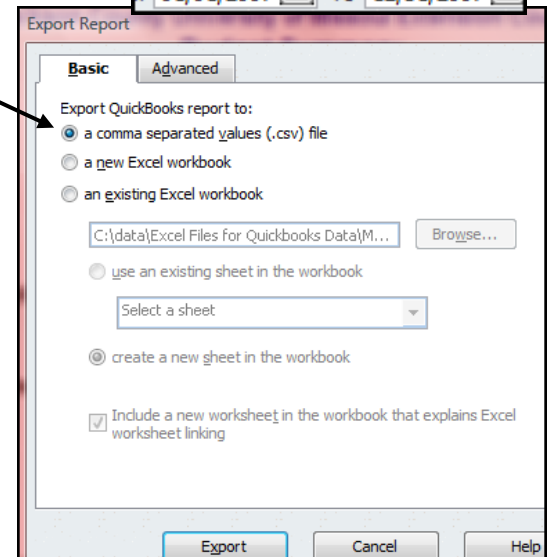
If the Collapse button appears next to the Refresh button, click the **collapse button**.

If the Expanded button appears next to the Refresh button, you already are in collapsed view!

- Click the **Export** button just above the date range.



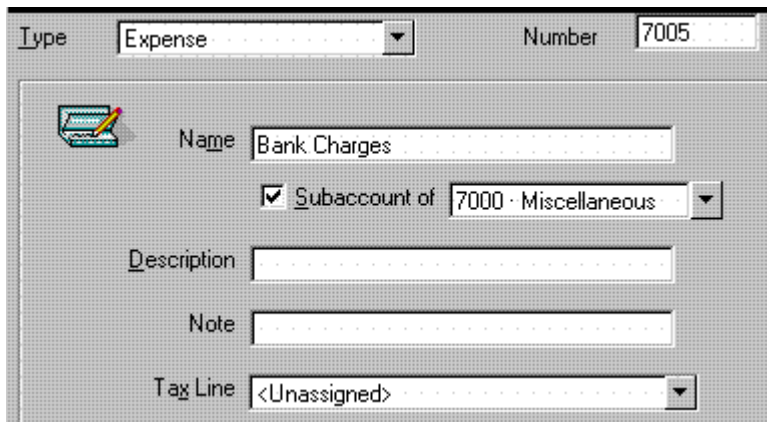
- In the Export Report window, click the **Basic** tab and select "**a comma separated values (.csv) file.**" Other options should be grayed.



- In the Create Disk file window, click the down arrow in the **Save In box** and navigate to the folder where you want to save the budget file. Remember where you saved it so you can attach the file when you send it to the Regional Director's office.
- Create a filename. **Filename should include region initials, county name, and 2-digit year.** For example, **WC-Jackson-08**. Do not type "csv". The file extension is added automatically.
- Under **Save as type**, select "**Comma separated Value (.csv)**."
- Click the **Save** button. The **.csv** will be added to the filename.
- Create an email message to your Regional Director's office, attach the budget report file, and send.

If you need to Create a new account:

- Under **Lists, Chart of Accounts** screen, click on the **Accounts button** at lower left of screen. (or, **right click** anywhere within the Chart of Accounts screen, left click on **New.**)
- Click **New**
- Under **Type**, select appropriate **Income** or **Expense** account.
- Enter a new number, i.e. 7005
- Enter the name of the new account
- Note: Be certain to set up the new account as a subaccount under 7000 or appropriate account.
- Click in box preceding **"subaccount of"** so there is a checkmark.
- After **"subaccount of,"** the account number should be 7000 or appropriate account. (In this example, 7005 will be a subaccount under account 7000 .
- Click **OK.**



The screenshot shows the 'New' dialog box in QuickBooks. At the top, there are two fields: 'Type' with a dropdown menu set to 'Expense' and 'Number' with a text box containing '7005'. Below these is a section with a notepad icon and a pencil. It contains a 'Name' field with 'Bank Charges', a checked checkbox labeled 'Subaccount of' followed by a dropdown menu showing '7000 - Miscellaneous', an empty 'Description' field, an empty 'Note' field, and a 'Tax Line' dropdown menu set to '<Unassigned>'.

Creating Class Codes

Note: use the above procedure for Creating Class Codes. Substitute "Classes" for "Chart of Accounts." Substitute "Subclass of" for "Subaccount of."

Call your Regional QuickBooks Trainer or the QuickBooks Administrator if you require assistance.