

# Construction Products Offer Basic Job Costing & More

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Once upon a time, there were three companies. Company A builds 10 to 20 homes a year. Company B handles upwards of 100 jobs a year, subcontracting out about 70 percent of its jobs and building a variety of projects. Company C is in development and handles most of its construction, but it also owns another company that handles the electrical work for all of their construction projects.

Aside from being in the construction industry, these three companies have very little in common. So when these three very different companies go searching for software to make their business more efficient and more productive, it's ridiculous to think that they would be looking for the same exact things.

The construction industry is one of the most highly specialized software markets. Companies, large and small, have to be able to efficiently track their job and material cost. Equipment must be accounted for and sufficiently maintained, and operating expenses must be factored in when looking for bottom-line expenses. It's helpful to have multiple billing formats, depending on your specialty. It's also helpful to have a system that won't take months and months and thousands upon thousands of dollars to implement.

In an effort to help you better identify how each of these products might meet the needs of one of your clients, we have established a prototypical company. Our prototypical company employs one estimator and three office personnel. Our company works with about 50 different subcontractors, and takes about 25 jobs per year, with the average job running about \$50,000. We have established that our prototypical company also requires the following modules in order to run their business effectively: General Ledger (GL), Accounts Payable (AP), Accounts Receivable (AR), Job Costing, Inventory, Purchase Order, Equipment Tracking, Reporting, Sales Order/Work Order Entry, and an optional Payroll module. For our scenario, we believe that training for one person will be needed, as well as one year of product support.

We have also obtained the cost from each vendor for this particular prototypical company. Since module requirements vary from company to company, we hope that this standardizing of product costs will help to clarify what each program will cost on average.

We also decided to look at the program in general, focusing on eight specific areas. By evaluating the same areas in each product, we hope to present a clearer picture of that product, its strong points, and what, if anything, it lacks. This will help the small company find a product that will suit their needs, without paying for a dozen modules it will never use. On the flip side, it also helps the multi-million dollar company that is in the market for enterprise level software and does not want to upgrade their software every year.

The areas of evaluation were chosen based on feedback from software vendors, the editorial staff of the magazine, and this reviewer. They are as follows:

1. **Modules** — It's important to know what modules are included or available.
2. **Learning Curve** — Is the program easy to navigate? Is it user friendly?
3. **Integration/Import/Export** — Do all of the modules work together? Can you import information from third-party software or export to spreadsheet programs, etc.?
4. **Support & Training** — Good support and effective training are necessities.
5. **Security** — Is it multi-level? Module-based? Menu-based?
6. **Customization & Productivity** — Are there user-defined fields? Can you get the information you need? Will this product make your life easier?

7. **Reports** — What standard reports are included? Does the program offer integration with Crystal Reports, etc.? Does it have customization capability?
8. **Relative Value** — This is subjective, but is the program worth the cost?  
It's important to remember that each of these programs stands on its own. We are not trying to compare them side-by-side, but rather point out their core strengths and let you, the reader, decide what you need, what you want and what you cannot live without.

The products reviewed here range from basic financial systems with a job cost module, to sophisticated programs with upwards of 20 modules and add-ons. They are all good programs, varying widely in both size and cost. But they all contain at least basic job costing capability, and many contain much, much more.

If there is a program that interests you, I suggest contacting the vendor or visiting their web site. Many of these programs offer downloadable demos or trial CDs, and there's no better way to choose a software product than to actually use it.

I've had the opportunity to use all of these products. I believe they are all high-quality products, and I am confident that you will find one that suits you.

## Foundation Software — FOUNDATION® for Windows®



**800-246-0800**

[www.foundationsoft.com](http://www.foundationsoft.com)

FOUNDATION for Windows is an accounting system designed specifically for the construction industry. Not only does Foundation provide construction companies with the tools needed to efficiently operate their business, but it is also very simple to learn and use. The cost of FOUNDATION for our prototypical company is in the range of \$7,500 to \$12,000, depending on which of Foundations Software's three training options is selected (on-site, classroom or online). This price is good for up to a four-user system and includes six months of maintenance with unlimited toll-free phone support.

### **Modules - 4.5 Stars**

The following modules are included with the program: GL, AP, AR, Purchase Orders/ Subcontracts, Payroll, Job Costing and the Genie series of custom report and form designers. Additional modules available include Consolidated GL, Equipment, Inventory, Time & Material, and Unit Price Billing. Also available is the Executive Management module, as well as the Job Detail Analysis module.

### **Learning Curve - 4.5 Stars**

FOUNDATION is specifically designed for both heavy and general construction as well as the specialty trade, electrical and consulting industries. This allows users to easily track jobs, monitor work in progress, and produce cost and profitability reports designed with the labor-intensive contractor's needs in mind.

FOUNDATION's menu structure is designed for efficiency. The menu bar at the top of the screen provides access to all of the system modules. Each module has a menu containing three options: Daily Transactions, Maintenance and Reports. This method makes navigating the system easy, even for new users.

New features in FOUNDATION 4.0 include the ability to assign security to Project Manager items. As well, the AR Invoice Importer lets you import receivable data from other programs. To begin using the Job Cost module, you simply define your units of measure, enter job phases, and establish cost code groups. Afterward, just define the master cost codes and cost classes and you are ready to go. All of this is handled in the Job Cost module under maintenance, so there is no need to search through the system for data-entry screens.

### **Import/Export/Integration - 5 Stars**

FOUNDATION is a fully integrated system, so there's no need for repetitive data entry. You can design your own import/export options using the Genie Series, and the capabilities simply cannot be beat. A Direct Deposit Genie

lets you set up a report containing direct deposit information. You can also import employee payroll information and export reports to other software programs, such as Microsoft Excel or Word.

### **Support & Training - 5 Stars**

Several training options are available. You can choose to train on-site, attend classroom training or utilize the online training tool. A very helpful user's guide, and an excellent help system are available if needed. Unlimited toll-free telephone support for the first six months is included with the purchase of a base package. FOUNDATION's maintenance program is available at the end of the six-month period. Online support is also available.

### **Security - 5 Stars**

Security is multi-level, with menu-driven user access. Foundation Software allows you to assign security levels on every menu item found throughout the program.

### **Customization & Productivity - 5 Stars**

The Data Genie series, exclusive to Foundation Software, simplifies data manipulation. Tasks that previously required programming knowledge can be done with a few clicks of your mouse. You can design custom forms for your invoices, purchase orders/ subcontract, time & materials, and timecards. Logos and graphic images can also be used for custom design. And with FOUNDATION's date-sensitivity feature, you can create reports based on a variety of date options including current to date, job to date, or year to date.

### **Reporting - 5 Stars**

As mentioned, the program is date sensitive, so you can run historical reports with data still intact. Foundation comes with a variety of built-in reports that are easily customized, or you can optionally use the Report Genie to create hundreds of custom reports. When producing a Job Cost report, you can specify just how much detail to include. The built-in report calculator allows you to specify report calculations, set your headers and choose your defaults. Another new addition is the Executive Management Drill-Down Report, which provides managers with more multi-level reporting detail. In addition, the Equipment Profit Report lets you track and monitor profit by equipment.

### **Relative Value - 5 Stars**

Foundation Software would be a good value at any cost. Easy system navigation ensures a short time frame between installation and implementation. An excellent payroll module integrates with the other system modules, produces certified payroll and can easily handle multi-state payrolls, a necessity in the construction industry. And the Data and Invoice Genie Series pays for itself, both in increased productivity and ease of use. Making SQL server easier is not a simple task, but Foundation Software has accomplished just that.

**2004 OVERALL GRADE: ★★★★★**