



TECHGEAR

The Looxcie Wearable Camcorder (\$199) sits on an earpiece and “sees what you see.” It is constantly recording, like a DVR. If you see something you want to share on Facebook or YouTube, push a button to save a clip of the last 30 seconds.

WEBLINKS



ROBERT Z. CASHMAN is the owner of the Cashman Law Firm, P.L.L.C., which handles federal criminal law, patent and intellectual property law, and bankruptcy matters. Cashman is licensed in Texas and New York. Visit his blog at <http://houstonlawyer.wordpress.com>.

Google News (<http://news.google.com>)

Google News in itself is an aggregator of various news sources on one page. I have it customized to show only the news I am interested in viewing, whether by keyword or category.

MakeUseOf.com

This software-gadget-hack website has always been interesting to me because it provides new and useful websites each day that offer new ways to use technology.

Drudge Report (www.drudgereport.com)

Okay, so I’m a conservative at heart, and I enjoy the quick and right-slanted updates provided by the authors of Drudge Report. I’ve been reading it for many, many years now, and it has never disappointed me.

Investors.com

I’ve enjoyed reading *Investors Business Daily* for quite some time. I am a firm believer that markets often have an eye as to what will affect us financially and in our daily lives. *IBD* presents its analysis of stocks and markets in a visually stimulating format that I enjoy.

Wall Street Journal (www.wsj.com)

Usually people are *IBD* readers or *Wall Street Journal* readers, but not both. I enjoy *IBD* to learn about the markets, and I read *WSJ* “for the articles.”

QuickBooks Online How the Cloud Works with Your Books

BY DAVID J. FERRELL

I began using QuickBooks on my office computer in 1997 when I learned that my \$1,000-a-month accounting firm was using this program to do my books and payroll. I researched in-house use of this accounting software because of frequent payroll mistakes made by that accounting firm and a major foul-up in the trust account. If you mess up your Interest on Lawyer Trust Accounts (IOLTA) accounting, the State Bar will not be your friend.

I learned that the most junior non-CPA secretary of the accounting firm was administering our payroll and trust account. I went to the firm with a flash-drive and “acquired” my law firm’s data. I then went to Computer City and purchased QuickBooks for less than \$100. Within two hours I set up the law firm’s books on my computer and discovered what a horrible job the accounting firm had done with my firm’s books. As I remember it, we had been set up as a trucking company, and that was why our trust account was fouled up. QuickBooks includes a module that sets up a business with the regular accounting codes for certain types of businesses, including law firms. Your IOLTA data is easy to maintain and report if needed. Remember: Your clients’ money is not your money.

As good as QuickBooks is, I became disenchanted with the frequent need to update the tax tables for payroll. QuickBooks required that I purchase a “plug in” module for my desktop version for payroll tax computations and the yearly fee began at \$249 and went up every year. QuickBooks also kept “upgrading” the desktop software when the old version worked perfectly well for my small firm. There were veiled threats that my QuickBooks software would be inadequate soon, and, more onerous, that it

would not be supported by “tech support” (which I only used occasionally, though, when I did, it was critical).

In January 2010, I got my bill for the yearly renewal of the tax tables, which was about \$350. I was also informed that I needed to upgrade the desktop software again. I was irritated, to say the least. So I began researching other ways to keep my books. I did not want to go back to an accounting firm. Bad memories don’t go away easily. I went to QuickBooks online and downloaded the free trial version of its “cloud” accounting software.¹

Initially, I was worried about having my books in the cloud, where the world might have access to my accounting information. But having read the QuickBooks online materials and being assured that my data was secure, confidential, and protected, I decided to go ahead. QuickBooks Online is a VeriSign-secured product, which means it uses the same data encryption technology that banks rely on for data security. I was able to set up an online account, upload my law firm’s data and my accounting codes, and try the software free for 30 days. The transition was simple — I kept my desktop version and data (just in case) and began using the online version. My main motivation was to eliminate the incessant update and plug-in costs and the time lost installing updates and plug-ins.

I did not need 30 days to evaluate the online version. I was sold after just a week. I still got my first month free but I did not have to use my desktop version anymore. I did not have to pay the \$199.95 for 2010 QuickBooks Pro (an upgrade to the desktop) and I applied for a refund of the \$350 that had been automatically charged to my credit card for the tax table plug-in. I saved \$549.95 for 2010.

What did it cost me? QuickBooks



online charges a monthly fee, which includes updates to the software and for the payroll tax tables plug-in. And, I don't have to install the upgrades nor the new tax tables — QuickBooks does that. What do I pay now? \$46.82 a month.² That's for three users. I only use two: one for myself and one my administrative secretary. So, in reality, I would have paid \$549.95 for the new desktop 2010 version of QuickBooks and the tax table plug-in, but now I am paying \$46.82 a month, which totals \$561.84 a year, a difference of \$11.89. And I don't have to bother with updates; they come with the online version automatically. As of December 2010, QuickBooks Online has changed its fees. A new QuickBooks Online Pro account for up to five users *and* one more accountant user is \$39 per month. Online Payroll is \$39 per month minus a 20 percent discount if packaged with QuickBooks Online. Pro is now \$31.20, so the total fee for a new purchaser is \$70.20 per month plus tax.

I have an accountant who prepares my 940 and 941 reports and my annual tax return. She has access to my QuickBooks online from her home office and is not counted as one of the three users. If I have a question about a tax or accounting issue, my accountant can go online while I am online and we can discuss these issues on the phone. When she prepares my 940 or 941, W2s, and my tax return, she can do it from her home office. With QuickBooks, I can prepare these documents myself but I feel better having a CPA review the paperwork.

The online version of QuickBooks has many bells and whistles that are easy to use and the software adapts to the user's needs. It works for small firms and large firms and tech support can help you set up how you want the program to display. A detailed log is created to show who is using my accounting software (me, my secretary, and my accountant), what they did (write checks, make a deposit, review my data, etc.), and when. I can access my QuickBooks from any Internet-enabled computer and I often review or work on my books at home. As a matter of fact, I

The online version of QuickBooks has many bells and whistles that are easy to use and the software adapts to the user's needs. It works for small firms and large firms and tech support can help you set up how you want the program to display.

often create my payroll checks from home. I go to my office at 6:30 a.m., print the checks, put them in my secretary's drawer, and proceed to the courthouse, where I often have hearings for most of the morning. My staff's paychecks are ready when they come to work. This software computes the tax payments and sends me an email about when they are due and how much I need to tender to Uncle Sam. Tax payments

are made online the day before they are due. The software also computes and reminds me about my quarterly Texas Workforce Commission unemployment taxes. ❖

NOTES

1. <http://quickbooksonline.intuit.com/>
2. My costs are as follows: base product for up to three users \$34.95; Online Payroll \$19.95; Subtotal: \$54.90 per month; 20 percent off QuickBooks Plus; 20 percent off Online Payroll; Price: \$43.92; Tax \$2.90; Total: \$46.82 per month.



DAVID J. FERRELL is principal in David J. Ferrell, P.L.L.C., in El Paso. He also serves as justice of the peace for Precinct 4 in El Paso County.



Let us help you save time and increase your bottom line.

Train your staff to handle tasks normally performed by attorneys. It's an investment that will save you time and make you money. **Contact us today.**

ABA Approved . Specialized . Accredited



CENTER FOR ADVANCED LEGAL STUDIES
The Paralegal People®

www.paralegal.edu
800.446.6931

A paralegal shall not provide legal services directly to the public, except as permitted by law.