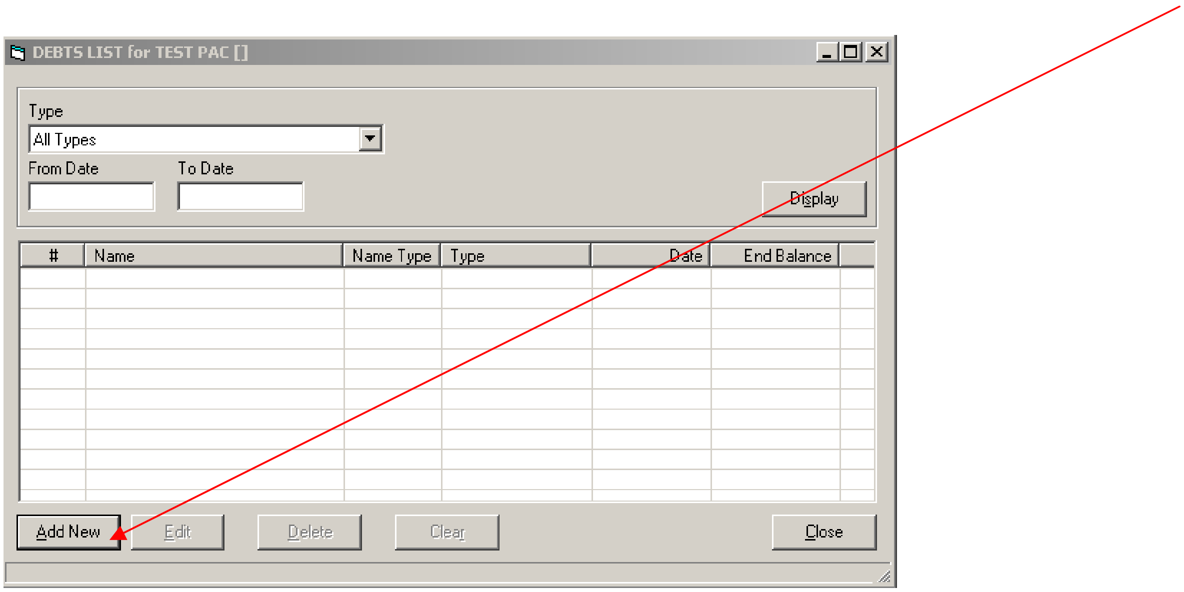
Debts and Obligations

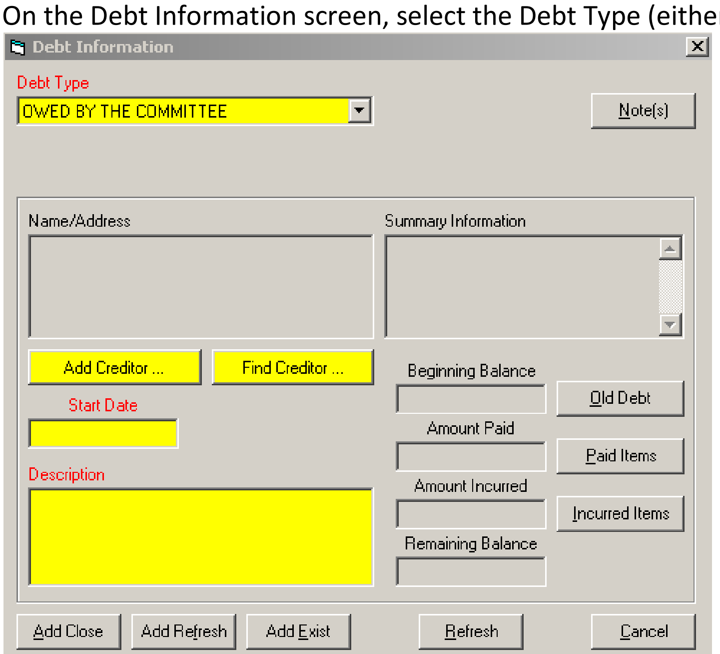
Debts and Obligations should be used for items such as purchases made using a credit card when the credit card bill has not been paid, or any item or service that has been contracted for but has not been paid. As an example, someone may contract with a consulting firm to manage $30,000.00 of advertising, and will be paying $5,000.00 per month. The entire amount of $30,000.00 would be listed as a debt and as each $5,000.00 payment is made this will be entered as a debt payment to reduce the total amount of the debt. Debt items are automatically carried forward until they are paid.

<u>Enter a Debt</u>

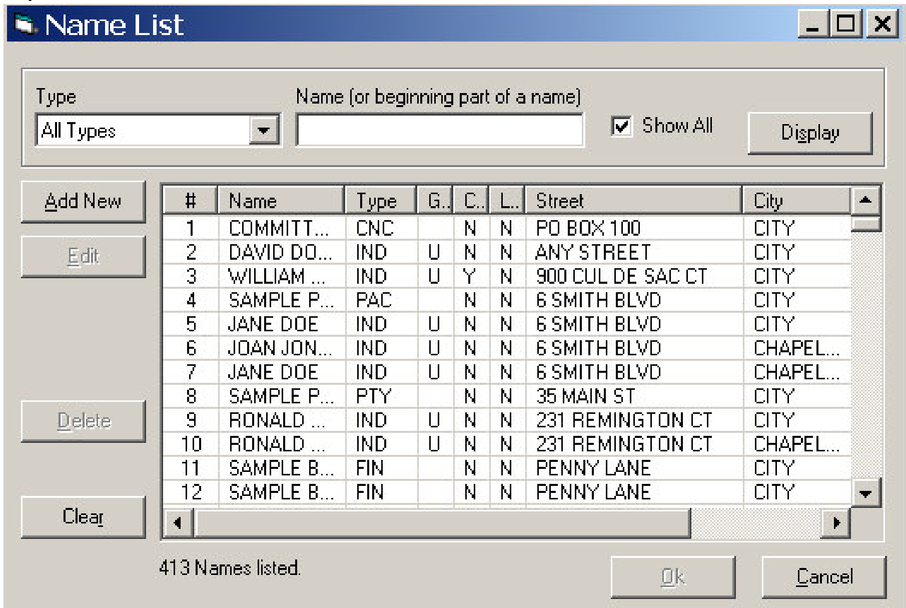
Select Detailed Information →Debts and Obligations. On the Debts List screen select "Add New."



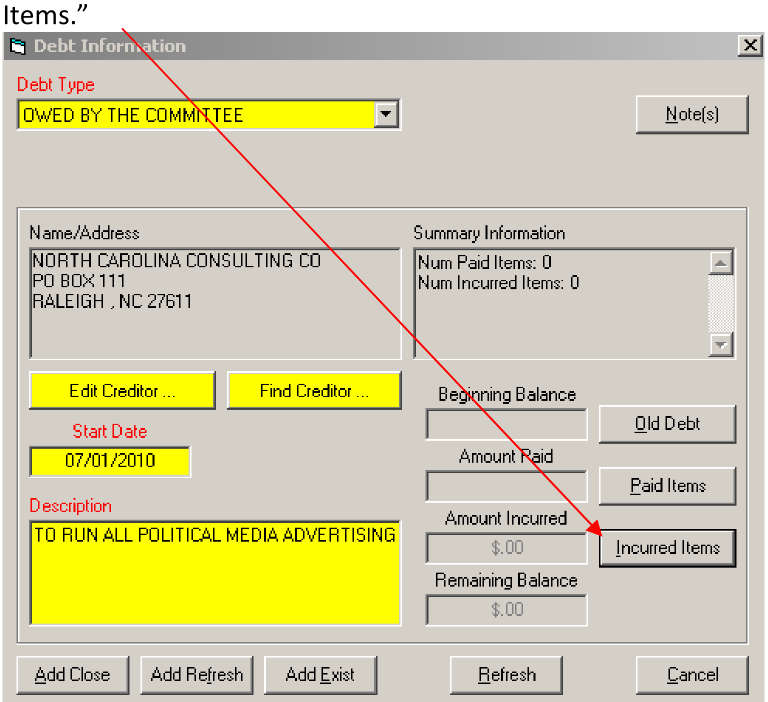
On the Debt Information screen, select the Debt Type (either Owed BY or Owed TO the Committee).



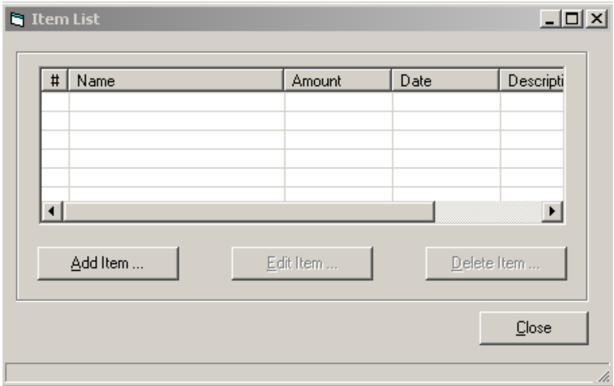
Select “Find Creditor.” Search for the creditor using the Name List. Highlight the creditor name on the list and select “OK.”
If you do not find the creditor on this list, select “Add New” and fill in the creditor’s name and address.



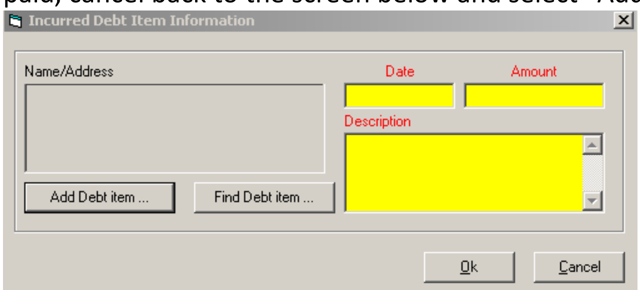
At the Debt Information screen enter the start date and description of the debt, then select “Incurred Items.”



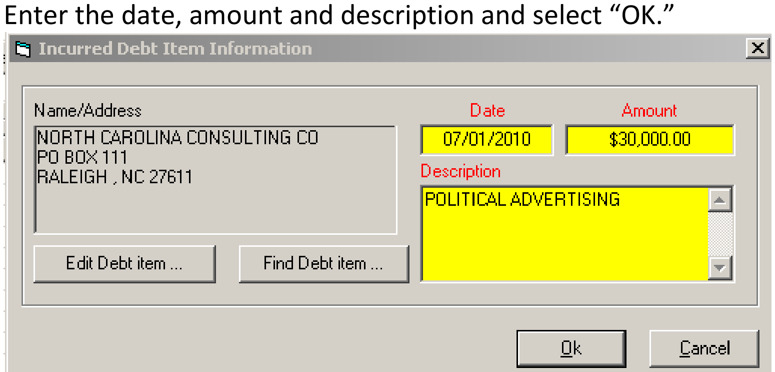
At the Item List screen select ”Add Item.”



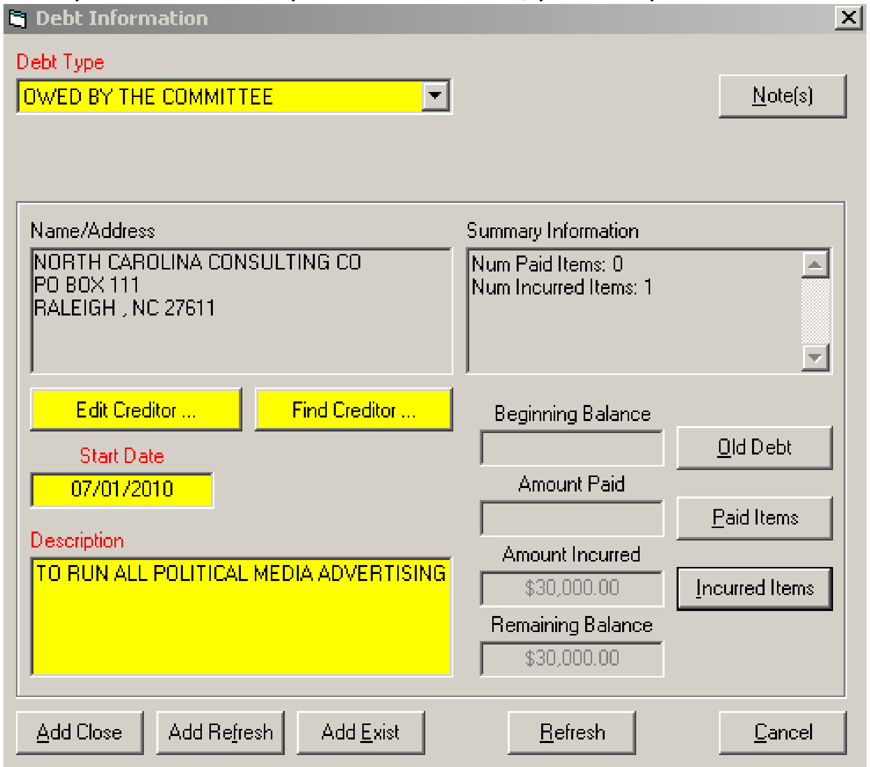
At the Incurred Debt Item screen, select “Find Debt Item.” If you do not find the organization that was paid, cancel back to the screen below and select “Add Debt Item.”



Enter the date, amount and description and select “OK.”



Once you have entered your incurred items, your entry will look like this:

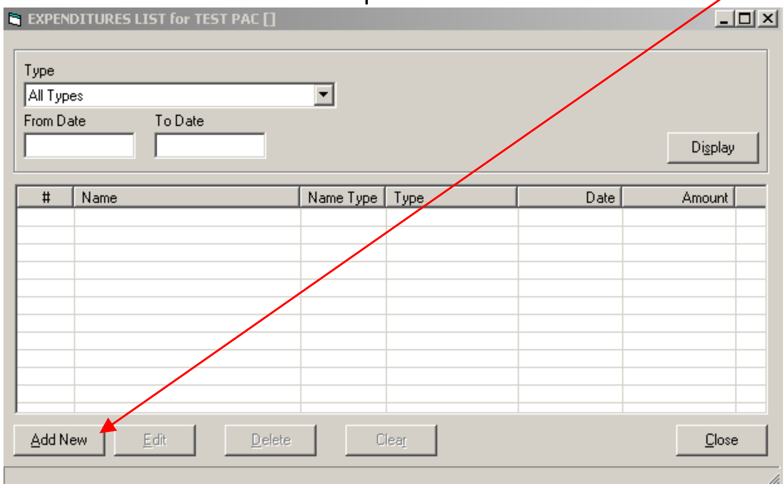


Select “Save”

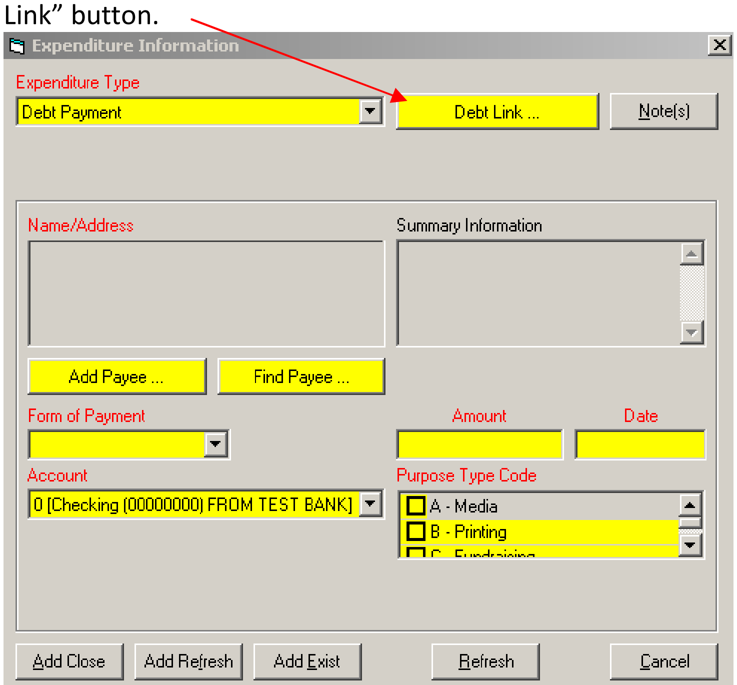
Enter a Debt Payment

In the example given above, the Committee contracted with a consulting company to run $30,000.00 of media advertisements. The Committee will make payments of $5,000.00 per month until the debt is satisfied.

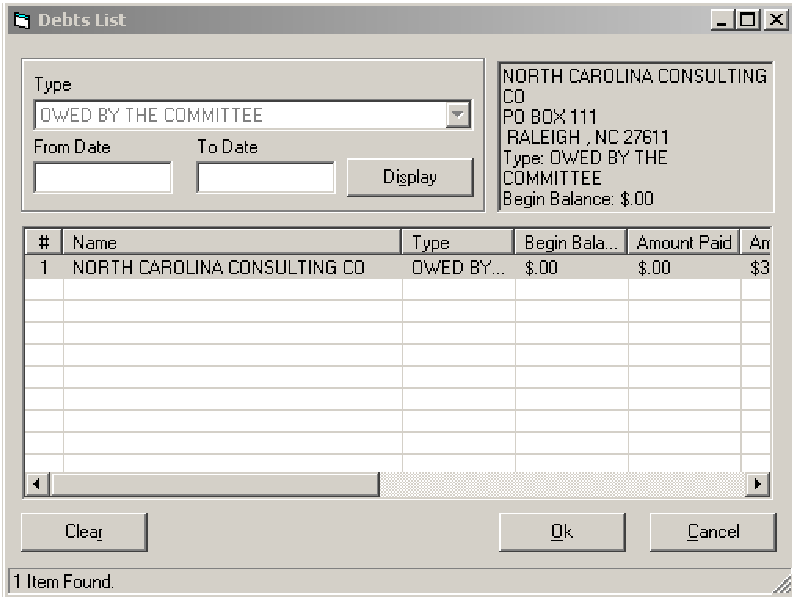
Select Detail Information →Expenditures. Select "Add New."



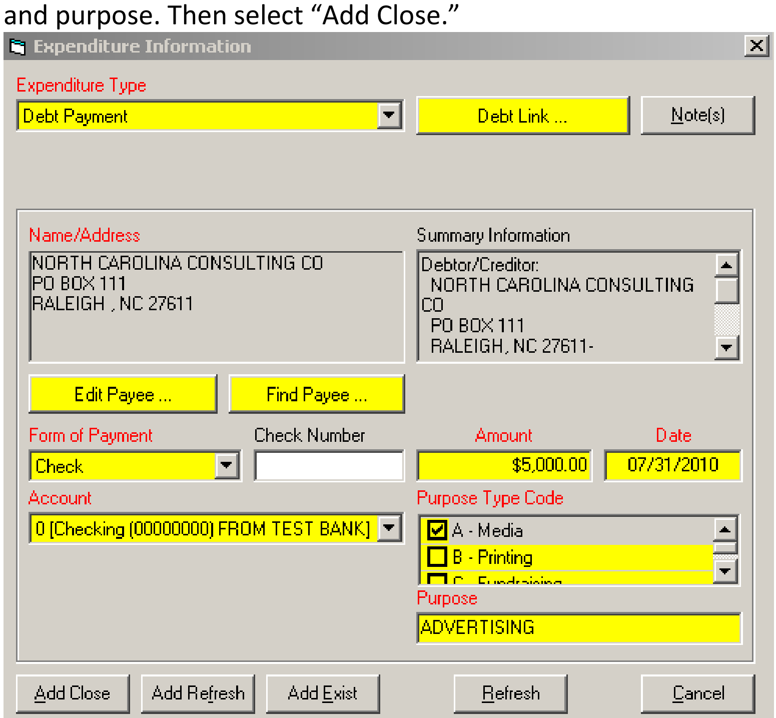
At the Expenditure Information screen, select the Expenditure Type as "Debt Payment." Select the "Debt Link" button.



On the Debts List screen, select the “Display” button to list all debts, highlight the debt that you wish to pay all or a portion of, and select “OK.”



At the Expenditure Information screen, enter the form of payment, amount, date, purpose type code and purpose. Then select “Add Close.”



This entry will be listed on your report under Operating Expenses, and will automatically reduce the debt.