

HOW TO HANDLE “START UP” CASH

Some events will require “start up cash” for the cash register/money box.

Example: *Sunshine Elementary PTA is running a spirit-wear sales table at Open House night. Phoebe Hearst is the spirit-wear chair. She needs \$100.00 in startup cash. At the end of Open House they have sold \$425 of spirit wear, so there is \$525 total in the money box.*

Here’s what happens in the real world:

1. Funds are released by vote of the association.
2. “Request for Advance/Payment Authorization” form is filled out by spirit-wear chair Phoebe Hearst and submitted to the treasurer.
3. Request for Advance is approved; president and secretary sign authorization form.
4. Treasurer Issues a check for \$100.00 made payable to Phoebe Hearst for the cash bank. *(Check is assigned to the asset category “Cash in Hand”* - see below for details.)*
5. Phoebe goes to the bank, cashes the check, and brings the money to school.
6. The cash is counted and the left-hand side of BCPTA’s “Start Up Cash Tracking/Verification” form is filled out and signed by TWO PTA members. The chair verifies the count and signs form and cash is locked in the safe. Tamper evident measures are taken.
7. This cash is to be kept in a locked cash box with the cash tracking form. The cash is used for the spirit-wear table only.
8. After the event, \$100 is pulled out of the sales proceeds and the right-hand side of BCPTA’s “Start Up Cash Tracking/Verification” form is filled out for the return of the startup cash. A separate (regular) cash verification form is filled out for the \$425 in spirit wear sales. Two PTA members count the money, and forms are filled out and signed. Copies of the cash verification forms are given to the counters and the chair.
9. Financial Secretary verifies the count and signs the bottom right of both CV forms.
10. At the bank, the \$100 in start up cash is deposited separately from the \$425 in spirit-wear sales.
11. After making the deposit, FS gives original CV and deposit receipt to treasurer, keeps copy of CV and deposit receipt for their own records.

Here’s what happens in MyPTEZ:

FIRST - TREASURER makes sure that the “Cash in Hand” asset category is marked ACTIVE.

STEP ONE: TREASURER “writes the check” in MyPTEZ and assigns it to the asset category called “Cash in Hand”.

1. Go to **Checks/Write New Check**
2. Select correct bank account (“Checking”*)
3. Enter date of check
4. For “Payable To” enter name of person to whom check is made payable (in this case, “Hearst, Phoebe”)
5. Enter check amount – in this case, \$100.00
6. Verify that the check number is correct
7. **ALWAYS WRITE A DESCRIPTIVE MEMO!** In this case it could be “start up money for spirit-wear table”
8. Enter Category as “Cash in Hand”*
9. Click “Save”

STEP TWO: When the money is returned (with its separate Cash Verification form,) FINANCIAL SECRETARY ENTERS RECEIPT into MyPTEZ

1. Go to **Receipts/Write New Receipt**
2. Enter the date the money was returned to the bank
3. In the “From” box enter the name of person (in this example, “Hearst, Phoebe”)
4. **ALWAYS ENTER A DESCRIPTIVE MEMO!** In this case it could be “return of start up money for spirit-wear table”
5. Under Category type choose “Cash in Hand”* – enter \$100.00; click “Add”
6. Select Cash; enter \$100.00
7. Click “Save

At this point the Financial secretary will also enter a separate receipt for the money from the spirit wear sales, but on that receipt the monies will be assigned to the “Spirit Wear Income”* category.

STEP THREE: When Treasurer sees the deposit of the start up money has cleared, TREASURER deposits the receipt in MyPTEZ

1. Go to **Receipts/Make Deposit**
2. Check the box next to the receipt
3. Click “Ok”
4. You are taken to a new “Make Deposit” screen – verify that the deposit amount matches the actual deposit.
5. Enter date of deposit at bank.
6. Enter descriptive memo – in this case it could be “deposit of returned start up money – spirit wear table”
7. Enter the name of the bank account, e.g., “Checking”*
8. Click “Save”

At this point the Treasurer will also make a separate deposit for the money from the spirit wear sales, but on that deposit the description will note that it is Spirit Wear Table sales.

*Please note that **your** category names might be slightly different than the category names in the example here. **Treasurers should go over the Category List with Financial Secretaries to make sure they are using the same categories for the same things.***

Q: Why use a separate Cash Verification form and do a separate receipt and separate deposit at the bank? I’m bringing all the money to the bank at the same time. Can’t I just deposit the start up cash together with my sales proceeds?

A: Separating out the start up money means you have an accurate accounting of your actual sales proceeds for the event. Treating the start up money separately makes it easy to see that all the cash was returned and that there was no mishandling of monies.

Q: Why can't I use "Cash Box expense"* and a "Cash box income"* as categories instead of using "Cash in Hand"*?

A: "Cash in Hand"* is an ASSET account; think of it like a cash account where you temporarily place the start up money while it's being used . Assigning the money to "Cash in Hand"* means that the start up money is not ever coded as an income or expense, so it won't affect your profit & loss. Which means you won't be accidentally adding to your gross revenue by treating the return of the money as income.

You must remember to use the "Cash in Hand"* as the category for BOTH the check AND the receipt. After all is said and done, "Cash in Hand" should end up back at a \$0 total. And because the money came out of checking and went back into checking, there is also \$0 impact on the checking account.

Questions? Contact your Council Financial Team– we are here to help!

Recording Check for Start Up Cash

The screenshot shows the 'Write New Check' form in the myptez system. Red arrows point to the following fields and actions:

- Bank Account:** Set to 'Checking'.
- Payment Date:** Set to '04/13/2021'.
- Payable To:** 'Hearst, Phoebe A.' (with a callout box: 'DESCRIPTIVE MEMO').
- Amount:** '\$ 100.00' (with a callout box: 'VERIFY CHECK # IS CORRECT').
- Check No.:** '4041' (with a callout box: 'VERIFY CHECK # IS CORRECT').
- Memo:** 'start up cash for spirit wear table' (with a callout box: 'DESCRIPTIVE MEMO').
- Expenses Table:**

Category	Amount
Cash in hand	\$100.00

(with a callout box: 'ENTER "Cash in Hand" as CATEGORY')
- Buttons:** 'Find Check', 'Previous', 'Next', 'Void', 'Print Copy', 'New Check', and 'Save' (with a callout box: 'Save').

Recording receipt (for return of start up cash only)

Write New Receipt

Date: 04/15/2021 Printed? Number: 121419h

From: Hearst, Phoebe A.

Memo: return of start up cash for spirit wear table

DESCRIPTIVE MEMO

Products

Categories

Category: Cash in hand Name: Amount: \$ 100.00

Memo	Qty	Price	Tax	Total
Cash in hand				\$100.00

Once you click "ADD" the category and amount will show in this section.

Total: \$100.00

Card payments are for your record keeping only when entered here

Payments

Type	Name	Number	Amount
CASH			\$100.00

Total: \$100.00

Receipts for Deposit Screen

Receipts to Deposit

Date	Rcpt No	From	Method	No	Name on Check	Amount
<input type="checkbox"/> 01/21/2021	121407h	TOTEM	Cash			105.50
<input checked="" type="checkbox"/> 04/15/2021	121419h	Hearst, Phoebe A.	Cash			100.00

Payments Details

Total Checks: \$0.00 Total Cash: \$100.00 Total Deposit: \$100.00

SELECT THE RECEIPT TO DEPOSIT

CLICK "OK" TO GO TO THE "MAKE DEPOSIT" SCREEN

Entering the Deposit (for return of start up cash only)

DESCRIPTIVE MEMO

Date: 04/15/2021
 Deposit To: Checking
 Memo: deposit of start up cash returned from spirit wear table

Date	Rcpt No	From	Method	No	Name on Check	Amount
04/15/2021	121419h	Hearst, Phoebe A.	Cash			100.00

The information in this section will already be filled in from the receipt.

Total Checks: \$0.00 Total Cash: \$100.00 Total Deposit: \$100.00
 Actual Checks: \$0.00 Actual Cash: \$100.00 Actual Deposit: \$100.00

Save Deposit

No net impact on Cash in Hand or Checking account

New PTAEZ Demo

Account Statement Report - Cash in hand
 From July 1, 2020 to April 16, 2021

Date	Number	Type	Description	Name	Notes	Amount	Balance
07/01/2020			Balance Forward				\$ 0.00
04/13/2021	4041	CHECK	start up cash for spirit wear table	Hearst, Phoebe A.		100.00	100.00
04/15/2021	121419h	RECEIPT	return of start up cash for spirit wear table	Hearst, Phoebe A.	Cash in hand	(100.00)	0.00
						\$ 0.00	\$ 0.00

\$0 net impact on Cash in Hand

New PTAEZ Demo

Account Statement Report - Checking
 From April 11, 2021 to April 16, 2021

Date	Number	Type	Description	Name	Notes	Amount	Balance
04/11/2021			Balance Forward				\$ 33,350.67
04/13/2021	4041	CHECK	start up cash for spirit wear table	Hearst, Phoebe A.		(100.00)	33,050.67
04/15/2021		DEPOSIT	deposit of start up cash returned from spirit wear table	deposit of start up cash returned from spirit wear table		100.00	33,350.67
						\$ 0.00	\$ 33,350.67

\$0 net impact on Checking

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