

# ATM Process – Lodge owns / operates the ATM

Let’s take a look at what happens with the money, where it actually is, and what the Administrator has to do to keep QuickBooks matching reality. When the Lodge owns the ATM and puts money into it, they have cash tied up in the machine. When someone withdraws money from the Lodge’s ATM, that cash is subtracted from the total, so there is less money in the machine. When the member’s bank repays the withdrawal, they direct deposit the money into the Lodge Checking Account. We need a way to show that the money is no longer in the ATM, and then show the money has gone into our checking account without being treated as new income.

## Processing the Withdrawal from the machine and the Deposit into Checking

You should create several new accounts:

The image shows a screenshot of the QuickBooks Online interface. On the left is a dark navigation sidebar with the following items: Overview, Month-end review, Dashboard (with a right arrow), Banking (with a right arrow), Sales (with a right arrow), Cash flow (with a right arrow), Expenses (with a right arrow), Payroll (with a right arrow), Time, Reports (with a right arrow), Taxes, Mileage, Accounting (with a right arrow), and My accountant. A yellow arrow points from the 'Accounting' menu item to the 'Accounting' section of the main content area. The 'Accounting' section has a sub-menu with 'Chart of accounts' (highlighted with a green underline) and 'Reconcile'. Below this, there is a 'Chart of Accounts' window with a 'Run Report' button and a green 'New' button with a dropdown arrow. A second yellow arrow points from the text 'From the Chart of accounts window select “New”' to the 'New' button.

From the Dashboard select “Accounting” then “Chart of accounts”

From the Chart of accounts window select “New”

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1030.00 – ATM Cash (Sub-Account of 1000.00 CASH)  
The amount in the ATM Machine.



Save and close.

The screenshot shows the 'Account' creation window in QuickBooks. The 'Account Type' is set to 'Accounts receivable (A/R)'. The 'Detail Type' is 'Accounts Receivable (A/R)'. The 'Name' is 'ATM Receivables', the 'Number' is '1130.00', and the 'Description' is 'ATM Receivables'. The 'Is sub-account' checkbox is checked, and the parent account is '1100.00 Receivables'. A help box on the left explains that Accounts receivable tracks money that customers owe you for products or services, and payments customers make. It also notes that QuickBooks Online Advanced automatically creates one Accounts receivable account for you, and that each customer has a register which functions like an Accounts receivable account for each customer. At the bottom, there are 'Cancel' and 'Save and Close' buttons.

1130.00 – ATM Receivables (Sub-Account of 1100.00 Receivables) The Amount the Credit/Debit Card companies owe us.



Save and close.

The screenshot shows the 'Account' creation window in QuickBooks. The 'Account Type' is set to 'Bank'. The 'Detail Type' is 'Cash on hand'. The 'Name' is 'ATM Cash', the 'Number' is '1030.00', and the 'Description' is 'ATM Cash'. The 'Is sub-account' checkbox is checked, and the parent account is '1000.00 Cash'. A help box on the left explains that a Cash on hand account is used to track cash your company keeps for occasional expenses, also called petty cash. It also notes that to track cash from sales that have not been deposited yet, a pre-created account called Undeposited funds should be used instead. At the bottom, there are 'Cancel' and 'Save and Close' buttons.

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4630.00 – ATM Fees (Sub-Account of 4600.00 Other Income) The amount we charge for using our ATM/Cash.

**Account**

Account Type: Income

\* Name: ATM Fees

\* Detail Type: Service/Fee Income

Number: 4630.00

Description: ATM Fees

Is sub-account

4600.00 Other Income

Use **Service/fee income** to track income from services you perform or ordinary usage fees you charge.

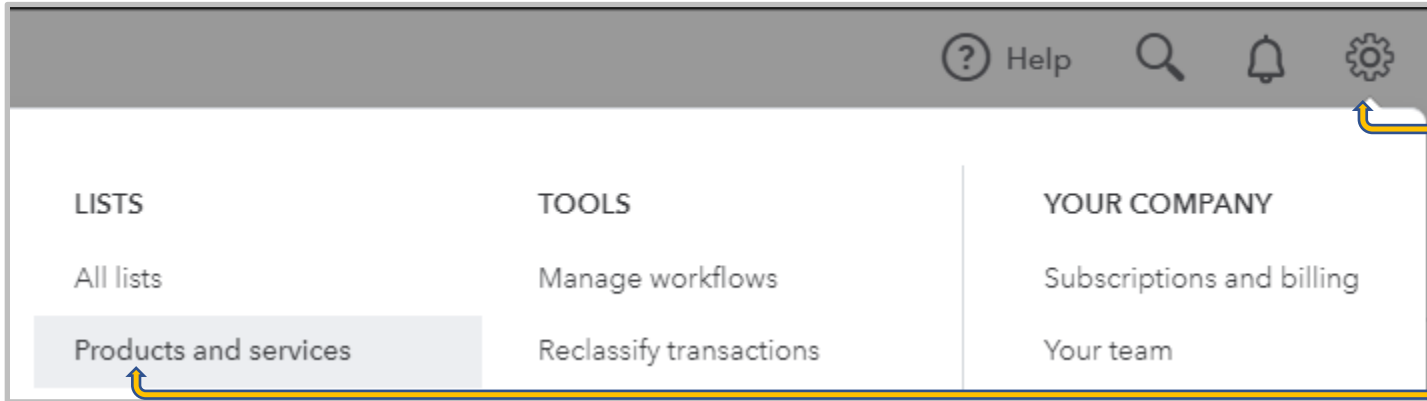
For fees customers pay you for late payments or other uncommon situations, use an Other Income account type called **Other miscellaneous income**, instead.

Cancel Save and Close

Save and close.

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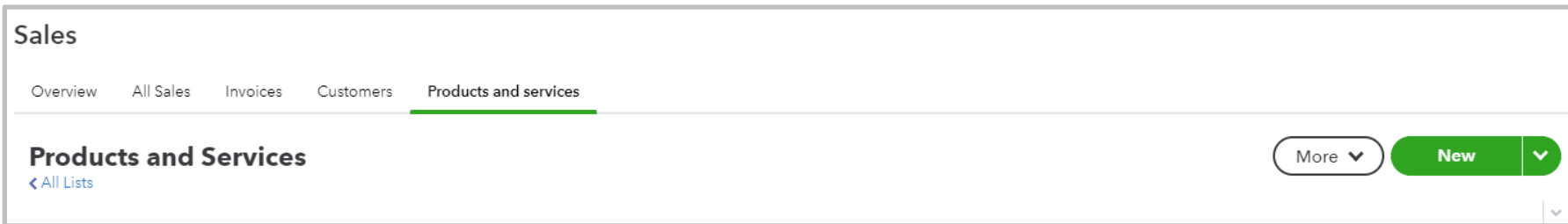
You'll also need to create new Items;



From the right side of the screen choose the GEAR icon.

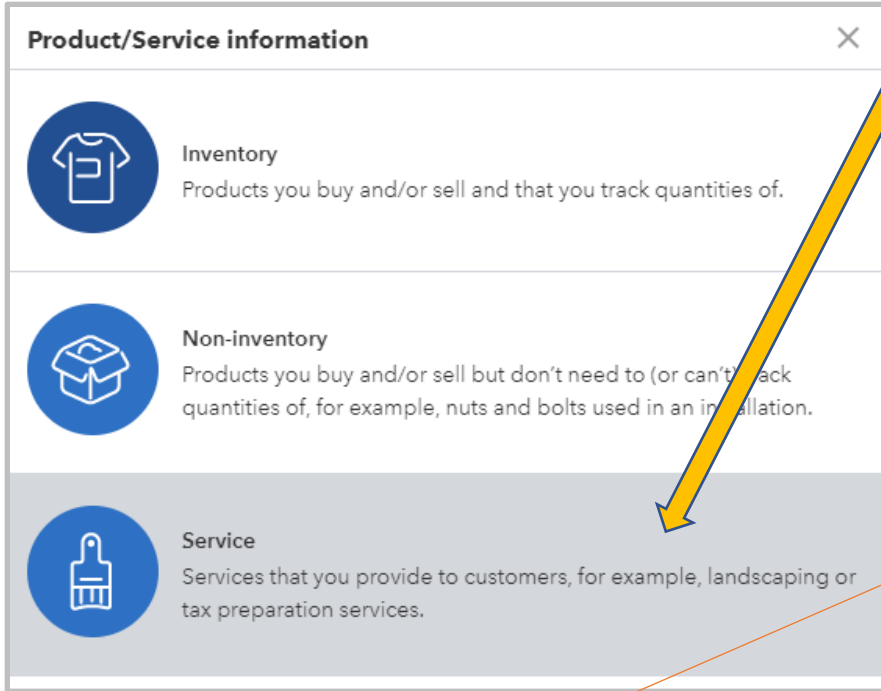
With the new menu pop-up choose “Products and services” under the “LIST” category.

Next window will List all the Products and Services already in your Quickbooks Online, which gives you the opportunity to check and see if the two ITEMS we are adding are already in your version of Quickbooks Online.



Select the “NEW” button.

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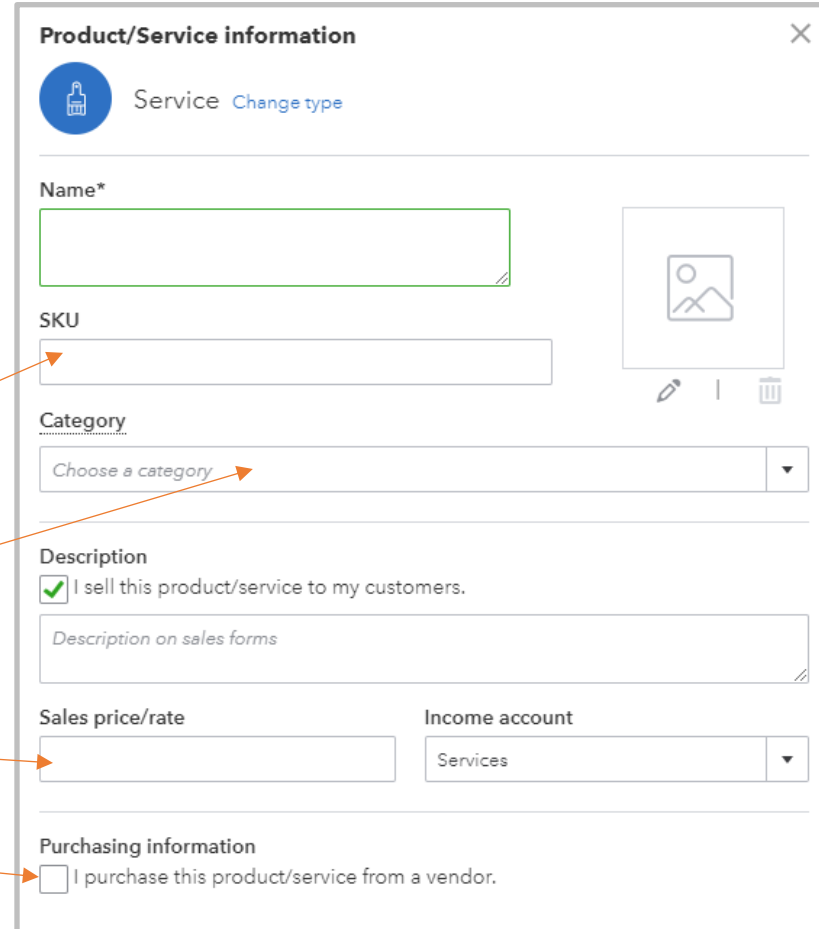


**Product/Service information**

- Inventory**  
Products you buy and/or sell and that you track quantities of.
- Non-inventory**  
Products you buy and/or sell but don't need to (or can't) track quantities of, for example, nuts and bolts used in an installation.
- Service**  
Services that you provide to customers, for example, landscaping or tax preparation services.

A yellow arrow points from the 'Service' option to the right-hand form.

For every ITEM we have, their type should be “Service”.



**Product/Service information**

**Service** [Change type](#)

**Name\***

**SKU**

**Category**  
Choose a category

**Description**  
 I sell this product/service to my customers.  
Description on sales forms

**Sales price/rate**      **Income account**  
Services

**Purchasing information**  
 I purchase this product/service from a vendor.

Orange arrows point from the text below to the 'SKU', 'Category', 'Sales price/rate', and 'Purchasing information' fields.

On the Product/Service Information screen we never fill in “SKU”, “Category”, “Sales price/rate” and never check the box “I purchase this product/service from a vendor”

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1130 ATM Receivables (Other Charge; Tied to 1030.00 so \$ are deducted from ATM Cash)

4630 ATM Fees (Other Charge; Tied to 4630.00 so fees are entered as income)

### Example Scenario

The Lodge ATM holds \$3000 Cash all in \$20.00 bills. During a day's business, members use their cards to withdraw money, to a total of \$1220.00. When a member swipes his card and withdraws money, the ATM sends a message to that member's bank that they need to remit that cash amount plus our fee to the Lodge's Checking Account.

When the Administrator pulls the ATM report it says there were ten withdrawals = \$1220.00 and that \$1780.00 remains in the ATM. The Admin creates an Invoice for the \$1220.00, using the Item 1030, plus the \$1 fee we charge for each transaction the use of the ATM using Item 4630. In this case there were 10 transactions so we would invoice the total of \$1230.00.

The ATM balance 1030.00 now shows \$1780, and AR 1130.00 shows that we are owed \$1230. Balance Sheet has not changed. The P&L will reflect a fee amount of \$10 in account 4630.00.

### Entering the payments

When the member's banks transfer the \$1230 into our checking account, we have the money in our bank, but we still need to get it into the proper QuickBooks account. We go to Receive Payments in the Customer window, and find the matching invoice, and mark it paid, by entering the Paid Amount. Make sure the proper AR Account is selected, 1130.00. It will default to 1100.00, the parent account. This will create an entry into 1199.00 – Undeposited Funds, for the amount you enter in the Amount box of the Payment Form.

Since the money is already in the bank, we need to show that it is there in QuickBooks also. Select Record Deposits, and make the deposit into the Checking Account 1005.00. There may be deposits waiting if you have Social Quarters deposits that have not been taken to the bank yet. Make sure you only select the deposits that have been direct deposited into your bank account. Make sure the Date and the Deposit To account are correct and click Save & Close.

## **ATM Process – Lodge owns / operates the ATM**

Our Balance Sheet shows only \$1220.00 has been withdrawn from the ATM Cash, leaving a balance of \$1780.00. The ATM Receivables was \$1230.00, which included the money withdrawn and the \$10.00 in fees we charge for using the machine. That full amount shows as having been paid. And our P&L shows the \$10.00 in fees we collected from ATM users.

### **Partial Payments**

Not all of our members use the same bank or card to access the ATM, so we are expecting the money to come from several different sources, and it might not all get to our bank on the same day. Banks have up to 3 days to process most of these transactions. If you check your bank account and find that not all of the invoiced amount has been posted into your bank, you can make a partial payment. Say only 8 of the withdrawals and fees have been repaid to your account. You can “Receive Payment for less than the full amount. You will have \$928 in your bank that needs to be entered in QuickBooks as being in the checking account. In the Amount window enter the \$928.00. A notice will appear in the lower left of the Receive Payments Window that asks what you want to do with the underpayment.

Check the button that says “Leave this as an underpayment” and you can come back to this when the payments do post in your bank account.

When the remaining amount of the cash is deposited into your account, use the Receive Payments window to find the correct amount, enter the correct amount of the payment in the “Amount” window and make sure the correct payment is checked. Make sure you Record Deposit after each of these partial payments to show the money is in your account.

### **Replenishing the ATM Cash**

Write a check to replenish the cash in the ATM. Go to the Banking menu and click Write Checks. In the “Pay to the Order” of field, Write the Lodge’s name and number. In the Expenses Tab enter the ATM account 1030.00 and the dollar amount that you are replenishing. In the memo field enter “Replenish ATM”. Cash the check at the bank, making sure you ask for the denominations you use in the ATM. Back at the lodge, put the cash into the ATM machine using the procedures for your particular model.

Now the Balance Sheet shows that the ATM once again has \$3000.

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