



Deposit On Account

User Guide

Last update June 2, 2016

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What is The Purpose

The Deposit On Account function allows you to manage the funds and accounting when you take refundable security deposit from parents.

The proper accounting for Deposit On Account is as follows:

- When you receive Refundable Deposits from parents, you should record a liability on your company books.
- When you refund the deposit, it should then offset/reduce that liability.
- Any forfeited deposit can be recognized as income, when it occurs.

If you have the OnCare General Ledger (GL) function enabled at your company, you can get a GL data extract with entries to post to the General Ledger.

| Transactions Type | GL Debit Entry | GL Credit Entry |
|----------------------|--------------------------------|---|
| Receipt of a Deposit | Cash (Payment) | Deposit on Account (Liability) |
| Refund of a Deposit | Deposit on Account (Liability) | Cash (Refund Check) |
| Forfeit of a Deposit | Deposit on Account (Liability) | Other Charge (Forfeited Deposit - Income) |

1. Billing Items Setup

OnCare will automatically setup the 2 billing items to accommodate the processing of Deposit On Account. You will find them in the Billing Setup.

- Other Charges --> Deposit Charge
- Credit --> Deposit Refund

You should setup an Other Charges billing item to account for Forfeited Deposit.

| | | | | | | | |
|----|---------------|-------------------|----------|-------|------------------------|--------|----------------------|
| 17 | Other Charges | Deposit Charge | \$ 0.00 | 25000 | Deposit On Account | Active | Edit |
| 18 | Other Charges | Equipment Fee | \$ 80.00 | 50000 | Revenue - Other Cha... | Active | Edit |
| 19 | Other Charges | Forfeited Deposit | \$ 0.00 | 25000 | Deposit On Account | Active | Edit |
| 30 | Credit | Deposit Refund | \$ 0.00 | 25000 | Deposit On Account | Active | Edit |

2. Record Receipt of a Deposit on Account

When you receive a deposit on-account from the parents, you should make the following 2-item entry:

- Other Charges --> Deposit Charge
- Payment

| Ledger | Posting Date | Check # (Max 15 Chars) | Transaction Type | Description | Amount | Child | Comments (Max 100 Chars) |
|----------------|--------------|---------------------------|------------------|-----------------|---------|-------------|-----------------------------|
| Sponsor | 07/01/2014 | | Other Charge | Deposit Charge | \$ 1000 | Tyler Otten | |
| Sponsor | 07/01/2014 | | Payment | Payment - Check | \$ 1000 | Tyler Otten | |
| Select here... | 11/25/2014 | | Select here... | Select here... | \$ | Tyler Otten | |
| Select here... | 11/25/2014 | | Select here... | Select here... | \$ | Tyler Otten | |

Buttons: Post, Reset, Cancel

When you look at the account ledger for this family, you will note that the dual-item entry will net to zero in the account ledger.

However, the Deposit On Account amount will remain in the bucket as shown in the family ledger balance table.

Family Account Key : O

Sponsor : Peter Otten

Co-Sponsor : Alisa Otten

Child First Name : T

Show Ledger

| Payor | Today's Bal. | Pending Bal. | Deposit | Payment |
|---------|--------------|--------------|-------------|---------|
| Sponsor | \$ 1,800.00 | \$ 1,800.00 | \$ 1,000.00 | N/A |
| CCA | \$ 3,000.00 | \$ 3,000.00 | N/A | N/A |

Buttons: Prev, Next, Post Ledger Item

| Ledger | Posting Date | Check # | Description | Comments | Child Name | Charges | Credit | Balance | Action | Invoice Number |
|---------|--------------|---------|------------------------------|-------------|------------|-------------|-------------|-------------|--------|----------------|
| Sponsor | 07/01/2014 | | Deposit Charge | | Tyler | \$ 1,000.00 | \$ 1,000.00 | \$ 1,000.00 | Void | |
| Sponsor | 07/01/2014 | | Payment - Check | | Tyler | \$ 1,000.00 | \$ 1,000.00 | \$ 0.00 | Void | |
| Sponsor | 08/05/2014 | | Infant M - F Monthly Tuition | Tyler Otten | Tyler | \$ 1,200.00 | | \$ 1,200.00 | Void | |
| Sponsor | 09/01/2014 | | Parent Co-Pay | Tyler Otten | Tyler | \$ 200.00 | | \$ 1,400.00 | Void | |

b. Ledger balance less than deposit amount

In this case, you need to record a credit (Deposit Refund) AND issue a check refund to the family

| Ledger | Posting Date | Other Charges | Check Refund to Parent | Check # (Max 15 Chrs) | Amount | Child | Comments (Max 100 Chars) |
|---------|--------------|----------------|------------------------|-----------------------|---------|---------------|--------------------------|
| Sponsor | 06/18/2016 | Other Charges | Check Refund to Parent | | \$ 1200 | Juliana Brown | |
| Sponsor | 06/18/2016 | Credit | Deposit Refund | | \$ 1200 | Juliana Brown | |
| Sponsor | 06/18/2016 | Select here... | Select here... | | \$ | Juliana Brown | |
| Sponsor | 06/18/2016 | Select here... | Select here... | | \$ | Juliana Brown | |

Post Reset Cancel

c. Ledger balance greater than deposit amount

In this case, you need to record a credit (Deposit Refund) and expect to collect payment for the remaining balance from the parents.

5. Deposit On Account Report

OnCare provides a Deposit on Account report to help manage the Deposit on Account.

Accounting

- [1. Account Activity](#)
- [2. Aging Report](#)
- [3. Child Billing Item Setup Report](#)
- [4. Bank Deposit Report](#)
- [5. Family Account Statement](#)
- [6. Specific Charge/Credit Detail Report](#)
- [7. Total Charge/Credit Summary Report](#)
- [8. Deposit on Account](#)
- [9. Subsidized Care Rates Report](#)
- [10. Subsidized Care Contract Expiration Report](#)

Select date and click Submit to generate the report. The report details the Deposit On Account booked and refund made for each family.

Deposit on Account Report

Date

Family Status

Report Type Pdf Csv Html

Submit

Security Deposit Summary as of 09/06/2014

| Family Account Key | Ledger Type | Transaction Description | Parent Name | Deposit Date | Deposit Amount |
|-----------------------------|-------------|--|-----------------|--------------|------------------|
| BERN | Sponsor | Deposit Charge | Carl Bern | 7/2/2014 | \$ 1,000.00 |
| BERN | Sponsor | Deposit Charge and Refund tracking for each family | | 9/6/2014 | (\$ 800.00) |
| Total Deposit | | | | | \$ 200.00 |
| JOHNSON | Sponsor | Deposit Charge | Richard Johnson | 8/1/2014 | \$ 500.00 |
| JOHNSON | Sponsor | Deposit Refund | Richard Johnson | 9/6/2014 | (\$ 500.00) |
| Total Deposit | | | | | \$ 0.00 |
| Grand Total Deposits | | | | | \$ 200.00 |