

Customizing QuickBooks for Homeowners' Associations

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To streamline monthly, quarterly or annual billing, create an invoice for each homeowner in the association. In the "Description" portion of the "Item" used for the assessment, use a generic term such as "Quarterly Assessment" and do not specify the time period (i.e June assessment, 1st quarter 2006 assessment). This procedure will allow you to use the same "Item" for all future invoices.

Memorize the transaction using a group name such as "Quarterly Assessment." The initial set-up can be a bit time-consuming depending on the number of association members but future billing is as easy as clicking on the group name in the Memorized Transaction List.

If the association has a written finance charge policy, use the "Preferences" feature in QuickBooks to create a finance charge assessment. When applicable, click on "Customers", "Assess Finance Charge." If delinquent homeowners have not previously been assessed a finance charge this procedure will be an effective collection tool that results in increased income for the association.

When a homeowner opens escrow to sell their property, the title company is required to request a homeowners' certification package from the management company. The package typically consists of a copy of the Articles of Incorporation, a copy of the Covenants, Conditions and Restrictions (CC&Rs), a copy of the By-Laws, a current financial statement and information about the association's insurance policy. If your organization completes the request you are entitled to a fee for your service. Conduct a competitive rate survey to determine the fee you should charge. In the San Diego area, the usual and customary fee is \$200.00. The fee is paid to the company that completes the request for a homeowners certification package. Use QuickBooks to prepare an invoice for the title company and include it with the package. Many title companies will pay in advance for this service.

These simple tips will allow you to maintain accurate financial reports, send timely invoices, reduce delinquency rates and supplement your income.



Kathy Cazin, president of Accountkeepers of San Diego, has been an accountant in the San Diego area for the last 25 years. She specializes in accounting for small businesses and non-profit organizations. She has worked with over 300 clients, teaching them the importance of knowing, understanding and managing their businesses using accurate financial documentation. For more information, please visit her website at: www.accountkeeperssd.com.

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