Getting Started with Goldenseal Accounting

Windows Version

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This manual has been fortified with extra verbs.
Just one chapter contains 150% of your minimum daily requirement.

About This Manual

Thank you for purchasing the Goldenseal small business software! It will help you to run your business more profitably.

This start up manual shows you how to get started with the accounting, payroll, job cost and rental management features in Goldenseal.

It includes the following sections:

Tutorial— A series of lessons that explain Goldenseal's basic features.

Getting Started On Your Own— How to prepare Goldenseal to fit your business.

This manual is a companion to the Getting Started With Goldenseal Estimating manual. It's a good idea to look at the first few lessons in the Estimating manual first, since they contain information about many basic Goldenseal features which are also used in the accounting parts of the program.

> ***HINT:*** Page Numbers in this manual start at 201, and the Lessons start at 30— even though the Estimating manual has fewer pages/lessons. That way we can expand the Estimating Manual without redoing this manual.

The index for this manual is in the rear of the Estimating manual— the index covers both manuals together.

Getting Help

Goldenseal includes unlimited free email and telephone support for as long as you use the software. Send email to support@turtlesoft.com, or call us at (607) 272-1008 during our office hours (currently M-F 9-6 Eastern time).

We also offer many support options on our website at www.turtlesoft.com. Click the Site Map button to see a list of 'special topics', where we have specific instructions for many situations.

> ***HINT:*** It is much easier for us to keep the website up to date, so new features are often described there before we can get them into the printed manuals.

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Lesson Thirty: Chart of Accounts

Goldenseal uses accounts to keep track of each person and company with whom you do business. Before you start to use Goldenseal, you'll create accounts for everyone who pays you money (jobs) and everyone that you pay money to (costs).

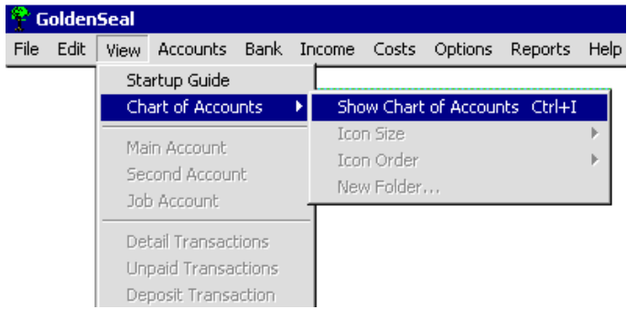
The Chart of Accounts lets you see all of your accounts in a convenient graphic format.

Opening the Chart of Accounts

Before you begin this tutorial, open the Sample Company File or another Goldenseal file that already contains some accounts (see Lesson 1).

To open the Chart of Accounts window, follow these steps:

1. Choose Chart of Accounts from the View menu.

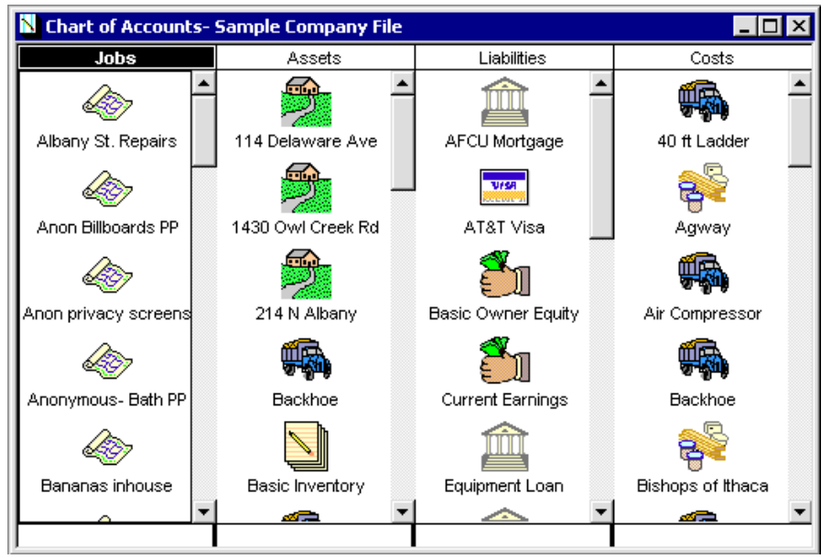


2. A submenu will appear. Choose Show Window from the submenu, then lift up the mouse button.
3. The Chart of Accounts window will appear on the screen.

Viewing Accounts

There are four basic groups of accounts— Jobs, Assets, Liabilities and Costs. Each of the four columns in the Chart of Accounts shows one account group (for example, the Assets column shows cash, checking, equipment, inventory, investment, real estate and savings accounts). Goldenseal uses different icons for each class of accounts.

HINT: Lesson 31 will cover the specific types of accounts.



You can scroll each column individually to see the accounts in that column.

- To move **up** in the list, click on the 'up' arrow to the right of the column.
- To move **down** in the list, click on the 'down' arrow.
- To move quickly to a different part of the account list, click on the movable 'thumb' box and drag it up or down.

Moving and Resizing the Window

To move the Chart of Accounts window to a different part of your screen, click in the title bar at the top of the window and drag to a new location. You'll use the same approach to move any window.

To change the size of the Chart of Accounts window (or any window), click on any corner of the window border and drag it to a new size.

HINT: You can also click on any part of the window border and drag to resize.

You can also 'zoom' the window to full size by clicking the zoom button (the middle button of the three window controls at the upper right corner). Click the zoom button again to return to the original size and position.

Closing the Window

To close the Chart of Accounts window, choose Close Window from the File menu. This command also closes any other Goldenseal window.

You can also click in the Close box (the X at the upper right corner) to close any window.

Docking the Window

Click on the docking button at the upper right corner (the left-most of the three window controls) to 'dock' any Goldenseal window. It will compress into a small rectangle at the bottom of the screen. Double-click on a docked window to restore it to full size.

Sorting Order

To change the ordering of accounts in any column of the Chart of Accounts, follow these steps:

1. Click anywhere in the column you'd like to change. You can select an icon, or click on the column title.
2. Choose Chart of Accounts from the View menu, then choose Icon Order from the submenu.
3. Choose the sorting order that you'd like to use.

You can use any of the following sorting orders:

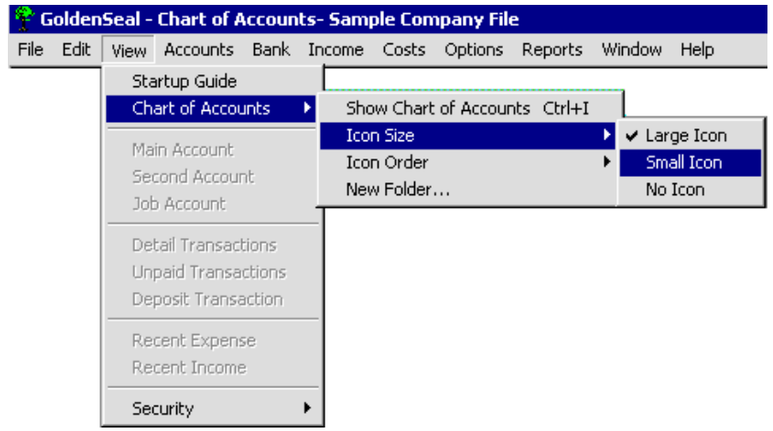
- **Reverse Order** takes the current sorting order and reverses it. For example, reversing By Size puts the smallest accounts at the top.
- **Custom Order** remembers the position of each account, even if you drag it to a new position in the list.
- **By Name** puts the accounts into alphabetical order.
- **By Size** puts the accounts with the largest balance at the top.
- **By Kind** groups accounts by class.
- **By Times Used** puts the most frequently used accounts at the top.
- **By Creation Date** puts the newest accounts at the top.
- **By Last Revised Date** puts recently changed accounts at the top.

Icon Size

Goldenseal lets you use large icons if a column doesn't include many accounts, or smaller icons if you'd like to see more accounts in the window.

To change the size of the icons in the Chart of Accounts window, follow these steps:

1. Click anywhere in the column you'd like to change. You can select an icon, or click on the column title.
2. Choose Chart of Accounts from the View menu, then choose Icon Size from the submenu.



3. Choose Large Icon, Small Icon or No Icon from the second submenu.

Finishing Up

This lesson has explained how to use the Chart of Accounts.

Coming up is more about the accounts that are behind those pretty pictures. But before you start on that, maybe it's time to take a shower and sing all the songs you know about accounting and business management.

HINT: If you play guitar, you probably shouldn't play it in the shower. Especially if it's an electric guitar.

Lesson Thirty-One: Accounts

This lesson covers Goldenseal accounts. Goldenseal uses accounts for customers, employees, bank accounts, and other "real world" people, businesses and financial entities.

There are four basic types of accounts— jobs, assets, liabilities and costs.

Job Accounts

Job accounts consume expenses, and create income (directly or indirectly). When you track job costs, you'll assign every expense to a job account.

There are three classes of job accounts:

Customers— Use customer accounts for people or businesses that give you money for the goods or services that you provide to them (see Lesson 9).

Overhead accounts— Use overhead accounts to allocate your cost of doing business. Overhead accounts handle any expenses that can't be assigned to a specific customer or project (see page 210).

Projects— Use project accounts for pieces of work that you do for a customer, or as part of your overhead (see Lesson 9).

HINT: When you enter job costs for maintenance expenses, you can also use Equipment, Investment and Real Estate accounts as jobs, even though they are primarily listed as assets.

Asset Accounts

Asset accounts are for items that you own that have value.

There are seven classes of asset accounts:

Cash— Use cash accounts for cash registers, cash drawers, petty cash and money hidden in mattresses (see page 211).

Checking— Use checking accounts for bank accounts that you can draw on by writing sequential checks (see pages 212-213).

Equipment— Use equipment accounts for machinery, vehicles, large tools, computers and similar items. Equipment is considered as both an asset and as a cost account (see pages 224-225).

Inventory— Use inventory accounts for materials that you store for retail sales or for use in projects (see page 214).

Investments— Use investment accounts for any assets that don't fit into one of the other classes (see page 215).

Real Estate— Use real estate accounts for buildings and land that you own or manage (see page 216).

Savings— Using savings accounts for bank accounts that don't use sequential check numbers (see page 217).

Liability Accounts

Asset accounts are for money that you owe to others, or for money that you manage on their behalf.

There are four classes of liability accounts:

Credit Cards— Use credit card accounts for 'revolving' credit cards or credit lines that you can draw on or use for purchases (see page 218).

Escrows— Use escrow accounts for money that you manage for others. Escrow accounts don't show up on your balance sheet (see page 219).

Loans— Use loan accounts for mortgages, notes, and other debts (see page 220).

Owner Equity— Use owner equity accounts to track ownership of your business. In accounting terms, equity is a liability since you 'owe' it to the owners (see page 221).

Cost Accounts

Cost accounts are for people or businesses that you pay for expenses.

There are five classes of cost accounts:

Employees— Use employee accounts for each person that receives wages from you (see pages 222-223).

Equipment— Use equipment accounts for machinery, vehicles, large tools, computers and similar items. Equipment is considered as both an asset and as a cost account (see page 224-225).

Material Suppliers— Use material accounts for anyone who provides you with tangible materials or supplies (see page 226).

Subcontractors— Use subcontractor accounts for anyone who provides you with services but who isn't on your payroll (see pages 227-228).

Other Costs— Use other cost accounts for vendors who don't fit into one of the other cost account classes (see pages 228-229).

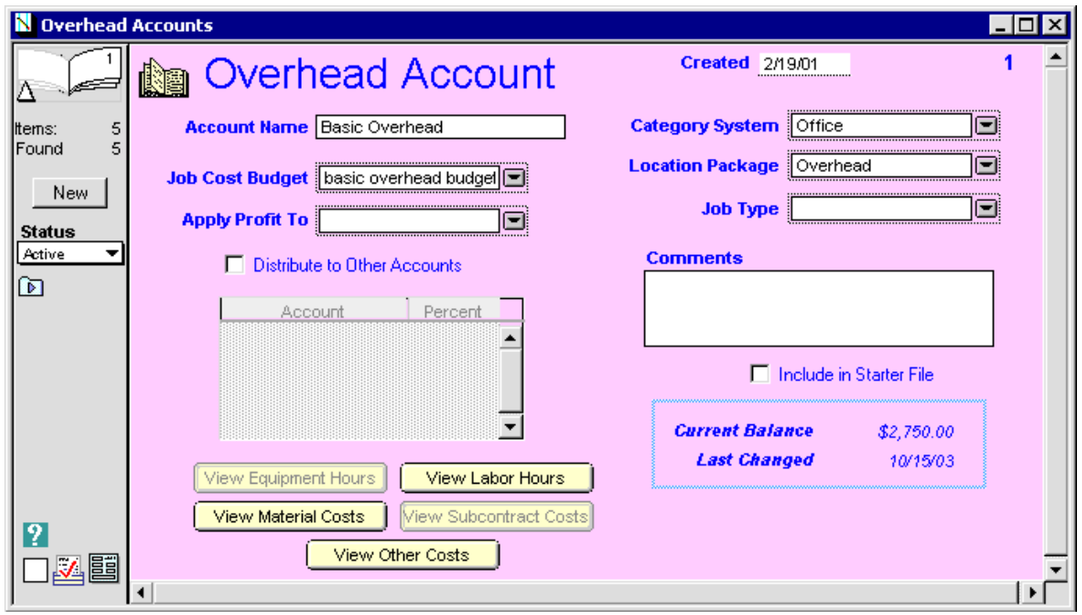
Overhead Accounts

Use Overhead accounts to track expenses that you can't assign to a specific customer or project.

You only need one overhead account, but you can create more Overhead accounts if you'd like to track different types of overhead separately.

To create a new overhead account, follow these steps:

1. Choose Overhead from the Accounts menu.



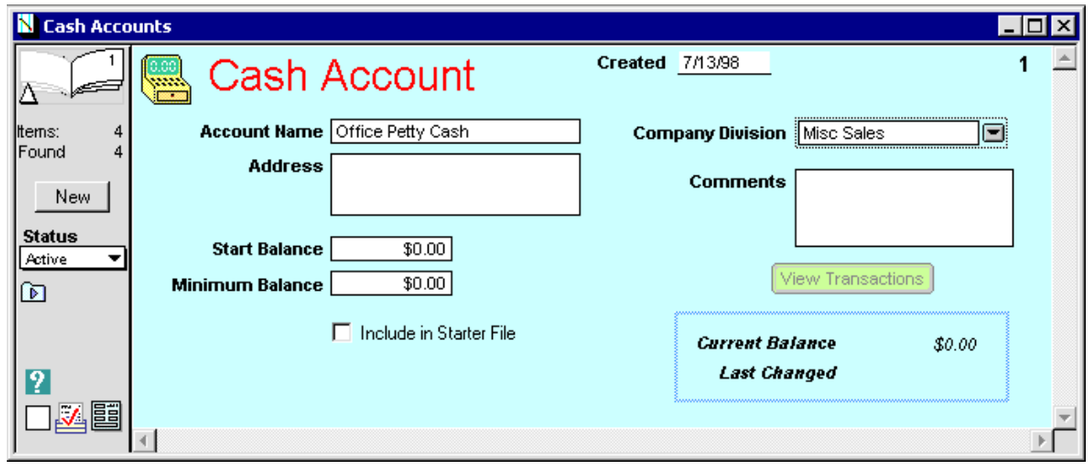
2. You'll see a browser window (see Lesson 2).
3. Click the New button.
4. Enter a short account name.
5. If you'd like to track overhead expenses against a budget, enter an estimate into the Job Cost Budget field.
6. Fill in the other fields (see the Reference Manual for details, or look at the help messages in the left side of the window).

Cash Accounts

Use Cash accounts for currency, traveler's checks and other cash items that you keep in cash registers, cash drawers, or petty cash accounts. You can create a separate account for each location where cash is kept.

To create a new cash account, follow these steps:

1. Choose Cash from the Accounts menu.



2. You'll see a browser window (see Lesson 2).
3. Click the New button.
4. Enter a short account name.
5. Enter an address.
6. Enter the starting balance, and the minimum balance you'll maintain.
7. Enter the Company Division in which to include this asset.
8. Enter any comments you have about this account.

Using Cash Accounts

When you use cash to make a purchase, enter a Material Purchase, enter Cash as a payment method and enter the cash account for an 'instant purchase' transaction (see page 242).

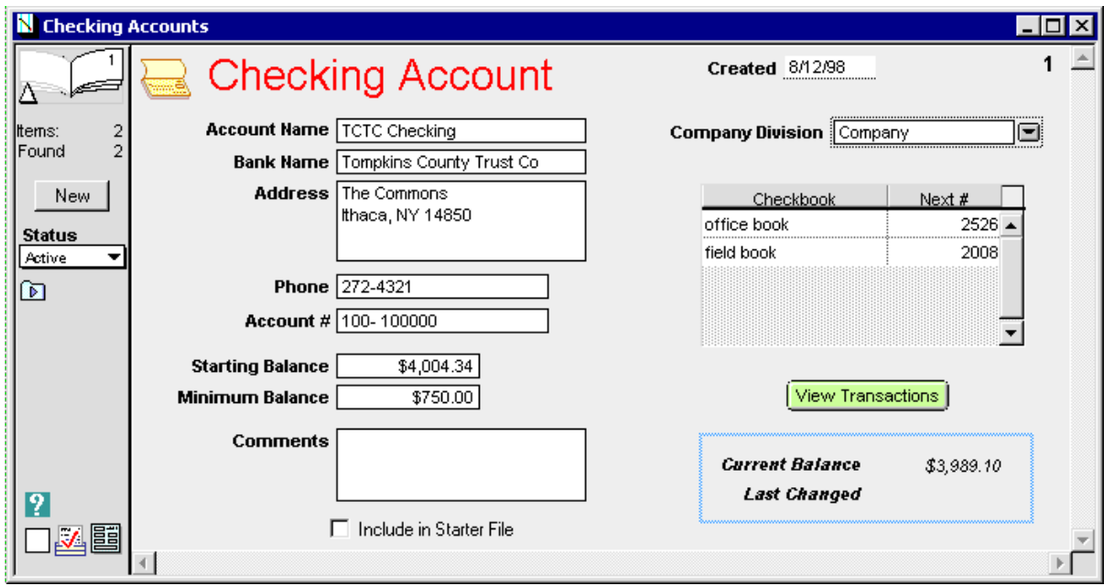
To transfer money in or out of a cash account, use Cash Transactions (see page 270). To deposit money from a cash register or cash box, use the Deposit Funds command (see Lesson 44).

Checking Accounts

Use Checking accounts for bank accounts that include sequential checks that draw on your funds. Checking accounts will probably be your busiest accounts.

To create a new checking account, follow these steps:

1. Choose Checking from the Accounts menu.



2. You'll see a browser window (see Lesson 2).
3. Click the New button.
4. Enter a short account name (for use in menus), and the full account name (for printed forms).
5. Enter an address, phone and account number. Then enter the starting balance, and the minimum balance you want to maintain.
6. Enter the company division in which to include this asset.

   HINT: To change the list of company divisions, click on the popup button next to the clairvoyant field, then choose Edit Company Divisions from the bottom of the menu.
7. Use the checkbook table to enter each checkbook that draws on this account. For each checkbook, enter the next available check number.

Using Checking Accounts

When you make a purchase and pay by check, enter a Material Purchase, enter Checking as a payment method and enter the checking account for an 'instant purchase' transaction (see page 242).

To pay multiple bills by check, use the Pay Bills command (see Lesson 36).

To write paychecks, use the Write Payroll command (see Lesson 46).

To transfer money in or out of a checking account, use Checking Transactions (see pages 261-272).

To deposit money from a cash register or cash box, use the Deposit Funds command (see Lesson 44).

Multiple Checkbooks

Each checking account can include one or more checkbooks. Each time you write a check, you can choose which checkbook to use for the payment.

To add a new checkbook to a checking account, follow these steps:

1. Choose Checking from the Accounts menu, and find the account you'd like to change.
2. Click anywhere in the last checkbook row in the checkbook table (at the right side of the window).
3. Press the Return key to add a new row.
4. Enter a new checkbook name, and the next available check number for that checkbook.
5. Repeat steps 3 and 4 for each additional checkbook in the account.

To change the next number for a checkbook, click in the Next # cell and type in a new number.

HINT: You may need to change the check number if you void a check, lose a checkbook, or otherwise get a mismatch between the next check number in Goldenseal and your actual checkbook.

Using Checkbooks

When you use the Write Payroll or Pay Bills commands, Goldenseal will ask you which checkbook to use for the payment .

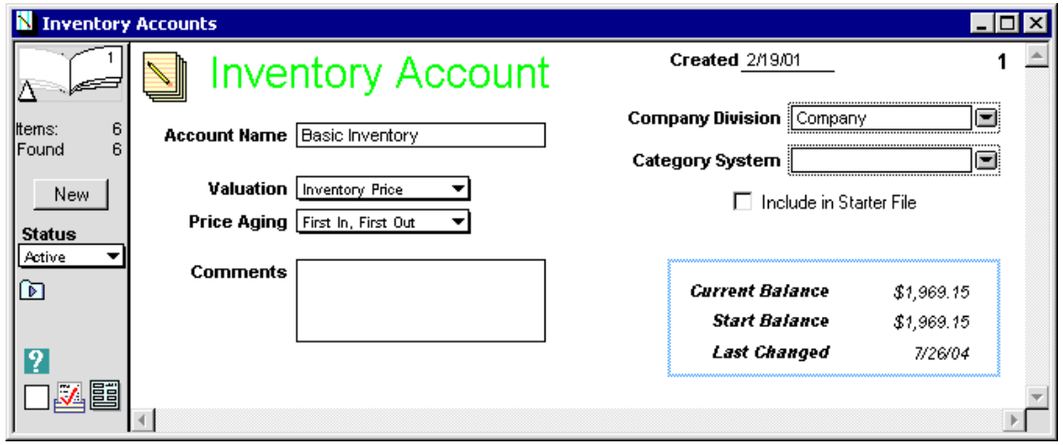
To use a checkbook when you enter a check transaction directly, choose a checkbook from the Checkbook popup menu (see Lesson 37).

Inventory Accounts

Use Inventory accounts to keep track of goods that you store for while before you sell them or use them in projects (see Lesson 47).

To create a new inventory account, follow these steps:

1. Choose Inventory from the Accounts menu.



2. You'll see a browser window (see Lesson 2).
3. Click the New button.
4. Enter a short account name .
5. Choose the way you'd like to value the inventory in this account, and how items in the account should be aged.
6. Fill in the other fields (see the Reference Manual for details).

Using Inventory Accounts

When you buy materials for inventory, create a Material Purchase transaction, and enter an inventory account as the Job account (see page 240).

When you sell items from inventory, enter the inventory account into the Sales transaction (see page 192).

When you use inventory items in a project, create an Inventory Used transaction for the account (see page 252).

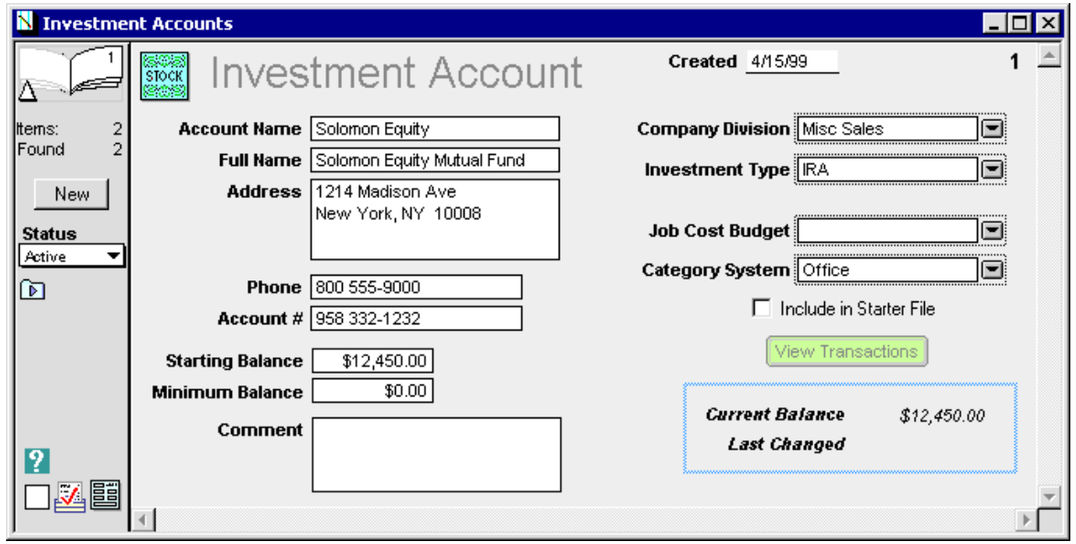
To adjust inventory quantities or value, create an Inventory Transfer for the items (see page 352).

Investment Accounts

Use Investment accounts for any assets that don't fit into one of the other categories.

To create a new Investment account, follow these steps:

1. Choose Investments from the Accounts menu.



2. You'll see a browser window (see Lesson 2).
3. Click the New button.
4. Enter a short account name (for use in menus), and the full account name (for printed forms).
5. Enter an address, phone and account number. Then enter the starting balance, and the minimum balance you want to maintain.
6. Fill in the other fields (see the Reference Manual for details, or look at the help messages in the left side of the window).

Using Investment Accounts

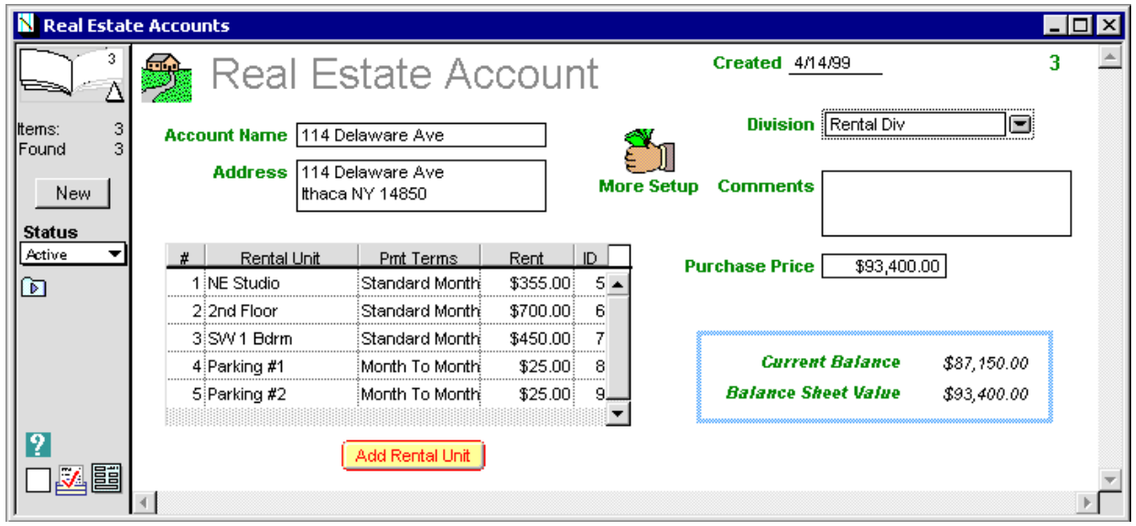
To transfer money in or out of an investment account, use Investment Transactions (see page 270).

Real Estate Accounts

Use Real Estate accounts for property that you own or manage (see Lesson 41 for more about rental management).

To create a Real Estate account, follow these steps:

1. Choose Real Estate from the Accounts menu.
2. Click the New button.
3. Enter information about the property (see the Reference Manual for details, or look at the help messages in the left side of the window).



More Setup Button

Click the More Setup button to enter depreciation, job costing and property management info for each property.

The button opens a separate dialog window where you can view and enter additional info. Click OK to save changes, or click Cancel to return to the main window without saving changes.

Rental Units

Each rental property can contain one or more rental units. To add rental units, click the Add Rental Unit button.

Using Real Estate Accounts

When you enter expenses for a property, enter a Real Estate account into the Job field (see page 240).

Enter Leases for tenants who rent (see page 295), and enter Rental Transactions for the rent that they owe (see page 296).

To create rental bills, choose Billing from the Income menu, and choose Rentals from the submenu (see page 300).

Savings Accounts

To create a new Savings account, follow these steps:

1. Choose Savings from the Accounts menu.

2. You'll see a browser window (see Lesson 2).
3. Click the New button.
4. Enter a short account name.
5. Fill in the other fields (see the Reference Manual for details, or look at the help messages in the left side of the window).

Using Savings Accounts

To transfer money in or out of an savings account, use Savings Transactions (see page 270).

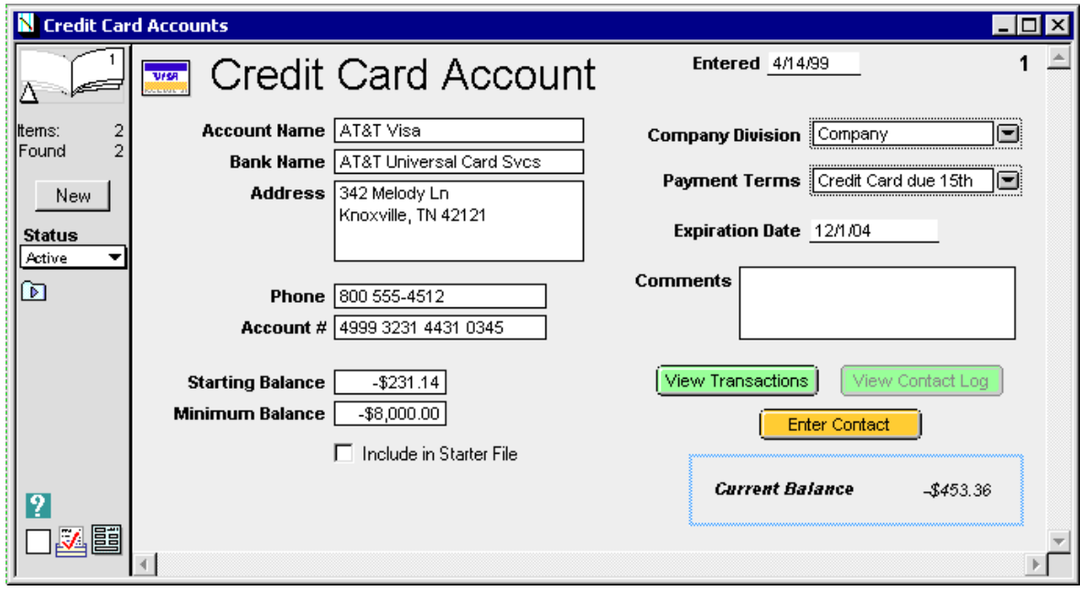
Credit Card Accounts

Use Credit Card accounts for credit cards and similar 'revolving' lines of credit that you can draw on at any time.

> ***NOTE:*** Don't create a separate account for debit cards. They can draw directly from the Checking or Savings account that provides funds.

To create a new Credit Card account, follow these steps:

1. Choose Credit Cards from the Accounts menu.



2. Click the New button.
3. Enter a short account name (for use in menus), and a full account name (for printed forms).
4. Fill in the other fields (see the Reference Manual for details).

Using Credit Card Accounts

When you make a purchase and pay by credit card, enter a Material Purchase, enter Credit Card as a payment method and enter the credit card account for an 'instant purchase' transaction (see page 242).

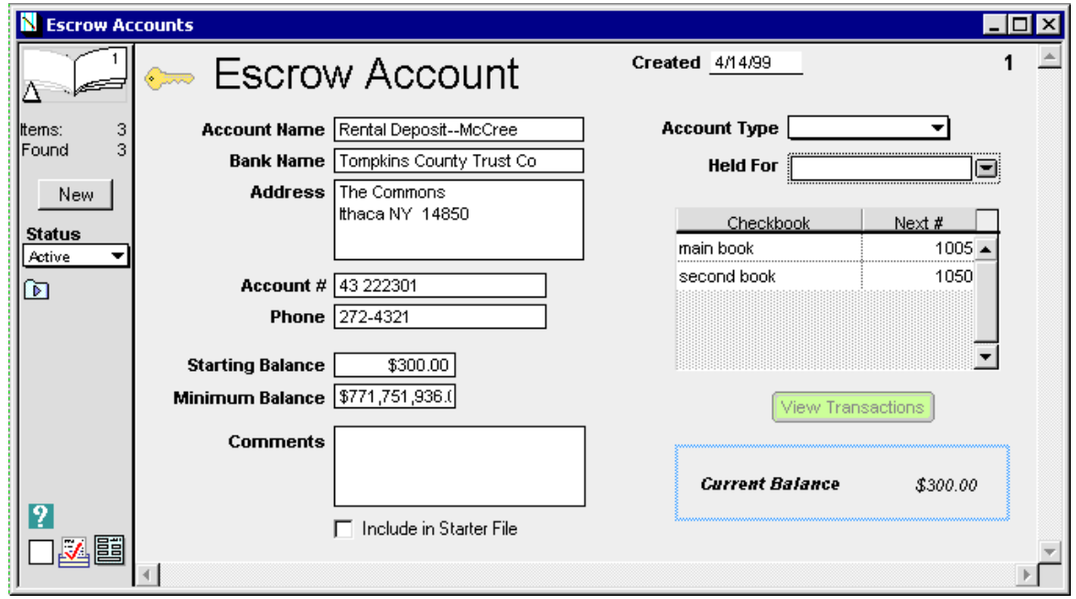
To transfer money in or out of a credit card account, use Credit Card Transactions (see page 270).

Escrow Accounts

Use Escrow accounts for money that you manage on behalf of someone else.

To create a new Escrow account, follow these steps:

1. Choose Escrows from the Accounts menu.



2. You'll see a browser window (see Lesson 2).
3. Click the New button.
4. Enter a short account name (for use in menus), and the full account name (for printed forms).
5. Fill in the other fields (see the Reference Manual for details).
6. You can enter multiple checkbooks into each escrow account (see page 213).

Using Escrow Accounts

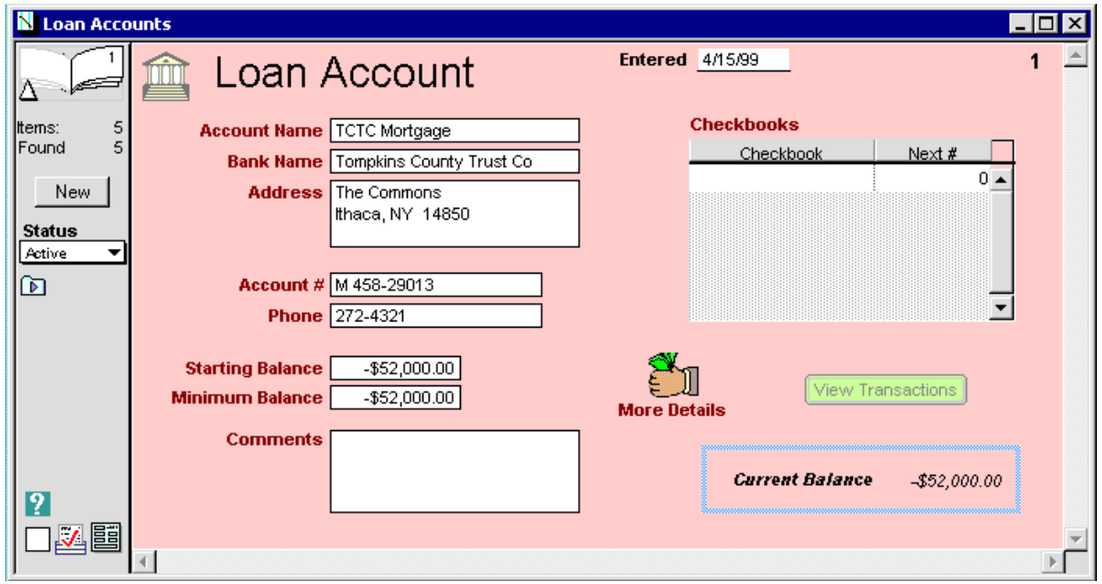
To transfer money in or out of an escrow account, use Escrow Transactions (see page 270).

Loan Accounts

Use Loan accounts for any loans that aren't credit cards.

To create a new Loan account, follow these steps:

1. Choose Loans from the Accounts menu.



2. You'll see a browser window (see Lesson 2).
3. Click the New button.
4. Fill in the data fields (see the Reference Manual for details).
5. You can enter multiple checkbooks into each loan account (see page 213).
6. Click the More Details button to enter additional info about the loan.

Using Loan Accounts

To transfer money in or out of a loan account, use Loan Transactions (see page 270).

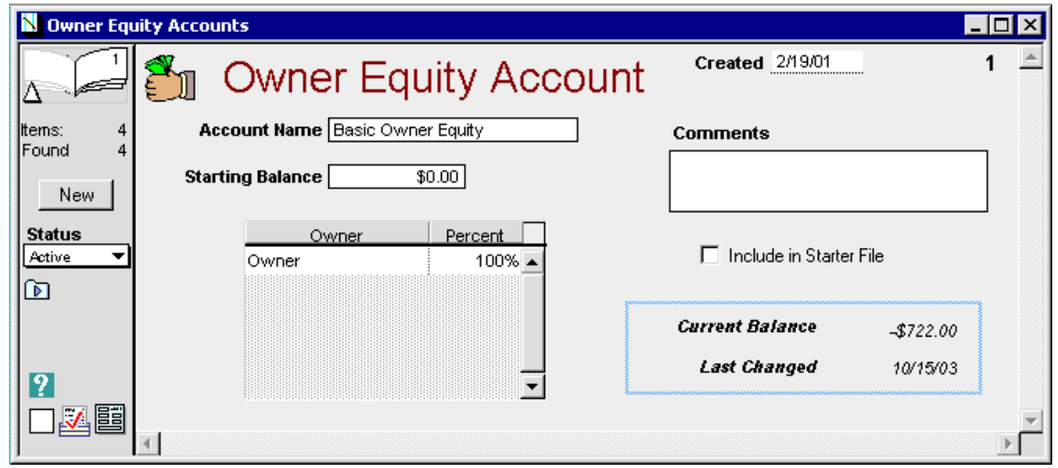
Owner Equity Accounts

Use Owner Equity accounts to track ownership of your business.

HINT: You probably need only one owner equity account, even if there are multiple owners.

To create a new Owner Equity account, follow these steps:

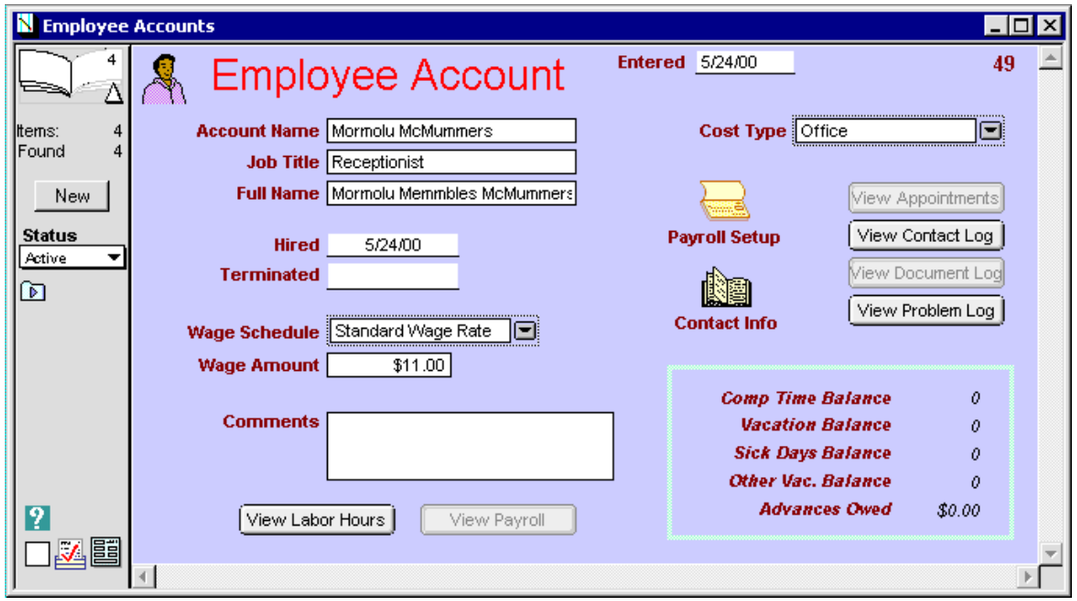
1. Choose Owner Equity from the Accounts menu.



2. You'll see a browser window (see Lesson 2).
3. Click the New button.
4. Enter a short account name (for use in menus), and the full account name (for printed forms).
5. Enter an address, phone and account number. Then enter the starting balance, and the minimum balance you want to maintain.

Employee Accounts

Employee accounts store information about each employee.

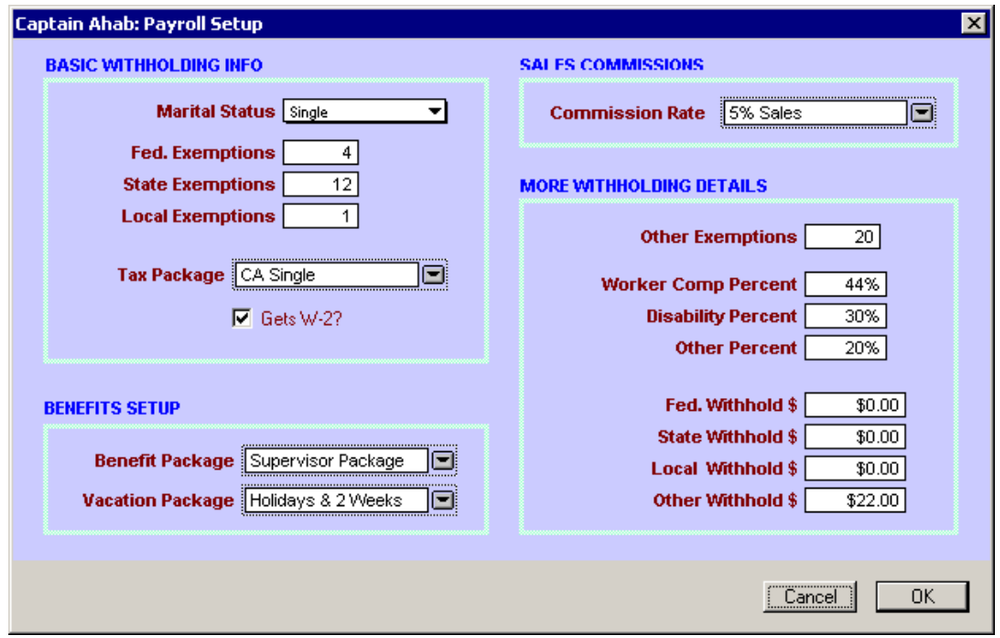


To enter payroll information for an employee, follow these steps:

1. Choose Employees from the Accounts menu.
2. Click the New button.
3. Enter a brief name for the employee. It will appear in the Chart of Accounts and in popup menus. Also enter a job title and the employee's full name (for use on printed checks).
4. Enter the employee's address, phone, e-mail address and tax identification number. You can also enter an emergency contact person, hiring and termination dates, and any comments you have.
5. Enter a cost grouping for the employee in the Cost Type field. This is just a convenient way to classify and group your employees.
6. Enter the time and materials billing rate that is used for this employee (see page 329). If the billing rate uses a variable amount, enter the amount that is used for this employee.
7. Enter the billing rate and the optional billing amount that is used to calculate job costs for this employee.

8. Click the Payroll Setup button to enter the employees usual wage rate, tax withholding, benefits and vacations.

   HINT: For more about payroll setup, see Lesson 45. For instructions on importing your state's payroll tax tables, see page 396.



9. Click the Contact Info button to enter the employee's phone, address and other contact info.

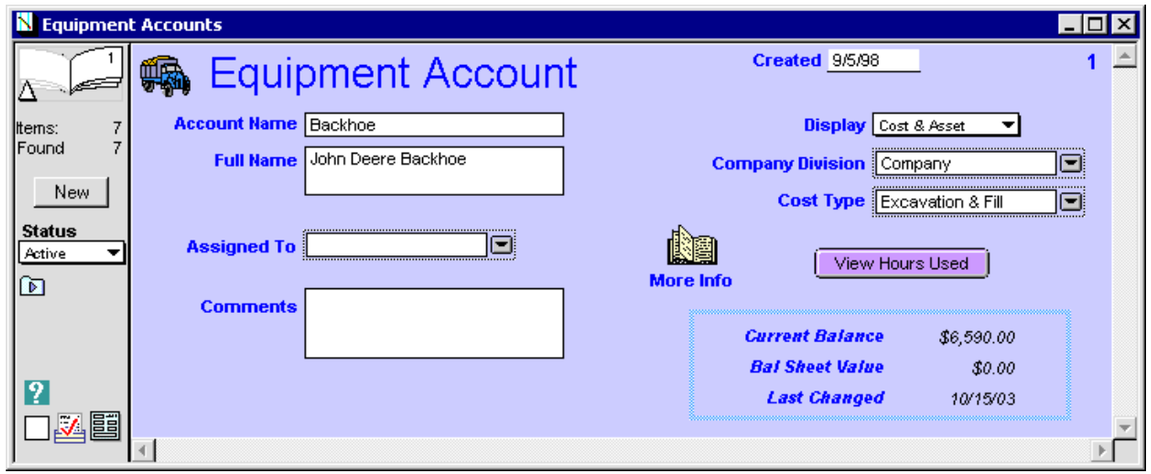
Using Employee Accounts

To track the work done by each employee, enter Labor Hours (see page 338). To write paychecks, use the Write Payroll command (see page 342). Goldenseal stores payroll information for each employee in Payroll Records (see page 345).

To see contact records for an employee, click the View Appointments button, or one of the other action buttons (see page 15).

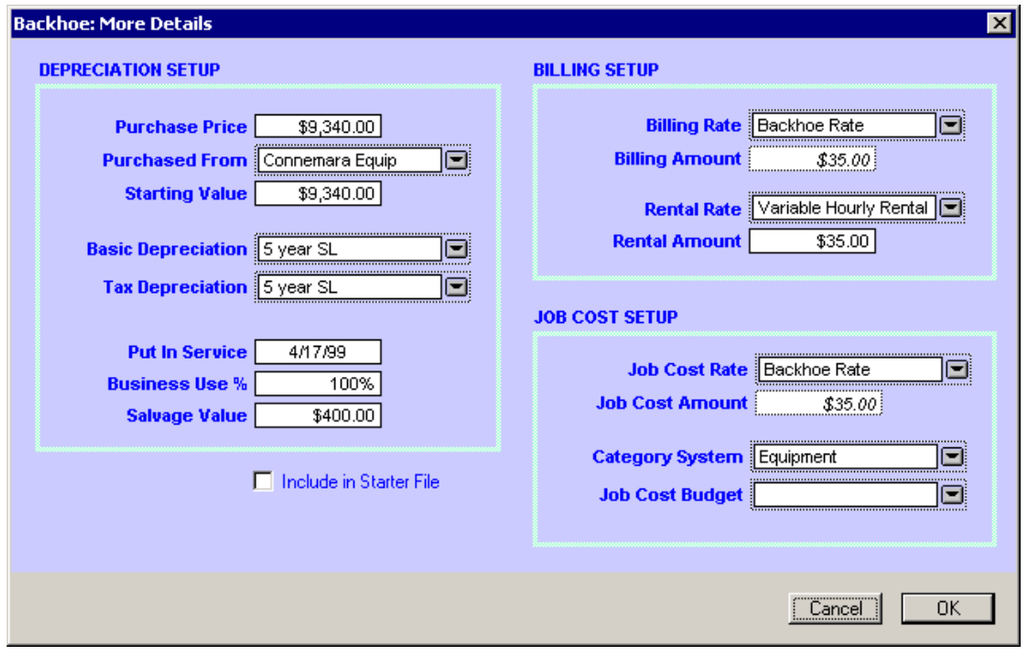
Equipment Accounts

Create equipment accounts for equipment, vehicles, large tools, machinery and similar productive items that you own or lease. You can also use them for livestock, intellectual property or other productive units.



To create an Equipment account, follow these steps:

1. Choose Equipment from the Accounts menu.
2. Click the New button.
3. Enter an account name for use within Goldenseal, and a full name for printed forms.
4. Enter the employee who usually uses the equipment, and any comments you have about this equipment.
5. Enter the places where you'd like to display this account in the Chart of Accounts.
6. Enter the company division to which this item belongs.
7. Enter a cost grouping for the equipment in the Cost Type field. This is just a convenient way to classify and group your cost accounts.
8. Enter the category system you'll use when entering expenses for this account. You can also enter an estimate to use for a job cost budget.
9. To enter billing and depreciation info for this account, click the More Info button.



10. Set up depreciation info in the fields on the left, and project billing info in the fields on the right, then click OK to save changes.

    HINT: To see more info about the fields, put the mouse cursor over a field and read the help info at the bottom of the window.

Using Equipment Accounts

To track the time that you use equipment, enter Equipment Hours (see page 251). Goldenseal applies the equipment expense to time and materials billing (see Lesson 43) and to job costs (see Lesson 39).

When you spend money on equipment, create an expense transaction and enter the equipment into the Job field (see page 240). That way you can track maintenance costs for each piece of equipment.

NOTE: Equipment is a cost account when you use it for work on projects, and an honorary job account when you need to repair it.

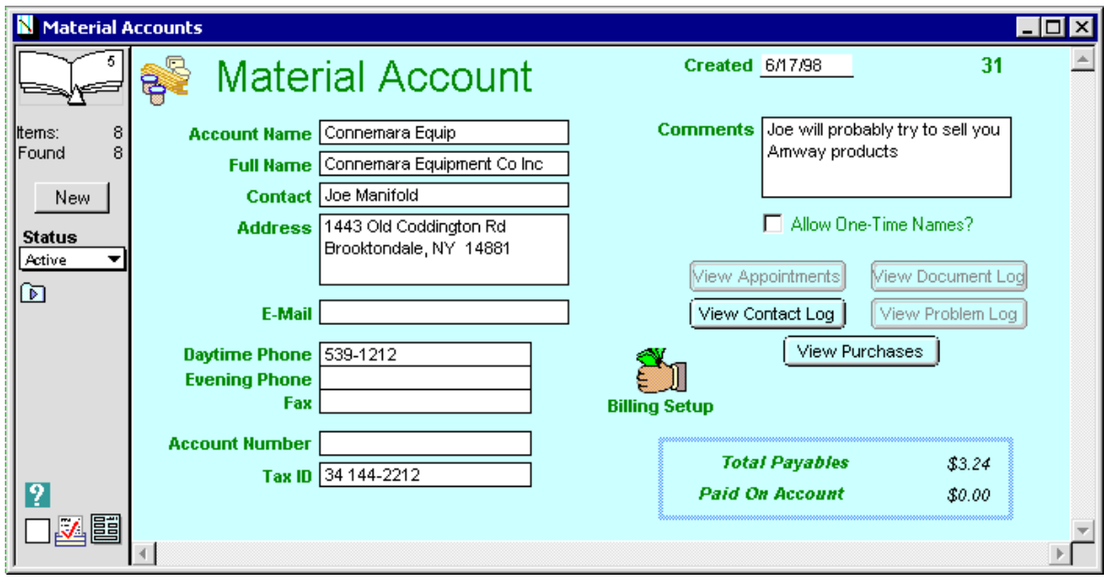
Goldenseal includes the value of your equipment as an asset on the Balance Sheet (see page 382).

Material Accounts

Before you start to enter material purchases, create a Material account for each supplier that provides you with any type of tangible goods. Use material accounts for those who provide construction components, office supplies or raw materials. You can also use them for anyone from whom you buy equipment or real estate properties.

To create a Material account, follow these steps:

1. Choose Material Suppliers from the Accounts menu,.
2. Click the New button.



3. Fill in the data fields (see the Reference Manual for details).
4. Click the Billing Setup button to enter additional billing and job costing info for this account.

Using Material Accounts

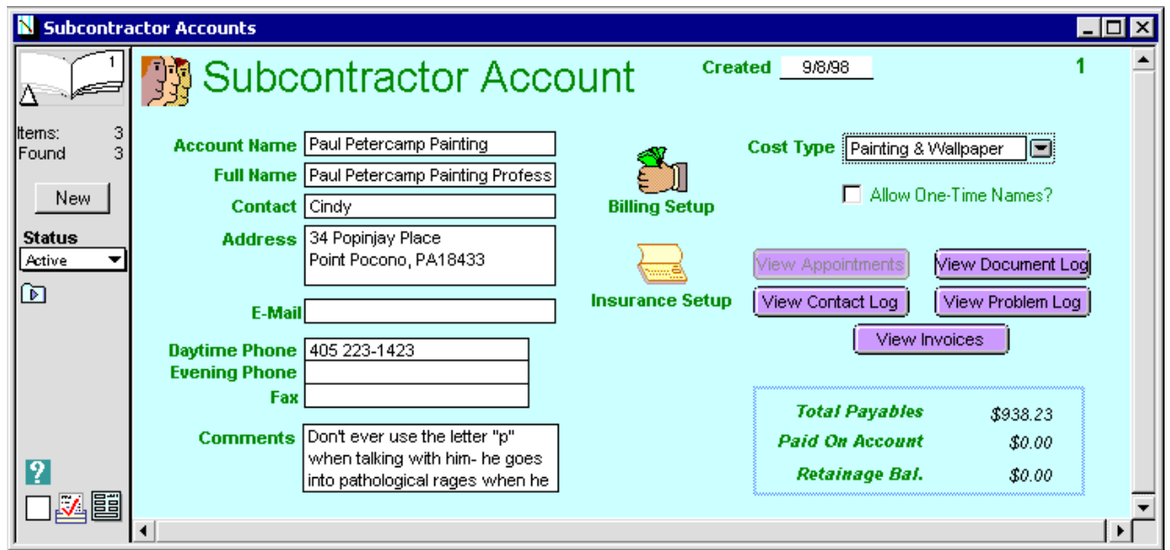
To enter purchases, choose Material Purchases from the Costs menu (see Lesson 33).

To pay invoices, choose Pay Bills from the Bank menu (see Lesson 36).

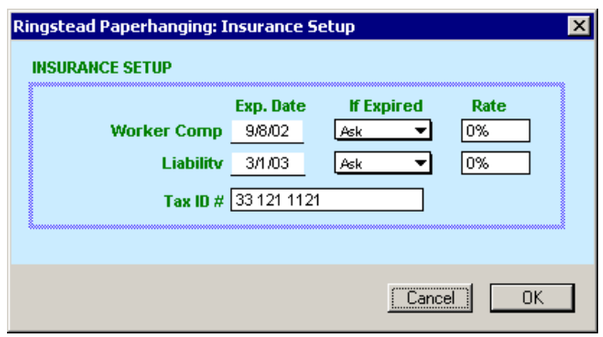
Subcontractor Accounts

Create a Subcontractor account for each person or business that provides professional services to you. To enter subcontractors, follow these steps:

1. Choose Subcontractors from the Accounts menu.



2. Enter an account name and other contact info.
3. Click the Billing Setup button, and enter billing info for this account.
4. Click the Insurance Setup button, and enter insurance expiration dates, and how you'll handle expired insurance (see page 259).



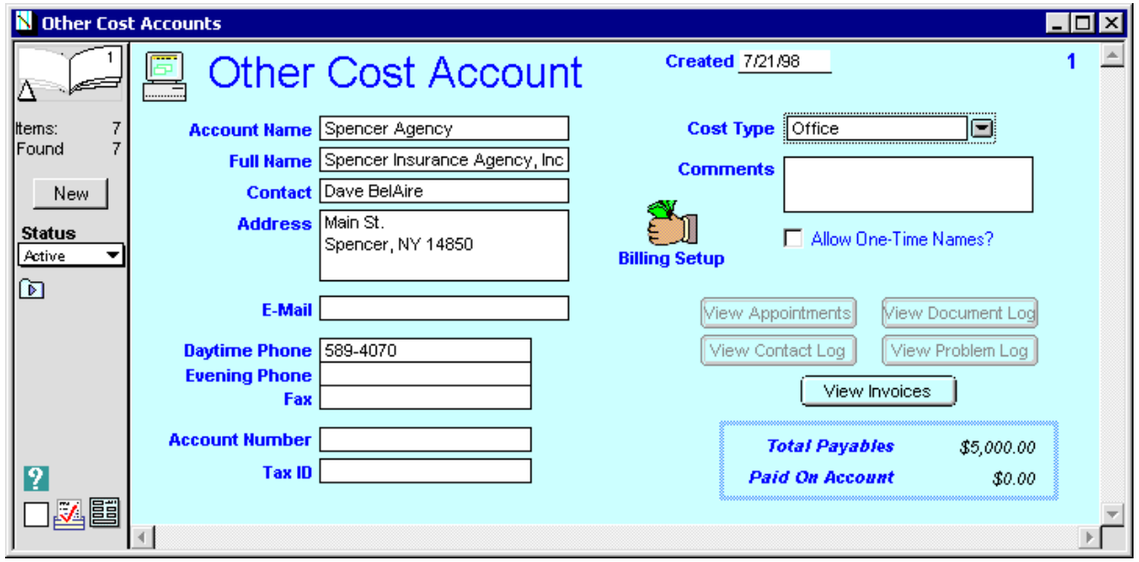
Other Cost Accounts

If you pay money to someone and they aren't a material supplier or subcontractor, enter them as an Other Cost account. Use Other Cost accounts for government and tax agencies, and for those who provide you with intangible services such as advertising, insurance, lodging, mailing, printing, shipping, travel and utilities.

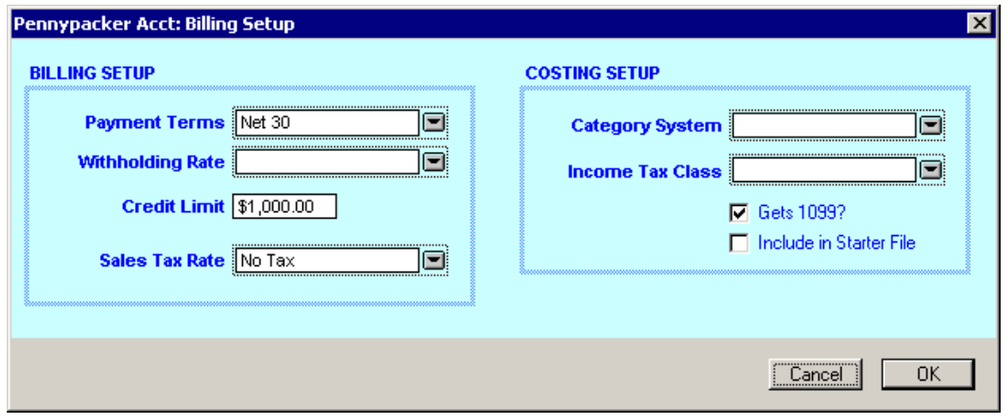
> ***HINT:*** Some accounts might fit into any of the three types of cost accounts (material supplier, subcontractor or other cost account). In that case it's just a matter of personal preference where you put them.

To create an Other Cost account, follow these steps:

1. Choose Other Costs from the Accounts menu.



2. Click the New button.
3. Enter an account name and contact information for the account.
4. Click the Billing Setup button, and enter basic billing info.
5. Enter the payment terms you use for this vendor, vendor withholding (such as GST credits), your credit limit with this vendor and the sales tax rate you pay.



6. Enter the category system to use for this vendor's expense, the way you'll classify expenses for this vendor in the income tax report, and whether they get a 1099 form.
7. Click OK to save the billing setup.

Using Other Cost Accounts

To enter other cost transactions, choose Other Costs from the Costs menu (see page 255).

To pay invoices, choose Pay Bills from the Bank menu (see Lesson 36).

You can create one or more Other Cost account to cover 'one time' vendors who don't need their own separate account.

Finishing Up

In this lesson you have learned how to work with accounts.

Before you move on, you may want to take a break. Relax, lie on your back and put your feet up. Can you wiggle your ears? Can you make the sound of one hand clapping? Can you make the sound of one ear wiggling?

> ***FACT FOR THE DAY:*** Article 151, Subchapter 14.240-b of the US Tax Code requires all IRS auditors to be able to wiggle their ears by at least 1/4 inch (6 mm). It's considered useful for intimidating those being audited, and it's entertaining for co-workers.

Lesson Thirty-Two: Lists

Goldenseal uses lists for many of the details of running your business.

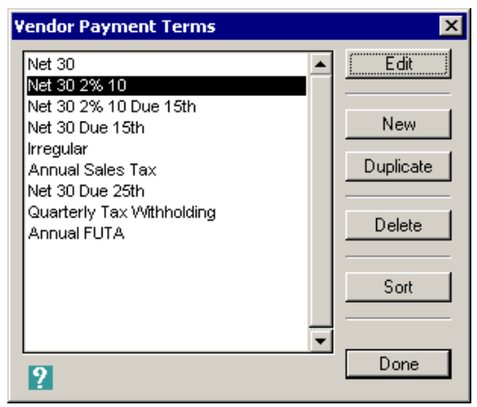
This lesson covers several basic lists— for payment terms, prospect sources, depreciation, billing rates and delivery charges.

Viewing Lists

To view lists, use the menu commands at the top of the screen.

For example, to see the list of vendor payment terms, follow these steps:

1. Choose Payment Terms from the Options menu, then choose Vendors from the submenu.
2. You will see a list of all the current payment terms.



Entering List Items

To change a set of payment terms, double-click on an item in the list, or click once on an item and then click the **Edit** button.

To create new terms, click the **New** button.

To copy existing terms, click once on an item and click **Duplicate**.

To delete an unused set of terms, click once on an item and click **Delete**.

To sort the list into alphabetical order, click the **Sort** button.

When you are finished with the list, click the **Done** button.

Using List Items

To use a list item, enter it into a clairvoyant field. For example, to give a material supplier a different set of payment terms, follow these steps:

1. Choose Material Suppliers from the Accounts menu.
2. Click the Billing Setup button.
3. Enter the new terms into the Payment Terms clairvoyant field (see Lesson 2 for more about clairvoyant fields).

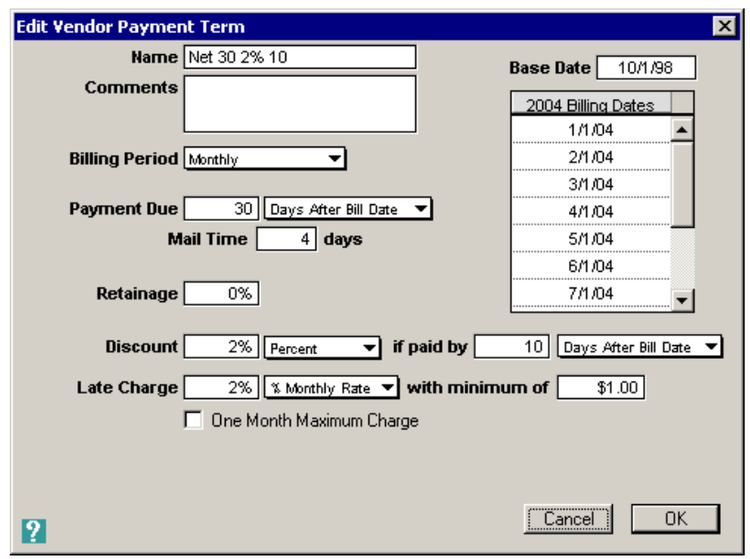
You can also use the popup button in the clairvoyant field to see list items.

- Choose **Edit Vendor Payment Terms** to see the whole list of terms.
- Choose **View This Vendor Payment Term** to see the current terms.

Vendor Payment Terms

Use Vendor payment terms to set the way you pay for billed materials, subcontractors and other costs. To enter terms, follow these steps:

1. Choose Payment Terms from the Options menu, then choose Vendors from the submenu.
2. You'll see a list of payment terms for vendors.
3. Select an item and click the Edit button, or click the New button to enter new terms.



4. Enter values into the fields. For example, to change the text that Goldenseal prints on each customer's billing statements, change the text in the Form Message field.

   HINT: Check the Reference Manual on the CD for more about the specific fields in this window.

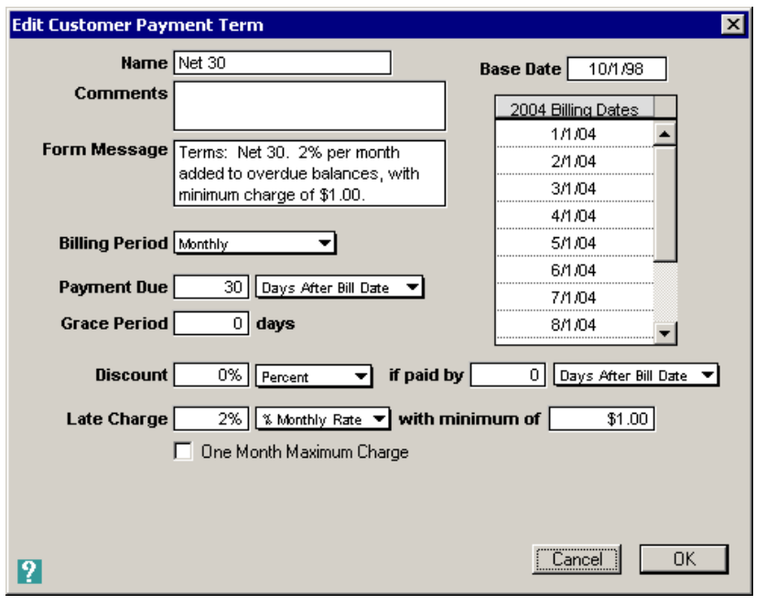
5. To save any changes that you have made, click the OK button. To leave without saving changes, click the Cancel button.

Customer Payment Terms

Use Customer Payment Terms to set up your billing frequency, early-payment discounts and finance charges for billed sales.

To modify a set of customer payment terms, follow these steps:

1. Choose Payment Terms from the Options menu, then choose Customers from the submenu.
2. In the list of payment terms, double-click on the payment terms item you'd like to change, or click the New button to make a new set of payment terms.

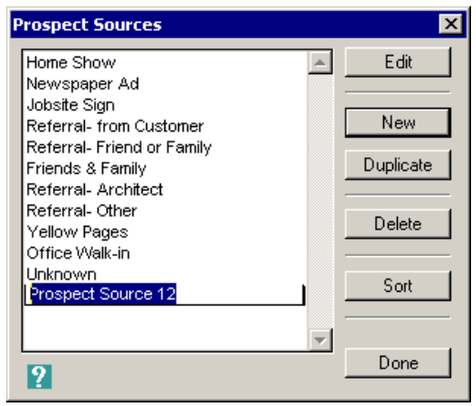


3. Enter values into the fields, then click the OK button.

Prospect Sources

Use the Source field in the customer account to enter the way a customer first heard about you. To enter Prospect Sources, follow these steps:

1. Choose Income Setup from the Income menu, then choose Prospect Sources from the submenu.



2. You'll see a list of possible sources.
3. To add a new item, click the New button. Prospect Sources are a simple list of names, so Goldenseal will add the new item directly to the list, instead of showing you a separate dialog box.
4. Type the new name directly into the list.
5. To change an existing item, double-click on it (or click on the name, then click Edit). You can change its name directly in the list.

More Simple Lists

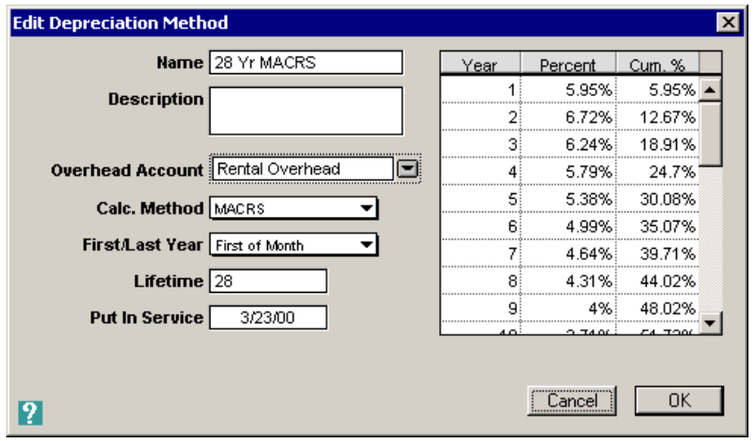
Goldenseal includes several other simple lists. Choose Other Lists from the Options menu, and enter any of the following:

Actions Taken— things you've done for problems, contacts and documents.
Appointment Type— types of appointments for Appointment records.
Contact Type— types of meetings and calls for the Contact Log.
Document Type— types of documents for the Document Log
Problem Type— types of problems for the Problem Log.
Tools— simple tools that you use in projects.
Unit Sizes— sizes for Cost Items and Assemblies (e.g. square feet).

Depreciation Methods

Depreciation Methods calculate depreciation for Real Estate and Equipment accounts. To enter depreciation methods, follow these steps:

1. Choose Cost Setup from the Costs menu, then choose Depreciation Methods from the submenu.
2. You'll see a list of methods. Click the New button.
3. Enter a brief name for the depreciation method
4. Enter any comments you have about this method.
5. Enter the way you'll calculate depreciation for this item (see the Reference manual for details).

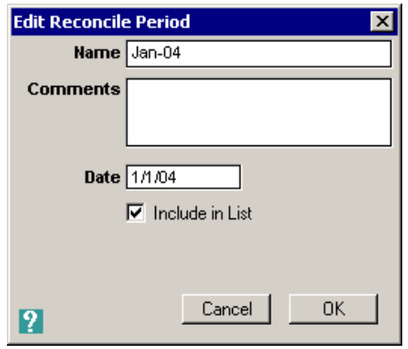


6. Most calculation methods fill in a depreciation table at right. You can scroll through the years to see the amount of depreciation each year. For a Custom calculation method, enter percentages into the table.

Reconcile Periods

Use Reconcile Periods to mark off bank transactions when you reconcile an account against the bank statement (see page 277). To enter reconcile periods, follow these steps:

1. Choose Other Lists from the Options menu, then choose Reconcile Periods from the submenu.
2. You'll see a list of periods. Click the New button.
3. Enter a brief name, any comments you have, and a date for the period.
4. Click OK.

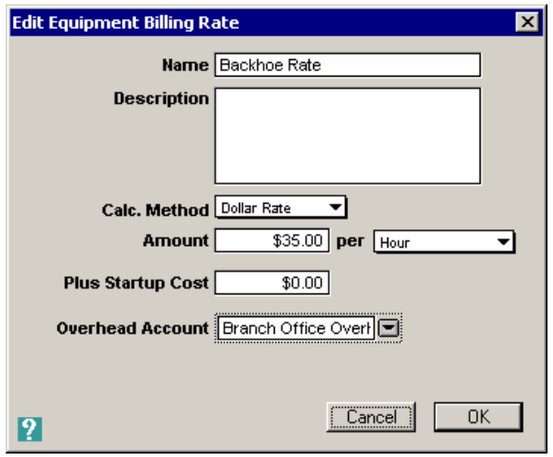


Billing Rates

Use billing rates to set the amount you charge for time-and-materials work and job costs. There are separate rates for equipment, labor and subs.

To enter Equipment Billing Rates, follow these steps:

1. Choose Billing Rates from the Options menu, and choose Equipment from the submenu.
2. Click the New button, or select an existing item and click Edit.
3. Enter a brief name for the rate, and any comments you have about it.



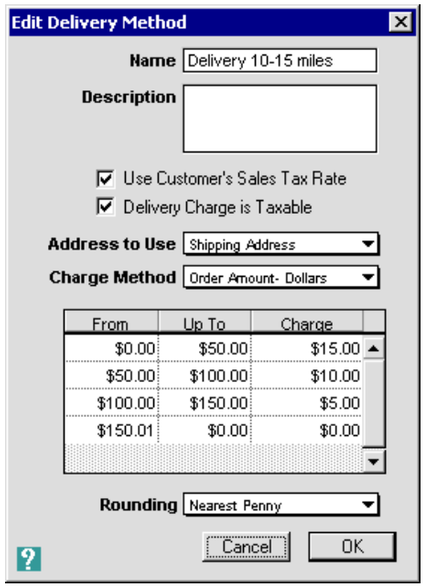
4. Enter the way you'd like to calculate the rate.
5. Enter an Overhead account to use for this rate.
6. When you are finished, click the OK button.

Delivery Methods

The Delivery Methods list identifies shipping and delivery methods for sales transactions. It calculates any charges that you'll make for shipping or deliveries. The list uses a table of values, so you can charge different amounts based on the price or weight of the order.

To enter a delivery method, follow these steps:

1. Choose Income Setup from the Income menu, then choose Delivery Methods from the submenu.
2. You'll see a list of delivery methods. Select a method, and click the Edit button (or click the New button to create a new method).
3. Enter a brief name, and any comments you have about this item.



4. Click on the first checkbox to determine whether sales tax is based on the customer's usual tax rate or the tax rate for the Sales Branch (use the latter for sales that are not delivered). Click on the second checkbox to determine whether delivery charges are taxable.
5. Choose the text to fill into the address field in Sales.
6. Choose the calculation method for the delivery charge. It can be based on the weight or the sale price. It can be calculated as a percentage of the sale price, or as a flat dollar amount.
7. Enter a charge into the Charge column in the first row.
8. If the charge applies only up to a certain weight or amount, enter the cutoff amount into the Up To column.
9. When there is only one charge for all items, you'll only need one row. If there are different charges for different price ranges or weight ranges, press the Return key to enter another row.

   HINT: New rows always have a From value that is equal to the previous row's Up To value. Goldenseal does not let you enter Up To values that are not in ascending order.
10. Repeat steps 7 to 9 as many times as you need.
11. When you are finished, click the OK button.
12. To leave the list of job sales taxes, click the Done button.

Finishing Up

There are about 60 lists used within Goldenseal, but they all look similar to one of the lists we have already covered in this lesson. You only need to use those lists that make sense for your business.

HINT: A starter company file already comes with many lists filled in (see page 159).

If you'd like to look at other lists, choose a submenu from any of the following menu commands:

Income menu— Income Setup

Costs menu— Cost Setup or Payroll Setup

Options menu— Account Groups, Billing Rates, Contract Setup, Payment Terms, Calculations or Other Lists

Before you move on, it's definitely time to take a break. What would happen if you were called on to sing the Star Spangled Banner at baseball opening day, and the President of the United States were there? This might be a good time to learn the second verse.

HISTORY FACT FOR THE DAY: The writer of the national anthem, Francis Scott Key, also invented the shower. His first version was used only for singing in, but he added plumbing after his wife threatened to convert the space to chic hat storage.

ANOTHER HISTORY FACT FOR THE DAY: Mrs. Scott Key is famous in her own right, since she invented the pink yard flamingo (along with her best friend Mae West). Residents of Florida were so grateful to them that they named Key West in their mutual honor.

Lesson Thirty-Three: Material Purchases

Whenever you buy supplies or materials, enter the expense into a material purchase transaction. Material purchases are one of the five classes of expense transactions. The others are equipment hours, subcontractor costs and other costs (Lesson 35) and labor hours (Lesson 46).

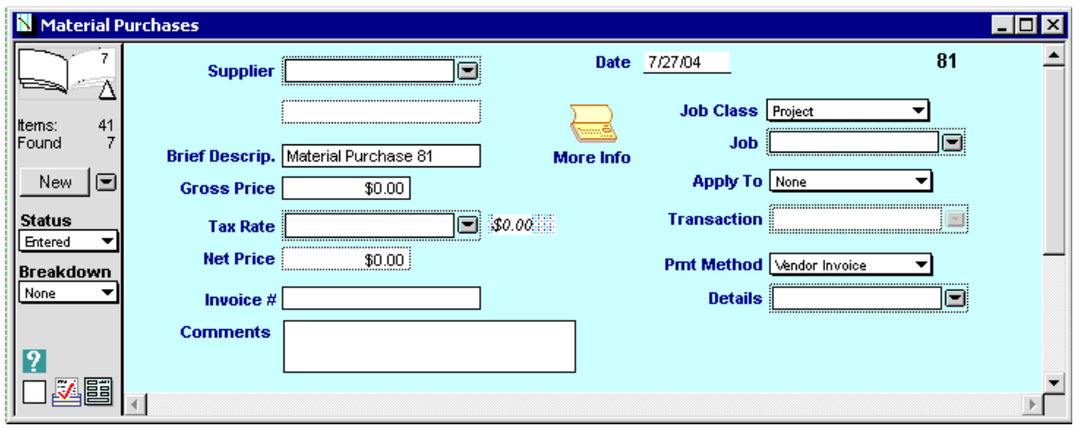
This lesson shows you how to enter a simple purchase for a single material item.

NOTE: Lesson 34 shows you how to enter multiple items in a purchase.

Entering Purchases

To enter a simple material purchase for one item, follow these steps:

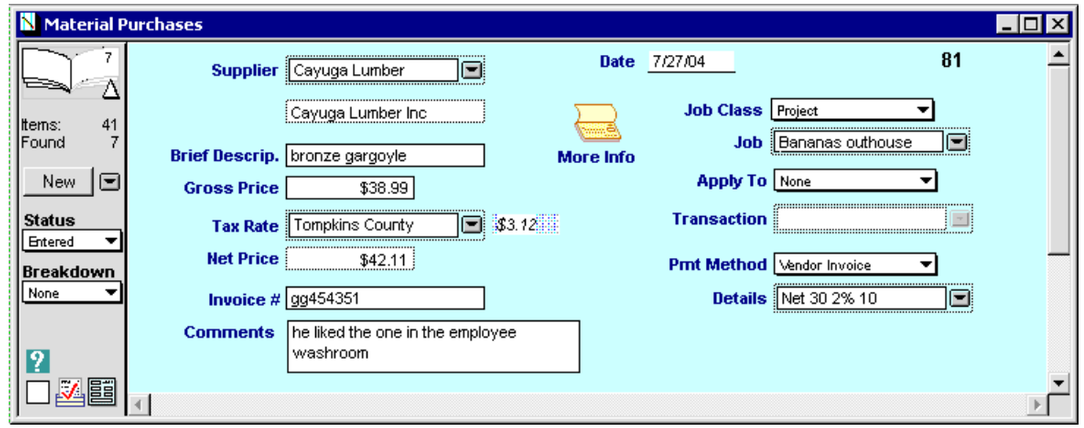
1. Choose Material Purchases from the Costs menu.
2. Click the New button.



3. You will see a blank purchase record.
4. Click in the Supplier field, and start typing the supplier's name until the correct account has been selected (see page 15).

   HINT: You can also click on the popup button next to the Supplier clairvoyant field, and choose an account.
5. Press the Tab key, and type in a brief description of the purchase.
6. Press the Tab key, and type the purchase price into the Gross Price field.
7. When you enter a vendor, Goldenseal automatically enters their usual tax rate. If for some reason you will pay a different rate for this purchase, enter it into the Tax Rate field.

   HINT: To see the usual tax rate for this supplier, choose Main Account from the View menu, and look at the Sales Tax Rate field.
8. Press the Tab key until the Invoice field is selected, then type in the vendor invoice number (if any). Notice that Goldenseal automatically computes the net price and sales tax amount when you leave the Gross Price field.
9. Press the Tab key, and enter any comments you have.



10. To finish the purchase transaction, assign job costs, apply any special conditions or linked transactions, and enter a payment method (see the next 3 pages for further details).
11. Choose Save Record from the Edit menu to save the transaction.

Job Cost Information

Goldenseal allows you to assign every expense to a job (which can be a customer, a project, or an overhead account). You can also allocate costs to cost categories and locations. Entering job cost information is the best way to track your expenses, so you can understand how the money is spent in your business.

HINT: If you are only entering a purchase for the sake of job costing and don't want to track payments for it, enter Job Cost Only into the Status field. This feature is especially useful if you are entering old invoices when you first set up Goldenseal (see page 400).

Jobs

A job is any part of your business that consumes expenses. Some jobs create income directly. Other jobs don't create income, but are allocated as indirect expenses (overhead, equipment, inventory and real estate).

Assign material purchases to any of the following job classes:

Customer— items you buy for resale directly to a specific customer.

Project— materials and supplies used in a project.

Overhead— materials and supplies for the office.

HINT: If it doesn't make sense to assign a cost to any other job type, use an Overhead account.

Inventory— materials purchased and kept in inventory for later resale.

Equipment— materials used for equipment repair, or supplies consumed by a piece of equipment as part of its productive use.

Investment— materials and supplies used when managing an investment.

Real Estate— materials used for real estate repairs, or supplies consumed as a part of rental property management.

To assign a purchase to a specific job, use the Job Class popup menu to enter the type of job account, then click in the Job field, and assign the cost to a specific project or other job.

Cost Categories and Locations

You can allocate each expense transaction to cost categories (see Lesson 11) and cost locations (see Lesson 12). Doing that will help you to get accurate job cost information, which can help you to run your business more profitably.

To enter cost category info, follow these steps:

1. Click in the Category field, and choose a cost category.
   NOTE: If no category is available, it's because the selected supplier uses a category system that has no categories in it.
2. Press Tab or click in the Subcategory field, and choose a job cost subcategory.
   NOTE: Some category systems don't include subcategories. If that is the case, just leave the field blank.
3. Press Tab or click in the Location field, and enter the location where this purchase is used.

Special Conditions

Some purchases have special conditions— they apply to another transaction, or receive special treatment in expense accounting. To enter a special condition, choose an item in the Applies To field.

When this expense applies to another transaction, enter the linked transaction into the Transaction field. The following choices work that way:

Allowance— project purchases that apply to an allowance. Goldenseal will include this item when you do Allowance billing.

Bid— purchases that apply to a prior bid from this vendor. Goldenseal warns you if the total amount of purchases exceeds the bid amount.

Change Order— project purchases that apply to a change order. Goldenseal will include this item when you do Change Order billing.

Purchase Order— this purchase will be applied to a prior purchase order for this vendor. When you complete the transaction, Goldenseal will warn you if the total amount of purchases exceeds the purchase order amount, or if purchase orders are required and none has been entered.

You can also use the Applies To field to identify :

Capital Improvement— a purchase that adds to the asset basis value of an investment, equipment or real estate account, rather than being handled as an expense.

Credit— a transaction that reduces the amount owed to the supplier. The gross amount of a credit is negative.

Finance Charge— a payment for interest on overdue items.

Return— a transaction that reduces the amount owed to the supplier, and reduces the inventory quantity of any items that it includes. The gross amount of a return is a negative number.

Special Order— a purchase that has not yet been received.

Prepaid Expense— a purchase that will be used over a future time period. In financial reports, the pre-paid amount is considered as an asset.

Payment Methods

Each purchase needs to have a payment method. Choose a method from the Payment Method popup menu.

Billed Purchases

Choose Vendor Invoice as a payment method if you are not paying for this item now. Goldenseal will add the purchase to your Accounts Payable.

NOTE: Lesson 36 shows you how to pay your unpaid bills.

Goldenseal automatically enters the vendor's usual payment terms into the Details field. If this purchase uses some other payment terms, change the contents of the Details field.

HINT: To see the usual payment terms for this vendor, choose Main Account from the View menu, and look at the Payment Terms field in the vendor account record.

Instant Purchases

If you are paying for this purchase immediately, enter the type of payment into the Payment Method field. Enter a specific account into the Details field— for example, if you are paying by check, enter a checking account.

When you complete the purchase, a matching payment transaction will be created automatically for the selected bank account. If you are paying by check, you'll be asked which checkbook to use for the payment.

HINT: When you enter an instant purchase, all of your bookkeeping is completed instantly. The expense is marked as paid, your bank balance is adjusted, and job cost and billing information is posted automatically.

Unpaid Purchases

Use the Status popup field to mark purchases that will not be paid. To track a purchase for job costing, choose Job Cost Only. To enter a price quote that will be used to update unit costs, choose Pricing Only. If a purchase won't happen now, choose Planned or Void.

One-Time Vendors

If you use some vendors infrequently and don't want to set up an account for them, follow these steps:

1. Create one or more Material accounts to handle one-time purchases. In the account, turn on the Allow One-Time Names checkbox.
2. To make a purchase from an infrequent vendor, create a purchase transaction, and enter the account from step 1 into the vendor field.
3. Turn on the One-Time checkbox.
4. Type in the name of the vendor.

Saving a Purchase

You save a purchase transaction when you close its window, hit the Enter key, Quit, or move to another record in the same window. When you save a transaction, Goldenseal also automatically 'posts' it.

WARNING: If you switch to a different window before you save a transaction, it is left 'dangling'. Other parts of Goldenseal will not know what you have entered there until you save it.

Required Fields

When you complete a transaction, Goldenseal checks for fields that cannot be left blank. For example, every purchase must have a vendor, and you can't close the transaction until you enter one.

HINT: If you start a transaction and are not ready to complete it now, change the Status field to Planned or Void.

Transaction Posting

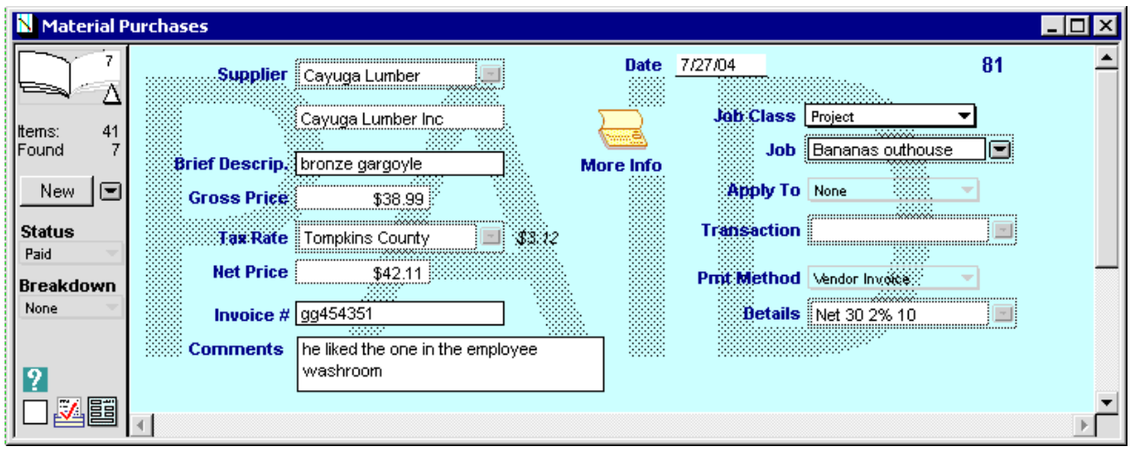
When you save a transaction, Goldenseal automatically posts it to job costs and expense accounts. Posting takes only a fraction of a second.

If the payment method is Vendor Invoice, Goldenseal adds the purchase to Accounts Payable. For other payment methods, Goldenseal creates a compensating bank transaction as soon as you complete the purchase.

NOTE: If there is a 'dangling' transaction in the bank account that will pay for a purchase, you won't be able to save the purchase. In that case, open the bank transaction window, complete the bank transaction and save it. You can then save the purchase also.

Closed Transactions

Goldenseal closes a purchase transaction when it is paid. For a prepaid transaction, that happens as soon as you complete the transaction. For a billed purchase, it happens after the bill is paid (see Lesson 36).



Closed purchases have Paid in the Status field and a Paid watermark. You can still change some fields, but the account, status, amount and payment method fields are locked so you can no longer change them.

> ***NOTE:*** If you need to change a closed transaction, find the payment transaction (see page 245) and set its status to Void. After you've made the change, restore the payment transaction to its original status.

Canceling a Purchase

To cancel a purchase but still keep it on file, enter Void into the Status popup menu.

To permanently remove a purchase, choose Delete Record from the Edit menu.

> ***NOTE:*** You cannot delete records that have been paid or time-and-material billed, or that have other transactions that refer to them.

If you have started to change an existing purchase and want to go back to the original version, choose Revert Record from the Edit menu.

To return a purchased item for credit after it has been billed or paid, follow these steps:

1. Find the original purchase transaction.
2. Choose Duplicate Record from the Edit menu.
3. Enter Return into the Apply To popup menu.

Transaction Links

In Goldenseal, most transactions are 'linked' to other transactions and accounts. Use the following menu commands to see linked items:

Choose Material Account from the View menu to see the supplier account.

Choose Project Account from the View menu to see the job account.

Choose Payment Transaction from the View menu to see the bank transaction that pays for this transaction (if the transaction is has not yet been paid, this command is not available).

To see an account in an active clairvoyant field, click on the field's popup button, and choose View This… from the bottom of the menu (the name of the command is different for each class of account or transaction).

To see any account or transaction that is listed in a disabled (gray) clairvoyant field, double-click on the field.

> ***WARNING:*** If you use one of the linking commands to view a transaction that is not currently in the list of found records, Goldenseal will add it to the found set. Usually that is not a problem, but if you have been using a group of found records to make reports, you may need to re-find the original items.

Finishing Up

In this lesson you've learned how to enter a material purchase. You may want to try entering a few sample material purchases, just so you can get comfortable with the data entry process.

For example, you could enter purchases for the following items:

- 25 pieces of red licorice stick
- 2 packages of Hostess Sno-Cones (discard the white ones)
- 1 roll duct tape

Voilá. An chic edible hat with detachable ear flaps!

Lesson Thirty-Four: Purchase Breakdowns

Many Goldenseal transactions include breakdowns. Breakdowns are a list of specific items in a transaction that Goldenseal displays in a spreadsheet-like table. Purchase breakdowns allow you to include multiple items that you have purchased from the same supplier.

This lesson shows you how to use a breakdown table to include several items in a single material purchase.

HINT: There is more about breakdown tables in the Estimating manual, pages 18-21.

Category Breakdowns

If a purchase includes items in more than one cost category and you don't need to use specific Cost Items, use a category breakdown to divide it.

To do so, follow these steps:

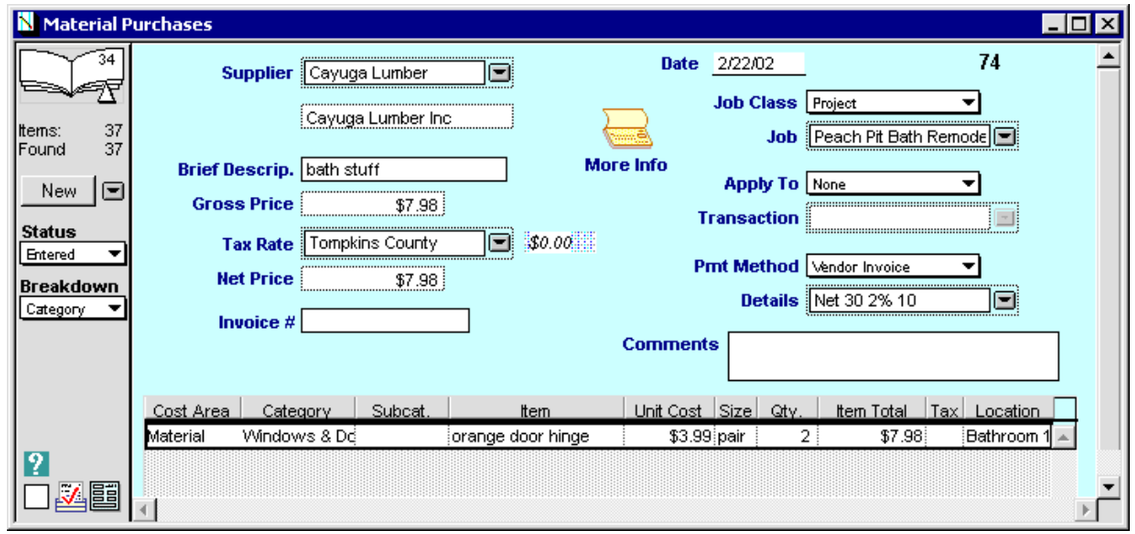
1. Choose Material Purchases from the Costs menu.
2. Click the New button.
3. Click the Breakdown popup field, and choose Category. The window will change so it includes a breakdown table.
4. Enter basic information about the vendor and job into the regular fields in the top half of the window.

   NOTE: One purchase transaction can currently include costs for only one job. If a purchase includes items for more than one job, you'll need to enter more than one purchase transaction.
5. Click in the Category column in the first row of the breakdown table, and enter a cost category. Type the first few letters of a category, and enter it the same as in any clairvoyant field (see Lesson 2).

   HINT: When you click in a table cell that is a clairvoyant field, a small popup button appears. You can use it to see a list of the possible values for the field.
6. Hit the Tab key to move to the next field. If the current category system includes subcategories, enter a subcategory. Otherwise you can leave this column blank.
7. Press the Tab key so the Item field is selected, and type in a brief description of the item.

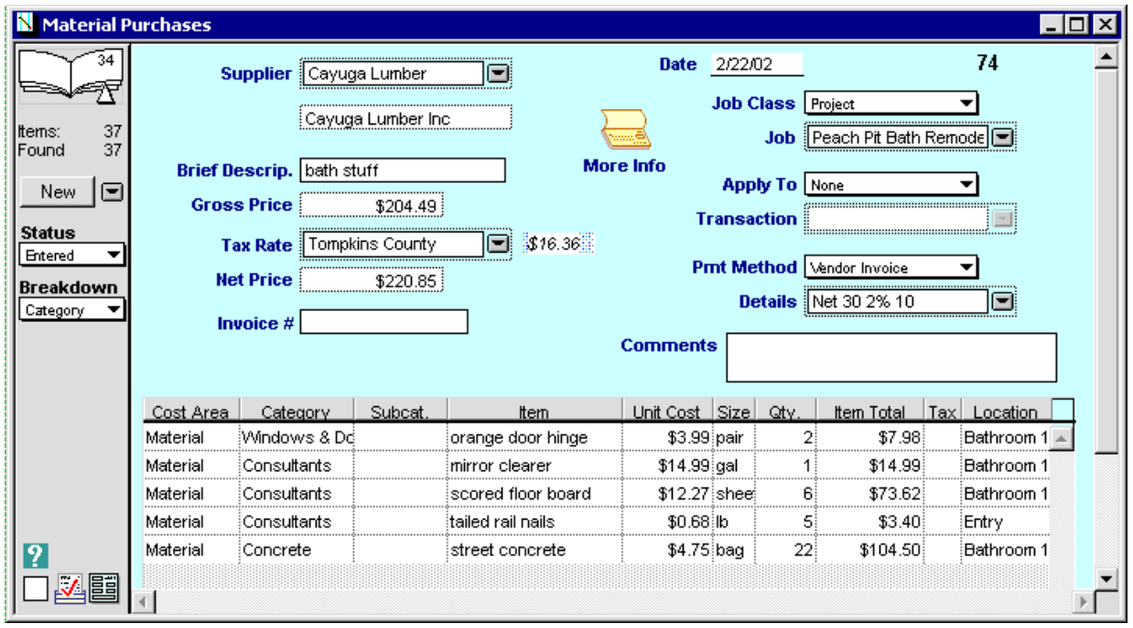
   HINT: You can also use the mouse to click in a different cell, or use the right and left arrow keys to move through the table.
8. Press the Tab key so the Unit Cost field is selected, and enter the price for one unit of this item.
9. Press the Tab key so the Quantity field is selected, and enter the number of units that you are buying.

   HINT: Goldenseal calculates the total price for the row as soon as you enter a quantity and unit cost. It also recalculates the gross price, sales tax amount and net price for the entire transaction.
10. Press the Tab key so the Size field is selected, and type in the size unit that is used for this item.



11. You have now entered complete information for one breakdown row.
12. Press the Enter key to start another row.

    HINT: You can also insert a new row anywhere in the table. Choose Table from the Edit menu, and choose Insert Row from the submenu.
13. Repeat steps 5 through 12 until you have entered each item that will be included in this purchase.
14. Click the More Info button to enter job cost and billing details.



In job cost reports, Goldenseal will divide the costs for this purchase among the five categories shown in the breakdown.

Item Breakdowns

An item breakdown is similar to a category breakdown, but it uses specific cost items. Cost items allow you to keep track of each item that you buy, sell, or use in projects.

HINT: There is more about cost items in Lesson 13.

To enter a material purchase that includes specific cost items, follow these steps:

1. Choose Material Purchases from the Costs menu.
2. Click the New button.
3. Click the Breakdown popup button, and choose Item.
4. Enter basic information about the vendor and job into the fields in the top half of the window.

5. Click in the Category column of the breakdown table, and enter a category. You can also enter an optional subcategory.

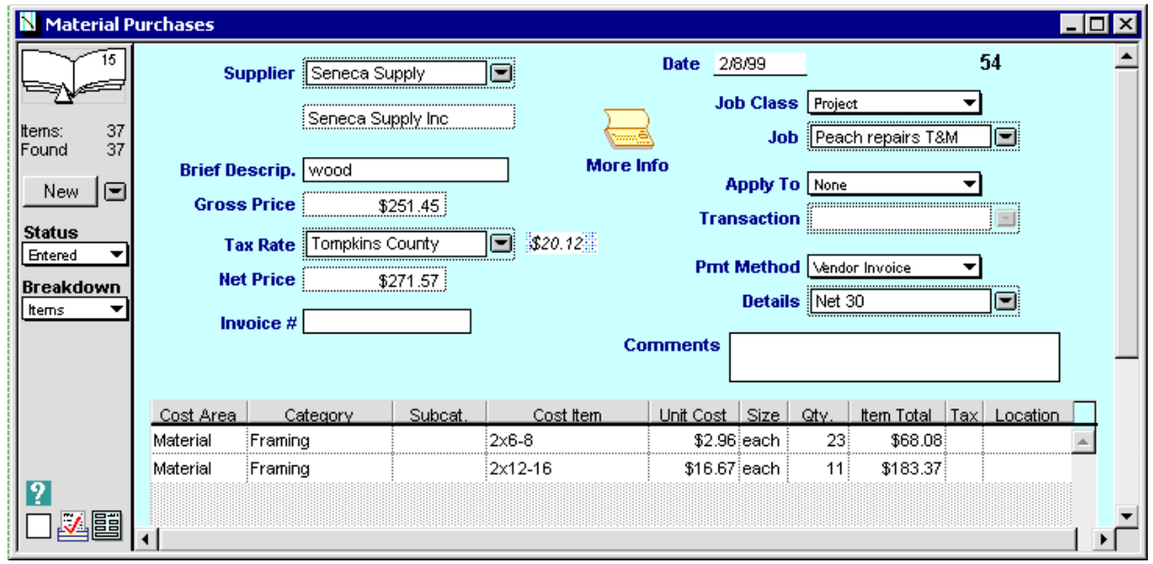
   HINT: You don't need to enter a category or subcategory, but using them gives you a shorter list of cost items to look through.

6. Choose an item from the clairvoyant field in the Item column. It will list only those cost items that belong to the entered category.

   HINT: If you don't know the category for an item, leave the Category column blank. The list will then include all cost items. Type the first few letters of the item name into the clairvoyant field, and Goldenseal will quickly find the desired item.

7. After a cost item is entered, Goldenseal automatically fills in its cost and unit size.

   HINT: To see more details about the cost item, double-click on any non-editable column in the table (Size, Unit Cost or Item Total).



8. Enter the quantity that you are purchasing.
9. Press the Enter key to add a new row to the breakdown table.
10. Repeat steps 5 to 9 until you have entered all of the cost items that are included in this purchase.

HINT: To include an item that doesn't have a cost item, enter Unlisted Item into the Cost Area cell. You can also include sales tax, delivery charges and assemblies (see Lesson 14).

When you complete the transaction, Goldenseal uses the purchase prices to update the estimated cost of any cost items. If the job is an inventory account, Goldenseal also adjusts the inventory quantity of the cost items that were purchased. In job cost reports, Goldenseal divides the costs for this purchase among the categories shown in the breakdown.

Other Breakdowns

Category and item breakdowns are used in several other types of transactions. You can include them in allowances, bank checks, bank payments, bids, change orders, estimates, purchase orders and sales.

Some transactions show other types of breakdown. In many cases, these breakdowns refer to other transactions, which are filled in automatically when you change the breakdown type or the account.

Billing records for customers show unpaid sales.

Billing records for projects show draw schedule items, progress categories, or time and materials costs.

Payroll records show labor hours and payroll deductions.

Payment receipts and deposits show unpaid income transactions.

Bank checks and bank payments show unpaid purchases and payroll records.

Bank deposits show undeposited income transactions.

Finishing Up

This lesson has shown you how you can itemize purchases by category or by cost item.

You might want to take a break now to spend some time with friends, travel to an exotic location, or buy something impulsive.

Is there a 'Gothic' store in your neighborhood? If so, you might want to check out their hat section. You might find a Gothic Carmen Miranda hat, with gargoyles and bats hiding among black wax fruits. It's stunning.

Lesson Thirty-Five: More Expenses

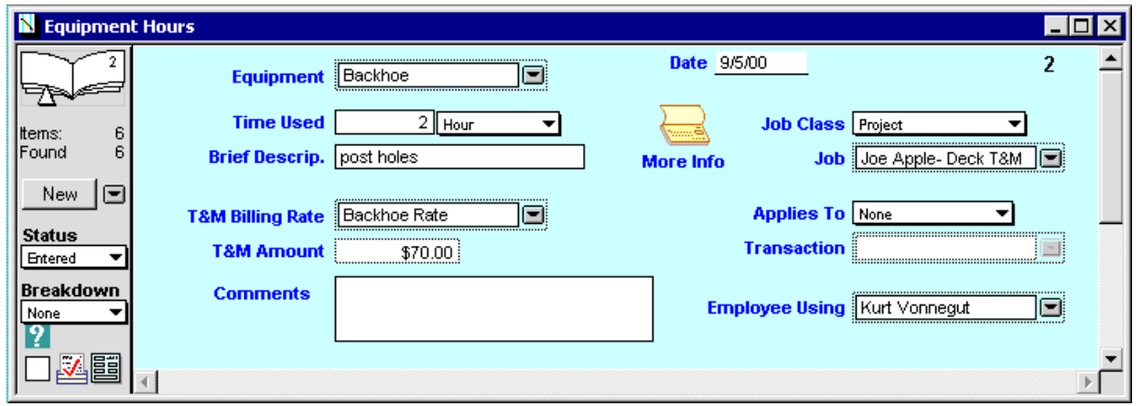
This lesson shows you how to use Goldenseal to enter equipment hours, inventory used, subcontractor costs and other costs.

Equipment Hours

Each time you use a piece of equipment, create an equipment hours record to describe the work that was done.

To do so, follow these steps:

1. Choose Equipment Hours from the Costs menu.
2. Click the New button.
3. Enter the equipment account that was used for this work.



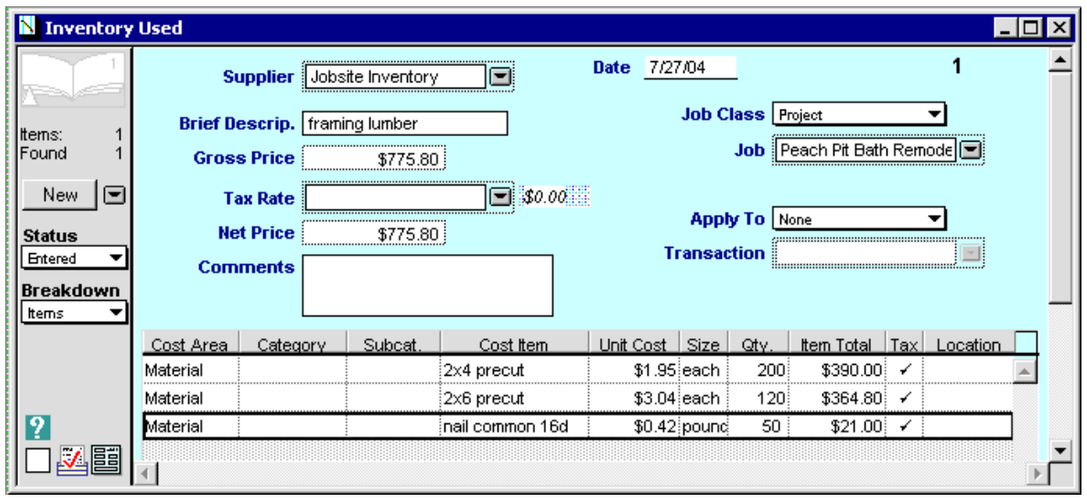
4. Enter the amount of time that the equipment was used, and choose a time unit from the popup menu.
5. Enter the job type and job to which this transaction applies (see page 240). Also enter any special conditions that apply to this transaction (see page 241).
6. Click the More Info button to fill in billing and job costing details.
7. You can use the Breakdown popup to break the work down by category or cost item (see Lesson 34).

When you complete the record, Goldenseal posts it to time and materials billing and job costs, the same as a material purchase (see page 243).

Inventory Used

Create an Inventory Used transaction each time that you take materials from inventory and use them on a project. To create an inventory used record, follow these steps:

1. Choose Inventory Used from the Costs menu.
2. Click the New button.



3. Enter the Inventory account from which these items were taken.
4. Enter the item used, or use a breakdown to list multiple items (see Lesson 34).
5. Enter job cost details (see page 240).

Goldenseal uses Inventory Used transactions for job costs and time and materials billing, exactly the same as a material purchase (see page 238). It also reduces the inventory quantities of any items listed in the Item breakdown, and adjusts the value of the Inventory account.

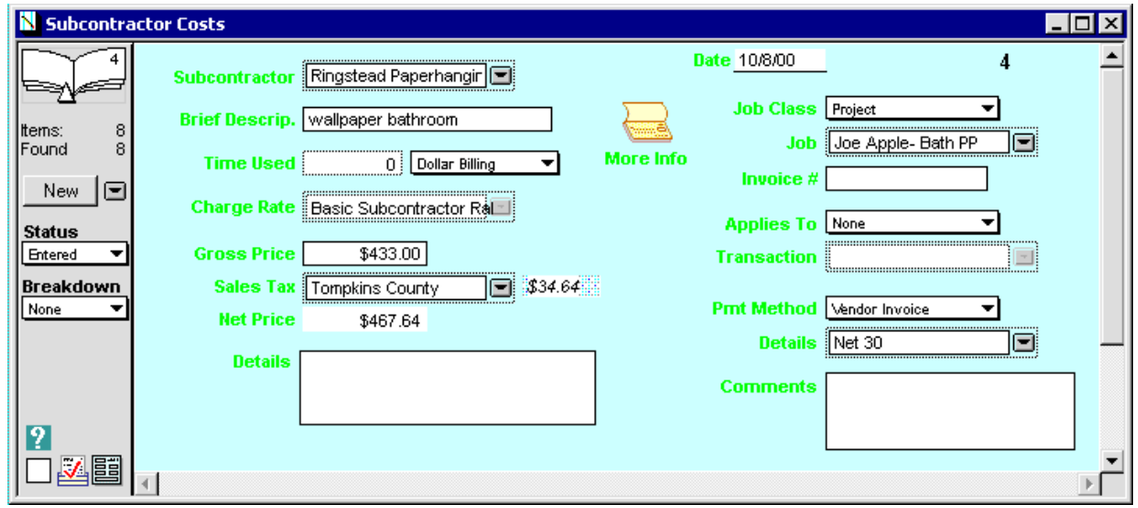
For more about inventory, see Lesson 47.

Subcontractor Cost Transactions

Create a subcontractor cost record each time that you receive a bill from a subcontractor, or otherwise need to pay them. Subcontractor costs are very similar to material purchases (see Lesson 33).

To create a subcontractor cost record, follow these steps:

1. Choose Subcontractor Costs from the Costs menu.
2. Click the New button.



3. Enter the subcontractor who is being paid, and a brief description of the work that was done.
4. Enter information about the billing amount (see the next section).
5. Enter job cost information (see page 240).
6. Click the More Info button, and enter billing and job costing details.
7. Enter any special conditions that apply to this transaction (see page 241), and the method used to pay for it (see page 242).

Subcontractor Billing Amount

Subcontractor cost records can handle simple bills (similar to a material invoice) and time bills (where you pay a fixed amount per hour or day).

When a subcontractor bills for a fixed amount, follow these steps:

1. Choose Dollar Billing from the Time Used popup menu.
2. Enter the billing amount into the Gross Price field.

When you pay a subcontractor by the hour or day, follow these steps:

1. Choose Hour or another time unit from the Time Used popup menu.
2. Enter the amount of time included in this billing.
3. Enter the subcontractor's billing rate into the Charge Rate field.
4. Goldenseal will calculate the Gross Price, based on the charge rate.

Billing Rates

A subcontractor cost record includes three different billing rates.

> ***HINT:*** To view the billing rates, choose Billing Rates from the Options menu, then choose Subcontractors from the submenu (see page 166).

The Subcontractor Charge rate is the amount the subcontractor is paid per hour, day, week, or other time unit. This rate does not apply when the subcontractor bills for a simple dollar amount.

The T&M Billing Rate applies only for time and materials projects. This field determines that amount that is billed to the client when you create a bill (see Lesson 43).

> ***HINT:*** Goldenseal calculates the billing amount, and fills it into the T&M Amount field. To reduce the chance of errors, you can't change this field. If you'd like to make it editable, use the Custom Layouts command (see Lesson 21).

The Job Cost Rate determines the calculation method for job costs from this transaction (see Lesson 39).

Printing 1099 Forms

If you turn on the Gets 1099 checkbox in your Subcontractor accounts, you can print 1099 forms for your subs. To do so, follow these steps:

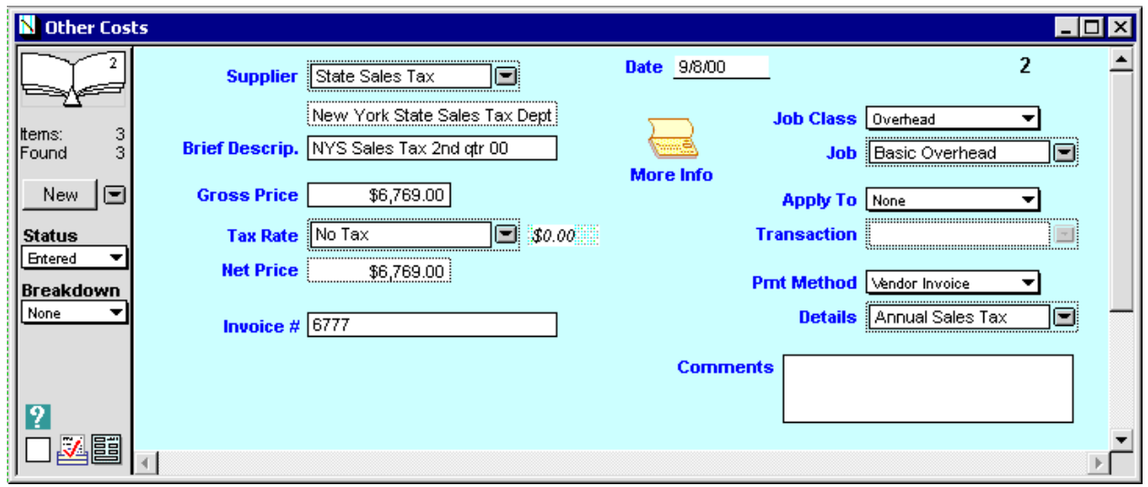
1. Enter all invoices from each sub, and wait until Jan 1 of the next year.
2. Choose Subcontractors from the Accounts menu.
3. Choose Find from the Edit menu.
4. Click on the Billing Setup button, and turn on the Gets 1099 checkbox.
5. Click OK.
6. Click the Find button. This will find all subcontractors that get 1099's.
7. Choose Print Forms from the File menu.
8. Enter Found Records into the Record Range field, and click OK.
9. Goldenseal will print forms with the previous year's 1099 totals.

Other Cost Transactions

The data that you put into an other cost transaction is almost identical to that in a material purchase (see Lesson 33). You identify the expense, and assign it to a job, cost category and location. You can also apply the cost to an allowance, bid, change order or other special conditions. Enter payment methods the same as in the other types of expense transactions.

When you receive a bill for a miscellaneous cost, follow these steps:

1. Choose Other Costs from the Costs menu.
2. Click the New button.



3. Enter information about the expense. The fields are almost identical to those in a Material Purchase transaction (see Lesson 33).
4. When you complete an Other Cost transaction, Goldenseal posts it to time and materials bills and job costs, the same as the other expense transactions. Goldenseal also handles its payment exactly the same as a material purchase (see page 242).

When to Enter Expenses

It's a good idea to enter expenses as soon as you know about them. That way your job cost information will be as up-to-date as possible.

When you pay for an expense by cash, check or credit card, enter it as soon as you can after the payment was made.

When an expense will be billed later, enter it as soon as you have a delivery ticket or other indication of the amount owed.

Planned and Job Cost Only Status

You can pre-enter expenses before you know their exact cost. Use the best guess at the cost, and give them either Planned or Job Cost Only status (use the Status pop-up field in the left-center part of the window).

Transactions with Job Cost Only status will be included in job cost totals, but won't be used for time and materials billing or Accounts Payable.

> ***HINT:*** You can also use Job Cost Only status to enter past expenses, so you'll have accurate totals for projects that were underway when you started with Goldenseal (see page 400).

Transactions with Planned status won't be included in job costs, billing or payables, but their total will appear in some reports that show planned costs. When you actually purchase planned items, change the status from Planned to Entered.

Finishing Up

This lesson has covered four more types of expense transactions. You can use them to keep track of your equipment, subcontractor and miscellaneous expenses, and get ready to pay bills that you owe.

Before you move on, you may want to take a break and think about more expenses that you can add to your business, so you can enter transactions for them.

Wouldn't you rather have several more copies of your accounting software? How about our special autographed edition?

Remember, with just a bit of duct tape, you can turn the extra copies of this manual into chic silvery hats.

Lesson Thirty-Six: Paying Bills

Goldenseal makes it easy to take your hard-earned money and pay it to other people. This lesson shows you how to get money out of your checkbook and into the mailbox faster than you ever dreamed possible.

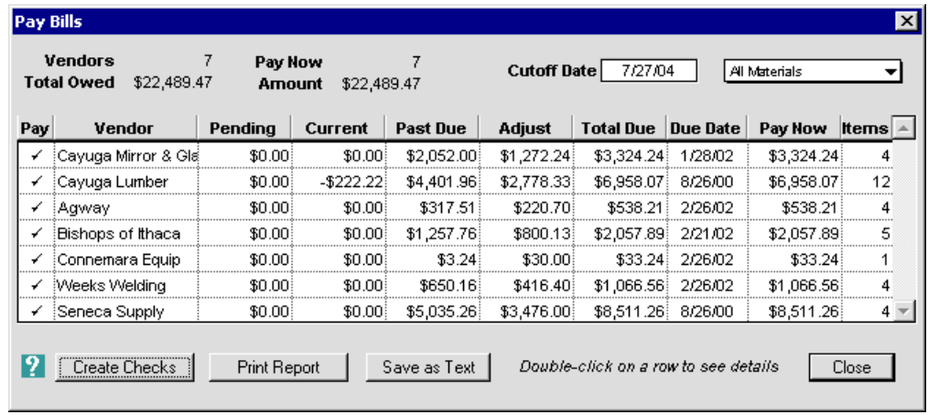
The Pay Bills Command

Use the Pay Bills command to view your Accounts Payable. It shows a 'quick report' window that lists what you owe to each material, subcontractor and other cost account. You can also use the Pay Bills command to pay some or all of your bills right now.

> ***NOTE:*** In later lessons we'll look at other 'quick reports' that handle job costs, billing, payroll and deposits.

To view your current Accounts Payable or to pay bills, follow these steps:

1. Choose Pay Bills from the Bank menu.



2. You'll see a list of material suppliers, with the amount that you owe to each of them.

   > ***HINT:*** If there are more vendors than can fit in the window, click on the down arrow to see the other vendors.

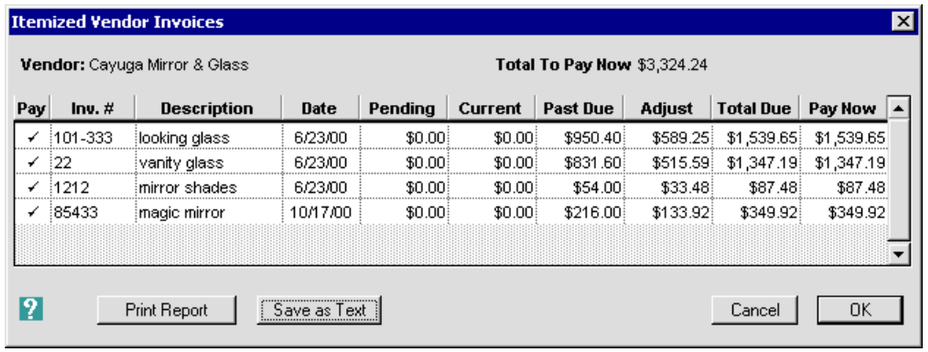
3. To choose which vendors to pay now, click in the Pay column. Goldenseal only pays the rows that have a check mark next to them.

   > ***HINT:*** At the top of the window, you can see the number of bills, the amount owed, and the amount being paid now.

Viewing Invoices

To view unpaid invoices for a vendor, double-click anywhere in their row. You will see an itemized list of all unpaid transactions.

> ***NOTE:*** If you previously made a payment 'on account' to this vendor, it will also be included in the invoice breakdown (it is subtracted from the current due balance).



Pay	Inv. #	Description	Date	Pending	Current	Past Due	Adjust	Total Due	Pay Now
✓	101-333	looking glass	6/23/00	$0.00	$0.00	$950.40	$589.25	$1,539.65	$1,539.65
✓	22	vanity glass	6/23/00	$0.00	$0.00	$831.60	$515.59	$1,347.19	$1,347.19
✓	1212	mirror shades	6/23/00	$0.00	$0.00	$54.00	$33.48	$87.48	$87.48
✓	85433	magic mirror	10/17/00	$0.00	$0.00	$216.00	$133.92	$349.92	$349.92

Put a check mark in the Pay column for each invoice that you want to pay now. To pay just part of an invoice, enter the amount you want to pay into the Pay Now column.

To adjust an invoice because of discounts or finance charges, enter the amount into the Adjust column. Enter a negative number for a discount, or a positive number for a finance charge.

> ***HINT:*** If you've set up vendor payment terms to include discounts or finance charges, Goldenseal calculates the adjustment automatically.

To return to the main Pay Bills window, click OK. You can also click Cancel to return without saving changes.

Changing Cutoff Dates

The Cutoff Date field at upper right determines which items are considered due or overdue. To see payables for a different date, follow these steps:

1. Click in the Cutoff Date field.
2. Type in a new date.
3. Hit the Tab or Enter key, or click in the table.

Changing the Items Shown

To change the items that are included in the list, click on the popup menu at the upper right corner. You can include material suppliers, subcontractors other cost accounts, or all three types of accounts. You can also include all vendors with open invoices, or just the vendors that were previously found with the Find command (see Lesson 16).

You can also use the Pay Bills command to pay payroll taxes (see page 360) and sales taxes (see page 362).

Subcontractor Insurance

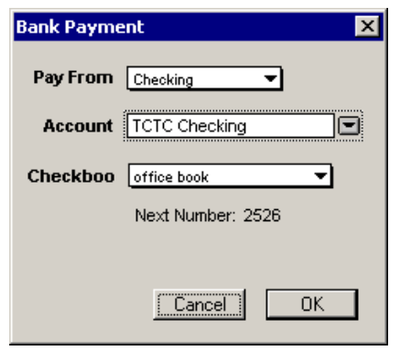
You can control how payments are made to subcontractors with insurance that has expired. To do so, follow these steps:

1. Choose Subcontractors from the Accounts menu (see page 227).
2. Enter the insurance expiration dates for this account.
3. Enter the way you'd like to handle expired insurance for this account. You can forbid payments, give a warning, take an automatic deduction, or pay even if insurance is expired.
4. Repeat steps 2 and 3 for each subcontractor.

When you pay bills, Goldenseal will put an X in the Pay column for subcontractors who should not be paid because of expired insurance. It gives an alert for any subcontractors that have the 'Ask first' option.

Writing Checks

After you have decided which items to pay and have made any adjustments, click Create Checks to pay for the selected items.



Goldenseal will ask you which account to use for payment. If you choose a checking account, you also can decide which checkbook to use.

Click OK, and Goldenseal will automatically create a bank payment for every vendor that has a check mark in the Pay column.

Printing and Saving Reports

To get a printed report for all items in the current window, click the Print Report button. You will then see a dialog from your printer— set it up, then click OK or Print.

To get a text file that contains all the information in the current window, click the Save As Text button. You'll be asked where to save the text file. Choose a location, give the file a name, then click Save. You can then switch to a word processor or spreadsheet program to open the file.

Expense Posting

After you pay for an expense, Goldenseal automatically changes the status of the original transaction to Paid, and closes it.

HINT: See page 244 for more about closed transactions.

If you make a partial payment for an expense, the expense will have Part Paid status, and the remaining balance will show up in the Pay Bills report.

If you overpay for a transaction, Goldenseal marks the transaction as paid, and adds the excess to the 'on account' balance with that vendor. The next time you pay bills, Goldenseal subtracts the 'on account' balance from the amount you owe.

Finishing Up

In this lesson you have used the Pay Bills command to look at your Accounts Payable and pay your bills.

This might be a good time for a break. Have you cleaned out your hat closet recently? You might consider donating some of your older hats to the local Adopt-a-Hat program.

Don't forget that the leading cause of baldness is abrasive hats. You might want to consider using aluminum foil to line the underside of your favorite headgear. As a bonus, it will reflect thoughts back into your brain, and increase your intelligence by up to 17% (and more).

Lesson Thirty-Seven: Bank Checks

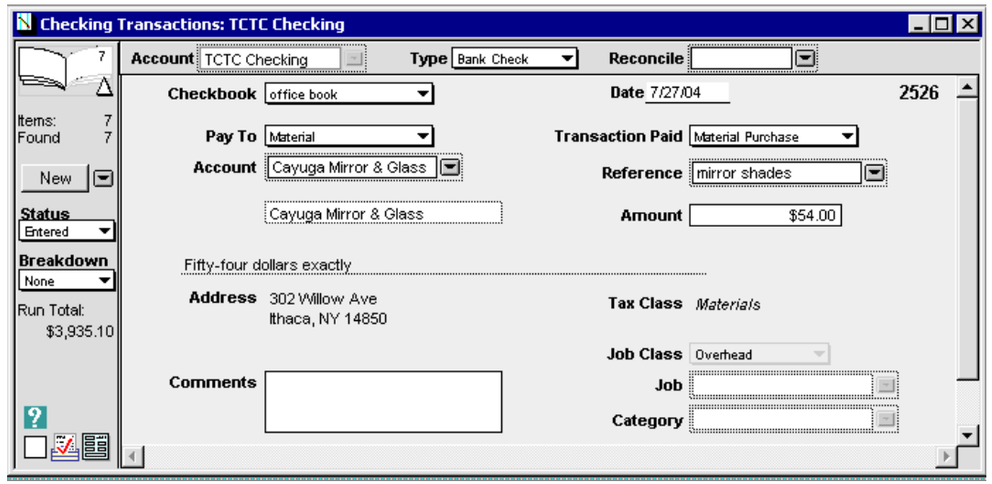
In this lesson you will learn how to use the checking transaction window, and how to enter bank checks.

NOTE: See Lesson 31 for bank accounts, Lesson 38 for bank payments and transfers, and Lesson 44 for deposits.

Checking Transactions

Checking transactions are very similar to the expense transactions shown in earlier lessons. To see checking transactions, follow these steps:

1. Choose Checking Transactions from the Bank menu, then choose one of the checking accounts from the submenu.



2. You'll see a transaction window that contains all transactions for one checking account.

Bank Transaction Menus

There are two ways to view bank transactions— one account at a time, or all at once.

To view transactions for just one checking account, click on the Checking Transactions menu, then choose a checking account from the submenu.

NOTE: You can only have one Checking Transaction window open at a time. If you already have a window open for a different checking account's transactions, Goldenseal will close it before it opens the new checking transaction window.

To view all checking transactions at once, click on the Checking Transactions menu, then choose All Accounts from the bottom of the submenu. You'll see all checking transactions for all checking accounts.

Bank Account Field

The bank account field is at the top of the window, immediately to the right of the browse controls.

When you are viewing transactions for just one bank account, the bank account is always the same, and you can't change it. New transactions will always use the same account.

HINT: To see details about the bank account, choose Main Account from the View menu, or double-click on the account name.

When you view all accounts in one window, you can enter any bank account for new records.

NOTE: Goldenseal does not allow you to change the bank account for previous transactions.

Transaction Types

When you create a new bank transaction, choose the transaction type from the Type popup menu at top center. When you change the transaction type, the fields in the main window will also change.

NOTE: Goldenseal only lets you change the transaction type for the most recent transaction.

You can enter any of five different transaction types. Use the following transaction types for payments that go *out of* a bank account:

Check— for regular hand-written or printed checks (available only in Checking, Loan and Escrow Accounts). Covered in this lesson.

Payment— for withdrawals, debit and credit card purchases, automatic fund transfers, and other forms of payment that don't use a sequential check number. Covered in Lesson 38.

Transfer Out— for bank service charges, and money that you are moving to other bank accounts. Covered in Lesson 38.

Use the following transaction types for money that goes *into* a bank account.

Deposit— for money that you put into an account from sales or bill payments. Covered in Lesson 44.

Transfer In— for interest income, and money that you are moving in from other bank accounts. Covered in Lesson 38.

Reconcile Field

Use the Reconcile field to match your computer records against the bank statement, to make sure your balance is correct. There is more about reconciling on page 287.

Running Totals

Each bank transaction shows a running total for the bank account— which it calculates from the account starting balance, adjusted by the current transaction and all previous transactions.

If the running total is positive, it means you have money in the account. If it is negative, it means the bank is storing negative currency for you.

HINT: Negative currency is red, not green, and it has pictures of bad former presidents instead of good ones.

To see the current balance, scroll to the last Bank Transaction record, or check the Current Balance field in the bank account. Of course your actual bank balance may be different, since transactions usually don't clear in the same order as they are entered.

Creating Checks

You will probably enter most checks automatically with the Pay Bills command (see Lesson 36) or the Write Payroll command (see Lesson 46), or by instant purchases from an expense transaction (see page 242).

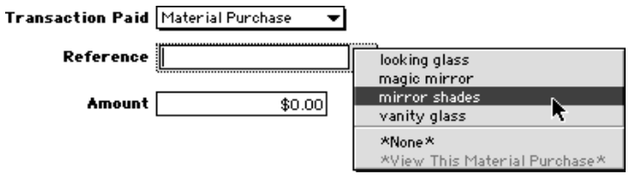
You can also enter checks one at a time— especially if you have already written the paper check before entering it into Goldenseal. When you enter checks directly into Goldenseal, you need to 'account for' the payment. Usually you do that by referencing one or more expense transactions.

The following sections explain how to enter checks for specific situations.

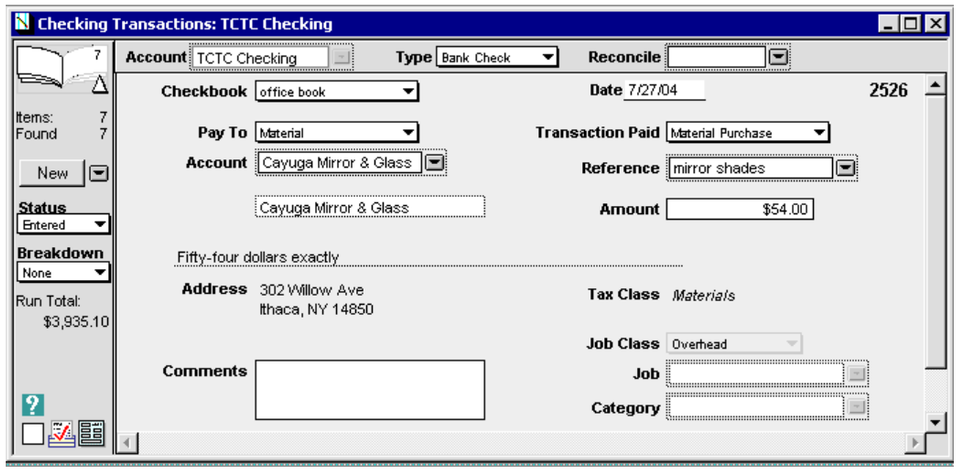
Paying For One Expense Transaction

To write a check for one unpaid expense transaction, follow these steps:

1. Choose Checkbook Transactions from the Bank menu, then choose a bank account from the submenu.
2. Click the New button.
3. Enter the payee type, and the account being paid.
4. In the Transaction Paid field, choose the type of transaction that this payment covers— for example, a material purchase.



5. The Reference field shows all unpaid transactions for the account you have entered. Choose the item that you want to pay (you can type a name into the Reference field, or click on the popup button to the right of the field to see a list of all unpaid items).



6. Goldenseal automatically enters the correct amount to cover this transaction. When you complete the bank check, it marks the original expense transaction as paid.

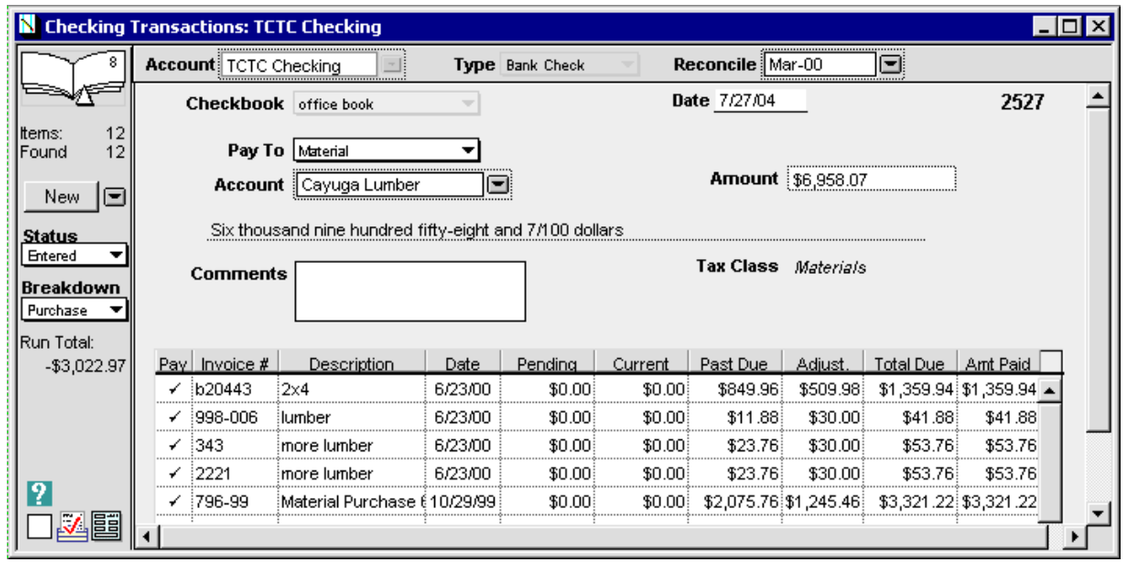
   HINT: To see the transaction that this payment covers, choose Detail Transaction from the View menu.

Paying For Several Expense Transactions

To write a check to pay for several unpaid expense transactions from the same vendor, you'll usually use the Pay Bills command (see page 257).

If you'd like to enter expense payments directly into a checking transaction, follow these steps:

1. Choose Checkbook Transactions from the Bank menu, and choose a checking account from the submenu.
2. Click the New button.
3. Enter Bank Check into the Type field near the top of the window.
4. Enter the payee type, and the account being paid.
5. Enter Purchase into the Breakdown popup menu.



6. Goldenseal shows a breakdown table that automatically includes all unpaid transactions for the selected account.
7. Turn on the check mark in the Pay column for each item that you want to pay now. You can also change the amount in the Payment column, to pay for just part of a transaction.

   HINT: To see a transaction listed in the breakdown table, double-click on any non-editable cell in the transaction's row.

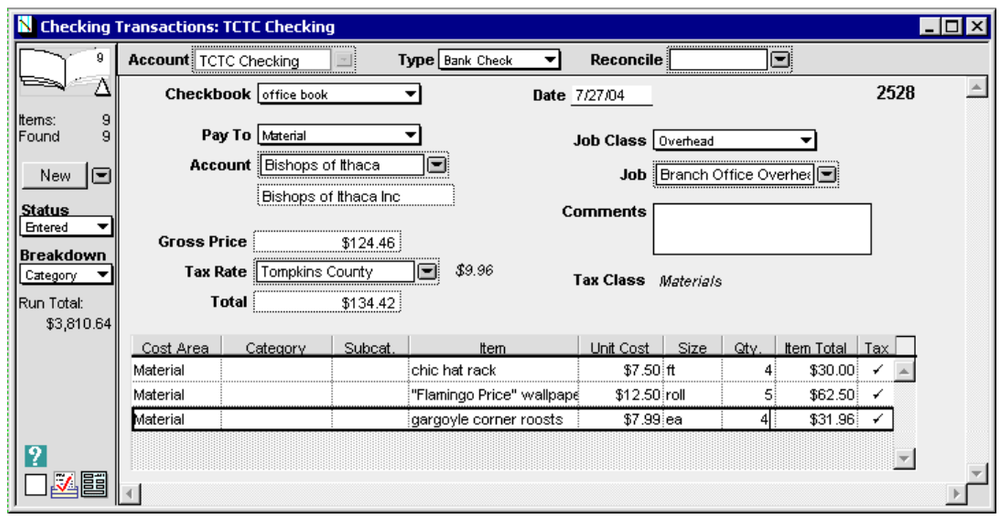
Direct Purchases

You can make purchases directly from a bank transaction. Direct purchases appear in job costs the same as regular expenses, although they can be more difficult to find later (see the note at the bottom of this page).

To enter a direct purchase, follow these steps:

1. Choose Checkbook Transactions from the Bank menu, and choose a checking account from the submenu.
2. Click the New button.
3. Enter Bank Check into the Type field near the top of the window.
4. Enter the payee type, and the account being paid.
5. Enter Category or Item into the Breakdown field.

   NOTE: Don't use a Purchase breakdown. That is for purchases that were already entered as separate expense transactions.
6. Enter other details about the purchase.



Should you Use Direct Bank Purchases?

Purchases entered directly into a bank transaction can be difficult to find later, especially if you don't remember how you paid for the item. So it's usually better to *not* use direct purchases.

To forbid direct payment of expenses from a bank account, choose Preferences from the Options menu, then choose Expenses from the submenu. Turn off the Allow Direct Bank Purchases option.

HINT: When you enter expenses and pay by cash, check or credit card, Goldenseal creates an 'instant purchase' bank transaction to handle the payment (see page 242). It's just as easy as a direct purchase.

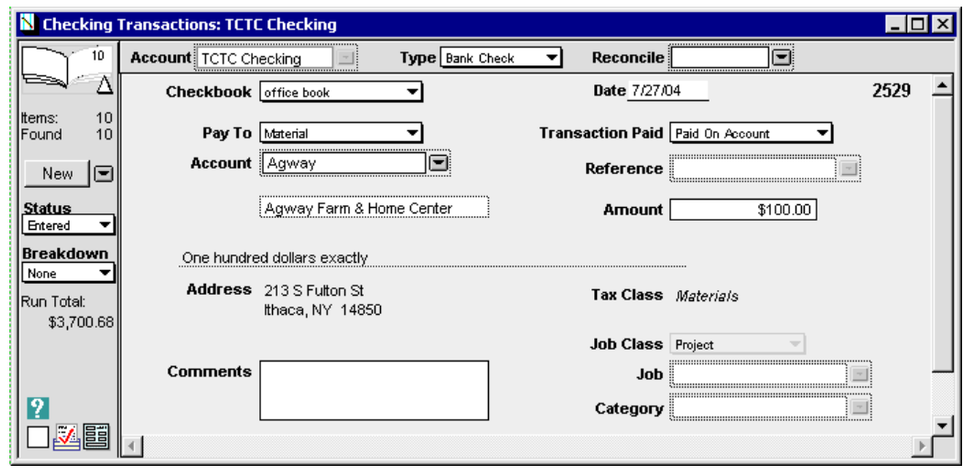
Paying On Account

You can make a payment 'on account' without applying it to a specific transaction. Goldenseal subtracts the 'on account' balance from the amount owed for purchases, the next time you use the Pay Bills command.

HINT: It is not hard to identify specific bills when you make payments (see pages 265 to 266), so the only time you need to pay on account is when you make a payment before you enter the purchases.

To pay a vendor 'on account', follow these steps:

1. Choose Checking Transactions from the Bank menu, then choose the account that is the source of the cash.
2. Click the New button.
3. Enter Payment into the Type field near the top of the window.
4. Enter the payee type, and the account being paid.
5. Enter Paid On Account into the Transaction Paid field.



6. Enter the payment amount into the Amount field.

Writing Checks to Other Bank Accounts

To write a check that transfers funds to another of your bank accounts (including Cash accounts), follow these steps:

1. Choose Checking Transactions from the Bank menu, then choose a bank account from the submenu.
2. Click the New button.
3. Enter the class of the receiving account into the Pay To field.
4. Enter the account into the Account field.
5. Enter other information about the check.
6. When you complete the transaction, Goldenseal automatically creates a compensating Transfer In transaction in the receiving account.

   HINT: To pay bank service charges, or to transfer funds in any way other than by check, use a Transfer Out transaction (see Lesson 38).

When you transfer money between two bank accounts, the transaction is considered as an internal transfer— it is neither an expense nor income.

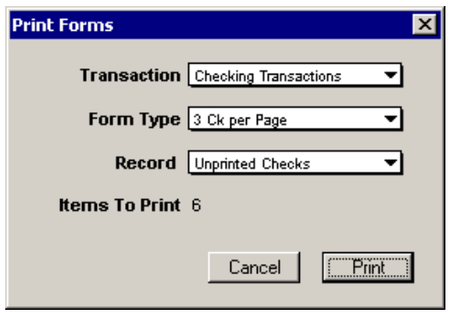
NOTE: If you write checks to pay for bank service charges, you will need to enter the bank as an Other Cost account. That is *not* necessary if bank charges are debited directly from the account (see page 272).

Printing Checks

To print checks onto pre-printed forms, follow these steps:

1. Put any brand of pre-printed check forms into your printer.

   HINT: If you are just starting out, it's a good idea to print onto plain paper first. Different printers have different margins, and you may need to change the form layout to get it to look right (see Lesson 21).
2. Choose Print Forms from the File menu.



2. Choose Bank Checks as a Transaction.
3. Choose one of the check forms as a Form Type.
4. Choose Unprinted Checks, or one of the other record ranges.
5. Click the Print button.

   NOTE: There is more about the Print Forms command in Lesson 19.

Viewing Transaction Links

When you are viewing a paid expense, choose Payment Transaction from the View menu to see the bank transaction that made the payment.

When you are viewing a bank check or bank payment that pays for one expense, choose Details Transaction from the View menu to see the item that was paid.

When you are viewing a bank check or bank payment that includes a breakdown of several transactions, double-click in any non-editable cell in a transaction's row to see that transaction.

Bank Reports

To see a list of all checking transactions, choose Banking from the Reports menu, then choose Checking Transactions from the submenu. Other commands in the Banking menu show you other bank transactions.

HINT: There is more about using reports in Lesson 20.

The Checking Transaction Report is like a checkbook register-- it shows one transaction per line, with just the most basic information.

If you double-click on a checking transaction in the report, you'll see more details for that transaction.

Finishing Up

In this Lesson you have seen how to enter checks.

Now that you are experienced with Goldenseal's check-writing features, why don't you have some fun writing sample checks to friends, technical writers, and charitable organizations such as tech writer support groups?

Of course, if you don't want to actually send the checks, you can always use a stapler or duct tape to turn them into chic watermarked hats, just the right size for the smaller pets in your life.

Lesson Thirty-Eight: More Bank Transactions

This lesson shows how to handle bank payments, interest, bank service charges, and transfers between bank accounts.

It also explains how to reconcile your bank records, and how Goldenseal 'posts' financial information after you complete a bank transaction.

Other Bank Transactions

The six other classes of bank transactions are very similar to checking transactions. For each of them you will set up accounts, and then enter bank transactions when you move money in and out of the accounts.

You can use any of the following bank transactions:

Cash— for petty cash, cash registers or cash drawers, cash stuffed into mattresses, piggy banks, or any other cash in your possession.

Checking— for checking accounts (using sequential checks).

Investment— for CD's, IRA's, stocks, bonds, precious metals and other investments. This is a catch-all class that you can use for any business asset that doesn't fit into one of the other asset classes.

Savings— for bank accounts that don't use sequential checks.

Credit Cards— for credit cards that you pay via a monthly statement.

NOTE: You do not need a Credit Card account for debit cards (where the money is withdrawn from your bank account). Instead, enter a payment transaction for the bank account from which funds are taken. You also don't need Credit Card accounts for vendor accounts, even if you have a plastic card. Just handle it through the regular Accounts Payable (see Lessons 33 and 36).

Loans— for notes, lines of credit, installment loans, and any other debts.

Escrows— for bank accounts that you manage on behalf of others. Escrow accounts do not show up on your balance sheet at all.

You access all bank transactions through menu commands in the Bank menu, similar to the way you handle checking transactions.

EXAMPLES: To move money into or out of a Cash account, choose Cash Transactions from the Bank menu. To move money into or out of a Credit Card account, choose Credit Card Transactions from the Bank menu.

Bank Payments

Bank payments are very similar to bank checks— the only difference is that they don't have sequential check numbers.

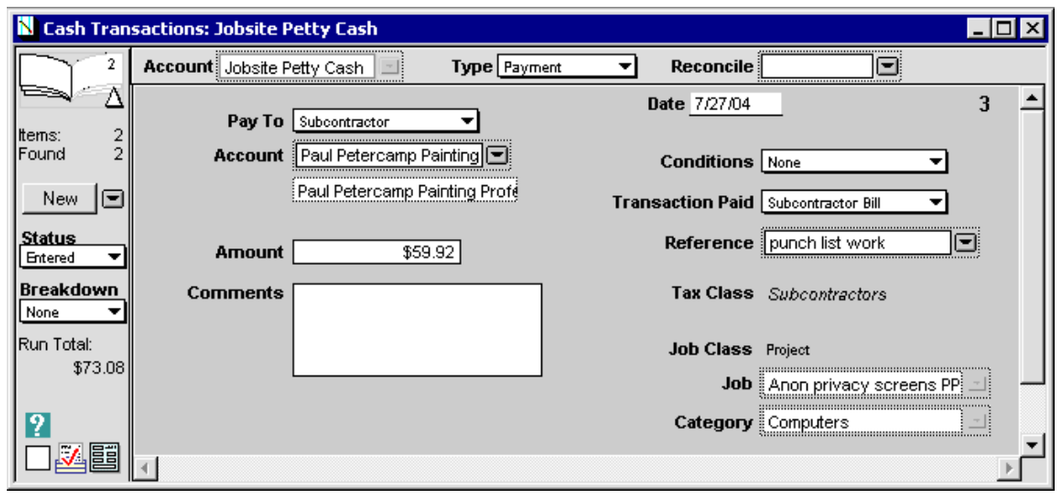
Use bank payments for any of the following:

- Electronic payments, wire transfers and 'e-checks'
- Automatic transfers
- Credit card and debit card purchases
- ATM withdrawals
- Cash payments

Goldenseal creates most bank payments automatically when you make an 'instant purchase' and pay by cash, credit card or checking debit (see page 242). It also creates bank payments if you use the Pay Bills command and pay by something other than a check.

To enter a payment from a cash account, follow these steps:

1. Choose Cash Transactions from the Bank menu.
2. Click the New button.
3. Enter a Payee Type, and the account to whom you're making the payment.
4. Enter other details for the payment. You can make the same types of payments as for checking transactions (see Lesson 37).

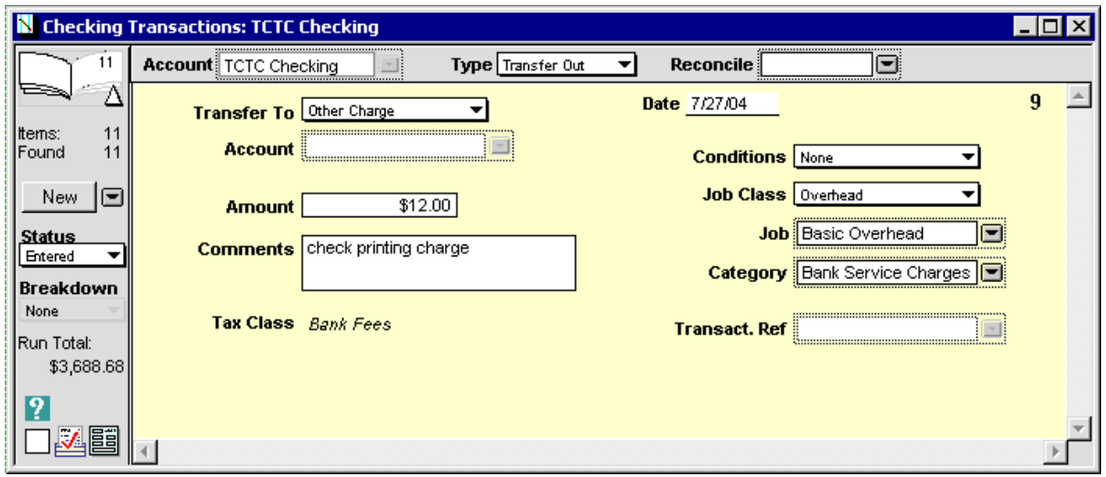


Bank Service Charges

Use a Transfer Out to enter check printing charges, monthly account fees, over-limit fees, charges for returned deposits, and any other charges or fees that you pay directly to the bank.

To enter a service charge for a Checking account, follow these steps:

1. Choose Checkbook Transactions from the Bank menu, then choose the account to which the charge applies.
2. Click the New button.
3. Enter Transfer Out into the Type field at the top of the window.
4. Enter Other Charge in the Transfer To field.
5. Press the Tab key, and enter the amount of the charge.



6. Press the Tab key again, and enter any comments about the transfer.
7. Enter the form of transfer into the Conditions field.
8. Enter job cost information into the Job Class, Job and Category fields. You probably will assign the cost to an Overhead account, but you can also assign it to a specific customer, project or other job account.

Interest Charges

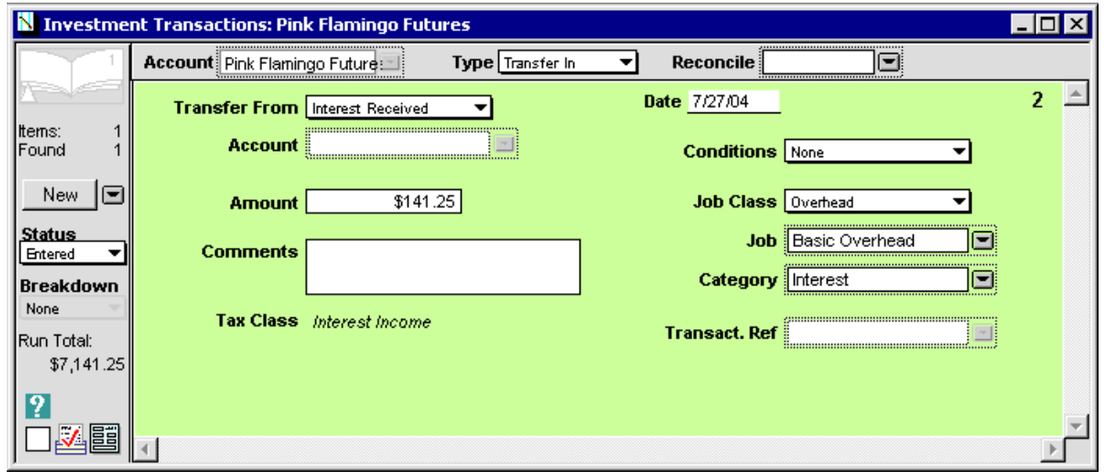
When you pay interest on a loan or credit card account, enter it exactly the same as a service charge, but enter Interest Paid into the Transfer To popup field.

Earned Interest

Use a Transfer In to enter interest that you earn on any type of bank account.

To enter interest earned from an Investment account, follow these steps:

1. Choose Investment Transactions from the Bank menu, then choose the account into which the interest is credited.
2. Click the New button.
3. Enter Transfer In into the Type field at the top of the window.
4. Enter Interest Received in the Transfer To field.
5. Press the Tab key, and enter the amount of interest earned.



6. Enter job cost information into the Job Class, Job and Category fields. You probably will assign the interest income to an Overhead account, but you can also assign it to a specific customer, project or other job account.

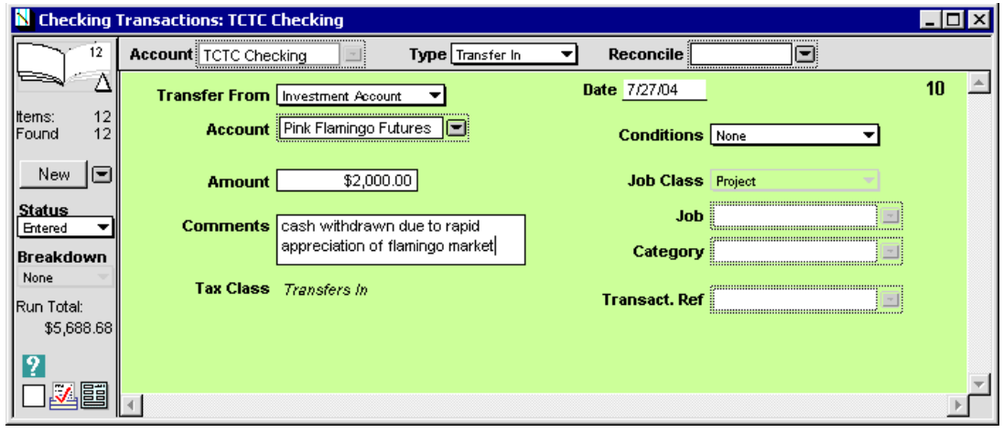
Other Credits

When you receive a miscellaneous non-interest credit directly from a bank account, enter it exactly the same as earned interest, but enter Other Credit into the Transfer From popup field.

Transfers Between Accounts

Use bank transfers to shift money from one bank account to another. For example, to transfer funds from an investment account to a checking account, follow these steps:

1. Choose Checking Transactions from the Bank menu, then choose the account into which funds will be deposited.
2. Click the New button.
3. Enter Transfer In into the Type field at the top of the window.
4. Enter Investment Account in the Transfer From field.
5. Enter the account that is the source of funds into the Account field.
6. Enter the amount of the transfer.



7. Press the Enter key to complete the transaction.

Follow the same steps to handle other transfers such as an ATM withdrawal that you put into a Cash account, a transfer from savings to checking, or an automatic bank payment to a loan account.

NOTE: If you write a check to transfer funds, enter a Check transaction instead of a transfer (see page 261).

When you enter a Transfer In, Goldenseal automatically creates a Transfer Out in the other bank account. To see the offsetting transaction, double-click in the Transaction Ref field at lower right.

NOTE: If you are viewing transactions for just one account and you've made a transfer to another account of the same type, Goldenseal won't be able to display it.

One-Time Payments

If you need to make a payment to someone and don't want to set up an account for them, follow these steps:

1. Set up a cost account for 'one time' payees, and turn on the Allow One-Time Names checkbox (see page 243).
2. Enter a check or bank payment to that account.
3. Turn on the One-Time checkbox, and type in a payee name.

Tax Class Field

Every bank transaction includes a Tax Class field, which classifies your cash income and expenses for income tax reporting (see page 354).

Goldenseal automatically enters a basic tax class for each transaction, based on the transaction type and the main account class.

To assign a different tax class to an account, follow these steps:

1. Choose Material Suppliers from the Accounts menu.
2. Find the account you'd like to change.
3. Enter a cost category into the Income Tax Class field.
4. Goldenseal will automatically use the new tax category for all payments to that supplier.

Bank Transaction Posting

Every bank transaction must be 'accounted for'. You must apply it to an expense or income transaction, apply it to multiple items with a break–down, or use it as a payment 'on account' so it covers future transactions.

Goldenseal automatically 'posts' each bank transaction. It will either mark another transaction as paid, or it will change the 'on account' balance in the account that made or received the payment.

Bank Checks and Bank Payments

If a bank check or bank payment has no breakdown, use the Payment Type field to determine how to apply the payment.

- If you apply the payment to a specific expense transaction, Goldenseal changes the status of that transaction to Paid.
- If you pay on account, Goldenseal adds a vendor credit that applies to future transactions.

If the transaction has a Category or Item breakdown, Goldenseal considers it to be an expense transaction. Job cost reports will include the transaction, the same as a regular material purchase (or other expense transaction).

NOTE: Category and Item breakdowns are not available if the Allow Direct Bank Purchases checkbox is turned off in the Expense Preferences window (see pages 266-267).

If the transaction uses a Purchase breakdown, Goldenseal applies the payment to the listed purchases.

Deposits

If a deposit has no breakdown, use the Payment Type field to determine how to apply the deposit.

- If you apply the payment to a specific income transaction, Goldenseal will change the status of that transaction to Paid.
- If you enter it as a payment received on account, the customer gets a credit that will apply to future transactions.

  HINT: To view the 'on account' balance for an account, open the browser window for that account and check the calculated values at the bottom right corner of the window.

If the deposit uses a Payment breakdown, Goldenseal applies the deposit to the listed items.

NOTE: For more about Deposits, see Lesson 44.

Transfers In and Out

If you enter a Transfer In or a Transfer Out for another bank account, Goldenseal considers the transaction to be a simple transfer between accounts. The two account balances are changed, but no other posting is done.

If a Transfer In is for Interest Received or Other Credit, you can assign the income to any job account. Usually you will add it to an Overhead account, but you can also assign it to another type of account. Goldenseal posts the job costs, but doesn't post to any accounts.

If a Transfer Out is for Interest Paid or Other Charge, you can assign the cost to any job account. Usually you will add it to an Overhead account, but you can also assign it to another type of account. Goldenseal posts the job costs, but doesn't post to any accounts.

Reconciling

The Reconcile command matches your records against the bank statement.

HINT: If an employee enters checks, then an owner or a different employee should *always* do the reconcile (and investigate any suspicious items). It's a good way to catch fraud, or prevent it in the first place.

Before you start reconciling, set up reconcile periods for each statement period you'll be reconciling. To do so, follow these steps:

1. Choose Other Lists from the Options menu, then choose Reconcile Periods from the submenu (see page 234).
2. Click the New button.
3. Type in a name for the period (e.g. month and year), then click OK.
4. Repeat steps 2 and 3 for each statement period.

Marking Cleared Transactions

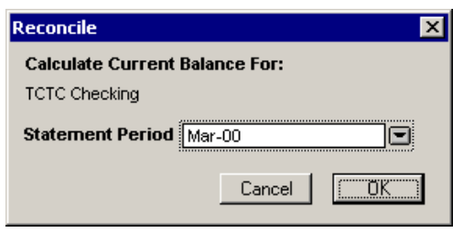
Always start with the bank statement for the first month in which you started using Goldenseal. Follow these steps to mark each cleared item:

1. Choose Checkbook Transactions from the Accounts menu, then choose the checking account name from the submenu.
2. Browse through the bank records. If the statement shows that a particular transaction has cleared, enter the current reconcile period into the Reconcile field. Repeat for each transaction that has cleared.

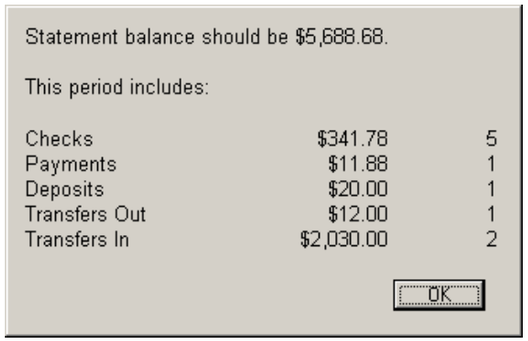
Reconciling against the Statement

After you have marked cleared transactions in the Statement field, you can reconcile your totals against the bank statement. Follow these steps:

1. Choose Checking Transactions from the Bank menu, and choose an account from the submenu.
2. Choose Reconcile from the Bank menu.



3. Enter the reconcile period that you used for this period, then click OK.



4. Check the computer balances against the bank statement.
5. If the balance does not match the bank statement balance, check for errors, and repeat the reconcile process until it matches.

Reconciling Multiple Periods

If you need to reconcile several month's worth of bank statements, you'll need to do them in proper sequence. Follow these steps:

1. Start with the oldest statement.
2. Go through the reconciling process described in the previous section. If necessary, adjust the account's starting balance so Goldenseal's reconcile balance is exactly the same as the bank statement balance.
3. Move to the next oldest statement.
4. Reconcile that statement so it matches exactly.
5. Repeat steps 3 and 4 until you have finished all bank statements.

Cash Accounting

Cash accounting is based on when money changes hands. You can get that information from your bank transactions, since all cash income is deposited to a bank account, and all cash expenses are paid out of a bank account.

HINT: In this case, cash accounting covers income and expenses in cash, checking, credit card, investment, loan and savings transactions.

To see all of your bank transactions in one place, follow these steps:

1. Choose Banking from the Reports menu, and choose All Bank Transactions from the submenu.
2. Enter a date range.

3. Click the Update button. You'll see a simple list of all cash transactions during the time period.

To see a breakdown of cash income that you can use for income taxes or detailed income statements, follow these steps:

1. Choose Taxes from the Reports menu, and choose Income Tax Report from the submenu.
2. Enter a date range.
3. Click the Update button. You'll see a list of all cash transactions during the time period, broken down by tax classes.

Accrual Accounting

Accrual accounting is based on when expenses and income are actually in place— usually when goods or services are delivered or installed.

You can get accrual information from your expense transactions— equipment hours, labor hours, inventory used, material purchases, subcontractor costs and other costs.

To see a report of accrued expenses, follow these steps:

1. Choose Expenses from the Reports menu, and choose All Expenses from the submenu.
2. Enter a date range.
3. Click the Update button. You'll see a simple list of all accrued expense transactions during the time period.

Get accrued income figures from your Sales transactions and project Billing Records.

Finishing Up

In this lesson you've learned how to make bank transfers to handle interest, service charges and transfers between accounts. You might want to take a break now, and fix some dinner.

Remember, a crisp dollar bill is a welcome addition to any salad. It has zero calories and it's jam-packed with fiber.

HINT: Smart chefs 'de-vein' larger denominations by removing the colored plastic strip from the left side of the bill. Use a freshly honed filleting knife, and save the strips to make an attractive garnish.

Lesson Thirty-Nine: Job Costs

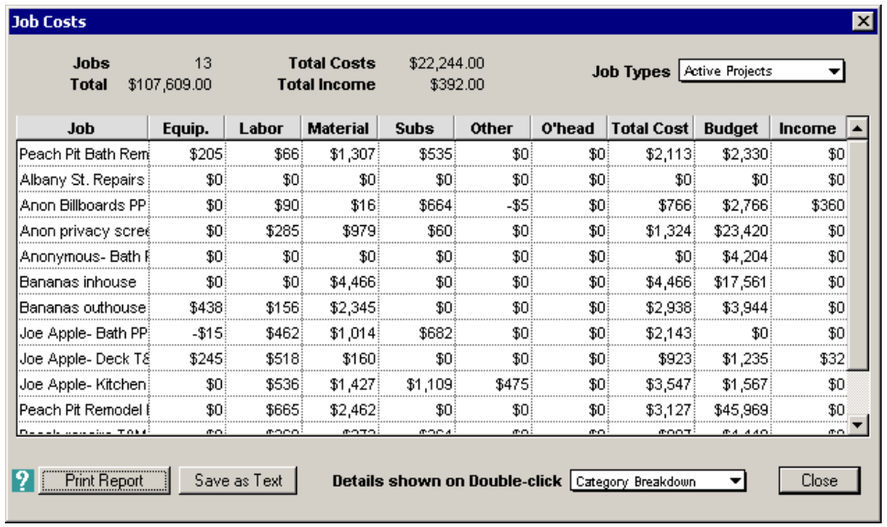
The Job Cost command shows you a 'quick report' of costs and income for each of your projects, customers, and other jobs.

Looking at job costs is a valuable way to manage your business. It shows the profitability of each part of your business, and helps you to increase the accuracy of your project cost estimates.

Viewing Job Costs

Goldenseal lets you see the current financial state of each job very quickly. To see a summary of job costs, follow these steps:

1. Choose Job Costs from the Costs menu.



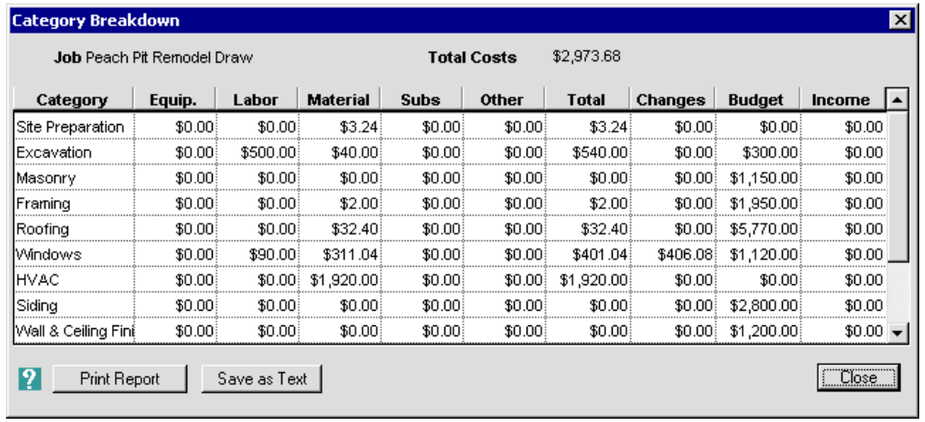
2. You will see a listing of projects, with a simple cost analysis for each.

The first five columns for each job show the five basic expense classes, with the amount that has been posted to each project. The next column shows the amount of overhead allocated to the job.

The final three columns show the total costs for each job (from expense transactions), the original budget amount (from the project estimate), and the amount of income received (from deposits and payment receipts).

Category Breakdowns

To see a detailed breakdown of costs by cost category, double-click anywhere in the row of the job you'd like to see.



You'll see a list of cost categories, along with the expense amounts posted to each category.

> ***NOTE:*** The breakdown will only show categories that have a contract amount or an expense amount. If you'd like to include all cost categories in the display, hold down the Shift key when you double-click on the row.

To "drill down" to see further details for costs within a category, double-click in its row. If the selected category has subcategories, you'll see a list of its subcategories, with a breakdown for each. If the selected category does not have subcategories, you'll see a breakdown of expense items.

> ***HINT:*** To bypass the subcategory display, hold down the Shift key when you double-click on the row. That way you'll see a list of cost items for the category.

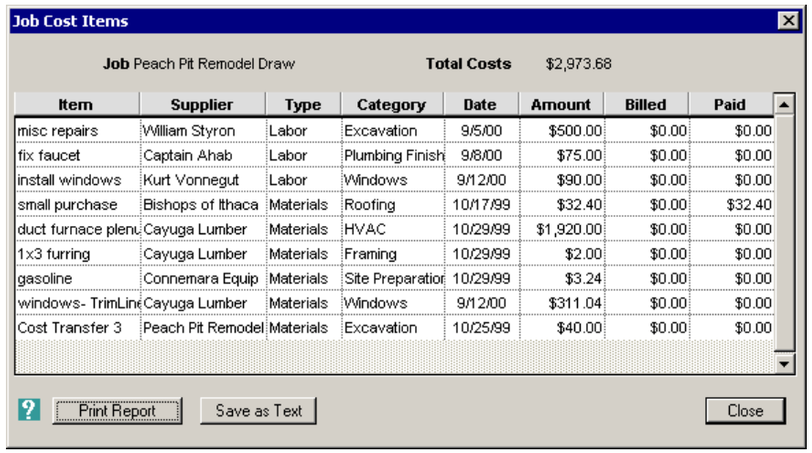
When you are finished viewing the category breakdown, click the Close button, and you will return to the list of jobs.

Item Breakdowns

To see a breakdown of specific cost items for a job, follow these steps:

1. Choose Job Costs from the Costs menu.
2. Click on the Details popup menu at the bottom of the window, and choose Item Breakdown.
3. Double-click in the row of the job for which you'd like to see a list of items.

   HINT: If you double-click in the Job column, you'll see a list of all costs. If you double-click in the column for one of the expense classes, you'll only see items of that class.



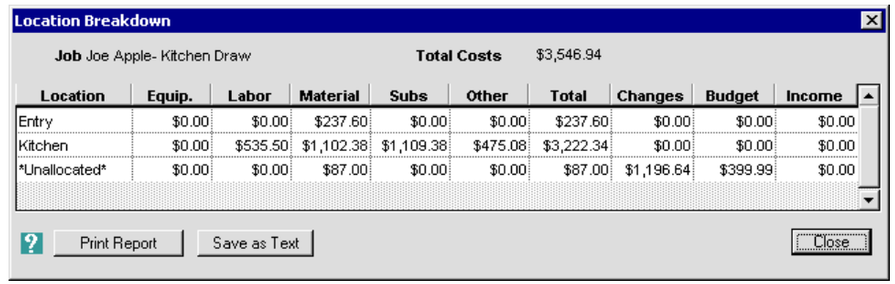
4. A list of specific cost items will be shown.

   NOTE: Material and other cost amounts are the same as the amount of the expense transaction. Equipment, labor and subcontractor costs are based on the Job Cost Amount in the expense transaction.

Location Breakdowns

To see a breakdown of job costs by location, follow these steps:

1. Choose Job Costs from the Costs menu.
2. Click on the Details popup menu at the bottom of the window, and choose Location Breakdown.
3. Double-click in the row of the job for which you'd like to see the breakdown.



4. You'll see a list of locations for the job, with job costs for each.

Viewing Other Job Types

To see costs for other types of jobs, use the Job Types menu at the upper right corner of the main Job Cost window.

You can view job costs for any of the following account classes:

Projects— Totals for active or completed projects.

Customers— Totals for job costs assigned directly to customers.

Equipment— Expenses used to maintain equipment, and income that results from equipment use.

Real Estate— Expenses used to maintain real properties, and income that results from rentals.

Investments— Expenses used to maintain investments, and income that results from the investment.

Overhead— Expenses assigned to Overhead accounts, and income that results from overhead allocations.

Progress Tracking

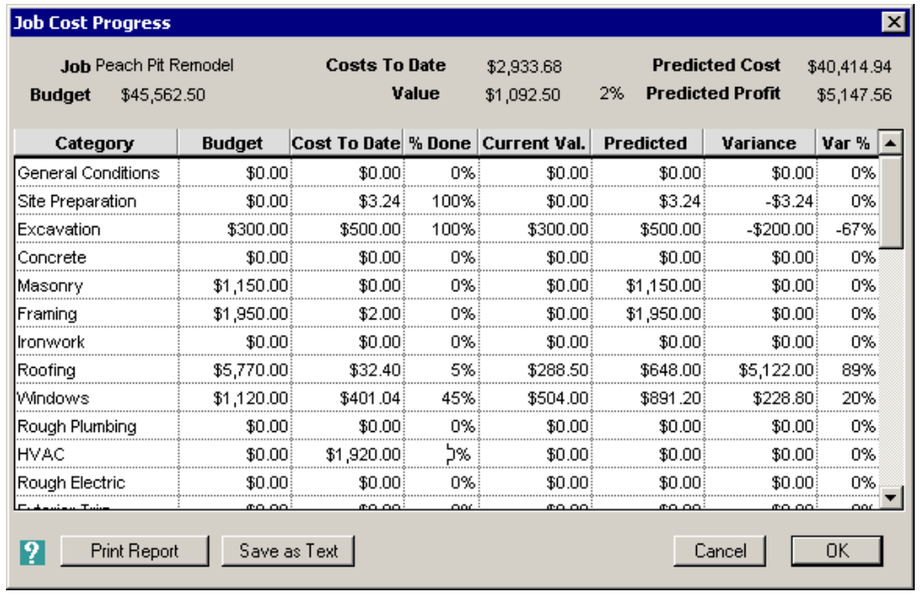
You can use the Job Costs command to track project completion, and get a prediction of the final project cost.

NOTE: The completion percentages are also used for progress payment billing (see page 310).

To track progress by cost category, follow these steps:

1. Choose Job Costs from the Costs menu.
2. Click on the Details popup menu at the bottom of the window, and choose Progress by Category.

3. Double-click in the row of the job for which you'd like to see the breakdown.



4. You'll see a list of categories, and the costs to date for each.
5. Enter the percentage done for each category.
6. The predicted cost for each line item is shown in the Predicted column for that row. The Variance columns show you the difference between the predicted cost and the original budget— as both a dollar amount and as a percentage.
7. The predicted cost and net profit for the entire project is shown at the top of the dialog window.
8. To save the changes you have made, click OK. Click Cancel to leave the progress window without saving changes.

To track progress by location within a project, follow these steps:

1. Choose Job Costs from the Costs menu.
2. Click on the Details popup menu at the bottom of the window, and choose Progress by Location.
3. Double-click in the row of the job for which you'd like to see the breakdown.

4. You'll see a list of locations and the costs to date for each.
5. Enter the Percentage done for each location.
6. The predicted cost for each line item is shown in the Predicted column for that row. The Variance column shows you the difference between the predicted cost and the original budget.
7. The predicted cost and net profit for the entire project is shown at the top of the dialog window.
8. To save the changes you have made, click OK. Click Cancel to leave the progress window without saving changes.

Job Cost Reports

You can view job costs in several other formats using Reports (see Lesson 20). For example, the Job Costs by Category report shows you 'estimated vs actual' costs for each category. The Job Costs by Subcategory report shows you 'estimate vs actual' costs for each main category and smaller subcategories.

Finishing Up

In this lesson, you've learned how to view job cost breakdowns, and how to enter job progress so you can see a prediction of the final project cost.

You might want to take a break now for a walk to check out some of your local wildlife. Do you have sea otters nearby? Mallard ducks? Moose? Raccoons? Giant cockroaches?

Which animals would you like to see returning to your area someday?

Which animals do you think would look best wearing the chic hats that you made in previous lessons? This might be a good time to clean out your hat closet, and at the same time practice your wildlife-stalking skills.

> ***HINT:*** It's hard to put a chic hat on a moose, and it's even harder to keep it there. You might want to consider adding Velcro strips on either side, so it will stick to the antlers.

Lesson Forty: Sales

This lesson shows you how to prepare for sales, and how to enter sales transactions.

When to Use Sales Transactions

Use sales transactions for any of the following:

- When you sell retail goods.
- When you sell wholesale goods.
- When you provide services to customers.

Do *not* use sales transactions for the following:

- If you will receive more than one payment for goods or services that cost a relatively large amount. In that case, create a Project account for the item and use a draw schedule or progress payment to handle the payments (see Lesson 43).
- When you will bill for time and materials. In that case, create a time and materials project for the item (see page 312).
- When you sell an expensive item and you'd like to track job costs for it separately, rather than lumping it in with other work done for the same customer. In that case, create a project for the item.

Sales Setup

Before you start making sales, there's some setup you can do that will make them work better. The next six pages cover sales setup.

Cost Items and Assemblies

If you plan to track inventory or you want to have Goldenseal calculate prices automatically for you, create Cost Items for each item that you purchase and sell. For more about cost items, see Lesson 13.

If you charge for services, create Assemblies to calculate the cost of each service item that you provide. Assemblies are also helpful if you do construction work, if you sell items that require some preparation work, if you manufacture or assemble items, if you sell individual items from case lots, or if you give package deals. For more about Assemblies, see Lesson 14.

Customer Accounts

Create a customer account for each person or business who buys from you. For more about customer accounts, see Lesson 9.

If you don't know all of your customers by name, create one or more customer accounts to handle 'one time' sales, and turn on the Allow One-Time sales option in them (see page 291).

Delivery Methods

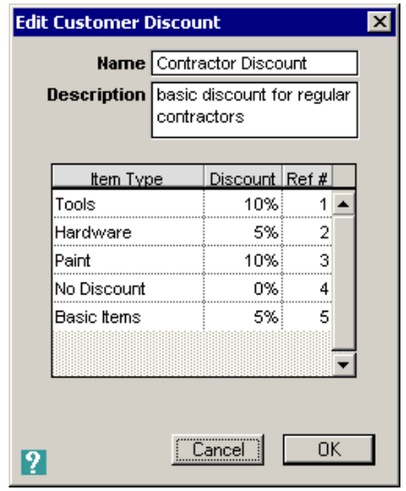
Delivery methods allow you to set up a delivery or shipping charges for orders of different weight or dollar cost.

To enter delivery methods, choose Income Setup from the Income menu, then choose Delivery Methods from the submenu (see page 236).

Discounts

If you give discounts to some customers, follow these steps:

1. Choose Income Setup from the Income menu, then choose Customer Discounts from the submenu.
2. You'll see a list of customer discounts. To create a new discount, click the New button.



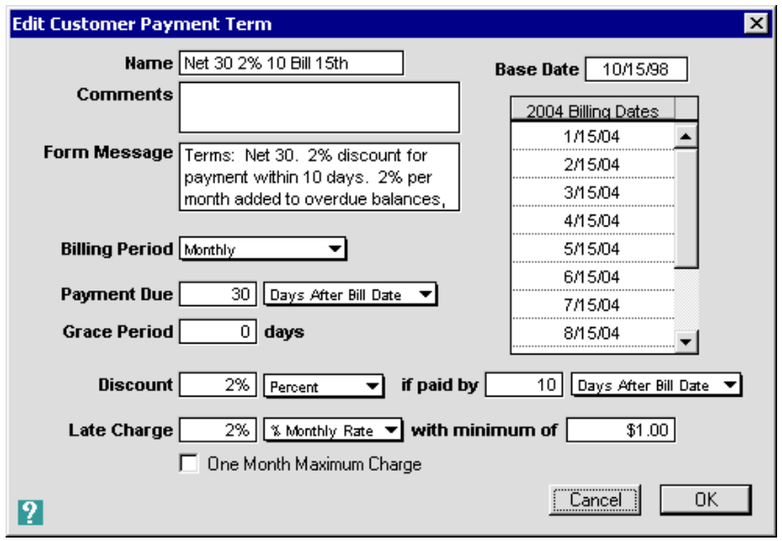
3. Each customer discount shows a list of item discounts. Enter the discount that you give to this type of customer for each item, then click OK.
4. If you give different discounts for different items, choose Income Setup from the Income menu, then choose Item Discounts from the submenu. You can enter as many item and customer discounts as you need to handle all the different discounts you offer.
5. Assign customer discounts in each customer account (see Lesson 9). Assign item discounts in each cost item or assembly (see Lessons 13 and 14).

Customer Payment Terms

Use customer payment terms to set up billing intervals, due dates, and other details for billed customers.

To enter a set of payment terms, follow these steps:

1. Choose Payment Terms from the Options menu, then choose Customers from the submenu.
2. Click the New button.



3. Enter information about the payment terms.

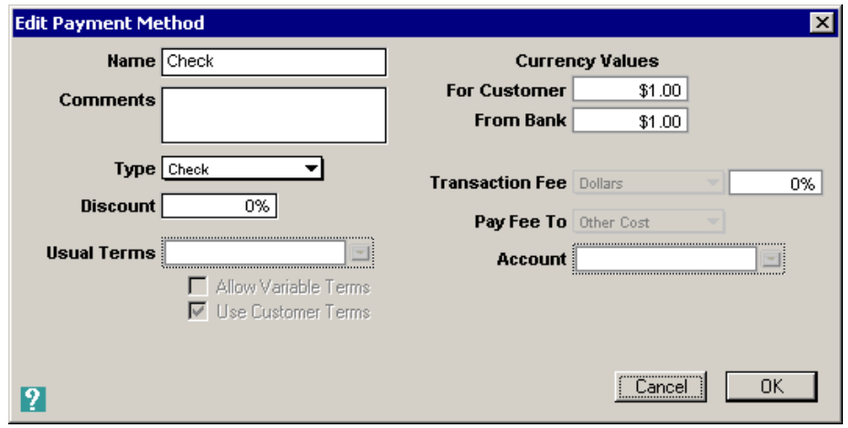
NOTE: See page 232 for more about customer payment terms.

Payment Methods

The list of payment methods lets you identify forms of payment that you receive. You will use payment methods when entering sales, payment receipts and bank deposits.

To enter payment methods, follow these steps:

1. Choose Income Setup from the Income menu, then choose Payment Methods from the submenu.
2. Click the New button.



3. Enter a name for the payment method.
4. Enter the type of payment.
5. If you give a discount for this payment method, fill in the amount.
6. For foreign currency, fill in the currency values— what you give to the customer, and what the bank gives to you.
7. For payment methods that have a transaction fee, fill in the amount and the account that receives payment.
8. For billed payment methods, fill in the usual payment terms.

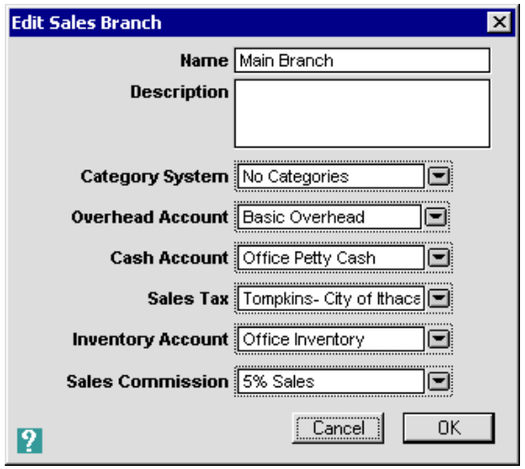
When you make a sale that uses a Billed payment method, Goldenseal will add it to Accounts Receivable (see Lesson 42). Sales that use other payment methods are considered as cash sales, which you'll deposit with the Deposit Funds command (see Lesson 44).

Sales Branches

Sales branches allow you to track sales separately for different locations.

To set up a sales branch, follow these steps:

1. Choose Income Setup from the Income menu, then choose Sales Branches from the submenu.
2. Click the New button.



3. Enter information about the sales branch.

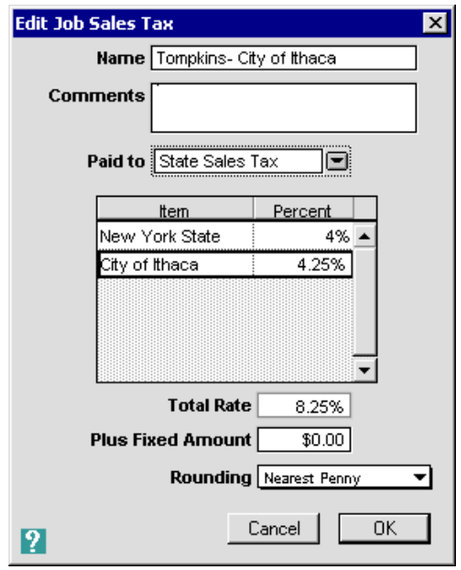
When you enter sales, you can assign each transaction to a specific sales branch.

Sales Tax

The Job Sales Tax command sets up the sales tax rates that you charge to customers.

To create a sales tax, follow these steps:

1. Choose Income Setup from the Income menu, then choose Sales Tax from the submenu.
2. Click the New button.
3. Enter the tax agency that collects the payment.
4. Enter the tax jurisdictions that receive a portion of this sales tax, and the percentage for each.



5. Enter the way the sales tax amount is rounded.

You will use job sales taxes in estimates, sales, and project billing.

Unknown and One-Time Customers

If you make cash sales to customers that you don't know, follow these steps:

1. Create a Customer account to handle anonymous customers.
2. Create a Sale transaction (see page 292), and enter the account from step 1 into the Sold To field.

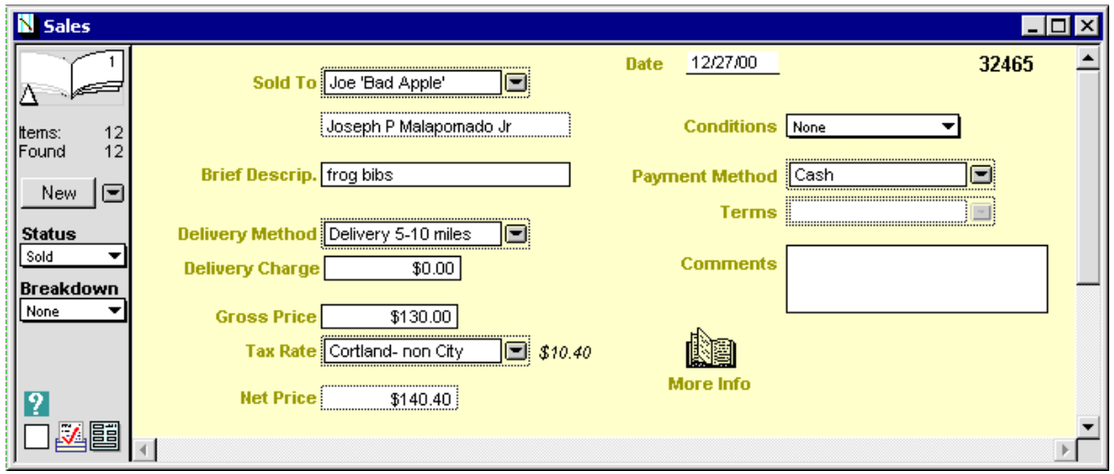
If you make cash sales to customers that you do know but that aren't regular customers, follow these steps:

1. Create one or more Customer accounts to handle one-time customers. In the account, turn on the Allow One-Time Names checkbox.
2. Create a Sale transaction (see page 292), and enter the account from step 1 into the Sold To field.
3. Turn on the One-Time checkbox.
4. Type in the name of the customer.

Sales Transactions

To enter sales transactions, follow these steps:

1. Choose Sales from the Income menu.
2. Click the New button.
3. Enter the customer to whom the sale is made.
4. If the sale is for one item, enter a brief description. Otherwise enter Category or Items into the Breakdown popup (see the next section).
5. Fill in the delivery, price and sales tax fields.



6. Enter the payment method.
7. If the item will be billed, enter payment terms.
8. Click the More Info button to enter the sales branch, sales rep, delivery instructions and other details.
9. To print a sales receipt, choose Print Forms from the File menu.

Sale Breakdowns

You can itemize a sale with a list of multiple items. To do so, enter Category or Items into the Breakdown popup field. A category breakdown lets you type in the name of each item sold, while an item breakdown shows specific Cost Items or Assemblies.

HINT: Sales breakdowns are almost identical to the category and item breakdowns in expense transactions (see Lesson 34).

If you use an Item breakdown, you can use a bar code scanner to enter items by their UPC code. Goldenseal will automatically fill in the item price, warn you about low inventory, adjust inventory quantities, and automatically create a Purchase Order for items that are out of stock.

HINT: See Lesson 47 for more about inventory tracking.

You can save time by setting up **templates** for your typical sales transactions. That way you won't need to fill in all the details every time. For more about templates, see Lesson 24.

Viewing Sales Links

Choose Customer Account from the View menu to see more about the customer account.

Choose Payment Transaction from the View menu to see the record of payment for a sale (a payment receipt or a deposit). Choose Deposit Transaction to see the deposit transaction.

If a Sale transaction has an Item breakdown, you can double-click on any non-editable cell to see the Cost Item or Assembly for that row.

Finishing Up

In this lesson you have learned how to enter sales transactions. You'll now be able to sell anything— chic hats, pet flamingos, your soul, your DNA.

Speaking of genetic codes, did you know that Goldenseal contains over 6 million lines of code in the C++ programming language? No wonder it took us more than 5 years just to finish the first version.

About half of the code is for the basic human interface— what you see on the screen, and the way things work in clairvoyant fields, tables and all the other Goldenseal components. The other half of the code handles the data objects and the many details of business accounting.

There's no simple conversion factor between programming code and genetic code, but even the fanciest computer program is still much less complex than something as simple as a fruit fly.

"Time flies like an arrow. Fruit flies like a banana." -- Groucho Marx

Lesson Forty-One: Rental Management

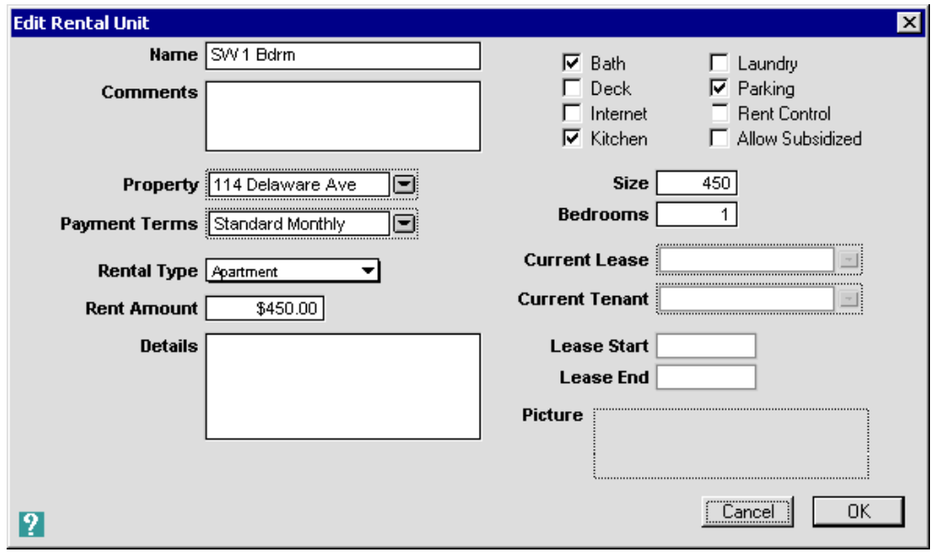
This lesson shows you how to handle rental properties. If you don't own or manage rental properties, you can skip this lesson.

NOTE: You can also use the rental management features for long-term equipment leases. For short-term equipment rentals or for leases that include sales tax, use Sales transactions instead (see Lesson 40).

Rental Units

To enter info about your rental units, follow these steps:

1. Choose Real Estate from the Accounts menu.
2. Double-click on an existing rental unit in the table, or click the Add Rental Unit button to add a new unit.



3. Enter details for the rental unit. You can enter the usual payment terms, the type of unit, usual rent, and details about the unit. If the unit is currently rented, Goldenseal also shows you details of the current lease.
4. To save changes in the unit, click OK.

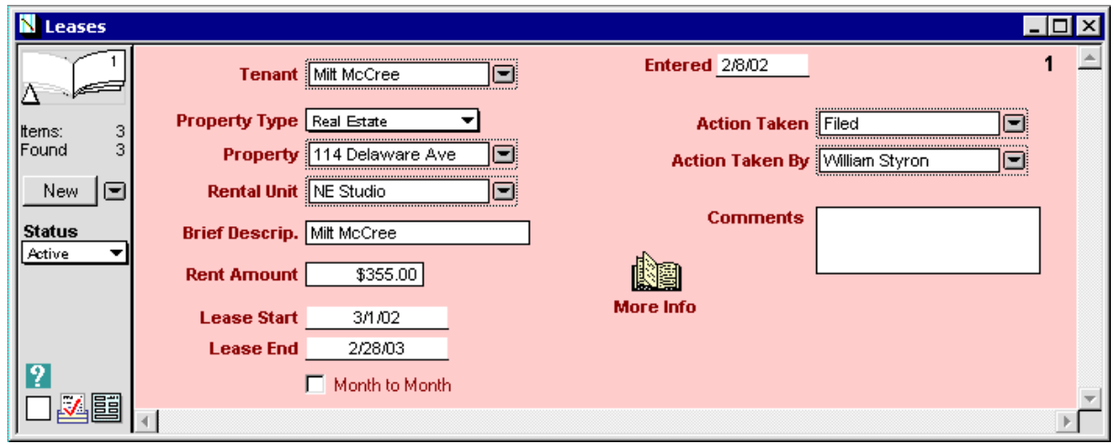
Leases

When you sign a lease with a tenant, first create a Customer account for them (unless you already have one). To do so, follow these steps:

1. Choose Customers from the Accounts menu.
2. Click the New button.
3. Fill in details for the tenant (see Lesson 9).
4. Hit the Enter key to save the record.

Then create a Lease transaction. To do so, follow these steps.

1. Choose Leases from the Income menu.
2. Click the New button.



3. Enter the tenant's name, and the property they are renting.
   NOTE: You can rent real estate or lease equipment.
4. Enter the rental unit, and a brief description of the lease.
5. Enter the rent amount.
6. .Enter the time period of the lease, and the payment terms.
   HINT: Goldenseal warns you if this lease overlaps an existing lease.
7. Click the More Info button to enter details about the damage deposit and last month's rent, if this lease includes them. You can also enter a sales rep, payment terms and other details.

Lease Tracking

When you have signed a lease, change its status to Active.

When the lease is over and all payments have been completed, change its status to Completed.

If you cancel a lease, change its status to Void.

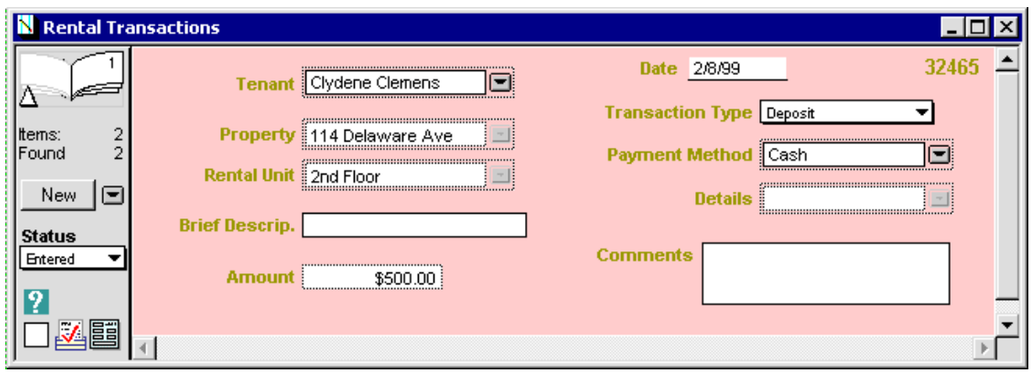
See the next chapter for details on rental billing.

Rental Transactions

Rental transactions are a record of rent that is due. You can also use rental transactions for deposits, for damages or other charges, and for refunds or reimbursements that you give to your tenants.

To enter a rental transaction, follow these steps:

1. Choose Rental Transactions from the Income menu.
2. Click the New button.



3. Enter the tenant. Goldenseal automatically enters the property, rental unit and usual rent amount.
4. Enter a brief description for this rent amount.
5. Enter the type of payment and the payment method. You can also enter any comments you have about this item.

   HINT: You can use the Billing command to automatically create rental transactions for damage deposits, last-month rent and regular rent (see Lesson 42).

Rental Expenses

Enter maintenance expenses for rental properties the same as any other expense (see Lessons 33 to 35). Enter Real Estate into the Job Class field, and the rental property into the Job field.

The Job Costs command will show you expenses vs. income (see Lesson 39).

Other Rental Management Tools

You can use the following Goldenseal features to help manage rental properties:

Appointments— keep track of appointments with tenants and prospective tenants (see Lesson 10).

Contact Log— record phone calls and other contacts with tenants and prospective tenants (see Lesson 10).

Escrow Accounts— manage escrow accounts for damage deposits (see page 219).

Problem Log— track progress on repairs and other problems (see Lesson 10).

Project Accounts— for new construction and major repairs of rental units (see Lesson 9).

Purchase & Work Orders— write purchase orders for supplies, and work orders for repairs and improvements (see Lesson 6).

Finishing Up

In this lesson you have learned how to use Goldenseal to manage rental properties.

You might want to take a break now and ponder how you would handle some unusual rental situations. For example, if you owned the White House, would you file eviction papers if the President's rent were overdue? Would his or her party affiliation make a difference? If you owned the Golden Gate Bridge, what color would you paint it? If you owned the Statue of Liberty, would you rent out the plaques for advertising?

Speaking of the Statue of Liberty, isn't that a darned chic hat that she's wearing? To create it required over 1500 person-hours of work by skilled metal workers, plus 600 kilograms of copper plating and eighteen jumbo rolls of monument-grade duct tape.

Lesson Forty-Two: Sales and Rental Billing

This lesson explains how to use the Billing command to bill for customer sales and property rentals.

Billing Setup

Before you start sales billing, follow these steps:

1. Create Customer accounts (see Lesson 9) and Customer Payment Terms with your usual terms (see page 232).
2. Create Payment Methods for the payments you receive (see page 289).
3. Enter Sales transactions for the goods or services that you provide (see Lesson 40).

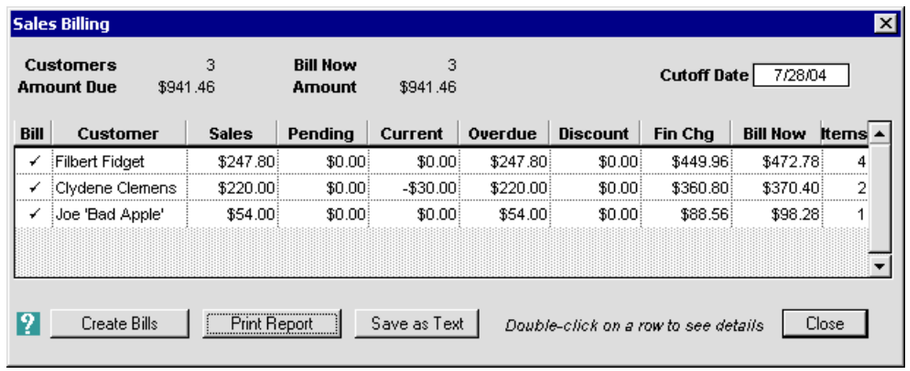
Before you start rental billing, follow these steps:

1. Create Rental Payment Terms with your usual terms (see page 294).
2. Create a Lease for each tenant (see page 295). Fill in the rent amount, the rent period, and any damage deposits or pre-paid rent.
3. Create Payment Methods for the payments you receive (see page 289).

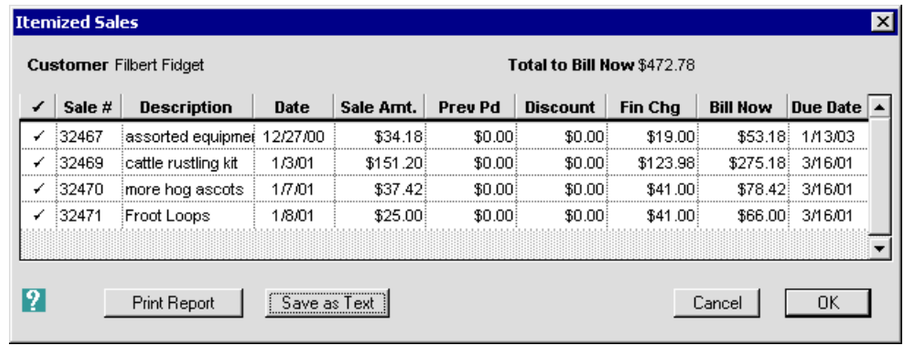
Sales Billing

To create bills for customer sales, follow these steps:

1. Choose Billing from the Bank menu, then choose Sales Billing from the submenu.



2. You'll see a list of customers, and the amount that is due from each.
3. Click in the first column to choose which customers to bill now.
4. To see detailed sales for a customer, double-click on their name (or elsewhere in the same row).



5. You'll see a list of sales that are due. Click on the check marks in the first column to determine which sales to include in this bill.
6. When you are finished looking at itemized sales, click the OK button.
7. To create bills, click the Create Bills button. Goldenseal will create billing records for each customer (see page 304).

Viewing Accounts Receivable

The Billing command is a quick way to see the status of your Accounts Receivable.

To view the billing status for a different date, type a date into the Cutoff Date field, and press the Tab key to recalculate billing amounts.

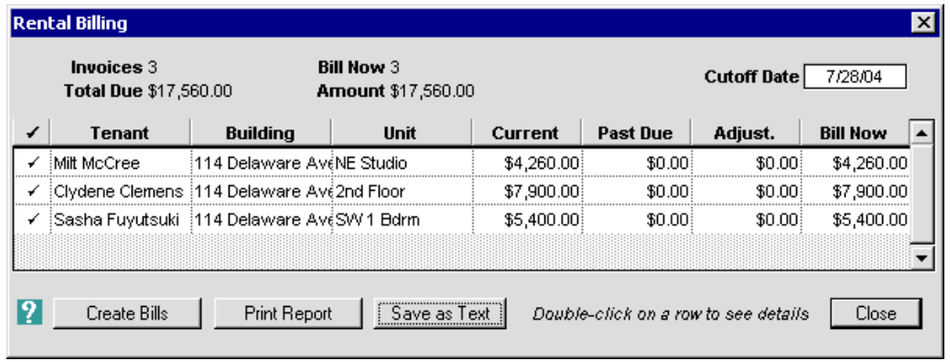
To see a more detailed report of receivables that are due and overdue, choose Income from the Reports menu, and choose Receivables Aging from the submenu.

To see a list of all unpaid billing records, choose Income from the Reports menu, and choose Unpaid Bills from the submenu.

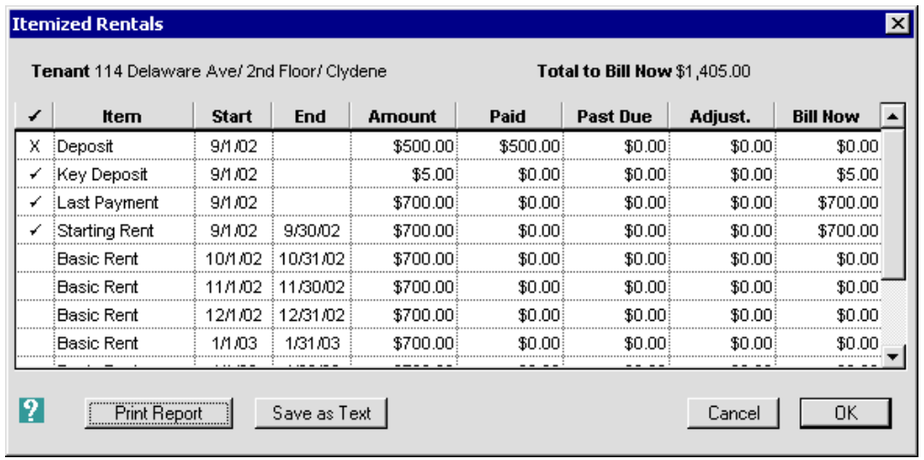
Rental Billing

To create rental bills or to accept rent payments, follow these steps:

1. Choose Billing from the Bank menu, then choose Rental Billing from the submenu.



2. You'll see a list of tenants, and the amount that is currently due from each. Click in the first column to determine which tenants to bill now.
3. To see details for a tenant, double-click anywhere in their row.
4. You'll see a list of all payments and credits over the entire rental term. Items that have already been billed are marked with an x in the first column. Items that are due now are checked.



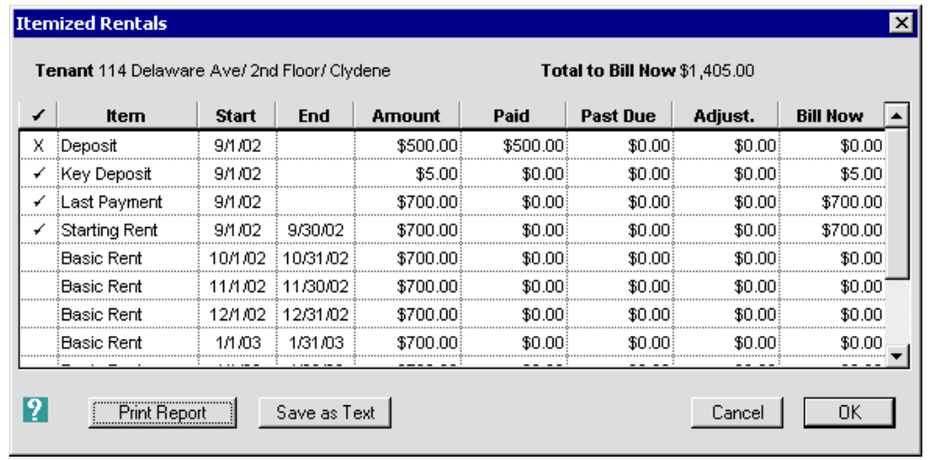
5. Click in the first column to change the items to bill now. Click in the Adjust column to enter early payment discounts or late charges.
6. When you are finished with the itemized rental dialog, click OK.
7. To create bills, click the Create Bills button. Goldenseal will ask you for a payment method. If you are creating bills for unpaid rent, enter Billed. Otherwise enter the type of payment you have received.
8. Goldenseal will create Rental Transactions for the rent that is due (see page 296). If you are billing for rent, it also creates a Billing Record (see page 304).

Damage Deposits

To bill for damage deposits, key deposits and pre-paid rent, follow these steps:

1. Choose Billing from the Bank menu, then choose Rentals from the submenu.
2. Double-click on the tenant who has paid a deposit.
3. Put a check mark next to each item that they are paying now.

   HINT: If you don't see the correct deposits or pre-paid rent, you'll need to enter them into the Lease (see page 295).



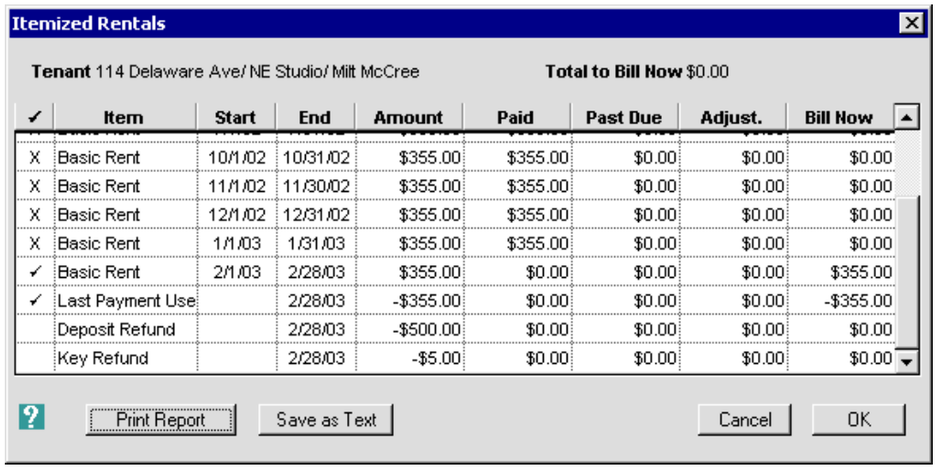
4. Continue rental billing, the same as for basic rent.

Using Pre-Paid Rent

When tenants pre-pay rent at the beginning of a lease term, enter it the same as damage deposits (see page 301).

When tenants use the pre-paid rent at the end of the term, follow these steps:

1. Choose Billing from the Bank menu, then choose Rentals from the submenu.
2. Double-click on the tenant who is using pre-paid rent.
3. You'll see a rental amount for the usual rent. Put a check mark next to it to include it.
4. You'll see a line for Last Payment Used. Put a check mark next to it.



✓	Item	Start	End	Amount	Paid	Past Due	Adjust.	Bill Now
X	Basic Rent	10/1/02	10/31/02	$355.00	$355.00	$0.00	$0.00	$0.00
X	Basic Rent	11/1/02	11/30/02	$355.00	$355.00	$0.00	$0.00	$0.00
X	Basic Rent	12/1/02	12/31/02	$355.00	$355.00	$0.00	$0.00	$0.00
X	Basic Rent	1/1/03	1/31/03	$355.00	$355.00	$0.00	$0.00	$0.00
✓	Basic Rent	2/1/03	2/28/03	$355.00	$0.00	$0.00	$0.00	$355.00
✓	Last Payment Use		2/28/03	-$355.00	$0.00	$0.00	$0.00	-$355.00
	Deposit Refund		2/28/03	-$500.00	$0.00	$0.00	$0.00	$0.00
	Key Refund		2/28/03	-$5.00	$0.00	$0.00	$0.00	$0.00

5. Continue rental billing, the same as for basic rent. If the two amounts cancel out, you won't need to bill anything.

Damage Charges

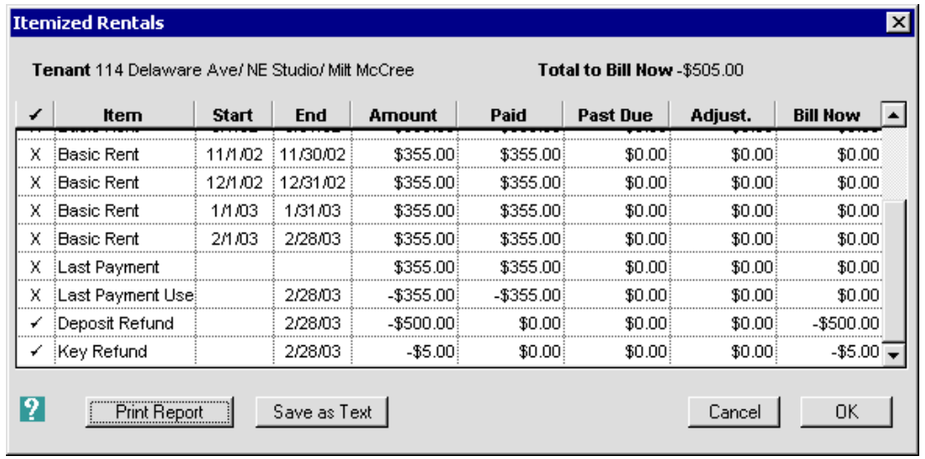
If you charge a renter for damages, follow these steps:

1. Choose Rental Transactions from the Income menu.
2. Click the New button.
3. Enter the renter, and any details about the damages.
4. Enter Damage Charge into the Transaction Type popup field.

Rental Deposit Return

To return deposits at the end of a lease term, follow these steps:

1. Choose Billing from the Bank menu, then choose Rentals from the submenu.
2. Double-click on the tenant who is using pre-paid rent.
3. Put a checkbox next to the deposit return item(s) at the end of the lease. If there are damage charges, also include them.



✓	Item	Start	End	Amount	Paid	Past Due	Adjust.	Bill Now
X	Basic Rent	11/1/02	11/30/02	$355.00	$355.00	$0.00	$0.00	$0.00
X	Basic Rent	12/1/02	12/31/02	$355.00	$355.00	$0.00	$0.00	$0.00
X	Basic Rent	1/1/03	1/31/03	$355.00	$355.00	$0.00	$0.00	$0.00
X	Basic Rent	2/1/03	2/28/03	$355.00	$355.00	$0.00	$0.00	$0.00
X	Last Payment			$355.00	$355.00	$0.00	$0.00	$0.00
X	Last Payment Use		2/28/03	-$355.00	-$355.00	$0.00	$0.00	$0.00
✓	Deposit Refund		2/28/03	-$500.00	$0.00	$0.00	$0.00	-$500.00
✓	Key Refund		2/28/03	-$5.00	$0.00	$0.00	$0.00	-$5.00

4. Continue rental billing, the same as for basic rent. When you are asked for a payment method, choose Billed.
5. Goldenseal will create a Rental Transaction for each credit and charge, and a Billing Record for the total refund (or charge).

To issue a deposit refund check, follow these steps:

1. Choose Checking Transactions from the Bank menu, then choose the account from which you'll make payment.

   HINT: If you keep damages in an escrow account, choose Escrow Transactions from the Bank menu.
2. Click the New button.
3. Enter Renter in the Pay To field, and enter the tenant into the Account field.
4. Enter Billing Refund into the Transaction Paid popup field.
5. Enter the billing record into the Reference field.

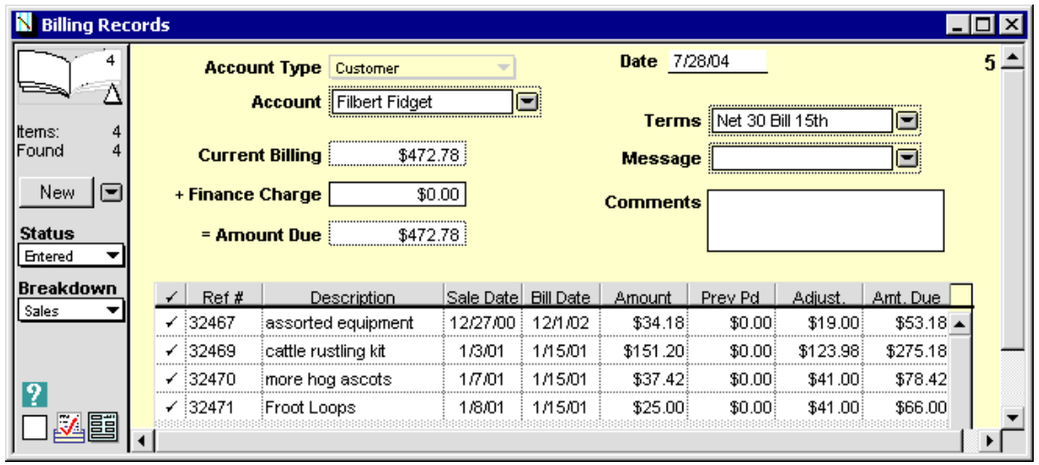
Billing Records

Billing records keep track of the bills that you send out to customers, tenants, project owners, and anyone else who owes you money.

You'll create most billing records with one of the Billing commands. When you click the Create Bills button, Goldenseal automatically creates billing records for each marked account.

To view billing records, follow these steps:

1. Choose Billing Records from the Bank menu.



2. You'll see a browser window that includes bills of all types.
3. Each record shows one billing cycle for one customer, tenant or project. The total billing amount is calculated, including sales tax, retainage and finance charges.
4. Most bills include a breakdown table, which is a list of unpaid transactions or steps in a project. The table shows the same information as in the Billing commands. You can change the items or billing amounts in the table, just as you did in the Billing commands.

Printing Bills

To print a billing statement for a customer, choose Print Form from the File menu, then choose Billing Statement in the Form Type field.

NOTE: For more about form printing, see Lesson 19.

To find and print the sale transactions covered by a customer bill, follow these steps:

1. Choose Billing Records from the Bank menu.
2. Find the record that lists the sales you'd like to include.
3. Choose Detail Transactions from the View menu.
4. Goldenseal will open the Sales window and show the listed transactions in the found set.
5. To print the invoices, choose Print Form from the File menu, choose Billing Invoice in the Form Type field, and choose Found Records in the Record Range field.

Individual Billing

If you'd like to make a bill for just one customer or just one project, you can create a billing record without using the Billing command. For example, to create a bill for a single customer, follow these steps:

1. Click the New button.
2. Enter Customer into the Account Type popup menu.
3. Enter Sales into the Breakdown popup menu.
4. Goldenseal will automatically fill in a list of sales that are ready to be billed for this customer.

Bill Tracking

Each billing record keeps track of an amount that is owed to you—whether it comes from sales, rentals or project work.

To view a list of unpaid bills, choose Income from the Reports menu, then choose Unpaid Bills from the submenu.

When you receive payment for the bill, you'll apply the payment to a specific billing record (see Lesson 44). The billing record will then 'pass along' the payment to any transactions that are included in the bill.

Finishing Up

In this lesson you've learned how to make customer and rental bills.

Before you move on, you may want to take a quick break to take your pet for a walk. Or if it's a fish or a gargoyle, teach it to speak.

Lesson Forty-Three Project Billing

Goldenseal includes specialized billing for projects This lesson covers the following billing types:

Draw Schedules— For projects that use a fixed series of payments.

Progress Payments— For projects with payments based on the percentage completion for different categories or locations.

Time and Materials— For projects with payments based on actual costs.

Allowances— For allowances used in a project estimate.

Change Orders— For changes made in a project.

For project billing, the Billing Record is the start of the billing process. It usually contains a specialized breakdown which shows work completed and ready to bill.

Project Account Setup

In the Project account, use the Billing Type popup field to determine how you will handle billing for this project. Six types of billing are available:

Budget— For internal projects for which you will never create bills.

Draw Schedule— For billing that uses a fixed series of completion stages (see below). When you use this billing type, enter a specific draw schedule into the Draw Schedule field.

Time and Materials— For billing based on actual costs, plus an optional management fee (set in the payment terms—see page 306).

Progress by Category— For billing based on percentage completion for each cost category.

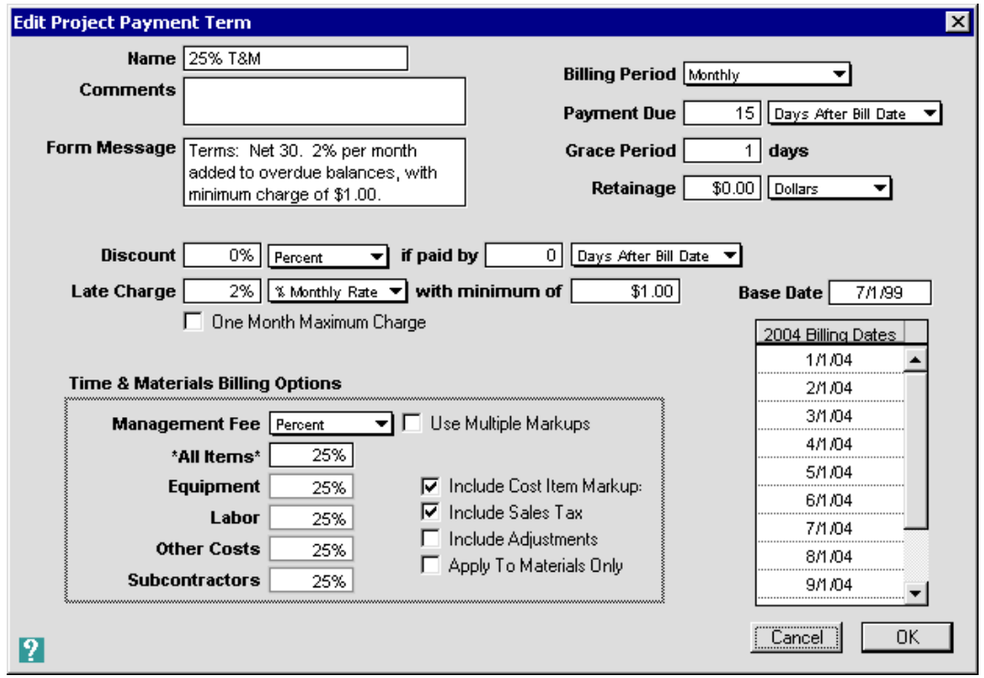
Progress by Location— For billing based on percentage completion for each location in the project.

Progress by Item— For billing based on percentage completion for each breakdown item in the project.

Project Payment Terms

Use project payment terms to set up basic billing options for projects. To do so, follow these steps:

1. Choose Payment Terms from the Options menu, then choose Projects from the submenu.
2. You'll see a list of project payment terms. Click the New button.

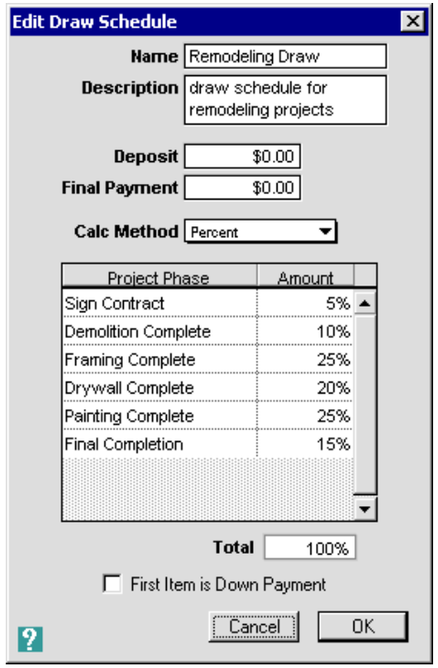


3. Enter a brief name for the terms, and any comments you have about it.
4. If you'd like to print a longer description of payment terms onto bills, enter it into the Form Message field.
5. Enter the billing frequency, and the date that bills are due.
6. If you give a grace period before you start charging interest, enter it.
7. Enter any 'hold back' or retainage amount that is used for this type of project billing. Retainage is not collected until the project has been completed (see page 316).
8. Enter any discounts you offer for early payments, and any charges you add for late payments.
9. Enter the management fee(s) that you use for time and materials projects that use this set of payment terms.
10. Enter a starting date into the Base Date field at upper right. Goldenseal will automatically show you the billing dates for this year.

Draw Schedules

To create a schedule of project draw payments, follow these steps:

1. Choose Income Setup from the Income menu, then choose Draw Schedules from the submenu.
2. You'll see a list of draw schedules. Click the New button.



3. Enter payment information. You can charge a flat dollar amount as a deposit or final payment. The remaining payments draws are each a percentage of the remaining project amount.

   NOTE: The table must add up to 100%. Goldenseal will complain at you if it doesn't.

4. When you are finished setting up the draw schedule, click OK.

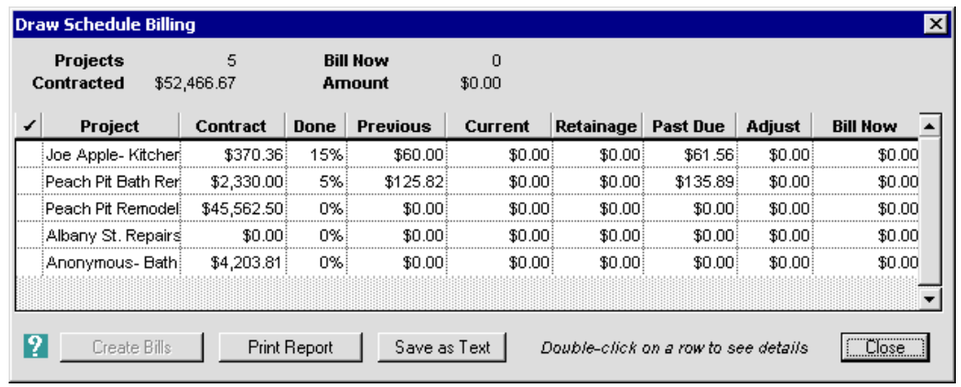
To assign a draw schedule to a project, enter Draw Schedule into the Billing Type popup menu, and enter the desired choice into the Draw Schedule field.

Draw Schedule Billing

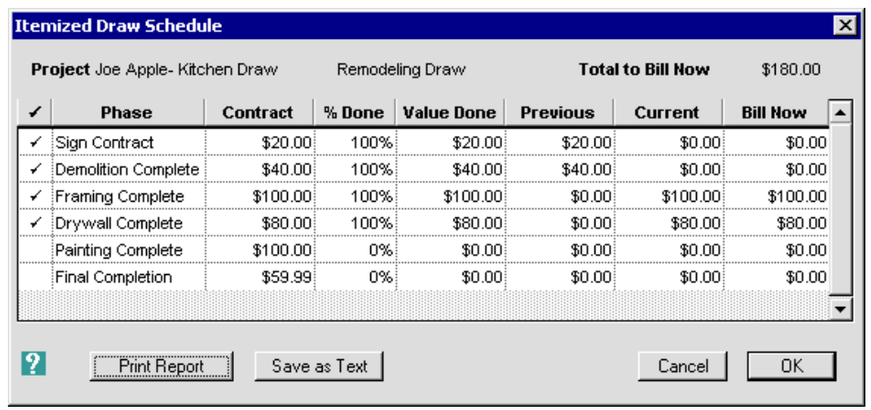
Draw schedule bills use a fixed set of payments at different stages of project completion. They apply to projects that have Draw Schedule as a project type (see Lesson 9). They are the simplest project billing type.

To create a draw schedule bill, follow these steps:

1. Choose Billing from the Bank menu, then choose Draw Schedules from the submenu.
2. You'll see a list of projects that use draw schedule billing, and the amount that is due from each (see illustration on the top of the next page). Click in the first column to choose which projects to bill now.



3. To see a detailed list of draw schedule steps, double-click anywhere in a project's row.



4. In the Phase column, you'll see a list of draw schedule milestones.

   HINT: To set up a list of draw schedule milestones, choose Income Setup from the Income menu, then choose Draw Schedules from the submenu (see page 308).

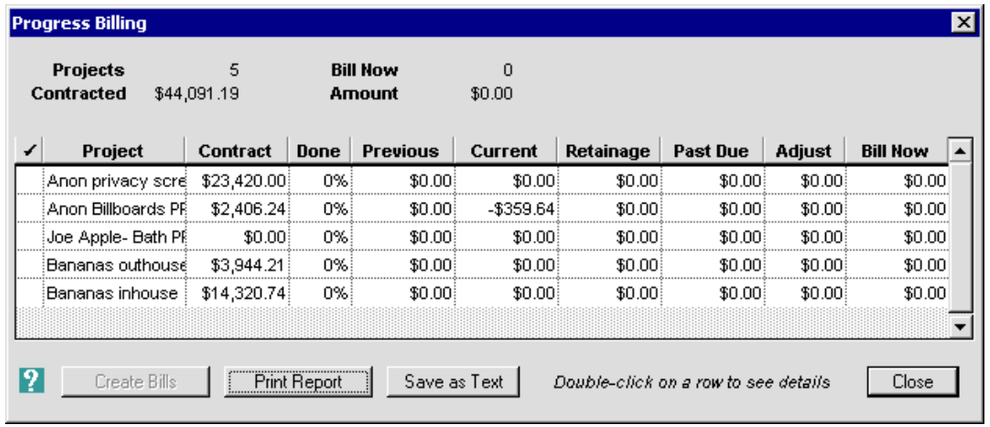
5. If a milestone is completed, click on the check mark in the first column. If a milestone is partially completed, enter either the percentage of completion, or the dollar amount that is ready for billing. Goldenseal will add the amount to the Bill Now column.
6. The Previous column shows items that were completed in a previous billing.
7. When you are finished setting up the billing amount for a project, click the OK button.
8. Repeat steps 3 to 7 for each project that is ready to bill now.
9. To create bills, click the Create Bills button. Goldenseal will automatically create billing records (see page 304).

Progress Payment Billing

Progress payment bills use the percentage of completion in each of the cost categories, locations or cost items in a project.

To create a progress payment bill, follow these steps:

1. Choose Billing from the Bank menu, then choose Progress Payment from the submenu.

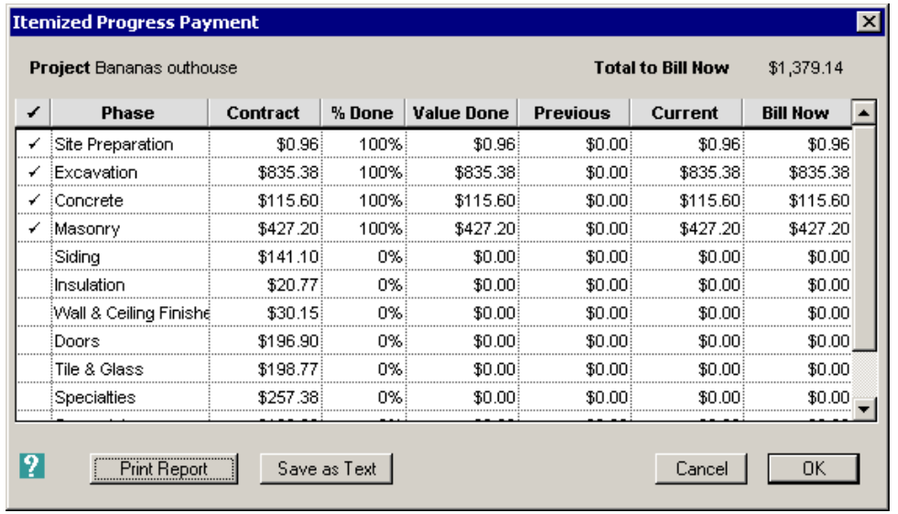


2. You'll see a 'quick report' list of projects that use progress payment billing, and the amount that is due from each. Click in the first column to determine which projects to bill.
3. To set the amount to bill for a project, double-click anywhere in its row.
4. You'll see a list of cost categories, locations or cost items, and the percentage of each step that has already been completed.

   HINT: To set up the list of categories or locations in the project, open the Project account and change the Category System or Location Package field.

5. Click in the first column to bill for a category that has been partially or completely finished.

   HINT: If you will only bill for part of the item, you can adjust either the percentage completed or the amount due.



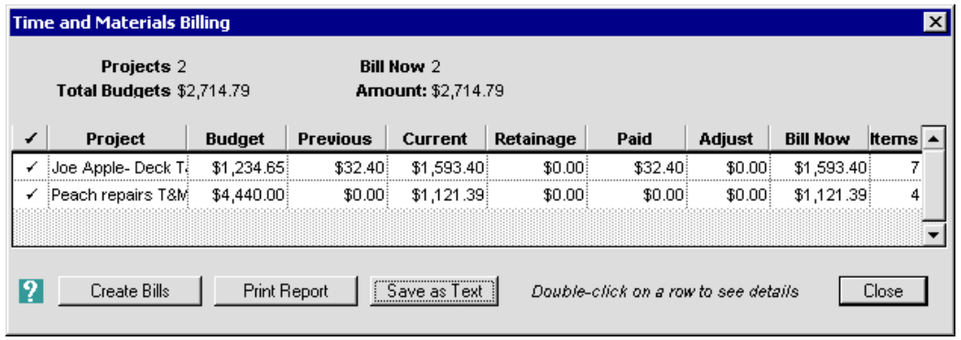
6. When you are finished setting up the billing amount for a project, click the OK button.
7. Repeat steps 3 to 6 for each project that is ready to bill now.
8. To create bills, click the Create Bills button. Goldenseal will automatically create billing records (see page 304).

Time and Materials Billing

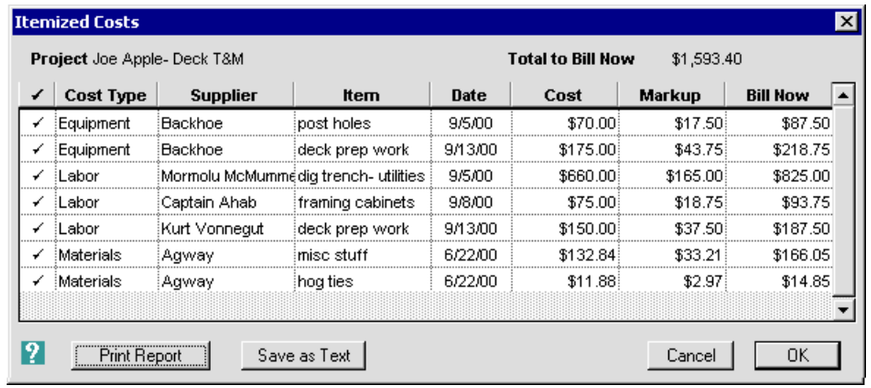
Time and materials bills use the actual cost of work to calculate billing amounts. You can cover overhead and profit with a 'management fee', or with markup and billing rates that are higher than actual costs.

To create time and materials bills, follow these steps:

1. Enter expenses for the project— use material purchases, equipment hours, and other expense transactions (see Lessons 33 to 35).
2. Choose Billing from the Bank menu, then choose Time and Materials from the submenu.



3. You'll see a 'quick report' list of projects that use time and materials billing, and the amount that is due from each. Click in the first column to determine which projects to bill now.
4. To see detailed costs for a project, double-click anywhere in its row.



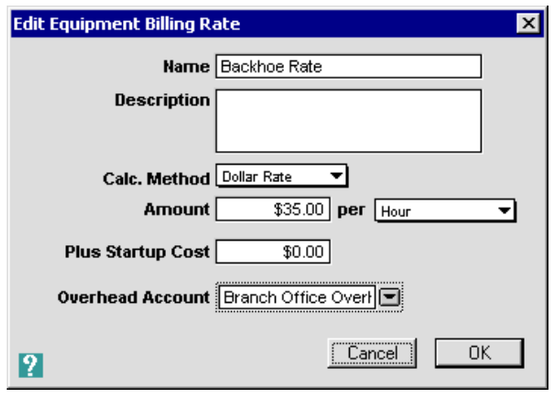
5. You'll see a list of expenses.
6. Click in the first column to change the billing status of any item.
7. When you are finished checking expenses for a project, click OK.
8. To create bills, click the Create Bills button. Goldenseal will automatically create billing records (see page 304).

Billing Rates

Use billing rates to set the amount to bill for equipment, labor and subcontractor hours that apply to a time-and-materials project. Billing rates are also used to calculate job costs.

To create billing rates for equipment, follow these steps:

1. Choose Billing Rates from the Options menu, then choose Equipment from the submenu.
2. Click the New button to create a new billing rate.



3. Enter information about the rate.

To set the billing rate for an equipment account, follow these steps:

1. Choose Equipment from the Accounts menu.
2. Find the account you'd like to change.
3. Enter a billing into the Billing Rate field.

When you create an equipment hours, labor hours or subcontractor cost record, Goldenseal automatically enters the usual billing rate for that account. Enter a new rate into the T & M Billing Rate field if it is different for this record.

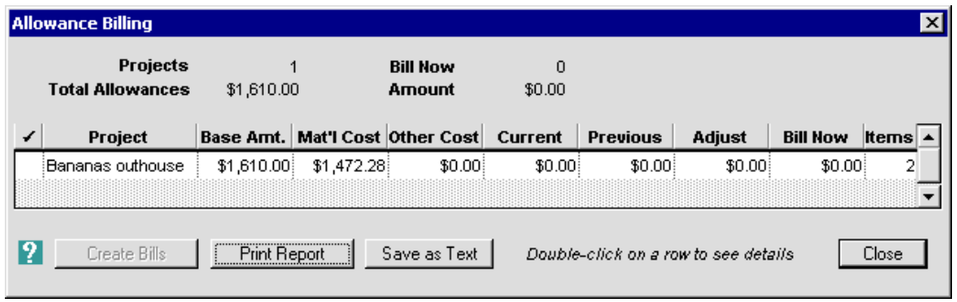
Allowance Billing

Use allowance billing for items in a project estimate that are handled as an allowance (see Lesson 6). The original allowance budget amount is already included in the regular project billing amount, so allowance billing covers the difference between the original estimate and actual costs.

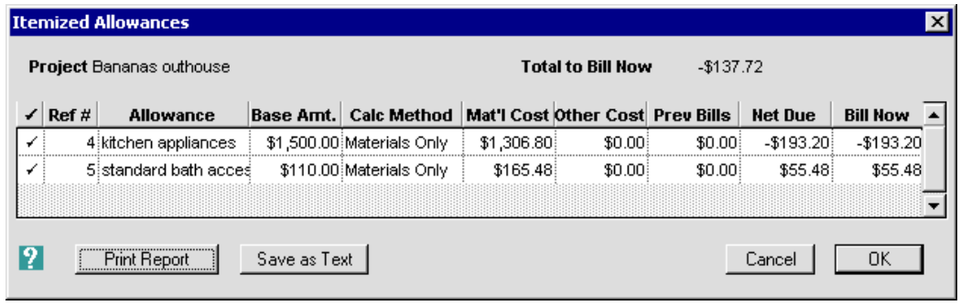
> ***NOTE:*** If costs are less than the original allowances, the billing amount is negative. In that case it will be a credit against the main project cost.

To create bills for allowances, follow these steps:

1. Choose Billing from the Bank menu, then choose Allowances from the submenu. You'll see a list of active projects that have allowances.



2. To bill for the allowances on a project, double-click on its row.



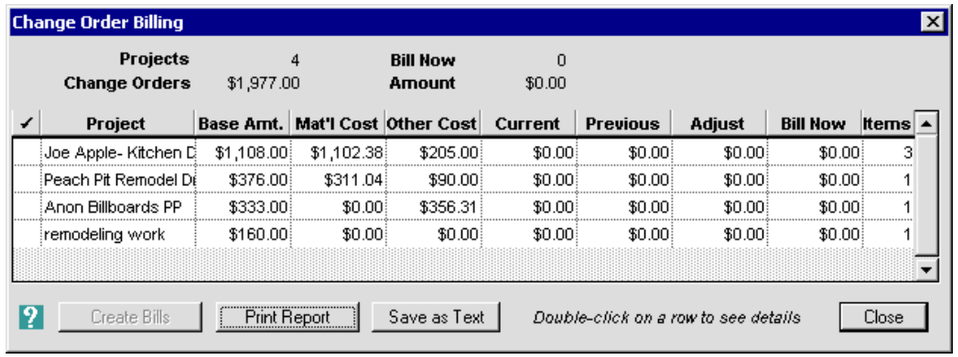
3. You'll see a list of allowances for the project, along with details for the costs to date. To bill for an item now, click in the far left row. To see a list of specific costs for an allowance, double-click in its row.
4. When you are finished marking allowances for a project, click OK.
5. To create bills, click the Create Bills button. Goldenseal will automatically create billing records (see page 304).

Change Order Billing

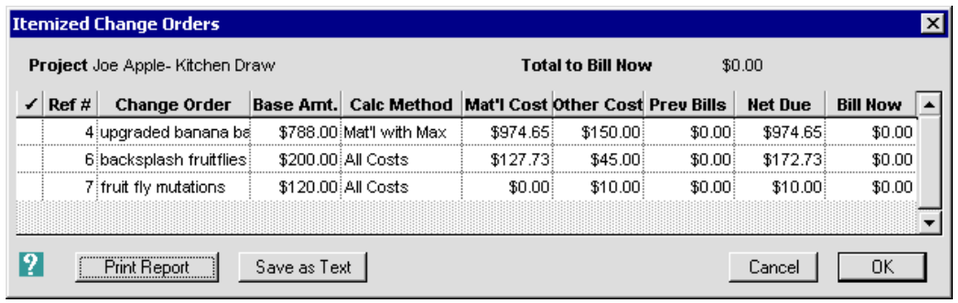
Use change order billing for changes in a project. Each change order is a 'mini-estimate' for extra work (see Lesson 10). Change orders can be for a simple fixed amount, or they can be calculated as time-and-materials.

To create bills for change orders, follow these steps:

1. Choose Billing from the Bank menu, then choose Change Orders from the submenu. You'll see a list of all active projects with change orders.



2. To bill for the change orders on a project, double-click on its row.



3. You'll see a list of change orders for the project, along with details for the costs to date. To bill for an item now, click in the far left row. To see a list of costs for a change order, double-click in its row.
4. When you are finished marking change orders, click OK.
5. To create bills, click the Create Bills button. Goldenseal will automatically create billing records (see page 304).

Retainage

Goldenseal makes it easy to handle retainage— an amount that is 'held back' until a project is completed.

Charging Retainage

To set up payment terms to include retainage, follow these steps:

1. Choose Payment Terms from the Options menu, then choose Projects from the submenu.
2. Open an existing payment term, or click the New button.
3. Enter the retainage amount into the Retainage fields (see page 306).
4. Enter other information about the project payment terms.
5. Click OK.

To charge retainage in a specific project, follow these steps:

1. Choose Job Accounts from the Accounts menu, then choose Projects from the submenu.
2. Find the project.
3. Enter the payment terms which contain retainage into the Payment Terms field.

Deducting Retainage

When you create each Billing Record, the retainage amount is automatically deducted. You can see the deduction on the Billing Record (see page 304).

Billing for Final Retainage Amount

When you are finished with a project, follow these steps to bill for the retainage balance:

1. Do a final billing for the project. For a draw schedule or progress payment project, make sure all items have been 100% billed. For a time and materials project, make sure that all costs have been billed.
2. Choose Billing Records from the Income menu.
3. Click the New button.
4. Enter Projects into the Account Type popup menu.
5. Enter the project into the Account field.
6. Enter Retainage Balance into the Billed Item popup menu. The current balance of retainage is automatically entered into the Gross Price.

Miscellaneous Charges

Goldenseal automatically computes finance charges based on the unpaid balance from the customer or project, and the charges included in the payment terms that they use. Finance charges are shown in the Finance Charges field.

You can also type in a finance charge amount.

To bill for finance charges manually, follow these steps:

1. Choose Billing Records from the Bank menu.
2. Click the New button.
3. Enter the account type and account being billed.
4. Enter Finance Charge into the Billed Item popup menu.
5. Enter the amount of the charge into the Gross Amount field.

Finishing Up

In this lesson you have learned how to do billing for sales and projects.

You might want to practice this lesson by creating some invoices to send to people you know. Now is your chance to convert all the favors you have done over the years into cold hard cash!

Don't worry about what you put into the bills. Most people will pay them without looking at the details, so long as you've developed a good-looking logo (see Lesson 18).

HINT: If your logo is not attractive enough to inspire people to pay you spontaneously, Billing Records can also be used for bribes, kickbacks, extortion and blackmail.

ANOTHER HINT: In that case you might want to add 'unmarked bills' as a payment method. To do so, choose Income Setup from the Income menu, then choose Payment Methods from the submenu.

STILL ANOTHER HINT: When record-keeping for illegal activities, it's a good idea to use euphemisms. For example, you can use 'pansies' instead of 'hush money, 'petunias' instead of 'bribes', and 'chrysanth-emums' instead of 'assassinating business rival'. For a complete guide to sleazy business euphemisms, see Appendix C.

YET ANOTHER HINT: If you are a florist, you may be falsely accused of illegal activities because of the previous hint. For a list of acceptable substitutes for common flower species, see Appendix D.

Lesson Forty-Four: Making Deposits

This Lesson shows you how to handle incoming payments.

Payment Receipts

Use payment receipts to make a record of money that you receive.

You do not *need* to use payment receipts— the deposit transaction usually serves as sufficient record of payments received (see page 322).

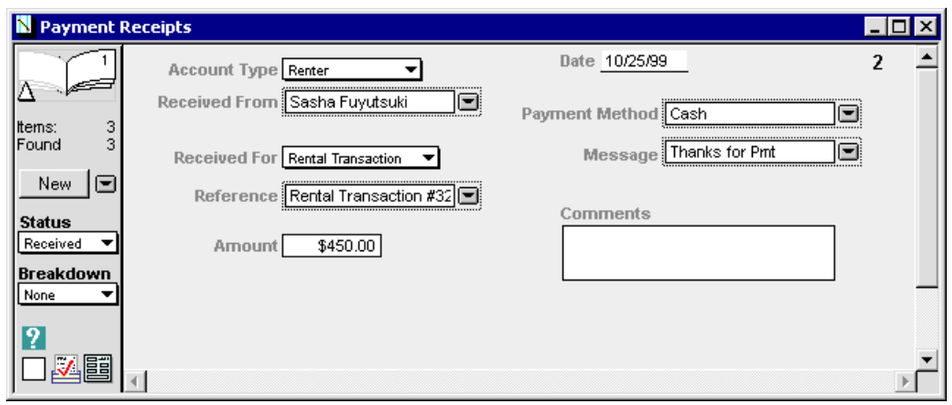
Create a payment receipt in any of the following cases:

- When you want to print a receipt, and there is no other transaction that you can use for that.
- When you receive a payment in more than one form (such as cash and check combined). In that case, enter multiple payment receipts.
- When you are receive payment in unusual form, such as foreign currency, gift certificates, coupons, or a credit memo.
- When you want a separate record of a payment for any other reason.

Creating a Payment Receipt

To enter an optional payment receipt, follow these steps:

1. Choose Payment Receipts from the Bank menu.



2. Click the New button.
3. Enter information about the payment.

Allocating Payments

Use the Received For popup menu to allocate the payment.

If a payment covers a specific transaction, enter the type of transaction into the Received For field, and enter the transaction into the Reference field.

HINT: The menu only shows unpaid transactions for the payer.

If a payment does not cover a specific transaction, enter Gift or Paid On Account into the Received For field.

Write-Offs

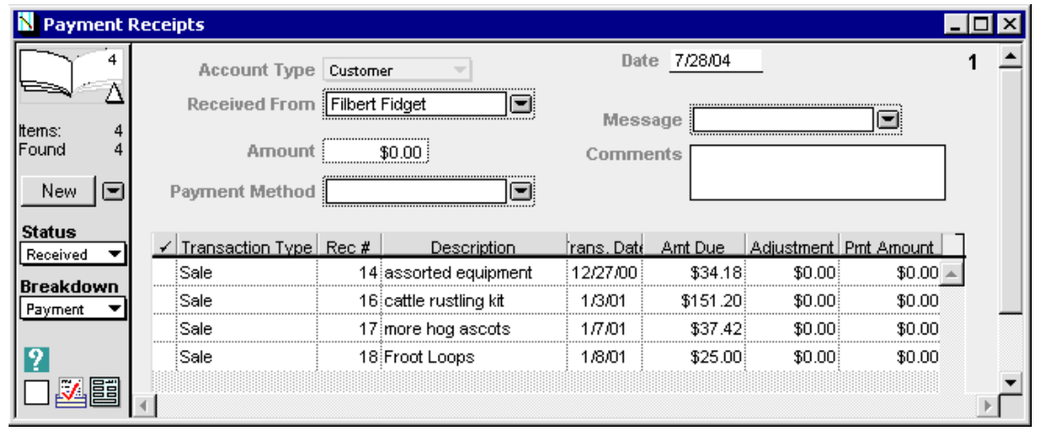
If you decide to write off a sale or project billing, you can change its status to Void, or follow these steps to get a specific record for the writeoff:

1. Choose Payment Receipts from the Bank menu.
2. Click the New button, and enter the transaction into the Received For and Reference fields.
3. Enter a Payment Method that uses Write-off as a method (see page 289).

Payment Breakdown

If a payment covers several transactions, follow these steps:

1. Enter Payments into the Breakdown popup field (at the left side of the window).



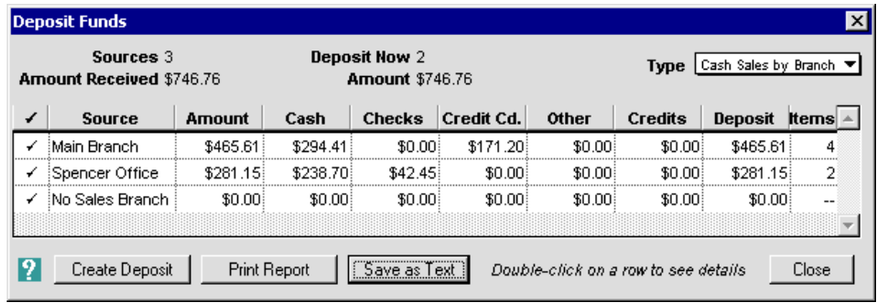
2. Goldenseal automatically enters a list of unpaid items for this account. Put a check mark next to each item that is being paid now.

   NOTE: If the payment is for less than the full amount of a transaction, enter a partial amount into the Payment Amount column.

Depositing Funds

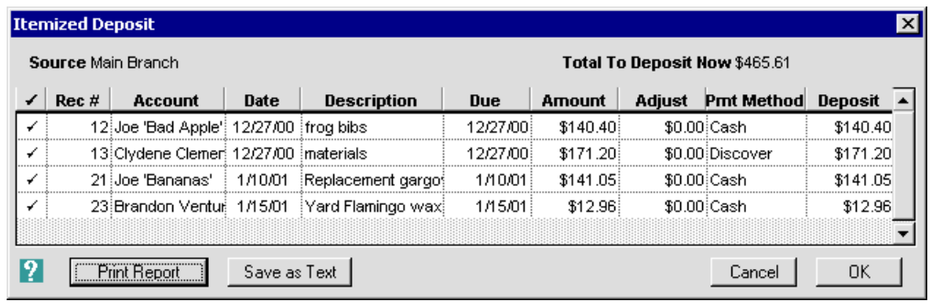
To deposit funds into a bank account, follow these steps:

1. Choose Deposit Funds from the Bank menu. You'll see a 'quick report' window that lists items that may be ready for deposit.
2. Click in the Type field and choose the type of items you'd like to deposit. See the next section for more about the choices.

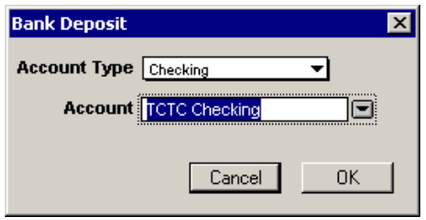


3. You'll see a list of income items, with the amount due, and the amount that is ready to be deposited.
4. Double-click on an item to see a detailed listing of the transactions that are included.

   NOTE: There are no further details for payment receipts or cash sales by date.



5. Put a check mark next to each item that you want to include in this deposit. You can also adjust the deposit amount, if you have received a partial payment.
6. When you are finished adjusting the deposit details, click OK.
7. Click Create Deposit to deposit all of the marked items.



8. Enter the bank account into which the deposit will be made, then click OK.
9. Goldenseal will automatically create deposit transactions, and mark the source transactions as paid.

Types of Deposit Income

Goldenseal shows different items in the Deposits Funds window, based on what you choose in the Type popup menu.

Payment Receipts— A list of all undeposited payment receipts.

Cash Sales by Branch— A list of sales branches, with the amount of cash sales received at each location.

Cash Sales by Date— A list of undeposited cash sales by date.

Billed Sales— A list of customers, with the outstanding balance for each.

Billed Projects— A list of projects, with the outstanding balance for each.

Rentals— A list of rental leases, with the outstanding balance for each.

Bank Deposits

Bank deposits are very similar to other bank transactions (see Lessons 37 and 38). You'll probably create most deposits with the Deposit Funds command (see previous pages), but you can also enter them directly.

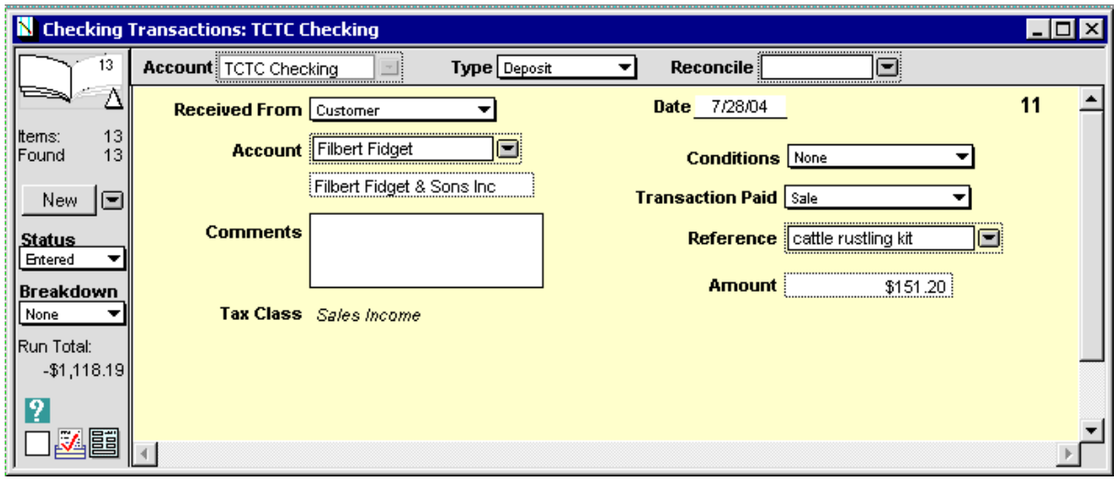
Use deposits whenever you collect money from sales, billing or other transactions, and want to put it into a bank account. If you keep money in a cash account, you'll also use deposits to add to the funds there.

Do *not* use deposits for money that you transfer from one bank account to another— use a bank transfer instead (see page 274). Also use transfers for interest and other miscellaneous income that comes directly from the bank.

Creating a Deposit

To create a checking account deposit, follow these steps:

1. Choose Checking Transactions from the Bank menu, then choose the account that will be used.
2. Click the New button.
3. Enter Deposit into the Transaction field.



4. Enter the type of account making the payment into the Kind field.
5. Enter the account making the payment into the Received From field.
6. Enter information about the deposit.

Paying One Item

To deposit a payment from one sale or billing record, follow these steps:

1. Enter the type of transaction into the Payment Type field.
2. Enter the specific transaction being paid into the Transaction field.

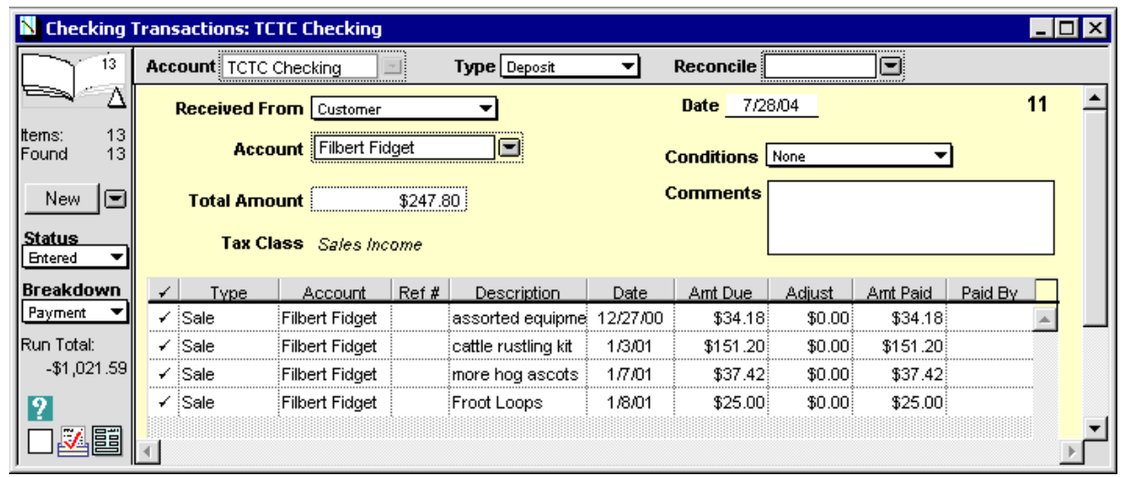
   HINT: To view the transaction or transactions that are being paid, choose Detail Transaction from the View menu.

If the deposit does not reference a specific transaction, enter Received On Account into the Payment Type field. Goldenseal will add the deposit amount to the 'on account' balance for the payer.

Using Breakdowns

To deposit a payment for more than one transaction, follow these steps:

1. Choose Checking Transactions from the Bank menu, and choose an account from the submenu.
2. Click the New button.
3. Enter Payment into the Breakdown popup menu.



4. Goldenseal will automatically fill in a list of undeposited items from this account. Put a check mark next to the items that are part of this deposit. If partial payment has been received for some items, enter the amount into the Payment Amount column.

Deposits On Account

If a customer pays you money that doesn't apply to a prior transaction, follow these steps:

1. Create a Deposit transaction.
2. Enter the customer name and other details.
3. Choose On Account in the Transaction Paid popup field.

Deposit Posting

When you receive payments or make deposits, Goldenseal automatically 'posts' the action to the transactions that are included in the deposit.

If you include sale, billing record or rental transactions in a payment receipt transaction, Goldenseal changes their status to Paid. Paid transactions will no longer appear as a part of Accounts Receivable.

If you include sale, billing record or rental transactions in a deposit, Goldenseal changes their status to Deposited.

If a payment receipt or deposit covers only part of a transaction, Goldenseal changes its status to Part Paid. The remaining balance will still be included the next time you use the Deposit Funds command, or the next time you create a payment receipt or deposit and reference the partially paid transaction.

Finishing Up

In this lesson you have learned how to make deposits.

You might want to take a break now, and wander down to the local branch office of your local bank. Take a sniff. Doesn't it smell good? That's the aroma of fresh currency.

In fact it smells so great, why make deposits at all? Just keep the stuff around the office, and you won't need to use room freshener. Or hang a bill from the rear-view mirror in your car or truck, instead of a scented pine tree.

Yes, you can also fold dollar bills into a chic green hat, suitable for shopping or other festive occasions. It only takes about a half-dozen. You might need to use some duct tape as a stiffener, if the bills are worn.

HINT: For even more festive headwear, convert your currency into foreign denominations that have brighter colors.

Lesson Forty-Five: Payroll Setup

Goldenseal includes a full-featured payroll system that handles all types of deductions, withholdings, insurance and taxes.

Payroll integrates with the other parts of Goldenseal— the information that you enter for payroll is also used to calculate job costs and time and materials billing.

Since payroll can be very complex, this manual will cover it in two separate lessons. This lesson shows you how to set up your payroll, and the next shows you how to run it on a weekly basis.

Payroll Overview

Before you begin to use payroll, you need to set up the following lists:

Benefits— Create benefit items and benefit packages, and assign a benefit package to each employee.

Labor Billing Rates— Create labor billing rates to calculate the cost of labor for time and materials billing and job costs.

Payroll Taxes— Create or import tax items, tax tables and tax packages, and assign a tax package to each employee.

HINT: Goldenseal already includes current tax tables for each state and Canadian province. All you need to do is import them into your company file (see page 396).

Vacations— Create vacation items and vacation packages, and assign a vacation package to each employee.

Wage Schedules— Create standard wage schedules and sales commissions, and assign them to each employee. You can also assign different wage rates to each employee.

You also need to set up two types of accounts:

Employee Accounts— Create an account for each employee (see page 222). You'll assign each employee billing rates, a wage schedule, a benefit package, a tax package and a vacation package. You will also fill in the number of exemptions, and other tax withholding information that applies to the taxes that you pay.

Other Cost Accounts— Create an account for each tax agency (see page 228).

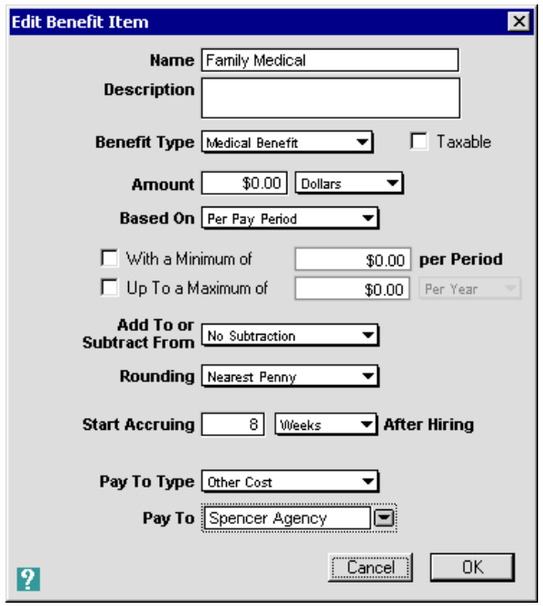
This lesson will cover each of these items.

Benefit Items

Use benefit items for medical coverage, pensions, retirement contributions and other employee benefits. Benefits can be employee deductions, employer expenses, or payments made directly to employees.

To create a new benefit item, follow these steps:

1. Choose Payroll Setup from the Costs menu, then choose Benefit Items from the submenu.
2. Click the New button.



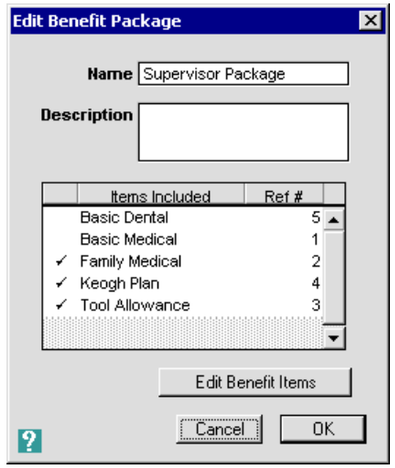
3. Enter information about the benefit.

Benefit Packages

Use benefit packages to assign specific benefits to each employee.

To see the items included in a benefit package, follow these steps:

1. Choose Payroll Setup from the Costs menu, then choose Benefit Packages from the submenu.
2. Click on a package, then click the Edit button.



3. You'll see a list of all benefit items. Only those items that have a check mark will be included in this package.

Assigning Benefits

To assign benefits to an employee, follow these steps:

1. Choose Employees from the Accounts menu.
2. Find the employee account.
3. Enter a benefit package into the Benefit Package field.

If an employee receives different benefits for different types of work, follow these steps:

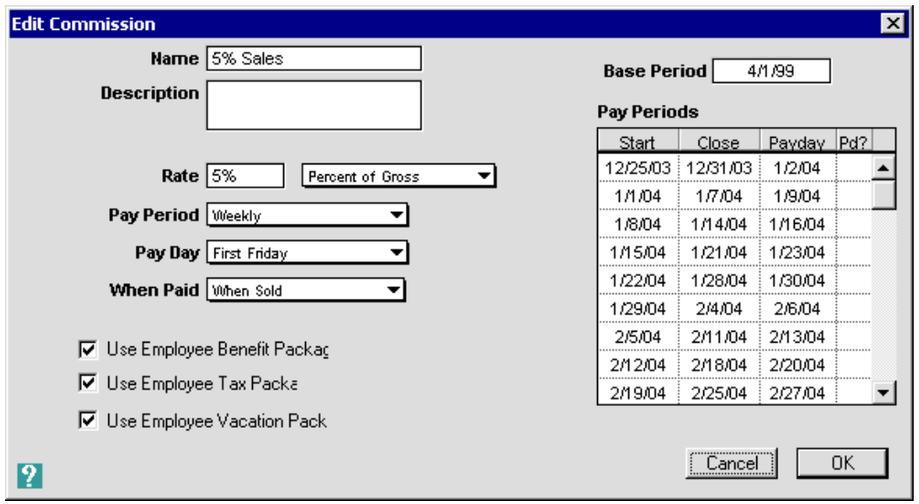
1. Create a wage schedule for each type of work (see page 335).
2. In each wage schedule, turn off the Use Employee Benefit Package checkbox, and enter the benefits that apply to that type of work.
3. When you enter labor hours, assign the appropriate wage schedule to that work. The listed benefits will also be applied to that work.

Commission Rates

If you pay a sales commission to employees, enter one or more commissions— they are similar to wage schedules.

To enter a commission, follow these steps:

1. Choose Payroll Setup from the Costs menu, then choose Commissions from the submenu.
2. Click the New button.



3. Enter information about the commission.

Using Commissions

To assign a commission to an employee, enter it into the Commission field in the employee account record.

To assign a commission for sales in a sales branch, follow these steps:

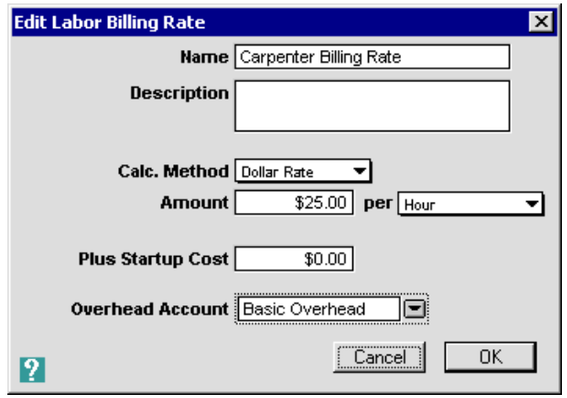
1. Choose Income Setup from the Income menu, then choose Sales Branches from the submenu.
2. Click on a sales branch, and click the Edit button.
3. Enter the commission rate into the Commission field.

Labor Billing Rates

Use labor billing rates to calculate the amount you charge for time and material billing of labor, or labor job costs.

To create a labor billing rate, follow these steps:

1. Choose Billing Rates from the Options menu, then choose Labor from the submenu.
2. You'll see a list of billing rates. Click the New button.



3. Enter information about the billing rate.

Billing Calculations

When you set up labor billing rates, you can use several different calculation methods:

Flat Rate— A fixed dollar rate is used.

Variable Rate— A different dollar rate is used for each employee.

Pay Rate— The employee's basic pay rate is used.

Pay Rate Plus Percentage— The employee's basic pay rate is used, plus an additional 'burden' percentage to cover employer taxes.

Net Cost— The employee's total payroll cost is used, including employer taxes, insurance, and benefits (see page 199).

Net Cost Plus Percentage— The employee's total payroll cost is used, including employer taxes and insurance, plus a percentage to cover employer costs not included in tax items or benefit items.

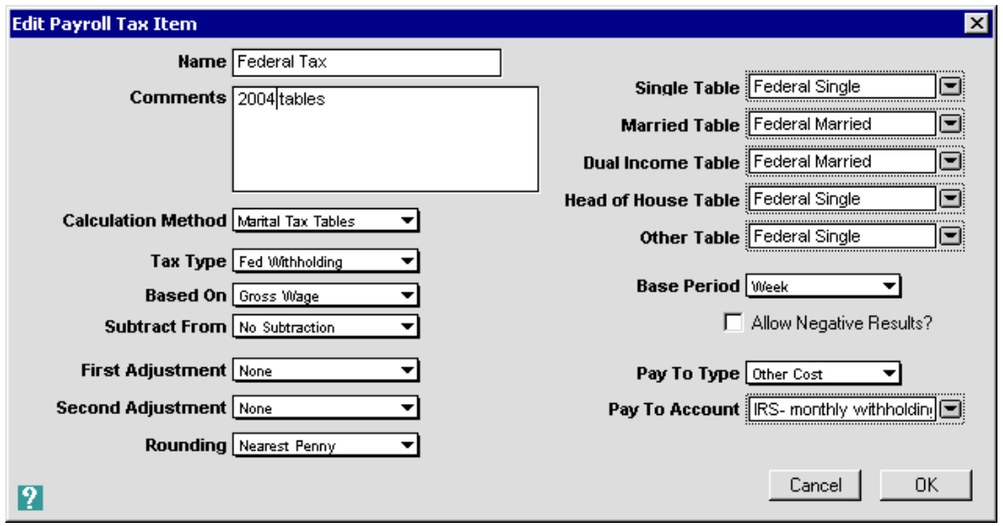
Tax Items

Create a tax item for each item that you withhold from employee payroll, and for each employer tax or insurance that is based on payroll.

HINT: Goldenseal already includes the correct setup for US and Canadian federal taxes, and taxes for all states and provinces (see page 161). You'll only need to modify tax items or tax tables if the withholding rate changes, or if you want to add additional withholding for items such as union dues.

To create a tax item, follow these steps:

1. Choose Payroll Setup from the Costs menu, then choose Tax Items from the submenu.
2. Click the New button.



3. Enter information about the new tax item. You can set up the calculation method for the item, and who receives payment for it.

   HINT: Check the Reference manual for more about Tax Items.

Tax Cutoffs

Goldenseal automatically computes year to date figures for each deduction, and stops deducting those items that cut off at a certain amount.

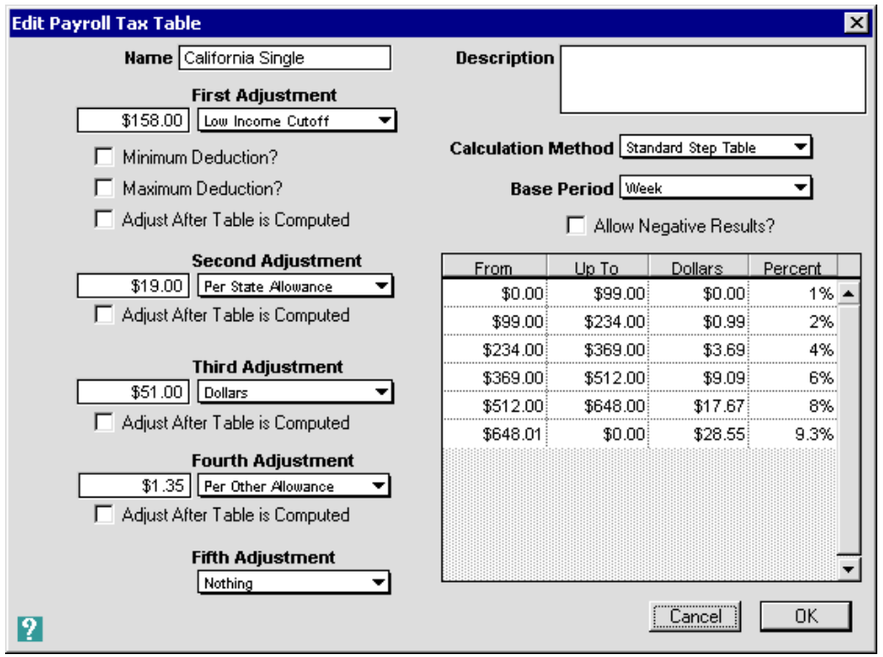
Tax Tables

Tax tables compute federal, state and provincial tax withholding. They usually use a 'step table' with different rates for different wage amounts. Tax tables are always based on the formula method for computing taxes (not the multiple-page 'lookup tables' used for manual computation).

HINT: You'll probably never need to create a new tax table.

To update a tax table from a state tax booklet, follow these steps:

1. Choose Payroll Setup from the Costs menu, then choose Tax Tables from the submenu.
2. Click on the tax that has changed, then click the Edit button.



3. Check the tax booklet. If the amount of an exemption has changed, change the numbers on the left side of the window.
4. Check the withholding 'step table' in the booklet. If the cutoff amounts, base amounts or percentages have changed, enter new values into the table on the right side of the window.

Tax Packages

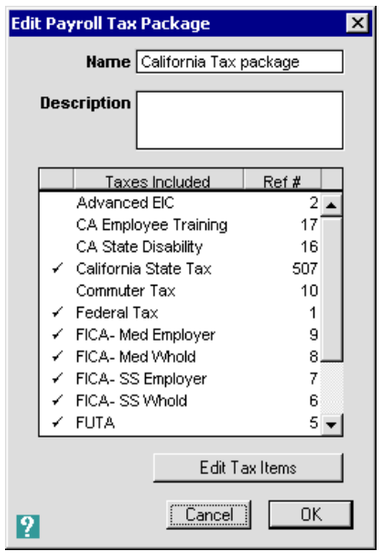
Use tax packages to assign specific taxes to each employee.

Some states require multiple tax packages as a way to assign taxes for each marital status.

You may also need to use more than one tax package if different employees have different withholding items— for example, if only some employees pay union dues, if some get EIC payments, or if you have employees that live in different states.

To see the tax items that are included in a tax package, follow these steps:

1. Choose Payroll Setup from the Costs menu, then choose Tax Packages from the submenu.
2. Click on a package, then click the Edit button.



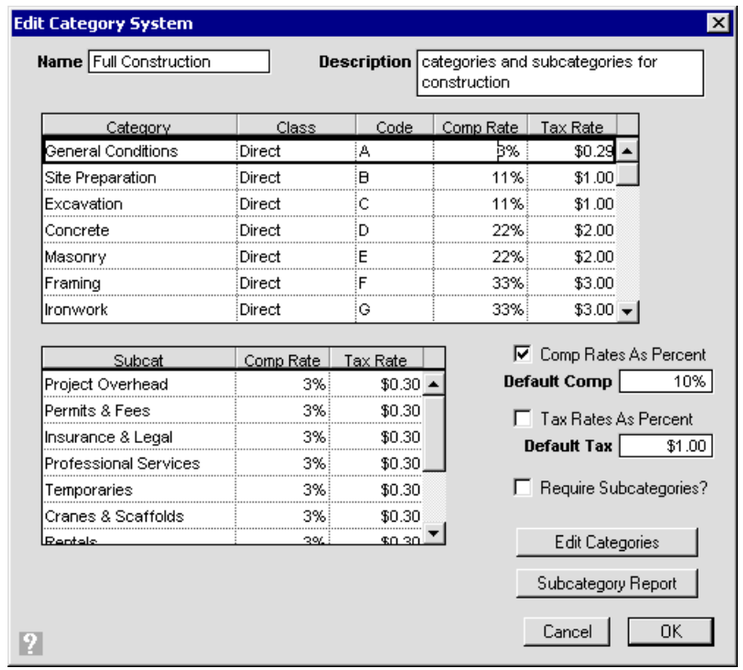
3. You'll see a list of all tax items. Only those items that have a check mark will be included in this package.
4. To add a tax item to this package, click on it until there is a check mark to its left. To remove an item from this package, click on it until it has no check mark to its left.

Category Taxes

Some taxes and insurance rates use different rates for the same employee when they do different types of work. For example, in some states the worker's compensation rate is more expensive when an employee does work that is considered more dangerous.

To set the rates for each type of work, follow these steps:

1. Choose Category Setup from the Costs menu, then choose Category Systems from the submenu.
2. Click on the name of a category system, then click the Edit button.



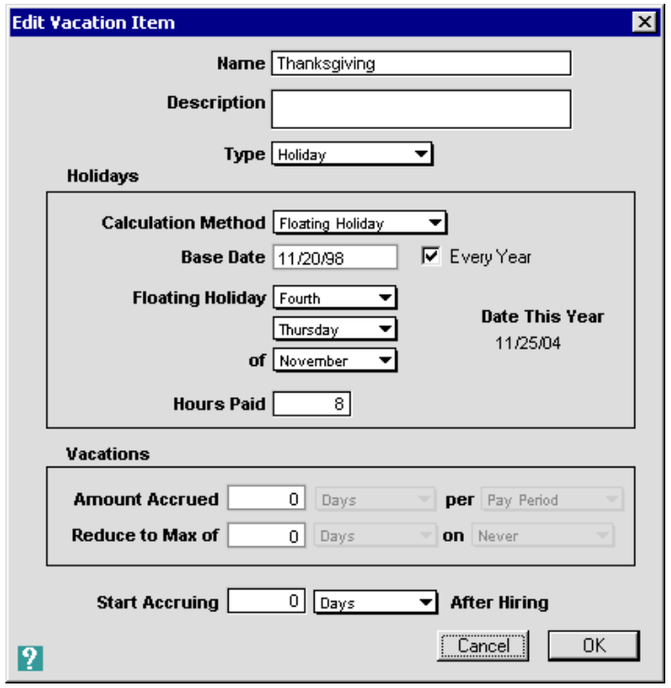
3. In the list of categories, type the rate for each category into the Comp Rate or Tax Rate column.

   NOTE: You may need to adjust your category system so it matches the tax rate classifications for your state or your insurance company.
4. If you also use subcategories, click in each category, and enter rates into each of its subcategories.

Vacations

Use vacation items for vacations and holidays. To create a new vacation item, follow these steps:

1. Choose Payroll Setup from the Costs menu, then choose Vacation Items from the submenu.
2. Click the New button.



3. Enter information about the vacation or holiday.

Use Vacation Packages to assign specific vacations and holidays to each employee. To see the items in a vacation package, follow these steps:

1. Choose Payroll Setup from the Costs menu, then choose Vacation Packages from the submenu.
2. Click on a package, then click the Edit button.
3. You'll see a list of all vacation items. Only those items that have a check mark will be included in this package.

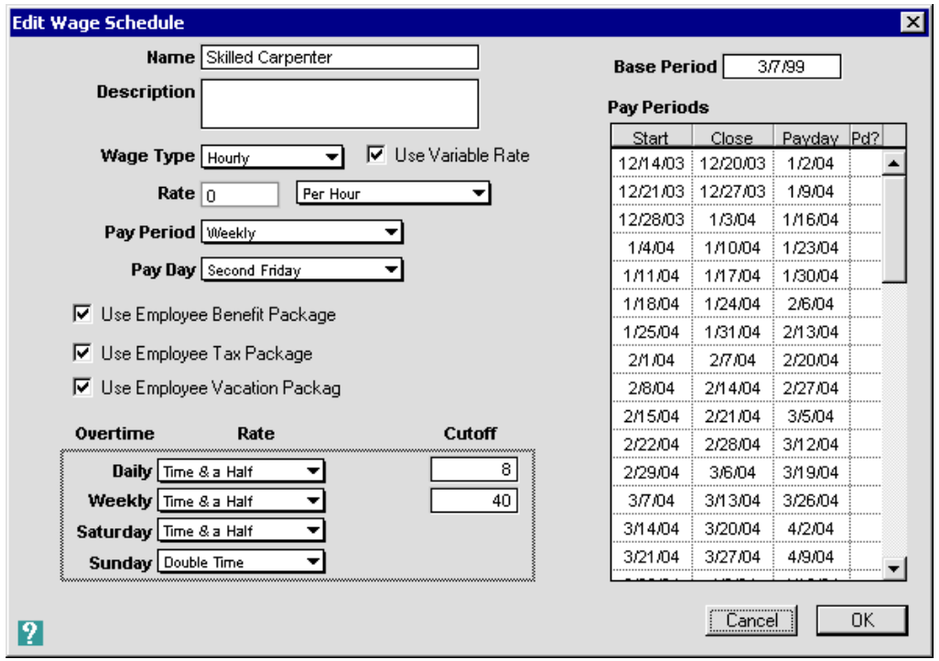
Wage Schedules

Wage schedules are used to set the pay period, payday, and other basic payment information.

HINT: If you use the same pay period for all employees, you can use just one wage schedule (even if they each have a different wage rate).

To create a new wage schedule, follow these steps:

1. Choose Payroll Setup from the Costs menu, then choose Wage Schedules from the submenu.
2. Click the New button.



3. Enter information about the new wage schedule.

HINT: If you use different pay periods, you may want the name to describe the pay period— for example, 'monthly salary' or 'hourly paid weekly'.

Pay Period and Paydays

Choose the interval to use for pay periods— you can select weekly, biweekly, monthly, or some other payment interval.

Also choose the way to calculate paydays. Payday can be on a fixed weekday (either one week or two weeks after the close of the pay period), or it can be a fixed number of days before or after the close of the pay period.

Enter a Base Period date— the start date for any pay period.

Goldenseal will then calculate all pay periods and paydays for the current year, and display them in the table at right.

Wage Rate Amounts

Goldenseal gives you two ways to handle the wage rate amount in each wage schedule— you can use a variable rate (different for each employee), or a fixed rate (the same for everyone).

To use a variable rate, turn on the Use Variable Rate checkbox. Each employee will receive a different wage rate. Enter the wage rate amount into the Wage Amount field in the Employee account.

> ***HINT:*** Turn the checkbox on if you pay employees with the same pay periods and overtime rates, but use different wage rates.

To use a fixed rate, turn the checkbox off, and enter the wage rate amount into the Rate field. Goldenseal will pay all employees that use this wage schedule at exactly the same rate.

> ***HINT:*** Turn the checkbox off if you have standard wage schedules that are the same for all employees.

Owners and Salaried Employees

If the company owner is paid via regular draw checks, create a Wage Schedule for the owner, and enter the wage type that best describes the payments. Use Owner Hourly for payments per hour worked, Owner Salary for regular amounts, and Owner Draw for irregular amounts.

If some employees are paid a regular amount each period no matter how many hours they work, create a Wage Schedule for them and enter Salary as the wage type.

Wage-Based Benefits and Taxes

If each employee receives the same benefits and pays the same taxes for all the work they do, turn on the checkboxes for Use Employee Benefit Package and Use Employee Tax Package. In that case, Goldenseal will use the information that you entered into the employee account.

If employees receive different benefits or pay different taxes for different types of work, turn *off* those checkboxes, and enter a benefit package or tax package into each wage schedule. That way you can control the rates that are used for each item of work, when you enter labor hours.

Assigning Wage Schedules to Employees

To assign a wage schedule to an employee, follow these steps:

1. Choose Cost Accounts from the Accounts menu, then choose Employees from the submenu.
2. Find the employee record.
3. Enter the wage schedule into the Wage Schedule field.
4. If the Wage Schedule uses a variable rate, enter this employee's rate into the Wage Amount field.

   > ***HINT:*** You can assign only one variable rate to each employee. If you pay more than one wage rate to an employee, you will need to create more than one Wage Schedule for them, and turn off the Variable Wage Rate option for all but one of them.

Other Cost Accounts

Create other cost accounts for each tax or insurance agency that collects taxes or withholding. If you pay more than one tax to the same agency, you only need one account. For more about other cost accounts, see page 228.

Finishing Up

In this lesson you have learned how to set up for payroll. It's complicated!

Maybe you'd be better off to just fire all your employees. Nobody would steal your pencils then, and you could take a nap or eat chocolate any time of day without being disturbed.

Speaking of chocolate, our manual-writing staff is definitely addicted. Have you ever thought about sending them some?

Lesson Forty-Six: Writing Payroll

After you have set up for payroll, you'll enter employee hours and then write payroll each pay period. Goldenseal does all the calculations, so all you need to do is data entry and a bit of double-checking for special situations.

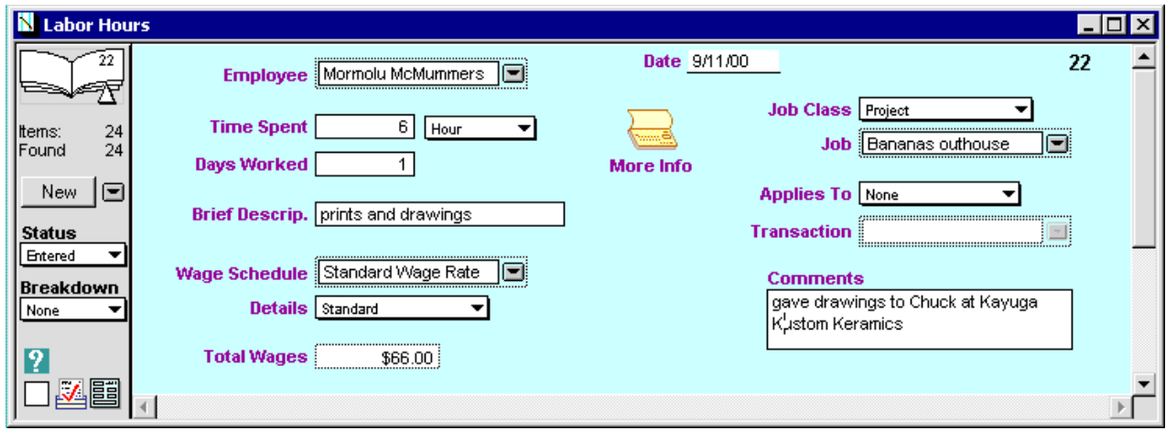
HINT: As a bonus, Goldenseal uses the same labor information to compute job costs and time and materials billing.

Labor Hours

Before you do payroll, enter labor hours records for the work done by each of your employees. Labor hours records are similar to the other expense transactions covered in Lessons 33 to 35.

To enter hours, follow these steps:

1. Choose Labor Hours from the Costs menu.
2. Click the New button.
3. Enter the employee doing the work.



4. Enter the amount of time that the employee spent on this work.
5. Enter the number of days that are covered by this record.

   NOTE: Goldenseal uses the time spent and days worked values to calculate overtime.

6. Enter a brief description of the work done by the employee. You can also enter a more detailed description if you want.
7. Goldenseal automatically enters the employee's usual wage schedule. You can change it if you'll use a different wage schedule for this work.

   HINT: If you use more than one wage schedule for an employee, enter a different Labor Hours record for the work done at each wage.
8. Enter the way you want to compute overtime for this work.
9. Enter the project where work was done.

   HINT: If the employee works on more than one project during a pay period, enter a different record for each project.
10. Click the More Info button, and enter any additional billing and job costing info that applies to this work.
11. Repeat steps 2 to 10 for any additional work done by the employee.

Applies To

Use the Applies To field to assign labor to an allowance or change order, so this work will be included in the billing amount for them. You can also assign labor to a bid or work order.

You can also use the Hours Reduction option to subtract these hours from the employee's pay. Use it if you entered too many hours in a previous labor hours record that has been closed and can't be changed.

HINT: To correct a labor hours record that has not been closed, simply enter a different amount in the Time Spent field.

Labor Breakdowns

Use breakdowns to enter more than one piece of work into a labor hours record.

To assign job costs to specific cost items, choose Item in the Breakdown field (for more about breakdowns, see Lesson 34).

To assign work to more than one cost category without using cost items, choose Category in the Breakdown field.

Multiple Wage Rates

If you pay an employee more than one wage rate during a pay period, follow these steps:

1. Create a labor hours record for the first wage rate.
2. Enter the desired wage schedule into the Wage Schedule field.
3. Enter the hours worked at that rate.
4. Enter job cost information for the work.
5. Repeat steps 1 to 4 for the work done at each additional rate.

Salaried Employees and Owners

Enter hours for salaried employees, partners, unpaid workers and owners, just as you do for hourly employees. It will increase the accuracy of your job costs if you keep track of their time and assign it to jobs.

When you run payroll, Goldenseal will adjust the wage rate so salaried employees get their usual salary amount.

For employees or owners that get an irregular draw, you can type in whatever the draw amount is for that period. You can also write a check directly to owners, if their draw is not handled as a part of payroll.

Overtime

Use the Details field to set overtime conditions (and a few other things).

At the Standard rate, Goldenseal automatically applies the overtime rate to the excess when there are more than eight hours per day or more than 40 hours in a weekly pay period.

> ***NOTE:*** If you use overtime cutoff amounts that are different from 8 hours per day or 40 hours per week, change the cutoff amounts in each wage schedule (see page 335).

If you do not want overtime to be assigned to a labor hours record, choose No Overtime in the Details field. To pay all the hours at the standard overtime rate, choose Overtime Rate. To pay all the hours in a record at the Saturday or Sunday overtime rate, choose Saturday Rate or Sunday Rate in the Details field.

> ***NOTES:*** To set the overtime rates, choose Payroll Setup from the Costs menu, and choose Wage Rates from the submenu. You can also adjust overtime hours when you write payroll (see the next section).

Comp Time

If the employee is doing work that will not be paid now, choose Add To Comp Time in the Details field. The hours will be job costed, and added to the employee's comp time balance instead of being paid now.

If prior comp time is being paid now, choose Use Comp Time in the Details field. The work will be paid now, but not job costed.

Paid Holidays and Vacations

When employees use paid holiday or vacation time, enter the hours as usual, and enter Paid Holiday or Paid Vacation into the Overtime field. You can assign the holiday cost to an overhead account, or to a specific job.

If you forget to pay employees for a paid holiday, Goldenseal will remind you about it when you write payroll for that pay period.

Goldenseal automatically accrues vacation time in each pay period.

Time and Materials Billing and Job Costs

The way Goldenseal calculates labor costs for time and materials billing and job costs depends on the calculation method in the labor billing rates that you assign to each employee account and labor hours record (see page 329).

If the billing rate uses a fixed rate or the Pay Rate option, the total cost of labor is calculated as soon as you enter a labor hours record.

If the billing rate uses the Net Cost option, the actual cost of labor is not calculated until after payroll is completed (see the next pages). After you write payroll, Goldenseal automatically adds 'burden' to the billing amounts. Burden includes the cost of taxes, insurance and benefits that are paid by the employer.

> ***NOTE:*** Before you write payroll, Goldenseal temporarily uses the Pay Rate calculation amount for billing and job costs.

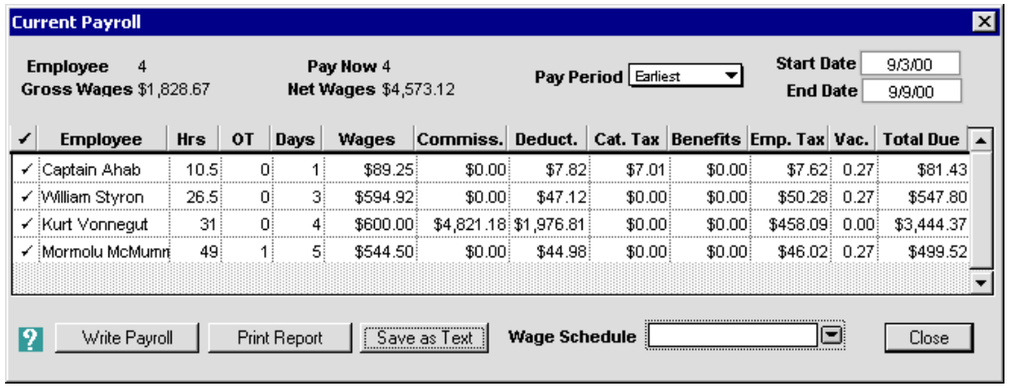
If you need to do time and materials billing before you write payroll, don't use the Pay Rate calculation option in the labor billing rate. Instead, use a flat rate, or use the Pay Rate plus Percent option and add a percentage to cover approximate employer burden (and overhead costs, if desired).

> ***HINT:*** The Net Cost option is more accurate, since it uses actual payroll costs.

Writing Payroll

Once you have entered employee hours, follow these steps to write payroll:

1. Choose Write Payroll from the Bank menu.

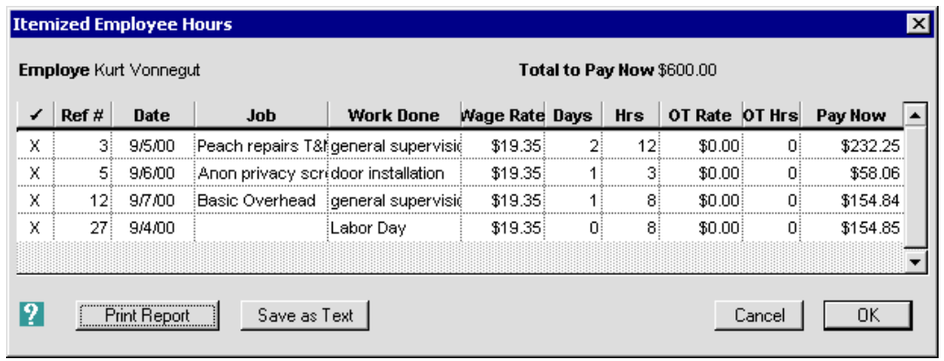


2. You'll see a 'quick report' list of employees, hours and payroll deduction amounts.
3. Double-check to make sure all values are correct.

Viewing Hours Worked

To see an itemized list of the hours that an employee has worked, follow these steps:

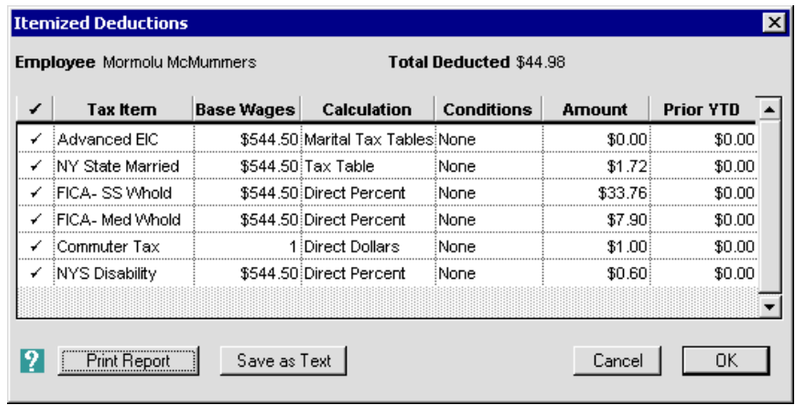
1. Double-click in the employee's row on the Hours column.



2. You'll see a list of work done during the pay period, based on the Labor Hours records for this employee.
3. You can adjust the overtime hours if they are not correct. You can also decide not to include some hours in this pay period— simply turn off the check mark in the far left column.
4. When you have finished adjusting hours, click OK.

Viewing Deductions

To see a list of tax deductions, double-click in the Deduction column in the employee's row.



You can also see category taxes, benefits, employer taxes or accrued vacation for this pay period. Simply double-click in the appropriate column.

Changing Pay Periods

Goldenseal starts out with the earliest pay period that contains unpaid labor hours. Use the Pay Period popup menu to change to a different pay period.

You can enter the current pay period, any of the three previous periods, or the next pay period. You can also view all labor hours, or you can enter a custom date range.

After you change to a different pay period, Goldenseal automatically adjusts the Start Date and End Date fields and fills in the appropriate labor hours.

Using Multiple Wage Rates

Goldenseal starts by including all employee hours in the payroll report, even if you used more than one wage schedule.

> ***NOTE:*** If you use more than one pay interval (for example, weekly and biweekly), you'll only see labor for one payroll interval at a time.

To see the work done under just one wage schedule, enter a wage schedule into the Wage Schedule field.

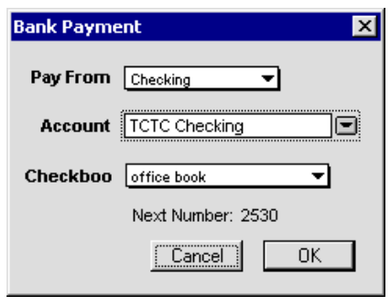
The Wage Schedule field is useful if you have a mixture of salaried and hourly employees, or if you write separate paychecks for different types of work. To write payroll for just one wage schedule, follow these steps:

1. Choose Write Payroll from the Costs menu.
2. Enter the wage schedule into the Wage Schedule field.
3. Click the Write Payroll button.
4. Repeat steps 1 to 3 for each additional wage schedule. You can also leave the Wage Schedule field blank to include all remaining work.

Creating Paychecks

When you are ready to create paychecks for this period, follow these steps:

1. Click the Write Payroll button.



2. Choose the bank account from which you'll write paychecks. If you use multiple checkbooks, enter the checkbook that you want to use.
3. Click OK, and Goldenseal will automatically create a payroll record and a paycheck for each employee.

   HINT: If you don't want to create paychecks right away, leave the Account field empty. You'll still get payroll records for the period.

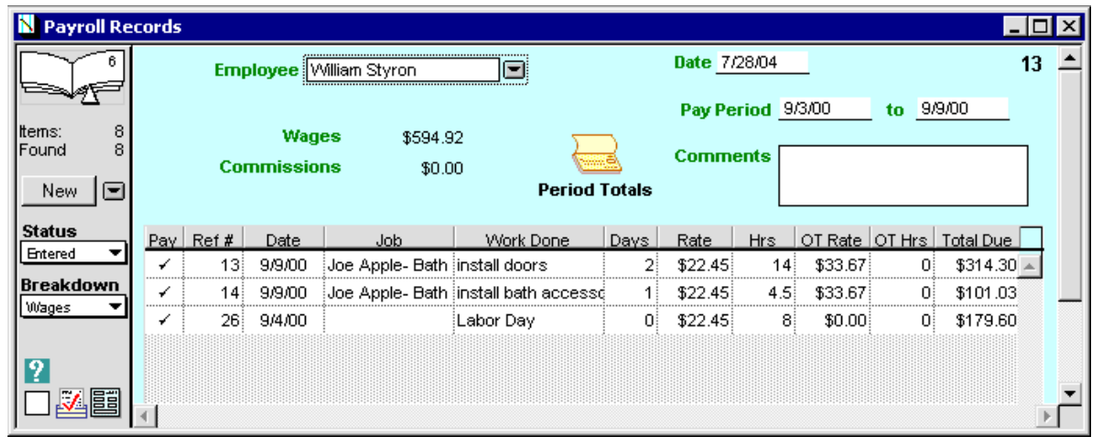
Payroll Records

Goldenseal keeps details of each payroll payment in a Payroll Record. The record contains several breakdowns that show the hours paid, employee withholding amounts, employer taxes and benefits.

To view payroll records that have already been created with the Write Payroll command, follow these steps:

1. Choose Payroll Records from the Costs menu.
2. Scroll to the record you'd like to see.

   HINT: If you have already created a paycheck for this record, you won't be able to change any items on it. However, you'll still be able to view the breakdowns for hours or deductions.
3. Enter Wages in the Breakdown field to see the employee's hours.
4. Enter Deductions in the Breakdown field to see employee deductions.



5. Enter Employer Taxes in the Breakdown field to see employer taxes.
6. Enter Benefits in the Breakdown field to see benefit deductions.
7. Enter Vacations in the Breakdown field to see vacation and sick time used and accrued.
8. Click the Period Totals button to see total wages, commissions, deductions and employer taxes.

Direct Entry of Payroll Records

To create a payroll record that calculates wages and deductions for a single employee, follow these steps:

1. Choose Payroll Records from the Costs menu.
2. Click the New button.
3. Enter an employee into the Employee field.
4. Choose Wages from the Breakdown popup menu.
5. Goldenseal automatically fills in all available hours for this employee.

   HINT: You may need to remove some items from the breakdown, if they are not included in this pay period.
6. Goldenseal automatically calculates deductions, employer taxes, benefits and vacations.

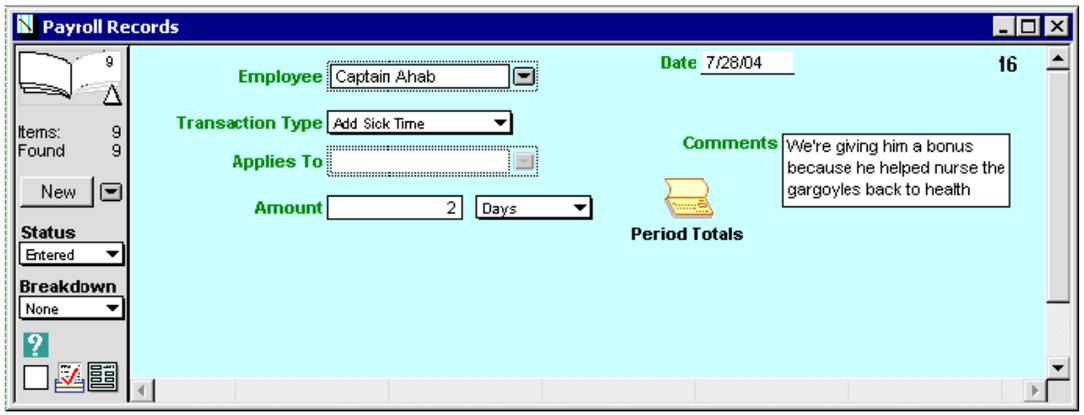
   HINT: If you need control over the pay period or the wage rates that are included, use the Write Payroll command (see page 342).

Payroll Adjustments

You can also use simple payroll records to handle bonuses, pay adjustments, vacation changes and tax payments, to enter payroll if you are entering past paychecks, if you figure payroll deductions manually, or if you use a payroll service but write your own paychecks.

To enter a payroll adjustment, follow these steps:

1. Choose Payroll Records from the Costs menu.
2. Click the New button.



3. Enter an employee into the Employee field.
4. Enter the type of adjustment that you are making.
5. If the adjustment applies to a specific tax item, benefit item or vacation item, enter it into the Applies To field.

Printing Paychecks and Paycheck Stubs

After you create paychecks, you can print them onto check blanks, with a detailed breakdown of wages, benefits and withholding.

To do so, follow these steps:

1. Choose Print Form from the File menu.
2. Enter Checking Transactions into the Transaction popup menu.
3. Enter Paycheck into the Form Type popup menu.
4. Choose the record range you'd like to print.
5. Click the Print button.

You can also print payroll records to give a breakdown of payroll deductions, which you can use as an attachment when you don't print checks (or when you print on checks that don't have room to show wages, benefits and withholding).

To do so, follow these steps:

1. Choose Print Form from the File menu.
2. Enter Payroll Records into the Transaction popup menu.
3. Enter Employee Deductions into the Form Type popup menu.
4. Choose the record range you'd like to print.
5. Click the Print button.

Vacations and Holidays

Goldenseal automatically keeps track of the accrued balance of vacations, sick time and comp time for each employee. To view the current balance for an employee, choose Employees from the Accounts menu, and find the employee record.

HINT: Goldenseal automatically accrues vacation time during each pay period. To adjust the balance, make a Payroll Record (see page 346).

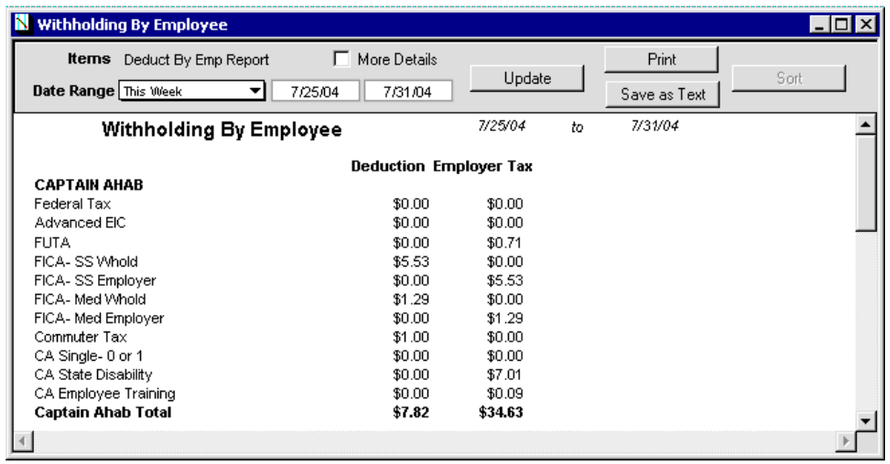
If an employee gets a paid holiday, Goldenseal will remind you to create a Labor Hours record for the holiday pay, if you haven't already done that when you use the Write Payroll command for that pay period.

Payroll Reports

To see a report of employee hours, choose Payroll from the Reports menu, and choose Employee Hours from the submenu. Enter a date range, and click the Update button.

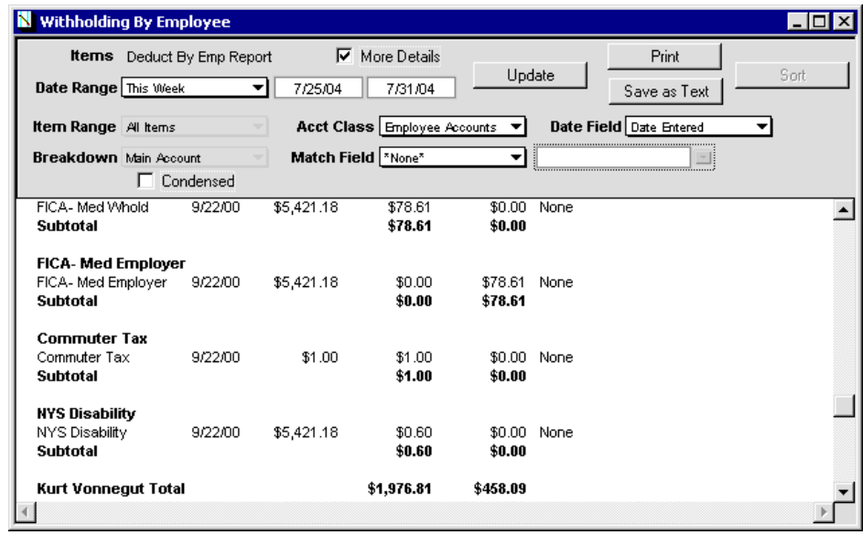
You'll see a list of Labor Hours records, grouped by employees.

To see employee withholding, choose Payroll from the Reports menu, and choose Withholding by Employee from the submenu. Enter a date range, and click the Update button.



The withholding report shows totals for each Tax Item for each employee. To see an itemized list of withholdings, follow these steps:

1. Turn on the More Details checkbox.
2. Turn off the Condensed checkbox.
3. Click the Update button.



To see a similar report listing totals for each tax, choose Payroll from the Reports menu, and choose Withholding by Tax Item from the submenu.

For more about reports, see Lesson 20.

Finishing Up

This lesson has shown you how to write payroll each week.

Now that you've finished the easy part of payroll, you may feel ready to re-hire the employees that you fired after the last lesson. Of course by now they may have discovered the lucrative business of selling chic hats on the Internet, and they may not want to come back.

> ***HINT:*** Check out our optional Internet Chic Hat Sales Module if you want to join your ex-employees in the lucrative business of selling chic hats on the Internet

Lesson Forty-Seven: Inventory

Goldenseal keeps an inventory count for any Cost Items that you want to track. You can also track inventory for Assemblies that you manufacture.

Inventory counts increase automatically when you enter material purchases with an item breakdown (see page 248). Inventory decreases when you make sales with an item breakdown, or use inventory in projects.

You can also adjust inventory counts and value with Inventory Transfers.

Setting up for Inventory

To use Goldenseal for inventory tracking, create one or more Inventory accounts (see page 214).

To track inventory quantities of a Cost Item, follow these steps:

1. Choose Cost Items from the Costs menu.
2. Find the item you want to track in inventory.
3. Turn on the Inventory checkbox.

   HINT: If you want to inventory many items, use the Replace All command to change them all at once (see Lesson 16).

If you manufacture items and then sell them, you can also track inventory quantities for Assemblies (see Lesson 14).

Inventory Valuation

Every Cost Item and Assembly includes a separate calculation for the inventory value of that item. You'll set the calculation method for it in the Markup System for each item (see Lesson 13).

Use the Valuation field in each Inventory Account to set the value that you'll use to value inventory. The inventory value makes the most sense, but you can also use the purchase price, resale price, or project price.

Inventory Aging

Use the Price Aging field in each Inventory account to set the way you'll handle the replacement of inventory. First In First Out (FIFO) means that you will 'rotate' prices and sell old stock first. First In Last Out (FILO) means that you'll sell new stock first. Average All means that you'll average the price of new and old items each time you add new stock.

Purchases

To purchase items for inventory, follow these steps:

1. Choose Material Purchases from the Costs menu.
2. Click the New button.
3. Enter Items into the Breakdown popup field.
4. Enter supplier information.
5. Enter the items you are purchasing into the breakdown table.
6. Enter Inventory into the Job Class popup field.
7. Enter an Inventory account into the Job field.

Goldenseal will automatically increase the inventory count of each item you've purchased.

Sales

To sell items from inventory, follow these steps:

1. Choose Sales from the Income menu.
2. Click the New button.
3. Enter Items into the Breakdown popup field.
4. Enter customer information.
5. Enter the items you are selling into the breakdown table.
6. Enter an Inventory account into the Inventory Account field.

Goldenseal will automatically decrease the inventory count of each item you are selling.

Inventory Use

To use inventory items on a project or as part of your overhead costs, follow these steps:

1. Choose Inventory Used from the Costs menu (see page 252).
2. Click the New button.
3. Enter Items into the Breakdown popup field.
4. Enter an inventory account into the Account field.
5. Enter the items you are using into the breakdown table.
6. Enter job cost information.

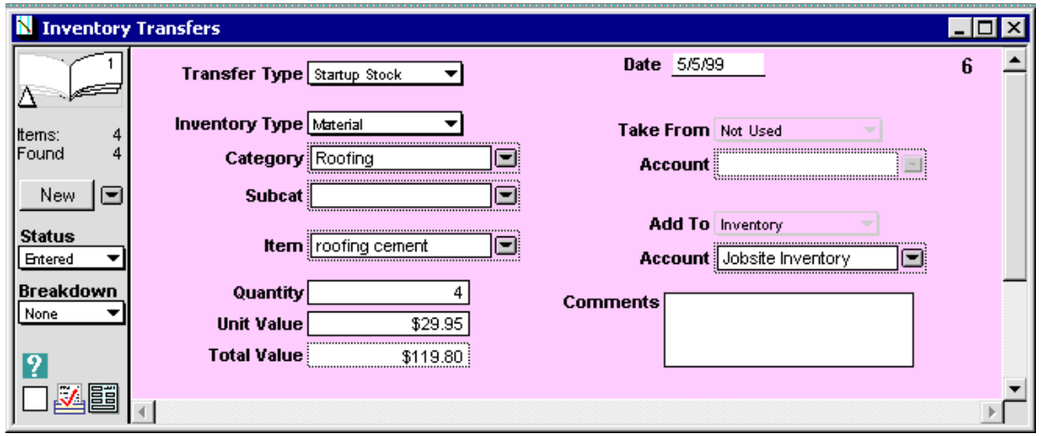
Goldenseal will automatically decrease the inventory count of each item you've used. It also includes the items in job costs for the project.

Inventory Transfers

Use Inventory transfers to make any kind of adjustment to inventory quantity or value.

To enter a transfer, follow these steps:

1. Choose Special Transfers from the Bank menu, and choose Inventory Transfers from the submenu.
2. Click the New button.



3. Enter the type of transfer (see next page).
4. Enter information about a single item you are transferring, or enter Items into the Breakdown popup field, and enter multiple items into the table.
5. If the transfer reduces inventory in an account, enter a Take From account.
6. If the transfer adds inventory to an account, enter an Add To account.

Transfer Types

You can make any of the following types of inventory transfers:

Transfer— move inventory from one account to another.

Manufacture— create an assembly from its components. Goldenseal will add to the quantity of the assembly, and reduce the quantity of its components.

Revalue— change the value of inventory.

Shrinkage— reduce inventory quantities due to losses of any kind. You can allocate the value of the loss to any overhead account.

Startup Stock— for inventory that exists when you first start using Goldenseal. Its value is considered as starting equity.

HINT: If you don't have time to enter all your startup stock when you first use Goldenseal, that's OK. Just run your business as usual, and enter the original startup stock whenever you have time.

Reconciling Inventory

To match computer inventory to actual inventory, follow these steps:

1. Choose Inventory from the Reports menu, and choose Item Count Blank from the submenu.
2. Click the Update button, then click the Print button.
3. Take physical inventory, and fill in the actual quantity for each item.
4. If you need to make adjustments, enter Inventory Transfers.

Finding Shortages

To see a list of items that need to be ordered, choose Inventory from the Reports menu, and choose Shortages Report from the submenu. Click the Update button, and you'll see a list of all material items that have inventory counts that are smaller than the 'reorder at' amount.

Price Requests

To request current prices from suppliers, follow these steps:

1. Choose Cost Items from the Costs menu.
2. Use the Find commands to find the items for which you want prices.
3. Choose Inventory from the Reports menu, and choose Price Request Blank from the submenu.
4. Click the Update button, then click the Print button.

Finishing Up

Before you move on, you may want to take a break and brush up on your juggling skills. Sure, you can already do three chain saws, but how about three chain saws and a porcupine? Blindfolded?

Yes, we know it's hard to put a blindfold on a porcupine..

Lesson Forty-Eight: Taxes

Goldenseal includes special handling for four types of taxes:

Income Tax— You can allocate expenses and income to different categories, so it's easy to use your Goldenseal data to fill out tax forms.

Payroll Tax— Goldenseal automatically withholds payroll taxes from employees, and then pays withholding and employer taxes to tax agencies or insurance companies when they are due.

Sales Tax— Goldenseal automatically charges sales tax on sales or project billing, and pays it automatically to sales tax agencies.

Vendor Withholding— Goldenseal allows you to withhold backup withholding or other taxes from suppliers and subcontractors.

This lesson explains how to use Goldenseal for each type of tax.

Income Taxes— Cash Basis

If you use cash accounting for tax purposes, the easiest way to classify your income and expenses is to use the Tax Class field, which is found in every bank transaction.

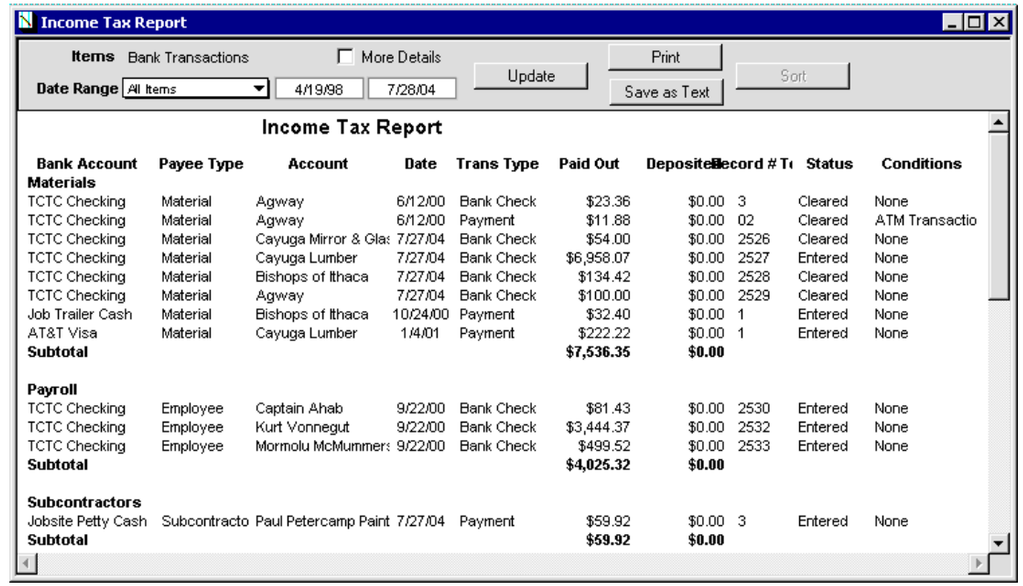
Goldenseal groups expenses into the five basic cost areas (equipment, labor, materials, subcontractors, other costs), plus a few other categories such as bank fees and interest paid. It groups income into project income, rentals and sales, plus a few minor categories such as bank interest.

To put expenses from a vendor into a different category, follow these steps:

1. Choose Material Suppliers, Subcontractors or Other Costs from the Accounts menu.
2. Find the account you'd like to change.
3. Enter a cost category into the Income Tax Class field.

To see a report of all financial transactions broken down by tax class, follow these steps:

1. Choose Taxes from the Reports menu, and choose Income Tax Report from the submenu.
2. Use the Date Range popup field to enter a date range.
3. Click the Update button.



Bank Account	Payee Type	Account	Date	Trans Type	Paid Out	Deposits	Record # T	Status	Conditions
Materials									
TCTC Checking	Material	Agway	6/12/00	Bank Check	$23.36	$0.00	3	Cleared	None
TCTC Checking	Material	Agway	6/12/00	Payment	$11.88	$0.00	02	Cleared	ATM Transactio
TCTC Checking	Material	Cayuga Mirror & Gla	7/27/04	Bank Check	$54.00	$0.00	2526	Cleared	None
TCTC Checking	Material	Cayuga Lumber	7/27/04	Bank Check	$6,958.07	$0.00	2527	Entered	None
TCTC Checking	Material	Bishops of Ithaca	7/27/04	Bank Check	$134.42	$0.00	2528	Cleared	None
TCTC Checking	Material	Agway	7/27/04	Bank Check	$100.00	$0.00	2529	Cleared	None
Job Trailer Cash	Material	Bishops of Ithaca	10/24/00	Payment	$32.40	$0.00	1	Entered	None
AT&T Visa	Material	Cayuga Lumber	1/4/01	Payment	$222.22	$0.00	1	Entered	None
Subtotal					**$7,536.35**	**$0.00**			
Payroll									
TCTC Checking	Employee	Captain Ahab	9/22/00	Bank Check	$81.43	$0.00	2530	Entered	None
TCTC Checking	Employee	Kurt Vonnegut	9/22/00	Bank Check	$3,444.37	$0.00	2532	Entered	None
TCTC Checking	Employee	Mormolu McMummer	9/22/00	Bank Check	$499.52	$0.00	2533	Entered	None
Subtotal					**$4,025.32**	**$0.00**			
Subcontractors									
Jobsite Petty Cash	Subcontracto	Paul Petercamp Paint	7/27/04	Payment	$59.92	$0.00	3	Entered	None
Subtotal					**$59.92**	**$0.00**			

4. If you'd like to get the report data into a spreadsheet, click the Save As Text button.

HINT: The Income Tax Report shows *all* bank transactions. You won't include bank transfers on the income tax form, since they only shift funds and are neither income nor expense. You may also have other income or expense transactions that don't belong on your tax form for some reason.

Income Taxes— Accrual Basis

If you use accrual accounting for tax purposes, you can probably still use the Income Tax Report to prepare taxes. Start with the cash numbers, and then make any adjustments for accrual conditions.

For example, you may need to adjust the following expenses for the year in which they accrue:

- Prepaid expenses such as insurance
- Accounts payable in the last month of the fiscal year
- Paychecks at the end of the fiscal year
- Payroll taxes that you collect in one year and pay in another

You also may need to adjust the following income amounts for the year in which they accrue:

- Projects that are partly-complete at the close of the fiscal year
- Sales that have not yet been paid
- Write-offs that you've taken via Payment Receipts that use a write-off as the payment method.

For a report of all expenses accrued during a time period, follow these steps:

1. Choose Expenses from the Reports menu, and choose All Expenses from the submenu.
2. Enter a date range.
3. Click the Update button.

For a report of sales income during a time period, follow these steps:

1. Choose Income from the Reports menu, and choose Sales from the submenu.
2. Enter a date range.
3. Click the Update button.

For a report of project accrued income during a time period, follow these steps:

1. Choose Projects from the Reports menu, and choose Project Bills from the submenu.
2. Enter a date range.
3. Click the Update button.

Payroll Taxes

When you use the Write Payroll command, Goldenseal automatically calculates tax withholding and employer taxes, and 'posts' each deduction and employer tax item to the account that receives payment for the tax.

NOTE: Before you write payroll, you'll need to assign each Tax Item to a tax agency so it will post properly (see page 357).

When tax payments come due, you can easily use the Pay Bills command to pay those taxes to each tax agency.

NOTE: Goldenseal also prints W-2 forms for employees. To do that, choose Employees from the Accounts menu, then choose Print Forms from the File menu and use the W-2 form.

Payroll Tax Setup

Create a Other Cost account for each tax agency, and for any insurance agencies that collect payroll-based insurance.

To do so, follow these steps:

1. Choose Other Costs from the Accounts menu.
2. Click the New button.
3. Enter details for the account (see page 228).

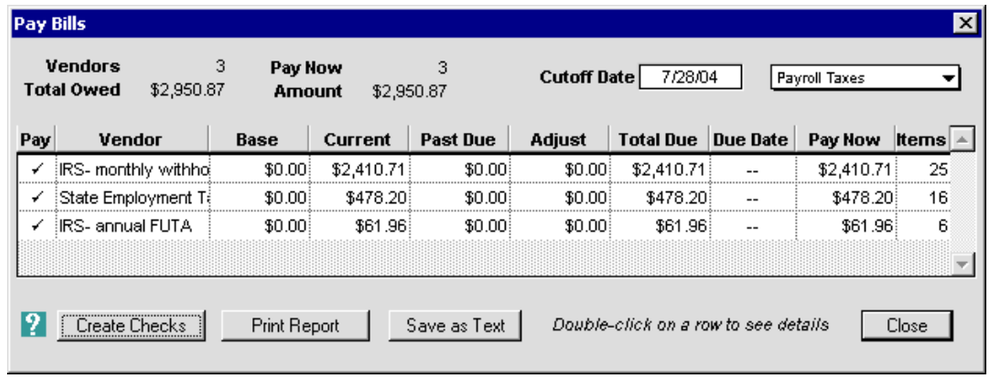
To assign taxes to a tax agency, follow these steps:

1. Choose Payroll Setup from the Costs menu, and choose Tax Items from the submenu.
2. Double-click on an item.
3. Enter the tax agency into the Pay To Account field.
4. Click OK.
5. Repeat steps 2 to 4 for each Tax Item.

Paying Payroll Taxes

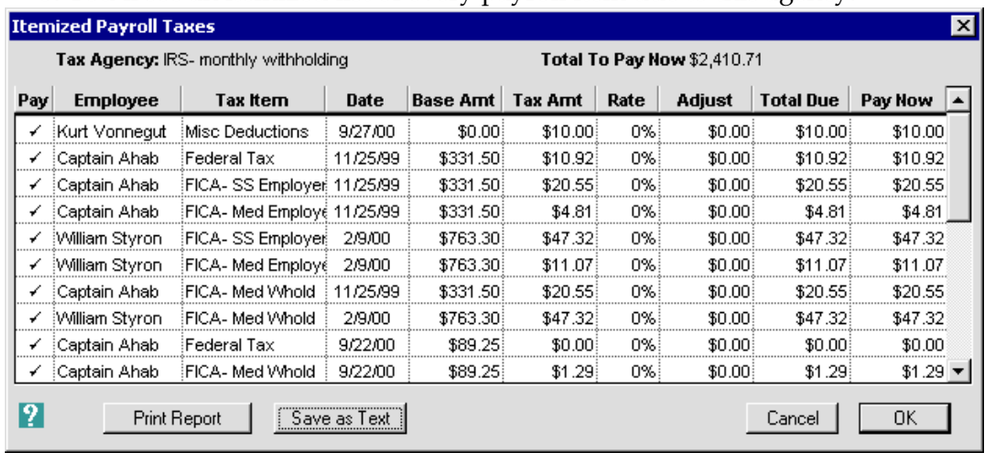
To pay payroll taxes to a tax agency, follow these steps:

1. Choose Pay Bills from the Bank menu.
2. Click in the popup field at upper right, and choose Payroll Taxes as the item to pay.



3. You'll see a list of tax agencies, with the amount due to each. Click in the Pay column to mark the agencies that you want to pay now.
4. To see an itemized list of taxes due, double-click on the agency name.

5. You'll see an itemized list of every payroll item due to this agency.



6. Click in the Pay column to set the items to include items in this payment, then click OK to return to the main dialog.
7. To pay taxes, click the Create Checks button.
8. You'll be asked how to pay for these items. Enter a bank account, or leave the field blank if you plan to pay it later. Then click OK.

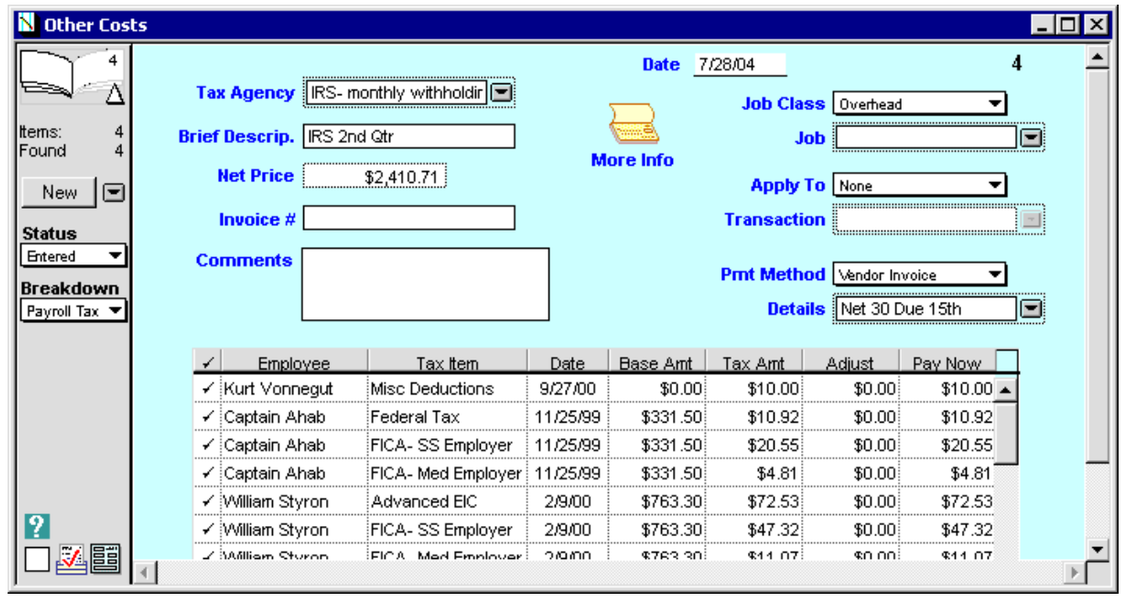
Payroll Tax Payments

When you use the Pay Bills command for tax payments, Goldenseal creates an Other Cost record for each tax payment. It uses a Payroll Tax breakdown to itemize every tax withholding item that is included in this payment.

HINT: When you create a tax payment, Goldenseal automatically 'posts' the payment of each individual withholding item, so they won't ever show up in the Pay Bills command again.

To view tax payments, follow these steps:

1. Choose Other Costs from the Costs menu.
2. Use the browser controls or the Find command to locate a specific payment (see the next page).



To write a check to the tax agency, follow these steps:

1. Choose Pay Bills from the Bank menu.
2. Choose All Other Costs in the vendor popup field at upper right.
3. Put a check mark next to the tax agency (and any other items you'd like to pay now).
4. Click Write Checks.

You can also enter a single check to the tax agency, as follows:

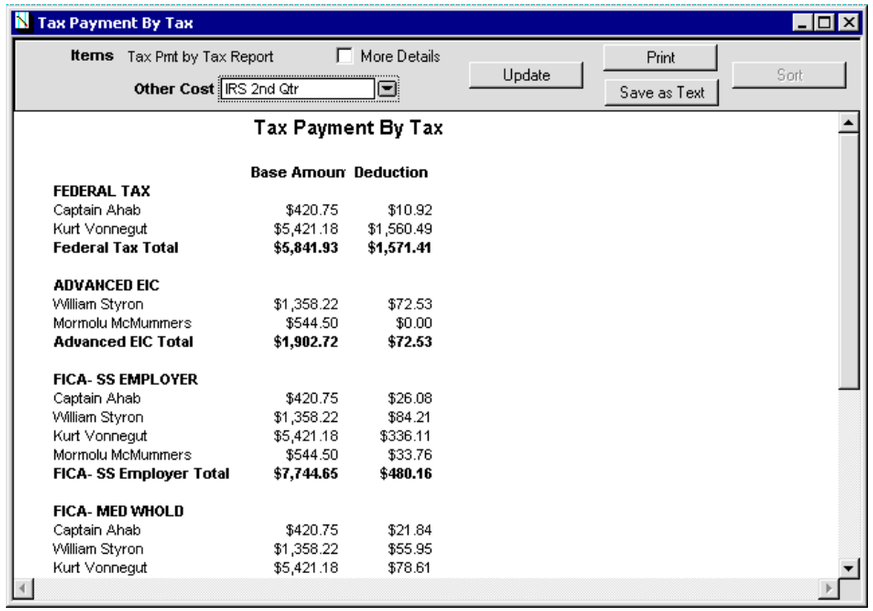
1. Choose Checking Transactions from the Bank menu, and choose a bank account from the submenu.
2. Click the New button.
3. Enter Other Cost into the Pay To field, and the tax agency into the Account field.
4. Enter Other Cost into the Transaction Paid field.
5. Enter the tax payment transaction into the Reference field.

Payroll Tax Reports

After you've made a payroll tax payment, you can get a report of the tax payment in a form that is more useful for filling out tax forms.

To do so, follow these steps:

1. Choose Taxes from the Reports menu, and choose Tax Payment By Tax from the submenu.
2. Enter an Other Cost record into the Other Cost field.
3. Click the Update button.



4. You'll see a report listing each tax paid, with the amount paid for each employee.

To see a breakdown of the individual tax items paid for each employee, follow these steps:

1. Turn on the More Details checkbox.
2. Turn off the Condensed checkbox.
3. Click the Update button.

Sales Taxes and GST Taxes

When you enter sales and project bills, Goldenseal automatically 'posts' the tax amount to the account for the agency that receives the sales tax.

When tax payments are due, you can easily pay those taxes to each tax agency.

Sales Tax Setup

Before you collect sales tax, create an account for each sales tax agency. To do so, follow these steps:

1. Choose Other Costs from the Accounts menu.
2. Click the New button.
3. Enter details for the account (see page 228).

Create a separate sales tax rate for each municipality for which you collect taxes. To do so, follow these steps:

1. Choose Income Setup from the Income menu, and choose Sales Tax from the submenu.
2. Click the New button.
3. Enter details for the tax rate (see page 233).
4. Enter the tax agency into the Paid To Account field.
5. Click OK.
6. Repeat steps 2 to 5 for each separate tax rate that you collect.

If you collect GST tax and also get a credit for GST taxes that you pay to vendors, you'll also set up a Vendor Withholding credit to handle the credit portion of the tax (see page 364).

Charging Sales Tax and GST Tax

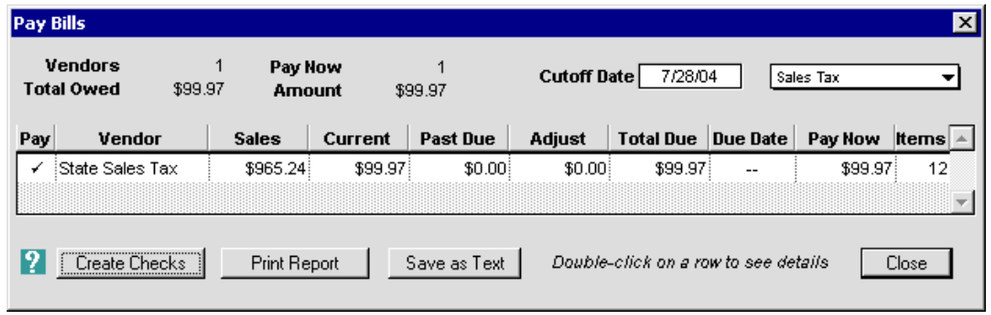
To charge sales tax, follow these steps:

1. Enter a sales transaction (see page 292) or a project bill (see Lesson 43).
2. Enter a sales tax rate into the Tax Rate field.
3. Goldenseal automatically computes the tax amount, and adds it to the amount due to the tax agency.

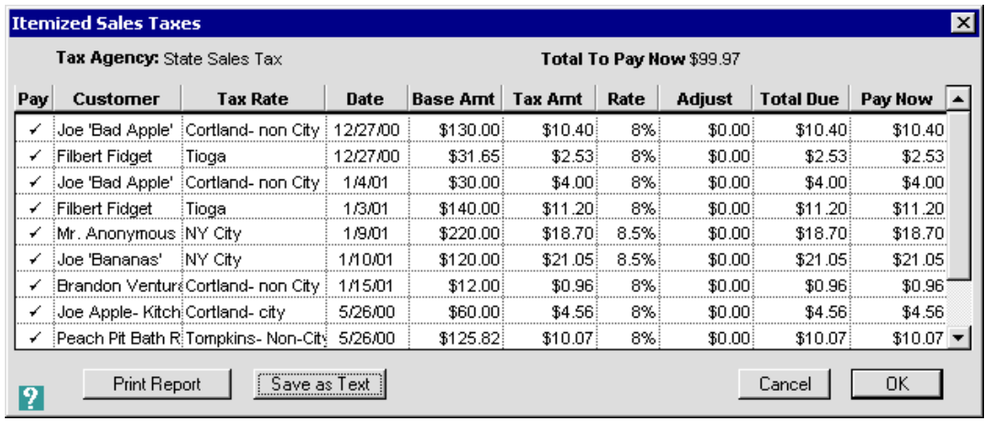
Paying Sales Taxes

To pay sales tax or GST Tax to a tax agency, follow these steps:

1. Choose Pay Bills from the Bank menu.
2. Click in the popup field at upper right, and choose Sales Tax as the item to pay.



3. You'll see a list of all tax agencies with sales tax due.
4. To see an itemized list of taxes due, double-click on the agency name.



5. You'll see an itemized list of every tax item due to this agency.
6. Click in the Pay column to set the items to include items in this payment, then click OK to return to the main dialog.
7. To pay taxes, click the Create Checks button.
8. You'll be asked how to pay for these items. Enter a bank account, or leave the field blank if you plan to pay it later. Then click OK.

Sales Tax Payments

When you use the Pay Bills command for sales tax payments, Goldenseal creates an Other Cost record for each tax payment. It uses a Sales Tax breakdown to itemize every sale or project bill included in this payment.

To view tax payments, follow these steps:

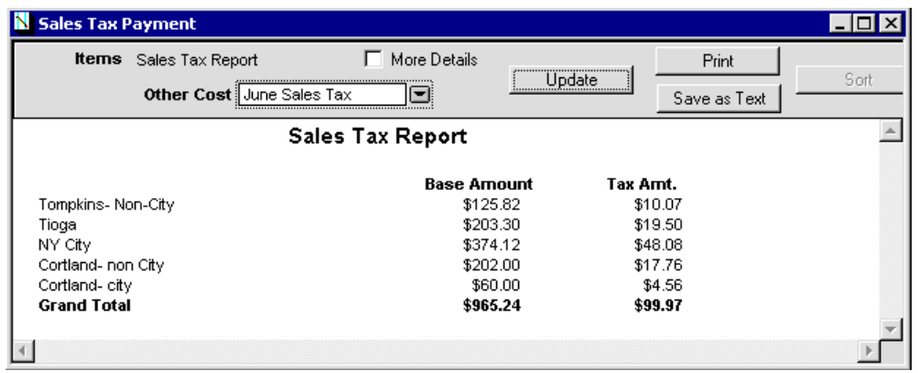
1. Choose Other Costs from the Costs menu.
2. Use the browser controls or the Find command to locate a specific payment.

Sales tax payments are very similar to payroll tax payments (see pages 360 to 361).

Sales Tax Reports

After you've made a sales tax payment, you can get a report of the tax payment in a form that is more useful for filling out tax forms. To do so, follow these steps:

1. Choose Taxes from the Reports menu, and choose Sales Tax Payment from the submenu.
2. Enter an Other Cost record into the Other Cost field.
3. Click the Update button.



To see a breakdown of the individual sales, follow these steps:

1. Turn on the More Details checkbox.
2. Turn off the Condensed checkbox.
3. Click the Update button.

Vendor Withholding and GST Credit

Use vendor withholding for taxes that you deduct from vendors and subcontractors. It also handles the credit on GST taxes paid on expenses in Canada and other countries.

Vendor Withholding Setup

Before you collect vendor withholding, create an account for each tax agency that receives payments. To do so, follow these steps:

1. Choose Other Costs from the Accounts menu.
2. Click the New button.
3. Enter details for the account (see page 228).

Create vendor withholding rates for each tax that you withhold. To do so, follow these steps:

1. Choose Cost Setup from the Costs menu, and choose Vendor Withholding from the submenu.
2. Click the New button.
3. Enter details for the tax rate (which may be a credit for GST).
4. Enter the tax agency into the Paid To Account field.
5. Click OK.
6. Repeat steps 2 to 5 for each separate tax rate that you collect.

Charging Vendor Withholding

To charge vendor withholding, follow these steps:

1. Enter a material purchase (see page 238), a subcontractor cost (see page 253) or an other cost transaction (see page 255).
2. Enter a vendor withholding rate into the Withholding field.
3. Goldenseal automatically computes the withholding amount, adjusts the amount of the purchase, and adds the tax or subtracts the credit due to the tax agency .

Paying Vendor Withholding

To pay vendor withholding to a tax agency or calculate a GST credit, follow these steps:

1. Choose Pay Bills from the Bank menu.
2. Click in the popup field at upper right, and choose Vendor Withholding as the item to pay.
3. You'll see a list of all tax agencies with withholding payments due.
4. To see an itemized list of taxes due, double-click on the agency name.
5. You'll see an itemized list of every withholding item due to this agency.
6. Click in the Pay column to set the items to include items in this payment, then click OK to return to the main dialog.
7. To pay taxes, click the Create Checks button.
8. You'll be asked how to pay for these items. Enter a bank account, or leave the field blank if you plan to pay it later. Then click OK.

Vendor Withholding Reports

After you've made a withholding payment, you can get a report of the payment in a form that is more useful for filling out tax forms.

To do so, follow these steps:

1. Choose Taxes from the Reports menu, and choose Tax Payment By Tax from the submenu.
2. Enter an Other Cost record into the Other Cost field.
3. Click the Update button.

Finishing Up

This lesson has explained how to work with taxes, and how to get those tax payments into the mail with a minimum of hassle.

As we all know, taxes are a beneficial thing, and if it weren't for taxes like the Texas Text Tax and the Tennessee Tropical Trinket Transfer Tax, all government action would grind to a halt, chlorophyll would stop synthesizing, and life on this planet would soon cease to exist.

However, we would like to point out that not *all* taxes are good. For example, a federal Chic Hat Tax is in legislative committee at the House and Senate at this very moment.

This short-sighted act is the work of the powerful scalp-sunscreen lobby, and it will only drive chic-hat purchasers to cross the borders into Canada, France and Mexico for their hat purchases. It will also cause serious economic harm to our embattled wax fruit and duct tape industries.

We urge you to contact your senators and representatives immediately!

Lesson Forty-Nine: Special Transfers

Goldenseal includes several transfer transactions. Use them to handle unusual situations, when you need to make adjustments that can't be handled by ordinary business transactions.

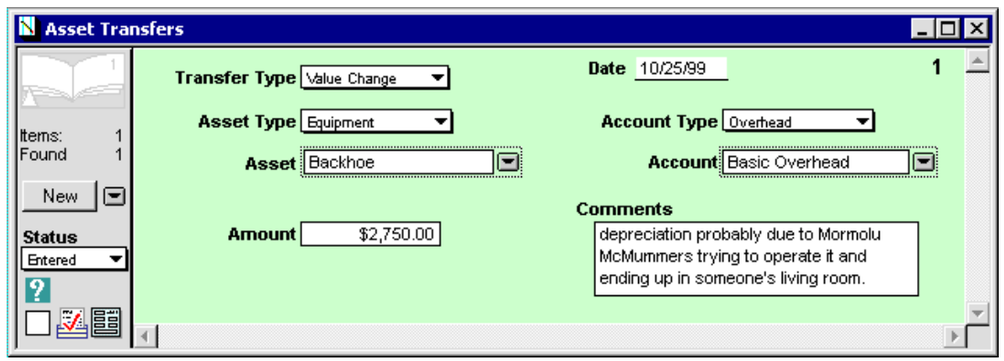
Asset Transfers

Use asset transfers when you need to change the value of an asset because of damage, improvements or changing markets, or when you sell an asset.

NOTE: When you purchase an asset, simply create an Equipment or Real Estate account, and enter the starting value.

To create an asset transfer, follow these steps:

1. Choose Special Transfers from the Bank menu, then choose Assets Transfers from the submenu.
2. Click the New button.



3. Enter the type of adjustment, the asset account whose value has changed, and the amount of the adjustment.
4. Enter the account that will be charged with the amount of the value change.

Cash Transfers

Use cash transfers to handle any transfer of funds that can't be handled through an ordinary business transaction. A cash transfer does not affect accounts payable, billing or job costs. All it does is subtract money from one account's balance, and add it to the balance of another.

When to Use Cash Transfers

Create a cash transfer to handle any unusual transaction that can't be handled with one of the other transactions in Goldenseal.

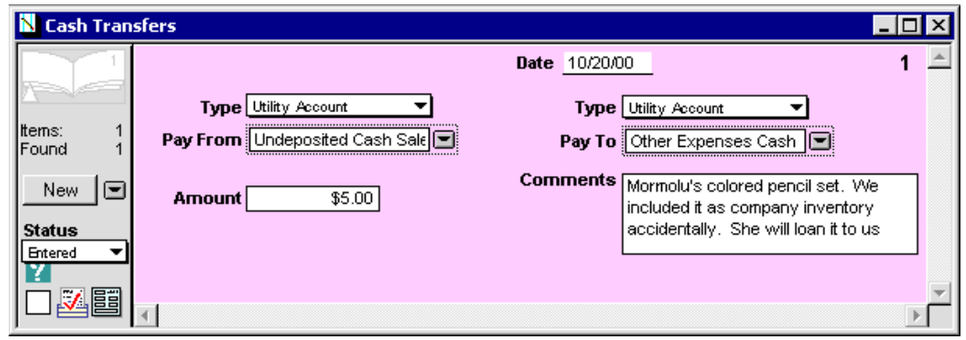
Cash transfers are most often used to transfer funds between Utility accounts, if you've set up a 'classic' set of bookkeeping accounts. You can also involve project and overhead accounts in cash transfers.

NOTE: To transfer cash to or from a cash account or a bank account, create a bank transaction and use Transfer In or Transfer Out as a transaction type (see page 274).

Creating a Cash Transfer

To create a cash transfer, follow these steps:

1. Choose Special Transfers from the Bank menu, then choose Cash Transfers from the submenu.
2. Click the New button.



3. Enter the accounts involved in the transfer, and the amount of the adjustment.

Cost Transfers

Use cost transfers to adjust job costs. You can move costs from any job, category and location to any other job, category and location.

> ***NOTE:*** Cost transfers only affect job cost reports. They have no impact on account balances, billing or accounts payable.

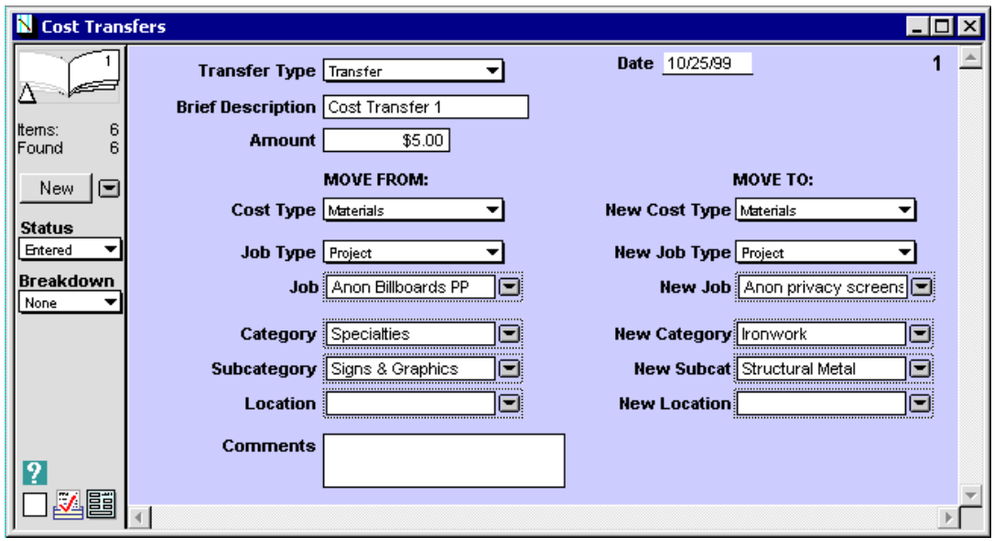
When to Use Cost Transfers

Use cost transfers whenever you need to adjust job costs in one or more jobs. You might use them to fix data entry errors, or to account for work done on one job that really should be costed to another. You can also use them for project job costs from before you started using Goldenseal.

Creating a Cost Transfer

To create a cost transfer, follow these steps:

1. Choose Special Transfers from the Bank menu, then choose Cost Transfers from the submenu.
2. Click the New button.



3. Enter the accounts involved in the transfer, and the amount of the adjustment.

Lesson Fifty: Utility Accounts

Utility accounts are 'classic' bookkeeping accounts. They represent abstract accounting items that are not related to any specific person or business.

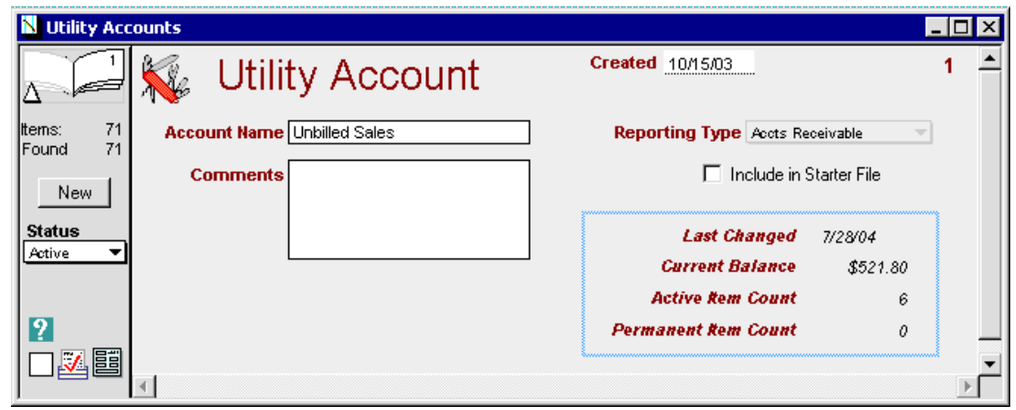
Goldenseal uses Utility accounts 'behind the scenes' to manage some tasks. You can also create your own utility accounts if you'd like to use 'classic' accounting within Goldenseal.

> ***HINT:*** Even if you never look at them, Utility accounts will still keep Goldenseal's accounting functions running smoothly.

Viewing Utility Accounts

To view Utility accounts, follow these steps:

1. Choose Utility Accounts from the Accounts menu.
2. You'll see a browser window that shows all Utility accounts.



Goldenseal uses each Utility account to store totals for a specific accounting function. The utility account also keeps a list of transactions that it can use to generate reports.

You can change the name of any utility account, and you can enter any comments you have about it. You cannot change the reporting type or current balance for any of the standard utility accounts that Goldenseal starts out with. You also can't change the basic function— Goldenseal will continue to use the Unbilled Sales account to track billable sales, even if you rename it to something else.

New Utility Accounts

Goldenseal lets you create new utility accounts. You can move funds in and out of them, the same as you would for 'classic' bookkeeping accounts.

> ***HINT:*** The only time you need to add utility accounts is if you prefer to use a 'classic' accounting style, and want to create additional accounts to itemize expenses, revenue or other items.

When to Use new Utility Accounts

Create new utility accounts if you'd like to divide any of the basic accounting functions between more than one account.

For example, you can create additional expense accounts to track expenses, or new revenue accounts to track income.

> ***HINT:*** Before you set up more utility accounts, consider using cost categories, cost locations, job types or cost types as a way to allocate income and expenses. They probably will accomplish the same thing, and they are easier to use.

Types of Utility Accounts

Utility accounts can be of any of the following types:

Accounts Payable— Totals that you currently owe to suppliers and sub-contractors.

Accounts Receivable— Totals for billed sales, billed projects, rents that are due, and similar items.

Equity— The owner's value in your business. Some equity accounts handle the assets and liabilities that were put into your business upon its creation, and some handle ongoing profits and losses.

> ***NOTE:*** To set up owner equity that you want to track separately, choose Liability Accounts from the Accounts menu, then choose Owner Equity from the submenu.

Expense— Totals for expenses of different types, either accrued (when work is done) or cash (when the item is paid).

Misc. Assets— Other items considered as an asset on the balance sheet.

Misc. Liability— Other items considered as a liability on the balance sheet.

Prepaid Expenses— Expenses that you have marked as prepaid.

Revenue— Totals for gross income from various sources, either accrued (when work is done) or cash (when the item is paid).

Undeposited Funds— Money received but not yet deposited.

Unpaid Benefits, Taxes and Expense— Miscellaneous unpaid items.

Utility— Other items that are not listed on the balance sheet.

Creating a New Utility Account

To create a new utility account, follow these steps:

1. Choose Utility Accounts from the Accounts menu.
2. Click the New button.
3. Enter a name for the new account, and choose a basic type of account from the Reporting Type popup menu.

Using Utility Accounts

To use a new expense or revenue account, you'll first need to set up the layouts so you can show the utility account on data entry screens. Then you can add it to reports.

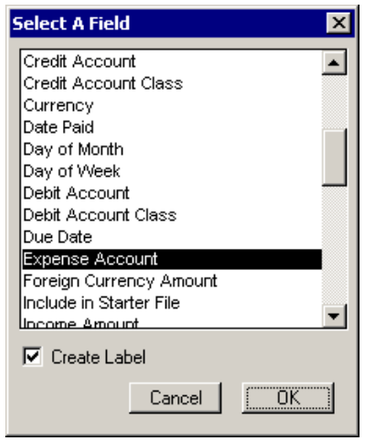
For example, to add an Expense Account field to an expense transaction, follow these steps:

1. Choose Custom Layouts from the Options menu, then choose Transactions from the submenu.
2. You'll see a window for changing layouts (see Lesson 32). Choose Material Purchases from the Transaction popup menu.
3. Select the Field tool from the palette at the left side of the window (underneath the rounded rectangle).

   > ***HINT:*** When you single-click on a tool, it will be used only once. After that, the selector tool (arrow) is restored. When you double-click on a tool, it stays selected until you select a new tool.

4. Click in the layout at the place where you'd like the field to be, and drag to the opposite corner.

   > ***HINT:*** You may need to enlarge the layout to fit the new field. To do so, click on the lower right corner of the layout and drag, or choose Size & Margins from the Options menu and enter larger numbers.



5. You'll see a list of available fields. Choose Expense Account from the list, and click OK.

Using New Expense Accounts

Goldenseal starts out with five expense accounts for equipment, labor, materials, subcontractors and other costs. Goldenseal automatically posts equipment hours to the equipment expense account, material purchases to the material expense account, and so on.

To post expense transactions to a different expense account, enter the new choice into the Expense Account field in the expense transaction.

Using New Revenue Accounts

Goldenseal starts out with four basic revenue accounts— for sales, project income, rentals and other income.

To post income transactions to a different revenue account, add the Revenue Account field to the sales, rental transaction or billing records layouts, and then enter a different revenue account..

Using Cash Transfers

You can also use cash transfers to move funds between utility accounts (see page 367). The transfer will simply add to one account's balance, and subtract from the other's.

Using Utility Accounts in Reports

To show totals for a new utility account in a report, first create a calculator that uses the new account. To do so, follow these steps:

1. Choose Calculations from the Options menu, and choose Utility Accounts from the submenu.
2. Click the New button.
3. Enter the new account into the Account field.
4. Enter the type of calculation into the Field field. For example, to get totals during a time period from a new expense or revenue account, choose Total In Date Range.
5. Click OK.

To use the new calculation in a report, follow these steps:

1. Choose Custom Layouts from the Options menu, and choose Reports from the submenu.
2. Open the report where you'd like to show the account total.
3. Click on the Calculator tool.
4. Click at one corner of where you'd like to show the field, and drag to the opposite corner.
5. You'll see a list of calculated fields. Enter Utility Accounts into the popup menu at top, then choose the calculator you just created.

Utility Account Links

Some Utility accounts 'link' to the transactions included in the account.

For example, to see a list of billable Sales transactions that have not yet been billed, follow these steps:

1. Choose Utility Accounts from the Accounts menu.
2. Use the Browser to get to the Unbilled Sales account (it's the first one).
3. Choose Detail Transactions from the View menu.

Finishing Up

In a way, Utility accounts handle the 'invisible' money in your business. And likewise, sometimes the most chic hats are the ones you can't see. Maybe that's why there is so much interest in the new line of microscopic 'nano-technology' hats and garments in the latest Victoria's Secret catalog.

Lesson Fifty-One: Passwords and Security

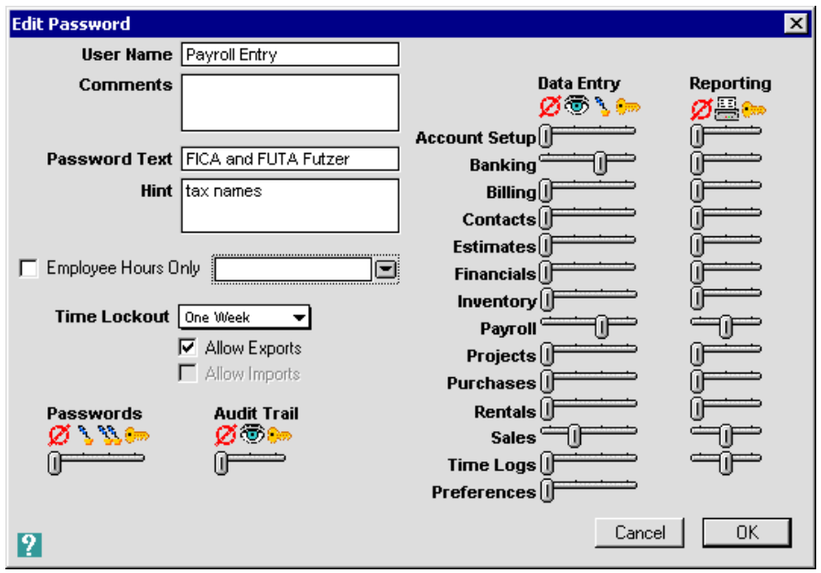
Goldenseal includes a password protection system to control access from each person who uses your company file. You can create a different level of access for each employee.

This lesson shows you how to create and use passwords, and how to use the Audit Trail and other security features.

Creating Passwords

To create a new password for someone who uses Goldenseal only to enter payroll data, follow these steps:

1. Choose Passwords from the Options menu.
2. You'll see a list of passwords.
3. Click the New button.
4. Enter the user's name, or however you'd like to name the access level.
5. Enter the password that is used to enter this level. You can use any text, numbers or punctuation, up to 31 characters.



6. Use the slider controls to set the level of access to each part of the company data.

   HINT: If you hold down the Shift key when you move a control, all the other controls in the same column will move to the same place.
7. When you are finished, click OK. You'll need to confirm the password as you leave.

Access Levels

Four levels of access are available for data entry in each basic part of Goldenseal:

No Access— The user will not be able to see or do anything.

View Access— The user can see records, but can't create new records or change existing ones.

Write Access— The user can create records or change existing records.

Full Access— The user can create records or change existing records. The user can also change print forms or data entry layouts.

Three levels of access are available for reports:

No Access— The user will not be able to view any reports.

Print Access— The user can view and print records.

Full Access— The user can view and print reports. The user can also change report layouts.

Four levels of access are available for passwords:

No Access— The user will not be able to view or change any passwords, including their own.

Write Access— The user can view and change their own password.

Full *Write Access*— The user can view and change their own password, and passwords for any other users who have a lower level of access.

Full Access— The user can change any passwords.

The audit trail can bet set to No Access, View Access, or Full Access.

NOTE: Even with full access, you can only change comments in the audit trail— all other fields are permanently locked.

Master Password

There is always one master password which allows access to everything in the program. You cannot delete the master password.

To assign a new password to the master password, follow these steps:

1. Choose Passwords from the Options menu.
2. You'll see a list of passwords.
3. Select Master Password from the list, and click the Edit button.
4. Type a password into the Password field.
5. Click OK. You need to confirm the password as you leave.

WARNING: Don't forget the master password! If you lose all full access passwords, you may permanently lose access to your data.

Time Lockout

Use time lockout to restrict access to records that are older than a certain date. A user with a password that has a lockout will not be able to change records that are older than the lockout date.

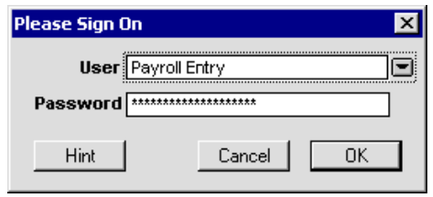
NOTE: Time lockout applies only to users that have write access. If a user has full access to a level, they'll be able to change records no matter how old they are (either the records or the user).

Using Passwords

When you first start with Goldenseal, it does not require passwords. Anyone can do anything, anywhere in the program. If you don't create any passwords, that is how the program will remain.

HINT: If only one person uses the program, or if all users are trusted, you can probably avoid using passwords. However you might still want to use a password as protection from snoopy outsiders.

Once you have created new passwords, Goldenseal will ask you for a password each time you open the company file.



Choose the password level that applies to you, and enter the password.

HINT: Goldenseal passwords are not case-sensitive. If your password is 'Gargoyle', then you can type gargoyle or gArgOYLE.

If you enter your password incorrectly, you'll be allowed a few more tries to enter it correctly.

Password Access

Some menu commands are not available to those whose password access is not high enough. When you open an account or transaction window, Goldenseal checks your password, and give you the type of access from the Password list.

No Access— no records will be visible.

Read Access— you can see records, but they are always locked and can't be changed.

Data Entry or Full Access— you can see records, and you can change them unless they are closed, or are older than the time lockout date.

If you are using passwords, Goldenseal displays your current level of access on the left side of the browser window.

Password Hints

To be practical, passwords need to be simple enough so you can remember them without writing them down. They also need to be complex enough that someone else can't deduce them.

We suggest a nonsense phrase of items that only you know about (you have 23 characters to play with). For example, "garg19oyle flam87ingo", which is Turtle Creek's founding year, favorite roof ornament and favorite bird.

Deleting Passwords

If you want to stop using a password, follow these steps:

1. Choose Passwords from the Options menu.
2. Click on the password you want to remove.
3. Click the Delete button.

If you remove all but the master password, Goldenseal will stop asking for a password when you open the company file.

Audit Trail

The audit trail lets you see exactly what has been entered and changed in the company file, and by whom. It is a record of everything important that has happened within the company file.

To set up the Audit Trail, follow these steps:

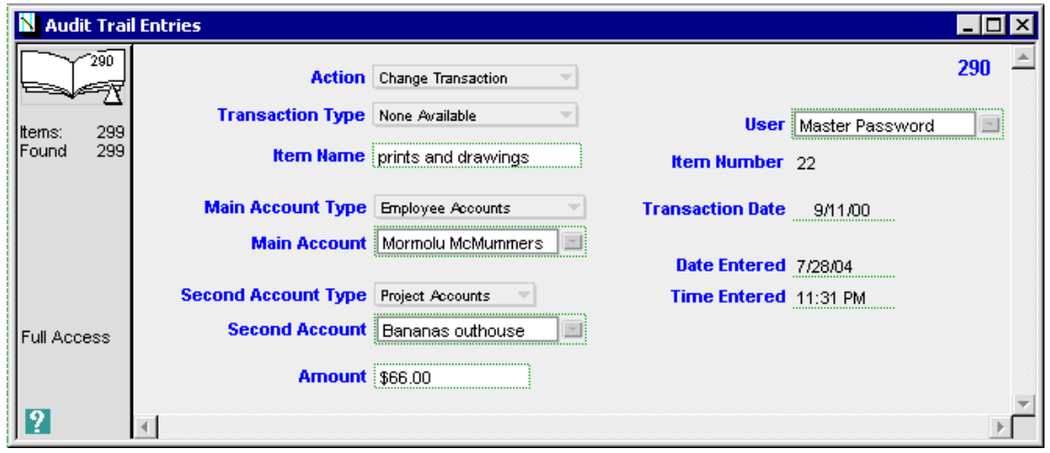
1. Choose Preferences from the Options menu, and choose Data Entry from the submenu.
2. Turn on the checkboxes for the actions you'd like to record.

   HINT: The audit trail increases file size, and slows down the saving of records slightly. If you don't need it, turn off all the checkboxes for audit trail actions.

To view the audit trail, follow these steps:

1. Choose Security from the View menu, then choose Audit Trail from the submenu.

   HINT: You can only view the audit trail if you have signed on with a password that gives you access to it (see Lesson 51).



2. You'll see a standard browser window. Each record shows one action that happened with the company file.

   HINT: To see the actual transaction record shown in an audit trail record, choose Detail Transaction from the View menu.

You can use the Find command to locate specific types of records in the Audit Trail window. For example, to find all transactions changed by a specific employee, follow these steps:

1. Choose Find from the Edit menu.
2. Enter Transaction Changed into the Action Field, and enter the employee's password in the User field.
3. Click the Find button.
4. You will see a listing of all transactions changed with that password.

Use the audit trail if you suspect dishonesty, if you want to find out the person responsible for an error, or if you just want to see who has entered what when.

HINT: To get full use of the audit trail, assign each employee a different password, and keep them secure so one user can't sign on with another's password.

Verify File

On rare occasion, that data in your company file may become damaged due to hardware, system or software errors. Use the Verify File command to check the integrity of your company file. To verify, follow these steps:

1. Choose Security from the View menu, and choose Verify File from the submenu.
2. Goldenseal will check every object in the company file (it may take a few minutes, if you have a large number of records).
3. If there are any problems, Goldenseal will report them to you. It also tells you the size of your data, and the amount of empty space in the company file.

To repair any file damage, follow these steps:

1. Choose Export from the file menu, and choose Entire Company File from the submenu.
2. Save the file on your hard drive.
3. Exit/Quit from Goldenseal.
4. Reopen Goldenseal, and create a new (empty) company file.
5. Choose Import from the File menu, and choose Company File from the submenu.
6. Select the file that you exported in step 2. Goldenseal will import all of your company data, and 'tidy up' any problems that it finds.

Compress File

To compress your company file so it takes up less space, follow these steps:

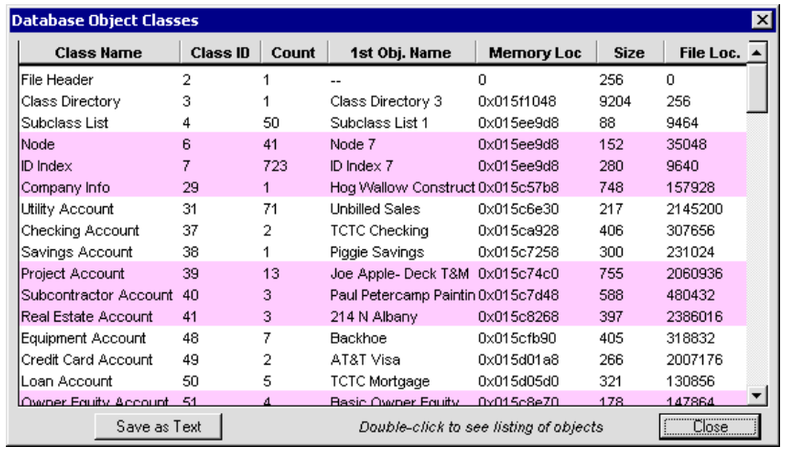
1. Make a backup copy of your file (see Lesson 17).
2. Choose Security from the View menu, and choose Compress File from the submenu.
3. Goldenseal will rearrange the data in your company file so there is less empty space.

   HINT: Goldenseal is fairly efficient at managing empty space in the file, so you probably will see only a small reduction in file size.

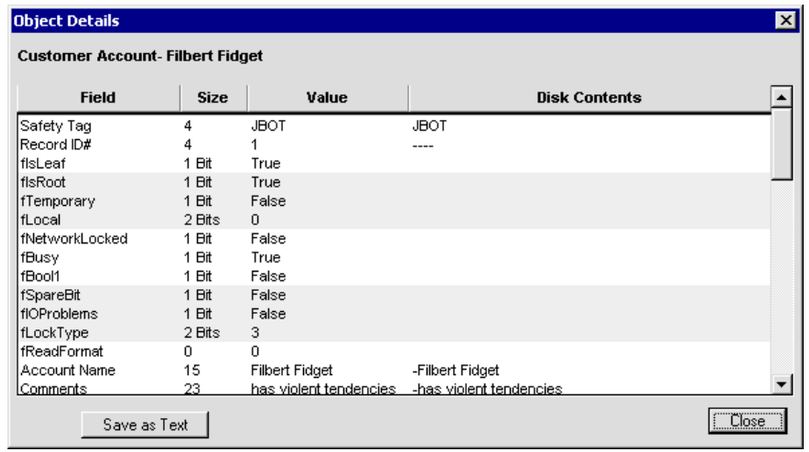
Database Report

To see the raw contents of your company file, follow these steps:

1. Choose Security from the View menu, and choose Database Report from the submenu.



2. You'll see a list of all record classes currently stored in Goldenseal, with the number of records in each.
3. To see specific records in a class, double-click on a row.
4. You'll see a list of all records in that class. Goldenseal lists technical information such as the object ID, the current location in RAM, the location on disk, and the object size.
5. To see the raw data stored in a single record, double-click on its row.



Other Security Reports

To see the records that are currently 'cached' in RAM, choose Security from the View menu, and choose Cache Report from the submenu. You can also choose Clear Memory Cache to remove items from the cache. The only items that should remain are records that are currently visible in a browser window, and possibly a few support objects.

To see the records in your company file in the order they are stored on disk, choose Security from the View menu, and choose File Order Report from the submenu.

Finishing Up

In this lesson you have learned how to create passwords, check the audit trail, and use other security features in Goldenseal.

Did you know that over 35% of computer users use the name of their pet as a password? Another 12% use the word "gargoyle", and 9% use the word "flamingo". Then again, 7% of computer users have a pet flamingo named Gargoyle, and another 14% have a pet gargoyle named Flamingo.

Did you know that over 23% of computer software manuals include fake statistics? Here at Turtle Creek, well over 142% of us are shocked, positively shocked, by such statistics.

Lesson Fifty-Two: Financial Reports

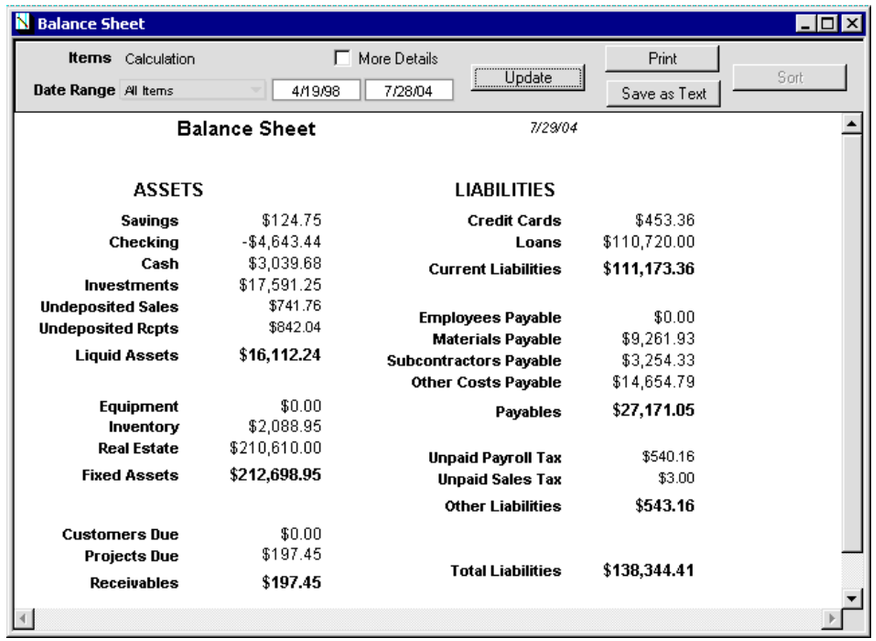
Goldenseal includes a variety of reports that show you valuable information about your business. Reports are a useful management tool.

Lesson 20 explains how to use the basic Reports window. This lesson covers some additional reports used for accounting and finances.

Balance Sheet

The balance sheet shows you a compact listing of your assets, liabilities and net worth. It's a good way to see how solvent your business is.

To see a balance sheet report, choose Financials from the Reports menu, then choose Balance Sheet from the submenu.

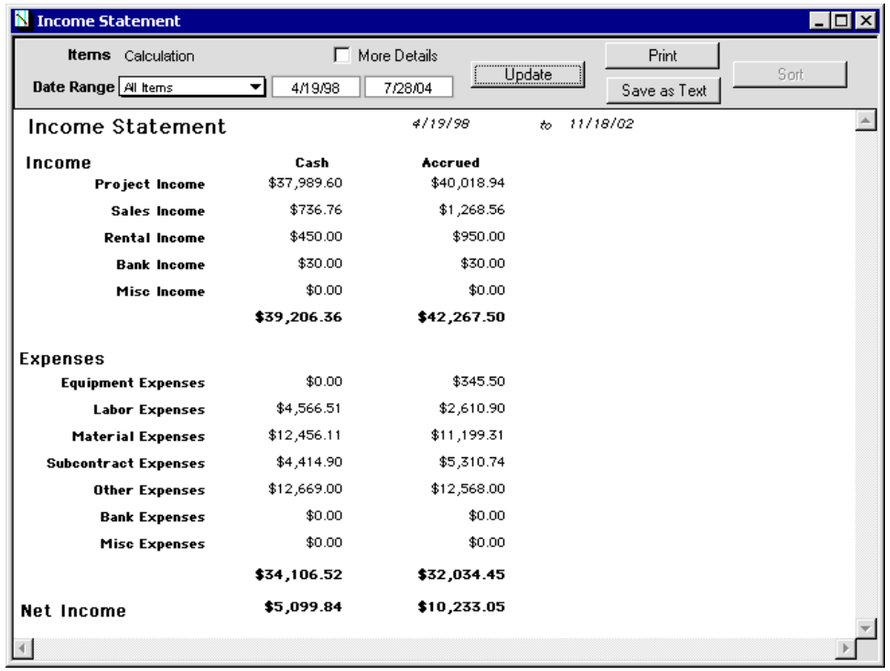


Click the Update button to have Goldenseal fill in the most recent values.

Income Statement

The income statement shows you a compact listing of your income and expenses. It's a good way to see how profitable your business is.

To see an income statement, choose Financials from the Reports menu, then choose Income Statement from the submenu.



The Income Statement gets all income values within the date range that is specified in the Date Range field. To see income and expenses for a different period, change the Date Range popup field (see Lesson 20).

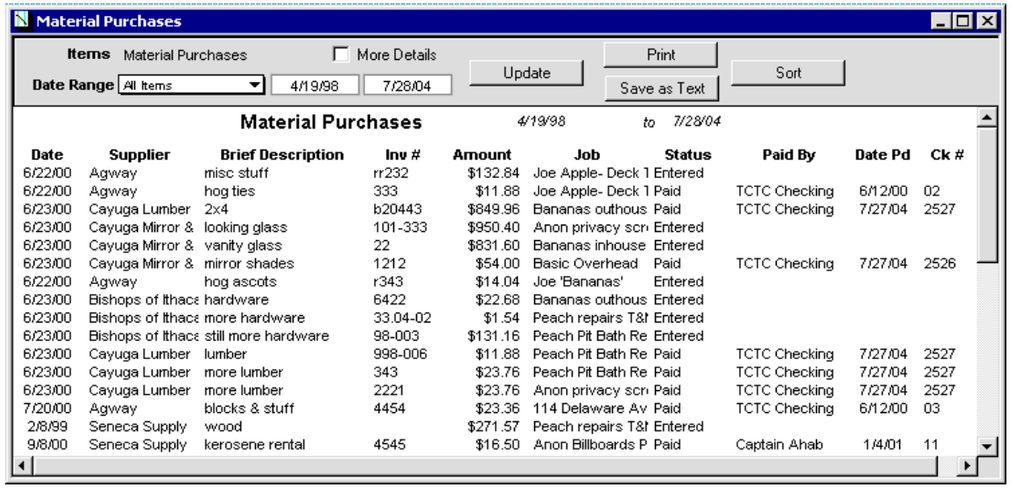
The Cash figures are based on bank transactions, and the Accrued transactions are based on expense transactions and income transactions (sales, project billing and rental transactions).

> ***HINT:*** If you only want to use the cash or accrued values, you can use the Custom Layouts command to remove some of the fields from this report (see Lesson 21).

Material Purchases Report

To see a list of material purchases, follow these steps:

1. Choose Expenses from the Reports menu, then choose Material Purchases from the submenu.
2. Click the Update button..



Date	Supplier	Brief Description	Inv #	Amount	Job	Status	Paid By	Date Pd	Ck #
6/22/00	Agway	misc stuff	rr232	$132.84	Joe Apple- Deck 1	Entered			
6/22/00	Agway	hog ties	333	$11.88	Joe Apple- Deck 1	Paid	TCTC Checking	6/12/00	02
6/23/00	Cayuga Lumber	2x4	b20443	$849.96	Bananas outhous	Paid	TCTC Checking	7/27/04	2527
6/23/00	Cayuga Mirror &	looking glass	101-333	$950.40	Anon privacy scr	Entered			
6/23/00	Cayuga Mirror &	vanity glass	22	$831.60	Bananas inhouse	Entered			
6/23/00	Cayuga Mirror &	mirror shades	1212	$54.00	Basic Overhead	Paid	TCTC Checking	7/27/04	2526
6/22/00	Agway	hog ascots	r343	$14.04	Joe 'Bananas'	Entered			
6/23/00	Bishops of Ithaca	hardware	6422	$22.68	Bananas outhous	Entered			
6/23/00	Bishops of Ithaca	more hardware	33.04-02	$1.54	Peach repairs T&I	Entered			
6/23/00	Bishops of Ithaca	still more hardware	98-003	$131.16	Peach Pit Bath Re	Entered			
6/23/00	Cayuga Lumber	lumber	998-006	$11.88	Peach Pit Bath Re	Paid	TCTC Checking	7/27/04	2527
6/23/00	Cayuga Lumber	more lumber	343	$23.76	Peach Pit Bath Re	Paid	TCTC Checking	7/27/04	2527
6/23/00	Cayuga Lumber	more lumber	2221	$23.76	Anon privacy scr	Paid	TCTC Checking	7/27/04	2527
7/20/00	Agway	blocks & stuff	4454	$23.36	114 Delaware Av	Paid	TCTC Checking	6/12/00	03
2/8/99	Seneca Supply	wood		$271.57	Peach repairs T&I	Entered			
9/8/00	Seneca Supply	kerosene rental	4545	$16.50	Anon Billboards P	Paid	Captain Ahab	1/4/01	11

3. You'll see the standard report, which is a simple list of all material purchases.
4. Use the scroll control to view all of the items in the report.
5. To see more detail about a purchase, double-click on its row. Goldenseal will open a regular browser window for the purchase that is listed in that row. It shows you everything about the purchase. If the transaction has not been closed, you can make changes to it.

   HINT: Sometimes a report is the fastest way to locate a specific transaction.

You can use the Date Range field and the Item Range field to limit the purchases that you see in the report. You can also use breakdowns to group purchases by supplier, job, status or other fields (see Lesson 20).

HINT: Many other reports also show a list of transactions, similar to the Material Purchases report..

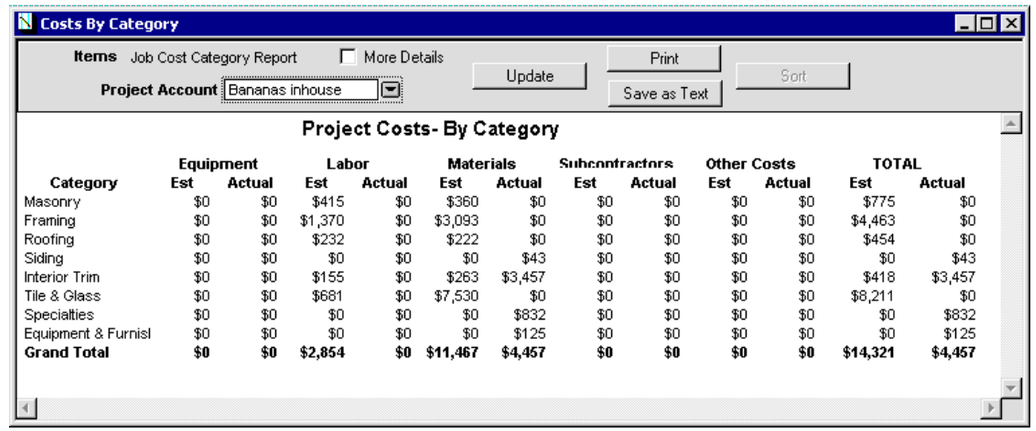
Job Cost Reports

Goldenseal includes several reports that show job costs for your projects.

HINT: For a quick snapshot of job costs, you can also use the Job Costs command (see Lesson 39).

To see a category breakdown of estimated versus actual costs, follow these steps:

1. Choose Projects from the Reports menu, and choose Costs by Category from the submenu.
2. Enter a project into the Project Account field.
3. Click the Update button.



	Equipment		Labor		Materials		Subcontractors		Other Costs		TOTAL	
Category	Est	Actual	Est	Actual	Est	Actual	Est	Actual	Est	Actual	Est	Actual
Masonry	$0	$0	$415	$0	$360	$0	$0	$0	$0	$0	$775	$0
Framing	$0	$0	$1,370	$0	$3,093	$0	$0	$0	$0	$0	$4,463	$0
Roofing	$0	$0	$232	$0	$222	$0	$0	$0	$0	$0	$454	$0
Siding	$0	$0	$0	$0	$0	$43	$0	$0	$0	$0	$0	$43
Interior Trim	$0	$0	$155	$0	$263	$3,457	$0	$0	$0	$0	$418	$3,457
Tile & Glass	$0	$0	$681	$0	$7,530	$0	$0	$0	$0	$0	$8,211	$0
Specialties	$0	$0	$0	$0	$0	$832	$0	$0	$0	$0	$0	$832
Equipment & Furnisl	$0	$0	$0	$0	$0	$125	$0	$0	$0	$0	$0	$125
Grand Total	**$0**	**$0**	**$2,854**	**$0**	**$11,467**	**$4,457**	**$0**	**$0**	**$0**	**$0**	**$14,321**	**$4,457**

4. You'll see a report of estimated and actual costs for each category.

You can also choose the following reports in the Projects menu:

Costs by Class— Estimated versus actual, by class and category.

Costs by Subcategory— Estimated versus actual, by category and subcategory (if subcategories are available in the project).

Costs by Location— Estimated versus actual by location.

Itemized Costs— Actual expenses, listed individually and grouped by category and subcategory.

Itemized Estimate— Estimated expenses, listed individually and grouped by category and subcategory.

Other Reports

There are more than eighty reports available under the Reports menu.

Other parts of this manual have already covered some of the other reports, including the following:

Contact Log report (see Lesson 20)
Material Takeoff report (see Lesson 8)
Schedule report (see Lesson 20)
Tool report (see Lesson 20)
Itemized Estimates (see Lesson 20)
Income Tax report (see page 354)
Payroll Tax report (see page 360)

Most of the remaining reports show accounts or transactions in a table, similar to the Material Purchases report. A few use calculators, similar to the Balance Sheet.

We can't always think of every possible report that might be useful. If there is something you'd like to see that is not already in a report, please contact us with your ideas! We will work it into a future version of Goldenseal.

HINT: A sketch or sample of the report is most helpful to us.

More Ways to See Data

You can also use the 'quick report' commands to see a quick summary of accounts payable (see Lesson 36), job costs (see Lesson 39), accounts receivable (see Lesson 42), undeposited funds (see Lesson 44) and payroll (see Lesson 46).

If you want to see all the data for accounts or transactions, you can also use the Export command to create a text file with the contents of every record and every field (see Lesson 25).

Finishing Up

This lesson has shown you how to view financial reports.

You might want to take a break now and do something you haven't done for a while. Do you have a musical instrument in the attic? Has it been years since you played your air guitar?

Of course it goes without saying that all those activities will be enhanced if you also wear one of the chic hats from a previous lesson!

Lesson Fifty-Three: Calculators

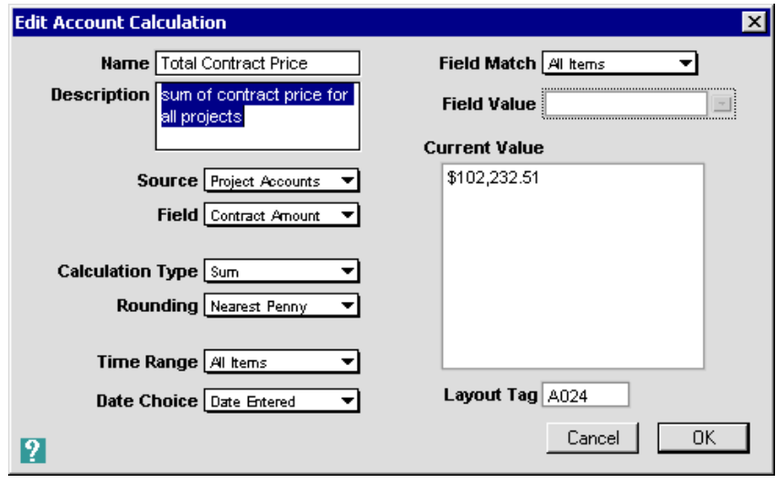
Calculators fetch a value or a list of values from accounts, lists or transactions. Use them when you want to show a single value or a short list of items. Calculators can also add multiple items and do other math.

In this Lesson you will make a calculator that shows the average contract price for projects. To do that will require three calculators.

Total Amount for All Projects

To create a calculator that displays the total contract amount for all projects, follow these steps:

1. Choose Calculations from the Options menu, then choose Accounts from the submenu.
2. You'll see a list of calculators. Click the New button.
3. Enter a name, and any comments you have.
4. Choose Projects from the Source popup menu.
5. Choose Contract Amount from the Field popup menu.
6. Choose Sum as a Calculation Type.



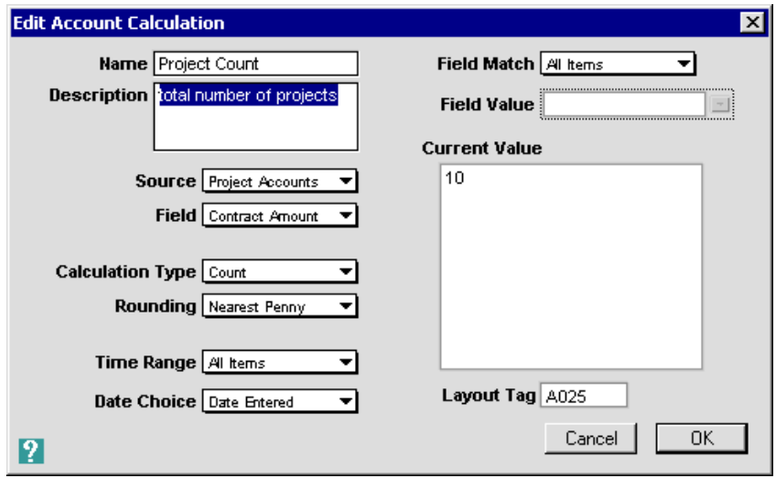
7. Leave the other fields the same. When you have finished, click OK.

Number of Projects

To create a calculator that displays the number of projects, follow these steps:

1. If you closed the Account Calculation window, choose Calculations from the Options menu, then choose Accounts from the submenu.
2. Click the New button.
3. Enter a name, and any comments you have.
4. Choose Projects from the Source popup menu.
5. Choose Contract Amount from the Field popup menu.
6. Choose Count as a Calculation Type.

   HINT: As you change the calculator, you'll see the current value.

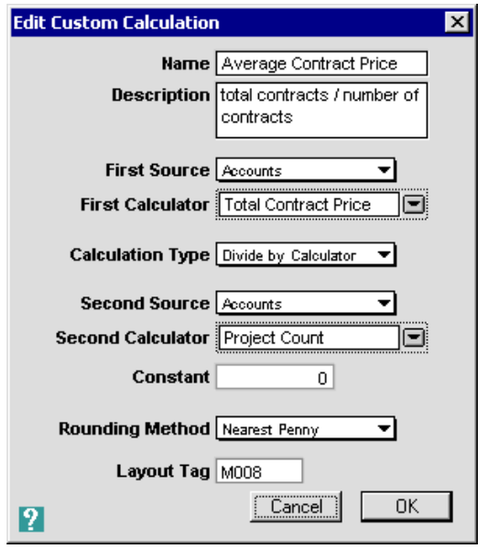


7. Leave the other fields the same. When you have finished, click OK.
8. Click the Close button to close the list of Account Calculations.

Average Contract Amount

To create a calculator that computes the average contract price from the two previous calculations, follow these steps:

1. Choose Calculations from the Options menu, then choose Custom from the submenu.
2. You'll see a list of custom calculators. Click the New button.
3. Enter a name, and any comments you have.
4. Enter Accounts for the First Source.
5. Enter the first calculator you made into the First Calculator field.
6. Enter Divide by Calculator into the Calculation Type field.
7. Enter Accounts for the Second Source.
8. Enter the second calculator you made into the Second Calculator field.



9. You can leave the other fields the same. When you have finished, click OK.
10. To leave the list of calculators, click the Done button.

Using a Calculator

To use a calculator, add it to a report layout (see Lesson 22).

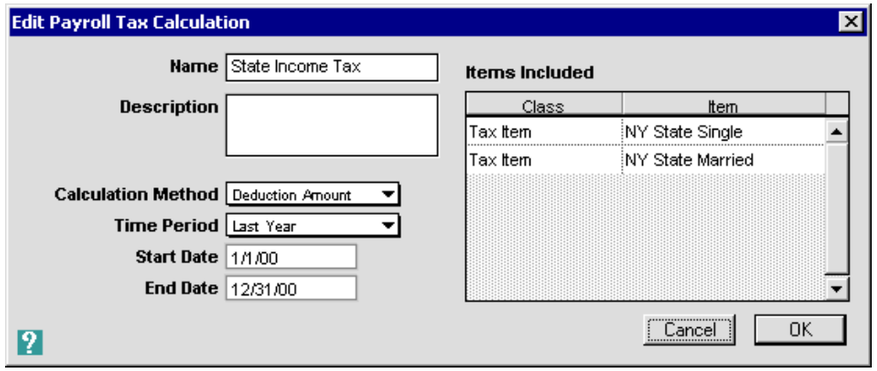
When you view that report via the Reports menu, the calculator will fill in a value based on the current data in your company file, and the current conditions you've entered at the top of the report window.

Payroll Tax Calculator

Goldenseal provides special calculators for payroll taxes. You can assign them to wage rates, tax items or benefit items. They will calculate totals for an employee, and fill in a number for W-2 and other payroll reports.

To create a new payroll tax report field, follow these steps:

1. Choose Payroll Setup from the Costs menu, then choose Tax Report Fields from the submenu.
2. Click the New button.



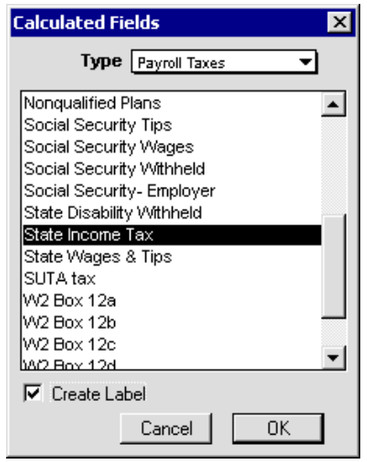
3. Enter a name for the tax report field. You can also enter a brief description for it.
4. Enter calculation details.
5. If this item takes values for certain taxes, benefits or wage rates, enter them into the Items Included table.
6. Click OK.

Using in Reports

To use a tax report field in a payroll report, follow these steps:

1. Choose Custom Layouts from the Options menu, then choose Reports from the submenu.
2. Enter Payroll into the Area popup menu at the upper right corner of the window.
3. Choose a report from the Report popup menu.
4. Click on the Calculator tool (beneath the Oval tool).

5. Click in the layout at one corner of where you'd like the new field to be located, and drag to the opposite corner.



6. You'll see a dialog to choose a calculated field. Choose Payroll Tax Fields in the Calculation Type popup menu— Goldenseal will show you a list of all tax report fields.
7. Choose a tax report field from the list, then click OK.
8. The tax report field will be added to the layout at the selected location.

Other Calculators

Goldenseal includes several other classes of calculators that you can use to put custom values into reports and printed forms.

Use any of the following:

Breakdown Calculations— Get values from transaction breakdown items.

List Calculations— Get values from list records.

Transaction Calculations— Get values from any class of transaction.

Income Tax Calculations— Calculated values for income tax reports, (similar to payroll tax calculators).

Utility Account Calculators— Get values from utility accounts.

EXAMPLE: Most of the calculators in the Income Statement are Utility Account calculators.

Some calculators also fill in Dimension values for your estimates— those have already been covered in Lesson 23.

Finishing Up

This is the last Lesson. You're done! You now know everything you might ever need to know about Goldenseal, chic hats, gargoyles, duct tape, and even about life.

NOTE: And you probably thought Goldenseal was just an estimating and accounting program.

Now is definitely a good time for a break. Maybe it's even time for a vacation.

Have you ever thought about someplace exotic?

How about Tuva, in the center of Asia, where the musical instruments are all made from horse body parts and people throat-sing? Not a McDonald's within a thousand miles.

Or then again, you might prefer the Mall of the Millennium in Mormolu, Missouri. Five McDonald's all under one roof, and free souvenir glasses for anyone who eats at all five in a single day.

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Getting Started on Your Own

Now that you have completed the ABC's of Goldenseal, you are ready to start using it to run your own company.

To do so, follow these steps:

1. Open one of the Starter Files.
2. Import data from your existing records.
3. (Optional) import Goldenseal data for payroll or unit costs.
4. Set up lists, category systems and other basic information.
5. Start creating transaction records.

Check the Getting Started On Your Own section in the Goldenseal Estimating manual for some setup hints. This section covers some additional setup items that apply only to the accounting portions of Goldenseal.

Account Setup

You'll need to set up some accounts before you can enter any business records into Goldenseal. Most people enter just the accounts that the need for their first few transactions, and then keep entering accounts as they need them.

> ***HINT:*** After a month or two, you won't need to spend so much time setting up!

If you already have data in Quicken or QuickBooks, you can export your data from those programs and then import accounts and lists into Goldenseal. For more about that, check our website at www.turtlesoft.com (click the Site Map button, then click the QuickBooks link).

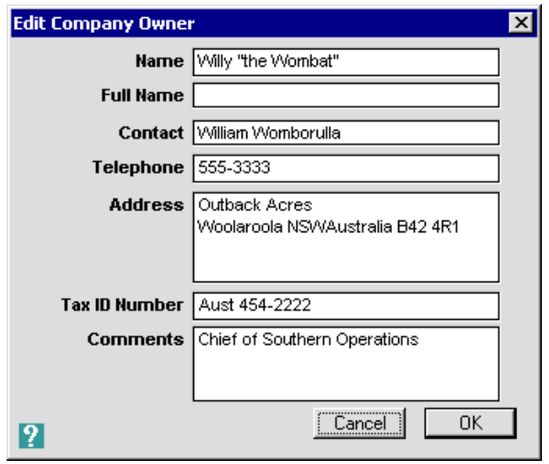
If you already have data in another program, you can probably import your data into Goldenseal so you don't have to retype everything. See Lesson 25 in the Getting Started with Estimating manual for more about importing.

Owner Equity

If you have a sole proprietorship, or if only one person owns your entire company, you can skip this section.

To set up ownership shares in Goldenseal when more than one person owns a share of the business, follow these steps:

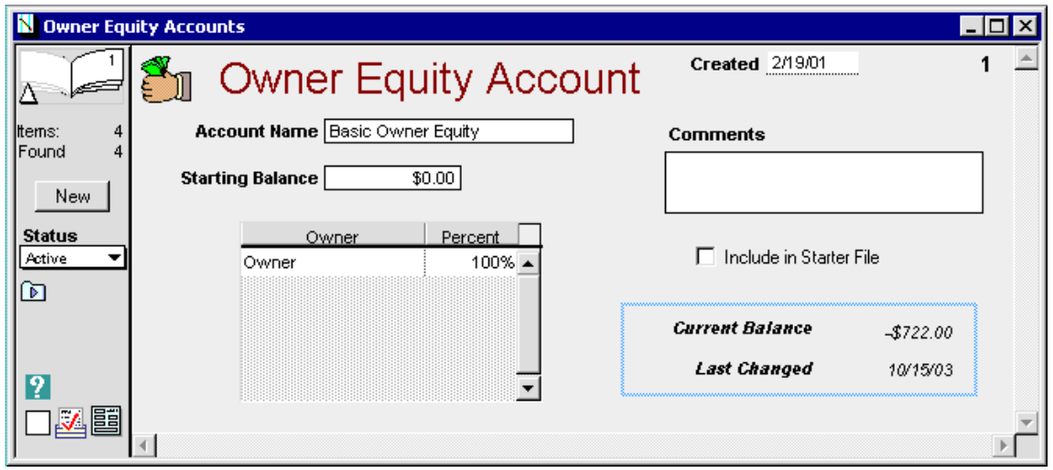
1. Choose Other Lists from the Options menu, then choose Owners from the submenu.
2. Select an existing owner and click Edit, or click the New button.



3. Enter information about the owner (a person, partnership or corporation).
4. Click OK.
5. Repeat steps 2 to 4 for each owner. When you are finished, click the Done button.

To allocate ownership shares, follow these steps:

1. Choose Liability Accounts from the Accounts menu, then choose Owner Equity from the submenu.
2. Click the New button.



3. Enter the first owner into the first row of the Owner breakdown table. Also enter their percentage of ownership.
4. Press the Return key, and enter the next owner and their percentage.
5. Repeat step 4 until all owners are entered.
6. If you use more than one way to divide profits or ownership, click the New button, and repeat steps 3 to 5.

   NOTE: Goldenseal 1.0 does not track equity for multiple owners, but that feature will be added in a later upgrade.

Payroll Setup

Goldenseal includes payroll withholding tables for all US states and Canadian provinces. You can install them from the program CD, or download them from our website at the beginning of each new year (there is no charge for this service).

To import state payroll from the CD, follow these steps:

1. Open your company file.
2. Choose Import from the File menu, and choose Payroll Update from the submenu.
3. You'll see a 'file navigation' dialog to choose a file. Select your Local Disk (C:/ drive), then open the Program Files folder, then open the Goldenseal folder, then open the Payroll Files folder.

4. Open either the Canada Payroll folder or the US Payroll folder, and then select the file for your state or province.
5. Goldenseal will load in the tax tables for your state.

Updating from our Website

To load the latest state payroll from our website, follow these steps:

1. Click on the Start button, and choose Programs from the menu.
2. Select Internet Explorer or some other web browser.
3. Go to http://www.turtlesoft.com.
4. Click the Users button at the top of the window.
5. Click on the link to the current state payroll files.
6. Goldenseal will save a compressed .zip file onto your hard drive. You can save the file in the My Documents folder, or anywhere else on your hard drive.
7. Double-click on the .zip file to decompress it.

To import the latest state payroll into your company file, follow these steps:

1. Open your company file.
2. Choose Import from the File menu, and choose Payroll Update from the submenu.
3. You'll see a 'file navigation' dialog to choose a file. Go to the same location where you saved the download file, open the payroll folder, and select the file for your state or province.
4. Goldenseal will load in the tax tables for your state.

Viewing Payroll Info

To see the imported tax info for your state, follow these steps:

1. Open your company file.
2. Choose Payroll Setup from the Costs menu, and choose Tax Items from the submenu.
3. You should see one or more tax items for your state or province.

For info about starting payroll in mid-year, see page 402.

Entering Records

Once you have set up accounts and lists, you can start entering business transactions into Goldenseal.

Where To Start

You skip any parts of Goldenseal that don't apply to your business, and you can start with whatever is most convenient or most urgent.

The following sections describe the most convenient way to start with each part of MacNail.

Expenses

A good way to start entering expenses into Goldenseal is as follows:

1. Set up cost accounts— equipment, material, subcontractor and other cost accounts.
2. Set up the bank accounts that you use to pay for expenses.
3. If you want to track job costs right away, set up job accounts (customers, overhead and projects) and cost categories.
4. Enter lists— vendor sales tax and vendor payment terms.
4. Start entering expense transactions— equipment hours, material purchases, subcontractor bills and other cost transactions.
5. Use the Pay Bills command to pay vendor bills, as they come due.

Payroll

A good way to start entering payroll costs into Goldenseal is as follows:

1. Set up employee accounts.
2. Enter lists— wage rates, tax items, tax packages, benefit items, benefit packages, and other items under the Payroll Setup command.
3. Set up the bank accounts that you use for writing paychecks.
4. If you want to track job costs right away, set up job accounts (customers, overhead and projects) and cost categories.
5. Enter employee hours.
6. Use the Write Payroll command to handle payroll.

Projects

A good way to start entering project data into Goldenseal is as follows:

1. Set up customer accounts for the people paying for project work.
2. Set up an estimate for each project that has a budget.
3. Set up project accounts.
4. Enter lists— project payment terms, draw schedules, and other choices under the Income Setup command.
5. If you want to track job costs or do time and materials billing, set up cost accounts (equipment, material, subcontractor and other cost) and cost categories, and then start entering expenses and labor hours (see the previous two sections).
6. To make draw schedule or progress payment bills, use the Billing commands.
7. To track project logistics, enter Project Log, Punch List, Change Orders, Appointment, and Transmittal records.

Sales

A good way to start entering sale data into Goldenseal is as follows:

1. Set up customer accounts for each of your customers.
2. Enter lists— job sales tax, delivery methods, discounts, customer payment terms, and other choices under the Income Setup command.
3. Start entering sales.
4. Use the Deposit Funds command to deposit sales income.

Rentals

A good way to start entering rental data into Goldenseal is as follows:

1. Set up customer accounts for each of your tenants.
2. Set up Real Estate accounts for each of your properties.
3. Enter rental payment terms.
4. Create Lease transactions for each tenant.
5. Start entering Rental Transactions.

When To Start with Goldenseal

You can start using Goldenseal at any time.

Starting Date

Pick a day when you will officially start using Goldenseal.

You may want to start at the beginning of a year, quarter or month, but there is no requirement that you do so.

Starting Balances

Enter your best estimate of the starting balance for each bank account— the amount that is in the account on the day when you start using Goldenseal.

When you get your next bank statement, you can reconcile the account, and adjust the starting balance or 'trial balance' if needed.

Prior Job Costs

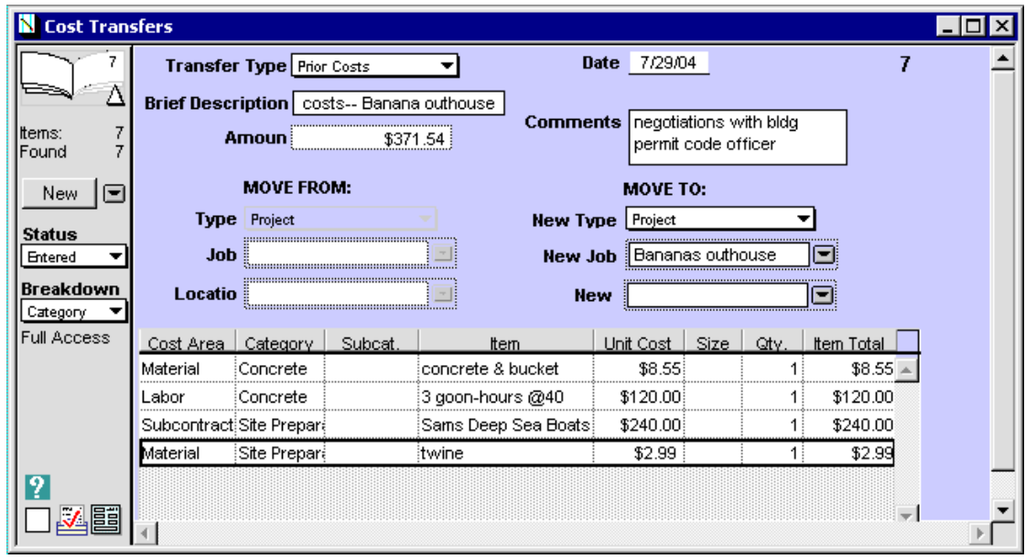
If you have projects underway when you start using Goldenseal, you can enter prior job cost information for them. That allows you to get a more accurate picture of the total project cost.

To include prior expenses, enter them into expense transactions (Equipment Log, Labor Log, Purchases, Subcontractor Bills, Other Costs). Use Job Cost Only as a status. Goldenseal will use the cost information for job costing, but it will not affect Accounts Payable.

> ***HINT:*** You can enter estimated costs, if you don't know the exact amounts.

You can also use a Cost Transfer to enter costs that you have already spent on a project. To do so, follow these steps:

1. Choose Special Transfers from the Accounts menu, then choose Cost Transfers from the submenu.
2. Click the New button.
3. Enter Prior Costs into the Transfer Type popup menu.
4. Enter the project into the Move To fields.
5. To enter multiple costs at one time, enter Category into the Breakdown popup menu (or enter Items if you want to enter specific cost items).



6. Enter specific costs into the breakdown table.

Prior Project Income

To include prior project income, enter payments amounts into Bank Deposit transactions, and use Job Cost Only as a status. Goldenseal will credit the income to the job, but it won't affect the account balance.

Mid-Year Payroll

When you start in the middle of the year, there are three ways to handle payroll— you can go back and enter all payroll hours starting at the first of the year, you can 'cheat' and enter year-to-date totals directly into a single record, or you can just start at mid-year and ignore year-to-date amounts.

Getting Started

Before you enter previous payroll, follow these steps so you can change payroll withholding amounts to match what you actually deducted:

1. Choose Preferences from the Options menu, and choose Expenses from the submenu.
2. Turn on the Allow Payroll Deduction Changes checkbox.
3. Click OK.

Entering All Hours

The most accurate way to start payroll in mid-year is to enter information right from the first of the year. That will also give you more accurate job cost information.

To do so, follow these steps:

1. Set up payroll deductions, wage rates and other payroll information for each employee (see Lesson 45). If an employee's status changed during the year, start out with their setup from the first of the year.
2. Choose Labor Hours from the Costs menu.
3. Click the New button, and enter hours from the first pay period for each employee.

   HINT: You may need to create several records, if the employee worked on more than one job during the pay period.
4. Choose Write Payroll from the Costs menu. Goldenseal will show you the computed wages and deductions (see Lesson 46). They may not be correct, but for now you can ignore any differences.
5. Click the Write Payroll button. Don't enter a bank account, so Goldenseal will skip the actual paychecks.
6. Goldenseal will create a payroll record for each employee.
7. In the payroll record, choose Wages from the Breakdown popup menu. You can adjust overtime hours if needed.
8. Choose Deductions from the Breakdown popup menu. If you used the 'lookup tables' in the tax table, you'll probably need to change the withholding amounts. Click in the Amount column and type in the amount you actually withheld.
9. Repeat step 8 for employer taxes, category taxes and benefits.
10. Repeat steps 7 to 9 for each employee.
11. Repeat steps 2 to 10 for each pay period.

    NOTE: If any taxes or wage rates changed during the year, make the change when you get to the appropriate pay period.

Entering Combined Year-To-Date Amounts

A quicker way to enter mid-year payroll is to put all year-to-date totals into a single payroll record.

To do so, follow these steps:

1. Set up payroll deductions, wage rates and other payroll information for each employee (see Lesson 28).
2. Create a Labor Hours record for each employee. Enter the total number of hours they worked— starting in the first pay period with a payday in the current year, and ending in the last pay period before you start using Goldenseal. If the employee worked at more than one wage rate, enter multiple records, and enter the hours they worked at each rate.
3. Choose Payroll Records from the Costs menu.
4. Click the New button.
5. Enter an employee into the Employee field.
6. Choose YTD Only from the Status popup menu.
7. Choose Wages from the Breakdown popup menu. Goldenseal will show you the year-to-date gross wages for the employee.
8. Adjust the overtime amount so the total wages are correct.
9. Choose Deductions from the Breakdown popup menu. You'll see a list of employee withholding items.
10. If the calculated deductions are not correct, enter the correct year-to-date figures for each deduction into the Amount column.

    HINT: It's normal for most taxes to be calculated incorrectly when you do a whole year at once, since the wage brackets are thrown off when you combine pay periods.
11. Choose Employer Taxes from the Breakdown popup menu, and fill in year-to-date figures for employer taxes.
12. If you calculate some taxes based on the work being done, choose

Category Taxes from the Breakdown popup menu and fill in year-to-date amounts.

13. Choose Benefits from the Breakdown popup menu and fill in year-to-date amounts.
14. Repeat steps 4 to 13 for each employee.

Ignoring Payroll Year-To-Date

The easiest way to start payroll in mid-year is to just start, and ignore year-to-date totals. You may want to consider doing that if you are starting very late in the year.

To do so, follow these steps:

1. Set up the current payroll deductions, wage rates and other payroll information for each employee (see Lesson 28)
2. Choose Labor Hours from the Costs menu.
3. Click the New button, and enter hours for the current pay period for each employee (see Lesson 29).
4. Choose Write Payroll from the Costs menu. Check the figures, and then click the Write Payroll button to create payroll records.
5. If there is withholding or employer taxes that 'cut off' at a certain amount, you'll need to adjust the deduction amounts if they are currently over the limit.

Index

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