



## QuickBooks Done Right

The CPA Technology Advisor  
Column: From the Trenches

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As we start off a new year, it is a great time to review the developments in the small business accounting market with Intuit's QuickBooks. I hope you regularly read [Doug Sleeter's QuickBooks column](#) since he always has useful ideas. I have grown to enjoy speaking with Doug and helping him where I can, including in his annual Sleeter conference. However, I thought it might be appropriate to discuss some of the opportunities for your business with QuickBooks, and to understand the impact of QuickBooks 2008 and beyond.

### FOUR MAIN SETUP ISSUES

From field visits to tax and accounting firms as well as their clients, it is still common to see errors in basic QuickBooks setups. There are several correct ways to install QuickBooks, and dozens of incorrect ways. The main issues revolve around the new [database](#) introduced in 2006, attempting to support old versions of the product, speed and remote access. These four items frequently seem to be issues with installations.

- **A SEPARATE SERVER**  
Reasonably good results are occurring in firms that install QuickBooks on a separate physical [server](#) — a server only used for QuickBooks. This is particularly true for firms that have a large write-up practice using the product. A server-grade machine, often a 1U blade server, is added to the server farm with the sole purpose of supporting QuickBooks. By using a separate server, the database installation can install cleanly and without conflict from other applications. I have seen QuickBooks installed on both Windows Server and Windows XP using this approach. This separate server often helps with speed issues, as well.
- **A VIRTUAL MACHINE**  
As an alternative to a separate server, I suggest that a virtual machine approach to support each version of QuickBooks would work well. This approach allows disk files to act like [servers](#), and to share the application among multiple users. This approach also provides the most isolation and portability of the QuickBooks applications, regardless of version year. Installing QuickBooks on VMware seems to work the best.
- **A SEPARATE NAS UNIT**  
Another common installation approach is using a separate NAS (Network Attached Storage) unit to store all versions of QuickBooks and QuickBooks files. The NAS approach could be used in conjunction with virtual machines to isolate different versions of the product.
- **REMOTE ACCESS**  
The ease of supporting QuickBooks with remote access is improving with each version. If remote access is particularly important to you, having a separate server or virtual machine for QuickBooks can make the remote connections easier via Terminal Server or Citrix. Intuit is evaluating the possibility of offering hosting services, but at this time has no formal plans to

offer hosting services. Additionally, the WebEx Remote Access in QuickBooks 2008 has a new pricing plan with improved performance.

## **QUICKBOOKS 2008**

So what does QuickBooks 2008 bring to our clients and our practice? First, QuickBooks 2008 has made gathering client data from the front-end easier. Additional support has been added for payroll and tax integration, with this version providing a framework for full-service solutions from firms that want to provide a complete client solution.

### **Ease of Use Improvements**

QuickBooks 2008 was engineered to try to respond to the number one small business request — ease of use. Big improvements in 2008 were made in the following areas: ease of getting started, ease of getting paid and ease of getting data to accountants. The last few years, Intuit really improved setup so customers can get through the initial process fairly quickly. However, they found that after setup, customers experience a “moment of truth” where often they don’t know what to do next or where to start. This actually happens quite often whenever people adopt a new software program or application.

### **QuickBooks Coach**

Building on the recent setup improvements, new in QuickBooks 2008 is the QuickBooks Coach. QuickBooks Coach provides quick and easy access to two ways to help customers get started: by viewing tutorials to learn more about key features in QuickBooks or by learning through doing with Coach Tips. This provides new QuickBooks users the flexibility to get familiar with QuickBooks in the way they learn best. Coach Tips is like taking a highlighter to mark the route to your destination on a map. But it also allows the user to work in full-functioning QuickBooks, with highlighted tips to guide users through the few most common tasks such as creating an invoice or paying employees. Many accountants help small business owners set up QuickBooks and then offer training. The QuickBooks Coach feature provides those accountants with yet another tool to help clients get trained quickly and easily.

### **Improved Accountant’s Copy**

Also improved in QuickBooks 2008 are the following Accountant’s Copy features:

- Complete a range of adjustments to prior-period transactions such as AP, AR, banking and journal entries.
- Modify chart of accounts.
- File transfer. “Click, Encrypt and Send.” [new for QB2008]
- Backwards-compatibility. The Accountant’s Copy in 2008 is now backward-compatible with QB 2007 (e.g., QuickBooks Accountant’s Edition 2008 can open Accountant’s Copies created with QuickBooks 2007 and send changes back to clients to be imported into QuickBooks 2007). [new for QB2008]
- SmartMap Tax-line mapping. Streamlined and enhanced integration with Lacerte Tax.
- Modify lists, including class, items, vendors. [new for QB2008]
- Bank reconciliations. Accountants can do the bank reconciliation and push changes back to the client. [new for QB2008]
- Account Merge. Accountants can make changes (including merge items) to list items and push back to the client. [new for QB2008]
- Account type change. [new for QB2008]
- 1099 account mapping. [new for QB2008]
- “Shading” notation to denote transferable data. [new for QB2008]

- Intuit-provided one-way portal for secure interchange of information from the client to the accountant. The Accountant's Copy collection of features of the QuickBooks product continues to improve with Intuit addressing more and more issues in each version.

### **Additional New Features**

Additional new features in QuickBooks 2008 include the following:

- Re-Designed, Context-Sensitive Help.
- QuickBooks Community Site.
- Time Tracker for the Web.
- Time Tracker for Outlook.
- Invoicing for Time & Expenses.
- Outlook E-mail Integration.
- Google Maps & Directions.
- Multi-Location Inventory (for QuickBooks [Enterprise Solutions](#)).
- Electronic Data Interchange (EDI) (for QuickBooks Enterprise Solutions).
- [Business Intelligence](#) (In beta for QuickBooks Enterprise Solutions).
- Company Directory (In beta for QuickBooks Enterprise Solutions).
- Remote Access.
- Free version now includes two unattended connections to QB and one unattended access to accountant's PC.
- Additional unattended computers can be added for \$3.95/month each, \$29.95/month for 10.
- Conversion Tool.

**Other Changes by version include the following:**

- **Simple Start**
  - Simple Start Free Edition doesn't have a limitation on the number of vendors and customers.
  - Payroll is now possible in Simple Start.
  - Data can be imported from Excel (lists).
- **Pro/Premier**
  - Free six-month subscription to QB Remote Access.
  - Time Tracker for Outlook.
- **Enterprise Solutions**
  - Support for Linux as the [database](#) server.
  - EDI setup fee waived for True Commerce Transaction Manager.
  - Add-on inventory for multi-location, serial/lot tracking, and bar coding (monthly fees apply).
- **Online Edition**
  - Automated Online Banking handles transactions every night.
  - QuickBooks Online Payroll is integrated with QuickBooks Online Edition.

As you can see from these feature lists and notes, Intuit continues to be serious about its small accounting business and the support that its product receives from accountants. I'd suggest that you will likely see even more in future QuickBooks products as we head into the sixteenth year for this product.