

# Accountant's Copy Rules

This document contains information for the accountant and for the client about the work that can/cannot be performed while an Accountant's Copy exists.

## Accountant's Copy – Accountant Activities

The work an accountant can perform in an Accountant's Copy is restricted as described in this document. The restrictions cover three types of tasks:

- Working with transactions
- Working with lists
- Account Reconciliation

### Transactions

Accountants can work on transactions dated on or before the dividing date. However, to prevent conflicts with the work the client is doing after the dividing date, QuickBooks imposes some limitations to transaction activities. In addition, accountants can create some transactions that are dated after the dividing date.

For detailed information about what accountants can and cannot do with transactions, see the table labeled Accountant Transaction Activities, at the end of this section (the accountant's section) of this document.

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**NOTE:** *Be careful when preparing journal entries. Users have reported failures in importing the accountant's changes, and apparently quite a few failures are the result of a blank line within a journal entry.*

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### Lists

Generally, the accountant has restrictions on the work done with list elements that existed at the time the Accountant's Copy was created. However, the Chart of Accounts is an exception to most of the restrictions.

Accountants can create list elements for some lists while they work in the Accountant's Copy and for those newly created list elements, most restrictions are eliminated.

For detailed information about what accountants can and cannot do with lists, see the table labeled Accountant List Activities, at the end of this section (the accountant's section) of this document.

### Reconciliation

In the QuickBooks 2008 Accountant's Copy, the accountant can reconcile accounts (bank and credit card) for any period that ends before the dividing date.

- If the client sent a 2008 file, those changes are included in the merge file that is sent to the client.
- If the client sent a 2007 file, do **not** perform any reconciliation tasks because this causes the merge to fail at the client site.

Although the 2008 Accountant's Copy feature has been enhanced to let accountants work on files from both QuickBooks 2007 and 2008, without impeding the ability of clients running 2007 to import/merge the accountant's changes, the reconciliation function is **not** included in that design. You can only perform reconciliation tasks for files from clients running QuickBooks 2008.

Usually, accountants perform reconciliation tasks for earlier periods because the client doesn't reconcile the account (preferring to have the accountant perform this task). In this case, the client should select a fairly recent dividing date (such as two or three weeks before the date of the Accountant's Copy) to avoid leaving the client's bank account in an unreconciled state for a month or more. Another solution is to ask for an Accountant's Copy more frequently, or have reconciliation performed at the client site monthly (perhaps sending a bookkeeper).

The accountant can reconcile periods ending after the dividing date, but those changes are *not* included in the file that's sent back to the client (remember, the client must be running QuickBooks 2008 for any reconciliation tasks). The accountant can also undo reconciliations for any period, and if this occurs, the "undo" is passed into the client's company file.

## Converting an Accountant's Copy to a Company File

The QuickBooks documentation on the Accountant's Copy feature includes the following information:

"If the restrictions on using an Accountant's Copy won't accommodate your situation, you can convert it to a regular company file. If you do this, your client will not be able to automatically import your changes. He or she will have to enter your changes manually in the company file."

In fact, this means an enormous amount of work for the client, because if you convert the Accountant's Copy to a regular company file, when you send the file back to the client your file overwrites the company file the client has been working in while the Accountant's Copy was out. At that point the client has two choices:

- Create a list of all work that was done by all users while the Accountant's Copy was out, and then import the accountant's file (and lose all the work done at the office while the Accountant's Copy was out). Then re-enter all the transactions performed by users.
- Get a list from the accountant of every task the accountant performed, cancel the Accountant's Copy without importing the file, and then create every transaction on the list the accountant provides.

If you have to do so much data entry that the restrictions on the Accountant's Copy get in your way, it's better to devise another solution. You should think about training your client to enter data in QuickBooks, or you should go to the client site to perform these tasks so you don't interfere in the client's ability to continue to create sales and pay bills. Although you could warn your clients to stop working in the company file, because you'll be replacing it, this is onerous; your client won't be able to run the business properly until you return the file. And, if you have to do so much data entry that you need to convert the Accountant's Copy to a regular company file, it's unlikely you'll be able to complete all those tasks in a single day (or even a couple of days).

A good reason to convert an Accountant's Copy to a regular company file is because the client

doesn't back up regularly and the company file has been lost due to a computer failure (or an inadvertent deletion of the file). In that case, in addition to returning a company file you've created from the Accountant's Copy, make sure you teach the client about the importance of backing up daily to remote media.

# Accountant Transaction Activities

	On or before Dividing Date				After Dividing Date **			
	Edit	Del	Void		Add	Edit	Del	Void
<b>GENERAL JOURNAL ENTRIES</b>								
Journal Entries	✓	✓	✓		✓	✓	✓	✓
<b>BANKING</b>								
Write Checks	✓	✓	✓		✓	✓	✓	✓
Make Deposit	✓	✓	✓		✓	✓	✓	✓
Credit Card Charge	✓	✓	✓		✓	✓	✓	✓
Credit Card Credit	✓	✓	✓		✓	✓	✓	✓
Credit Card Refund	✓	✓	✓		✓	✓	✓	✓
Transfer Funds								
<b>SALES &amp; CUSTOMERS</b>								
Sales Receipts	✓	✓	✓		✓	✓	✓	✓
Invoices	✓	✓	✓		✓	✓	✓	✓
Credit Memos	✓	✓	✓		✓	✓	✓	✓
Statement Charges	✓	✓	✓		✓	✓	✓	✓
Receive Payment	✓	✓			✓	✓	✓	
<b>PURCHASES &amp; VENDORS</b>								
Enter Bills	✓	✓	✓		✓	✓	✓	✓
Vendor Credit		✓			✓		✓	
Item Receipt		✓			✓		✓	
Pay Bills	✓	✓	✓		✓	✓	✓	✓
Pay Bills (credit card)		✓			✓		✓	

Pay Sales Tax								
Adjust Qty/Value on hand		✓			✓		✓	✓
Build Assemblies								
<b>PAYROLL</b>								
Enter Time								
Pay Employees								
Pay Payroll Liabilities								
YTD Adjustment								
Adjust Payroll Liabilities								
Adjust Liability Frequency								
Deposit Liability Refund								
Payroll Prior Payment								
<b>NON-POSTING</b>								
Estimates								
Sales Orders								
Purchase orders								
Vehicle Mileage								
Pending Invoice								

\*\* Edit, Delete, and Void actions are limited to transactions added by the accountant in the Accountant's Copy.





# Accountant's Copy – Client Activities

While an Accountant's Copy exists, clients can work in the company file within certain restrictions, which are covered in this document. The restrictions cover three types of tasks:

- Working with transactions
- Working with lists
- Bank Reconciliation

## Transactions

Clients can create, edit, and delete transactions dated after the dividing date. Clients cannot work on transactions that are dated on or before the dividing date. This means clients cannot create transactions with a date on or before the dividing date, and cannot edit or delete transactions that existed on or before the dividing date.

QuickBooks does not prevent you from opening a transaction that's dated on or before the dividing date, nor are you stopped if you make changes to any field in the transaction. When you close the transaction window, QuickBooks asks if you want to save the changes you made. If you select Yes QuickBooks displays a warning message.



When you click OK, you're returned to the transaction window. Close the window and select No when you're asked if you want to save your changes.

This restriction applies to any changes, including those that may seem unimportant to the accounting processes involved in a transaction, such as changing the text in the Memo field.

For detailed information about what clients can and cannot do with transactions, see the Table labeled Client Transaction Activities, at the end of this document.

## Lists

The restrictions for working with list elements while an Accountant's Copy exists are not onerous. However, restrictions on the Chart of Accounts are a bit different from the restrictions on all other lists.

For the Chart of Accounts, the following rules apply (the term "existing" means that the account existed when the Accountant's Copy was created):

- Clients can create new accounts, and perform any action on those new accounts (modify, delete, and create subaccounts).
- Clients cannot create new sub-accounts for existing accounts.
- Clients cannot edit existing accounts or subaccounts.

For all other lists, the following rules apply:

- Clients can add new list elements to any list.
- Clients can edit any list element.
- Clients cannot delete a list element that existed at the time the Accountant's Copy was created.
- Clients cannot merge list elements that existed at the time the Accountant's Copy was created.

For detailed information about what clients can and cannot do with lists, see the Table labeled Client List Activities, at the end of this document.

## Bank Reconciliation

QuickBooks permits clients running QuickBooks 2008 to reconcile accounts (bank and credit card) while an Accountant's Copy exists, but when the reconciliation process starts, you see this message.



If your Accountant's Copy dividing date is only a few weeks before the current date, it's probable that some of the transactions in the bank statement are dated on or before the dividing date. In that case, wait until the Accountant's Copy has been returned and merged into your data file. The same is true if your accountant undoes a previous reconciliation (you'll have to contact the accountant to ascertain whether this occurred).

# Client Transaction Activities

CLIENT - TRANSACTIONS	Add/Edit/Delete Before Dividing Date	Add/Edit/Delete On or After Dividing Date
<b>GENERAL JOURNAL ENTRIES</b>		
Journal Entries		✓
<b>BANKING</b>		
Write Checks		✓
Make Deposit		✓
Transfers		✓
Credit Card Charge & Credit		✓
Reconciliations		✓
<b>SALES AND CUSTOMERS</b>		
Sales Orders		✓
Estimates		✓
Sales Receipts		✓
Invoices & Credit Memos		✓
Statement Charges		✓
Receive Payment		✓
<b>PURCHASES AND VENDORS</b>		
Purchase Orders		✓
Enter Bills		✓
Vendor Credit		✓
Item Receipt		✓

Pay Bills		✓
Pay Sales Tax		✓
Adjust quantity/value on hand		✓
Build Assemblies		✓
<b>PAYROLL</b>		
Paychecks		✓
Pay Payroll Liabilities		✓
Payroll Adjustments		✓

## Client List Activities

	Add	Edit	Delete	Merge	Make Inactive
Chart of Accounts	✓ **				
Class	✓	✓			✓
Customer	✓	✓			✓
Vendor	✓	✓			✓
Employee	✓	✓			✓
Item	✓	✓			✓
Fixed Asset Item	✓	✓			✓
Price Level	✓	✓			✓
Billing Rate Level	✓	✓			✓
Sales Tax Code	✓	✓			✓
Payroll Item	✓	✓			✓
Workers Comp	✓	✓			✓
Other Names	✓	✓			✓
Sales Rep	✓	✓			✓
Customer Type	✓	✓			✓
Vendor Type	✓	✓			✓
Job Type	✓	✓			✓
Terms	✓	✓			✓
Customer Message	✓	✓			✓
Payment Method	✓	✓			✓
Ship Via	✓	✓			✓
Vehicle	✓	✓			✓
Memorized Transactions	✓	✓			✓
To Do	✓	✓			✓
Reminders	✓	✓			✓
Alerts	✓	✓			✓

\*\* Cannot add subaccounts