

QUICKBOOKS® OVERVIEW

Quickbooks® Hosted Platform

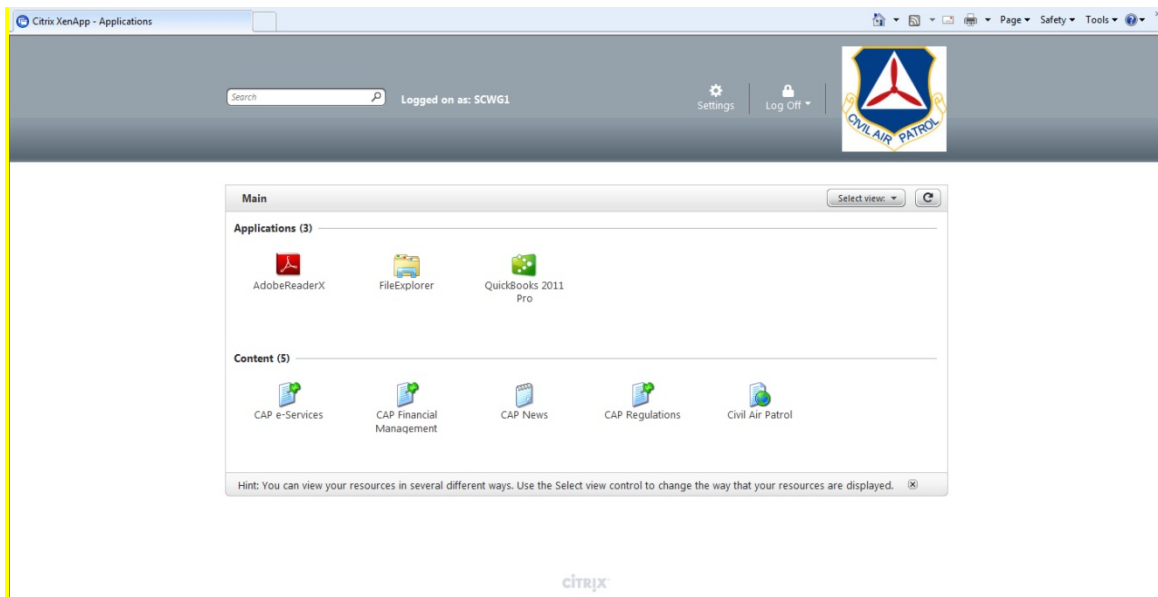
All wings use an on-line accounting environment which hosts QuickBooks®. Units with annual expenditures exceeding \$50,000 or reporting liquid assets of more than \$100,000 will also use this service. The platform allows authorized users access to QuickBooks® through any computer, tablet or smart phone with internet access. The wing's QuickBooks® data files are stored on this secure, remote server and are backed up nightly. Wings must not make backup or accountant's copies of the QuickBooks® data file. Wings will not download their QuickBooks® data file, work on the data, and then upload the file again. You may occasionally see a message asking if you want to update QuickBooks®. Please do not update QuickBooks®. The hosting company performs these updates for us after they have tested the update. The wing financial analysts (WFAs) have administrative rights to the QuickBooks® files and will add and delete users as required, perform annual audits, review data, and help solve problems. Directors of finance, finance officers, and wing administrators have access to all areas of QuickBooks® except the administrative function. Commanders and finance committee members have read-only access to the reporting function so they may more closely manage the finances of their wing and respective units. Region commanders and Region FMs have read-only access to the reporting function for their subordinate wings. If you need to add/delete/change users in QuickBooks® have your Wing Commander email your WFA. Each wing has two access accounts to the hosted platform. The first user is dedicated to the Wing Administrator, or other person who performs daily transactions in QuickBooks®. The second user will be shared among the commander, director of finance and other finance committee members the commander allows access. These two accounts have unique usernames and passwords which may only be shared with authorized users. Once you have accessed the hosted platform, each QuickBooks® user is given a discrete user name. The QuickBooks® usernames and passwords must not be shared with any other person.

Logging Into The Quickbooks® Hosted Platform

To access for the first time, follow these instructions.

- Uninstall any previously installed Citrix components if present
- Go to www.citrix.com
- In top line menu select Downloads
- Under Clients select Citrix Receiver
- Select Windows if that is your operating system
- Select Download Receiver 3.2 (30MB)
- Select Download your file manually
- Select Run
- Select Run again
- Be sure to allow "run add-ons" in warning bar if present

- Go to <https://citrix.myhostedcloud.com/Citrix/CAP/auth/login.aspx>
- Enter your login credentials given to you by your WFA.
- You will now see the webpage which contains the QuickBooks® link, File Explorer, and links to CAP Websites.



- Double-click on the QuickBooks® icon
- Enter your individual user name and password to access the QuickBooks® file

To log off:

- To close QuickBooks®, click the X to close the window.
- When you are on the webpage, click Logoff at the top right

Smartvault

All financial documentation is stored in SmartVault. Each wing has two full users which can attach documents directly to QuickBooks® transactions. These users also have access to the web-portal, www.smartvault.com. Each wing has an unlimited number of guest users which can only view documents in the web-portal.

Adding documents to SmartVault

Full users can use the SmartVault Inbox to save supporting documentation for QuickBooks® transactions to SmartVault. Before scanning the document, left click on the ScanSnap scanner icon in the bottom right tray of your desktop. Select the SmartVault Inbox as your scan option. Scan the item. After scanning the item, name it using the “vendor name.date(using YYMMDD).amount.checknumber.” These four criteria are important so any portal user can find the documentation.

Once you are in QuickBooks®, open the check register and select the check for which you want to add documentation. While the check is open, the SmartVault toolbar to the right will activate making the paperclip icon labeled “attach” available. Click Attach, then Inbox, then select the item from your inbox.

Adding non-QuickBooks® items to SmartVault

While in the SmartVault portal, www.smartvault.com, click on the vault icon. Click the appropriate folder where you wish to add documents, then click “Upload document.” You can add the finance committee minutes, bank reconciliations and statements, etc. using this method.

Mapping a drive from your computer to the SmartVault web-portal

Full users have the option of mapping a drive from their computer directly to the SmartVault portal. To do this, open the SmartVault Launchpad. Select SmartVault Drive. Label your drive S for SmartVault. Now you will be able to link to SmartVault from your desktop.



Classes

In QuickBooks®, using classes provides a way to organize (or classify) your transactions. You may use QuickBooks® classes to classify your income and expenses by activity, department, office symbol, location, tail number, vehicle or any other meaningful breakdown of the CAP unit’s business. You may create as many classes as you need. All unit income and expenses must be classed by unit. If a wing is not yet on the

Consolidated Maintenance Program, all flying income and expenses except income for NHQ-reimbursed, missions must be classed by aircraft tail number.

To add a class, do the following:

- From the Lists menu at the top of the tool bar, select “Class List”
- Select the bottom left button labeled “Class”
- Select “New.” You can also use your keyboard while you are in the class list and press Control and N.
- Enter a name (tail number) for the class
- If you want the class to be a subclass of another class, select the "Subclass of" checkbox and enter the name of the parent class
- Select “OK” to save your new class

Other suggestions regarding classes:

- If a wing wishes to separate wing income and expenses from unit income and expenses, create a master class called “Wing.” All wing income and expense transactions will need to be classed under the “Wing” master class for wing profit and loss reports to be accurate.
- Set up classes on the basis of the type of reporting you want to provide considering how you want to see your financial statements segmented on your reports
- Consider classes to establish departmental or activity budgets
- Use your classes for both income and expense transactions
- Consistently enter the class information on your forms and in your registers to ensure that this information is valid and useful.
- Reports for a single class are quickly generated by selecting Lists, Class List, select the class you are interested in, select Reports on the bottom left, and then select Quick Report. Once the report appears you may modify the date reported.

Items

QuickBooks® uses items as a “tag” to help you connect an invoice line item to an account in the chart of accounts. You may create any “item” you need, assigning that item to the account in the chart of accounts. Items are used for income accounts and assist you in completing the invoice form more quickly.

As an example, when entering an invoice you have a column for “item.” You can create an “item” so that instead of entering the specific chart of account name and number you enter the “item” name.

Creating Items

- From the lists menu at the top of the tool bar, select “item list”

- Select the bottom left button labeled “item”
- Select “new”
- Select “service”
- Under “item name and number” enter the name you wish to call the new item
- Under “account” select the account from the chart of accounts that you want to tie to your new item name
- Click “ok”

When preparing an invoice and typing the “item” name you created, QuickBooks® will automatically post the amount entered to the account initially chosen for that item.

Customers & Vendors

Customers should be established for all accounts receivables and deposits. Vendors should be established for all accounts payables and checks. In some instances, you may have the same person who will be both a customer and a vendor; for example, CAP members. QuickBooks® does not allow you to use the same name for both customers and vendors. Alter one of the names by at least one character to distinguish between the two. You might consider entering the vendor name exactly as should be printed on checks, but alter the customer name by adding a dash and then the word income. You need to remember to use the right type – either customer for receivables and deposits or vendor for payables and checks – or your reports will not show the correct information. Do not use “other names.” Other names do not show up in accounts receivables or accounts payables.

Intercompany Transactions

Payments between two cap entities (NHQ, region, wing or unit) are called intercompany transactions. Funds that pass between different CAP entities must not be recorded in ordinary income or expense accounts. Because CAP is one organization, these intercompany payments must be separately identified for financial reporting purposes.

If the payer on the check or electronic transfer you are going to deposit is from a unit below wing level, then the correct income account to use is account 6513000, From Units Below, and then the appropriate sub-account. If the payer on the check you are going to deposit is a wing, then use the appropriate sub-account under account 6510200, From Wings. If the payer on the check you are going to deposit is a region use account 6510120, Other Income from Regions. If the funds are sent by EFT from NHQ on behalf of a region, use account 6510110, From Regions through NHQ.

If the payee on a check or draft back is national headquarters, use the appropriate sub-account under account 9401000, Expenses with NHQ. If the payee is a region, use the appropriate sub-account under account 9510000, Expenditures with Regions. If the payee is a wing, use the appropriate sub-account under account 9520000, expenditures with

wings. If the payee is a unit below wing level, use the appropriate sub-account under account 9530000 Expenditures with Units Below.

An example of intercompany transactions follows:

- A member flies a CAP aircraft for proficiency flight
- The member writes a check to the squadron to pay for the flight
- The squadron records the income to account 5225201 Flight Activities Aircraft Minor Maintenance
- The wing writes a check on the unit's behalf to transfer those funds to wing for the minor maintenance and posts it to account 9520010 Expenditures with Wings Proficiency Flying – not to account 8110000 Aircraft Maintenance
- The wing records receipt of the payment through an accounts receivable that posts the income to account 6513010 From Units Below Proficiency Flying – not to account 5225201 Flight Activities Aircraft Minor Maintenance

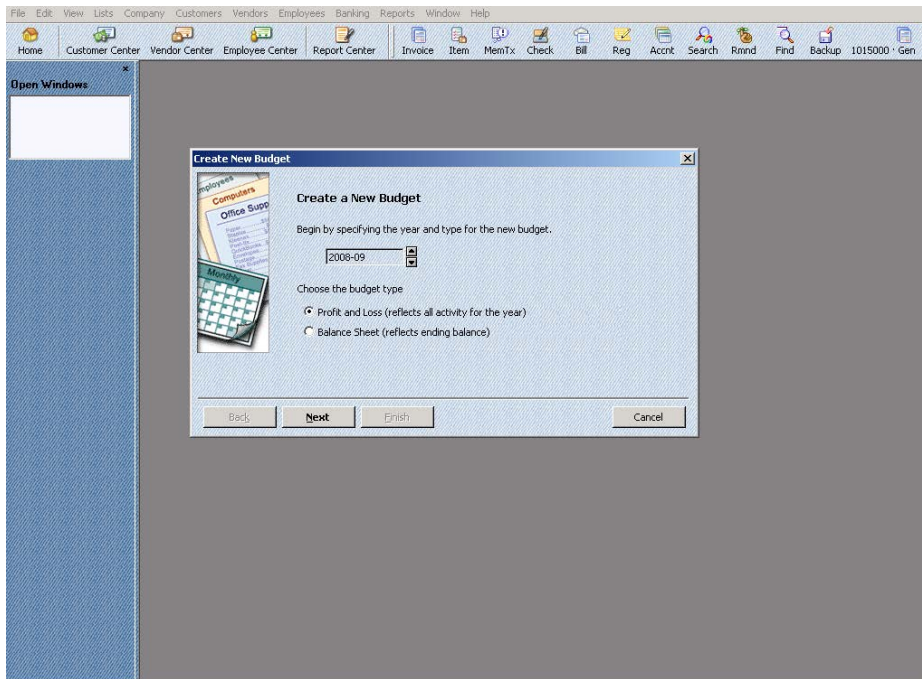
If the member flies the corporate aircraft for proficiency and writes the check directly to wing, then wing will record the income to account 5225201 Flight Activities Aircraft Minor Maintenance. Only one entity correctly reports the income. All other transactions are considered intercompany.

Budgets

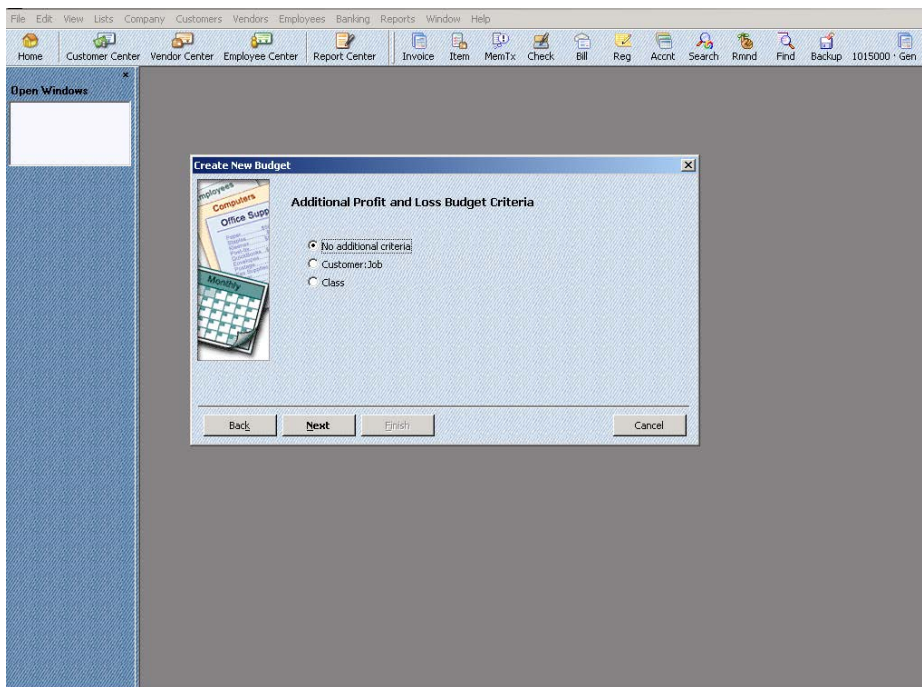
All wings and units are required to have a budget. This budget will be entered in QuickBooks® to allow for easy reporting. The budget will be reviewed and adjusted at least quarterly. The best method to budget in QuickBooks® is based upon classes. This allows us to track budgets for individual activities, or departments. However, all the classed budgets can also be presented in one total wing budget. This method allows the most flexible reporting capability.

Enter a budget in QuickBooks®

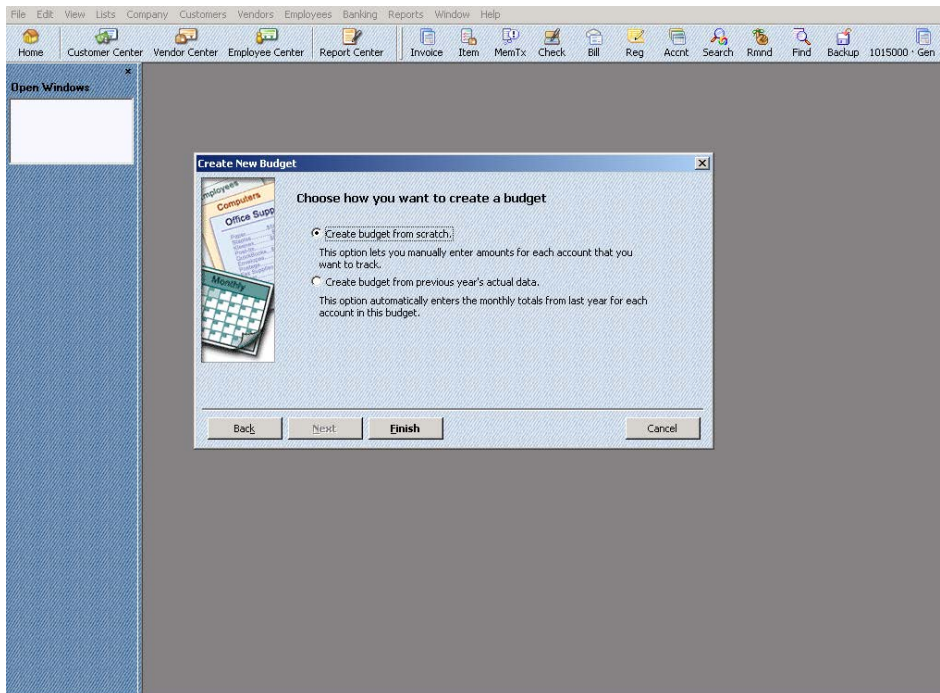
- Go to Company
- Planning and Budgeting
- Set Up Budgets
- If a budget has been previously entered, the last budget will open. To create a new one, click on "Create New Budget."
- To begin the budget, you will select the budget year. The type of budget you will use is "Profit and Loss."



- Choose “class”



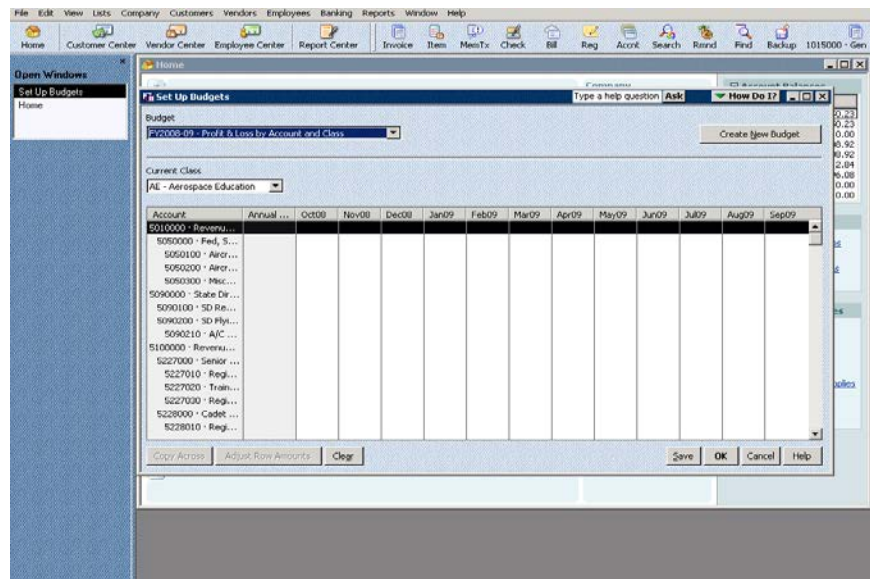
- Choose to create the budget from scratch



By entering the budgets by class, you will be able to track more than one budget in the fiscal year. Any class may have its own budget. You will also enter budgets for the units using the unit class. Note that you will have to enter a separate budget for each class in the entry screen. Notice the box labeled “Current Class.” Select the class you would like to enter for this budget. For example, you can choose Aerospace Education as your class and enter the budget for Aerospace Education.

Note: In order for this to work correctly, all of your actual income and expenditures must be coded to this Class; otherwise the actual data will not appear in the comparative budget to actual report.

Once complete, you may save the budget and enter the next one.



Note that the budgets must be entered by month. We recommend entering the entire budget in the October column. As the budget is adjusted, record the adjusted amount in the column for the month the adjustment was approved by the finance committee.

If you cannot finish the budget in one session, you may select “save” and return later to finish the entries.

Once you are finished, select OK.

Budget Adjustments

If you need to make changes to your budget, go to Company, Planning and Budgeting, Set Up Budgets. Instead of creating a new budget, you will select the budget that you have already entered. Once the budget appears, you may change the numbers as needed for the new budget and select “Save” or “OK”.

Reports

The most common reports you will review or print from QuickBooks® are:

- Balance Sheet (statement of the total assets and liabilities of an entity at a specific point in time)
- Profit and Loss (Income Statement – summarizes an entity’s revenue and expenses over a period of time)
- Budget to Actual (compares the budget to actual expenditures)
- Comparative Profit and Loss (compares this year’s activity to prior year)
- Accounts Receivable Aging (indicates amounts owed to you)
- Accounts Payable Aging (listing of what you owe others)
- Profit and Loss by Class (profit and loss for a specific class you want to track)

Balance Sheet Report

- Select “Reports”
- Select “Company & Financial”
- Select “Balance Sheet Standard”

Under the “Date” drop down arrow select the dates you want the balance sheet to reflect, usually this fiscal year to date or last fiscal year

Profit and Loss Report

- Select “Reports”
- Select “Company & Financial”
- Select “Profit and Loss Standard”
- Under the “Date” drop down arrow select the dates you want the profit and loss report to cover, usually this fiscal year to date or last fiscal year

Budget to Actual Report

- Select “Reports”
- Select “Budgets”
- Select “Budget vs. Actual”
- Choose the budget year you would like to review
- Choose next, and then Finish to review your report.

Comparative Profit and Loss Report

- Select “Reports”
- Select “Company and Financial”
- Select “Profit and Loss Prev Year Comparison”
- Select “This Fiscal Year to Date” for the dates
- This report will automatically display a comparison between the current fiscal year and last fiscal year

Accounts Receivables Report

- Select “Reports”
- Select “Customers and Receivables”
- Select “A/R Aging Detail”
- This will pull up all accounts receivables currently outstanding and show you their age

Accounts Payables Report

- Select “Reports”
- Select “Vendors and Payables”
- Select “A/P Aging Detail”
- This will pull up all accounts payables currently outstanding and show you their age

Profit and Loss by Class Report

- Select “Reports”
- Select “Company and Financial”
- Select “Profit and Loss by Class”
- Select the Date Range you want the report to cover
- Select the “Modify Report” box (upper left corner)
- Select the second tab which is “Filter”
- Under the “Filter” drop down box select “Class”
- Under the “Class” drop down box select “Selected Classes”
- At the next screen leave “Manual” selected and to the right simply click on each class you want to appear on the report, i.e., all the specific tail numbers
- Select “OK”
- Select “OK” again
- The report will now appear

Any report can be saved as a Memorized Report. When you have a report on the screen that you would like to refer to again, you can select “Memorize” at the top of the report. Be sure to give the report a unique name. In order to access this report in the future, select “Reports” and then “Memorized Reports.” Select the report from the list.

THIS PAGE INTENTIONALLY LEFT BLANK