

BuildYourNumbers.com presents:

13 Secrets To **Faster, Better Construction** **& Job-Cost Accounting** **in QuickBooks**



Diane Gilson, Certified Advanced QuickBooks ProAdvisor
© Info Plus Accounting, Inc., Ann Arbor, MI ♦ (734) 544-7620
BuildYourNumbers.com ♦ InfoPlusAccounting.com



BuildYourNumbers.com
with Info Plus⁽⁺⁾Accounting®, Inc.

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Contact Diane Gilson at
Help@InfoPlusAcct.com



What do we do?

- We help business owners, bookkeepers, and accounting professionals create **management accounting systems** that clearly show **which jobs make money**, **which jobs lose money**, and how to use this information to **increase profits**.
- We help you "Build Your Numbers" using **online training classes**, **industry-specific accounting products**, or **personal web-based consulting and coaching**.
- The ultimate goal? To **empower your business to create the lifestyle you deserve...**

Diane Gilson

*President, Info Plus Accounting, Inc.
Founder, BuildYourNumbers.com*



Diane Gilson

- **Experience:** 30+ years varied accounting experience including 15 Years as a CPA
- **Focus:** Management accounting, job costing, and training for construction and manufacturing industries since 1994
- **Speaker:** Various local and national groups including National Remodelers Shows, Atrium Group, International Builders Show, etc.
- **Developer:** > 90 Online Training Classes, eCPA, AccountingPRO and various other accounting support products, calculators, procedures, templates
- **Author:** Accounting with QuickBooks for Builders, Remodelers & Developers + various nationally published articles
- **QuickBooks Certifications:** Certified Advanced ProAdvisor, Enterprise ProAdvisor, Intuit Solution Provider + others,...
- **Awards:**
 - 2014 and 2015 "**Top 100 ProAdvisor**" (from > 65,000 ProAdvisors)
 - Associate of the year (2006)
 - Distinguished Service to the Building Industry (2009)
- **Service:**
 - NARI National Member (8 years)
 - NAHB National Board of Directors (4 years)
 - MAHB State Audit Committee (4 years)
 - Treasurer - HBA (10 yrs)
 - Treasurer - Remodeler Council (2 yrs)

Most importantly:



- *20+ years of:*
 - Working w/hundreds of company owners throughout the U.S.
- *I've seen:*
 - How few companies are really 'on top of' their accounting information
 - The pain company owners face when it comes to job cost, employment, and pricing decisions
- *I understand:*
 - The profitability issues that owners face every day (especially those 'bottom line' results!)
 - How the lack of accurate, useful day-to-day job-cost info contributes to these issues!

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13 Secrets To **Faster, Better Construction & Job-Cost Accounting**

What we'll cover:

- Common financial “lack-of-info” problems & frustrations
- **13 Secrets (actually 52!)** to a faster, better construction and job-cost system in QuickBooks (D-I-Y if desired!)
- The story behind the **AccountingPRO™** pre-built file designed to:
 - ✓ Totally **eliminate** “system design failures”
 - ✓ **Minimize** learning curve
 - ✓ Help you **access** and **maximize** available QuickBooks features
- Share a **special limited-time discount**





13 Secrets To **Faster, Better Construction & Job-Cost Accounting**

- This presentation **includes >50 QB TIPS & TRICKS!**
- Lots of info to cover in a short time frame!
- Multi-tasking? You'll get the most value if you're able to **focus on each step.**

So **please remove distractions** 😊

(cell phones, email, FB, co-workers dropping in, etc.)

- Download the slides and take notes.
- Recording will be available for a short period of time
- We'd like **your ideas, comments and insights** throughout!

Please enter these in the **Q&A Box!**

- ✓ We'll be monitoring your questions and comments...
- ✓ If I don't get to your question, email me at help@infoplusacct.com



13 Secrets To **Faster, Better Construction & Job-Cost Accounting**

10 Typical Business-Owner Frustrations *(how many of these apply to your company?)*

- *"It's hard to find **the right kind of software and related training** for myself and/or staff..."*
- *"I'm **tired of paying those high industry-specific software fees** and want to switch into QuickBooks – but don't know how."*
- *"**Why can't I find bookkeepers** who know QuickBooks, job-cost accounting, and construction?"*



13 Secrets To Faster, Better Construction & Job-Cost Accounting

10 Typical business-owner frustrations *(how many of these apply to your company?)*

- *"When I try to do the bookkeeping myself, it's **too time-consuming** – and probably not the best use of my time."*
- *"Why are my profits swinging around on a **month-to-month basis**? I don't understand why it's such a '**roller-coaster**' experience."*
- *"I've been counting on my CPA and/or tax preparer to help me – but I find they don't like (or aren't willing to help) with that type of work, they don't have time, or may not fully understand my industry."*



13 Secrets To **Faster, Better Construction & Job-Cost Accounting**

10 Typical business-owner frustrations *(how many of these apply to your company?)*

- ***"Why am I not making the money I should be making?"***
- ***"It seems like **tracking and monitoring financial results** is just a waste of time and money – I'm just doing it for tax purposes."***
- ***"I can't easily see **production costs and gross profits** for the company - or for **individual jobs**."***
- ***"It seems like financial tracking **should be easy** – but it isn't!"***



13 Secrets To **Faster, Better Construction & Job-Cost Accounting**

Intro to “13 Secrets” ...

- I'll switch into a test copy of a product that I developed (**AccountingPRO™**) that I use in my online training classes to illustrate what I'm discussing.
- For each of the 13 areas, I'll provide insights that I discovered as I worked with clients – and built into the **AccountingPRO™** QuickBooks template
- About halfway through I'll share the story behind **AccountingPRO™** as well as a special offer I'm making, and then we'll jump back into the “13 Secrets” content.



13 Secrets To **Faster, Better Construction & Job-Cost Accounting**

Overview: “13 Secrets” (x4!) Topics ...

- | | |
|--|--|
| 1. Chart of Accounts | 7. Payroll Item List |
| 2. Item List | 8. Classes |
| 3. Costs to P&L First –
then J/E to B/S as Needed | 9. Customer & Job Types |
| 4. Estimates | 10. Personal Preferences |
| 5. Customer:Job List | 11. Company Preferences |
| 6. Special Jobs (Examples) | 12. Memorized Transactions |
| | 13. Reports & Memorized Reports |



13 Secrets To **Faster, Better Construction & Job-Cost Accounting**

1. Chart of Accounts

- Establish Headers and Set up Groups based on business functions
- Use COGS accounts for production costs
- Use account numbers
- Anticipate future needs, build accounts into the List, then inactivate accounts until needed



13 Secrets To **Faster, Better Construction & Job-Cost Accounting**

2. Item List

- Use Items for ALL job costs (Estimates, PO's, all purchases and sales)
- Create headers and groupings. Assign headers to “uncategorized” accounts
- Place “Income Only” (Single-sided) Items first, then organize in job-stage order.
- Use double-sided Items for Items that will be purchased and potentially may be invoiced



13 Secrets To **Faster, Better Construction & Job-Cost Accounting**

3. Costs to P&L First – J/E as needed

- Accommodates all types of construction activities and income recognition (trades, remodeling, custom homes, production, developers)
- Makes it easy to see summarized job-by-job costs in standard accounting format
- Make adjustments (and reversals) by job in QB
- Keeps the Balance Sheet clean and easily documented



13 Secrets To

Faster, Better Construction & Job-Cost Accounting

4. Estimates

- Set up a template that includes costs
- Can use a single Estimate (good for T&M jobs) or multiple Estimates if you want different formats for customers vs. internal estimates (good for Fixed Price)
- Estimates can be Active or Inactive
- Copy into Sales Orders, PO's, and/or Invoices



13 Secrets To **Faster, Better Construction & Job-Cost Accounting**

5. Customer:Job List

- “Customer” is the same as a “header” then add “Jobs” as sub-elements (up to 5 layers deep)
- Take time to standardize naming (field, data entry, reports)
- Use headers to create summary results for different types of work
- Set up “00-Test Customer” for experimenting



13 Secrets To **Faster, Better Construction & Job-Cost Accounting**

6. Special Jobs (Examples):

- NJS – Non-job-specific for labor burden costs (direct-labor benefits, time-off, small tools and supplies, general supporting costs for field)
- Shop and/or Warehouse
- Vehicles and/or large equipment
- Non field departments: Sales, Admin, Owners



13 Secrets To **Faster, Better Construction & Job-Cost Accounting**

7. Payroll Item List

- Convert time into job costs by using the payroll module
- Create specific payroll items for different types of employees (Field, Supervisory, Sales, Admin, Owner, etc.) and assign them to COGS and Expense accounts
- ALL payroll needs to be assigned to a job (including Sales, Admin and Owner)
- Assign all payroll taxes to COGS, then move Sales, Admin, Owner taxes to the correct accounts



13 Secrets To Faster, Better Construction & Job-Cost Accounting

The story behind AccountingPRO™ (*QuickBooks Construction Template*):

- ✓ • For remodeling bookkeeping clients, initially built QuickBooks construction files based on client info requests from “the ground up”.
- ✗ • Clients liked results, but continued to ask for more detailed info. To meet their needs, we performed a lot of [unpaid] research and re-work and discovered new ways to use and/or “trick” QuickBooks
- ✓ • Came up with a smoothly-functioning result that worked for remodelers so we created a template.
- ✗ • As we expanded to work with other types of construction clients (custom and production builders, developers, trade contractors) we encountered even more info needs and industry requirements...



13 Secrets To Faster, Better Construction & Job-Cost Accounting

The story behind AccountingPRO™ (*QuickBooks Construction Template*):

- ✗ • “Cross-over” clients performed several types of construction at once!
- ✓ • Expanded and “scaled” the template to meet management, job-cost, and standard reporting needs to encompass various types and sizes of construction clients. Also to let clients choose level of tracking detail.
- ✓ • In 2000 wrote a book for the National Association of Home Builders showing builders, remodelers, and developers how to use QuickBooks to provide the management and job-cost reports they wanted. To save time and errors, readers then asked for a “pre-built” template.
- ✓ • Made the decision to create the AccountingPRO™ product and User Guide.



13 Secrets To **Faster, Better Construction & Job-Cost Accounting**

Ways companies benefit from using AccountingPRO™:

- Bypass system design **errors and re-works**
- Save many, many **hours of set up time!**
(Simply customize various lists to meet specific needs.)
- Use the pre-built memorized transactions as an **accounting manual**
(+ helps to ensure a **consistent approach to complex entries**)



13 Secrets To **Faster, Better Construction & Job-Cost Accounting**

Ways you will benefit from using AccountingPRO™:

- You get the **day-to-day job-cost and management reports** that you need to more successfully run your business(es)!
- Just imagine being able to turn over a **clean set of books at tax time!**
- Not ready to start a “clean” file? Use **AccountingPRO™** as a guideline and resource for “remodeling” your existing QB file structure



13 Secrets To Faster, Better Construction & Job-Cost Accounting

[For AccountingPRO™ videos, demo & details
Click here or go to:](#)

A screenshot of the BuildYourNumbers.com website. The website has a blue and white color scheme. At the top left, there is a logo with three stylized houses (yellow, blue, and grey) and the text "BuildYourNumbers.com with Info Plus Accounting, Inc." A red circle with the number "1" is next to the logo. To the right of the logo is a navigation bar with links: HOME, ONLINE TRAINING, PRODUCTS & SOFTWARE, BLOG, MORE, CART, and LOG INS. A red circle with the number "2" is next to the "PRODUCTS & SOFTWARE" link. Below the navigation bar, there is a large blue banner with the text "EXPERT QUICKBOOKS® CONSTRUCTION & MAINTENANCE" and "Take the guesswork out of your accounting." A red circle with the number "3" is next to the "AccountingPRO™ QuickBooks Construction Template" link in the dropdown menu. The dropdown menu is open, showing a list of products and services: "Info Plus Products - Catalog Listing", "ECPA - Labor Burden & Pricing Videos & Calculator", "AccountingPRO™ QuickBooks Construction Template", "35-Point Check-Up™ & Action Plan (Service)", "Month-End Closing Procedures For QuickBooks", "POCA - Percentage Of Completion Analyzer", "Cost Of Chaos Analyzer", and "Timesheets For Construction - English + Spanish". The background of the website shows a blurred image of a construction site with a building under construction.



13 Secrets To **Faster, Better Construction & Job-Cost Accounting**

Special Limited-Time Offer on [AccountingPRO™](#)

Use this code to obtain a **\$150 Discount** at checkout:

JobCost15

*Use this code between now and Friday, April 22, 2016
(discount expires at midnight!)*



13 Secrets To

Faster, Better Construction & Job-Cost Accounting

8. Class List and Tracking

- Class tracking means that every transaction you want to track must be assigned to a class (lots of extra data entry and mo-end balancing)
- Classes on balance sheets can be complex and difficult
- Classes are typically useful for different locations, departments, or partners - otherwise probably not necessary
- Instead, use Customer Types, Job Types, Rep, or other profitability or filtering methods



13 Secrets To **Faster, Better Construction & Job-Cost Accounting**

9. Customer & Job Types

- Use Customer & Job Type features to track useful job-related analytics
- Examples: Job supervisors, job-size, models, job location, lead source, etc. (Think about what you always wanted or needed to know!)
- Easy - Only requires one entry per job – but need to monitor to see that every job is assigned.
- Use Custom reports or filters to extract analytics



13 Secrets To **Faster, Better Construction & Job-Cost Accounting**

10. Personal Preferences - (Examples):

- Desktop view: Top icon bar, open window list, and colored icons
- General: Auto-recall last transaction for this name
- Reports & Graphs: Prompt me to modify report options before opening report
- Spelling: Checks spelling & create a custom dictionary



13 Secrets To **Faster, Better Construction & Job-Cost Accounting**

11. Company Preferences (Examples):

- Accounting: Use Account Numbers
- Accounting: Set Date Password
- Payroll & Employees: Full Payroll
- Reports: Accrual as default, and Format of Negative numbers in red and parentheses



13 Secrets To **Faster, Better Construction & Job-Cost Accounting**

12. Memorized Transactions

- Different types of memorized transactions (e.g., Auto enter, Don't Remind Me, etc.)
- Use these to create consistency and for complex transactions
- Add procedures or instructions
- Create Groups: for "titling" and/or enter multiple transactions at the same time



13 Secrets To **Faster, Better Construction & Job-Cost Accounting**

13. Reports & Memorized Reports

- Reports are based on lists – that’s why the structure of lists are so important!
- Select from pre-built “Summary” and “Detail” reports
- Customize dates, columns and (in some cases) formulas;
Use the “Expand” and “Collapse” features
- Memorize reports, then create report groups to either organize or create multiple reports



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Learn even more about AccountingPRO™

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