

ACCOUNTING SYSTEM SETUP

Before you can start entering accounting transactions (Checks, Deposits, Vehicle costs, etc.) information from your prior month(s) or year(s), vendor lists and inventory, has to be entered. Follow the steps outlined below to insure proper setup.

Step 1: CHART OF ACCOUNTS

The chart of accounts is the core of your accounting system. Accounts store the balance of the money that flows in and out of your dealership. These accounts are used to track your financial activity.

Whether you are a new business starting up or an established business certain rules will need to be followed and certain types of accounts will be needed, to make the system work properly. Therefore we ask that you read through this section to assist you in developing or modifying your chart of accounts.

Innovative Accounting Software uses six categories of accounts and a 5 digit account number system.

In an accounting system Assets, Liabilities, and Equity, Income, Cost of Sales and Expense accounts are usually grouped by function and placed in order by a numbering system. The following section will give you a basic chart of accounts, a description of each account in the financial statement and the numbering system used. This section will also denote those accounts necessary to make certain features or functions operate correctly. If you will not be using the specific feature (such as Buy Here Pay Here), then these accounts would not be necessary. The ** before the account number denotes that this type of account is necessary. For example, you will see below that the Checking Central Bank has an the double asterisk before it, this tells you that a checking account of some type is necessary.

Assets - Asset accounts track things your dealership owns, such as money in checking/savings accounts, office buildings and furniture, and money owed to your business. Asset accounts use account numbers between 10000 to 19999 and normally have a debit balance. The following represent the types of accounts that can makes up the assets.

Current Assets: Current Assets are assets such as cash, checking accounts, and savings accounts that are very liquid or can be turned into cash very quickly.

10050 Cash
 ** 10075 Checking Central Bank
 10080 Checking Bank One
 10250 Petty Cash
 10350 Saving

Receivables: Receivables are moneys that are to be paid to the company but have not yet been received.

** 11000 Accounts Receivable

- ** 11200 A/R BPH (This type of account is necessary for the BPH Function. Note: BPH transactions are entered through the F&I Module)
- ** 11300 Cash Clearing (This type of account is necessary for the Cash Clearing Function)
- ** 12000 Undeposited Funds (This type of account is necessary for the Cash Clearing Function)
 - 12050 Employee Advances
 - 12070 Rebates Receivable

Long Term Assets: Long Term Assets are made up of investments and notes payable to the company. Long Term Assets that are paid slowly over time with a expected payout in over a year, or they are investment accounts earning interest or market fluctuation.

- 13050 Notes Receivable from Stockholders
- 13070 Fidelity Money Market Account

Fixed Assets: Fixed Assets are items such as inventory, equipment, land, etc. that are not easily liquidated, or are held at a level or balance that is fairly consistent. In the following list you will find the term contra-asset. A contra-asset is an account that is tied to a fixed asset account to show the accumulated decrease in the asset value due to depreciation or amortization over time and should always have a credit balance.

- ** 15000 Inventory (In this system the Inventory is entered in the Inventory Module and is necessary for the system to function properly)
 - 15200 Furniture & Fixtures
 - 15250 Furniture & Fixtures: Accumulated Depreciation (This is a contra-asset account and should have a credit balance)
 - 15300 Equipment
 - 15350 Equipment: Accumulated Depreciation (This is a contra-asset account and should have a credit balance)
 - 16400 Leasehold Improvements
 - 16500 Organizational Cost
 - 16550 Organizational Cost: Accumulated Amortization (This is a contra-asset account and should have a credit balance)

Liabilities- Liability accounts track things a dealership owes, such as a working capital loan. Money owed by a dealership for purchases is also considered a liability. Liability accounts use account numbers between 20000 to 29999 and normally have a credit balance.

Current Liabilities: Current Liabilities are accounts that represent payments due in less than a year.

- ** 21000 Accounts Payable
 - 21100 Customer Deposits
- ** 22100 Federal Withholdings (This type of account is necessary for the Payroll Function, although you can choose you can combine Social Security Withholdings with Federal Withholdings)
- ** 22200 Social Security Withholdings (This type of account is necessary for the Payroll Function, although you can choose you can combine Social Security Withholdings with Federal Withholdings)

- ** 22300 State Withholdings (This type of account is necessary for the Payroll Function)
- ** 22400 Federal Unemployment (This type of account is necessary for the Payroll Function)
- ** 22500 State Unemployment (This type of account is necessary for the Payroll Function)
- 22600 Fringe Benefits Payable
- ** 23000 Sales Tax Payable (This type of account is necessary for Sales Tax Function)

Long-term Liabilities: Long-term Liabilities are accounts that represent payments due in more than a year or where the balance due is kept at a fairly constant level.

- ** 25000 Notes Payable Cars- Floorplan (This type of account is necessary for the Floorplan function)
- 27000 Notes Payable Stockholders

Equity- Equity accounts track a dealership's net worth. A dealership's equity is calculated by subtracting its liabilities from its assets. Some common equity accounts are current year earnings, retained earnings and shareholders' equity. Equity accounts use account numbers between 30000 to 39999 and normally have a credit balance. In the Innovative system, there are 2 equity accounts that can not be renamed or moved to a different account number. Accounts 38000 Retained Earnings and 39000 Current Year Earnings.

- 31000 Capital Stock
- 32000 Treasury Stock
- ** 38000 Retained Earnings (The Ideal system has fixed the account numbers for this account).
- ** 39000 Current Years Earnings (The Ideal system has fixed the account numbers for this account).

Income Accounts- Income accounts track the increase in equity from the sale of cars, parts, or service. Income accounts use account numbers between 40000 to 49999 and normally have a credit balance.

- ** 41000 Sales Income (This type of account is necessary for the Sales Function to operate properly. The system allows you to break these expenses down and apply them to more specific accounts as you choose, but at least one account for Income is necessary).
- 42000 Warranty Sales
- 43000 Sales - Processing Fees
- 44000 Insurance Sales
- 45000 Sales Commission
- 46000 Sales Interest Income
- 48000 Mechanical Retail
- 48500 Returns & Allowances
- 49000 Interest Income
- 49500 Other Income

Cost of Sales - Cost of Sales accounts track the direct cost of doing business. In order to be a direct cost it must be a cost that is a direct result of making a sale or producing income. For example - the commission paid to a salesman or the wages of a mechanic could be considered a direct cost, but the wages of a receptionist or a bookkeeper would not. Cost of Sales amounts are subtracted from Income amounts to determine gross profit. Cost of Sales accounts use account numbers between 50000 to 59999 and normally have a debit balance.

- ** 51000 Vehicle Purchases (This type of account is necessary for the Sales Functions to operate properly. The system allows you to break these expenses down and apply them to more specific accounts as you choose, but at least one account for Cost of Sales is necessary).
- 52000 Warranty Cost
- 53000 Processing Fees
- 54000 Insurance Cost
- 55000 Commissions (This type of account will separately track Commission Costs (where applicable), if you choose these amounts can be recorded in a General Cost Account or can be recorded as an indirect cost)
- 55500 Wages on Repairs (This type of account will separately track Wages on Repairs (where applicable), if you choose these amounts can be recorded in a General Cost Account or can be recorded as an indirect cost)
- 58000 Parts Purchases

Expense Accounts- Expense accounts track the indirect costs incurred when a dealership attempts to create income. Indirect costs are costs that can not be specifically identified to a specific sales transaction. For example - As stated above, the receptionist or bookkeeper would be considered indirect costs because while they may provide support to the sales staff or income generators, they are not directly involved in the sale. Expenses amounts are subtracted from Gross Profit to determine Net Profits. Expense accounts use account numbers between 60000 to 69999 and normally have a debit balance.

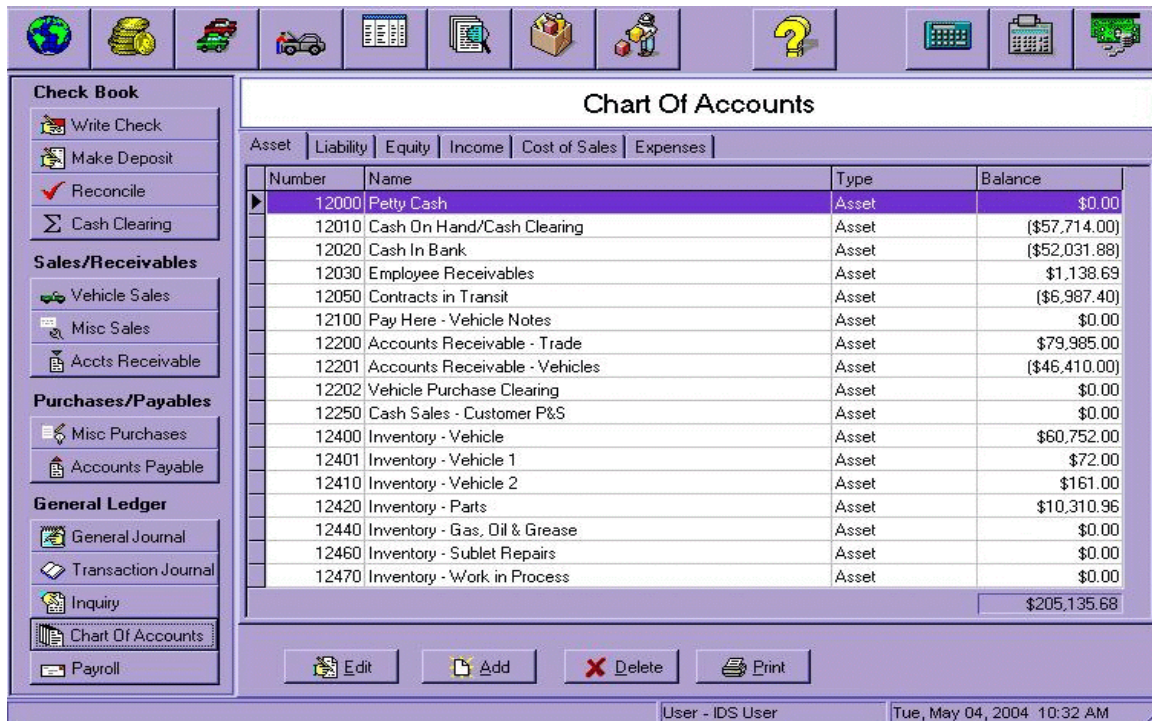
- ** 61000 Payroll Expense (This type of account is necessary for the Payroll Function to operate properly. The Payroll system allows you to break these expenses down and apply them to more specific accounts as you choose, but at least one account for payroll expenses is necessary).
- 61200 Officers Compensation
- 61300 Service Wage Expense
- 61400 Sales Wage Expense
- 61500 Payroll Taxes
- 61600 Fringe Benefit Expense
- 62100 Advertising
- 62200 Bad Debt
- 62300 Bank Charges
- 62350 Communication Expense
- 62400 Depreciation & Amortization Expense
- 62500 Insurance - Liability
- 62600 Insurance - Workmans Comp.
- 62700 Interest Expense
- 62800 License Fees
- 62900 Meals Expense
- 63000 Miscellaneous Expense

- 63100 Office Supplies
- 63200 Property Tax
- 63300 Professional Fees
- 63400 Repair & Maintenance
- 63500 Rent
- 63600 Travel Expense
- 63700 Utilities
- 63800 Income Taxes
- 69600 Penalties & Interest

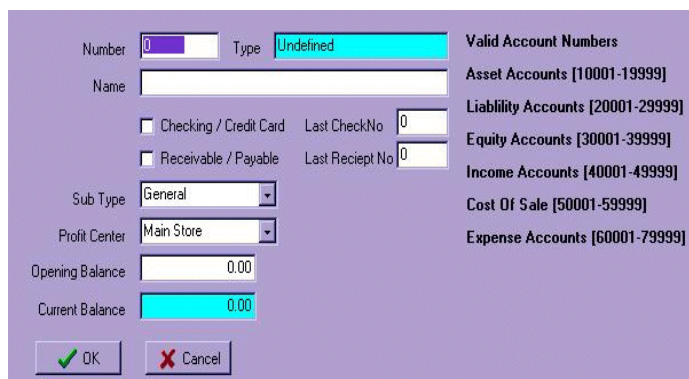
Once you have established a Chart of Accounts that meets your needs and takes into account the required accounts, it is time to enter the Chart of Accounts into the system.

Adding Accounts

1. Enter the “Accounting” Module and click on Chart of Accounts. The following screen will appear.



2. Click the Add button located at the bottom of the Chart of Accounts screen and the Account Add/Edit window will be displayed. The following screen will appear.



3. Enter the desired “Account Number”(account numbering should follow those parameters given above), (Special Note: The first number of the account number determines the type of account, where it is stored in the Chart of Accounts, and how it is listed in the Financial Statements).
4. Enter the “Account Name”
5. The type of account determines the account options available in the middle section of the screen. If the account is an asset account then the “Checking/Credit Card option and the “Track Receivable” option are available. If the account is a Liability account then the “Track Payables” option is available. If the account is an Equity, Income, Cost of Sales or Expense account no options will be available. Check the appropriate options.
6. If the account is a checking account you may choose to enter the last check number used to aid later in writing checks. If the account is a receivables account and receipt numbers are used you may choose to enter a starting number here.
7. Enter the “Sub Type” (Drop down menu) Most accounts will be General accounts the exceptions are Inventory accounts, Floorplan accounts and the Cash Clearing accounts.
8. Enter the “Profit Center” (Drop down menu) (generally the profit center is used to separate multiple locations or departments, this allows you to run reports for each location or department).
9. Enter the “Opening Balance”(Note: If the Opening Balance is unknown you can enter it later using the Edit window so long as **no transactions** have been posted to this account. To insure this never happens you should always try to enter Opening Balances when you create your accounts).
10. You will note that the “Current Balance” is highlighted in blue, the blue means that the box contents can not be changed in this location.
11. Once all your selections are completed click the “Record” button to save the account. If you choose to exit without saving click on “Cancel”.

Deleting Accounts

If you find that a mistake was made in entering an account or if you determine that an account is no longer needed you can delete it by following the instructions below. Special Note: Accounts that have posted transactions **can not** be deleted. Posted transactions are released after the Year End routine has been executed, at that time accounts can be deleted provided the current account balance equals \$0.00.

1. Enter the “Accounting” module and click on Chart of Accounts.
2. Locate the desired account in the display grid and click on it to select. It should now be highlighted.
3. Click the “Delete” button located at the bottom of the Chart of Accounts screen.

Edit

1. Enter the “Accounting” module and click on Chart of Accounts.
2. Locate the desired account in the display grid and click on it to select. It should now be highlighted.
3. Click the “Edit” button located at the bottom of the Chart of Accounts screen and the Account Add/Edit window will be displayed.
4. Make necessary changes (The “Opening Balance” amount **can not** be changed if the account has any posted transactions).

5. Once all your changes are completed click the “Record” button to save. If you choose to exit without saving click on “Cancel”.

Print

The printing option located on the Chart of Accounts screens prints all accounts for the selected account type. If a more detailed print out is needed see the “Reports” Module.

Step 2: PRESETS

Presets are recurring information such as Lenders, Lessors, Employees, etc. They are designed to help speed up customer entry and perfect deal calculations. Double check and verify that information that is entered into presets is correct and accurate since this information will be used again and a again. We suggest that before you begin entering information into the preset tabs that you examine each preset tab screen, determine what information you will need to enter, gather the needed information and then begin entry.

The Preset screen has a row of tabs across the top representing different system presets. Click a tab to access it's information. Below is a list of the tabs that you may need to set up. The list is arranged in the order that they appear on the screen.

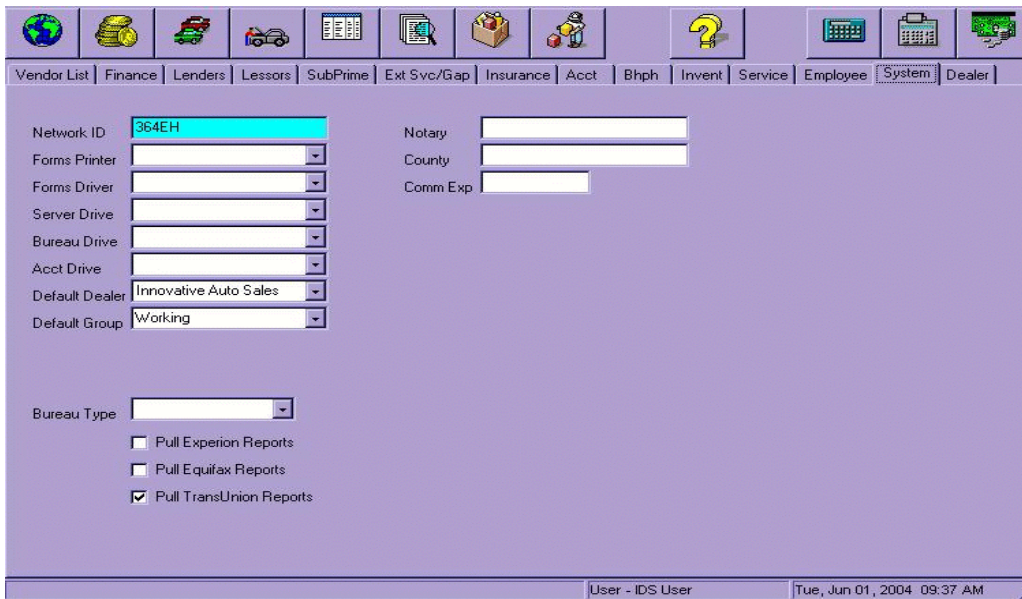
1. Vendor List - This tab allows you to enter all of the names, addresses, phone numbers, tax information and terms for each vendor that you use. You may also choose to set up default account numbers for vendors whose transactions are generally posted to the same account.
2. Finance - This preset is used by the F&I Finance Module. Set anything from the default Lender to fee default values.
3. Lender - This preset allows you to enter the information and terms of each of the Lending Institutions that you currently have an agreement with. (Note this may include your dealership).
4. Lessor - This preset allows you to enter the information and terms of each entity that you have a Leasing arrangement with (this may include your dealership).
5. SubPrime - This preset allows you to enter the special financing plans.
6. Extended Service / GAP - This preset allows you to enter the information and terms of each entity that provides this service for you.
7. Insurance - This preset allows you to enter the information and terms of each entity that provides this insurance for you.
8. Accounting - This preset allow you to set the type of check to print and how far ahead to allow posting, printing options and payroll default accounts.
9. BHPH - This preset allows you to set the late fee percent, min., and max. late fee amounts, grace period, printing options, and next due method.
10. Inventory - This preset allow you to set the inventory defaults, the age flags, and whether the F&I uses the cost entered into the inventory. You will also be able to set Floorplan Expenses, After Sale Cost accounts, the Buyer’s Guide information and up to 4 constant vehicle costs.
11. Service - This preset allows you to set up the default account numbers, cost allocations, parts markups, terms and shop fee rates for the Service Function.
12. Employee - This preset allow you to enter employee information, set system security parameters for each employee, and each employees wages, deductions, and account numbers where wages are to be posted.

- 13. System - This preset allows you to set the desired forms printer and the drives for the server, credit bureau, and accounting.
- 14. Dealer - This preset maintains the phone number, Fax number, email address, and D-Tag number for the dealership and multiple locations.

The section below will be in the order that we suggest that you set- up the “Presets” Module.

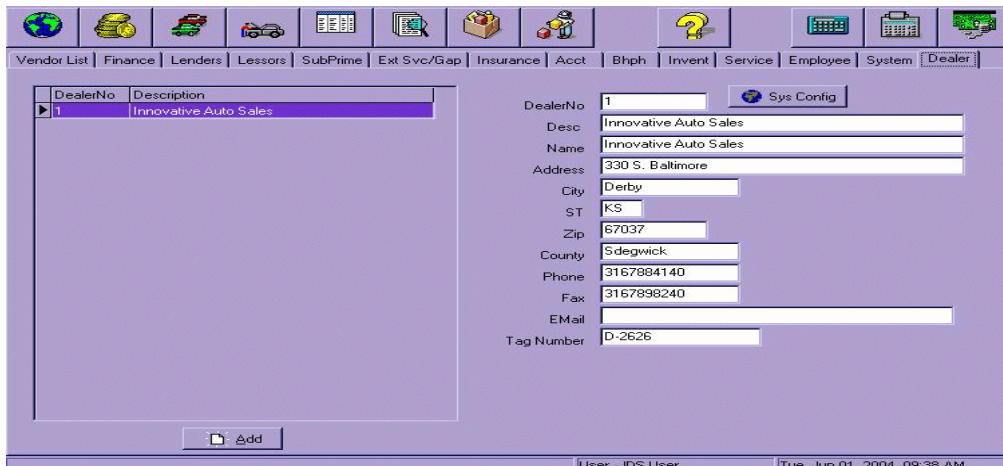
System

The “System” tab sets the defaults for hardware and some software features. IDS will set up most of the defaults during installation , although some element such as the Notary information may need to be set by the dealer. If this tab was not set up during installation, contact Innovative Dealer Services. The following is a representation of the “System” tab screen.



Dealer

The “Dealer” tab contains information about the dealership and its branches. IDS will set up during installation but changes can be made by the dealer at any time as needed. If this tab was not set up during installation, contact Innovative Dealer Services. The following is a representation of the “Dealer” tab screen.



Vendor List

Vendors are kept and maintained in the Preset Module under the “Vendor List” tab. The following is the screen that will appear.

Enter any person or entity with whom you disburse funds to, for merchandise or services.

1. Click the “Add” button to enter additional vendors or to edit an existing vendor (click on the desired vendor in the display grid then click “Add” button). Now complete the information located on the right half of the screen. *Note: the system does not require you to fill out the all of the information but we suggest that as much information as is available be filled out. This will aid you in much faster entry of checks later.*
2. Check the Print 1099 checkbox to include the vendor on the 1099 report located in Reports. *Note: Service Vendors who are not incorporated that you will pay more than \$600 to during the year, should be set up. See IRS publication _____ for further guidance on 1099's.*
3. Set the “Type” to General or Floorplan (drop down menu) *Only vendors with whom you have a Floorplan agreement, should be set up as Floorplan.*
4. If “Type” = General then you have the option of entering the primary account number where this vendors expenses are generally posted. Enter account number in the the “default” line. Example: If the vendor is the Phone Company then put the telephone expense account number in for the default. Next time the Phone Company is entered in Write Check the expense account will be inserted automatically.

If “Type” = Floorplan then you must enter the Floorplan Liability Account Number, Accounts Payable Account number, and the Accounts Receivable Account Number. A default Floorplan rate can also be entered. If your floorplan arrangement is such that you pay for vehicles when purchased and later receive the floorplan amount from the Floorplan vendor then click the box for "Floor Plan Create AR". This will create an Accounts Receivable when you floor each vehicle.

Wholesale List - Enter your Wholesaler's into the Vendor List.

When doing a wholesale deal you can select them from the vendor list by clicking the lookup

button beside the Buyer's last name.

Lender

Lenders are kept and maintained in the Preset Module under the "Lender" tab. The following is a representation of the screen at the "Lender" tab.

Click the "Add" button to enter additional lenders or to edit an existing lender click on the desired lender in the display grid. Complete the information located on the right half of the screen.

ROS simply stands for "Right Of Survivorship" and is the designated way of linking the buyer and co-buyer. Most cases it will be &/or (John Q. &/or Sara A. Smith) or another common designation is and (John Q. And Sara A. Smith). *ROS* can be edited from the Finance Window under the "Lender" and "Lessor" tab. The preset value is stored per lender & lessor and can be changed from the "Lender Default" tab or "Lessor Company" Tab.

Below are definitions and hints on how to enter the "Default" tab.

RSV Method - *RSV* is short for Reserve. The *RSV Method* located in Lender presets determines how the finance reserve is calculated. Select the method used by your lender. Below are descriptions of how the four most common work.

1. % Amt Financed - This method figures the finance reserve based off a percent of the Amount Financed. A default percent can be set by entering the percent amount in Retention.
2. Difference - Takes the difference between two finance changes, one figured using the sale rate and other using the buy rate. A default Buy Rate can be entered into Retention.
3. Ratio - The ratio formula takes the Interest Rate less the Buy Rate divided by the Interest

- Rate and then multiplied by the Finance Charge ($IR - BR / IR * FC$).
4. BPHH - This method simply sets the reserve amount to the finance charge.

Odd Days - Odd Days are considered any day(s) after the standard 30 days to first payment. Most Lenders collect interest on the odd days but may offer specials that restrict or waive interest on odd days. Set the default (preset) Odd Days field to that Lenders specifications in the Lenders Preset Screen. If it needs to be changed for a specific deal goto the Finance Screen and pull up the lender info and change it. There are 3 options available: Yes, No, and Unit Period.

1. Yes figures interest for odd days on a per day basis.
2. No does not figure interest.
3. Unit Period only calculates interest for the payment period selected in 'Pymts Per Year'. So if 'Pymts Per Year' is set to Monthly then the Unit Period is 1 month or if 'Pymts Per Year' is set to Weekly then the Unit Period is 1 Week and the odd days interest is figured accordingly. If 'Days To First' is set to 90 and 'Pymts Per Year' is set to Monthly the odd days interest is only figured for the 1st month.

Neg Trade - A negative trade occurs when the value of the trade is less then the amount owed on the trade. The Neg Trade preset located in Lender Presets determines how this system treats a negative net trade amount. This preset does NOT effect the way the payment is calculated but rather the way the negative amount is disclosed. Below is a description of what each option will do when a negative Net Trade occurs.

1. The Net Trade option will zero the net trade amount (which is a negative value), puts the negative value into the Negative Amount to Finance, and total down will be just the cash that was put down.
2. The Total Down option will first apply cash down to the negative net trade amount. If there is enough cash to cover the negative amount then total down will show cash less the negative net trade amount. If there is NOT enough cash to cover the negative net trade amount then the total down field is zeroed and the negative total down amount is placed in Negative Amount to Finance. Normally most lenders will use the Total Down option.

Retention - Retention is simply the retained percentage of the calculated reserve amount determined by the selected RSV(reserve) method. The preset (default) can be set on the Lenders Preset Screen but can be changed per deal from the Finance Screen. So if for example you have a Finance Rsv of \$500.00 with a retention of '0.00'. If retention is set to 75% then 75% of 500 or 375 is now the reserve amount. Check with the lending company for RSV Method and retention settings.

Actual Calendar - There are two date methods for figuring when payments are due:

1. The Actual Calendar has 365 days in it's calendar year. Most local lenders use this method.
2. The Federal Calendar has 360 days in it's calendar year. Every month in the Federal calendar has 30 days. Most major manufacture lenders use this method.

Here is an example of how the different calendar methods effect when the 1st payment is due. If the Date of Sale of January 1, 2001 and the days to 1st payment is 30 then the 1st payment date for the Actual Calendar would be January 31, 2001. The Federal Calendar, since it see's every month as 30 days, will have a 1st payment date of February 1, 2001. If you are uncertain about which method to use contact your lenders.

Accounting - In the "Accounting" tab enter the "AR Acct"(Drop down menu) and the "Rsv

Income Acct” (Drop down menu).

Rate Info - Optional, these would be notes about each lenders rates and terms.

Changing Lender's

To change Lender's on a deal, goto the Finance Screen in the Lender tab, click the drop down box to the right of the lender's name, and select the desired lender.

Lessor

Lease Companies are kept and maintained in the Preset Module under the “Lessor” tab. The following is a representation of the screen that will appear.

Click the “Add” button to enter additional lease companies or to edit an existing one click on the desired lessor in the display grid. The right half of the screen has four tabs; Company, Taxes, Presets, & Authorized.

Company - In the “Company” tab enter the lessor's name, address, city, state, zip, contact, phone number, fax number, e-mail address, ROS (see “Preset Lender” above for a description) and the Dealer #.

Taxes - The Taxes tab simply holds what is and what is not taxed for this lessor. This section must be completed to insure accurate tax calculations.

1. Enter the “Sales Tax Rate” (Rate to be provided by Leasing Company) and the “Local Tax Rate” (Dealers Sales Tax Rate).
2. Enter the Tax Method (Drop down menu)
 - A. Payment
 - B. CapCost
 - C. Iowa
 - D. New York
3. Enter “Price Not Taxed” by checking those items that are not taxed.

4. Enter the “Down Tax Rate” (Drop down menu) (sets whether the “Sales or Local Rate” is used on the down payment).
5. Enter the “Down Tax Use”(Drop down menu) (set as “Initial or Capitalized”)
6. Check those items that are “Taxable Down”
7. Set each item on the far right side of the screen to yes or no to determine whether tax should be calculated on each item in the list.

Presets - The “Presets” tab determines how each fee is used, it’s default amount, how often it is applied and in which account the fee will post to.

1. In the “Use” column (Drop down menu) set the use for each item. In the “Default” column set the default costs (optional). In the “Est Fees” column (Drop down menu) set the frequency of cost application. In the “Acct No.” column enter the account number that the fee should post to.
2. In the lower right side of screen set the default terms of the lessor.

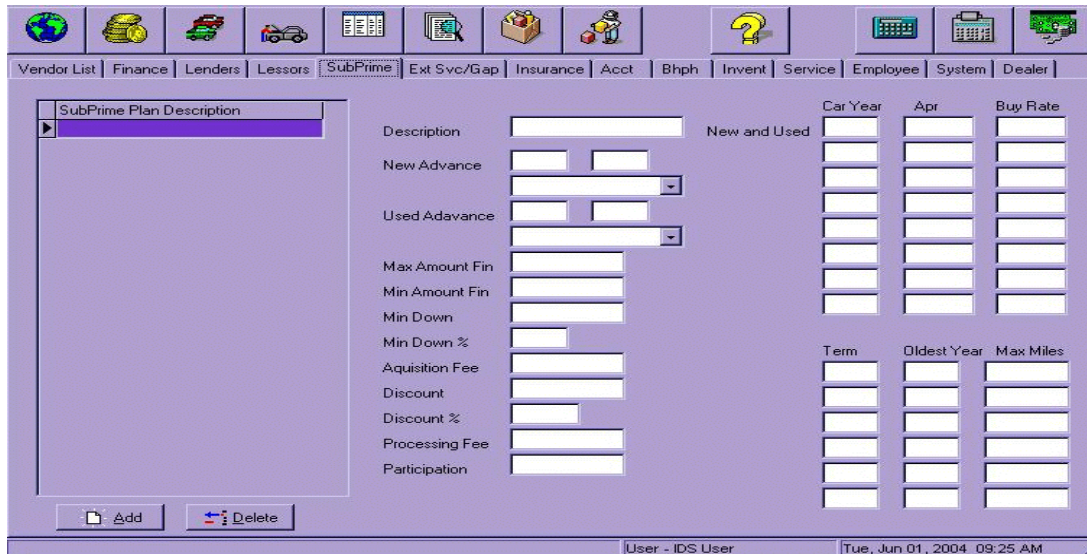
Authorized - The Authorized tab is for settings used by IDS and is inaccessible to the user.

Changing Lessor's

To change Lessor's on a deal, goto the Lease Screen in the Lessor tab, click the drop down box to the right of the lessor's name, and select the desired lessor.

SubPrime

The following is a representation of the screen that will appear at the “SubPrime” tab. Contact Innovative Dealer Services, when attempting to use this function.



Extended Service / GAP

Extended Service companies are maintained from the “Ext Svc/Gap” Preset screen. The following is a representation of the screen.

The screenshot shows the 'Ext Svc/Gap' tab in the IDEAL Software interface. On the left, a list of vendors is displayed with columns for 'Abbrev' and 'Desc'. The vendor 'SCM' (Secured Capital Management) is selected. On the right, the details for this vendor are shown in a form. The fields include: Abbrev (SCM), Name (Secured Capital Management), Description (Secured Capital Management), Address (360 South Keyser Avenue), City (Taylor), State (PA), Zip (185171611), Phone (8002922750), Fax (empty), Type (Extended Service), Dealer Code (empty), Cost Acct (empty), Sale Acct (empty), and Payable Acct (empty). At the bottom of the form, there are 'Add' and 'Delete' buttons. The status bar at the bottom indicates 'User - IDS User' and the date/time 'Tue, Jun 01, 2004 09:26 AM'.

Click the “Add” button to enter additional companies or to edit an existing company just click on that company in the display grid and make your changes on the right half of the screen.

1. Enter the “Abbreviation, Name, Description, Address, Phone, Fax” of each vendor that provides Extended Service or GAP.
2. Enter the “Type” (Drop down menu) as whether vendor provides GAP or Extended Service.
3. Enter the “Dealer Code”
4. Enter the “Cost Acct”, “Sales Acct” and “Payable Acct” (Drop down menu), these are the accounts that will post in the accounting system. Entry of these accounts is necessary for the system to post the transaction.

Changing Extended Service Companies when working a deal is done from the Finance Screen or Lease Screen under the 'ExtSvc' tab. Click the drop down button to the right of “Desc” and select the desired company.

Note: Be sure to enter the In Service Date, Term, and Miles on the Finance Screen. These entries are used when printing the Extended Service Contract. If this block is left blank then the corresponding sections on the contract will be left blank.

Changing GAP Companies when working a deal is done from the Finance Screen or Lease Screen under the 'Gap' tab. Click the drop down button to the right of “Desc” and select the desired company. If this block is left blank then the corresponding sections on the contract will be left blank.

Insurance

Insurance Companies are maintained in the Insurance Preset section. The following is a representation of the screen at the “Insurance” tab.

1. Click the 'Add' button to enter a new Insurance Company or click on a company in the display grid to edit or view current settings.
2. Enter the company information name, address, city, state, etc in the upper section of the screen.
3. Enter the information in the middle section of the screen. The middle section allows for the dealer to set Credit Life and A&H reserve percentages. Entry of the the Payable and Commission account numbers is necessary for correct posting in the accounting system.
4. The bottom section deals with the insurance lids. These are the maximum amounts and terms allowed by the insurance company. Failure to enter the lids will result in incorrect premiums and/or term when the deal exceeds the insurance companies maximum coverage!
5. At the very bottom of the screen is the Edit Rates button. This screen will be completed by Innovative Dealer Services, if rates need to be entered or changed please contact Innovative Dealer Services.

When working a deal the insurance company can be changed from the Finance Screen or Lease Screen in the 'Ins' tab. Also if the insurance coverage term is shorter than the loan or lease it can be changed from here as well.

Finance Presets-

Finance Presets are settings used by the Finance Screen to set default values that load into new deals, determine how fields are taxed, and which Chart of Accounts number to post transaction to. The Presets save you time when you are entering a deal by pre-loading the default values for each new deal. If you have chosen to purchase the accounting system then your will be required to set the Chart of Account numbers under the "Default" tab , the "Accounts" tab and the Tax calculation defaults in the "Taxes" tab. All other defaults are optional.

1. Enter the Preset Screen and click on the "Finance" tab, the following is the screen that will come up.

Vendor List Finance Lenders Lessors SubPrime Ext Svc/Gap Insurance Acct Bhph Invent Service Employee System Dealer

Presets Name: Standard

Lienholder: HOME BANK & TRUST

Ext Svc: Secured Capital Management

Gap: Secured Capital Management

Insurance Co.: American National

Num of Pymts: 60

Pymts Per Year: Monthly

Days To First: 45

Interest Rate: 8

New Car Pack: 250

Used Car Pack: _____

Holdback Use: None

Options:

- Extended Service: 1295
- Gap Insurance: 0
- After Market: 0
- Title & Reg: 0
- NOSI: 0
- Processing: 69.5
- 30 Day Temp Tag: 18
- VSI: 0
- KS Tire Tax: 0
- Luxury Tax: 0
- Veh. Inspection: 0
- Other 1: 0

Default Values	Acct No	Account Name
0	49550...	Other Income
0	49550...	Other Income
69.5	49550...	Other Income
18	49550...	Other Income
0	49550...	Other Income
0	49550...	Other Income
0	49550...	Other Income
0	49550...	Other Income
0	49550...	Other Income

State Tax: Price-Trade, Rate: 6.8, Min: 0, Lid: 10000

County Tax: Price-Trade, Rate: 0, Min: 0, Lid: 10000

City Tax: Price-Trade, Rate: 0, Min: 0, Lid: 10000

Other Tax: Price-Trade, Rate: 0, Min: 0, Lid: 10000

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2. The Preset Name is automatically set to Standard by Innovative Dealer Services, if more than one default screen is needed for different locations, contact Innovative Dealer Services for setup.
3. Set default “Lienholder” (drop down menu) (Lienholders are set up in the lender screen) if you have a lender who you automatically look at first, you may choose to set that lender in this screen. *Changes can be made on a deal by deal basis in the F&I Module, “Finance” tab.*
4. Set default “Ext Svc”(drop down menu) (Extended Service dealers are set up in the “Ext Svc/Gap” tab) if you have a preferential vendor you wish to use, you may choose to set that vendor in this screen. *Changes can be made on a deal by deal basis in the F&I Module, “Finance” tab.*
5. Set default “Gap” (drop down menu) (Gap dealers are set up in the “Ext Svc/Gap”tab) if you have a preferential vendor you wish to use, you may choose to set that vendor in this screen. *Changes can be made on a deal by deal basis in the F&I Module, “Finance” tab.*
6. Set default “Insurance Co” (drop down menu) (Insurance Co dealers are set up in the “Insurance” tab) if you have a preferential vendor you wish to use, you may choose to set that vendor in this screen. *Changes can be made on a deal by deal basis in the F&I Module, “Finance” tab.*
7. Enter the default “Num of Pymts” (this is the number of payments for a loan that you generally start with in a new deal) Changes can be made on a deal by deal basis in the F&I Module in the “Finance” tab.
8. Enter the default “Pymts Per Year” (drop down menu) (this is the payment frequency for a loan that you generally start with in a new deal) Changes can be made on a deal by deal basis in the F&I Module in the “Finance” tab.
9. Enter the default “Days to First” (this is the number of days before the first payment is due) Changes can be made on a deal by deal basis in the F&I Module in the “Finance” tab.
10. Enter the default “Interest Rate”(this is the interest rate that you generally start with in any new deal) Changes can be made on a deal by deal basis in the F&I Module in the “Finance” tab.
11. Enter the default “New Car Pack” (this is generally the amount of administrative costs

that you judge it takes to get and keep a new car on the lot for sale) Changes can be made on a deal by deal basis in the F&I Module in the “Finance” tab.

12. Enter the default “Used Car Pack” (this is generally the amount of administrative costs that you judge it takes to get and keep a used car on the lot for sale) Changes can be made on a deal by deal basis in the F&I Module in the “Finance” tab under “Recap button.
13. Enter the “Holdback Use” (drop down menu)

Sales Tax Settings

1. Sales tax setting are located in the lower left of the screen. Tax 1 is State, Tax 2 is County, Tax 3 is City, and Tax 4 is Other tax. In some states the tax rates are not broken out into county, city, and state, in these cases you will enter the combined totals in Tax 1.
2. The “Basis” stores how the base tax amount is figured whether it's Price, Price -Trade, etc. The Rate box simply holds the tax percentage.
3. If your area requires a minimum tax amount then enter that value in the “Min” column.
4. Lid is simply the maximum amount tax allowed. If there is no Lid then leave it at it's default value of 0.00.

Default Tab

The default tab holds the itemized fees “Default Values” and to which “Account” in Accounting is posted. Note: Accounts must be entered if the Accounting system is installed. The Itemized Fee “Default Values” are optional. The costs can be enter in the default screen or in the F&I Module “Finance” screen.

Taxes Tab

Itemized fees are set to taxed or not taxed for each tax branch. Enter yes is taxable or no if not taxable.

Uses Tab

- A. Sometimes itemized fees are figured from other fee amounts, vehicle price, or some other method. The “Uses” section allows for you to set defaults for each type of configuration. The system will use these configuration to calculate the cost to be loaded into the F&I Module “Finance” tab.
2. Select the Use method in the box to the right of the Fee.
3. Then enter the factor used to calculate the fee and if applicable a Lid or Maximum amount.

Accounts Tab

The “Accounts” tab simply stores which account will receive certain values for posting. This section is required if the Accounting system is install on your system.

Authorized Tab

The Authorized tab are settings used by IDS and unaccessible to the user.

Accounting

Payroll set-up requires that defaults be established for the posting of payroll to the Chart of Accounts and the set up of employee information for each employee to be paid.

Payroll Default Settings:

1. Enter “Pre-sets Module”, click on “Acct” tab. The following screen will appear.

The screenshot shows the 'Acct' tab with various settings for payroll. The 'Print Transaction Summary' section has 'After Record' set to 'No'. The 'Check Type' is 'Peachtree Multi-Purpose Laze'. 'Post Ahead Months' is set to 36. The 'Default Checking' account is 'BankHaven' (10075) and the 'Deposit Account' is 'Customer Deposits' (21000). The 'Payroll Accounts' section lists various accounts like 'Checking', 'Federal', 'FICA', 'Medicare', 'State', 'City', 'FUTA', 'SUI', 'Spiff', 'Cafeteria', 'Pre Tax 1', 'Pre Tax 2', 'Misc1', 'Misc2', 'Misc3', and 'Misc4', each with a corresponding account number and description. The 'Pay Plan' is set to 'Weekly'. The 'Expense Accounts' section lists 'Taxes Payroll' (69875) and 'Salaries Other' (69751). The bottom status bar shows 'User - IDS User' and 'Thu, Jul 01, 2004 11:19 AM'.

2. In the column marked “Print Transaction Summary” choose whether you would like the transaction summary to print a). after posting b). not the print after posting or c). to prompt before printing after posting.
3. Next enter the Check Type. The drop down menu contains a list of the types of checks that Ideal supports.
4. In the “Post Ahead Months” enter the number of months you wish to allow posting after the current period. We would suggest that this number be set at 12 months or less to help avoid posting to the wrong year.
5. Enter the account numbers
3. Column marked “Payroll Accounts” enter the “Chart of Accounts” number where you wish for the Checks, expenses and deductions to post. Example: “Checking” you would enter the bank account that you want check to be drawn from, for “Federal” you would enter the account number of the federal withholding account, etc.
4. In the column marked “Pay Plan” choose the payroll period from the drop down menu.

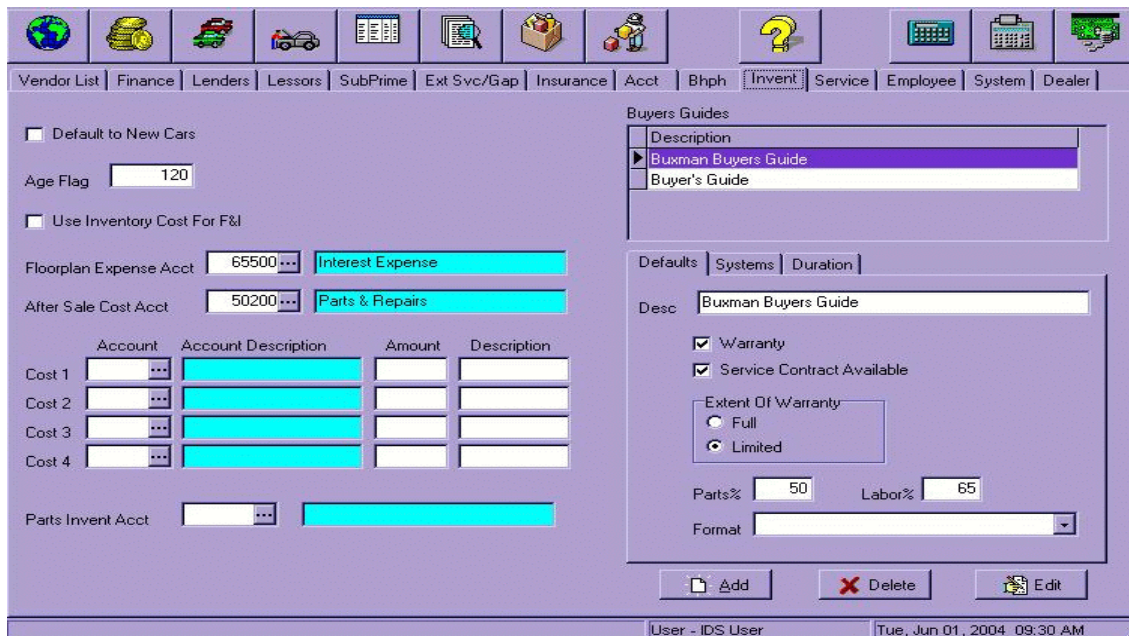
BHPH The following is a representation of the screen at the “BHPH” tab.

The screenshot shows the 'BHPH' tab with 'Buyers Guides' and 'Defaults' sections. The 'Buyers Guides' section has a table with columns for 'Description', 'Amount', and 'Description'. The 'Defaults' section has 'Desc' set to '30 Day', 'Warranty' checked, 'Service Contract Available' checked, and 'Extent Of Warranty' set to 'Full'. The 'Parts%' is 100 and 'Labor%' is 100. The bottom status bar shows 'User - IDS User' and 'Thu, Aug 14, 2003 01:11 PM'.

Account	Account Description	Amount	Description
Cost 1	20202	50	Travel
Cost 2			
Cost 3			
Cost 4			

1. Enter the “Late Fee %” and check “Interest on Pickups” if you will interest to be calculated.
2. Enter the “Late Fee Min” and “Late Fee Max”
3. Enter the number of days “Grace Period”
4. “Print Receipt” (Drop down menu) Choose one of the following:
 1. Yes- Prints automatically
 2. No- Does not print
 3. Prompt- Will ask whether to print
 4. Prompt-Lien - Will prompt with the lien
 5. Yes-Lazer - Prints automatically on a laser printer
 6. Prompt-Lazer - Will ask whether to print on laser printer
 7. Prompt-Lien-Lazer. - Will prompt with the lien and print to laser printer
5. Enter “Next Due Method”(Drop down menu)
 1. Recency- will set due date based upon last payment
 2. Contract- will set due date based on the contract.
6. Enter Account posting data for the following (Drop down menu)
 1. “Deposit Account”
 2. “Cash Deposit”
 3. “AR Account”
 4. “WriteOff Account”
 5. “Interest Account”
 6. “Late Fee Account”
 7. “New Charge Acct”

Inventory The following is a representation of the screen at the “Invent” tab.

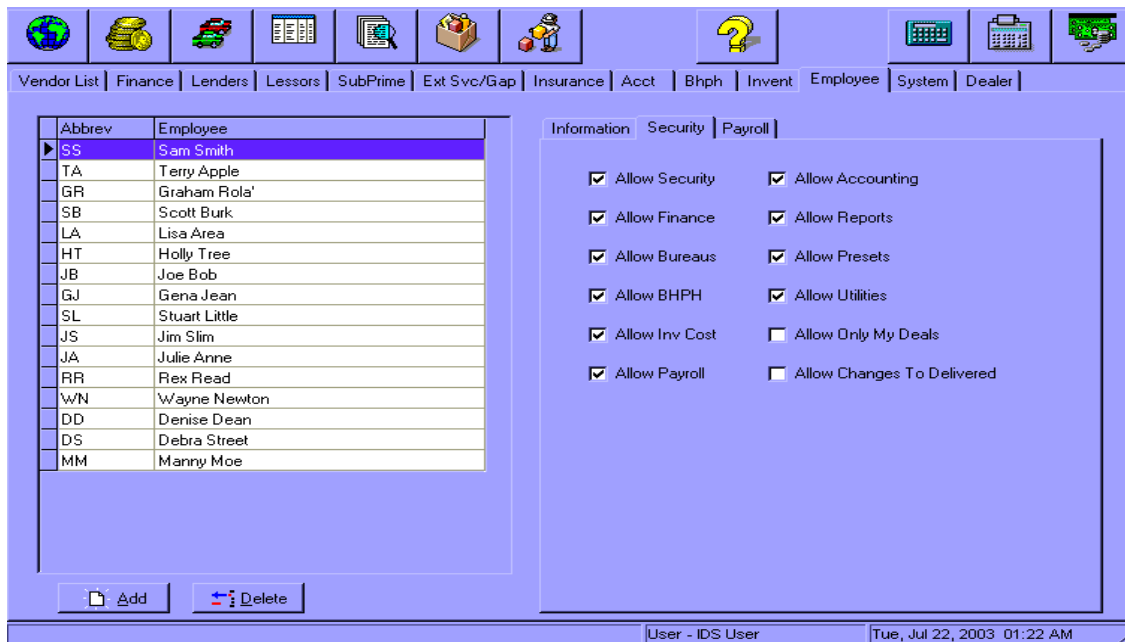


1. Check if you want to “Default to New Cars”
2. Enter number of days you wish to “Age Flag”
3. Check to “Use Inventory Cost for F&I”
4. Enter “Floorplan Expense Acct” (Drop down menu)
5. Enter “After Sale Cost Acct” (Drop down menu)

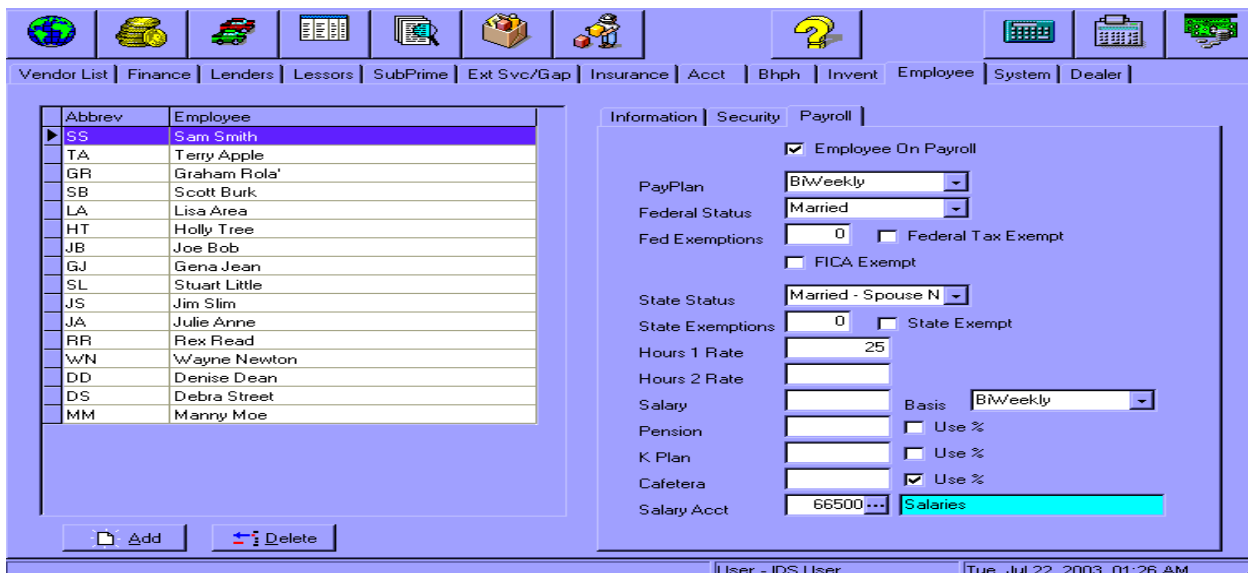
- Enter cost section, these would be costs that are attached to each vehicle sold, such as average travel costs, lot cleaning fees, etc. Enter the "Account" number (Drop down menu), "Amount", and "Description".
- The right side of the screen allows you to enter different "Buyers Guides" (such as - As Is- 30 day warranty). To add a new or edit a "Buyers Guide" category, click on the appropriate button at the bottom of the screen. In the "Default" tab enter the "Desc", check whether "Warranty" and/or "Service Contract Available", mark "Extent of Warranty" whether "Full" or "Limited". Enter "Part%" and "Labor%" and "Format" if applicable.

Employee

- Enter "Pre-sets Module", click on "Employee" tab. The following screen will appear.



- To Add an employee click on the add button at the bottom of the screen. In the "Information" tab enter the initial or nickname of the individual, the name, address, Social Security number, phone, e-mail, password, and commission %.



3. In the "Security" tab

individuals access to different areas of the program are set. To allow an individual to access to a section of the program place a check mark next to the section title listed. To restrict access uncheck the box next to the section title.

The screenshot shows the IDEAL Software interface with the 'Employee' tab selected. On the left, there is a list of employees with columns for 'Abbrev' and 'Employee'. The 'SS' entry for 'Sam Smith' is highlighted. Below the list are 'Add' and 'Delete' buttons. On the right, the 'Information' tab is active, displaying a form for 'Sam Smith' with fields for Abbrev, Desc, Last Name, First Name, Middle, Address, City St Zip, SSN, Phone, Fax, Cell, Email, Password, and Comm %.

Abbrev	Employee
SS	Sam Smith
TA	Terry Apple
GR	Graham Rola'
SB	Scott Burk
LA	Lisa Area
HT	Holly Tree
JB	Joe Bob
GJ	Gena Jean
SL	Stuart Little
JS	Jim Slim
JA	Julie Anne
RR	Rex Read
WN	Wayne Newton
DD	Denise Dean
DS	Debra Street
MM	Manny Moe

Information | Security | Payroll |

Abbrev: SS
 Desc: Sam Smith
 Last Name: Smith
 First Name: Sam
 Middle:
 Address: 1745 SW Long
 City St Zip: Topeka KS 66610
 SSN: 515784628
 Phone: 7852734565
 Fax:
 Cell:
 Email:
 Password: ** Autosoft ID:
 Comm %: 25

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4. In the "Payroll" tab the individuals information for federal & state status and/or exemptions, pay rates, and percentage of deductions are entered.
 - A). Employee On Payroll must be checked in order to write a check.
 - B). The "PayPlan" will be the same for all employees. The "PayPlan" is the frequency of payroll.
 - C). Fill out "Federal Status, Fed Exemption, Federal Tax Exempt, FICA Exempt, State Status, State Exemptions and State Exempt according to the W-4 filled out by the individual.
 - D). Enter the individuals rate of pay in under "Hours 1 Rate, Hours 2 Rate, or Salary based upon how you will be paying the individuals. (Note: persons paid on commission will show no hourly rate or salary, the commission percentage is entered in the "Information" tab, the boxes to show rate of pay are left empty). Salary amounts should show what basis was used, example if the individual was enter as being paid \$35,000 annually then annually should be placed in basis.
 - E). Enter the percentage being deducted for "Pension, K-Plan and/or Cafeteria" the "Use %" box should be checked.
 - F). Enter the Chart of Accounts number of the account you wish the expense to be posted to.
5. To make changes to an existing employee highlight the individuals name and make changes. Changes are automatically saved.
6. To Delete highlight the individuals name and press delete. An individual can not be deleted if a check has been written to them. At year end you will be able to delete individuals no longer on payroll.

Note: By checking the Allow Security checkbox that gives that employee access to the security tab for all employees/users.

Step 3: INVENTORY

Next go to Inventory and enter all vehicles that were in inventory on the accounting start date you have chosen. Enter all vehicle info except for cost and RO's. It is important that the Beginning Inventory Values or costs, be entered in the "Inventory Module""Value Tab", the General Ledger will be affected. If entered in the "Utility Module", only the subsidiary ledgers will be affected. Later you will verify that the subsidiary ledger balance matches the Beginning Balance in the General Ledger account associated.

All vehicle inventory is maintained from the Inventory Module. Vehicle Add, Delete, or Searches are done from this section. The grid on the Inventory Screen displays the selected inventory with or without filtering. Aged vehicles or old inventory are highlighted in light blue. They are determined by the "Age Flag" preset which is located on the "Acct/Bhph/Inv/Sys" Preset screen. When you enter the "Inventory" module the following screen will appear.

StockNo	Age	NU	Year	Make	Model	Body	Odom	Price
100L	5	U	2003	lkjh	lkjh	lkjh		
982903	36	N	2002	DODGE/TF	DURANGO	4X4		33,437.50
C261	80	N	2001	CHRYSLER	PT CRUISER	Coupe	5	55,108.75
C285	110	N	2002	CHRYSLER	PT CRUISER	4DR	25	28,591.25
C296	61	N	2002	CHRYSLER	PT CRUISER	4DR	16	26,668.75
C297	145	N	2002	CHRYSLER	CONCORDE LXI		44	31,046.25
D1061D	1	U	1990	Chevrolet	Astrovan	Minivan		
D1063A	106	U	1998	BUICK	LESABRE	4DR	59403	11,712.88
D1072A	4	U	1995	Ford	Explorer			
D1078	202	N	2002	DODGE	1500	PU	12	34,756.25
D1084	80	N	2002	DODGE	DAKOTA	EXT CAB	23	366.25
D1084A	33	U	1998	DODGE	DAKOTA	EXT CAB	121857	11,345.17
D1086B	12	U	1997	FORD	RANGER	PU	59481	6,187.50
D1088	42	N	2002	DODGE	DAKOTA	PU	41	28,462.50
D1097	139	N	2002	DODGE	GD CARAVA	VAN	9	31,853.75
D1098A	97	U	1998	GMC	1500	EXT CAB	99255	16,473.09
D1102A	81	U	2001	CHEVROLE	CAVALIER	2DR	7586	18,125.00
D1105	169	N	2002	DODGE	INTREPID	ES	74	28,553.75
D1108	182	N	2002	DODGE	NEON	4DR	10	15,280.00
D1110	96	N	2002	DODGE	NEON	4DR	10	15,280.00
D1112	142	N	2002	DODGE	3500	PU	36	37,588.75

Adding

Add vehicles by clicking the "Add Car" Button located on the lower left portion of the screen. A small box will appear asking for a "Stock No", enter the number you wish to apply to the vehicle and the cursor will enter the "Car" tab. For each car entered into the system the following tabs should be completed

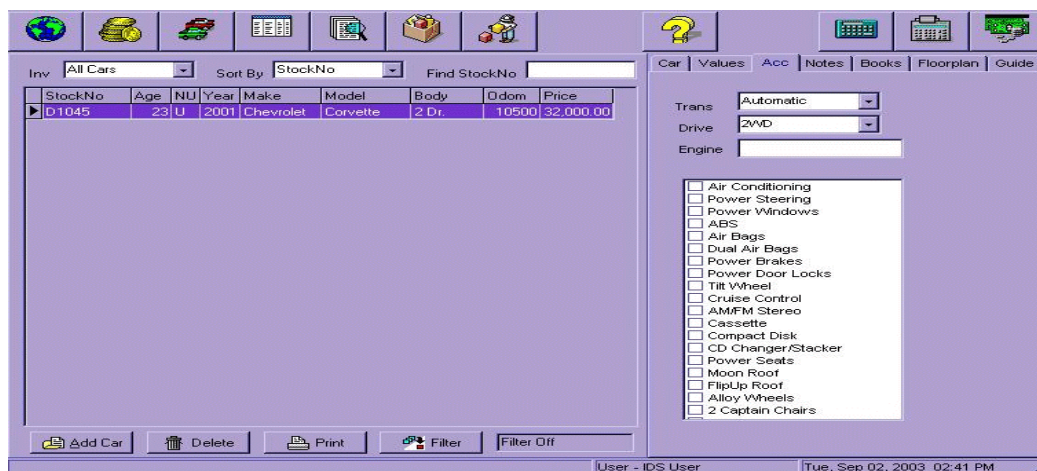
- Car
- Acc
- Notes
- Books
- Guide

Note on "Value" tab and "Floorplan" tab at system start up the value and floorplan should be entered in the "Utility" module, "System" tab, "Enter Inventory Opening Balances" not in the "Value" tab (the reason behind this is that upon system start up you do not want the values to post to the General Ledger it would be like recording the purchase again).

Car Tab

1. Enter “Inventory” (Drop down menu) and “Lot”. The following are the options under “Inventory”
 - a. New Car
 - b. Used Car
 - c. New Truck
 - d. Used Truck
 - e. Other
 - f. Sold
 - g. Posted
2. Enter “Type” (Drop down menu) the following are the options under “Type”
 - a. Car
 - b. Truck
 - c. SUV
 - d. Van
 - e. Motorcycle
 - f. Boat
 - g. Motor Home
 - h. Trailer
3. Enter the date “Recd” the age will automatically update.
4. Enter the “Vin” (Vehicle Identification Number)
5. Enter the “Year” of the vehicle and the “Nud” (Drop down menu options: New, Used, Demo)
6. Enter “Make,” “Model,” “#,” “Body,” “Series,” “Odometer,” “Color,” “Key” number if Applicable, “Permit No.,” “Cyl,” “HP,” “Fuel” (Drop down menu options: Gas, Diesel, Electric), “Title,” and “State”
7. Enter the “Stat” (Drop down menu) the following is a list of the options.
 - a. Sale Ready
 - b. Recon
 - c. Deposit
 - d. Dir Trade
 - e. On order
 - f. Trade in

Acc Tab- The “Acc tab” allows you to enter the technical specifications of the vehicle being entered. Click the “Acc” Tab and the following screen will appear.



1. Enter the “Trans” (Drop down menu) with the following options
 - a. Automatic
 - b. Manual
 - c. 3 Speed
 - d. 4 Speed
 - e. 5 Speed
 - f. 6 Speed
2. Enter the “Drive” (Drop down menu) with the following options
 - a. 2WD
 - b. 4WD
 - c. AWD
3. Enter the “Engine”
4. In the list of features on lower right side of screen check all boxes that relate to the vehicle being entered.

Notes Tab

The “Notes” tab is to record about the buyer, previous owner and any other comments about the car. The following is the screen that will appear when you enter the “Notes” tab.

Entry is pretty straightforward and totally optional. Use this section as you see fit.

Books Tab

The “Books” tab is to record the book values of the vehicle. The following is the screen that appears when you enter the “Books” tab.

You may choose to setup the “Lookup” function of this page in the Utilities or you may choose to enter the information manually or since the information frequently changes you may choose not to enter this at all.

Guide Tab

The “Guide” tab allow you to set up the Buyers Guide terms for each used vehicle. The “Buyers Guide” Drop down menu of items is set up in the “Presets Inventory”. Enter the “Inventory” module, the “Guide” tab and the following screen will appear.

In the “Buyers Guide” drop down menu choose the terms that fit the vehicle being entered. Make any changes to the Preset terms to fit the specific vehicle. The print button will generate the form to be placed in the window of the vehicle.

Entering Inventory Values & Floorplans

Now go to Utilities, click on the System Tab, and click Enter Inventory Opening Balances. All vehicles entered into Inventory are displayed on the grid in the middle of the screen (See below for screen example).

Click on the desired vehicle and enter the Inventory Account Number, Inventory Amount, Vehicle Base Cost, and Internal Amount

If a vehicle has a floorplan then it too must be entered but first the floorplan vendor must be added to the Vendor List located in presets.

System

Enter Inventory Opening Balances - As stated in “Accounting Setup” the inventory information except for cost and RO’s are entered in the Inventory Module. This section is to enter the costs and RO’s.

1. Enter the “Utilities” module, “System” tab, “Enter Inventory Opening Balances” option and the following screen will appear.

System : Enter Inventory Opening Balances

StockNo	Nud	Year	Model	Body
100L	U	2003	lkjh	lkjh
982903	N	2002	DURANGO	4X4
C261	N	2001	PROWLER	Coupe
C285	N	2002	PT CRUSIEF	4DR
C296	N	2002	PT CRUISEF	4DR
C297	N	2002	CONCORDE	LXI
D1051A	U	2001	DAKOTA	QUAD CAB
D1061C	U	1996	CONCORDE	4DR
D1061D	U	1990	Astrovan	Minivan
D1063A	U	1998	LESABRE	4DR
D1066A	U	2001	1500	QUAD CAB
D1072	N	2002	CARAVAN	VAN
D1072A	U	1995	Explorer	
D1078	N	2002	1500	PU
D1084	N	2002	DAKOTA	EXT CAB
D1084A	U	1998	DAKOTA	EXT CAB
D1084B	U	1989	Elite	

Inv Account: 13500
 Inv Amount: 5603.75
 Base Cost: 5025
 Internals: 578.75

Floorplan Vendor: Boone County National Bank
 Amount: 310
 Date: 7/22/03
 Rate: 5.75
 Interest Paid: 5.25
 Interest Paid Thru: 7/22/03

Update COA

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2. The list of inventory items entered in the “Inventory” module will appear. Highlight the inventory item you will be entering.
3. Enter the “Inv Account” (Inventory Account Number)
4. Enter the “Inv Amount” this is the total value of the vehicle.
5. Enter the “Base Cost” this would be the price paid for the vehicle not including repairs or upgrades.
6. Enter the “Internals” these are the repair costs and upgrades done to the vehicle after purchase.
7. If the vehicle was purchased through a Floorplan Vendor and an amount is still due to the Floorplan Vendor then the bottom right hand column will need to be entered.
8. Enter the “Floorplan Vendor” (Drop down menu)
9. Enter the “Amount” this is the principle amount still owed to the Floorplan vendor.
10. Enter the “Date” the floorplan was set up.
11. Enter the “Rate” of interest that was set for the Floorplan.
12. Enter the “Interest Paid” this would be the amount of interest that has already been paid.
13. Enter the “Interest Paid Thru” date.
14. When all information has been entered, click on the “Update COA” button to record the amounts.
15. Highlight the next inventory item and repeat steps 3-14. When all items have been entered verify the amounts entered by running the Trial Balance report . For instructions on running this report see the Reports section.

Enter Parts Inv Opening Balances - Section open for further updates to system.

Step 4: ACCOUNTS RECEIVABLE & PAYABLE

You should have entered the Vendor List in Presets.

Entering Opening Receivables - In this screen the opening receivables' at system start up are entered.

You will note on the right half of the screen only one item is in white and therefore it is the only item that can be changed. (Note: Receivables for Buy Here Pay Here (BHPH) customers will not be entered in this screen, enter them in the “Finance BHPH” screen). Choose the Accounts Receivable account from the drop down menu to be updated and click on the “Add” button. A warning message may appear stating “Careful! The Total Amount of Invoices EQUALS the Receivable Account Balance. Any additions will put them out of balance.” Click OK and the following screen will appear.

1. Enter the Vendor or Customer, (Drop down menu) (If the receivable is from a vendor the drop down menu will contain the name otherwise type in the customers name).
2. Enter the “Invoice #”
3. Enter the invoice “Date”
4. Enter the “Description”
5. Enter the “Account”
6. Click on the “Record” button to add to the list of Receivables in the list or click on the “Cancel” button to erase the entry.

Continue the process until all receivable for the COA number account are entered. Check the total of the invoices against the total in the Chart of Accounts summary. See Accounting Setup for instructions on verifying totals.

Entering Opening Payable - In this screen the opening payables at system start up are entered. Click on the “Entering Opening Payables” menu line the following screen will appear.

The screenshot shows the 'Accounting: Enter Opening Payables' window. The 'Payable Account' is set to '20100' and the 'Balance' is '\$0.00'. The 'Vendor' field is empty. Below the form is a table with the following columns: Date, DealInfo, DueDate, and InvoiceAmt. The table is currently empty. At the bottom of the window, there are 'Add' and 'Delete' buttons. The status bar at the bottom indicates 'User - IDS User' and 'Mon, Aug 25, 2003 02:08 PM'.

You will note on the right half of the screen only one item is in white and therefore it is the only item that can be changed. Choose the Accounts Payable account from the drop down menu to be updated and click on the “Add” button. A warning message may appear stating “Careful! The Total Amount of Invoices EQUALS the Payable Account Balance. Any additions will put them out of balance.” Click OK and the following screen will appear.

The screenshot shows the 'Enter Opening Payable' entry form. The 'Vendor' field is a dropdown menu. Below it are four input fields: 'Invoice #', 'Date' (08/25/2003), 'Description', and 'Amount Due' (0.00). At the bottom, there are 'Record' and 'Cancel' buttons.

1. Enter the Vendor or Customer, (Drop down menu)
2. Enter the “Invoice #”
3. Enter the invoice “Date”
4. Enter the “Description”
5. Enter the “Account”
6. Click on the “Record” button to add to the list of Payables in the list or click on the “Cancel” button to erase the entry.

Continue the process until all payables for the account are entered. Check the total of the invoices against the total in the Chart of Accounts summary. See below for instructions on verifying totals.

Step 5: PAYROLL

You should have the Employee tab and the Accounts tab in Presets in Step 2. Then enter Utilities module to enter the payroll totals for each employee. In Utility enter the Accounting tab and click on Entering Opening Payroll, enter the year to date figures or each payroll period. See Utility Entering Opening Payroll for specific details. When complete verify the information entered by going into reports and click on Payroll-W-2 Wage and Tax Statements and choose preview, See Reports Payroll-W-2 Wage and Tax Statement for more detail instructions.

Entering Opening Payroll - Opening Payroll can only be entered after the “Preset Employee” information has been entered. Entering Opening Payroll will input the amount of gross wages and deductions for each employee for the year-to-date. This information is necessary for W-2's to be accurate at year end. Entry can be accomplished in two ways. You can enter total year to date figures for each individual or you can enter the amounts for each check issued for each employee by pay period. Click on “Entering Opening Payroll” and the following screen will appear.

To Enter Year to Date Figures:

1. Set “Pay Period” to 0. A list of all employees entered in the “Preset Employee” will be shown.
2. Click on an employees name in the list
3. Enter the “Status” (Drop down menu) (Paid or Unpaid)
4. Enter the year to date totals for each applicable line in the right hand column.
5. Repeat for each employee
6. When entry is complete, click the “Update Totals” button. This will update the totals in the payroll entry screen and these totals will appear in the cumulative amounts paid for the year on each employees check as well as W-2's.

Verify the totals for accuracy in the “Reports” Module, “Payroll- W-2 Wage and Tax Statement” preview. See instructions in Reports section for more detailed information. If mistakes are found return to the “Utilities” “Entering Opening Payroll” screen and click the “Update Totals” button.

To Enter Each Payroll Period Figures:

1. Enter “Accounting” module, “Payroll Button” and choose the payroll period to be entered.
2. Enter “Utilities” module, “Accounting” tab, “Enter Opening Payroll” option
3. Set “Pay Period” to the number of the period you are entering. A list of all employees

- entered in the “Preset Employee” will be shown.
4. Click on an employees name in the list
 5. Enter the “Status” (Drop down menu) (Paid or Unpaid)
 6. Enter the check totals for each applicable line in the right hand column.
 7. Repeat steps 3-6 for each employee
 8. When all checks for the pay period have been entered, repeat steps 1-6 for the next period to be entered.
 9. When all entries are complete, click the “Update Totals” button. This will update the totals in the payroll entry screen and these totals will appear in the cumulative amounts paid for the year on each employees check as well as W-2's.

Verify the totals for accuracy in the “Reports” Module, “Payroll- W-2 Wage and Tax Statement” preview. See instructions in Reports section for more detailed information. If mistakes are found return to the “Utilities” “Entering Opening Payroll” screen and click the “Update Totals” button.

Step 4: VERIFYING INVENTORY, FLOORPLAN, RECEIVABLE, AND PAYABLE ACCOUNTS

Now that the starting account balances, inventory, floorplan, receivables, and payables have been entered they now need to be checked to see if they balance. This is done in Reports under the Accounting Tab by selecting Trial Balance (AR/AP/Inventory/FlrPlan/Bhph). Once selected click on the Summary Button. The system will total inventory, floorplan, AR, and AP and compare it to the amount in the appropriate account in the Chart of Accounts. If any accounts are out of balance make the appropriate adjustment by repeating any of the above necessary steps.

Once these accounts balance your initial setup is complete and accounting transactions can be posted

