

QBO Integration Guide

Integrating your CosmoLex account with QBO can be as simple as just clicking “Sync with QBO” and choosing a sync start date. To use this easy setup, you must accept the default integration settings. By doing so, you will reduce the number of decisions you need to make prior to integrating with QBO.

Customizing your QBO integration requires you to make detailed decisions about which CosmoLex items will sync with QBO, and how and when they should sync. For this reason, customizing your QBO integration is a much more complex operation and shouldn’t be done without consulting with your bookkeeper or accountant.

This guide begins with the default setup, so you can easily turn on the “basic” sync. The guide gives you and your bookkeeper or accountant the information you need to understand how the system operates if you choose the basic set up and give you the additional information you need to decide whether, and how to customize your integration.

We have included a table of contents so that you can easily jump to the section that walks you through the QBO setup step that you have questions about.

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Required QBO Settings

You will need to adjust your QBO settings as follows prior to turning on the QBO Integration in CosmoLex.

- You can integrate an Essentials, Plus or Advanced QBO account to CosmoLex.
 - CosmoLex recommends creating a new QBO account rather than upgrading your current QBO account in order to reduce the risk that the CosmoLex sync creates duplicate AR, matters, and contacts in QBO.
- In QBO
 - Click on the gear icon in the top right corner of the screen and navigate to “Account and Settings”.
 - Under “Sales” set the following items to “on”
 - Sales Form Content
 - Custom Transactions Numbers
 - Services Date
 - Deposit
 - Products and Services
 - Track quantity and price/rate
 - Under “Expenses” set the following items:
 - “Make Expenses and Items Billable” to “off”
 - “Track Expenses and items by Customer” to “on”
 - Under “Advanced”
 - In the “Chart of Account section set “Enable Account Numbers” to “on”
 - In the “Automation” section set the following to “off”:
 - Automatically apply credits
 - Automatically invoice unbilled activity
 - Automatically apply bill payments
 - We recommend that you assign account numbers to all accounts found in your Chart of Accounts. Typical numbering convention is:
 - Asset accounts begin with “1”
 - Liability accounts begin with “2”
 - Equity accounts begin with “3”
 - Income accounts begin with “4”
 - Cost of Goods Sold accounts begin with “5”
 - Expense accounts begin with “6”
 - Other Income begin with “7”

- Other Expenses begin with “8”

Requirements for Integrating with Existing QBO Account

CosmoLex does NOT recommend hooking up to an existing QBO account (especially if it was previously integrated with a different legal billing program).

If you absolutely must integrate with an existing QBO, you need to pay careful attention to the following:

- Consider reaching out to QBO to verify:
 - that syncing your QBO account with a different legal billing software won't cause issues in QBO, and
 - that you don't need to stop the sync with your former legal billing software prior to initiating the CosmoLex integration.
- If your previous legal billing software added a suffix/prefix or any other system generated identifiers when syncing clients, matters and contacts to QBO:
 - Syncing CosmoLex with the same QBO account results in your having two sets of the same contacts and matters in QBO, one set from your old legal billing software, and the other set from the CosmoLex sync.
 - For example:
 - Clio adds “Clio” followed by a contact or matter identifier to all contacts and matters synced to QBO.
 - Since the “Clio” isn't part of the contact/matter name brought into CosmoLex, the system syncs the same set of contacts and matters with QBO without the “Clio” identifier.
 - Invoices/Payments/Hard Costs/Trust Transactions entered into CosmoLex sync to the contacts/matters created by CosmoLex, not to the clients/matters created by the old legal billing software.
- Verify the date you stopped syncing data from your old legal billing software into QBO and make sure that the sync start date for the CosmoLex QBO integration is later than that date.
 - Choosing a sync start date equal to or prior to the last day your legal billing software was integrated with QBO will result in items created during the crossover period syncing to QBO twice, once by your old software and once by CosmoLex.
- When setting up the sync, make sure you uncheck “Sync Unpaid Invoices”.
 - This setting is on the very last page of the integration wizard just before the “Review Submission” screen just beneath the “Select Sync Start Date” box.

- The default for this box is checked, so it is imperative that you uncheck it.
- If you don't uncheck this box, all unpaid invoices that have been migrated into CosmoLex will sync with QBO. But since they were previously synced to QBO by your previous legal billing software, this will result in duplicate AR balances in QBO.
- Consider speaking to an accountant or bookkeeper who is well-versed in data migrations so that they can help you make sure that you choose the correct QBO Integrations settings.

Warning:

QBO integration has difficulties if you integrate two CL accounts with it if they are both using the default numbering systems for Clients, Matters or Invoices. So, if you are hooking up multiple CL accounts to the same QBO account, you must override the default client and matter numbering system in each CL and use a unique numbering system for each CL account. Also, if you are syncing invoices to QBO from both accounts, you will need to make sure you choose a unique invoice numbering system for each CL account. Failure to take these steps causes major sync issues to occur between QBO and the multiple CL accounts.

Turning On QBO Integration

To turn on QBO Integration navigate to Accounting > QBO Integration and toggle QuickBooks Online Integration to "on".

WARNING:

If you are migrating into CosmoLex from a previous legal billing software, do not turn on the QBO Integration until AFTER your CosmoLex migration has been completed and you have validated that the imported data is accurate. Also, if you are migrating trust balances that you want to sync into QBO, you will not be able to do it yourself. Data Migration is the only team that can import the balances in a way that ensures they will be able to sync to QBO.

To begin CosmoLex's QBO Integration setup, navigate to Setup and select the QBO Integrations tab. You will see a toggle labelled "QBO Integration". Move the toggle to the "on" position. This will begin the integration setup wizard.

You must use QBO credentials that belong to a firm user. You shouldn't use your accountant's or bookkeeper's QBO login credentials for the sync.

You can leave the wizard at any time by clicking on "Continue Later". The system will save all selected settings up to that point in time. You can then resume the setup at any time.

You can cancel the QBO integration at any time before submission by clicking on "Cancel". CosmoLex won't remember any of your setting selections, you will have to start over if you decide to turn QBO on at a future date.

Integration Warnings

As you move through the QBO integration setup wizard, ***keep in mind the following:***

- If you are migrating into CosmoLex from a previous legal billing software, do not turn on the QBO Integration until AFTER your CosmoLex migration has been completed and you have validated that the imported data is accurate.
- QBO uses Category to mean General Ledger (GL) Account. This guide uses the terms interchangeably.
- QBO Integration will not be hooked up until you complete the integration wizard and submit your settings.
- QBO Integration is one way from CosmoLex into QBO. Any changes you make to synced items in QBO will not be reflected in CosmoLex.
- Categories and Products and Services created in QBO by CosmoLex will have the prefix CL in front of it.
- If you edit or delete a bank account in CosmoLex, the change will NOT sync to QBO.
- Operating Retainer is turned off when QBO integration is turned on.
- **Review your integration setting selections carefully before submitting them because once submitted, you will not be able to change them without moving to a brand new QBO account.**
- QBO integration is an advanced accounting function. Please talk with your accountant or bookkeeper about the appropriate settings for your integrations prior to submitting your integration settings. You will not be able to change them once they are submitted.

Initial Integration Settings

Business Accounting Setup

The default setting is to “Let CosmoLex Create and Map QBO Bank Accounts”, this means that the system will automatically fill in the QBO Account column with the bank/credit card account CosmoLex will be creating upon submission as follows:

CosmoLex Bank Account	QBO Bank Account
Operating Account	CL Operating Account
Credit Card Account	CL Credit Card Account

Note:

When creating and naming operating and credit card banks in CosmoLex, keep in mind that:

- You can create the CosmoLex bank and credit card accounts from this screen by clicking on “Add CosmoLex Bank”.
- The wizard will not let you continue until you add at least one CosmoLex **OPERATING** Bank account and map it to a QBO bank account.
- The system uses the Bank Name and Account Name fields from CosmoLex to create the QBO Bank Account name.
- Once a Bank is mapped to QBO, changes to the Bank Name or Account Name and deletions of bank accounts in CosmoLex will NOT sync with QBO.
- The system will add a prefix to the bank account names in QBO so that you know that they were system created.

If you don’t want to use the defaults, you will need to review [this section](#) of the guide regarding customization of the operating bank sync with QBO.

Trust Accounting Setup

By default, CosmoLex will create the following QBO bank and liability accounts automatically for you. The system will add a prefix to the bank and liability account names in QBO so that you know that they were system created.

CosmoLex Bank Account	QBO Bank Account	QBO Liability Account
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Trust Account	CL Trust Bank Account	CL Client Liabilities – Trust
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Note:

When creating and naming operating and credit card banks in CosmoLex , keep in mind that:

- CosmoLex will create the QBO Bank Account for all new or existing CosmoLex Trust accounts.
- CosmoLex will create one QBO trust liability account that will be used with every new or existing trust bank.
- The system uses the Bank Name and Account Name fields from CosmoLex to create the QBO Bank Account name, but it adds a pre-fix to the name in QBO to show the account was created by the system.
- Once a Bank is mapped to a QBO, edits made to the Bank Name or Account Name in CosmoLex will NOT sync with QBO.

If you don't want to use the defaults, you will need to review [this section](#) of the guide regarding customization of the Trust banking integration.

Hard Cost Setup

By default, “Sync Hard Costs” is toggled on, and the “Let CosmoLex Map Hard Cost Expenses” option is selected. Under these default settings the system automatically syncs matter-related operating checks and credit card charges to QBO as a firm expense when paid to the vendor and records the reimbursement as income when repaid.

The QBO Category column of the mapping grid automatically displays the QBO General Ledger (GL) Account that will be used when recording hard costs in QBO as follows:

Hard Cost Type	QBO Category
Hard Costs Expenses	CL Hard Cost Expense
Non-Billable/NoCharge Hard Costs	CL Non-Billable Hard Cost Expense

If you want to track your hard costs and hard cost reimbursements in an asset account instead, you will need to customize your hard cost settings per the instructions found in [this section](#) of the guide.

Post-Sync Hard Cost Behavior:

- If you need to void a hard cost payment to a vendor, you will have to void the payment in QBO, and then either enter a negative expense card in CosmoLex (if the expense has already been billed) or delete the unbilled hard cost on the Matter Details > Banking > Transactions screen.
- You may enter multi-matter hard costs into CosmoLex, but if they include firm expenses in the split, you will not be able to add those in CosmoLex. Instead, you will have to manually add the firm portion to the expense in QBO after the item syncs.

Invoice and Invoice Payments Setup

CosmoLex automatically syncs invoices and invoice payments with QBO. CosmoLex syncs the aggregate of each of the items found on an invoice, e.g., aggregates fees, costs, discounts, late fees and finances and displays each as a line item on the invoice brought into QBO. Partial invoice payments are allocated proportionally between the invoice items in order to match QBO's payment allocation settings.

If you want to make changes to how the system syncs invoices and invoice payments, you will need to customize your invoice and invoice payment settings per the instructions found in [this section](#) of the guide.

Mapping Invoice Items to QBO Products and Services

CosmoLex automatically maps invoice items to QBO products and services so that the system can create invoices or sales receipts in QBO. The default settings appear in the grid unless users choose to customize their invoice and invoice payments settings.

For each invoice item shown in the grid below, CosmoLex creates the indicated QBO Products and Service and assigns it to the specified QBO Category (GL Account):

Invoice Item	QBO Product & Service	QBO Category
Professional Services	CL Fees	CL Fee Income
Additional Charges	CL Soft Costs	CL Soft Cost Income
Additional Charges	CL Hard Costs	CL Hard Cost Income (if you selected "Hard Cost Expense" option in Hard Cost setup) CL Advanced Client Costs (asset account, if you selected "Advanced Client

		Costs” option in Hard Cost setup)
Discounts	CL Discounts	CL Fee Discounts
Overhead	CL Overhead	CL Overhead Income
Finance Charges	CL Finance Charges	CL Finance Charge Income
Late Fees	CL Late Fees	CL Late Fee Income
Overhead/Finance Charges/Late Fees*	CL Total Overhead, Finance Charges, Late Fees for Sales Receipts*	CL Total Overhead, Finance Charges, Late Fees for Sales Receipts*
Taxes Collected from Professional Services Section	CL Taxes Collected on Fees	CL Taxes Collected on Fees
Taxes on Additional Charges (hard cost portion)	CL Taxes Collected on Soft Costs	CL Taxes Collected on Soft Costs
Taxes on Additional Charges (soft cost portion)	CL Taxes Collected on Hard Costs	CL Taxes Collected on Hard Costs
Taxes on Fees & Costs**	CL Total Taxes**	CL Total Taxes**

*Only created if users select “Invoice Payments Only” option.

**Created if users select “Invoice Payments Only” option or choose to sync invoices and chooses “Aggregate Time/Expenses” option.

Limitations on Invoice and Invoice Payment Sync

The invoice payment sync has the following limitations:

- While synced with QBO, CosmoLex sets Operating Retainer to “No” which means that users may not record invoice overpayments in the system. You have to manually add the overpayment to the deposit slip in QBO. There is no way to track the overpayment in CosmoLex.
- Partial payments are allocated proportionally between the invoice items. There is no way to override this setting.
- Payments sync to Undeposited Funds rather than into the bank account listed in CosmoLex so that you can batch invoice payments on deposit slips in QBO. There isn’t a way to override this.
- Users are unable to re-sync invoices that already have invoice payments recorded on them. You either must delete the invoice payments in CosmoLex, re-sync the invoice, and then re-record the invoice payments in CosmoLex or you must manually record the invoice and the invoice payment(s) in QBO.

Change/Write-Offs Setup

By default, CosmoLex automatically maps the Invoice Change/Write-Off Items to QBO Products and Services and Categories (GL Accounts) as shown in the table below:

Write-Off Item	QBO Product & Service	QBO Category
Professional Services	CL Fees	CL Fee Income
Additional Charges	CL Soft Costs	CL Soft Cost Income
Additional Charges	CL Hard Costs	CL Hard Cost Income
Discounts	CL Discounts	CL Fee Discounts
Overhead	CL Overhead	CL Overhead Income
Finance Charges	CL Finance Charges	CL Finance Charge Income
Late Fees	CL Late Fees	CL Late Fee Income
Overhead/Finance Charges/Late Fees	CL Total Overhead, Finance Charges, Late Fees for Sales Receipts	CL Total Overhead, Finance Charges, Late Fees for Sales Receipts
Taxes Collected from Professional Services Section	CL Taxes Collected on Fees	CL Taxes Collected on Fees
Taxes on Additional Charges (hard cost portion)	CL Taxes Collected on Soft Costs	CL Taxes Collected on Soft Costs
Taxes on Additional Charges (soft cost portion)	CL Taxes Collected on Hard Costs	CL Taxes Collected on Hard Costs
Taxes on Professional Services and Additional Charges	CL Total Taxes for sale Receipts or Aggregate Invoices	CL Total Taxes for sale Receipts or Aggregate Invoices

If you want to customize your Change/Write-Off settings, review [this section](#) which details the options available to you.

Contacts and Matters Setup

CosmoLex syncs every single contact and matter into QBO. Users can't override this setting.

Contact Sync

Clients and Potential Clients from CosmoLex sync to QBO as "Customers" and all other contacts sync to QBO as "Vendors". Users cannot override this mapping or refuse to allow the syncing of all contacts with QBO.

By default, when syncing in a new contact the system performs a duplicate check using the Contact Name and Display Name as they appear in CosmoLex. If you want to turn off the duplicate check or change how CosmoLex determines what contacts are duplicates, review [this section](#) which details the options available to you.

Matter Sync

Matters are brought in as “sub-Customers” of the Client’s QBO Customer Contact. There are only two fields that come into QBO, the Customer Name which is just the Matter Name from CosmoLex, and then the “is a sub-customer” box is checked in QBO and the client’s QBO Customer Contact is entered in the Parent box.

Users cannot override this mapping or refuse to allow the syncing of all matters with QBO.

Sync Start Date and AR Balances

CosmoLex is set up to automatically initiate the sync instantaneously upon the creation of a new syncable item.

Users may not want all data to sync to QBO. So, CosmoLex allows you to choose a sync start date to help you limit the amount of data that syncs to QBO. The system also allows you to determine whether you want to sync existing AR balances into QBO as well.

Choosing a Sync Start Date

The sync start date is very important because CosmoLex only syncs existing invoices and transactions whose invoice/transaction date is ***after*** the sync start date. Any items in existence at the time of the sync submission that are dated prior to the sync start date will not be brought into QBO.

Important:

The sync start date applies to invoices/transactions in existence at the time you submit the QBO integration settings. After submission all newly created items sync to QBO regardless of the item's transaction date.

Sync Start Date Effect by Item Type

The table below sets out how the sync start date affects various items in existence at the time you submit the sync settings.

Item Type	Effect of Sync Start Date
Hard Costs	The system syncs all existing hard costs whose transaction date is after the sync start date. Existing hard cost transactions whose transaction date is prior to the sync start date aren't synced. Has no effect on hard costs transactions created after submitting the QBO integration settings, regardless of the transaction date.
Trust Transactions	The system syncs all existing trust transactions whose transaction date is after the sync start date. Existing trust transactions whose transaction date is prior to the sync start date aren't synced. Has no effect on trust transactions created after submitting the QBO integration settings, regardless of the transaction date.
Invoices	If the user has selected to sync existing unpaid invoices as of the sync start date, the system syncs all existing fully unpaid, non-written off invoices whose invoice date is prior to the sync start date If the user hasn't selected to sync unpaid invoices, the system doesn't bring in any existing invoices with an invoice date that is prior to the sync start date. Has no effect on invoices created after submitting the QBO Integration settings, regardless of the invoice date.
Invoice Payments	The system syncs all existing invoice payments whose transaction date is after the sync start date. Existing invoice payments whose transaction date is prior to the sync start date aren't synced. Has no effect on invoice payments created after submitting the QBO integration settings, regardless of the invoice

Item Type	Effect of Sync Start Date
	payment date. Note: The system doesn't sync payments made on invoices that have either been deleted from QBO or were never synced to QBO in the first place, even if the payment date is after the sync start date.
Write-Offs	The system syncs existing write-offs if the write-off date is after the sync start date. Existing write-offs dated prior to the sync start date on invoices dated prior to the sync start date cause the system to mark the invoice as "paid" and so the invoice and write-off aren't synced to QBO. Has no effect on write-offs created after submitting the QBO integration settings, provided that the invoice being written off synced to QBO. The system doesn't sync any write-offs on invoices that have been deleted in QBO, or were never synced to QBO in the first place, regardless of whether the write-off date is after the sync start date.
Clients/Matters	None. The system syncs in all clients/matters in existence as of the sync start date.

AR Balances

The default option is for the system to sync fully outstanding invoices as of the sync start date even if they are dated before the sync start date. To turn this off, just uncheck "Sync Unpaid Invoices as of the Sync Start Date". Be advised, however, that if those invoices aren't synced you will have to manually record in QBO the invoices payments made on them.

Warnings:

- The system is unable to sync existing partially paid invoices as of the sync start date. This means that any invoice payments made on these unsynced invoices will have to be manually entered into QBO.
- If your invoices already exist in QBO, choosing to sync your existing fully unpaid CosmoLex invoices could result in duplication of your AR in QBO.

Submitting QBO Integration Preferences

All of your setting selections will appear on the submission page so that you can review your settings before you submit them.

Please review all settings carefully. Once you submit, you will not be able to change them without hooking up to a new QBO account.

If all of your settings look correct, go ahead and click “Submit”. The system will turn on QBO integration and sync all items per the settings you selected.

Customizing Your Integration

Business Bank Customization

In order for CosmoLex to successfully sync hard costs and invoice payments, you must first set up bank and credit card accounts in CosmoLex. When syncing your business bank accounts, you can customize how these bank accounts sync with QBO. To customize these settings, you need to select the “Map Existing QBO Bank Accounts” option.

An interactive grid appears displaying two columns, one showing the CosmoLex bank account, and one showing the QBO bank account to be used when the system syncs any transactions made to that CosmoLex bank. The 1st column automatically displays all existing CosmoLex bank/credit card accounts. If you want to add bank/credit card accounts to the mapping grid, click on “Add Bank” and you can add the bank without exiting the QBO Integration setup.

For each bank/credit card that appears in the grid in the 2nd column, you must select the QBO bank account the system should use when syncing transactions from the CosmoLex bank account shown in the 1st column.

CosmoLex Bank Account	QBO Bank Account
Operating Account	To be chosen from dropdown

When mapping customized QBO bank/credit card accounts keep the following in mind:

- CosmoLex operating banks can only be matched to QBO bank accounts.
- CosmoLex credit card banks can only be matched to QBO credit card accounts.
- If the bank or credit card account doesn't exist in QBO:
 - Click “Continue Later”
 - Go into QBO and create the bank or credit card account there,
 - Return to CosmoLex and resume your integration, and
 - Select the newly added bank/credit card account from the dropdown in the QBO account column.
- If the bank or credit card account already exists in QBO, select it from the dropdown in the QBO account column that corresponds to the CosmoLex bank it is being mapped to.
- Business Bank Mapping is one-to-one. This means that once you match a QBO bank/credit card account to a CosmoLex bank account, that QBO account is no longer available in subsequent dropdown boxes in the QBO Column.
- You can add new bank accounts, by clicking on “Add Bank” just above the grid.

Click [here](#) to return to the Business Accounting Setup section.

Trust Accounting Customization

There are a variety of ways to customize your trust account sync with QBO. These range from turning off the Trust sync altogether, to syncing deposit slips rather than syncing individual trust transactions, to mapping custom QBO bank and QBO liability accounts to your CosmoLex trust bank accounts.

Turning Off Trust Sync

If you don't plan on syncing your trust accounts to QBO, toggle “Sync Trust Accounts” to “off”. All trust transactions entered into CosmoLex will not sync into QBO.

Warning:

- If you turn off Trust Sync, you won't be able to turn it back on at a later time.

Trust Bank Deposit Slips

CosmoLex syncs each individual trust deposit transaction into QBO separately. These items can't be batched onto a single deposit slip in QBO, but they will turn up on QBO reports.

If you want trust deposit transactions batched onto one deposit slip in QBO, you must select the “Sync Deposit Slips” option on this page. When selected, CosmoLex brings over every trust bank deposit slip created for the bank account.

The drawbacks from syncing deposit slips are that:

- You must create a deposit slip in CosmoLex for every single trust deposit (even if it is a single item deposit) in order to sync single trust deposit items to QBO, and
- The customer/matter shown on the deposit split may not sync in a way that will appear on QBO reports.

Manual Trust Bank Mapping

Users have the option to create their own QBO trust bank and trust liability accounts and then map them to CosmoLex trust accounts. To do this, simply select the “Map Existing QBO Trust Bank Accounts” option. The system will then display an interactive mapping grid that will allow you to choose an existing QBO Bank Account and an existing QBO liability account for the system to use when syncing trust transactions entered into the specified CosmoLex trust account.

CosmoLex Bank Account	QBO Bank Account	QBO Liability Account
Trust Account	To be chosen from dropdown	To be chosen from dropdown

Trust Account Integration warnings:

If you have existing QBO trust accounts that you want to map to CosmoLex, you should consult with a bookkeeper or accountant about the best way to set up the Trust Account QBO Integration.

When mapping customized QBO trust bank accounts keep the following in mind:

- CosmoLex trust banks can only be matched to QBO bank accounts whose "Detail type" is set to “Trust Account”.
- The dropdowns in the Trust Liability column only display QBO liability accounts whose "Detail type" is set to “Trust Accounts – Liabilities”.
- If the trust bank account doesn't exist in QBO:
 - Go into QBO and create the trust bank account there,
 - Return to this wizard, and
 - Select the newly added trust bank account from the dropdown in the QBO trust account column.

- If the trust bank account already exists in QBO and has the correct "Detail type", select it from the dropdown in the QBO account column that corresponds to the CosmoLex bank it is being mapped to.
- Trust Bank Mapping is one-to-one. This means that once you match a QBO trust bank account to a CosmoLex trust bank account that QBO trust bank account is no longer available in subsequent dropdown boxes in the QBO Column.
- Trust Liability Account mapping is NOT one-to-one. You can assign the same trust liability account to more than one trust bank in the mapping grid.

Click [here](#) to return to the general Trust Accounting Setup section.

Hard Cost Customization

Users have a variety of options when customizing the sync of Hard Cost payments to vendors. These range from turning the sync off complete so that the matter-related vendor payments (aka Hard Costs) don't sync into QBO at all, choosing whether to record Hard Cost vendor payments as assets or expenses, to syncing them to the QBO GL account of your choosing.

Turning Off Hard Cost Sync

If you don't want the system to sync matter-related costs with QBO, toggle "Sync Hard Costs" to "off" in this section and you can then continue on to the next page in the wizard.

Once these settings are submitted, you will not be able to turn this feature back on.

Changing the Hard Cost Type

Users are able to override the default settings and instead choose to sync Hard Costs as Advanced Client Costs, an asset when paid to the vendor. This results in the Hard Costs appearing on the balance sheet rather than as an expense item on the Profit & Loss.

To choose this option, simply select the Advanced Client Costs radio button on the integration wizard Hard Cost screen. The mapping grid will display a line for Advanced Client Costs instead of displaying the default Hard Cost Expense.

Once these settings are submitted, you will not be able to change the GL used by the system when recording matter-related vendor payments (Hard Costs) in QBO. You should consult with your bookkeeper or accountant prior to submitting these settings to make sure you are selecting the correct option for your fiCL.

Manually Mapping Vendor Hard Cost Payments to QBO Categories

Users can choose to assign hard cost expenditures to existing QBO Categories rather than having the system create the QBO Category automatically. To do this, simply select the “Map Existing QBO Categories” radio button.

Once selected, the hard cost mapping grid will become interactive. The first column will display the Hard Cost type. The first line will either be Hard Cost Expenses or Advanced Client costs per your selection earlier on the Hard Cost Setup screen. The second column will display a dropdown box from which you can select the QBO Category you want to use when recording the matter-related vendor payments:

Hard Cost Type	QBO Category
Advanced Client Costs	To be chosen from dropdown
Non-Billable Matter Expenses	To be chosen from dropdown

Note that the QBO Category dropdown is limited to:

- “Other Current Asset” accounts for Advanced Client Costs.
- “Expense” accounts for Billable Hard Cost Expenses
- “Expense” accounts for Non-Billable Hard Cost Expenses

Click [here](#) to return to the general Hard Cost Setup section.

Invoice and Invoice Payments Customization

Users have a variety of options when choosing to sync invoices and invoice payments with QBO. The various options address all sorts of details such as whether to sync invoices and invoice payments at all, whether to sync invoices and invoice payments or only to sync invoice payments, and whether to sync each time/expense entry on the invoice rather than syncing the aggregate totals only from the invoice.

Turning off Sync Invoices/Invoice Payments

Users can choose not to sync invoices or invoice payments to QBO. To turn this feature off, toggle “Sync Invoice” to off. All other options on this page will disappear and you can continue on to the next section in the wizard.

Sync Invoice/Invoice Payments Options

Users have three options for syncing invoices and invoices payments with QBO. They can have the system sync:

- Invoice and Invoice Payments
 - Both invoices and invoice payments sync to QBO.
 - Invoice payments are synced into Undeposited Funds rather than into the bank account listed in CosmoLex on the invoice payments so that you can batch invoice payments on deposit slips in QBO. There isn't a way to override this.
 - Payments on invoices that haven't been synced with QBO will not be synced to QBO either, no matter the payment date.
 - Partially paid invoices outstanding as of the sync start date won't sync at all.
 - You have to manually record payments in QBO when made on invoices that aren't synced with QBO
 - You can't re-sync invoices that already have invoice payments recorded on them. You either have to delete the invoice payments in CosmoLex, re-sync the invoice, and then re-record the invoice payments in CosmoLex or you have to manually record the invoice and the invoice payment(s) in QBO.
 - You have to manually add the overpayment to the deposit slip in QBO. There is no way to track the overpayment in CosmoLex since operating retainer is set to "no".
 - Partial payments on invoices are allocated proportionally between all of the invoices items. There is no way to override this setting.
- Invoice Only
 - Partially paid invoices outstanding as of the sync start date won't be migrated into the system at all.
 - Users are not able to re-sync invoices that already have invoice payments recorded on them. You either have to delete the invoice payments in CosmoLex, re-sync the invoice, and then re-record the invoice payments in CosmoLex or you have to manually record the invoice and the invoice payment(s) in QBO.
- Invoice Payments Only
 - Only available if you are on a cash basis.
 - Payments sync to QBO as Sales Receipts.
 - Payments sync to Undeposited Funds rather than into the bank account listed in CosmoLex on the invoice payments. This is QBO behavior that can't be overridden and is there so you can batch invoice payments on deposit slips in QBO.
 - Payments sync to QBO regardless of the invoice date or whether the invoice was partially paid as of the sync start date.

- The Sales Receipt payment allocations should match precisely the allocations shown on the details screen for the payment transactions in CosmoLex and to the 4th page of the Invoice Payment Allocation report when printed for that payment only
- Partial payments are allocated proportionally between all of the invoice items and should match the CosmoLex bank transaction detail allocations. There is no way to override this setting.

Turn Off Sync Aggregate Invoices

When users have selected “Sync Invoices Only” or “Sync Invoices and Invoice Payments”, by default CosmoLex syncs the aggregate of each of the items found on an invoice, e.g., aggregates fees, costs, discounts, late fees and finances and displays each as a line item on the invoice brought into QBO.

Users can override the default and choose to sync the individual line items found on each invoice instead by choosing the “Use individual time/expense items when syncing invoices” option. The system will then sync every single line item from the CosmoLex invoice into QBO.

Mapping Invoice Items to QBO Products and Services

Users can override the default invoice Item mapping by selecting the “Map existing QBO Products and Services for Invoice Items” radio button. Once selected, the mapping grid becomes interactive.

Users will have to map invoice items to specific QBO Products and Services:

Invoice Item	QBO Product & Service
Professional Services	To be chosen from dropdown
Additional Charges	To be chosen from dropdown
Additional Charges	To be chosen from dropdown
Discounts	To be chosen from dropdown
Overhead	To be chosen from dropdown
Finance Charges	To be chosen from dropdown
Late Fees	To be chosen from dropdown
Overhead/Finance Charges/Late Fees	To be chosen from dropdown
Taxes Collected from Professional Services Section	To be chosen from dropdown
Taxes on Additional Charges (hard cost portion)	To be chosen from dropdown
Taxes on Additional Charges (soft cost portion)	To be chosen from dropdown

Notes:

- You may NOT use the same QBO product and service for multiple invoice items.
- If you haven't created any products and services in QBO, you have to go create them in QBO before they are able to map them in this section.
- If you select "Sync Invoice Payments Only" option, then overhead, finance charges and late fees will be lumped into one amount that is associated with one and only one product and service.
- If you select "aggregate invoice items" then the system will only allow you to map "Taxes on Fees and Costs" to QBO, it won't sync the taxes on the additional charges (costs) separately from the taxes on the fees.

Unlinking Integrated Invoice Payments

In CosmoLex when you void an integrated payment you must first unlink it from the invoice. The unlinked payment is moved to operating retainer and then you issue a credit memo for the void/refund.

But when you turn on QBO integration the operating retainer function is turned off and you are unable to unlink an integrated payment. This means in CosmoLex you can't change the invoice status to unpaid by unlinking the payment. Instead, you have to write-up the invoice to get the invoice balance reinstated.

We realize that some users may not want to write-up the invoice, so CosmoLex offers you the option to unlink integrated payments from invoices. Simply check "Allow Unlink Invoice Payment Function" and you will be able to unlink integrated invoice payments after the QBO integration is turned on and submitted.

WARNINGS:

- ***This option applies to integrated payments only.*** Non-Integrated invoice payments can't be unlinked from invoices, but they can be deleted.
- Since operating retainer is turned off, the unlinked payment and the void/refund doesn't appear anywhere in CosmoLex on the matter or in the operating bank account.
- In QBO, users will have to manually unlink the payment from the invoice and then record the refund. This is the [link](#) to the QBO support article that explains how to record a client refund.

Click [here](#) to return to the general Invoice and Invoice Payments Setup section.

Change/Write-Offs Customization

You have the option not to sync change/write-offs to QBO by toggling “Sync Change/Write-Offs” to “off”.

Warning:

If you turn off the Sync/Change/Write-Offs feature, none of your change/write-offs will sync with QBO and you will have to manually add them into QBO.

You can override the default change/write-off Item mapping by selecting the “Map existing QBO Products and Services for Change/Write-Off Items” radio button. Once selected, the mapping grid becomes interactive.

You will have to map invoice items to specific QBO Products and Services:

Invoice Item	QBO Product & Service
Professional Services	To be chosen from dropdown
Additional Charges	To be chosen from dropdown
Additional Charges	To be chosen from dropdown
Discounts	To be chosen from dropdown
Overhead	To be chosen from dropdown
Finance Charges	To be chosen from dropdown
Late Fees	To be chosen from dropdown
Overhead/Finance Charges/Late Fees	To be chosen from dropdown
Taxes Collected from Professional Services Section	To be chosen from dropdown
Taxes on Additional Charges (hard cost portion)	To be chosen from dropdown
Taxes on Additional Charges (soft cost portion)	To be chosen from dropdown
Taxes on Fees & Costs	To be chosen from dropdown

Dropdown boxes appear in the “QBO Products and Services” column and users can select the QBO Products and Services of their choosing for each invoice change/write-off item.

As with invoice item mapping, this mapping is NOT one to one. Users can use the same QBO product and service for multiple invoice change/write-off items.

Note:

When creating customized Products and Services for write-offs in QBO, keep in mind that the Products and Services you assign at this step will apply to write-ups (changes) as well as to write-offs.

Contacts Customization

CosmoLex syncs every single contact and matter into QBO. Users can't override this setting.

Turning Off Duplicate Contact Check

Users can turn off the check for duplicates by simply unselecting "Check for Duplicate Contacts".

Choosing to turn off the duplicate check can result in a huge number of duplicate contacts being brought into QBO. So CosmoLex doesn't recommend turning off this feature.

Duplicate Contact Check Settings

Users may choose which fields CosmoLex uses to determine if a QBO contact is a duplicate. The following fields are available for duplicate checking contacts:

- Name
- Display Name
- Print As
- Email Address
- Entity Name
- Address 1
- Address 2
- City
- State/Province
- Zip/Postal Code
- Work

Users can select as many of the fields as they would like. You then have the option to consider it to be a duplicate if all fields match, or if any of the fields match. Choosing to have every field match may result in a higher number of duplicates, but choosing any field matches could result in non-duplicate contacts being excluded from import.

Users can choose whether to check "Reverse Display Name" so that if in CosmoLex the contact is displayed as Last Name, First Name, but is the opposite in QBO, the system will still identify the contact as a duplicate.

The default setting is for CosmoLex to check the Name and Display Name and require every field to match the same field in QBO. It checks off "Check Reverse Display Name" to ensure that we don't miss duplicates.

Duplicate Contact Handling

When CosmoLex determines that there is a duplicate contact, it needs to know what to do with it. Users have three options:

- “Keep QBO contact “as is”
 - This leaves QBO contact without bringing in anything from the CosmoLex, not even any additional information that appears in CosmoLex, but not in QBO.
- “Keep QBO Contact, but supplement missing information with CosmoLex Data”
 - This leaves the QBO contact, but if CosmoLex has information for which QBO has blank fields, it’ll bring in the QBO contact information for those fields only
- “Overwrite QBO Contact with CosmoLex Information”
 - This replaces all the information in the QBO contact with the CosmoLex information instead.

Identifying Synced Contacts in QBO

You have the option to have CosmoLex add a prefix in front of all items created by CL in QBO so that you can easily identify synced items while working in QBO. To use a prefix when syncing contacts and matters to QBO, simply check “Use Prefix to ID Synced Contact/Matter”. Two options will appear as follows:

- Default prefix
- Custom prefix

If you choose the default prefix option, the system will put CL in front of all contacts and matters synced into QBO.

- Choosing the default prefix option allows the system to match contacts migrated into NextGen with existing QBO contacts that were previously synced from your CL Classic account.
- You should choose this option if you want to minimize contact duplication within QBO after syncing to NextGen.
- Since this uses the same pre-fix as CL Classic you will not be able to know which contacts were synced from Classic and which from NextGen.

If you choose the custom prefix option, you may then choose a prefix of 1-3 uppercase letters.

- If you choose the custom prefix option and enter CL in the text box, the system will be able to match contacts migrated into NextGen with existing QBO contacts that were previously synced from your CL Classic account.
- If you choose a custom prefix that is something other than CL, the system **will not** be able to match NextGen contacts to QBO contacts that were previously synced from CL Classic.
- If you use a pre-fix other than CL, you will be able to easily identify which contacts were synced from Classic and which from NextGen.

Click [here](#) to return to the general Contact and Matter Setup section.

Post-Submission Warnings and Issues

Once you've submitted your preferences and sync with QBO, there are several things you should be aware of:

Follow-Up Actions in QBO After Initial Sync is Completed

If you are syncing an existing QBO account or an existing CosmoLex account, there may be some follow-up bookkeeping actions required in QBO after you submit your sync settings and the system completes the initial sync.

In these cases, we recommend that you consult with a bookkeeper to determine what steps you will need to take, if any, after the initial sync is completed.

Turning Sync Off

There may come a point in time where you might want to turn off your QBO integration. If you are considering turning off the sync, you need to keep the following in mind:

- The only way to turn off the integration is by contacting CosmoLex Support. You are not able to turn the sync off from within the program.
- When turning sync back on, if you use the same QBO account that you were using before turning the sync off, it can cause major duplication issues and mess up your QBO account.
- You should consider using a clean, new QBO account if you want to turn the sync function back on.

Resyncing Items After Sync is Initiated

You can re-sync any item with QBO by navigating to the invoice or transaction and clicking view details, and then clicking on the re-sync button.

You can also navigate to Accounting > QBO integration > Sync Log and clicking on the three dots to the right of the item and selecting “Re-Sync”.

Warning:

When you initiate a resync, the system brings over the item from CosmoLex and overwrites any changes you’ve made in QBO.

QBO Credential Issues

CosmoLex’s integration with QBO is tied to the user credentials that were entered during QBO integration settings. If that user leaves the firm, or if their password changes

- You must keep the QBO user ID used for the integration for the entire time you have the sync function on. (You may change that QBO user’s password, but the user ID must remain as it was when you originally turned on the sync.)
- If at any time the QBO user’s password changes, CosmoLex will prompt the users to enter the new password in order to reauthenticate the QBO account.

Resyncing After Fixing Credential Issues

Sometimes the sync between QBO and CosmoLex stops due to credentialing issues.

When that happens, keep in mind the following:

- If CosmoLex asks you to re-enter the credentials used for the sync, you **MUST** use the same QBO user ID that was used during the initial sync setup.
- If time has lapsed between when the credential authentication failed and when it is reinstated, the sync will fail for any transactions entered in CosmoLex prior during the period where the authentication failed. You will have to manually resync all items from that time period.