

QUICKBOOKS CONFUSION – ONLINE vs DESKTOP?

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Whether you are a brand new or seasoned practice owner or manager, having an accounting system that you can trust is a must! QuickBooks software by Intuit is one of the most recognized accounting solutions for businesses of all shapes and sizes. At Summit, we highly recommend using it for your veterinary practices. It is very user friendly, both from the standpoint of paying vendors and staff but also getting meaningful financial reports to help veterinarians and managers run their practices successfully.

With so many versions offered within the QuickBooks family, it can be a challenge to choose the one that best fits your needs. So, which one is right for you? First, let's look at the traditional desktop versions.

QuickBooks Pro and QuickBooks Premier

Both Pro and Premier are powerhouses when it comes to collecting and reporting information. QuickBooks Pro allows simultaneous access to the company file for up to three users, and Premier allows up to five. Users can import and export data using Microsoft Excel, use online banking, create and manage budgets, and schedule reports to run automatically based on the dates you choose. The Pro version currently costs \$299.95* if you buy it directly from Intuit. You are likely to find better prices at office supply stores or Amazon. Which is better, Pro or Premier? Stick with Pro. For veterinary practices, there is not enough difference between Pro and Premier to justify the added cost of the Premier version (up to \$200* more).

QuickBooks Enterprise 19.0

If more than five people need to use QuickBooks at the same time, you may consider using Enterprise. This product is the most powerful and customizable version and is specifically designed for use on a networked system. Enterprise is suitable for large practices, practices with multiple locations or those with dedicated accounting departments that need up to 30 simultaneous users. Enterprise can combine information from multiple company files to create consolidated reports. All of this comes at a much higher cost – \$1,155*.

QuickBooks for Mac

QuickBooks for Mac has never received the same developmental attention as the PC versions. The Mac product is neither as robust nor as complete as the PC versions above, and according to Intuit, it is best suited for home-based businesses with five or fewer employees. Data files for QuickBooks for Mac are platform specific, meaning that the program can't be run by PC users. There is a "roundtrip" feature that converts files to PC versions and back to Mac versions without losing any data, but the process is awkward. QuickBooks for Mac does not have the same reporting capabilities as the PC version, although with each new release, the program gets a little better. If you really want to use your Mac, a better choice is QuickBooks Online.

QuickBooks Online

For a long time, QuickBooks software was limited to desktop versions. However, for many years, QuickBooks has offered an exclusively online version. At first, this product was quite limited in its reporting capabilities. And honestly, the main reason to use accounting software is to get decent financial reports from it. But over the last few years, QuickBooks Online (QBO) has really stepped up its game. It has become a popular choice for people who prefer to use a web-based product. In contrast to the one time purchase of the desktop versions (with upgrades recommended every other year), QBO is a subscription-based software, with a monthly fee of \$20* to \$150* (as of June 2019).

The benefits are typical of online software:

1. 24/ 7/ 365 availability
2. Automatic updates so you always use the latest and greatest version
3. Automatic file back up with safe and secure online storage
4. Access data from multiple platforms
5. Upgrade and downgrade versions at any time
6. Unlimited free technical support

Some of the downsides:

1. You must have a live Internet connection
2. If the website goes down, you have no access to your data and no ability to control when you regain access. Fortunately, in our experience, this happens very rarely and only for brief periods of time.
3. Unlike the desktop software that you install on a computer and use until you decide to upgrade, if you don't pay the subscription fee, you won't have access to your file. There is a grace period, so you won't lose access immediately, and access is restored as soon as you bring your account current.

There are four levels of QBO, a Simple Start (very limited and not recommended), Essentials, Plus, and Advanced, each with progressively better reporting and features, and an escalation in price. Essentials is comparable to Pro desktop, however, you will need to subscribe to the Plus online version to have the budget feature. QuickBooks Pro Desktop and QuickBooks Plus Online tend to lead the pack when it comes to functionality and affordability.

A few years ago, a partnership led by the AVMA, AAHA, Veterinary Management Groups (VMG), VetPartners and the VHMA, created a standardized AAHA/VMG Chart of Accounts (COA) for companion animal hospitals that is available for download and free of charge. (https://www.aaha.org/professional/resources/chart_of_accounts.aspx). This website has several formats to download the chart of accounts and import into QuickBooks desktop, and there is an Excel file that can be modified and imported into QBO. The list of accounts is extensive and most likely, you will not need every single account. This is important because the Simple Start, Essentials, and Plus online versions are limited to 250 accounts. (The AAHA/VMG COA has ~270 accounts, so get help from your accountant to decide which can be omitted, if any.)

There has been and continues to be a debate as to whether or not the online version of QuickBooks is better than the desktop version. The desktop version has been around since the 1990s, long before software over the internet was common. Currently, QuickBooks Desktop has a few more features and functionality when you compare it to the online version. However, new features are constantly being added to the online version, and there are some features available in the online version that are not available in Desktop. And most of Intuit's development budget is targeted to the online version. The "cloud" is the future, not only for QuickBooks but for most business software, so embracing QBO may be your best option.

Whatever your preference, it is important to make sure the version of your choice best fits the needs of your practice. If you would like some help choosing the product that's right for you, give us a call. We would love to hear from you!

*All prices quoted are current as of June 13, 2019