



Transfer Money To/From Reserve Account

Property Management Solutions for Over 30 Years

Overview

This procedure is designed for associations that have a reserve bank account and want the money in that account to not be reflected in the Operating funds of the association on their reports.

One Time

- Set up a bank account in <<Setup, Account Codes>>
- Set up a Reserve Equity account in <<Setup, Account Codes>> with an [Account Type] of Equity.

Reserve Bank Account [Account]

ID: RESRV BANK | Name: Reserve Bank Account | Ledger Code: 1020 | Active

Account Type: Current Assets (selected)
 Bank Account
 Checking Account
 Accrual Payable or Receivable

Account Sections:
Balance Sheet: ASSET CUR: Current Assets
Revenue and Expense: ASSET CUR: Current Assets
Cash Flow: ASSET CUR: Current Assets

1. Account Options / 2. Checking Account Setup / 3. MICR Check Setup

Buttons: ? | [Printer] | [Save] | [Report] | [Close]

Reserve Equity [Account]

ID: RESERVE | Name: Reserve Equity | Ledger Code: 3020 | Active

Account Type: Equity (selected)
 Bank Account
 Checking Account
 Accrual Payable or Receivable

Account Sections:
Balance Sheet: CURRENT YR: Current Year Earnings
Revenue and Expense: CURRENT YR: Current Year Earnings
Cash Flow: CURRENT YR: Current Year Earnings

1. Account Options / 2. Checking Account Setup / 3. MICR Check Setup

Buttons: ? | [Printer] | [Save] | [Report] | [Close]

- Set up an account code for Transfer To/From Reserve with an [Account Type] of Other Expense.
- If you transfer money by writing a check, you will also need a Payable Code and Receivable Code.

Transferring to Reserve - If the Reserve Account is NOT part of a Fund

Each Time - Method 1

- When you are ready to move the money, call the bank and ask them to transfer the money. In PROMAS, go to <<GL, Bank to Bank>> and post a transfer.
- Do a <<GL, Journal Voucher>>, crediting the Reserve Equity and debiting Transfer To/From Reserve for the Association ledger

Bank to Bank Transfer

Date: 8/22/2018

Reference: Bank Transfer

From Bank: CHECK BANK: Checking Bank Account

To Bank: RESRV BANK: Reserve Bank Account

Memo:

Total: \$750.00

Ledger: MAPLE: Maple HOA [Association] Association

Amount: \$750.00

Journal Voucher

Date: 8/22/2018

Reference: Journal Voucher

Ledger: MAPLE: Maple HOA [Association] Association

Memo:

Credits: \$750.00

Debits: \$750.00

In Balance:

Account	Debit or Credit	Amount
RESERVE: Reserve Equity	Credit	\$750.00
XFER RES: Transfer to Reserves	Debit	\$750.00

+ New Post Cancel

Each Time - Method 2

- Write a check from the Checking bank account and deposit it into the Reserve bank account. In PROMAS, write a single check from <<AP, Single Check>> using a bill code of Transfer To/From Reserve.
- Then post an <<AR, Ledger Receipt>> into the Association using an [Account Code] of Reserve Equity.

Write Check

Posting Date: 8/22/2018 Hand Written

Invoice #: AUGUST 22, 2018

Payee: MAPLE: Maple HOA [Association] Association

Payee Name: Maple Homeowners Association

Bank: CHECK BANK: Checking Bank Account

Work Order:

Check Number: 532

Discount (%):

Discount (\$):

1. Invoice / 2. Payee Address and Memos

Bill To: MAPLE: Maple HOA [Association] Association

Code: XFER RES: Transfer to Reserves

Amount: \$750.00 Split Charge with Association

Ledger Receipt

Date: 8/22/2018 Receipt #: 280824QFVY

Ledger: MAPLE: Maple HOA [Association]

Bank: RESRV BANK: Reserve Bank Account

Total Received: \$750.00 Currency

Memo:

Code: RESERVE E: Reserve Equity Amount: \$750.00

Transferring from Reserve - Reverse the Method 1 process

Transferring to Reserve - If the Reserve Account IS part of a Fund

Each Time - Method 1

- Write a check from <<AP, Single Check>> from the Association ledger using a [Bill Code] of Transfer To/From Reserve.
- Do an <<AR, Ledger Receipt>> into the Fund ledger using a [Receivable Code] of Transfer To/From Reserve.

Write Check

Posting Date: 8/22/2018 Hand Written
Invoice #: AUGUST 22, 2018
Payee: MAPLE: Maple HOA [Association] Association
Payee Name: Maple Homeowners Association
Bank: CHECK BANK: Checking Bank Account
Work Order:
Check Number: 532
Discount (%):
Discount (\$):

1. Invoice / 2. Payee Address and Memos

Bill To: MAPLE: Maple HOA [Association] Association
Code: XFER RES: Transfer to Reserves
Amount: \$750.00 Split Charge with Association

Ledger Receipt

Date: 8/22/2018 Receipt #: 280824QGRR
Ledger: RESERVE: Reserves Common [Fund] Fund
Bank: CHECK BANK: Checking Bank Account
Total Received: \$750.00 Currency
Memo:
Code: RESERVE E: Reserve Equity Amount: \$750.00

Each Time - Method 2

If you move the money by going on line, or calling the bank, then do 2 journal transfers instead of writing a check and posting a receipt.

- Go to <<GL, Journal Voucher>>. Select the Association as the ledger.
- For the first Account Code, choose the bank account the money is coming from. Enter a negative dollar amount.
- For the second Account Code, choose Transfer to/from Reserve. The dollar amount will fill in as a positive number. Click <New>.

The screenshot shows the 'Journal Voucher' window with the following details:

- Date: 8/22/2018
- Reference: Journal Voucher
- Ledger: MAPLE: Maple HOA [Association]
- Association: Association
- Checkboxes: Cash, Accrual, Modified Cash
- Credits: \$1,500.00
- Debits: (empty)
- Debits Needed: \$1,500.00

Account	Debit or Credit	Amount
CHECK BANK: Checking Bank Account	Debit	(\$750.00)
XFER RES: Transfer to Reserves	Debit	(\$750.00)

- Choose the Fund as the ledger.
- For the first Account Code, choose the bank account the money is going into. Enter a positive dollar amount.
- For the second Account Code, choose Reserve Equity. The dollar amount will fill in as a negative number. Click <Post>.

The screenshot shows the 'Journal Voucher' window with the following details:

- Date: 8/22/2018
- Reference: Journal Voucher
- Ledger: RESERVE: Reserves Common [Fund]
- Fund: Fund
- Checkboxes: Cash, Accrual, Modified Cash
- Credits: \$1,500.00
- Debits: (empty)
- Debits Needed: \$1,500.00

Account	Debit or Credit	Amount
RESRV BANK: Reserve Bank Account	Debit	(\$750.00)
RESERVE: Reserve Equity	Credit	\$750.00

Transferring from Reserve - Reverse the above process