

Quicken SIG Notes – September 23, 2003

Quicken Basics:

- I would like to review some Quicken Basics, like Accounts and Categories. Accounts tell us where we keep our money, or assets. If you have a bank checking account, you would set up an Account for Checking. Most of us understand that. If you want to keep track of things like Mutual Funds or Stocks, you can set up an Investment Account, which will track things like number of shares and value of shares. Categories, on the other hand, tell us how we earn or where we spend our money.
- Of course, all of us would say, “I know that.” It is how we use Accounts or Categories that can get us into trouble, or make our life much simpler. Here’s a list of questions. How would you answer them?
 - Account Questions
 1. I don’t care about investments. I just want to track my banking checking accounts to be sure that the bank doesn’t goof up. What kind of Accounts should we set up?
 2. I don’t care about anything but my investments. I just want to know that I have the right number of shares in my accounts. What kind of Accounts do we set up?
 3. I want to track my checking account, my mutual funds, and I want to track my credit card charges. What kind of Accounts do we need?
 4. Why would you want an account for a Single Mutual Fund?
 5. Why would you want to set up a Brokerage account?
 6. Can I have a single mutual fund in a Brokerage account?
 7. What’s the main difference between a Single Mutual Fund account and a Brokerage account?
 8. Why do some people have “linked” checking accounts for an Investment account?
 9. How can you tell if an Investment account has a linked Checking account?

Choose the type of account to add.

Cash Flow	Investments	Property & Debt
<input checked="" type="radio"/> Checking	<input type="radio"/> Brokerage	<input type="radio"/> House (with or w/o Mortgage)
<input type="radio"/> Savings	<input type="radio"/> IRA, SEP, Keogh	<input type="radio"/> Vehicle (with or w/o Loan)
<input type="radio"/> Credit Card	<input type="radio"/> 401(k), 403(b)	<input type="radio"/> Asset
<input type="radio"/> Cash	<input type="radio"/> Single Mutual Fund	<input type="radio"/> Liability

- The accounts are shown in the above figure. The most used accounts from the Cash Flow area are Checking and Credit Card. CD’s could show up as Savings accounts. People who want to track all details might add a Cash account. The accounts used in the Investments area depend on the financial portfolio of the Quicken user. If you only have a single mutual fund, the Single Mutual Fund account might make sense. However, the same information can be stored in a Brokerage account, with the added benefit of tracking cash inputs and payouts regarding the account. People who have been employed in the past ten years would probably show a 401(k) account to track matched retirement savings from a company. People who started saving in the 70’s and 80’s would probably have IRA’s.

- Categories Questions

1. How many Categories should you use to track your income and expenditures?
2. What is the minimum number of Categories that Quicken will allow you to use with your accounts?
3. Why does Quicken list all those Categories when I don't need them?
4. What should I do with the Categories I don't need or use?
5. Can I use just one Category for income and one Category for expense?
6. Why are there Transfers shown on my Categories list?
7. How can I tell how many Transfer items I should have on the Categories list?
8. Why does Quicken enter Groceries into my check register's Category area when I start to type Safeway into the Payee section?
9. When I am writing a check to my Credit Card company to pay off a monthly balance for a card I only use to shop for clothes at J.C. Penney's, what Category should I use?
10. I just got a check in the mail from my brokerage company for a stock I sold. What Category do I enter when I deposit the check into my Checking account?

Category	Type	Description	Group
Bonus	Income	Bonus Income	Income
Bonus Spouse	Income	Spouse's Bonus Income	Income
Div Income	Income	Dividend Income	Income
Employer Benefit	Income	Employer Benefit	Income
Dental	Sub	Dental Plan Employer Benefit	Income
Medical	Sub	Medical Plan Employer Benefit	Income
Vision	Sub	Vision Plan Employer Benefit	Income

Categories - Income

Category	Type	Description	Group
Auto	Expense	Automobile Expenses	Mandatory Expenses
Fuel	Sub	Auto Fuel	Mandatory Expenses
Insurance	Sub	Auto Insurance	Mandatory Expenses
Loan	Sub	Auto Loan	Mandatory Expenses
Registration	Sub	Auto Registration	Mandatory Expenses
Service	Sub	Auto Service	Mandatory Expenses
Bank Charge	Expense	Bank Charge	Mandatory Expenses
Books, Newspapers	Expense		

Categories Expenses

- The beauty and the challenge of Quicken is that it is so flexible. It gives you some standard ways of doing things, but you can always stretch them to bend the universe in your direction. You can adjust the program's Accounts and Categories to suit yourself. If you start to get in trouble, then ask someone for help. The Quicken SIG is a good place for questions. We will usually have opinions, if not the correct answers.

Article by John Durrett
jcdurrett@robsoncom.net