

## Postage Allotment and LAN Internet Expense

Each Extension Office is allocated an annual Postage allotment based on a formula. In QuickBooks, create a **Deposit transaction** to show the actual Postage income and the actual LAN (local area network) Internet cost. The deposit amount is the net amount (or difference) between the postage allotment and the LAN Internet cost.

Before creating a deposit transaction, consider if a new Class code and Income account number should be established. Review the [Create a New Class](#) and [Create a New Account procedures](#), if necessary. Call your CAST (county accounting support team) Trainer or the QB Administrator, if you need assistance.

### Create the Deposit Transaction (See sample illustration below.)

#### Enter the Transaction Line for the Postage Income

- ★ Open the **Make Deposits** Screen (Banking, Make Deposits)
- ★ Determine the appropriate Bank account in the **Deposit To** field.
- ★ Enter the deposit **date**.
- ★ Select the appropriate **customer name** for University of Missouri-Columbia. (Remember: do not select the UMC vendor name for a deposit transaction)
- ★ Select the new **1500-Postage** Income account, or another income account.
- ★ Enter explanation in the **Memo** field.
- ★ Enter the University's **check number**
- ★ Select check for the **Pmt. Meth.** Field
- ★ Select the appropriate **class code**.
- ★ Enter the amount of the Postage Allotment.

#### Enter the Transaction Line for the LAN Internet Expense

- ★ Select the appropriate **customer name** for University of Missouri-Columbia. (Remember: do not select the UMC vendor name for a deposit transaction)
- ★ Select the **6400-Other Contract Services**, or the appropriate expense account.
- ★ Enter explanation in the **Memo** field.
- ★ Enter the University's **check number**
- ★ Select check for the **Pmt. Meth.** Field
- ★ Select the appropriate **class code**.
- ★ Enter the amount of the LAN Internet Expense as a **Negative number**. The Expense account will be a **debit** transaction. For example: **-180.00**

The **net amount** of the two transaction lines should be ...

#### Postage Allotment minus the LAN Internet cost.

Deposit To: 0050 - Checking Date: 09/08/2003 Memo: Deposit

Click Payments to select customer payments that you have received. List any other amounts to deposit below.

Received From	From Account	Memo	Chk No.	Pmt Meth.	Class	Amount
University of Missouri-Colu	1500 - Postage Allotment	Annual postage allotment	12346	Check	100 - Po	3,260.00
University of Missouri-Colum	6400 - Other Contract Servi	Annual LAN Internet cost	12346	Check	1000 - Cour	-180.00
<b>Deposit Subtotal</b>						<b>3,080.00</b>

### Printing the Deposit Report

Print a **Deposit Summary report**. Due to the negative LAN amount, QuickBooks will not print a detailed deposit report.

- ★ Bookkeepers, using the pre-printed deposit forms, are advised to create a deposit transaction including only the two entries for postage allotment and LAN cost onto a **blank piece of paper**.
- ★ Bookkeepers, not using the pre-printed deposit forms, can add other income transactions to the Deposit Transaction and generate a Deposit Summary report.

The Deposit Summary Report does not separate Cash and Check income at the top of the report but will print a list of all income and the type of payment method.

## The Debit and Credit effect

In the above deposit transaction, the debit and credit transactions are...

Debit		Credit	
6400-Other contract Services	180.00	Postage Income	3260.00
Cash-checking account	3,080.00		

### How the transactions will appear on the Ledger Reports

09/08/03

#### General Ledger for Class 2100-Postage Fund

As of September 8, 2003

Type	Date	Num	Name	Memo	Split	Amount
<b>1500 · Postage Allotment</b>						
▶ Deposit	09/08/2003	12346	University of Misso...	Annual post...	0050 · Check...	3,260.00 ◀
Total 1500 · Postage Allotment						3,260.00

**Income account is increased.**

09/08/03

#### General Ledger for Class 1000

As of September 8, 2003

Type	Date	Num	Name	Memo	Split	Amount
<b>3800 · Telephone Serv - Tolls</b>						
Total 3800 · Telephone Serv - Tolls						
<b>4800 · Reproduction/Copy Services</b>						
Total 4800 · Reproduction/Copy Services						
<b>5100 · Supplies/Services</b>						
Total 5100 · Supplies/Services						
<b>6400 · Other Contract Services</b>						
Deposit	09/08/2003	12346	University of Misso...	Annual LAN Inte...	0050 · Checking	180.00
Total 6400 · Other Contract Services						180.00

**Expense account is increased.**

The negative sign should NOT display in the above ledger report.