Accounting Software Check List

This worksheet can be used as a guide to help your organization find the best accounting software application for you. Consider each field of information and fill in the appropriate answer for your needs. Send this check list to accounting software vendors you are interested in, or simply use it as a guideline when talking to vendors. When you are choosing options along the way, please keep in mind that whatever options you choose should be expected to last your business at least seven years. For example, when choosing the number of employees, think about the maximum number of employees your operation will have in the next seven years. By choosing your software in this way, you will ensure that the software you choose will grow along with your organization for years to come.

General

	Requirement	Description
☐	**Menu level security**	Set up security by menu, so you have control over who can view which information on a detailed level.
☐	**Mail merge**	Merge contact information with templates in Microsoft Office® software products to print labels, envelopes and more.
☐	**Change/skip fields**	Revise field titles to suit your company, and skip fields that are unnecessary for your company. Used to dramatically speed up transaction entry.
☐	**Data export**	Export data from the software application so you can bring the data into another program.
☐	**Asset management**	Track cost and market value of assets. Maintain loan values and use amortization schedules to plan cash flow requirements. Maintain and process depreciation transactions.
☐	**Project tracking**	Track income and expenses by project, profit center, department, or other criteria.
☐	**Job costing**	Track phases and costs associated with jobs.
☐	**Budgeting and forecasting**	Set up and maintain budgets and forecasts. (Some systems provide a mechanism to create new budgets by copying actual data from prior year or by copying from an existing budget.)
☐	**Multi-language**	Handles multiple languages.
☐	**Multiple currency**	Set up and maintain multiple currencies.
☐	**Import/export**	Import and/or export information to and from the system.

Customer Invoices and Sales Orders

	Requirement	Description
☐	**Mass update**	Update fields of information for an entire customer group (for mass changes) instead of entering the changes manually for each customer.
☐	**Terms codes**	Assign default selling terms codes.
☐	**Pricing levels**	Offer different pricing levels to different customer types based on your own criteria.
	Number of pricing levels	How many pricing levels are required.
☐	**Recurring invoices**	Set up invoices that need to be generated repetitively.
☐	**Change customer codes**	Change customer codes while retaining history.
☐	**Internet and email address tracking**	Fields provided for the purpose of storing customer email and Web site information.
☐	**Foreign address**	Enter foreign addresses in the correct format.
☐	**Credit hold**	Change customer status to hold because of credit limitations. (Some systems also offer optional password protected over-ride.)
☐	**Credit cards**	Store credit card information; receive and track credit card payments.
☐	**Customer grouping**	Create and assign customer groups for sales reporting, information tracking, and marketing purposes.
☐	**Line item discounts**	Provide discounts for individual items on an invoice, rather than a single discount for the entire invoice.
☐	**Quotes/work orders**	Create and save quotes for customers, which can then be edited and/or turned into orders without having to re-enter the data.
☐	**Discount calculations**	Set up default discount calculations by customer.
☐	**Payments during invoice entry**	Enter payments during invoice entry.
☐	**Plain paper or pre-printed invoices**	Option to print invoice on paper or on pre-printed invoices.
☐	**Finance charges**	Set up and maintain finance charges by customer.
☐	**Generate purchase order from sales order**	Generate purchase orders right from the sales orders screen, rather than having to close out and open the purchase orders function. Simplifies the process and stops the duplicate of data entry.
☐	**Copy existing orders to new**	Use an existing order, make edits and save to a new order, rather than entering all details from scratch.
☐	**Taxable/Non-taxable by line item**	Make some items on an invoice taxable, and others non-taxable. Calculate different tax amounts based on the type of item.
☐	**Pick tickets**	Detailed sheet showing which items need to be pulled for shipments.
☐	**Packing slips**	Detailed sheet to be included with shipment, showing which item are included in the shipment.
☐	**Backorders**	For items that were not shipped, keep them on backorder for possible later shipment.

General Ledger

	Requirement	Description
☐	**Bank deposit**	Generates bank deposit slip to bring along with the actual bank deposit.
☐	**Bank reconciliation**	Mark cleared checks and deposits, make adjustments, clear checks and reconcile bank statements. Verify that reconciled balance equals the financial statements.
☐	**Accounts, sub-accounts and profit centers**	Set up general ledger accounts with sub-accounts and profit centers for more detailed tracking.
☐	**Change account code**	Change account codes and have the history follow along with the new codes.
☐	**Account split**	Split dollar amounts and quantities for a transaction into multiple accounts by percentage.
☐	**Account classes**	Assign pre-defined account classes for breaking down financial statements into general ledger accounting standard segments.
☐	**Audit trail**	Step-by-step verification of transactions and activity within the accounting system.

Customer Payments

	Requirement	Description
☐	**Credit cards**	Receive and track credit card payments.
☐	**Credit Card approval/processing**	Approve and process credit cards with integrated credit card processing.
☐	**Payment editing**	Edit or delete payments any time.
☐	**Overpayments/deposits**	Enter overpayment/deposits on account.
☐	**Payment selection**	Automatically pay the oldest invoices first and have credit memos applied automatically, or manually select invoices for payment.

Sales Commission

	Requirement	Description
☐ Sales ☐ Percent of Profit ☐ Percent of Sale Price ☐ Percent of Cost ☐ Percent of Weight ☐ Percent of Profit + Fixed Amount ☐ Percent of Selling Price + Fixed Amount ☐ Percent of Cost + Fixed Amount	**Commission Calculations**	Which calculation method(s) you require. (Check all that apply.)
☐	**Multiple commission rates**	Calculate multiple commission rates on a single invoice.
☐	**Sales category or salesperson**	Choose commission calculations on salesperson or sales category rates.

Inventory

	Requirement	Description
☐ Fixed price ☐ Markup based on cost ☐ Gross profit margin based on cost ☐ Percentage of base price ☐ Other	**Pricing methods**	Choose the pricing method that works best for your business. Specify on an item by item basis how to calculate the price of the item. (Check all that apply.)
Select a Costing method	**Costing method**	User specified costing method, ranging from LIFO, FIFO, average or standard.
☐	**Assemblies**	Create finished products from other component items in your inventory.
☐	**Transfers**	Transfer inventory items from one location/warehouse to another.
☐	**Physical inventory count**	Take physical inventory counts to update your on hand quantities and adjust for accuracy.
☐	**Item alias**	Ability to give inventory items alternative names for easier lookup of name variations.
☐	**Track item weight**	Track the weight of inventory items for use with shipping interfaces.
☐	**Multiple units of measure**	Set up and use multiple units of measure for default, stocking, purchasing and selling.
☐	**Service items**	Track inventory items and also keep track of service items, for which quantities are not tracked.
☐	**Item image**	Store a picture of inventory items within the system.
☐	**Supplier item info**	Track supplier part number, minimum order, and lead time per item by supplier.
☐	**Multiple warehouses**	Tracking of inventory items in multiple locations.

Ordering Products and Paying Invoices

	Requirement	Description
☐	**Drop shipments**	Manage drop shipment of purchases orders so shipments go directly from vendor to customer.
☐	**Order suggestion**	Create suggested purchase orders based on information maintained by the system.
☐	**Vendor part number**	Track vendor partner number by detail line.
☐	**Partial order receipt**	Receive purchase orders in full or process partial receipts.
☐	**ACH Payments**	Process ACH payments to vendors.
☐	**1099 management**	Maintain and track 1099 forms for vendors.