

Which Accounting Software is Right for You?

N EXTENSION

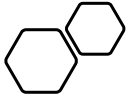
Mary T. Faber
— SOLUTIONS —

Vocabulary

- **Transaction** – A record of income or expense
- **Books** – A ledger of accounts, including all transactions
 - Most commonly checkbook register, or financial software
- **Reconciling** – Is the process of making sure one record of a financial account is consistent with another.
 1. Compare receipts/invoices/deposit slips to bank statements
 2. Compare “books” to bank statements
 3. If discrepancies exist, make corrections or contact financial institution. File a reconciliation worksheet identifying uncleared checks or unposted deposits.

ARTICLE: <https://go.unl.edu/recon>



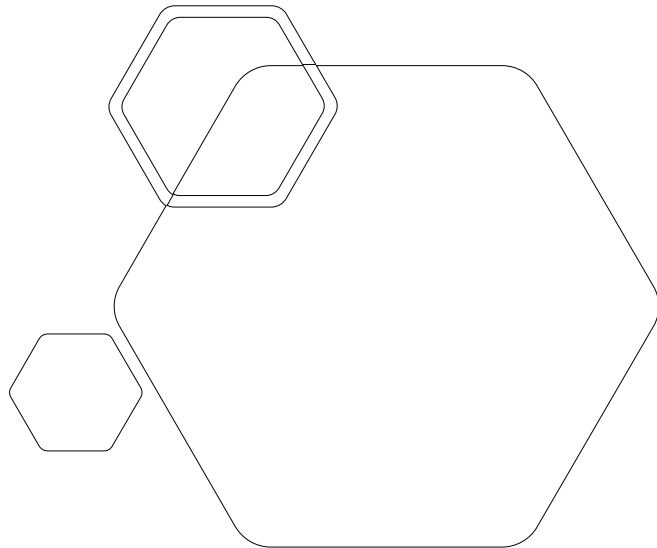


What does
“doing the
books”
mean?

- Collecting receipts, invoices and other financial documentation
- Balancing the checkbook
- Entering transactions into a software system (“books”), reconciling regularly, classifying transactions by tax line

The day of the disc is
dead...

- The days of buying a software “on disc” are sunsetting – be ready for online only versions/support
- Most new laptops do not have a disc drive
- At minimum you must download software



QuickBooks Online v. Quicken

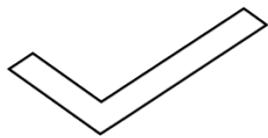
QuickBooks Online

- \$30 - \$200 per month, depending on Plan Selection
 - Recommend “QuickBooks Essentials”. Regularly \$55 per month.
- Business accounting software, built to track income, expenses, inventory, and accounts payable

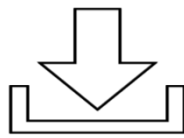
Quicken

- \$4 - \$10 per month, depending on plan selection
 - Recommend “Quicken Deluxe” Regularly \$5 per month
- Personal accounting software, built to track income, and expenses

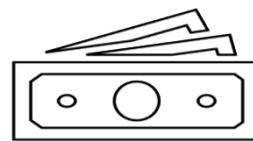
Both Programs Offer



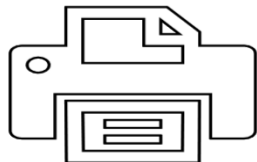
Regular software updates



Connection to financial institutions to download transactions



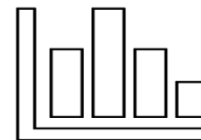
Income and Expense Tracking



Check Printing



Split expenses or income into multiple tax lines



Reports

Why pick one over the other?

QuickBooks Online

- Advantages
 - Preferred software of accountants
 - Invoicing, payroll, detailed inventory tracking
 - Remote access for bookkeeper/accountant
- Disadvantages
 - Cost
 - Ease of use
 - No “offline” entry

Quicken Deluxe

- Advantages
 - More user friendly
 - Transactions can be entered off-line (data file stored locally)
 - Affordable
- Disadvantages
 - No invoicing or payroll*
 - Not online/cloud-based system – no remote access unless synced
 - Cannot convert from Quicken to QuickBooks anymore
 - No inventory tracking

Software Specific Vocabulary

QuickBooks Online

- **QBO** – QuickBooks Online
- **Gear icon** - icons at top right of QuickBooks Online. The gear icon is where all operational features reside. From here you can access Manage Users, Accounts and Settings, Attachments, Recurring Transactions, Budget, User Profiles and more.
- **Chart of accounts** - complete listing of each account in a business’s accounting system.
- **Invoice** - when you sell to a customer who will pay you later.
- **Bill** – when you purchase a product or service from a vendor, and you will pay them later.

Quicken Deluxe

- **Category** – Associates each transaction with a tax-line
 - FOR THE IRS
- **Tag** – Another way of organizing/classifying transactions, not associated with tax lines
 - FOR YOU
- **Account** – Collection of Transactions
- **File** - Group of accounts (cash, checking, operating loan, mortgage)
 - Only include accounts that funds can transfer between.. i.e. Farm Checking and Farm Credit Card
 - Do not include accounts in a file that should not transfer – i.e. the Church accounts with the ranch accounts.

QuickBooks Online

- Small Business Accounting Software
 - Subscription Options:
 - Self-Employed – NO
 - Simple Start - \$30/month
 - Essentials - \$55/month
 - Plus - \$85/month
 - Essentials - \$200/month
- Flexibility – customize for your business

5 Things You Need To Know About QuickBooks Online

1. You can take it anywhere
2. Access to QuickBooks App
 - Track Trip / Mileage
 - Snap Receipt
 - Invoice
 - Enter Expenses
3. Get more done with Apps
 - Square
 - Shopify
 - Dubsado
 - Gusto
4. Remote Access
5. Customize, create & send invoices

