Stop Giving It Away!

When your customer asks for extra work, why is it so hard to get it in writing? Everyone knows the contract requires signatures on change orders prior to starting extra work. But when you postpone getting a formal approval for extra work until days, weeks or months after the event occurred, you have no leverage. And when you have no leverage, your customer is in a great position to negotiate the final price with you, change their mind or decide the work wasn't really extra and should have been included in the original contract.

Present a complete cost breakdown for every proposed change order your customer requests in advance of starting the work. Use a standardized format and cost template to make sure you include everything the additional work actually costs. Every time extra work is performed, the following costs may occur:

- Project management to process the paperwork
- Supervision to supervise the work
- Accounting to pay for the work
- General condition costs as the job will take longer to build
- Trailer and toilets
- Power and power poles
- Utilities
- Trucks
- Equipment
- Small tools, ladders, etc.
- Small items: nuts, bolts, hardware, etc.
- Temporary protection, barricades, etc.
- Liability insurance
- Overhead
- Profit

Don't shortchange your company by not asking for everything you deserve. Most change order requests are presented as labor, materials and subcontractor costs plus a markup without extra costs for the many items listed above. If your company does $3 million in annual sales of which $300,000 is performed as change orders or on a cost plus basis, not charging for everything you spend can cost you as much as $30,000 or more per year in lost revenue for things that you actually had to pay for.

Reminder: Order Tax Forms

Again this year we are offering tax forms to our customers at cost. We order in bulk so we can accommodate our customers that do not need to purchase more than needed. There is no minimum or maximum to order. We plan to place our bulk order in mid December so we can have them before the holidays. If you need a quote, please send an email to sales@wrightoffice.com.

Year End

The end of the year is rapidly approaching and once again we will be working diligently assisting our clients with their year end procedures. As usual, we offer our "Year End Procedures" manual for version 13 of Sage Master Builder, for you do-it-yourselfers. The manual is a detailed document that walks you through the step by step process of closing the year end books in Sage Master Builder. Last years copy is still good this year.

Also we now have JustinTime Software W-2 Print program to offer our customers. This software makes printing W-2's in Sage Master Builder a breeze. No more struggling with multiple states or multiple local tax entities. You may purchase the software for your in house use or we offer W2 and 1099 printing services. Contact us for a quote.

For more information call our office or email us at:
Sales@wrightoffice.comcontact

Tech Support
Calls From Our Customers

I began my bank reconciliation and the beginning balance was correct now it is different?

This happened to us as well when we did our last bank rec. I had minimized the bank rec to make a missing entry. I then maximized the bank rec and refreshed. My beginning balance had changed. We don't know why this happened but if you save the bank rec as a trial and close the reconciliation and go back in, the beginning balance should then be correct. If not, give us a call. **...**

We have a job that came in under budget. We received their full bank loan, but now we owe the customer the money that wasn't spent. We need to write them a check, but not have it show up in job costs. I also need to offset my loan draw. What should I do?

There really isn't a one step process that will handle this. It must affect two different areas visually but the GL only once.

1. Process a GL Check to customer with the offset account being your Loan Draw Account. This results in a credit to cash and a debit to Loan Draw which is exactly what you want updated in GL if you haven't closed your job out.

2. Using the check number as the invoice number (I literally type CK #____) you process a "Paid" status AR Credit using the Loan Draw Account number in the Grid. Put all your notes in the note pad for future reference. Remember, Paid invoices don't do anything to GL but it will update the billings and payments to date on the job.