

## **Account and Class Usage**

This guide has been developed to assist bookkeepers and CPD's in properly identifying which income and expense account and which class to utilize when making transactions. Correct and meaningful data is a must for bookkeeping. Identifying and verifying where funds should be recorded aids in best management practices. Listed below are some helpful tips to guide you in the process of data entry within QuickBooks.

### **Consider the source of the funds**

Record your transaction as a class or subclass according to the structure listed below. One can also refer to the guide in the Accounting Manual entitled "Create a New Class".

- Class 1000 – county governmental allocation and typically does not have any additional funding collected. City funding may fall under this class as a subclass
- Class 2000 – used as an overflow general operating class. Will include fund raising, donations, university allocations as separate subclasses.
- Class 3000 and subclasses – used as educational programming classes
- Class 4000 – funds are typically your savings and investments
- Class 5000 – funds are considered grants and contracts
- Class 6000 – funds are considered your local endowments
- Class 7000 – funds for which are capital designated for a specific purpose
- Class 8000 – council held regional accounts (programming or travel, etc.)
- Class 9000 – funds held for other agencies (Master Gardener, 4-H Council, etc.)

### **Consider the Appropriate Account**

Familiarize yourself with the county income and expense account list within QuickBooks. Knowing what accounts are already on the list will prevent duplicates and allow you to choose the most appropriate account or one can also refer to the guide in the Accounting Manual entitled "Create a New Account".

## **When Creating a Budget, Follow the Principles Above**

- Use the same accounts in a budget that you would record data when entering into a register
  - For example:
    - if recording data for travel in account 3110, then budget travel in 3110 and not 3100. It keeps everything on the same line when viewing reports.
    - If receiving funds for university allotment and it goes in subclass 2600, remember to budget it as subclass 2600 and not class 2000

These are suggestions for you to think about as you record and approve the financial transactions for your county. Oversight of accounting is key to making sure we are always doing the right thing. If you have questions about this, please feel free to contact the QuickBooks Administrator and inquire how best to record or budget the data.