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I've been writing about the concepts and benefits of QuickBooks hosting for several years, and now we finally have an official, legal program from Intuit. Hooray!

If you're in the QuickBooks consulting business or if you provide any type of outsourced bookkeeping services, you should take a close look at using Cloud Computing services (also known as Application Service Providers or ASPs) to host QuickBooks for you and your clients.

For years, companies like InsynQ and Right Networks have been providing QuickBooks hosting services, but now that Intuit has finally announced a program whereby the vendor will qualify, license and support companies who host QuickBooks, I predict there will be a new surge in adoption of hosted QuickBooks by both accountants and clients.

Some firms don't yet see the benefit of moving off their local desktop/LAN systems because they have in-house technical people to keep everything running smoothly, and they've figured out other remote access solutions to facilitate the accountant/client collaboration. However, even if firms have all that figured out, most likely they're providing lower service levels and less security for their clients than would be the case if they switched to using a quality hosting provider.

#### **WHAT IS A CLOUD COMPUTING SERVICE?**

The term cloud computing service refers to a category of companies who provide access to computers (servers and desktops) "in the sky" (i.e., on

the Internet) that run a variety of Windows software. Customers access those

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companies that are and have been hosting the software since the late 90s. And up until now, if you requested support from Intuit for a hosted version of QuickBooks,

you would have been told that you were violating your license agreement and that Intuit could not provide support. Of course, there were thousands of users in that situation, so it has been a really gray area for more than 10 years.

Because of this legal ambiguity and lack of either endorsed licensing from Intuit or enforcement of the violators, many of us in the accounting profession just steered clear of using and/or recommending hosted QuickBooks. Most of us saw the compelling benefits, but we were concerned that without clarification on the licensing from Intuit, we might somehow end up as unwitting participants in the violation of Intuit's software license agreements. That was a risk many of us just didn't want to take.

### **A CLEARER ROADMAP FOR THE FUTURE**

The good news is that now we have a clearer roadmap for using hosted versions of QuickBooks. There are three hosting companies so far who have jumped through the technical and legal hoops to obtain hosting licenses from Intuit. These Intuit-authorized, QuickBooks hosting companies are InsynQ ([insynq.com](http://insynq.com); [cpaasp.com](http://cpaasp.com)), Right Networks ([www.rightnetworks.com](http://www.rightnetworks.com)), and Uni-Data Communications ([www.unidatait.com](http://www.unidatait.com)). And now, as of February 2010, Intuit has opened the door for other companies to qualify and obtain licenses to host QuickBooks.

An important benefit users realize by working with a licensed hosting provider is the ability to “rent” access to QuickBooks and pay only a monthly rental fee as opposed to purchasing a license for several hundred dollars up

front. The program allows authorized hosting companies to provide customers

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before going down the self-hosting path. In my opinion, for an accounting firm to self-host QuickBooks for more than just a few clients would be about as crazy as hiring programmers to write tax software so you could prepare taxes. The complexities and ongoing maintenance required to provide high-quality hosting services should be left to companies who make that their business.

The key to the success of this program will be driven by two things. First, will all the unlicensed hosting companies sign up for the program, pay the fees and abide by Intuit's rules? Secondly, will Intuit enforce their license agreements on hosting companies who are not licensed? We'll be watching.

For details on the hosting program, visit the Intuit web site at [quickbooks.com/franchisesolutions](https://quickbooks.com/franchisesolutions).

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