BuildTopia/QuickBooks Interaction

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Overview

QuickBooks is a great accounting system with many features that, when utilized to their potential; provide a robust accounting and financial reporting system when integrated with BuildTopia. The purpose of this document is to describe how best to integrate BuildTopia and QuickBooks to provide the best total solution.

In terms of the integration itself, BuildTopia has a module, commonly referred to as LinkTopia that manages the exporting of transactions from BuildTopia to QuickBooks. Further QuickBooks has a standardized import function that import transactions within IIF Files. LinkTopia creates these IIF Files, based on a pre-defined format, that are then imported into QuickBooks.

From an accounting and book-keeping perspective, QuickBooks manages financial reporting, accounts payable, banking, cash management, non-direct costs, and payroll; and BuildTopia manages all aspects of Direct Construction Costs and Sales including payment approval and deposit management.

The approach described in this document is considered a recommended approach based on research of the features of both QuickBooks and BuildTopia. While this document speaks to a proposed integration and workflow that describes how to best take advantage of some of the features within QuickBooks, many customers are successful integrating both BuildTopia and QuickBooks differently than what is described herein. The reader should understand that there is considerable flexibility in the integration of the two systems and further that LinkTopia can be modified to support different export structures and integration methodologies to support varied customer requirements.

A description of the primary touch points between BuildTopia and QuickBooks is described herein and includes:

1. Accounts Payable Processing
2. Job Costing and Profitability
3. Settlement & Closing Entries
4. Financial Reporting

Accounts Payable Processing

The purchasing process related to Direct Construction Costs is managed entirely in BuildTopia. Purchase Orders are generated and ultimately approved in BuildTopia. The PO approval step in BuildTopia is intended to act as the payment approval point and thus only approved PO transactions are sent over to QuickBooks.

Purchase orders are approved in BuildTopia and sent over to QuickBooks as Accounts Payable Bills. The General Ledger (GL) entry for each transaction is a Debit to Work in Process (WIP) and a Credit to Accounts Payable (AP). The default setup is a single AP and a single WIP account for all transactions. For reconciliation purposes, it is recommended that a dedicated Work in Process account be created to manage direct costs exclusively from BuildTopia.

Relating to AP payment processing, there are two generally accepted principles relating to the payment process that are both supported – “auto pay” or match PO’s to vendor invoices.

If a builder does “auto pay”, then all approved PO’s from BuildTopia would be approved for payment and no additional processing is necessary to pay out of QuickBooks.

If choosing to match vendor invoices to Bills sent over from BuildTopia, it will be important to establish a method to discern bills in QuickBooks that have and have not been reconciled to vendor invoices – in this case the user will only pay bills that have been reconciled. A

methodology to make this differentiation could include entering/updating the following fields when vendor invoices are reconciled to QuickBooks Bills coming in from BuildTopia:

1. Update "Bill Due" field in QuickBooks for only reconciled invoices. Bills originating out of BuildTopia will not have a value in this field.
2. Update "Memo" field in QuickBooks to include the vendor invoice number. Bills originating out of BuildTopia will have the Lot # in the Memo field so the user could add this following the Lot # entry.

Job Costing in QuickBooks

In addition to being able to perform detailed job costing functions within BuildTopia, the QuickBooks – BuildTopia integration can be setup to support summarized and detailed job costing and profitability analysis at the project level, building level and lot level within QuickBooks. The job costing capabilities utilize QuickBooks customer, job and item classifications pursuant to the following parameters.

For Single-Family builders, job costing and profitability is analyzed at both the project and lot level. QuickBooks customers are BuildTopia projects, QuickBooks jobs are BuildTopia Lots/Units, and QuickBooks items are BuildTopia cost codes. QuickBooks also supports grouping of cost codes into cost categories using their Item / Sub-Item capabilities.

For Multi-Family builders, profitability is analyzed at the project, building, and unit level. In this scenario, QuickBooks customers are BuildTopia projects, QuickBooks jobs are the aggregation of BuildTopia units within a building (aggregated by Lot Accounting Code in BuildTopia) and QuickBooks items are BuildTopia cost codes. Further, QuickBooks supports the concept of sub-jobs allowing job profitability analysis to support a Project – Building – Unit hierarchy (Customer – Job – Sub Job).

Based on the above configurations, project profitability is provided in QuickBooks using the Job Profitability Report functions. QuickBooks' Profitability Reports summarize revenue, cost and profitability for each job (lot/building) and aggregates that information by customer (project). QuickBooks Detail Profitability Reports provide detailed costs breakdown by item (cost codes) with profitability by job (lot/unit/building).

Please note that since only approved transactions are being sent over to QuickBooks, only BuildTopia will have data as it relates to all committed costs, including open purchase orders, and cost to complete.

Closing Entries

When homes/units are settled, journal entries need to be made to recognize revenue and corresponding costs of sales (closing journal entry). The elements of closing entries may include the following.

1. Revenue: Base House, Options, NSO, Land
2. Cost of Sales: Base House, Options, NSO, Land
3. Settlement Expenses
4. Construction Loan Payoff
5. Deposits: Base House and Options
6. Commissions
7. Settlement Proceeds
8. Work In Process: Indirect and Direct Costs, including Base House, Options, NSO's, Variances and Cost to Complete

Closing entries are dependent upon reports out of QuickBooks and BuildTopia. Depending upon the needs of your organization relating to how financial reports break down revenue and costs of sales, the corresponding information can be pulled out of either or both systems.

In many cases, what will be required to report from BuildTopia is the "cost to complete" and the breakdown of revenue and costs that correlate to the desired P&L structure (i.e. revenue and Cost of Sales breakdown of Base House, Options, & NSO's).

Cost to complete is the outstanding committed costs that have not been sent over to QuickBooks from BuildTopia. For QuickBooks customers, the open purchase orders that have not been approved within BuildTopia will not be recorded in QuickBooks at the time of the Closing Journal Entry. Thus, at the time of the closing entry, open purchase orders that have not been approved on the corresponding lot should be reported out of BuildTopia On-Demand Reporting™. The balance of these purchase orders can be included as an adjustment in the Closing Journal Entry.

For builders that desire to have their P&L breakdown revenue and cost of sales by Base House, Options and NSO's, it is recommended to utilize the Job Cost Variance Report in BuildTopia to get the corresponding breakdown of cost information and ensure that all related costs are accounted for. For the revenue side the best method to group your information is to create a custom on-demand report using the Sales-Workups dataset within BuildTopia.

Financial Reporting

Using the above methodologies, QuickBooks can nicely support different styles of financial reporting where management can see financial reports summarized the way they want to see them and get detail from the QuickBooks job profitability functions, in addition to the detail available from BuildTopia.

It is recommended that cost code detail not be retained on the Profit & Loss Statement, but rather maintain that detail through QuickBooks job profitability reporting functions.

Another feature of QuickBooks is the concept of a "Class" that provides the ability to group and classify transactions. The default QuickBooks setup includes a mapping of the BuildTopia Project to the QuickBooks Class thereby supporting the capability to break out financials by Project.

Quickbooks Classes can be used to breakout financials by Project.

	Project 1	Project 2	Project 3	Project 4	Total	% of Sales
Revenue						
Base House Revenue	$18,630,000	$3,498,935	$9,350,080	$13,360,574	$44,839,589	72%
Options Revenue	$4,140,000	$777,541	$2,077,796	$2,969,016	$9,964,353	16%
NSO Revenue	$3,105,000	$583,156	$1,558,347	$2,226,762	$7,473,265	12%
Less Discounts & Incentives	$64,688	$12,149	$32,466	$46,391	$155,693	0%
Total Revenue	$25,875,000	$4,859,632	$12,986,222	$18,556,353	$62,277,207	100%
Cost of Sales – Direct Costs						
Base House Direct Costs	$12,161,250	$2,284,027	$6,103,524	$8,721,486	$29,270,287	47%
Options Direct Costs	$2,587,500	$485,963	$1,298,622	$1,855,635	$6,227,721	10%
NSO Direct Costs	$1,811,250	$340,174	$909,036	$1,298,945	$4,359,404	7%
Total Cost of Sales – Direct Costs	$16,560,000	$3,110,164	$8,311,182	$11,876,066	$39,857,412	64%

Configuration Considerations & Settings

Master Configuration and Data Structure

BuildTopia recommends that the following structure be reflected in both your QuickBooks and BuildTopia configurations.

QuickBooks Data	BuildTopia Entry
Vendor `[Lists > Vendor Lists]`	Vendor Accounting Code *(or if blank, Vendor Name)* `[Data Library > Trade Partners > Edit]`
Customer `[Lists > Customer: Job List]`	Project Accounting Code `[Admin > Projects > Modify]`
Job `[Lists > Customer: Job List]`	Lot Accounting Code *(or if blank, Lot Number)* `[Project Setup > Lots > Lot Details]`
Item `[Lists > Item List]`	Accounting Code 1 *(or if blank, Cost Code Number)* `[Data Library > Activities > Cost Codes > Edit]`
Class `[Lists > Class List]`	Project Accounting Code `[Admin > Projects > Modify]`

BuildTopia contains accounting codes for Projects, Companies, Vendors, Lots, and Cost Codes. The data in these codes controls the mapping within QuickBooks. The above cross reference refers to the LinkTopia Export Structure called "QuickBooks – BT." The following are some considerations to make when defining your coding structure:

- QuickBooks Profitability Reports only show the Item Code within QuickBooks. Therefore the item codes should include both a code and a name (i.e. 1020 Permits & Fees). Therefore the entire code must also be in the BuildTopia Cost Code Accounting Code.
- QuickBooks supports a convention of sub-items and sub-jobs. In both cases, the mapping requires both the category and the subcategory in the corresponding BuildTopia field. For example: Item Category of 10 Pre-construction and Item Code of 1020 Permits & Fees needs to have the following value in the BuildTopia Cost Code Accounting Code:

  10 Pre-construction:1020 Permits & Fees

  The same methodology applies for jobs and sub-jobs and the corresponding value required in the Lot Accounting Code in BuildTopia.
- In cases where transactions are imported into QuickBooks and values for the Vendor, Customer, Job, or Item do not exist, QuickBooks will automatically create the entry in QuickBooks using the value provided in the LinkTopia file. However, this method of data-building is not recommended. In certain situations, Quickbooks will assign incorrect data characteristics to undefined values in the LinkTopia file. For example, if a Customer/Job Name has not been preset in Quickbooks and a transaction is imported using the unlisted Name, Quickbooks will automatically create the intended Customer/Job Name as a Vendor Name.
- While Accounting Codes for Vendors, Lots and Cost Codes are not necessary, the respective fields can be used to support QuickBooks centric naming conventions or a coding structure in QuickBooks that may not exactly correlate to BuildTopia. It is mandatory that the data that is populated in both the Quickbooks lists and BuildTopia data fields match exactly. This will insure that imported transactions are assigned and classified correctly in Quickbooks.

QuickBooks Versions Supported

Currently the LinkTopia interface supports any PC version of QuickBooks capable of imports of IIF files. Unfortunately, due to differing functionalities, BuildTopia does not currently support imports of IIF files into QuickBooks versions for Apple Macintosh®. According to the QuickBooks web-site, the following versions of QuickBooks have this capability:

> QuickBooks 1999 – QuickBooks 2007 (Premier Industry-Specific or Enterprise editions are recommended)

LinkTopia Setup

Overview

During the export process, LinkTopia gathers any purchase orders that match the criteria established either in the LinkTopia setup process or in the Advanced Export process, and which have a new purchase order status of "Approved" since the last LinkTopia export was completed. Approved purchase orders that have not previously been included in a LinkTopia file will be exported in one IIF file.

LinkTopia does not export open purchase orders, budgets or estimates for import into QuickBooks. In QuickBooks, there is no method to append or update an estimate, or void an open purchase order through an import file and thus are not sent over to QuickBooks.

LinkTopia also has a user interface to manage previous exports from BuildTopia. Users have the ability to view previous exports and re-export any transactions based on user defined queries.

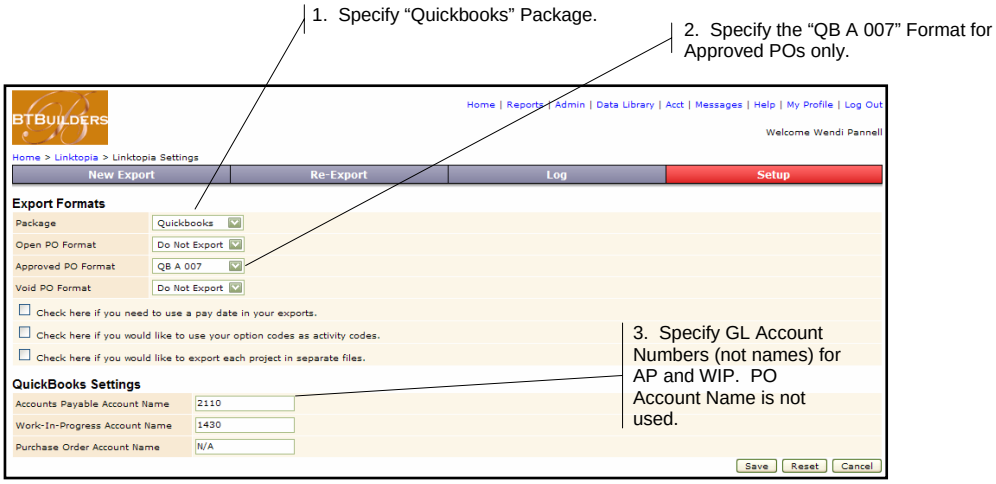
Configuring LinkTopia to achieve the integration described in this document requires 3 settings to be made within the LinkTopia Setup function within BuildTopia.

1. Specify Accounting Package: QuickBooks
2. Specify Export Format: Approved PO Format (QB A 007)

   There are multiple QuickBooks Interfaces supported by BuildTopia, the integration described in this document requires the specific interface noted above. In the case of a custom LinkTopia Interface, it would be selected here.

   While LinkTopia can send over additional data, there is no mechanism within QuickBooks to maintain other data and thus only approved transactions are supported in the recommended interface. The Open PO Format an Void PO Format fields should be set to "Do Not Export."
3. Specify General Numbers for Work in Process (WIP) and Accounts Payable (AP).

   Be sure to use GL numbers not names. One of the most common causes of integration errors is the use of text names and not account numbers. QuickBooks has the flexibility to operate without Account Numbers – so if there are none on the current Chart of Accounts, it is recommended that they are added and then entered in BuildTopia. Also, the Purchase Order Account Name is not utilized in the recommended configuration.



Determine the Account Names

Navigation Path

QuickBooks > Lists > Chart of Accounts

Steps

Examine the chart of accounts list. Note the appropriate account name and number (as appropriate) for the following account types:

- Accounts Payable
- Work-in-Progress
- Purchase Orders (This is not used and can be left blank)

LinkTopia is capable of exporting to one account for each account type. If your chart of accounts currently contains multiple accounts of the above account types, select the appropriate account to which the BuildTopia data should be imported. It is recommended that all companies have a dedicated WIP account used exclusively for Direct Costs coming in from BuildTopia in order to simplify reconciliation of work in process to BuildTopia.

BuildTopia recommends capturing the account number for the account, as account names can be duplicated. Duplicate account names cause errors during the import process and may cause issues with your data.

Complete LinkTopia Setup

Navigation Path

BuildTopia > Acct > Setup tab

Notes

This task is limited to users with administrative access to BuildTopia.

Steps

1. Select the "QuickBooks" item from the Package pull-down menu.
2. Select the appropriate purchase order statuses to be exported:

i. Select the "QB A 007" item from the Approved PO Format pull-down menu to export Purchase Orders approved for Payment within BuildTopia.

ii. QuickBooks does not support maintenance of open or void transactions so do not select these transaction types to be exported.

3. Additional Linktopia Settings:
    a. Pay Dates in your Exports: This setting is not used in Quickbooks exports and should not be selected.
    b. Option Codes as Activity Codes: This setting may be used in custom implementations and should only be selected if instructed to do so by Professional Services.
    c. Export Each Project in Separate Files: This setting may be used in this integration. If your company uses a separate QuickBooks file for each project, select the checkbox for the Export Each Project in Separate Files setting. NOTE: The Project Accounting Code is populated in the project definition, accessed at the following navigation path: Admin > Projects > Modify link.
4. Use the following text fields to enter the QuickBooks account name or number in the QuickBooks Settings section:
    a. Accounts Payable Account Number
    b. Work-In-Progress Account Number
    c. Purchase Order Account Number is not necessary and can be left blank or have "N/A" inserted as the account number.
5. Select the Save button to save the LinkTopia setup changes, or select the Cancel button to discard the changes.

New Export from LinkTopia

Navigation Path

BuildTopia > Accounting > New Export

Notes

o Basic Exports can be generated by skipping the filtering functions of the LinkTopia wizard. Simply select to Preview Export by clicking the on-screen button or using the pull-down navigation to advance to the preview screen.

Steps

1. To perform a PO Search in LinkTopia:
    a. Select the Project Name from the pull-down menu.
    b. Use the text field to enter the Payment Date or use the Pick Date link to select the Payment Date using a calendar view. Manually entered dates must be entered in the correct format, e.g. MM/DD/YYYY.
    c. Select the Next button.
    d. Basic Filtering – Enter all or some of the following fields:
        i. Use the pull-down menu to select PO Type.
        ii. Use the text field to enter the PO Number.
        iii. Select the PO Status by checking the appropriate box.

iv. To filter by an Amount,
    1. Use the pull-down menu to select the amount filter type
        a. "=" - WO/PO amount must equal the amount entered in the text field.
        b. "!=" - WO/PO amount must not equal the amount entered in the text field.
        c. "<" - WO/PO amount must be greater than the amount entered in the text field.
        d. ">" - WO/PO amount must be less than the amount entered in the text field.
        e. "<=" - WO/PO amount must be greater than or equal to the amount entered in the text field.
        f. ">=" - WO/PO amount must be less than or equal to the amount entered in the text field.
    2. Use the text field to enter the amount.

v. Use the text field to enter the Lot Sub Accounting Code.

vi. Use the text field to enter the Option/Activity Name.

vii. Use the text fields to enter the From and To Date Created or use the Pick Date link to select the from and To Date Created using a calendar view. Manually entered dates must be entered in the correct format, e.g. MM/DD/YYYY.

viii. Use the text fields to enter the From and To Date Approved or use the Pick Date link to select the From and To Date Approved using a calendar view. Manually entered dates must be entered in the correct format, e.g. MM/DD/YYYY.

e. Select the Next button.

f. Lot Selection – Select Lots to EXCLUDE from the PO search.
    i. By default all lots are included in the PO search parameters. To remove lots from the current PO search:
        1. Select the Lot Number(s) from the list.
        2. Select the Exclude Selected button.
        3. Lots that have been removed from the PO search parameters may be viewed on the Exclude tab.
    ii. If the Lot Selection is incorrect, the Lots on the Include and Exclude tabs may be reversed by selecting the Inverse Selection button.

g. Select the Next button.

h. Trade Partner Selection – Select Trade Partners to EXCLUDE from the PO search.
    i. By default all Trade Partners are included in the PO search parameters. To remove Trade Partners from the current PO search:
        1. Select the Trade Partner(s) from the list.
        2. Select the Exclude Selected button.
        3. Trade Partners that have been removed from the PO search parameters may be viewed on the Exclude tab.

ii. If the Trade Partner selection is incorrect, the Trade Partners on the Include and Exclude tabs may be reversed by selecting the Inverse Selection button.

i. Purchase Order Selection – Select Purchase Orders to EXCLUDE from the export.

i. By default all Purchase Orders are included in the resulting export file. To remove Purchase Orders from the current export:

1. Select the Purchase Order(s) from the list.
2. Select the Exclude Selected button.
3. Purchase Orders that have been removed from the export may be viewed on the Exclude tab.

j. If the Purchase Order selection is incorrect, the Purchase Orders on the Include and Exclude tabs may be reversed by selecting the Inverse Selection button.

k. Select the Preview Export button.

i. Due to technical limitations, the system will not display all Purchase Orders for large export files.

ii. The Export Preview is only intended as a final checkpoint for the overall structure of the LinkTopia export file.

2. Select the Run Export button to export the file in the format appropriate for the accounting software specified during LinkTopia setup.
3. At the File Download prompt, select the Save button to save the exported file to your hard drive.
4. In the Export dialog box:

a. Navigate to the desired location where the file should be created.

b. Modify the file name for the exported file as appropriate.

c. Select the Save button to create the new file, or select the Cancel button to stop the export process.

Import into Accounting System

Navigation Path

2006 – 2007: QuickBooks > File > Utilities > Import > IIF Files

Prior to 2006: QuickBooks > File > Import > IIF Files

Steps

1. In the Import dialog box, browse to the exported file saved in the previous step. Select the Open button to begin the import process.

In most cases, when an Import Error occurs in QuickBooks, there will be a very non-descript error message with a Line Number, usually in the format “Error on Line 7”. If you are reporting a problem with a LinkTopia file importing into QuickBooks, please note the line number that caused the error.

Re-Export from LinkTopia

Navigation Path

BuildTopia > Accounting > Re-Export

Notes

The LinkTopia interface for re-exports of POs has been updated to mirror the functionality utilized for New Exports. The only additional search parameters that are included in Basic Filtering for the re-export interface are Export Date Selection fields and a text field for the Audit Number.

1. To perform a PO Search in LinkTopia:
    a. Select the Project Name from the pull-down menu.
    b. Use the text field to enter the Payment Date or use the Pick Date link to select the Payment Date using a calendar view. Manually entered dates must be entered in the correct format, e.g. MM/DD/YYYY.
    c. Select the Next button.
    d. Basic Filtering – Enter all or some of the following fields:
        i. Use the pull-down menu to select PO Type.
        ii. Use the text field to enter the PO Number.
        iii. Select the PO Status by checking the appropriate box.
        iv. To filter by an Amount,
            1. Use the pull-down menu to select the amount filter type
                a. "=" - WO/PO amount must equal the amount entered in the text field.
                b. "!=" - WO/PO amount must not equal the amount entered in the text field.
                c. "<" - WO/PO amount must be greater than the amount entered in the text field.
                d. ">" - WO/PO amount must be less than the amount entered in the text field.
                e. "<=" - WO/PO amount must be greater than or equal to the amount entered in the text field.
                f. ">=" - WO/PO amount must be less than or equal to the amount entered in the text field.
            2. Use the text field to enter the amount.
        v. Use the text field to enter the Lot Sub Accounting Code.
        vi. Use the text field to enter the Option/Activity Name.
        vii. Use the text fields to enter the From and To Date Created or use the Pick Date link to select the from and To Date Created using a calendar view. Manually entered dates must be entered in the correct format, e.g. MM/DD/YYYY.
        viii. Use the text fields to enter the From and To Date Approved or use the Pick Date link to select the From and To Date Approved using a calendar view. Manually entered dates must be entered in the correct format, e.g. MM/DD/YYYY.
        ix. Use the text fields to enter the From and To Date Exported or use the Pick Date link to select the From and To Date Exported using a calendar view. Manually entered dates must be entered in the correct format, e.g. MM/DD/YYYY.

x. Use the text field to enter the Audit Number.

5. Complete the re-export using the previously described steps for New Exports from LinkTopia.

QuickBooks Setup

Because of the complexity and the importance of your accounting system to your company, BuildTopia recommends consulting your accounting professional prior to making any changes or modifications to your accounting system configuration.

Creating / Modifying the Chart of Accounts

Notes

BuildTopia recommends entering account numbers as well as account names within the chart of accounts. In order to allow entry of account numbers, the Use Account Numbers company preference setting must be selected in QuickBooks via the following navigation path: Edit > Preferences > Accounting icon > Company Preferences tab > Use Account Numbers.

Navigation Path

QuickBooks > Lists > Chart of Accounts > Account button > New

QuickBooks > Lists > Chart of Accounts > Account button > Edit

Steps

1. Select the appropriate Type from the drop down menu.
2. As appropriate, use the text field to enter the account Number.
3. Use the text field to enter the account Name.
4. If the account is a sub-account of an existing account within the Chart of Accounts:
    a. Select the sub-account checkbox.
    b. Select the appropriate account from the sub-account pull-down menu.
5. As appropriate, enter the following optional information:
    a. Use the text field to enter the Description.
    b. Use the text field to enter the Bank Acct No.
    c. Use the pull-down menu to select the Tax Line.
    d. Use the text field to enter the opening balance for the account. The default entry is zero.
    e. Use the text field or the calendar icon to enter the date for which the opening balance applies.
    f. Select the checkbox to indicate that the account is inactive.
6. Select the OK button to save the new account and return to the list of chart of accounts or select the Cancel button to return to the list of chart of accounts without saving the changes. If creating multiple new accounts, select the Next button to create a new account, and then repeat steps 1 – 6.

Creating / Modifying Items

Notes

- BuildTopia recommends that items be created to mirror the cost codes (or Cost Code Accounting Codes) created within the BuildTopia system.
- The steps for creating / modifying items apply to all item lists including, but not limited to, vendor lists, customer lists, and the Item list.

Navigation Path

QuickBooks > Lists > Items List > Item button > New

QuickBooks > Lists > Items List > Item button > Edit

Steps

1. Use the pull-down menu to select the Item Type. Note: In most cases, the Item Type will be set to Service.
2. Use the text field to enter the Item Name/Number.
3. If the class is a sub-item of an existing item:
    a. Select the Subitem of checkbox.
    b. Select the appropriate Item from the Subitem of pull-down menu.
4. Select the checkbox to indicate if this service is used in assemblies or is performed by a subcontractor or partner.
5. Use the text field to enter the Item Description displayed on Item purchases entered manually into Quickbooks.
6. As appropriate, use the text field to enter the Cost for the Item.
7. Use the pull-down menu to select the appropriate Account from the Chart of Accounts.
8. As appropriate, use the pull-down menu to select the Preferred Vendor.
9. Use the text field to enter the Item Description displayed on Item sales entered manually into Quickbooks.
10. As appropriate, use the text field to enter the Sales Price for the Item.
11. Use the pull-down menu to select the appropriate Account from the Chart of Accounts.
12. Select the OK button to save the new Item and return to the list of Items or select the Cancel button to return to the list of Items without saving the changes.

Creating / Modifying Classes

Navigation Path

QuickBooks > Lists > Class List > Class button > New

QuickBooks > Lists > Class List > Class button > Edit

Steps

1. Use the text field to enter the Class Name.
2. If the class is a sub-class of an existing class:
    a. Select the sub-class checkbox.
    b. Select the appropriate class from the sub-class pull-down menu.
3. Select the OK button to save the new class and return to the list of classes or select the Cancel button to return to the list of classes without saving the changes. If creating multiple new classes, select the Next button to create a new class, and then repeat steps 1 – 3.

Troubleshooting

Common Reasons for Import Errors

The following is a list of some common causes of import errors found when importing an iif file into QuickBooks.

1. Accounts Names are used instead of Account Numbers. Very commonly customers will use the general ledger account name within LinkTopia and not the account numbers for work in process and accounts payable. It is highly recommended that builders utilize account numbers in QuickBooks and put the numbers in LinkTopia rather than the account names.
2. Accounts Payable general ledger account has to have a GL type of "Accounts Payable", not "Current Liability."
3. Opening an IIF file in Microsoft Excel, then re-saving it, will unknowingly change the format of the file making it unreadable by QuickBooks – even if you resave it as an IIF file.
4. If the Vendor, Customer and Item lists (as well as Classes) are not configured so that the BuildTopia data mirrors the QuickBooks data, imports may result in erroneous data and/or import errors.

Technical Support

The Customer Support Center provides support for BuildTopia customers for the entirety of the application including LinkTopia. The Customer Support Center can be reached by telephone at 800.773.0711 or by email at support@buildtopia.com.

If you are still in the Implementation process and the configuration of LinkTopia was included as part of your implementation, you may also contact your Implementation Manager for support.

In cases where troubleshooting QuickBooks integration errors, customers may be asked to provide information out of QuickBooks including the Chart of Accounts, Item List, Customer/Job List, Class List and/or Vendor List. See instructions below on how to extract this information out of QuickBooks.

Export QuickBooks Data to Send to BuildTopia

Navigation Path

2006 – 2007: QuickBooks > File > Utilities > Export > Lists to IIF Files

Prior to 2006: QuickBooks > File > Utilities > Export

Notes

In the event that you encounter a problem with LinkTopia, or if you require additional assistance in configuring LinkTopia, it may be necessary to export the chart of accounts and other lists for submission to BuildTopia staff for review.

Steps

1. Select the checkbox for each list to be exported to an IIF file. The most common lists requested will be the following:
    a. Chart of Accounts
    b. Customer List
    c. Vendor List

d. Class List

e. Item List

2. Select the OK button to continue the export process, or select the Cancel button to stop the export process.
3. In the Export dialog box:
    a. Navigate to the desired location where the file should be created.
    b. Enter the file name for the exported file.
    c. Select the Save button to create the new file, or select the Cancel button to stop the export process.

Third Party Resources

Accounting with QuickBooks Pro - For Home Builders and Remodelers

By Diane C.O. Gilson

Available at www.builderbooks.com

Description: BuildTopia customers have found this book very useful in defining their data structure in both BuildTopia and QuickBooks and recommend it to other BuildTopia customers implementing either or both BuildTopia or QuickBooks.

Cardamel Consulting

Noelle Marshall, Certified QuickBooks Consultant

720-339-0624

www.cardamel.com

nmarshall@cardamel.com

Description: Cardamel is an established consultant providing Homebuilding Business Solutions. Cardamel is a reseller of Microsoft Dynamics, BuildTopia, and Intuit QuickBooks. The employees and partners of Cardamel have over 25 years of experience within the Homebuilding Industry. Noelle Marshal, Cardamel's Certified QuickBooks Consultant, has a thorough knowledge of BuildTopia, QuickBooks and how they are best deployed together.

SMA Consulting

Steve Maltzman, CPA, President

909-420-0200

www.smaconsulting.net

smaltzman@smaconsulting.net

Description: SMA is an established consultant in the Industry providing excellent conferences and consulting services relating to best practices for Home Builders. Steve Maltzman is also an expert with QuickBooks and is a resource to better understand how QuickBooks can be optimized in a Residential Construction Business.

NAHB Chart of Accounts

www.nahb.org – search for "Chart of Accounts"

Description: Developed by CPAs specifically for home builders, remodelers, developers, and commercial builders, the NAHB Chart of Accounts is the foundation of a well-organized accounting system. Use it to classify financial accounting data as assets, liabilities, owners' equity, revenues, and expenses. The Chart of Accounts' detailed subsidiary ledgers will structure your managerial accounting system and organize data for analysis, reporting, and control.

1. NAHB Chart of Accounts (MS Word Document)
2. Part A: Outline of NAHB Chart of Accounts (MS Excel File - easy-to-import)
3. Part B: The Complete NAHB Chart of Accounts (MS Excel File - easy-to-import)
4. Part C: Basic Accounts for Small Volume Builders (MS Excel File - easy-to-import)

5. Part D: Direct Construction Costs Subsidiary Ledger (MS Excel File - easy-to-import)
6. Part E: Indirect Construction Costs Subsidiary Ledger (MS Excel File - easy-to-import)
7. Part F: Land Development Costs Subsidiary Ledger (MS Excel File - easy-to-import)

Accounting and Financial Management – For Residential Construction

By Emma Shinn

Available at www.builderbooks.com

Description: Maximize your financial performance! A solid resource for any builder, developer, or contractor involved in residential construction, this revised and expanded fourth edition provides an understanding of how and accounting system operates and the basic principles for processing financial data.

Appendix A: LinkTopia Export Data Definitions

The following tables represents two different LinkTopia formats defining how each field within the LinkTopia export file maps across BuildTopia and QuickBooks.

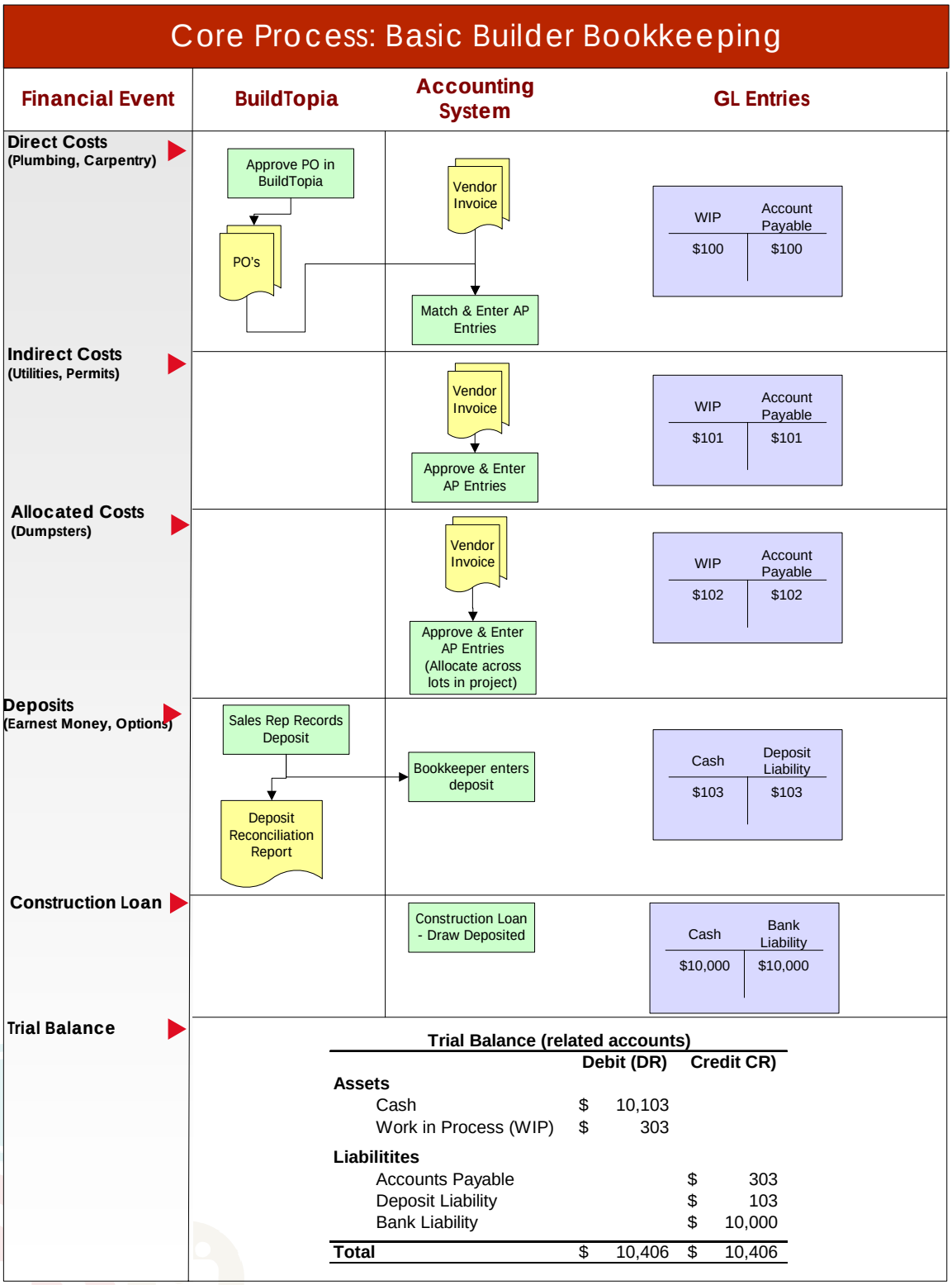
QUICKBOOKS - BT 5.5 (*Default Linktopia export structure for Quickbooks prior to the 5.6 Release*)

Line 1		Line 2	
QB Header	LinkTopia Export (PO Header Line)	QB Header	LinkTopia Export (PO Line Item)
!TRNS	TRNS	!SPL	SPL
TRNSID	<< BLANK >>	SPLID	<< BLANK >>
TRNSTYPE	BILL	TRNSTYPE	BILL
DATE	APPROVED DATE	DATE	<< BLANK >>
ACCNT	AP ACCOUNT (*as defined in Quickbooks*)	ACCNT	WIP ACCOUNT (*as defined in Quickbooks*)
NAME	VENDOR ACCT CODE *(or if blank, Vendor Name)*	NAME	LOT ACCT CODE *(or if blank, Lot Number)*
CLASS	<< BLANK >>	CLASS	PROJECT ACCT CODE
AMOUNT	INVERSE PO TOTAL AMOUNT*	AMOUNT	TOTAL AMOUNT
DOCNUM	PO NUMBER	DOCNUM	<< BLANK >>
MEMO	LOT NUMBER + PO DESCRIPTION	MEMO	PO DESCRIPTION
DUEDATE	<< BLANK >>	INVITEM	COST CODE ACCOUNTING CODE (*or if blank, CC Name*)
	**Inverse PO Total Amount = - (Total Amount)*	QNTY	QUANTITY
		PRICE	UNIT PRICE
			**Total Amount = Quantity x Unit Price*

QUICKBOOKS - QB A 007 (*Default Linktopia export structure for Quickbooks following the 5.6 Release*)

Line 1		Line 2	
QB Header	LinkTopia Export (PO Header Line)	QB Header	LinkTopia Export (PO Line Item)
!TRNS	TRNS	!SPL	SPL
TRNSID	<< BLANK >>	SPLID	<< BLANK >>
TRNSTYPE	BILL	TRNSTYPE	BILL
DATE	APPROVED DATE	DATE	<< BLANK >>
ACCNT	AP ACCOUNT (*as defined in Quickbooks*)	ACCNT	WIP ACCOUNT (*as defined in Quickbooks*)
NAME	VENDOR ACCT CODE *(or if blank, Vendor Name)*	NAME	LOT ACCT CODE *(or if blank, Lot Number)*
CLASS	<< BLANK >>	CLASS	PROJECT ACCT CODE
AMOUNT	INVERSE PO TOTAL AMOUNT*	AMOUNT	PO LINE TOTAL AMOUNT*
DOCNUM	PO NUMBER	DOCNUM	<< BLANK >>
MEMO	LOT NUMBER	MEMO	PO LINE DESCRIPTION
DUEDATE	<< BLANK >>	INVITEM	ACCOUNTING CODE 1 (*or if blank, CC Number*)
	**Inverse PO Total Amount = - (Sum of all PO Line Total Amounts)*	QNTY	QUANTITY
		PRICE	PO LINE UNIT PRICE
			**PO Line Total Amount = Quantity x PO Line Unit Price*

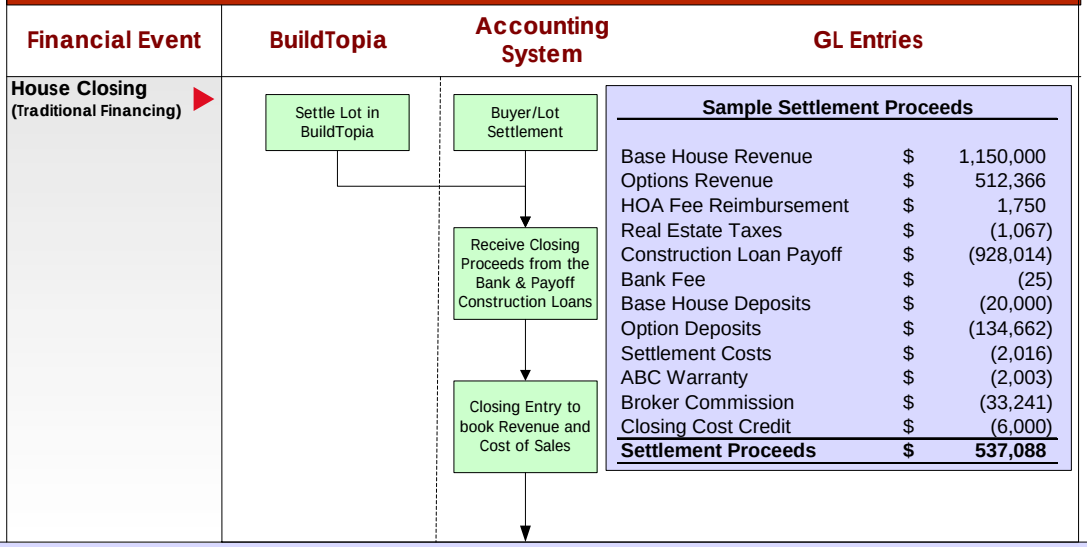
Appendix B: Bookkeeping Workflow Diagrams



Trial Balance (related accounts)

	Debit (DR)	Credit CR)
Assets		
Cash	$ 10,103	
Work in Process (WIP)	$ 303	
Liabilitites		
Accounts Payable		$ 303
Deposit Liability		$ 103
Bank Liability		$ 10,000
Total	$ 10,406	$ 10,406

Core Process: Basic Builder Bookkeeping - Closing Entry



Sample Settlement Proceeds

Base House Revenue	$	1,150,000
Options Revenue	$	512,366
HOA Fee Reimbursement	$	1,750
Real Estate Taxes	$	(1,067)
Construction Loan Payoff	$	(928,014)
Bank Fee	$	(25)
Base House Deposits	$	(20,000)
Option Deposits	$	(134,662)
Settlement Costs	$	(2,016)
ABC Warranty	$	(2,003)
Broker Commission	$	(33,241)
Closing Cost Credit	$	(6,000)
Settlement Proceeds	**$**	**537,088**

Closing Entry - Sample House

Sample Settlement Proceeds

Base House Revenue	$	1,150,000
Options Revenue	$	512,366
HOA Fee Reimbursement	$	1,750
Real Estate Taxes	$	(1,067)
Construction Loan Payoff	$	(928,014)
Bank Fee	$	(25)
Base House Deposits	$	(20,000)
Option Deposits	$	(134,662)
Settlement Costs	$	(2,016)
ABC Warranty	$	(2,003)
Broker Commission	$	(33,241)
Closing Cost Credit	$	(6,000)
Settlement Proceeds	**$**	**537,088**

GL Account		Debit (DR)	Credit CR)
Base House Revenue	Revenue		$ 1,150,000
Options Revenue	Revenue		$ 512,366
WIP - Indirect Construction Costs	Asset		$ 1,750
COS - Indirect Costs	Expense	$ 1,067	
Construction Loan	Liability	$ 928,014	
COS - Indirect Construction Costs	Expense	$ 25	
Deposits	Liability	$ 20,000	
Deposits	Liability	$ 134,662	
COS - Settlement Costs	Expense	$ 2,016	
COS - Indirect Construction Costs	Expense	$ 2,003	
COS - Commissions	Expense	$ 33,241	
Closing Credits	Expense	$ 6,000	
Cash	Asset	$ 537,088	
Other Journal Entries			
Cost of Sales - Finished Lot Cost	Expense	$ 344,545	
WIP - Finished Lot Cost	Asset		$ 344,545
COS - Direct Construction Costs	Expense	$ 462,809	
WIP - Direct Construction Costs	Asset		$ 462,809
COS - Option Costs	Expense	$ 377,000	
WIP - Option Costs	Asset		$ 377,000
COS - Indirect Costs	Expense	$ 34,610	
WIP - Indirect Costs	Asset		$ 34,610
COS - Financing Costs	Expense	$ 11,000	
WIP - Financing Costs	Asset		$ 11,000
Total		**$ 2,894,080**	**$ 2,894,080**

Core Process: Basic Builder Bookkeeping - Unit P&L

Financial Event	BuildTopia	Accounting System	GL Entries
Generate P&L ▶			

P&L (Impact from the completion of a single lot)

Revenue			
	Base House Revenue	$ 1,150,000	
	Options Revenue	$ 512,366	
	Total Revenue		**$ 1,662,366**
Cost of Sales (COS)			
	Direct Construction Costs	$ 462,809	
	Option Costs	$ 377,000	
	Finished Lot Cost	$ 344,545	
	Indirect Costs	$ 37,705	
	Commissions	$ 33,241	
	Financing Costs	$ 11,000	
	Closing Credits	$ 6,000	
	Settlement Costs	$ 2,016	
	Total Cost of Sales		**$ 1,274,316**
Gross Margin			$ 388,050 23%