

## Bank-to-Bank Movement of Money

There are two types of General Ledger bank account situations in Tenant Pro: (1) There are two separate physical bank accounts; and (2) There is one physical bank account, but more than one Tenant Pro G/L account number (such as 1000 for the operating account and 1030 for security deposits but the actual money is really in one physical bank account.) The procedures for handling the movement of money are detailed below.

### Separate physical bank accounts:

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First, understand that Tenant Pro is double entry accounting; every entry has two sides. You are going to write a check to move this money; one side of the transaction is your bank account, but you are going to need an offset account. That is where the Asset Clearing account comes in. Most General Ledger accounts clearly state their purposes, such as "Rent", or "Maintenance". For our purposes, we are going to call our offset "Asset Clearing" and use account G/L 1005. Don't let this Asset Clearing Account confuse you. It is nothing more than a place holder. You have to have two chart of account numbers for a transaction, so we've created one for no other reason than to have a second side. Looking on your General Ledger under the account number 1005 will also help you see the monies that have been moved.

You will need to make sure you have created a new account in your Chart of Accounts setup. Use a name that is meaningful to you.

1. Setup/Chart of Account/Add
2. Add account 1005, type in the name you have chosen and click OK.

Now let's write the check to move the money. For our example, we are moving money from First National Bank (our 1000 account in Tenant Pro) to First State Bank of Texas and the property releasing the money is Apple1.

1. Accounting/Checkbook/Add
2. You want to choose the option "one time check" payable to the order of the bank account **into which** you are moving the money.
3. When creating the check (**Accounting**) use the G/L account number for the bank the money is being transferred from as the *Bank Account* number.
4. After typing in the property ID, you are prompted for a G/L (account number for an account that will be debited in your General Ledger); use the 1005/Asset clearing account number here.
5. Fill in the rest of the items appropriately.

After the check is written, we will take it to First State Bank of Texas and physically deposit it.

Okay, the physical work is done. We have written a check to take money out of First National bank and we have also made a deposit at First State Bank of Texas. But in Tenant Pro we have only taken money out, so how do we finish it up in Tenant Pro since we only have half of the work done? Let's **receive** the money into Tenant Pro – this is the **deposit** portion of the real world transactions.

As with any miscellaneous monies, we will use a Miscellaneous Transaction to receive in this money to the correct bank account and the correct property.

1. Accounting/Misc. Transactions/Ad
2. After entering the date, enter the G/L account number of the bank account where the money is being transferred to. In our case, it is First State Bank of Texas that is receiving the money.
3. Again, everything is a two-sided transaction, so we must have an offset. For the *Offsetting Account*, use the 1005/Asset Clearing Account that we created above.
4. Leave the *Increase (debit) the Bank Account balance* option selected and enter the appropriate property ID.
5. We are receiving the money into Property ID "River" and we made notes that it was per the owner instructions.

All our steps are complete now. Both in the real world and in Tenant Pro we have taken money from First National Bank and the Apple1 property and moved it to First State Bank of Texas and the River Property.

### **Same physical bank account, separate G/L account numbers:**

Some users have only one *real*, physical bank account, but have the money in separate G/L accounts in Tenant Pro. Examples of this include money for: security deposits, property taxes, and owner reserves to cover repair expenses. In these situations, it would suffice to simply do a General Journal entry (**Accounting > General Journal** from the Main Menu) to transfer the money from one G/L bank account to another. To do this, you need to Debit the G/L account number for the G/L account that is to "receive" the money, then do a Credit to the G/L account that is "giving up" the money.