

Chapter 18

Indebtedness

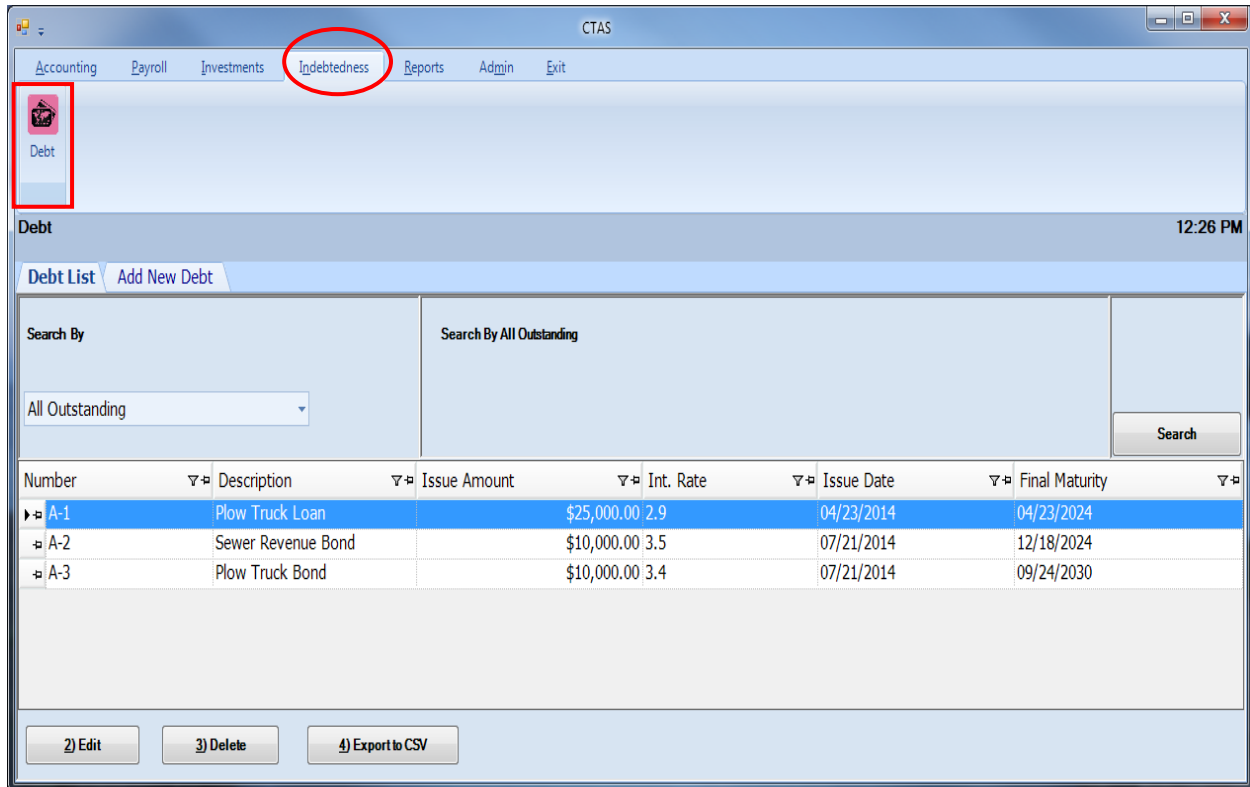
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Indebtedness: Introduction

The Indebtedness Module is designed to track an entity’s indebtedness. By entering the principal payments, CTAS will track the outstanding indebtedness.

Accessing the Indebtedness Section

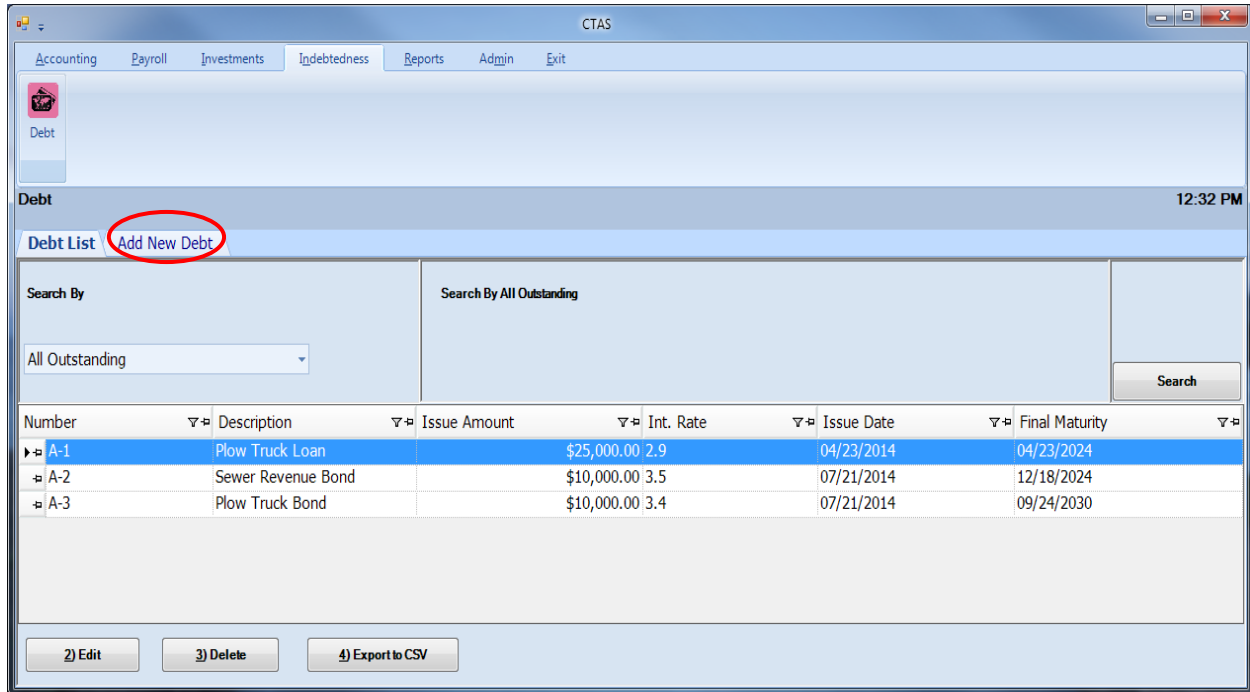
To access the Indebtedness Module, click on the Indebtedness tab (circled) in the Task Bar, then click the Debt icon (boxed). The Debt screen will open to the Debt List.



From the Debt List screen, you can Add New Debt, Edit, Delete, or Export to CSV an Indebtedness record. [Chapter 19](#) of this manual, Indebtedness Reports, describes each report and illustrates how to create and print reports.

Indebtedness: Entering a Debt Issued

To begin entering Indebtedness, click on the Add New Debt tab (circled) at the top of the Debt screen.



After the Add New Debt tab is selected, the Add New Debt tab will appear, allowing you to enter the information regarding the debt.

Indebtedness: Entering a Debt Issued (continued)

When the new debt screen appears, complete the following steps:

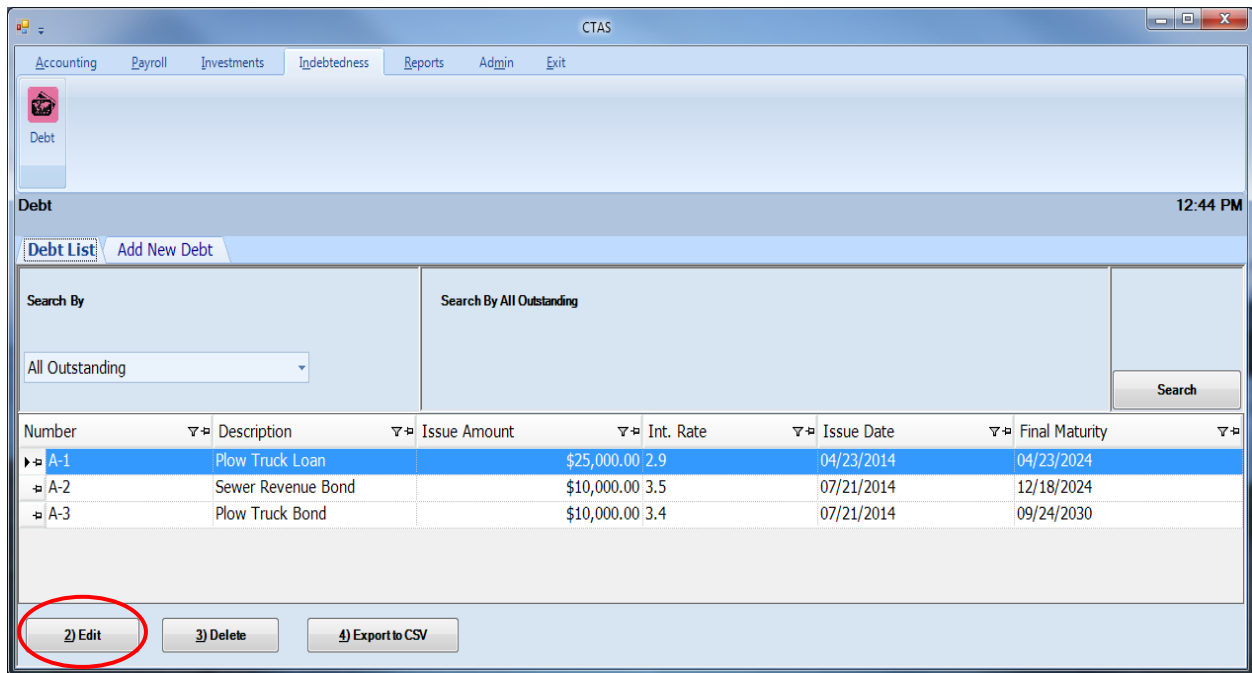
- Enter an Indebtedness number in the Indebtedness ID field. *There is no pre-determined numbering system for this. You will assign the Indebtedness ID.*
- Select the type of Indebtedness by clicking on the down arrow at the end of the Type field. The options for the type are: General Obligation, Tax Increment, Special Assessment General Obligation Revenue, Revenue Bonds, Other Long Term Debt and Short Term Debt.
- Type a brief explanation of the indebtedness in the Description field. A description should identify why the indebtedness was issued. For example, town hall, paving Elm Street, etc.
- Enter the amount borrowed in the Issue Amount field.
- Enter the interest rate in the Current Interest Rate field. *CTAS does not calculate the interest payments.*
- Enter the date the money was borrowed in the Issue Date field.
- Enter the maturity date in the Final Maturity Date field.

Click the Save button to continue.

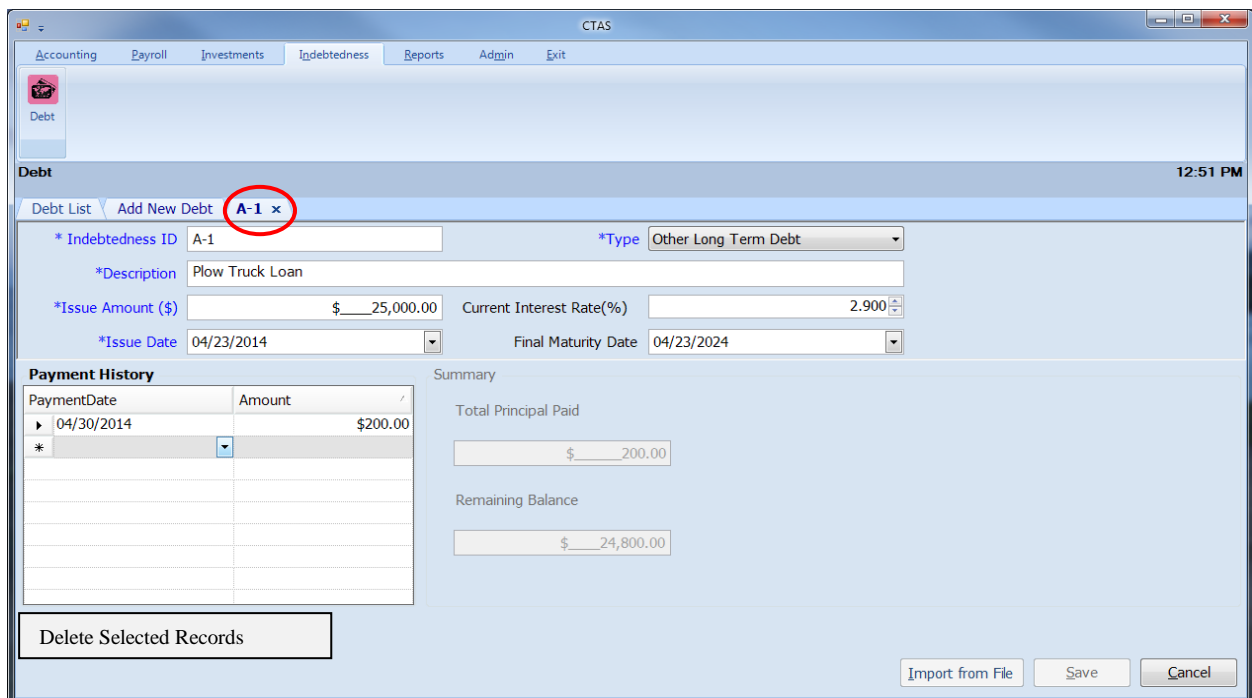
Note: When new debt is issued, make sure to add a receipt in the Accounting module to show the debt proceeds.

Indebtedness: Editing a Debt Record

To edit a debt record, highlight the debt and click the Edit button (circled).



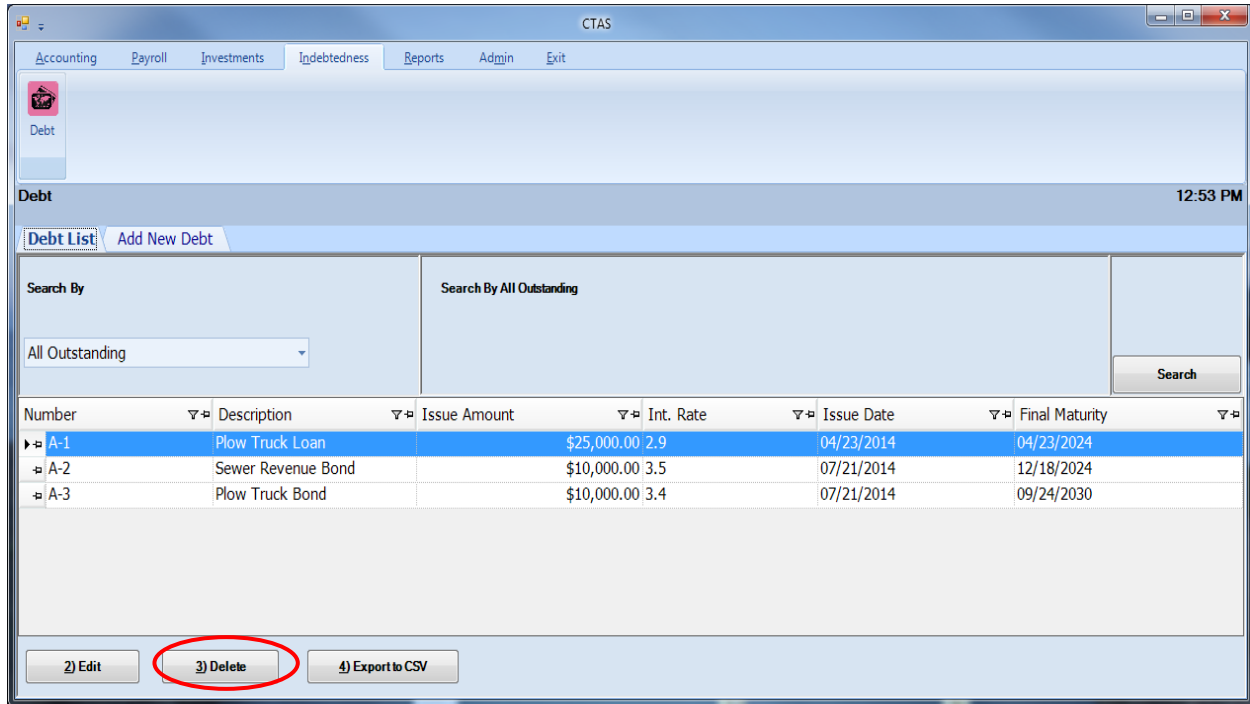
After the Edit option is selected, the individual debt tab will appear (circled, below).



On this screen, you can edit any field.

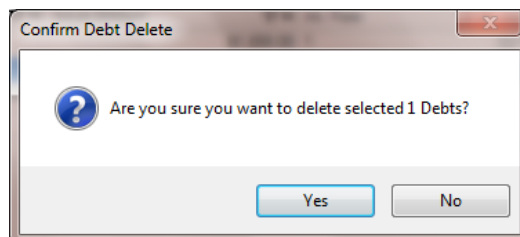
Indebtedness: Deleting a Debt Record

The need to delete a debt record could result if an error was made when the indebtedness was entered.



To delete a debt:

- Highlight that debt while in the Debt List tab and click the Delete button (circled).
- After the Delete option is selected, the Confirm Debt Delete screen will appear.
- Click on the Yes button to delete the debt.



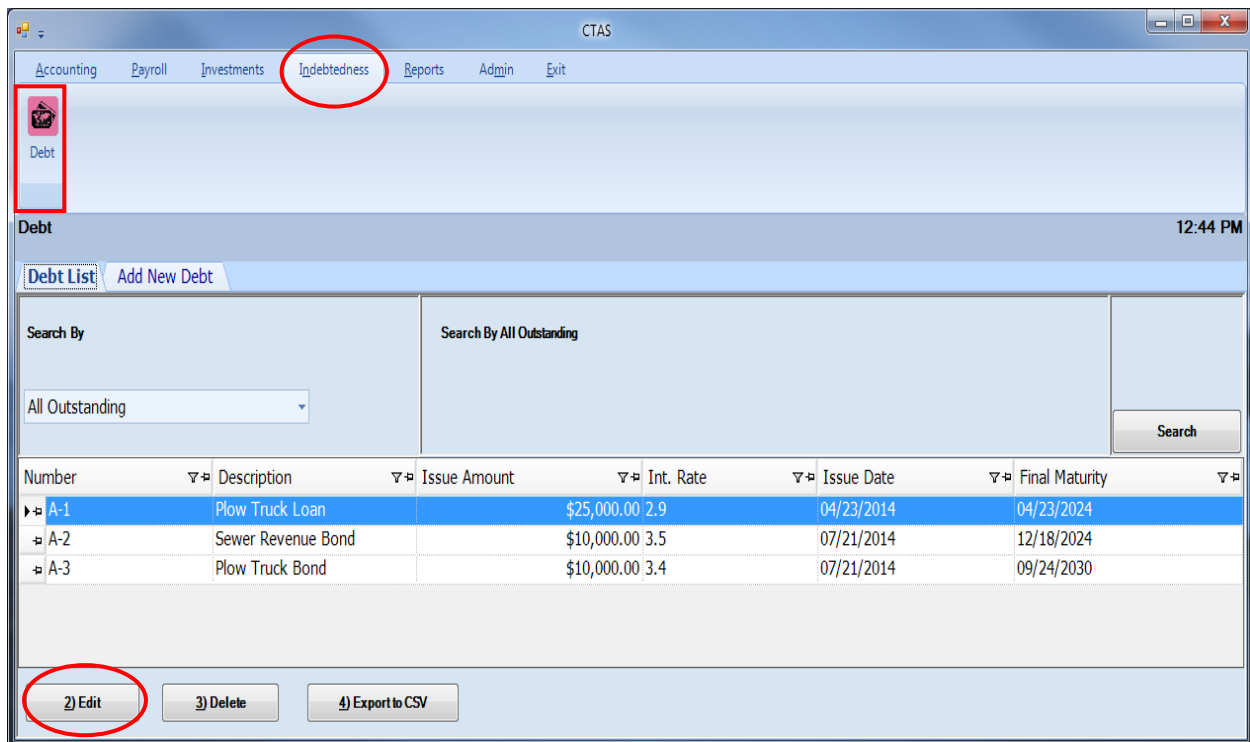
Indebtedness: Making Payments on a Debt Record

The following section shows the **two** options on how to enter a principal payment for debt into CTAS. *Interest payments should not be entered into the Indebtedness module.*

Option 1

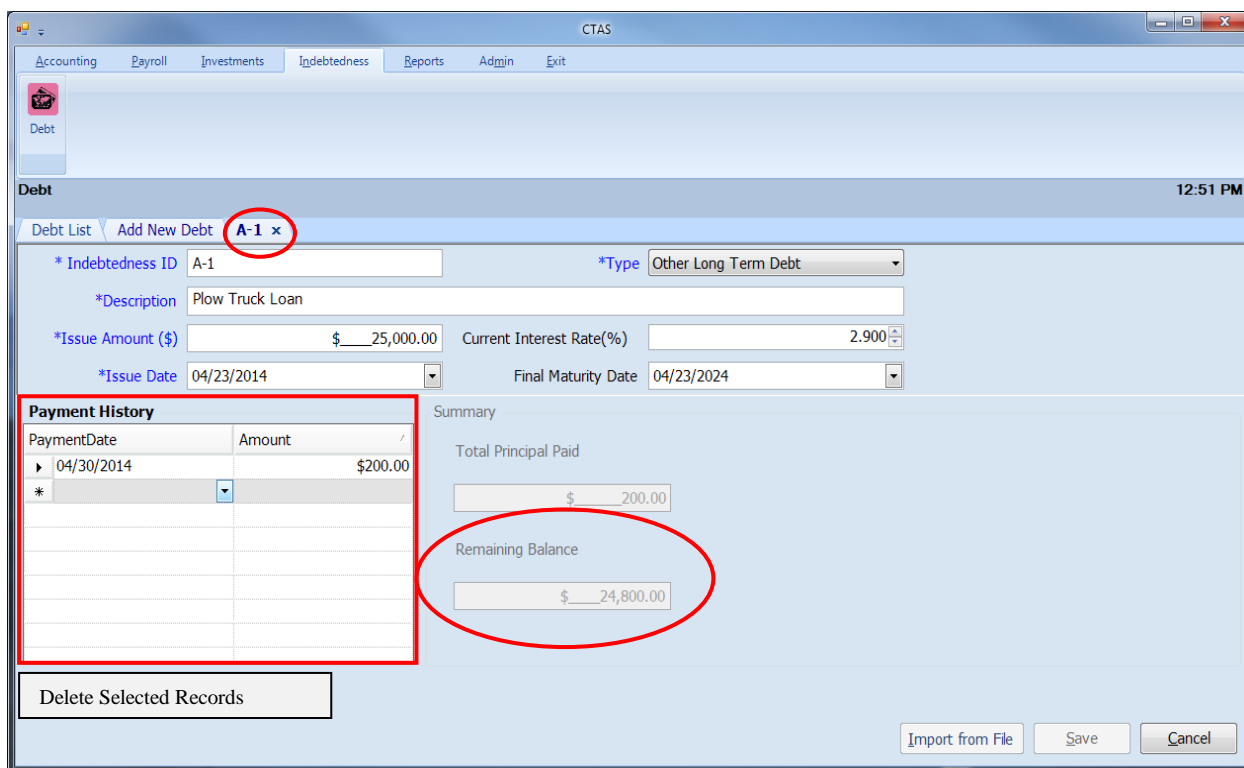
After a claim has been approved and posted to disbursements, access the Indebtedness Module.

Click on the Indebtedness tab in the Task Bar (circled, top) and then click the Debt icon (boxed). Highlight the record to change and click the Edit button (circled, bottom).



Indebtedness: Making Payments on a Debt Record (continued)

After the Edit option is selected, the individual debt tab will appear (circled, top).



On this screen, you can enter principal payments in the Payment History section. To enter a principal payment, complete the following steps:

- Enter the date of the payment in the Payment Date field by clicking the down arrow at the end of the date field (boxed).
- Enter the amount of the principal payment in the Amount field (boxed).
- CTAS will then calculate a new remaining balance (circled, bottom).

Click the Save button to continue.

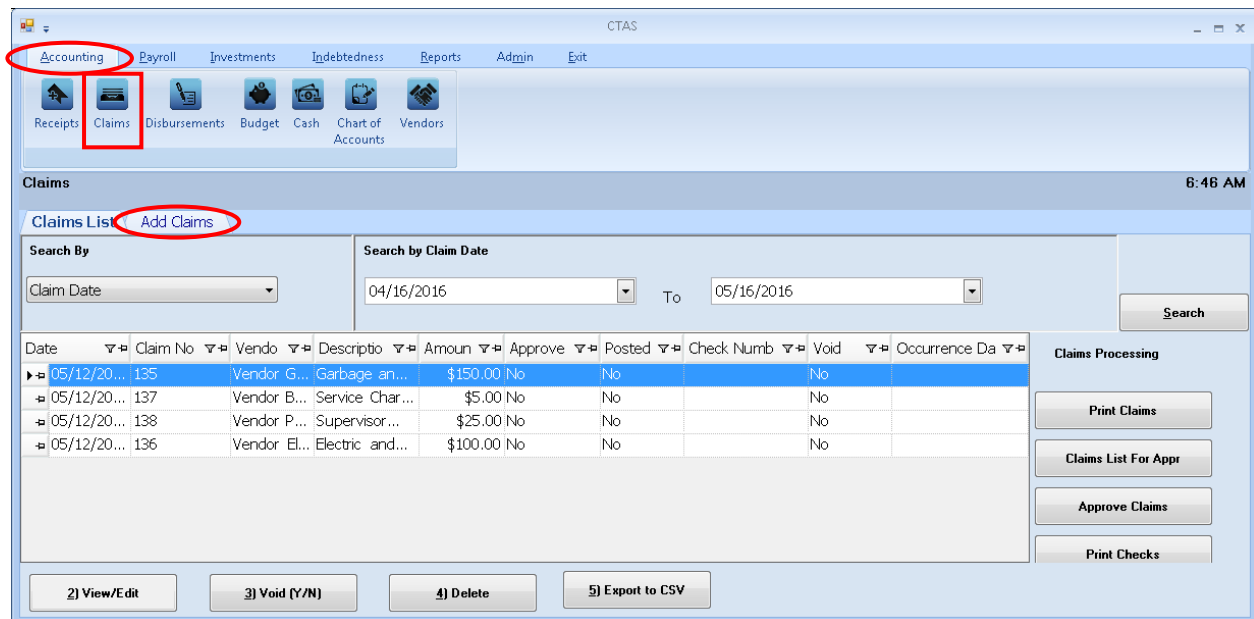
Note: Entering debt principal payments directly into the Indebtedness module still requires the entity to create a claim and post to disbursements to account for the payment made.

Indebtedness: Making Payments on a Debt Record (continued)

Option 2

The second option for entering a debt payment is to start in the Claims section of the Accounting module.

To access the Claims section, select the Accounting tab (circled, top), and then click on the Claims icon (boxed).



Next click on the Add Claims tab (circled, bottom) to enter the debt payment information.

Indebtedness: Making Payments on a Debt Record (continued)

The screenshot displays the 'Add Claims' form in the CTAS application. The form is titled 'Claims' and includes a 'Claims List' and 'Add Claims' tab. The 'Add Claims' form contains the following fields and values:

- * Claim Number: 135
- * Claim Date: 05/02/2016
- * Pay to the order of: Credit Union
- Address: 65 There Street
- Yonder: MN 99999
- * Description: Plow Truck Bond

The Summary section shows:

- * Total: \$300.00
- Distributed: \$300.00
- Difference: \$0.00

The Account Distribution table is as follows:

Fund Number	Account Number	Object Code	Program Code	Amount	Debt
201: Road and Bridge	47110: Bond Principal	601: Debt Service: Bond..		\$200.00	Plow Truck Bond [A-3]
201: Road and Bridge	47210: Interest - Bonds	611: Debt Service: Bond..		\$100.00	

With the Add Claims tab open, enter the following information (above example is for a bond):

- Claim Number
- Claim Date
- Pay to the Order of
- Description
- Summary Total
- Accounting Distribution for:
 - Principal Payment (Fund Number, Account Number – 47110 Bond Principal, Object Code – 601 Bond Principal)
 - Interest Payment (Fund Number, Account Number – 47210 Interest-Bonds, Object Code – 611 Bond Interest)
- In the Debt column (boxed), click on the dropdown arrow and select the debt record associated with the transaction.

Click the Save button when complete.

Note: ONLY the principal bond payment should be associated with the debt record not the interest payment.

Indebtedness: Making Payments on a Debt Record (continued)

Next go through the Claims Processing (see [page 3-12](#)) in order to successfully post to disbursements. Once the claim is posted, CTAS will automatically apply the principal debt payment in the Indebtedness module, as shown below (boxed).

The screenshot shows the 'Debt' window in the CTAS application. The window title is 'CTAS' and it has a menu bar with 'Accounting', 'Payroll', 'Investments', 'Indebtedness', 'Reports', 'Admin', and 'Exit'. The 'Debt' window is active, showing a 'Debt List' with one entry: 'A-3 x'. The details for this debt are as follows:

- * Indebtedness ID: A-3
- * Type: General Obligation
- * Description: Plow Truck Bond
- * Issue Amount (\$): \$10,000.00
- Current Interest Rate(%): 3.400
- * Issue Date: 04/01/2016
- Final Maturity Date: 09/24/2030

The 'Payment History' table is highlighted with a red box. It contains the following data:

PaymentDate	Amount
05/02/2016	\$200.00
*	

The 'Summary' section shows:

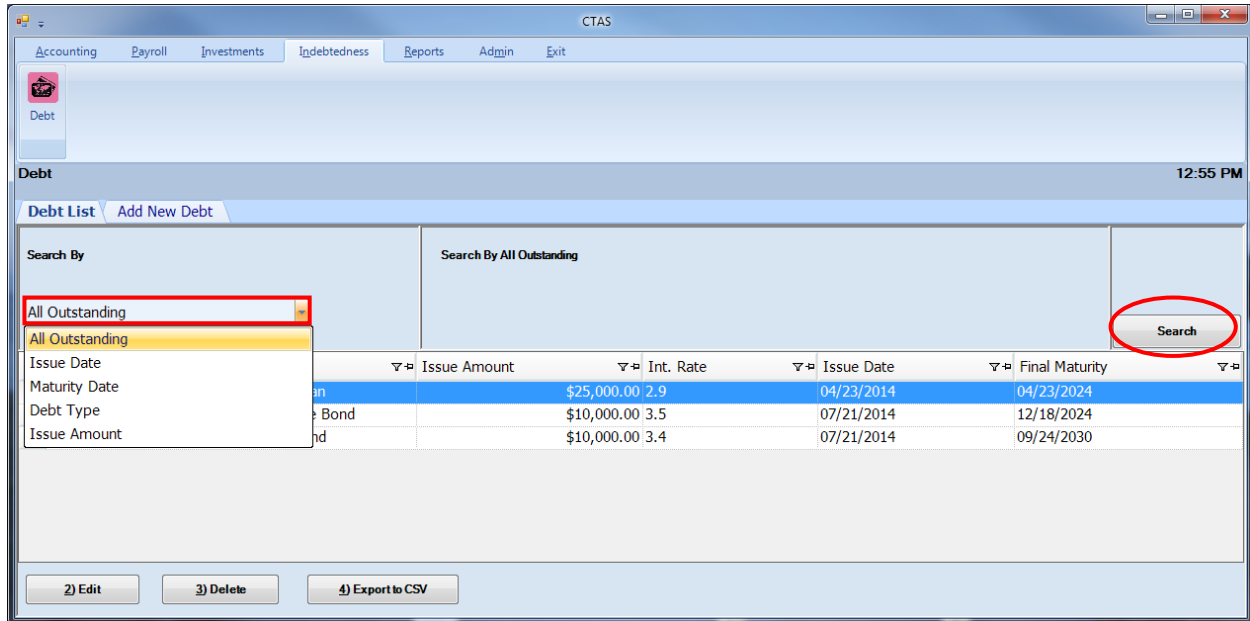
- Total Principal Paid: \$200.00
- Remaining Balance: \$9,800.00

Buttons at the bottom include 'Delete Selected', 'Import from File', 'Save', and 'Cancel'.

Note: By using the correct Account Number and Object Code in Option 2, you will avoid having to make two separate entries into the two different modules.

Indebtedness: Using the Search Feature

In the Indebtedness section, you can choose from a number of options to search for indebtedness. The first and default option is to search by All Outstanding.

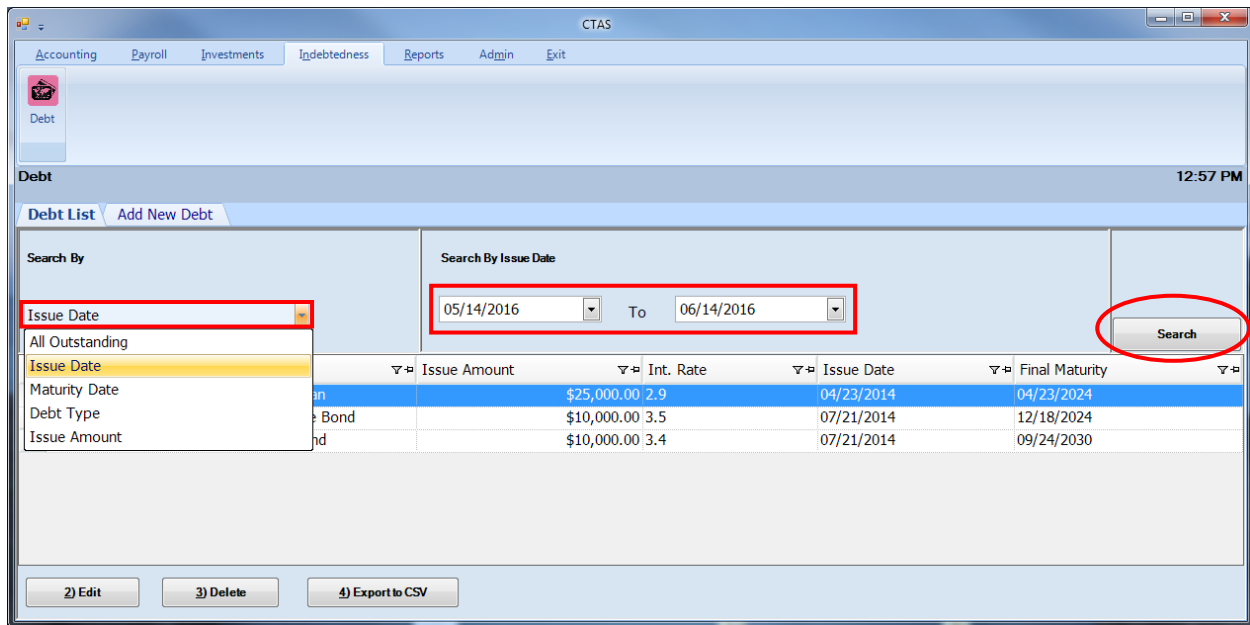


To select All Outstanding Debt:

- Select the All Outstanding option from the drop-down (boxed).
- Click the Search button (circled).
- The indebtedness records will be displayed. *Using this option, any indebtedness record that has a balance will be listed.*

Indebtedness: Using the Search Feature (continued)

The second option is to search by Issue Date.

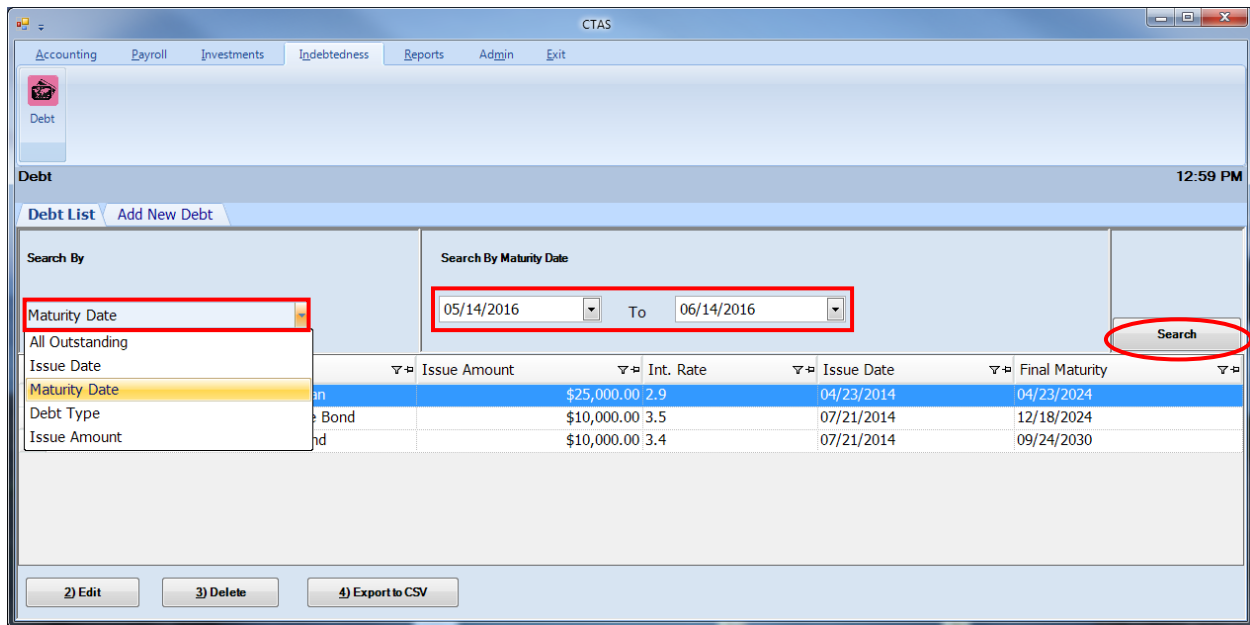


To search by Issue Date:

- Select the Issue Date option from the drop-down (boxed, left). The screen will then display the Search By Issue Date fields (boxed, center).
- Click on the first date field and enter a new beginning date, or use the calendar by clicking on the down arrow at the end of the field.
- Click on the second date field and enter a new ending date, or use the calendar by clicking on the down arrow at the end of the field.
- Click the Search button (circled). Indebtedness matching the selected criteria will then be displayed.

Indebtedness: Using the Search Feature (continued)

The third option is to search by Maturity Date.

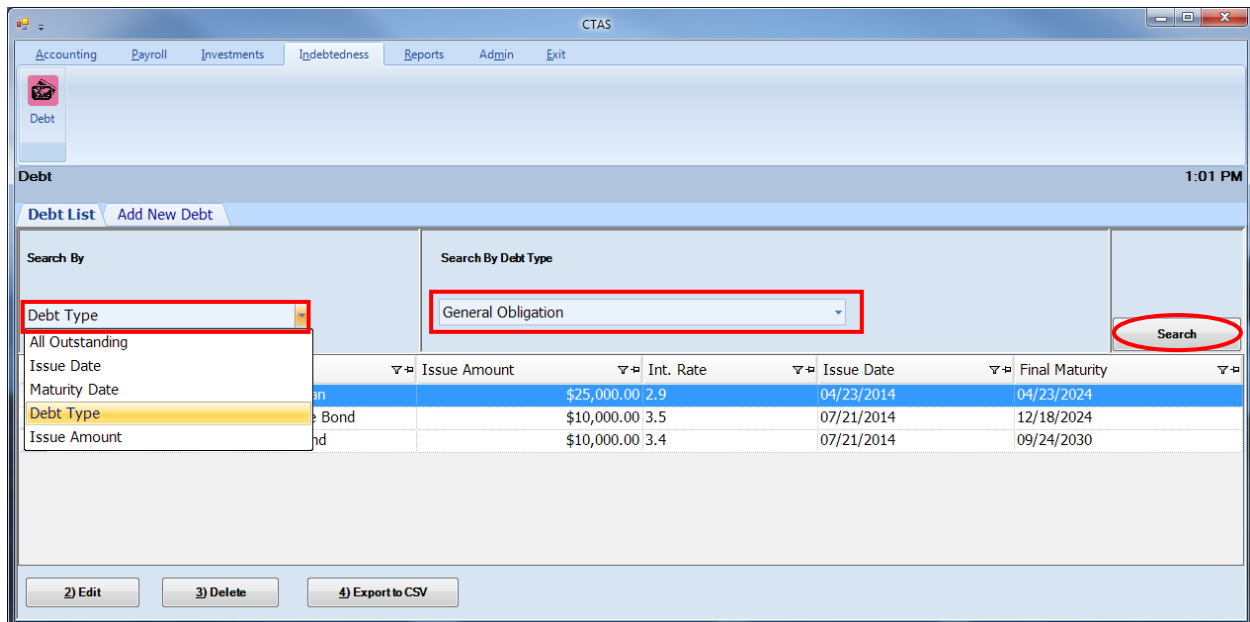


To search by Maturity Date:

- Select the Maturity Date option from the drop-down (boxed, left). The screen will then display the Search By Maturity Date fields (boxed, center).
- Click on the first date field and enter a new beginning date, or use the calendar by clicking on the down arrow at the end of the field.
- Click on the second date field and enter a new ending date or use the calendar by clicking on the down arrow at the end of the field.
- Click the Search button (circled). Indebtedness matching the selected criteria will then be displayed.

Indebtedness: Using the Search Feature (continued)

The fourth option is to search by Debt Type.

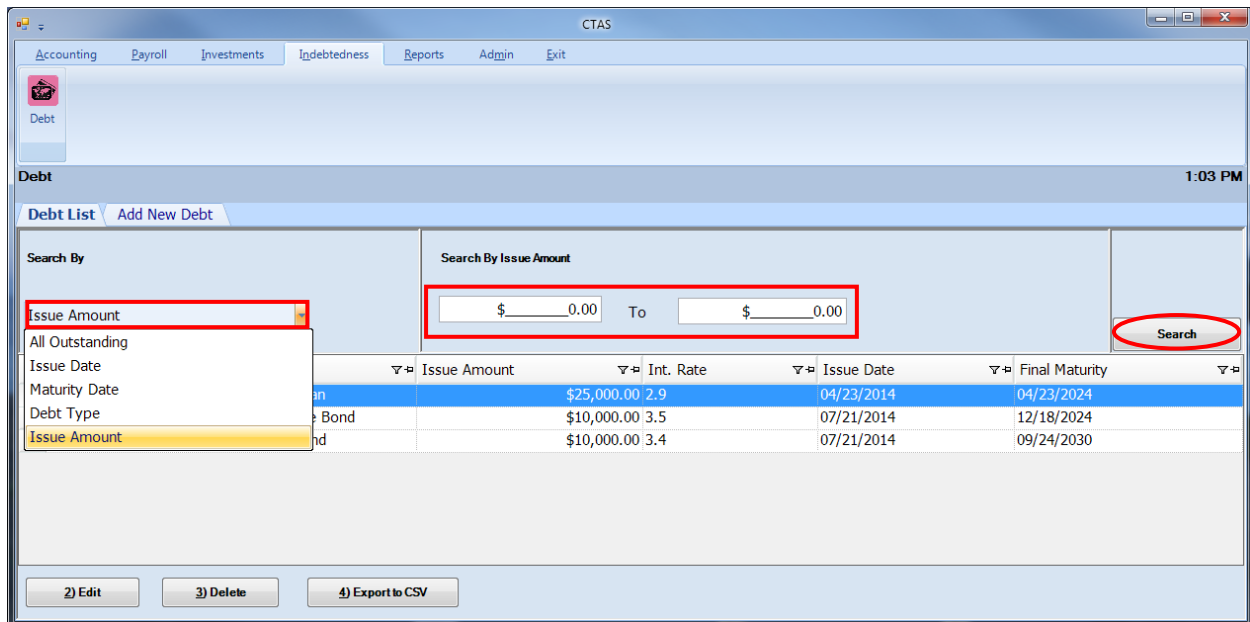


To search by Debt Type:

- Select the Debt Type option from the drop-down (boxed, left). The screen will then display the Search By Debt Type fields (boxed, center).
- Click on the down arrow at the end of the debt type field and select the type of debt.
- Click the Search button (circled). Indebtedness matching the selected criteria will then be displayed.

Indebtedness: Using the Search Feature (continued)

The fifth option is to search by Issue Amount.



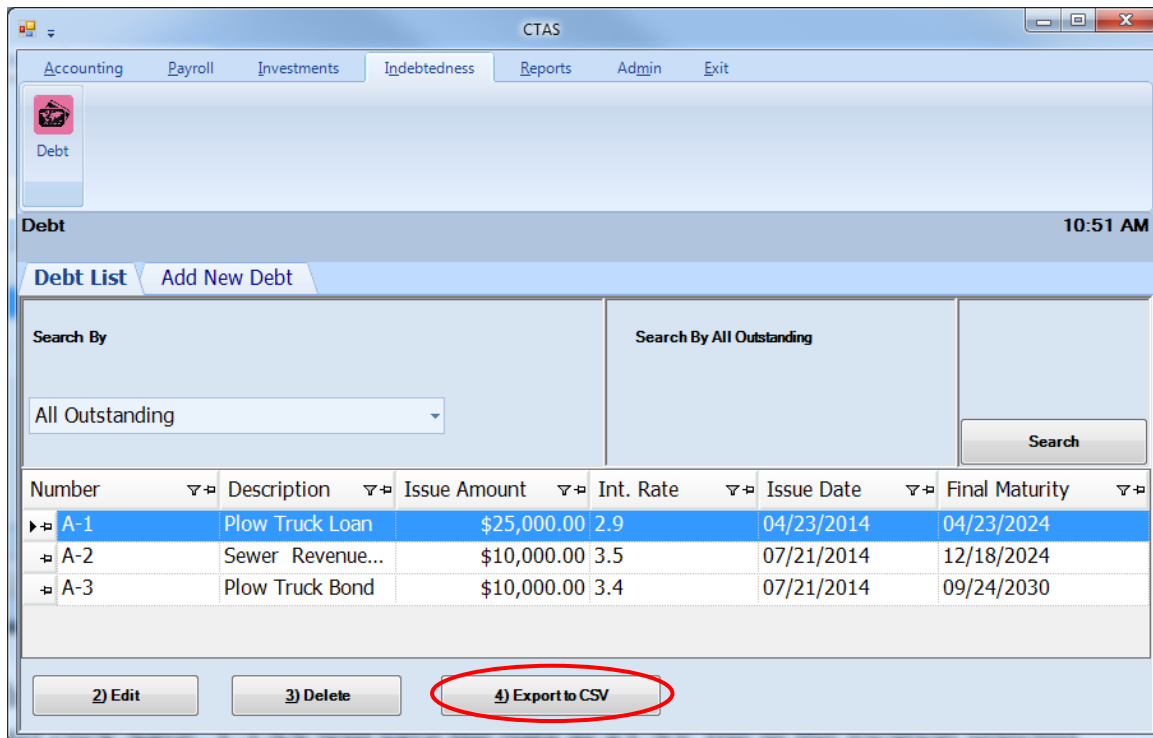
To search by Issue Amount:

- Select the Issue Amount option from the drop-down (boxed, left). The screen will then display the Search Issue By Amount fields (boxed, center).
- Click on the first amount field and enter the lowest amount.
- Click on the second amount field and enter the highest amount.
- Click the Search button (circled). Indebtedness matching the selected criteria will then be displayed.

Indebtedness: Export to CSV

CTAS allows you to export your data to a CSV file. The CSV ("Comma Separated Values") file format is used by many spreadsheet applications, including Microsoft Excel. Many CTAS users export data to CSV files to give them flexibility in analyzing and presenting their entity's data.

Click the Export to CSV button (circled), from the Debt List tab.



When the Save As window opens, select the location on your computer where you would like the file saved and click Save. CTAS will save the data as a CSV file in the location selected.