Utilizing QuickBooks Accounting Software to Improve Producer Record Keeping in the Texas High Plains

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Introduction

Increased price volatility and narrow profit margins in production agriculture underscore the importance of sound record keeping practices. With the ever-changing environment of financial software technology, there is a growing need to educate Texas farmers and ranchers on computerized bookkeeping applications. To equip producers with stronger record-keeping skills, Texas A&M AgriLife Extension Economists developed a two-day short course that teaches basic level QuickBooks® accounting software. The main goal of these workshops is to improve financial record-keeping and analysis capabilities, allowing producers to make more informed management decisions.

Course Syllabus

Day 1
- Reviewing Producer Goals & Accounting Practices
- Working with Accounts, Customer, & Vendor Lists
- Setting Up Classes: Enterprise Budgeting
- Understanding Forms & Registers: Checks, Bills, & Deposits
- Inventory and Invoicing
- Reconciling Your Accounts
- Setting Up Loans & Using Loan Manager
- Creating & Customizing Reports
- Creating a Budget & Backing Up Data

Day 2
- Starting a New Company with Easy Step Interview
- Entering Agricultural Case Study Transactions
- Fixed Asset Manager & Inventory Options
- Setting Up & Managing Payroll
- Online Banking
- Managerial Accounting

Data and Methods

QuickBooks® Financial Software from Intuit, Inc. was used to teach thirty-two computer short courses with 435 participants in the Texas High Plains and South Plains regions from 2002-2015. QuickBooks® is a double entry business accounting program that can be adapted for agricultural use. All materials developed for this course were designed to specifically address the record keeping needs of farmers and ranchers. Class attendees learned the program through industry specific case studies and examples. A traveling computer lab provided hands-on experience to each producer.

Participant Evaluation Results

- Average annual economic benefit expected from attending the workshops: $2,113
- Average % increase in knowledge gained based on pre and post-test results: 46.59%
- Total workshop fees generated: $28,750

Exit Survey Summary using the Likert scale:
(5-Strongly Agree, 4-Agree, 3-Undecided, 2-Disagree, 1-Strongly Disagree)
- The course provided sufficient information to use QuickBooks software: 4.71
- Instructors demonstrated satisfactory program knowledge: 4.70
- Course materials were useful and well presented: 4.81
- Course examples and case studies added to program understanding: 4.82

Summary and Conclusions

QuickBooks® is a strong financial accounting program that can be adapted for agricultural use. Texas High Plains and South Plains producers have gained program knowledge and improved record keeping abilities through Texas A&M AgriLife Extension short courses. These workshops enabled farmers and ranchers to increase their financial analysis capabilities, allowing them to make better management decisions.

Class Demographics
- 44% Agricultural operators
- 48% Small business owners/management
- 8% Accountants

Agricultural Producers Represented:
- 137,500 Irrigated crop acres
- 108,600 Dryland crop acres
- 163,500 Pasture acres
- 54,980 Stocker cattle
- 13,330 Head of cows

“Excellent program but only practice will enable me to use it well. It would be great to have a follow-up class…I left wanting more!”

“I learned more in two days than I have learned in a year from accountants and QuickBooks experts.”