



## Taking Your Practice Online

Column: The QuickBooks Advisor

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### Bill.com

Have you ever thought about the amount of time, effort and paper involved with processing your Accounts Payable? Break it down. First you order a product or service from your vendor. Then you get the bill in the mail. Then you open the mail, mess with the paper and return envelope, and file it in the to-be-processed stack. Later, you or someone else picks up the stack of bills, enters them into your accounting product (such as QuickBooks), carefully codes them to the correct account and class, and then (sometime later) you go into your accounting product and pay the bills. Fortunately, QuickBooks makes that part fairly easy, but then you have to print the checks, sign each one of them, rip the voucher stubs off, stuff the check along with the remittance into an envelope, then stamp and mail the envelope. Next, you file the vendor invoice along with the check stub in a drawer for later reference. By the way, you better not make a filing mistake or it could be lost forever. Whew! That's a lot of steps. And if you really think about it, you're spending a lot of time doing those same tasks each day/week/month.

The funny thing is that I never gave it a second thought until recently. I just accepted it as one of those necessary parts of being in business and thought you couldn't really do anything about it.

But then that really smart, serial entrepreneur, Rene Lacerte (formerly an Intuit Product Manager, then founder of PayCycle, and now founder of Bill.com), came along with a great idea. Being a small business CEO for many years, he felt the pain of dealing with Accounts Payable each month, and he decided to do something about it.

Bill.com is a SaaS Web application that allows businesses to streamline the whole process of paying vendors. The process goes from the extensive set of steps described above to the following: Fax or e-mail a PDF (or \*.XLS or \*.JPG or \*.DOC or whatever) of the vendor's invoice to Bill.com. Then, enter the bill into the online bill payment system, coding it to the account and class you want. Next, assign an "approver" to the bill so it can be routed (by e-mail) for approval to the appropriate person in the firm. After the approval, the bill is scheduled to be paid according to the due date or other date you entered on the bill. The bill will be paid on time (as long as you schedule it a few days in advance), and you'll never have to think about it again. No signing checks, no filing the check stub, no envelopes, and no postage. Sounds a bit like online banking, right? Well the key difference here is that using an online connection, Bill.com downloads all of your bills and payments directly into QuickBooks, so you have everything you need in your accounting system as it happens.

The setup is very easy and involves uploading your QuickBooks vendor list, chart of accounts and class list, followed by giving authorization to access your bank account. It takes just a few days to verify your banking information, and then you're off to the races.

All of a sudden, you won't have stacks of payables sitting around, and you won't have to worry about finding a vendor invoice ever again. Since it gets scanned and uploaded to Bill.com the minute it arrives, you can shred the bills instead of filling up file cabinets. Better yet, call all your vendors and have them e-mail you PDF invoices, and there won't be any paper ... ever! Talk about going green. This is a huge improvement both for the environment and for your efficiency.

For accountants and outside bookkeeping services, this solution could revolutionize your practice just as PayCycle brought efficiency to how you provide payroll services. If you provide bill paying services, you can set up a Bill.com account and have several of your clients set up so that you can quickly go online, switch between clients, process their vendor invoices, route the bills to approvers, and schedule the bill payments all from the comfort of your own office. You won't have to order stacks of checks for each client and keep them separate (or use blank checks with MICR ink in the toner cartridge), and of course you'll get all the time savings, paper savings and postage savings listed above.

In June of 2008, Bill.com and CPA2Biz (the marketing and technology subsidiary of the AICPA) announced that CPA2Biz has become the exclusive distributor of Bill.com to accountants. This partnership allows accountants to get free access to the Bill.com service, and accountants can set up clients on Bill.com for a 10 percent discount. Go to [www.cpa2biz.com](http://www.cpa2biz.com) for more information.