Setting up company preferences

part 1: general, accounting, projects, and billing

Goal: Set up important preferences for the way you work in Ajera.

You set up company preferences to define:

- General information about your firm such as the current fiscal year, employer ID, address, and phone numbers.

- Significant settings that determine when and how you begin working in Ajera.

- Key financial accounts affected when you enter information.

- Terminology, rates, and other settings important to the way you work with projects.

- Billing preferences.

- The way you manage payroll: in-house using Ajera, or outsourced using a payroll service.

- The way to enter and process timesheets and expense reports.

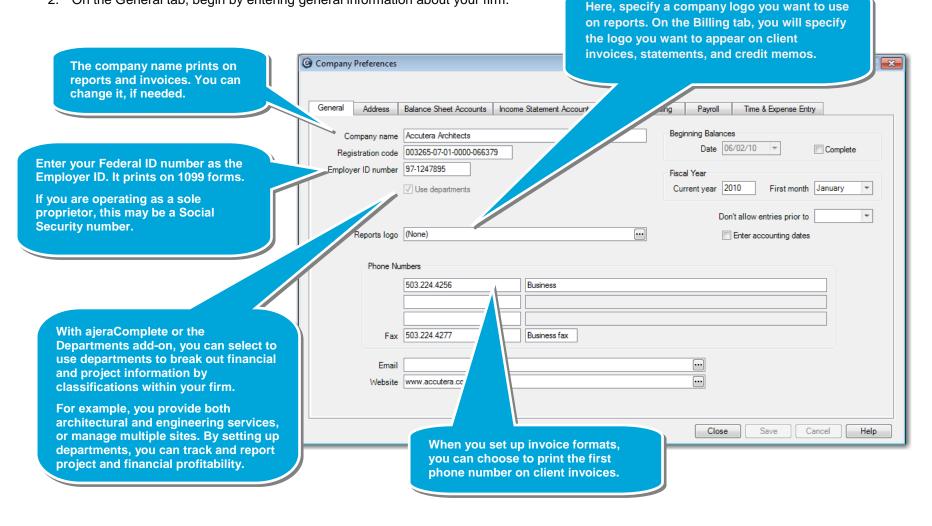The Company Preferences quick lesson consists of two parts:

- Company preferences, part 1: general, accounting, projects, and billing

- Company preferences, part 2: payroll, time, and expenses

In this quick lesson

Step 1: Enter general information about your firm

1. Select **Company** >**Preferences**.

2. On the General tab, begin by entering general information about your firm.

> Here, specify a company logo you want to use on reports. On the Billing tab, you will specify the logo you want to appear on client invoices, statements, and credit memos.

> The company name prints on reports and invoices. You can change it, if needed.

> Enter your Federal ID number as the Employer ID. It prints on 1099 forms.
>
> If you are operating as a sole proprietor, this may be a Social Security number.

> With ajeraComplete or the Departments add-on, you can select to use departments to break out financial and project information by classifications within your firm.
>
> For example, you provide both architectural and engineering services, or manage multiple sites. By setting up departments, you can track and report project and financial profitability.

> When you set up invoice formats, you can choose to print the first phone number on client invoices.

Company Preferences

General | Address | Balance Sheet Accounts | Income Statement Account | ...ing | Payroll | Time & Expense Entry

Company name: Accutera Architects
Registration code: 003265-07-01-0000-066379
Employer ID number: 97-1247895
☑ Use departments

Reports logo: (None)

Phone Numbers
503.224.4256 | Business
Fax 503.224.4277 | Business fax

Email
Website: www.accutera.co

Beginning Balances
Date 06/02/10 | ☐ Complete

Fiscal Year
Current year 2010 | First month January

Don't allow entries prior to
☐ Enter accounting dates

Close | Save | Cancel | Help

Step 2: Enter significant settings

Continue working on the General tab of Company > Preferences to enter important settings that identify when and how you begin using Ajera.

Enter the date you plan to start entering current project and financial data.

For example, if you want to start entering time and expenses as of May 1, you would specify April 30 as your beginning balance date.

Typically, your beginning balance date is the month-end date of the last reconciled Trial Balance from your CPA.

Important! Once you enter a transaction, you cannot change the beginning balance date; it is "locked down." If you need to change the date after you start entering data, you must contact Axium Client Services.

Select this check box when you are done entering and reconciling your non-project-related beginning balances. Ajera then removes the Beginning Balances option from the Company menu.

Ajera allows you to continue entering project history after you establish your financial balances. You will indicate that your project-related beginning balance is complete on the Projects tab.

Beginning Balances
Date 06/02/10   ☐ Complete

Fiscal Year
Current year 2010   First month January

Don't allow entries prior to

☐ Enter accounting dates

Close

Enter your company's current fiscal year and select the first month of the financial reporting year.

These entries identify your company's fiscal year, not the month you're going to start using Ajera.

Select this check box for Ajera to prompt you for an accounting date when you perform transactions that require it. Otherwise, Ajera automatically assigns the accounting date for you.

After you are finished entering beginning balances, you can prevent entries from being made to prior periods by entering a date in this field.

For example, you close the year on December 31 and do not want entries made before then, so you enter January 1.

Ajera also uses this date and the Beginning Balances date to determine valid dates and assign accounting dates. For more information, see Help > Index > dates > how assigned.

Step 3: Enter address information

Click the **Address** tab and enter your firm's address information.

Step 4: Set up accounts

Enter accounts here to ensure consistent financial reporting and allow staff to enter data without having to make accounting decisions. Ajera automatically sets up default accounts, which you can change, as needed.

1. Click the **Balance Sheet Accounts** tab and indicate the appropriate asset and liability accounts from your chart of accounts.

2. Click the **Income Statements Accounts** tab and indicate the appropriate revenue and expense accounts from your chart of accounts.

For information on how these accounts are used, from the Contents in Help, select Company Preferences > Setting up account preferences.

Step 5: Set up project preferences

1. Click the **Project** tab.

2. When you start setting up your projects, you define the project work breakdown structure. Two important components of that structure are *phases* and *activities*.

   These terms appear as column headings when entering time and expenses. They also appear on reports. Change them, if needed, to match what your firm calls them.

A phase reflects a stage of a project's lifecycle.

An activity is the type of work or expense charged to a project. You can specify cost and billing rate by activity. Reports and client invoices can be summarized or subtotaled by activity. For example, Drafting is a labor activity and Mileage is an expense activity.

3. If you have **ajeraComplete**, indicate if you want to use tasks and, if yes, what you want to call them.

Tasks are work that needs to be performed. They are the to-do items which culminate in accomplishing all the work necessary to complete the objective of a phase or project.

Step 5: Set up project preferences (continued)

4. Specify if you want to use employee cost and billing rate tables for budgeting.

> **Leave this check box selected if you want to use actual labor cost rates for employees instead of averages for budgeting purposes.**
>
> **Otherwise, Ajera always uses the average labor cost rate from the Employee type, or if it is not entered, then the rate you enter below on this window (never the actual rate for the employee).**

> **Leave this check box selected if you want to use actual billing rates from the labor rate table instead of average rates for budgeting purposes.**
>
> **Otherwise, Ajera always uses the average labor billing rate from the Employee type, or if it is not entered, then the rate you enter below on this window (never the actual billing rate from the billing rate table).**

> **Ajera uses this amount to calculate cost budgets when you enter budgeted hours without specifying an employee or employee type**

> **Ajera uses this amount to calculate fee budgets when you enter budgeted hours without specifying an employee or employee type.**

Company Preferences

General | Address | Balance Sheet Accounts | Income Stateme

Phase description | Phase
Activity description | Activity
☑ Use tasks
Task description | Task
Consultant budgets | Warn if over invoiced
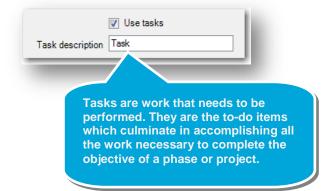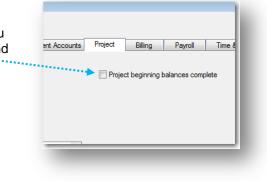budgets | Warn if over invoiced - commitment # requir

☑ Use employee cost for budgeting
☑ Use billing rate tables for budgeting

Average Labor Budget Rates
Cost | 26.8000
Billing | 95.0000

5. Enter the average labor budget rates for Ajera to use to calculate the cost amount and the contract amount for budgeted hours.

6. After you finish entering all your beginning balances for your projects, you select this check box. The Beginning Balance tab in the Project Command Center then no longer appears.

   (Earlier in this quick lesson, you learned to indicate that you are finished setting up non-project-related beginning balances by selecting the Beginning Balances Complete check box on the General tab.)

ent Accounts | Project | Billing | Payroll | Time &

☐ Project beginning balances complete

Step 6: Set up billing preferences

Next, you set options to specify how you want to calculate billing rates and invoice your clients to make the billing process more seamless.

1. Click the **Billing** tab.

2. Begin by setting up invoice numbers, the accounting date, and some options for client invoices.

You can assign invoice numbers by company, client, project, or consultant.

If you are automatically assigning numbers by company, enter the number of your last invoice. For example, enter 999 to print the first invoice with a number of 1000.

Enter the accounting date you want Ajera to use when reporting your revenue on financial statements.

Here, enter your firm's logo that you want to print on client invoices, statements, and credit memos.

To learn how to turn on this logo so it prints, be sure to see Help > Contents > Company Preferences > Setting up billing preferences.

Here, enter the default header and footer text that prints on all client invoices.

In Ajera, you can print different header and footer text for all invoices, only invoices of a specific project, and only a specific invoice. To learn more, see Help > Contents > Company Preferences > Setting up billing preferences.

Company Preferences

Tabs: General | Address | Balance Sheet Ac... | Income Statement Accounts | Project | **Billing** | Payroll | Time & Expense Entry

Client Invoice Options

Auto assign invoice numbers by	Company
Last invoice number used	999
Invoice accounting date	Invoice Date
Invoice and statement logo	Accutera_logo.jpg
Invoice header text	
Invoice footer text	

☑ Apply sales tax
☑ Override the employee's standa... ...ployee type

Finance Charges

☑ Create finance charges

Annual percentage rate	18.00 %
Minumum balance	50.00
Minimum finance charge	5.00
Grace period days	30
...ce charge start date	06/03/10

Labor Markups

☑ Use markup for	DPE
☑ Use markup for	Overhead
☑ Use markup for	Profit
☐ Use markup for	G&A
☐ Use markup for	Other Labor

Expense Markups

Step 6: Set up billing preferences (continued)

3. Next, set up options for billing rates.

   If you mark up project cost for billing, then select any **Labor**, **Expense**, and **Consultant** Markup types.

   For example, your government jobs require you to determine the billed amount by marking up the cost. For labor, your markups are for DPE (Direct Personnel Expense), Overhead, and Profit. Contractually reimbursable and consultant expenses can be marked up to cover G&A (General and Administrative) costs.

   The items you select are then available to use individually or in combination when setting up billing rate tables. You can change the description for these items, as needed.

When setting up an employee, you assign the employee a standard employee type, such as principal, drafter, intern, and so on.

If employees perform multiple roles, and you need to bill an employee using an employee type other than the standard type, select this check box.
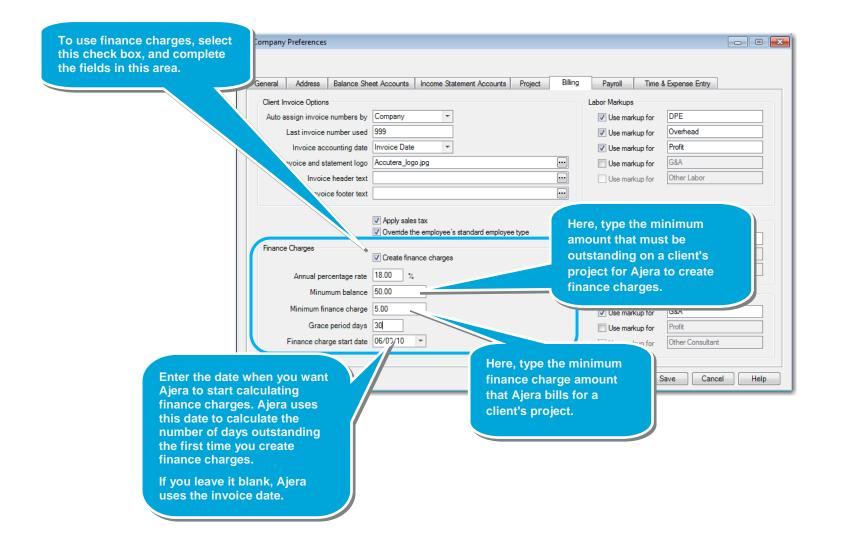
Ajera adds a column to the rate table so you can enter a new description for billing purposes. However, the employee's standard employee type remains attached to the cost amount for analyzing staff utilization and other management reports.

Step 6: Set up billing preferences (continued)

4. Indicate if you want to use finance charges.

    If yes, set up the options for finance charges.

To use finance charges, select this check box, and complete the fields in this area.

Here, type the minimum amount that must be outstanding on a client's project for Ajera to create finance charges.

Enter the date when you want Ajera to start calculating finance charges. Ajera uses this date to calculate the number of days outstanding the first time you create finance charges.

If you leave it blank, Ajera uses the invoice date.

Here, type the minimum finance charge amount that Ajera bills for a client's project.

Now, you're ready to learn how to set up the way you manage payroll and process timesheets and expense reports.

Be sure to see the following quick lesson:

Company preferences, part 2: payroll, time, and expenses