



Financing the Business Session Chat
Returning Teacher Track
July 15, 2020

- 00:22:23 **Teresa Cline:** If we use the same business from year to year, does the previous year's earnings roll over into the new year, or does the business start with the seed money each year?
- 00:22:42 **Mary Clancy:** Yes. No seed money
- 00:23:22 **Teresa Cline:** Thank you Mary
- 00:24:40 **Mary Clancy:** That is outstanding!
- 00:25:02 **Marilyn Roberts:** love the interactive links!
- 00:25:35 **Mike Gregory:** Is there a sample or template for developing an out-of-network contract?
- 00:27:30 **Bill Demmin - CA:** @Mike - there is a template for the contract
- 00:28:18 **Sandy Stueber:** do you need to do an amortization table to pay back angel investors?
- 00:28:47 **Mike Gregory:** Thanks, Bill. Is it in the HUB?
- 00:28:56 **Sandra Gutierrez:** Finance Task 6 - Establish Out-of-Network Sales Contract on the HUB
- 00:29:07 **Mike Gregory:** Thank You!!!
- 00:29:08 **Bill Demmin - CA:** Yes - should be able to search or Task 6
- 00:29:41 **Sandra Gutierrez:** Amortization table is necessary for small business loans only
- 00:29:50 **Sandy Stueber:** Thank you
- 00:31:23 **Bill Demmin - CA:** Angel investors own stock in the company and are not making a loan - their gain would be from dividends or increased value of the company.
- 00:32:53 **Bill Demmin - CA:** Teri's Balance Sheet has several errors!!!



- 00:33:00 **Patrick Ocharzak:** Alan is the man...
- 00:33:05 **Lori Sheinberg:** agree
- 00:33:12 **Alan Gersten:** old man
- 00:33:43 **Aaron Preetam:** We found that having a larger payroll allowed us to leverage more sales but altered our breakeven significantly. What is preferred by the judges?
- 00:34:20 **Rob Plechner:** I think the negative Merch Inv is due to the way the kids entered the info in Qbooks.
- 00:34:26 **Patrick Ocharzak:** chat box?
- 00:34:28 **Mary Clancy:** can you put the link into the chat
- 00:34:33 **Tracey Robinson-FL:** Can the link be put here in the chat?
- 00:34:34 **Alan Gersten:** We struggle with having HUGE payroll with my companies because of the large # kids placed in the class & every kid needs to be paid. How do the kids address the judges questions about the unrealistic payroll for a startup?
- 00:34:52 **Sandy Stueber:** We had my students pay half salaries
- 00:35:00 **Patrick Ocharzak:** link to pet peeve
- 00:35:25 **Sandy Stueber:** Can someone send that link into the chat please
- 00:35:54 **Aaron Preetam:** Thanks for explaining the process with the judges
- 00:36:35 **Sandra Gutierrez:**
<https://drive.google.com/file/d/1WwziRGbeJvuqoYSJ6Ye17AwWQdAbbRUQ/view?usp=sharing>
- 00:36:53 **Amina Music:** Thank you Sandra!
- 00:36:54 **Mike Gregory:** Thanks for the link
- 00:36:55 **Sandra Gutierrez:** Link to pet peeve financials 🙌📄
- 00:37:08 **Lori Jepson, CA:** If using QB how will the judges perceive the unreconciled items line on the p and I?



- 00:38:16 **Willene Biere:** Can this link be put in the chat room?
- 00:38:21 **Lori Gonzalez:** Will we receive seed money to begin the year?
- 00:38:35 **Rob Plechner:** Those can be resolved by posting them correctly.
- 00:38:57 **Lori Jepson, CA:** many had the unreconciled on their submissions for pasadena
- 00:39:09 **Sandra Gutierrez:** Yes, for new firms, seed money is received after submitting the business registration
- 00:39:09 **Kimberly Fitzgerald:** Where in the VE Hub can we find the Tasks that are embedded in the Rubrics?
- 00:39:27 **Michael Silberman:** 25k staff, 30 AVP, VP 35k, COO 37.5k, CEO 40 has worked well so far for me
- 00:39:57 **Mary Clancy:** Alan you are the best for sharing your Pet Peeve Financials!
- 00:40:24 **Alan Gersten:** =)...I learned sharing when I was in kinder!
- 00:40:42 **Sandy Stueber:** Thank you!
- 00:40:50 **Elizabeth Rollins:** Thanks Teri! Go JETTIES!
- 00:40:52 **Evette Allen:** Thanks again
- 00:40:55 **Marilyn Roberts:** Alan! Thank you for always sharing!
- 00:40:58 **Mary Clancy:** Mike very helpful with salary breakdowns!
- 00:41:03 **Sandy Stueber:** Alan - you seriously are the VE King!
- 00:41:12 **Libby Sledge:** Thanks Alan!!! You learn great things in kinder!!
- 00:41:16 **Mary Clancy:** He sure is!
- 00:41:59 **Alan Gersten:** Love...it's what the world needs now!
- 00:42:31 **Regina Ferreira:** Amen!
- 00:43:52 **Teri Jones:** I forgot to introduce Sandra Gutierrez to everyone!!! She processes all the capitalization payments and taxes for the Western Region. One of Alan Gersten's VE alums! Thank you for answering questions Sandra.



- 00:44:36 **Alan Gersten:** I have my kids have the reg. form completed in a Google doc before the register so they can complete it in one class period.
- 00:44:41 **Sandra Gutierrez:** Thank you, Teri
- 00:44:43 **Lori Gonzalez:** How many years are schools allowed to run the same business?
- 00:44:51 **Marilyn Roberts:** good idea Alan
- 00:44:57 **Nancy Blake:** This is really a mini business plan so student have a lot of research to do before you can fill this out.
- 00:44:59 **Sandy Stueber:** These forms need to be done so early in the year, what happens if we change direction once we do some more research
- 00:45:07 **Nick Chapman:** We encourage schools to refresh their firm every 3-5 years.
- 00:45:08 **Lu Anne Nappe:** Irv - if we've already re-registered an existing firm for 2020-2021, can we now re-register to file as a new firm instead? I will not know if the students want to continue with same firm until we get back to school
- 00:45:30 **Rachael Monaco:** if we are not in school, do we still have to pay rent?
- 00:45:45 **Patrick Ocharzak:** one of the biggest challenges with the business plan completion, this in a virtual world will be collaboration between departments, in my opinion...
- 00:45:50 **Nicole Spillane:** So this new firm does not require to submit the additional spreadsheet like we had to do last year?
- 00:46:02 **Nancy Blake:** Good question about the rent
- 00:46:04 **Nick Chapman:** Great point, Nancy. The idea is this registration form sets the stage for the business planning. We are vetting too hard at this phase. The emphasis is on getting students to have put some thought into their submission.
- 00:46:08 **Nicole Spillane:** *Form
- 00:46:21 **Nick Chapman:** Sorry, *not vetting to hard at that point



- 00:46:41 **Elizabeth Rollins:** Where do we find the information to cost out equipment and other resources for new firms? Rent, utilities, etc.
- 00:47:16 **Sandy Stueber:** Thank you Nick for acknowledging that.
- 00:47:52 **Libby Sledge:** What do you put on the equipment space and other spaces for returning companies when you might not need stuff if purchased last year but the space is required?
- 00:48:17 **Alan Gersten:** @Elizabeth I have my kids go shopping to outfit the company, they love it. The utilities are standardized through VE
- 00:48:25 **Nick Chapman:** Libby, that could be captured on your balance sheet under Fixed Assets.
- 00:48:38 **Elizabeth Rollins:** Thanks Alan
- 00:48:41 **Nick Chapman:** There is an "Asset Log" task that outlines how you would do this.
- 00:49:06 **Tracey Robinson-FL:** Can anyone share how they present and monitor in the class?
- 00:49:08 **Kameron Kaiser:** Any chance we can submit via Google Docs this year? All of my students use Chromebooks and don't have Word on their computers, just Google Docs. It is going to be hard to submit this year without my room desktops.
- 00:49:39 **Nick Chapman:** Kameron, most submissions are required to be PDF file format. You can easily convert Google Docs to PDF format.
- 00:49:41 **Jody Crim:** Same here. Only Google Docs on Chromebooks if we aren't in school
- 00:49:58 **Jody Crim:** Thanks Nick!
- 00:50:24 **Nick Chapman:** Most all of the documents and templates in the hub are easily converted to Google Docs as you open them up in Google Drive.
- 00:50:51 **Rachael Monaco:** If we are not in school physically, how do we calculate rent and utilities?
- 00:51:08 **Teri Jones:** Hi LuAnne: You can use the business registration form to change firm name.



- 00:51:16 **Nick Chapman:** Great question, Rachael. We have not addressed that specifically yet
- 00:51:25 **Rachael Monaco:** Thanks Nick
- 00:51:26 **Derek Wood:** For returning companies, if they decide to sell some assets going into a covid pandemic year, how would we determine the price they would get.
- 00:51:39 **Regina Ferreira:** WFH: Percentage of the home's utilities? Paid to employees?
- 00:52:27 **Lu Anne Nappe:** @teri jones thanks
- 00:52:29 **Nicole Spillane:** Shouldn't the interest rate be higher than the prime? 1 or 2%?
- 00:53:09 **Alan Gersten:** @Derek 5% depreciation is my guess of original cost
- 00:53:11 **Joel Levin:** It's prime plus 1 or 2
- 00:53:34 **Teri Jones:** Yes Nicole: The interest should be prime + 2% for fixed; Prime+1% for variable. It is in the instructions for the students, but we should also have this on the sample.
- 00:53:38 **Nick Chapman:** Derek, if you are "selling" some of your fixed assets, you could value them based on the depreciated value of the asset. That would be determined by your asset log.
- 00:54:13 **Nick Chapman:** VE uses a 5-year, straight-line depreciation method. Meaning, losing 20% of their original value each year.
- 00:54:31 **Willene Biere:** Are all of the excel sheets in the hub?
- 00:54:32 **Derek Wood:** thanks Nick
- 00:54:43 **Alan Gersten:** Nick is right!
- 00:55:28 **Nick Chapman:** Yes, all Excel templates are found in the hub
- 00:55:52 **Teri Jones:** Hi Willie: yes, Excel templates and sample in the hub.
- 00:56:56 **Kameron Kaiser:** I guess virtual checks will be ok?
- 00:57:31 **Bill Demmin - CA:** For out of network contract - you must use accrual accounting and spread the contract over the number of months for the



contract I.e - contract Nov through April divide amount of contract by 6 and book monthly amounts.

- 00:57:40 **Patrick Ocharzak:** good margins
- 00:59:31 **Rob Plechner:** Hit escape maybe to get out of edit mode
- 00:59:47 **Teri Jones:** Out of Net sales can be given as monthly sales and I believe you can use cash accounting in that case.
- 00:59:57 **Patrick Ocharzak:** that's alright, it happens..
- 01:00:10 **Mary Clancy:** No worries. You did a great job!
- 01:00:27 **Kameron Kaiser:** Happened in my classes every day!
- 01:00:31 **Libby Sledge:** No, thanks for all you are doing!!
- 01:00:32 **Lori Gonzalez:** No worries
- 01:00:34 **Mike Gregory:** Right, Teri. We do indeed count them as monthly sales
- 01:00:48 **Elizabeth Rollins:** How much "assistance" do you offer to your students to fill out all of these forms?
- 01:00:57 **Patrick Ocharzak:** how does everyone plan on having students collaborate on completing the business plan? Email, Google, Teams?
- 01:01:27 **Patrick Ocharzak:** rip away..
- 01:01:43 **Patrick Ocharzak:** steal
- 01:01:56 **Regina Ferreira:** Going to look for a CPA to mentor the Accounting department!
- 01:02:07 **Lori Sheinberg:** Great question
- 01:02:21 **Patrick Ocharzak:** @Regina great idea^^^
- 01:02:54 **Willene Biere:** I am using score this year
- 01:02:55 **Patrick Ocharzak:** it seems like a simple question
- 01:03:35 **Mike Gregory:** Using the CPA on my advisory board to mentor the Accounting Dept led to 2 students getting internships!



- 01:04:23 **Alan Gersten:** All Business Plan members familiarity with key reports is super important. Kids get sick.
- 01:05:09 **Lori Sheinberg:** Does everyone know their students ?
- 01:05:32 **Willene Biere:** Yes I have them for three years
- 01:05:42 **Lori Sheinberg:** you are very lucky
- 01:06:04 **Kameron Kaiser:** I wish I knew who I was getting!
- 01:06:40 **Patrick Ocharzak:** blaze away
- 01:08:03 **Sandy Stueber:** When I used QuickBooks one of the problems was that only one student could have access. How does that help the other students in accounting?
- 01:08:36 **Joel Levin:** More students are allowed access
- 01:08:54 **Lori Gonzalez:** We struggled getting registered, our district doesn't allow outside emails to our student emails.
- 01:08:56 **Mike Gregory:** Bill - how many students can be given access to QBO?
- 01:09:17 **Sandy Stueber:** I had the same issues with outside access with emails
- 01:09:17 **Alan Gersten:** I think 5 are allowed access
- 01:09:20 **Joel Levin:** I think it's up to 5
- 01:09:49 **Kameron Kaiser:** Anyone know how to reset the QuickBooks for a new business? Last year my accountant students had to delete every entry. It took forever.
- 01:10:05 **Todd Shafer:** Be careful giving too many access, need to have a reason
- 01:10:10 **Graeme Logie:** @Kameron, great question!
- 01:10:16 **Lori Jepson, CA:** You start a new company and get a new code from Emily Watkins at Intuit
- 01:10:24 **Mary Clancy:** Great question and if we keep the same firm can we have access to quickbooks
- 01:10:40 **Lori Sheinberg:** can I give my students your number?



- 01:11:14 **Nick Chapman:** We will be covering your QBO account and restarting firms in the next session.
- 01:11:35 **Bill Demmin - CA:** My contact information will be on the last slide- b1demmin@gmail.com
- 01:12:24 **Lori Sheinberg:** The new chat function in VE will be a big help Will the students be able to use the chat as well
- 01:12:28 **Lori Sheinberg:** Thank you!!
- 01:13:04 **Robyn Bryant:** I got an email from Intuit that they are having educator training in August. Are our accounts different due to VE or are they regular QB educator accounts?
- 01:13:51 **Rachael Monaco:** Thank you!
- 01:14:00 **Sandy Stueber:** Thank you so much for all of this information everyone! So much help
- 01:14:01 **Willene Biere:** can you put the website in chat?
- 01:14:05 **Tracey Robinson-FL:** Thank you!
- 01:14:06 **Alan Gersten:** MVHS is amazing
- 01:14:07 **Rochelle Stanfill:** Thank you all!!
- 01:14:18 **Marilyn Roberts:** great information! thank you!
- 01:14:28 **Alan Gersten:** you have great kids too!
- 01:14:30 **Lori Sheinberg:** MVHS is amazing Great information!
- 01:14:41 **Nick Chapman:** @ Lori, Students will have access to chat
- 01:14:44 **Lori Sheinberg:** wow!!
- 01:14:49 **Mike Gregory:** Congratulations on your success at MVHS
- 01:14:49 **Lori Gonzalez:** Thank you. Financials are indeed our weak point. Hope to find a mentor so we can turn that around.
- 01:14:49 **Patrick Ocharzak:** awesome job, guys !
- 01:15:06 **Marilyn Roberts:** that's awesome!



- 01:15:06 **Kameron Kaiser:** Thanks guys!
- 01:15:06 **Tracey Robinson-FL:** <http://www.accountingcoach.com>
- 01:15:13 **Nick Chapman:** @Robyn, the educator training through QBO will be helpful. The accounts are the same
- 01:15:20 **Mike Gregory:** The value of mentors in Accounting cannot be overstated
- 01:15:30 **Robyn Bryant:** Thanks Nick
- 01:15:32 **Mary Clancy:** Thank you all so much!
- 01:15:40 **Tracey Robinson-FL:** Thank you so much!
- 01:15:41 **Nick Chapman:** The big difference is that you will be able to connect your VE bank account to QBO, which we will address in about 15 minutes!
- 01:15:41 **Patrick Ocharzak:** thanks everyone!
- 01:15:44 **Rob Plechner:** Thanks
- 01:15:47 **Marilyn Roberts:** I had an accounting mentor for the first time this year and it made a world of difference
- 01:15:54 **Darrell Iki:** Thanks, to everyone
- 01:15:55 **Rachael Monaco:** This was great! Thank you so much!
- 01:16:00 **Alan Gersten:** thank you everyone
- 01:16:05 **Regina Ferreira:** Thanks!
- 01:16:16 **Lori Sheinberg:** True!!!
- 01:16:18 **Bruce Ridill:** Thank you!
- 01:16:19 **Sherri Rogers:** Thanks for the great info!
- 01:16:22 **Nancy Blake:** thank you!
- 01:16:26 **Lori Kirchner:** Thanks