



AgEcon SEARCH
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
<http://ageconsearch.umn.edu>
aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

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

DeDe Jones (SAEA)
Texas A&M University System
Texas AgriLife Extension Service
6500 Amarillo Blvd. West
Amarillo, TX United States 79106
(806) 677-5600
dljones@ag.tamu.edu
Primary Author

Michelle Jones
Texas A&M University System
Texas AgriLife Extension Service
6500 Amarillo Blvd. West
Amarillo, TX United States 79106
(806) 677-5600
mdjones3@buffs.wtamu.edu
Co-Author

***Selected Poster prepared for presentation at the Southern Agricultural Economics
Association's 2016 Annual Meeting, San Antonio, Texas, February 6-9, 2016***

Using QuickBooks Accounting Software to Improve Financial and Production Records for Better Decision Making

DeDe Jones and Michelle Jones

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.



Class Demographics

44% Agricultural operators
48% Small business owners/mgmt
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

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

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.

"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!"

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 |