MAC – McCallick
Accounting & Consulting
650 North Rose Drive – #175
Placentia, Ca 92870
www.mac-cpa.biz – 714-349-2502
www.nonprofit-connect.com

July 14, 2010

Phil Anthropy
Sample Non-Profit
1100 Charity Way
Nonprofitville, CA 44444

Dear Phil,

The purpose of this letter is to provide you with a template that will stimulate a thinking process as well as provide MAC with the information about your organization necessary in order to assist you in identifying your pertinent needs and implementing your new or existing QuickBooks software.

Please save a copy of the document to your hard drive, input your answers, and return by email along with all requested reports and files.

For any reports or documents that can only be returned by hard copy, please mail those to my attention at the address listed above.

Thank you for your time in responding to these questions. We are looking forward to beginning the process of assisting you in identifying a new QuickBooks accounting setup for your organization.

Please contact us if you have any questions.

Sincerely,
MAC-McCallick Accounting & Consulting

Mark McCallick, CPA.CITP

MAC CONTACTS:

Mark McCallick,CPA,CITP
mmccallick@MAC-cpa.biz
(714) 985-1600 Fax
(714) 349-2502 cell

Sandy Collom
scollom@MAC-cpa.biz

Contact Information
Legal Business Name:
DBA Business Name:
FEDERAL ID#
STATE ID#
Primary Contact:
Address:
Phone number:
Fax number:
E-mail address:
Web site addresses:
Internet Domain Name (for example, http://www.contoso.com:
Other Nonprofit locations and location functions:

Business Demographics
Years in business:
Number of locations:
Number of employees (per location):
Number of PCs (per location):
Annual Revenue:
Geographic coverage area:

Core Business Functions
In what line of work is the Nonprofit involved? (What 'Programs do you run?)
Who are your "clients" (e.g., schools, hospitals)?
What are your funding sources?
With whom does your Nonprofit communicate and exchange information on a regular basis (e.g., vendors, customers, partners, suppliers)?

Vision and Strategy
What is the Nonprofit's mission statement?
What is the executive leadership's business strategy or vision?
What are your key business goals for the next 12 months?

IT Experience, Staff Resources and Support
Who is responsible for technology support within your organization? Do you outsource for support?
How much experience does your staff have?

Major Company Projects – Ongoing and Upcoming
Have there been any changes in the past 12 months that impact technology demands?
Are there any upcoming changes that will increase the dependence on technology?

Regulatory or Compliance Issues
What regulatory or compliance issues do you face relating to your industry (i.e will you be subject to the Single Audit Act or will you be contracting with Governmental agencies that require specific reporting and compliance)?

Lifecycle Management
Do you have an IT lifecycle management plan or policy in place?
How often do you upgrade or replace your hardware?
What is the decision making process for IT planning and purchasing?

Budget for this Project
Do you have a budget for this software implementation project?
How do you currently determine the amount you are able to spend on technology?

Timing for this Project
Do you have a timeline for the identification, implementation and first use of your new accounting system?
Are there any internal issues such as completing an audit, staff vacations, hiring of new employees, that may interfere with the goals and timing for implementation or scheduling training dates? If so, please give detail.

Company Purchasing Process
Define the steps taken in procuring IT products and services.
Who makes the final purchasing decision?

Business Continuity and Disaster Recovery
Do you have a disaster recovery plan? Have you considered how you would deal with a disaster?
Do you regularly update your recovery plan or hold practice exercises?
Has your insurance coverage been reviewed to insure it is adequate and complete?

Internet Presence
Do you have a Web site currently?
If not, have you considered one?
If so, what are your Web site goals?

Have you had any public or customer feedback regarding your Web site?

ORGANIZATIONAL STRUCTURE / Key Personnel

Our goal in implementing your new software is to best identify how information entered into the system should be grouped and presented for the purpose of providing useful reports to all of the readers. The readers of these reports may include government and private funding sources, internal managers, data entry staff, board members, auditors, and others, and each may have a different focus on your organization. Once we have a vision of how the reporting should come out of the system we can work backwards to determine the best structure in the Quickbooks Accounting Software to accommodate the end result.

Please describe in detail each of the organization's reporting areas as you see them now **and** in the future. These may include some of the following: Programs, departments, locations, government funding sources, major donors, fundraising events, separate entities, etc. Also, indicate if some of these areas are not available from reports directly out of your current system.

Does your organization have a need to report on assets or liabilities across segments(produce multiple balance sheets) of your organizational structure? Please explain.

We would like to get a copy of all your reports that you currently produce manually or print directly from your system. Please list the reports, you will be providing to us, in the chart below and give us some description of their function. You may also list reports that you wish to have from the new system but are not currently able to produce.

Report Name	User	System Generated (yes/no)	Description/Function of Report

CHART OF ACCOUNTS

Describe your current chart of accounts. Define each segment within the account structure and its use. Explain in detail any weaknesses that you perceive in the current chart of accounts and any suggestions on what you would like to see in a new chart of accounts.

BUDGETS

In terms of how you have previously described you organizational structure, to what level of detail is your budget (i.e. by program, department, Funding Source, line item, etc) prepared and reported on. Please explain. Also, please describe your budget preparation, approval, and revision process.

PAYROLL

How many employees does your organization process through payroll?

How is payroll processed?

How is payroll information entered into the accounting system?

If you are using a payroll service, do you have payroll distributions setup with that payroll service provider? Please give details.

ACCOUNTS RECEIVABLE/CASH RECEIPTS

What are the sources of revenue? How are each of these sources entered into the system?

BILLING TO FUNDING SOURCES

Please list any billing forms or cost reimbursement reports that your organization must prepare. Please indicate the submittal frequency for each item.

Please describe how the information for these reports is currently gathered, how the report is prepared and by whom the report is prepared.

How do you see the software assisting you in preparing these items?

FISCAL YEAR

What is your fiscal year?

Generally speaking, once the first fiscal year is defined in a new accounting software, an earlier year cannot be added. Therefore, we must determine the earliest year that we will define in the system. The decision as to what year to start with in the system should be based upon your decisions regarding the <u>value versus the cost</u> of starting your new system with historical data. In other words, do you wish to migrate historical accounting data from the old to the new system? Does your current system allow for such export?

Please give us your comments on this issue in regards to your new system.

ALLOCATIONS

Does your organization allocate indirect costs to departments or grants?

If so please explain the process in detail. Please include the source and destination of the allocations, the percentage basis of the allocations, and whether the allocations take place only at month end or upon initial data entry.

BANK ACCOUNTS

A bank account record in The New Accounting Software is a user interface that allows the Accounts Payable, Accounts Receivable, and Cash Receipts systems to process transactions for a corresponding General Ledger cash or investment accounts.

Please list the cash and/or investment accounts you would like to setup in a new accounting system.

Account Name	Bank Account Number	-Systems- A/P, A/R, Cash Receipts(C/R), Cash Management(C/M)

Note – Any new accounting software may use a specific check format that may differ from that of your current checks. Thus, new check stock may need to be ordered.

USERS/TRAINING

Please list the full name of each of the users of The New Accounting Software system and which modules they will use and be trained on. Please place an “x” in the box to the left of their name that best describes this employees experience with computerized accounting software.

Name	**Modules used**	**Experience Level = High**	**Experience Level = Moderate**	**Experience Level = Low**	

CRITICAL ISSUES & Primary Pain Points
What are the three largest pain points in your business?

Please list items or issues, with respect to an automated accounting system, which you believe to be critical and/or unique to the functions of your organization.

HARDWARE & NETWORK

APPLICATION SERVER INFORMATION:

Operating System:

Processor(s) Type:

Speed:

Total Server Memory:

Available Hard Drive Space:

Installed Protocols:

Other programs that will be run on the server:

WORKSTATION(S) INFORMATION:

Operating System(s):

Processor Type(s):

Speed:

Total Memory:

Available Hard Drive Space:

Installed Protocols:

List any applications that run continuously (Virus Scanners, etc.) on the workstation(s)?

NETWORK CONFIGURATION

Network Cabling(10baseT, 100baseT):

Types of hardware on the network (Routers, switches):

Number of nodes on the entire network:

Do you have any upgrades scheduled that will need to take place before we can install The New Accounting Software? If so, please indicate the date by which the upgrades will be done.

Please list or note anything else that you believe to be significant regarding your network & hardware that you think will be a factor in installing The New Accounting Software.

ITEMS TO BE RETURNED TO MAC

Please return this completed questionnaire along with the items listed below as they apply to your organization. Please send these reports in electronic format (i.e. Word™ or Excel™)

- Sample copies of billing forms (i.e. Governmental funding agencies or "home" office reports).
- Copy of your audited financial statements.
- Copy of your current chart of accounts
- A spreadsheet defining lists of segments (programs, departments, funding sources, etc.) as defined above – by email.
- A columnar formatted copy of your vendor list – by email.
- A columnar formatted copy of your customer list – by email.
- A columnar formatted copy of your fixed asset list – by email.
- Copy of disaster recovery plan
- Any other information that may be useful such as allocation rates.