## Setting up your Operating Line

The first thing you will need to do if this is a new operating line is to set up a new vendor. Make sure to change it from a "regular" vendor to a "loan" vendor. You will want to choose the liability account code for short term loans (on MI chart of accounts that is 222). Then you will need to make sure the box is checked to make them a "creditor". This will allow you to use the credit transaction screen. The credit transaction screen allows you to increase the amount of your operating loan at the same time that you record the coordinating expense. No change is made to the checkbook balance as a result of this transaction.

Once you have created the vendor, you can start recording transactions using your operating line. You will go to the credit transaction screen by

Creditor

Memo

\* 415

Code

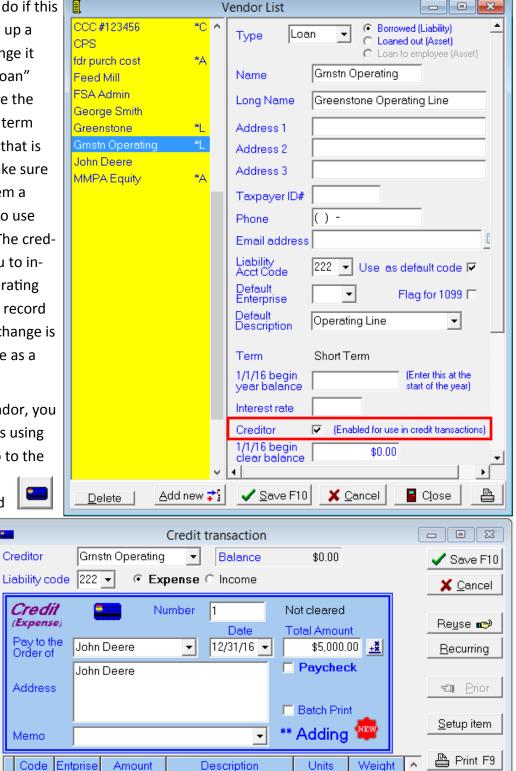
GEN

\$5,000.00 Tractor Parts

Amount Left

hitting the dark blue credit card

button (left of eyeglasses). On the top of the transaction screen you'll select the creditor you want to use. If you're using a check from your operating line, make sure you use that check number in the number box to be able to track later. Then in the large blue box you will enter the vendor for where the money is going to. In this example we are paying John Deere for parts using the operating line.



\$0.00

Blank row

Insert row

Close

Once you've completed the transaction you can also double check the detail report to make sure it has recorded properly. In this case I just entered the "check number" to pull up the correct transaction from the detail report.

Pc Mars Version 2.4.5.0 / Michigan (Cash) Licensed To: MSU TelFarm Center Print Date 1/6/2017 1:34 pm Bus. I.D. = Example Fiscal Year = 2016

\$5,000.00

## **DETAIL REPORT - SELECTED ITEMS**

(Bank account and credit transactions)

Selection: NUMBER = 10

LIABILITIES - DOLLARS IN

FARM EXPENSE TOTAL

LIABILITIES - DOLLARS IN				
Code         Ent         C/D#         Date         T         Bnk           222         GEN         10         12/31/16         C	Vendor Description  Grnstn Operating SUBTOTAL Short Term Loan	<u>Units</u>	Weight	\$5,000.00 \$5,000.00
LIABILITIES - DOLLARS IN TOTAL				\$5,000.00
INCREASE/DECREASE IN LIABILITIES			<u>\$5,000.00</u>	
FARM EXPENSE				
Code         Ent         C/D#         Date         T         Bnk           415         GEN         10         12/31/16         C	Vendor         Description           John Deere         Tractor Parts           SUBTOTAL Machine Repair	<u>Units</u>	Weight	\$5,000.00 \$5,000.00