INTUIT
quickbooks

QuickBooksTraining.com

QuickBooks®|
Priority Circle

Desktop Edition

Learning Manual

QuickBooks Priority Circle Learning Manual

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Disclaimer

Version 2.19.24

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www.quickbookstraining.com

Table of Contents

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This Manual is for QuickBooks Desktop Editions
(Pro, Premier, Enterprise Solutions)

If you use one of the desktop editions of QuickBooks, your screen will look like this:
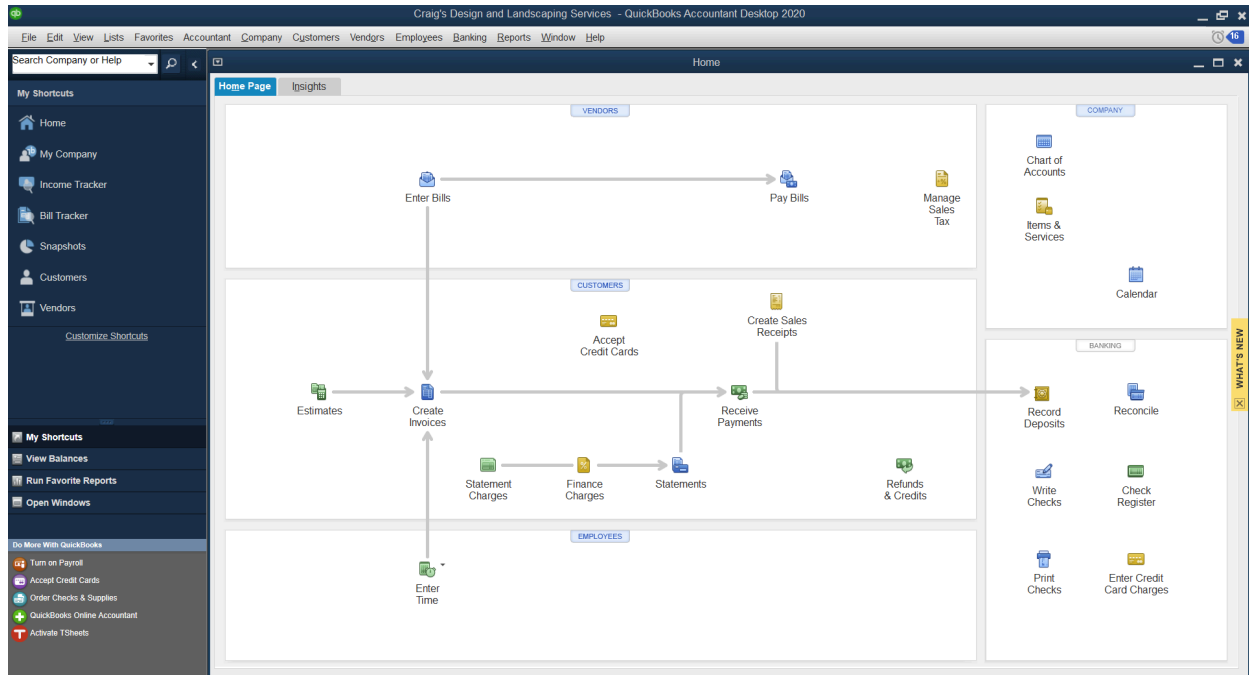
QuickBooks Online

If you use QuickBooks Online, your screen will look like this:
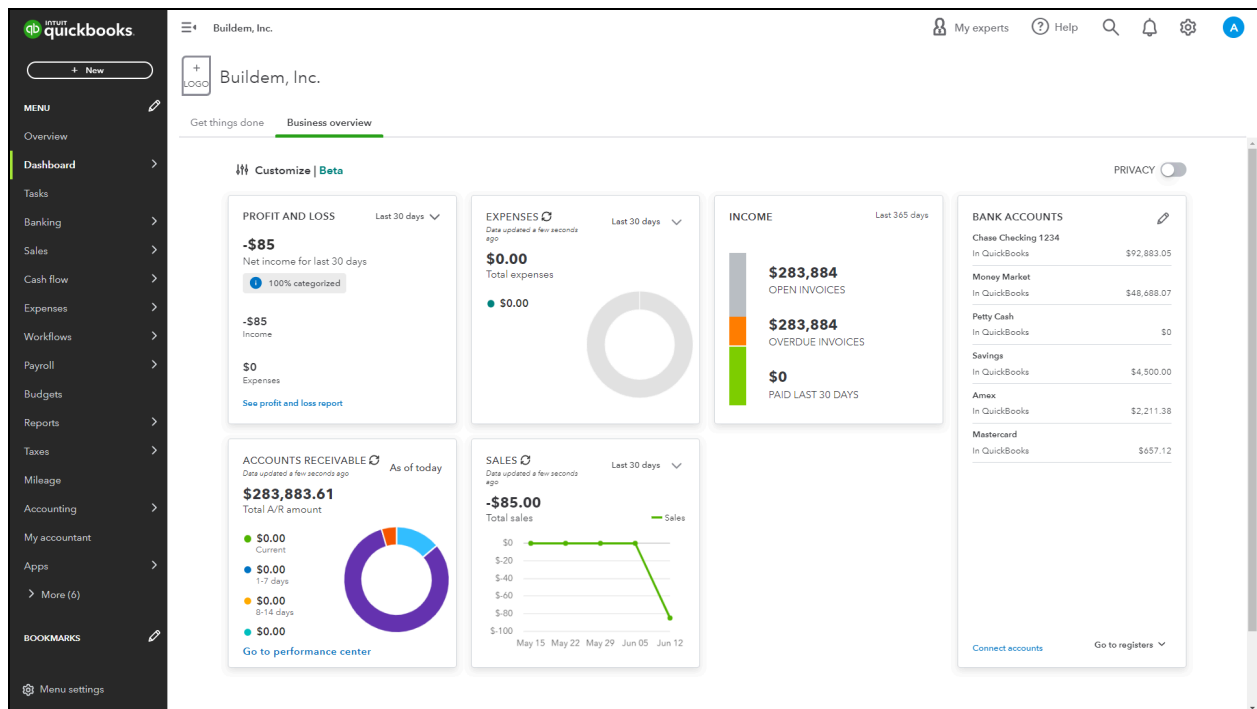
Introduction

Welcome to QuickBooks Foundations. Using QuickBooks software effectively for your business is the focus of this class.

Goals/Learning Objectives

- Learn the features and capabilities of QuickBooks.
- Learn the most common problems (and their fixes!) in each area of QuickBooks.
- Discover the tricks and tips of QuickBooks to help you use QuickBooks to its fullest potential.

About Intuit

Intuit Inc. is a leading provider of business and financial management solutions for small businesses, consumers and accounting professionals. Its flagship products and services, including QuickBooks®, and TurboTax® software, simplify small business management and payroll processing, personal finance, and tax preparation and filing. ProSeries® and Lacerte® are Intuit's leading tax preparation software suites for professional accountants. For more information, visit www.intuit.com.

About Real World Training

Real World Training was founded in 1992 by David J. O'Brien, CPA. Initially the company provided one-on-one accounting software training to small businesses. In 1994, the company began focusing exclusively on QuickBooks and began offering training courses on the program. In 1996, Real World Training developed the *Mastering QuickBooks* seminar. Since that time, Real World Training has taught over 2,000,000 students how to master QuickBooks for their business. For more information on Real World Training or to see class schedules online, visit www.quickbookstraining.com.

About QuickBooks Foundations

For over 25 years, this class has been endorsed by Intuit, the maker of QuickBooks, for anyone who wants to learn QuickBooks. We designed this class to apply to any edition of the software and cover the essentials that every QuickBooks user must know. In addition to the core version of this class, we also designed versions of this class tailored to specific editions of QuickBooks. These additional classes include all of the lessons from the core version and add extra information for features that are only available in that edition of the software. Because these versions of QuickBooks Foundations are so similar, we present this manual as a supplement for ALL versions of QuickBooks Foundations. Because of this, you may notice small differences in the number of chapters between this manual and some versions of QuickBooks Foundations.

Chapter 1

Introduction to QuickBooks©

Editions of QuickBooks

There are several editions of QuickBooks: QuickBooks Online, QuickBooks Desktop (e.g. QuickBooks Pro, QuickBooks Premier, and QuickBooks Enterprise Solutions).

Each edition includes basic features such as check writing, paying bills, entering sales and making deposits.

As an additional benefit, QuickBooks Pro, Premier, and Enterprise Solutions share a common look and feel. QuickBooks Premier and QuickBooks Enterprise Solutions are also available in industry-specific editions.

QuickBooks Online Editions

QuickBooks Online uses your web browser. QuickBooks online looks different than desktop editions of QuickBooks but has similar features. Also, since it is cloud-based software, it has several advantages over the desktop editions. Visit quickbooks.intuit.com for more information.

Advantages of QuickBooks Online
1. Anytime, anywhere access
2. All data stored online; no computer or backup issues
3. Always up to date; software updates applied automatically
4. Works flawlessly with smartphones and tablets
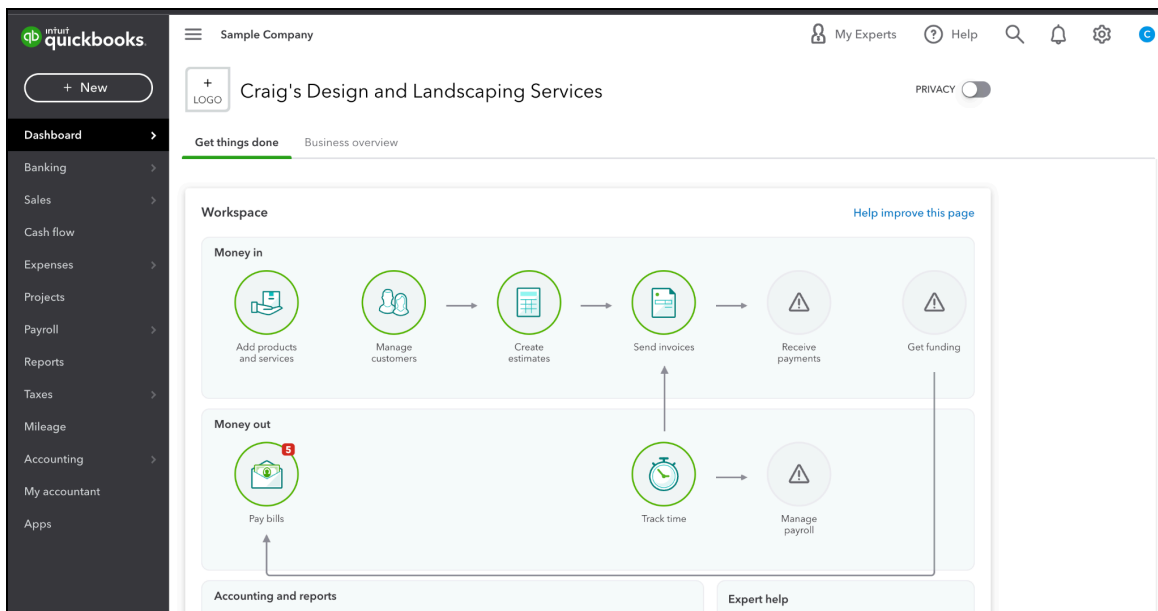
Go to quickbooks.intuit.com for current pricing and plans.

QuickBooks Desktop Editions

QuickBooks Pro

QuickBooks Pro includes the following features:

Features
Up to 3 Simultaneous Users
Time Tracking
Advanced Job Costing
Integration with Word, Excel®, & Outlook
Inventory
Price Levels for Customers
Integration with Leading Business Software Applications
Create and Customize Professional-Looking Forms
Additional Customer Statement Options
Automatically Create a Budget
Vehicle Mileage Tracker
Fixed Asset Tracker
Track Multiple Ship To Addresses
Multicurrency

QuickBooks Premier

QuickBooks Premier includes everything in QuickBooks Pro, plus:

Features
Up to 5 Simultaneous Users
Sales Orders/Back Orders
Inventory Assemblies
More Powerful Reports for Accountants
Export Report Templates
More Journal Entry Options
Create Forecasts
Business Planner Tool
Create Purchase Orders from Estimates and Sales Orders
Per Item Price Levels
Units of Measure-Simple
Improved Invoicing for Time and Expenses

QuickBooks Enterprise Solutions

QuickBooks Enterprise Solutions includes everything in QuickBooks Premier, plus:

Features
Up to 40 Simultaneous Users
Improved Multi-user Performance
Enhanced Security
Expanded List Capacity
Advanced Inventory (additional fees may apply)
Combine Reports from Multiple Companies
Run Reports Faster
QuickBooks Statement Writer
Even More Journal Entry Options
Units of Measure-Advanced
Enhanced Custom Field Capability
Custom Advanced Reporting with ODBC
Enhanced Inventory Receiving

Industry-Specific QuickBooks

QuickBooks Premier and QuickBooks Enterprise Solutions are available in industry-specific editions, including: Contractors (Construction), Nonprofit Organizations, Manufacturers/Wholesalers, Retail, Professional Services, and Accounting Firms.

Contractor Edition

Contractor Edition includes everything in QuickBooks, plus:

- Contractor Specific Menu
- Job Costing Center
- Contractor Reports:
  - Job Status
  - Job Costs by Vendor
  - Costs-to-Complete
  - Unpaid Job Bills by Vendor
  - Expenses Not Assigned to Jobs
  - Certified Payroll - Box 1 Employee Info
- Change Orders
- Liability and Pay as You Go Workman's Comp Insurance tracking
- Billing Rate Levels

Nonprofit Edition

Nonprofit Edition includes everything in QuickBooks, plus:

- Nonprofit Specific Home Page and Menu
- Nonprofit Reports:
  - Biggest Donors/Grants
  - Donors/Grants Report
  - Programs/Projects Report
  - Budget vs. Actual by Donors/Grants
  - Budget vs. Actual by Programs/Projects
  - Statement of Financial Position
  - Statement of Functional Expenses
    (Form 990 Report)
- Special Forms (Enter Pledges, Donations)
- Nonprofit Unified Chart of Accounts (UCOA)

Manufacturing & Wholesale Edition

Manufacturing & Wholesale Edition includes everything in QuickBooks, plus:
- Manufacturing/Wholesale Specific Menu
- Manufacturing/Wholesale Reports:
  - Inventory Reorder Report by Vendor
  - Sales by Customer Type
  - Sales Volume by Customer
  - Profitability by Product
- Special Forms (Quotes, Sales Order Worksheet)
- Customized Form Templates:
  - Customer Return Materials Authorization
  - Non-conforming Material Report
  - Damaged Goods Log
- Improved Bill of Materials and Sales Orders

Retail Edition

Retail Edition includes everything in QuickBooks, plus:
- Retail Specific Menu
- Retail Reports:
  - Profit & Loss Monthly Comparison
  - Balance Sheet Monthly Comparison
  - Gross Margin by Inventory Item
  - Customer Payment by Payment Item
  - Purchase Volume by Vendor
  - Vendor Returns
- Special Forms (Enter Daily Sales, Vendor Returns, Sales Order Worksheet)
- Customized Form Templates:
  - Customer Return Materials Authorization
  - Non-conforming Material Report
  - Damaged Goods Log
- Improved Bill of Materials and Sales Orders

Professional Services Edition
Professional Services Edition includes everything in QuickBooks, plus:
- Professional Service Specific Menu
- Professional Services Reports:
  - Project Cost Detail
  - Unbilled Expenses by Project
  - Expenses Not Assigned to Projects
  - Billed vs. Proposal by Project
  - Billed/Unbilled Hours Reports
  - Project Status
  - Open Balances by Customer/Project
  - A/R Aging Detail by Class
- Special Forms (Proposal & Estimates, Enter Bills & Expenses)
- Billing Rate Levels

Accountant Edition
Accountant Edition includes everything in all the editions of QuickBooks, plus:
- Accountant Specific Menu
- Accountant Reports: (Including)
  - Adjusted Trial Balance Report
  - Adjusting Journal Entry Report
  - Journal Entries Entered Today
- Advanced Accounting Tools:
  - Client Data Review
  - Export G/L Balances to Lacerte or ProSeries
  - Sample Company Files for Various Industries
- Design Professional Financial Statements
- Working Trial Balance
- Fixed Asset Manager
- Toggle Between QuickBooks Editions
- QuickBooks File Manager
- Multiple Instances of QuickBooks

Toggle to Another QuickBooks Edition

QuickBooks Desktop Premier, QuickBooks Accountant (QBA), Enterprise Solutions Accountant (QBESA), and QuickBooks Enterprise Solutions (QBES) have the Toggle feature. This enables you to change your QuickBooks Desktop edition from a specific industry to another.

These are the Industry-specific Editions you can toggle from and to:
- General
- Accountant
- Contractor
- Manufacturing & Wholesale
- Nonprofit
- Professional Services
- Retail
- Pro (not available in QBESA/QBES)

1. Toggle QuickBooks Desktop Premier or Enterprise Solutions to another edition
   From the Help menu, choose Manage My License
2. Choose Change to a Different Industry Edition
3. Select the edition you wish to switch to.
4. QuickBooks will take a few moments to configure and will relaunch in the selected version.

Note: In the Accountants Edition, select File:Toggle to Another Edition.

Note: To find out which version of QuickBooks you have, Press F2.

Product Information

Product   QuickBooks Accountant Desktop 2022 Release R1P (64-bit)
License number   ACTIVATED
Product number   R1_8
User Licenses   1
Installed   10/22/2021

USAGE INFORMATION
Date First Used   10/21/2021   Number of Uses   117
Audit Trail   Enabled since 01/06/2014 14:03:33

FILE INFORMATION
Location   C:\Users\ruval\Downloads\Chapters 1 to 10 AR Fix.qbw

Versions Used on File

File Size	21744 K	V31.0D R4 06/22/2021
Page Size	4096	V32.0D R1 12/29/2021
Total Transactions	261	
Total Targets	1936	
Total Links	125	
Dictionary Entries	7	
DB File Fragments	24	
Schema version	138.0	
Server Port	0	
Server IP	192.168.1.75	
Server Name	QB_data_engine_32	
# of Users Logged In	1	
Current Cache Size	513	
Max Cache Size	1024	

SERVICES INFORMATION
AuthID
Online Billing Token
Shopping Source Token

INTUIT ACCOUNT INFORMATION
Company Intuit ID   null
Primary admin email
Primary admin last signed in on
Primary admin sign in status

INTEGRATED APPLICATION INFORMATION
# of apps   0
Last accessed

CONDENSE INFORMATION
Last run   None
Last as of date   None
Last payroll deleted   None
Last inventory deleted   None

List Information
Total Accounts: 121
Total Names: 129
   Customers: 65
   Vendors: 58
   Employees: 3
   Other Names: 3

Free Memory   4106088 K

LOCAL SERVER INFORMATION
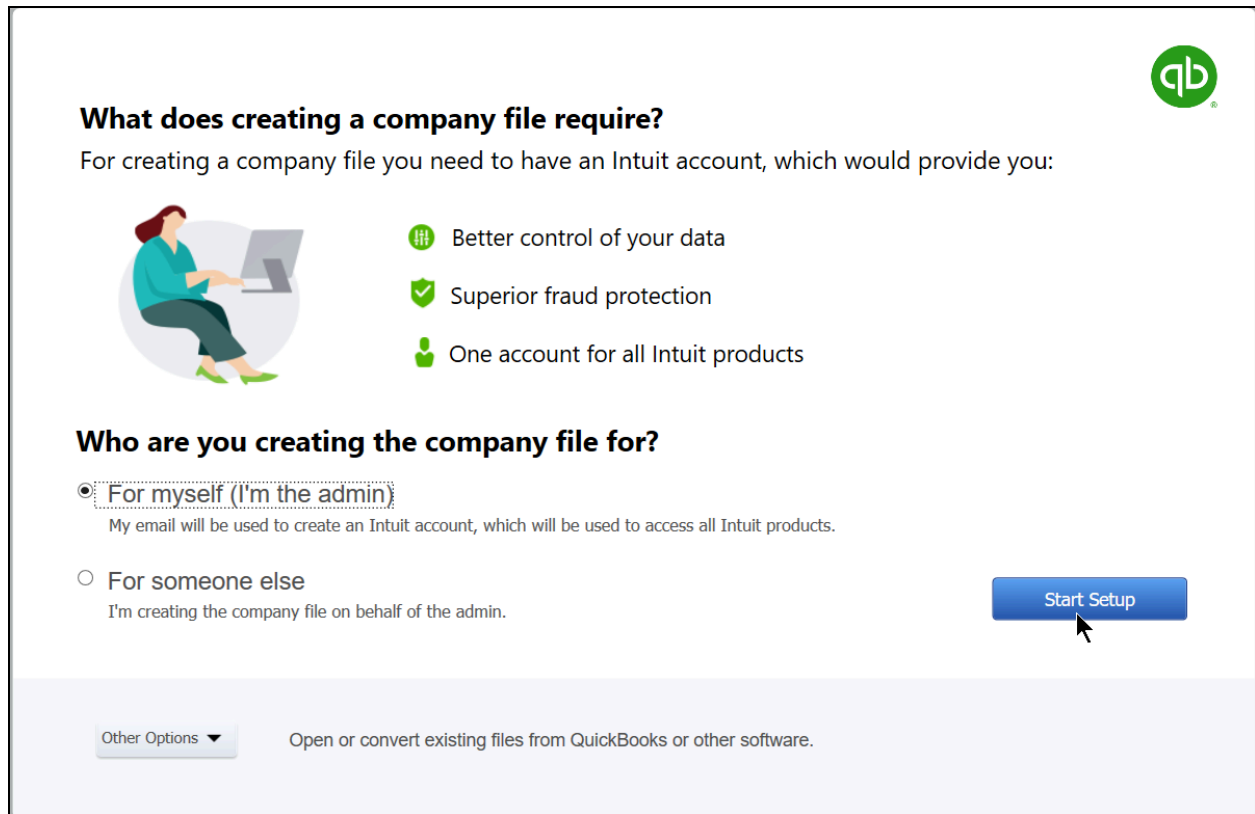
Hosting:	Off	Server IP		DB Engine version 17.0.4.2182
Initial Cache	512	Server Port	0	
Cache	1024	Server Name		

OK   **Review last Verify / Rebuild**

Create Company File

QuickBooks makes it easy to start. Just answer some basic questions about your business.

1. Select File:New Company from the menu.

2. Select the Start Setup button.
3. Enter appropriate information into the windows displayed by QuickBooks.

For a more complete setup, we recommend the Advanced Setup (Easy Step Interview), under Other Options.

Glad you're here.

Help us customize your settings to offer you the right tools for seamless business experience.

Business Name *

Industry * `Construction`   Help me choose

Business Type *   [dropdown]   Help me choose

Admin's email * `Enter company file admin's email`   Help me choose

Employer Identification Number (EIN) `12-3456789`   Phone

Business Address

City   ZIP

State `Select state`   Country `U.S.`

*Required

Intuit's Privacy Statement

Back   Preview Your Settings   Create Company

Complete Your Setup

After you create your company file, there are several tasks you may need to complete:

1. Complete and modify lists. This includes lists such as customers, vendors, items, employees.
2. Enter opening balances. Enter these opening balances as of one day BEFORE your start date. There is some guidance in the QuickBooks Help system.
3. Enter historical transactions. Enter all transactions from the start date to the current date. You must enter these transactions in a specific order. There is also some guidance for this in the QuickBooks Help system.

Start Working

1. When you finish creating your company file, QuickBooks opens the QuickBooks Setup window.
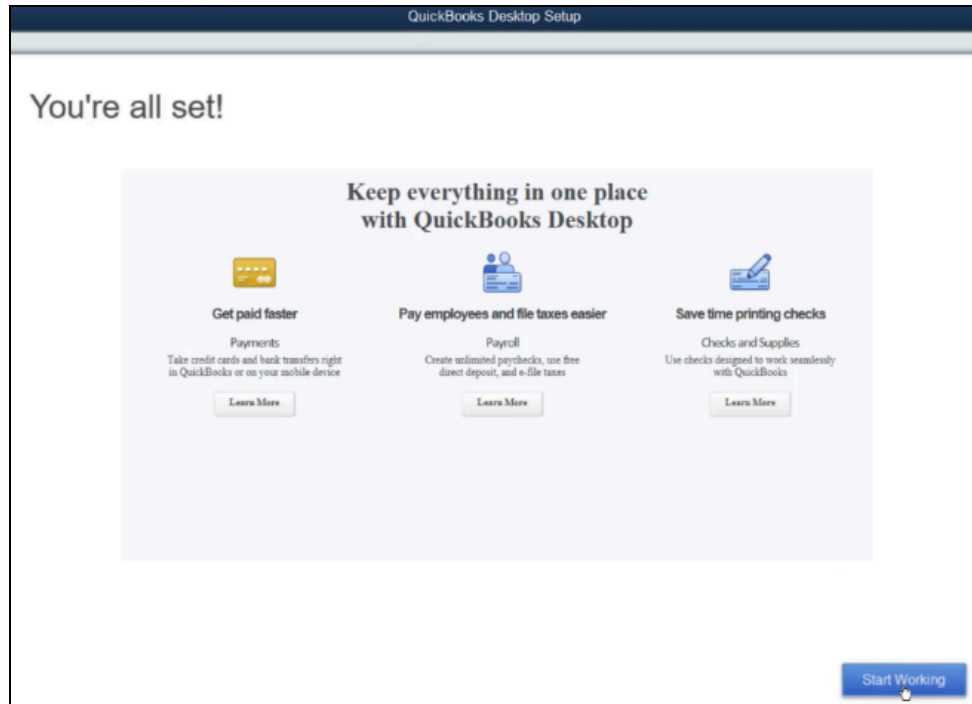
2. Select Start Working to begin using QuickBooks.

My Company Information

You can view and edit the contact details for your business in the My Company window.

1. Select Company: My Company.
2. To edit, select the pencil.

Moving Around in QuickBooks

You can access the features of QuickBooks using the home page, icon bar, centers, or menus.

Home Page

The Home page provides an easy way to access windows and shows the workflow of common business transactions.

Display the Home Page

1. Select My Shortcuts.
2. Select the Home icon.
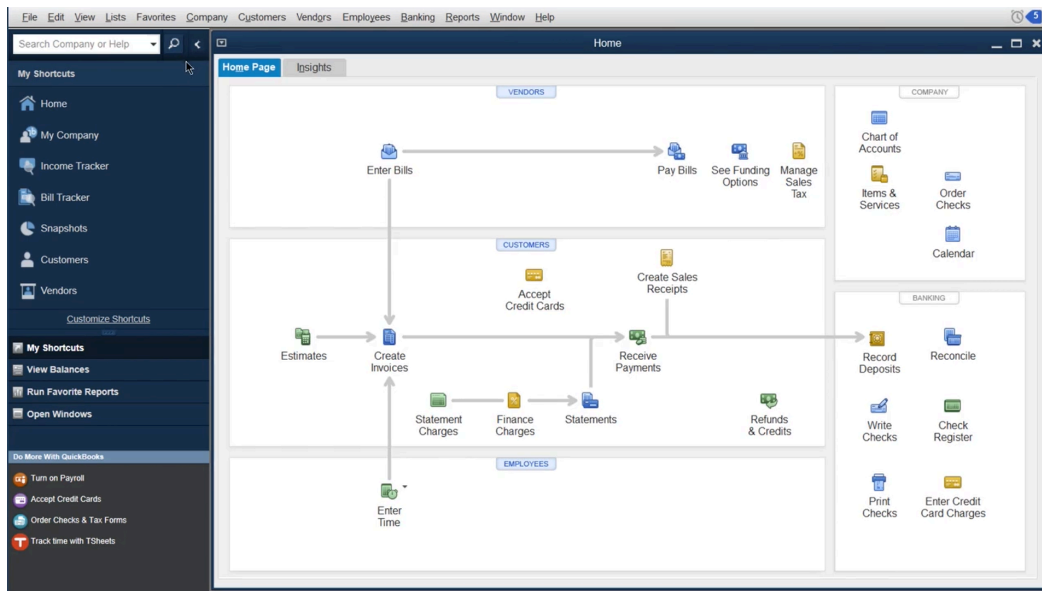
Icon Bar

The Icon Bar appears at the top or to the left of the window. To use an icon, click with the mouse.
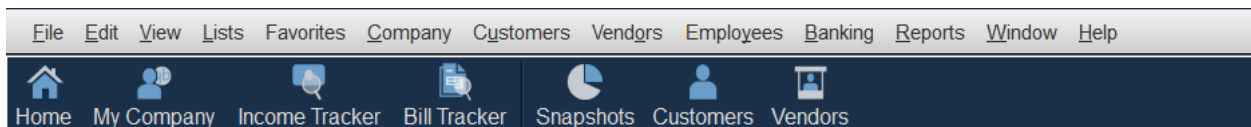
Display/Hide the Icon Bar

Select View: Top Icon Bar or Left Icon bar from the menu.
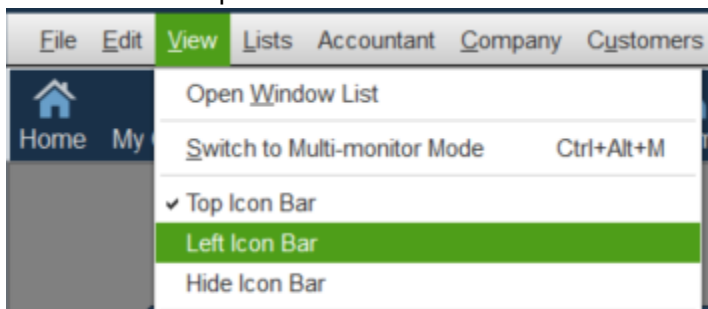
Centers

Display Center

1. Select My Shortcuts.
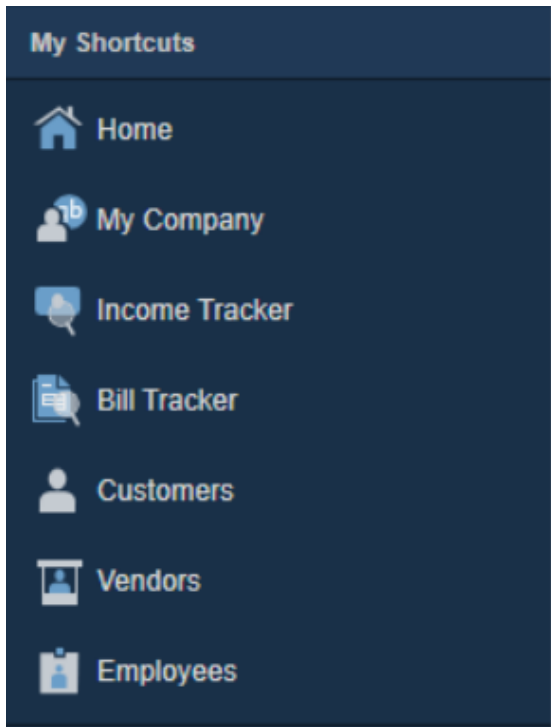
2. Select the (List Name) icon (e.g. Vendors, Customers) .

Menus

All the features of QuickBooks are available via the menus. There are three types of menus available.

Drop-down menus at the top of the screen
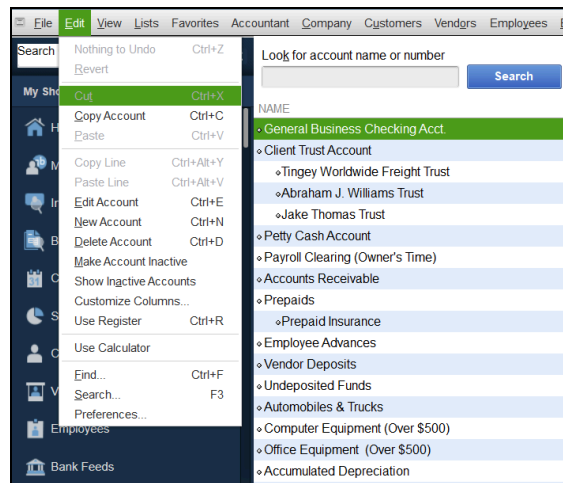
Shortcut menu by clicking the right mouse button
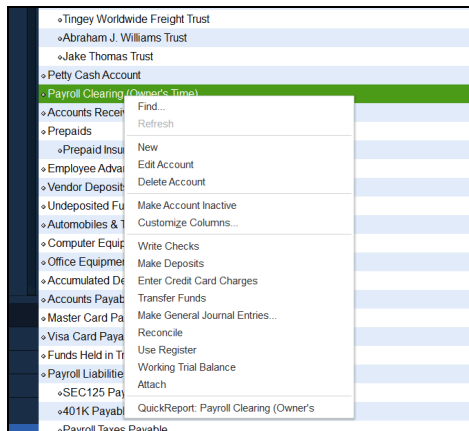
Menus on the bottom of most lists
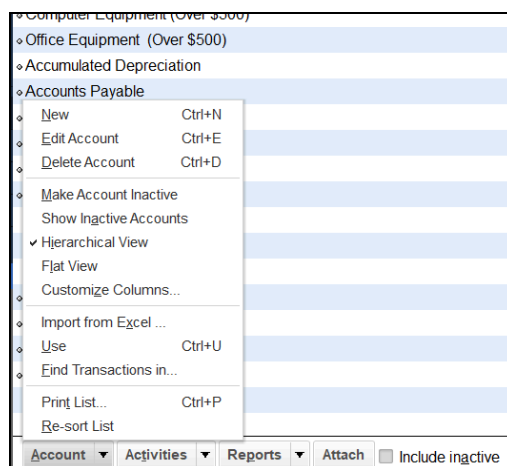
What You See on Screen
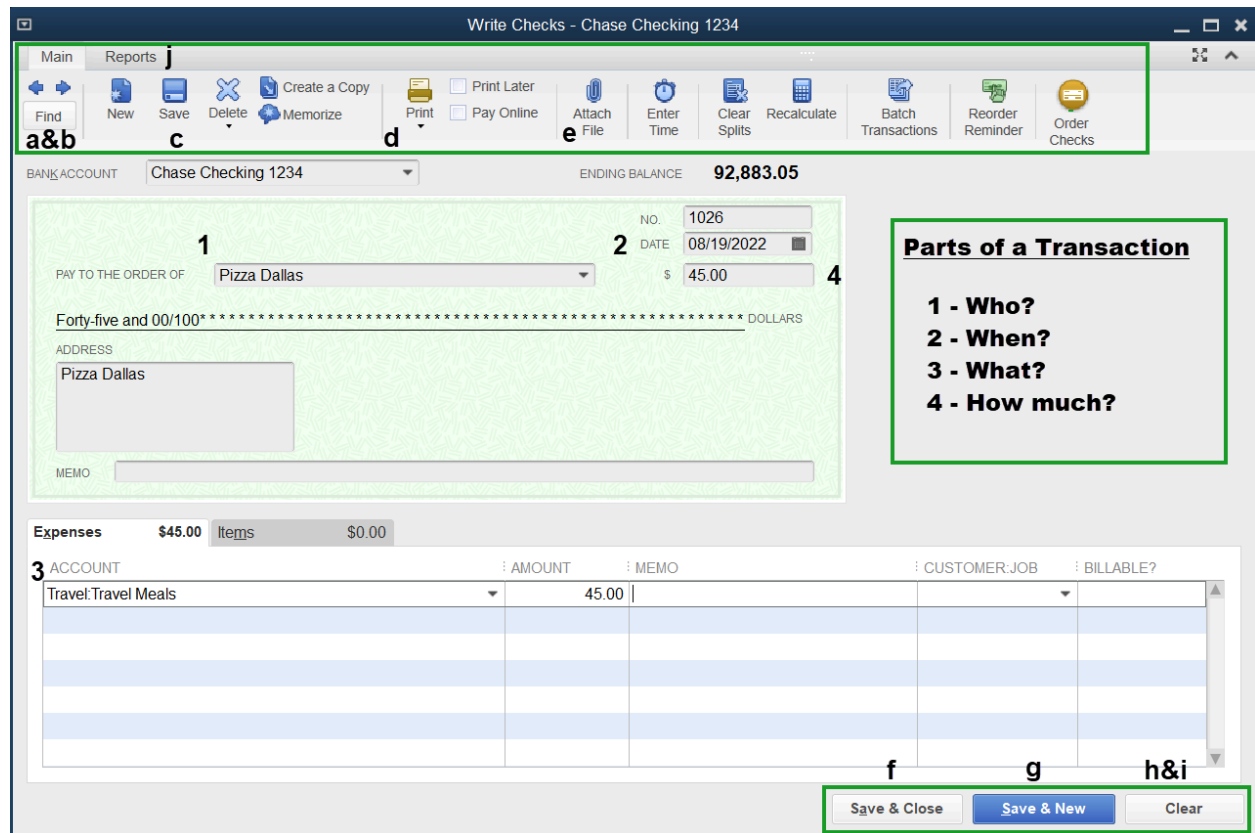
Ribbon - Provides quick access to features and options for the current transaction.

a. Back Arrow- Records the entry and displays the prior transaction.

b. Forward Arrow- Records the entry and opens a new transaction window.

c. Save- Records the entry and leaves the window open.

d. Print- Print the transaction.

e. Attach File- Allows you to attach a document to the current transaction.

    (Attachments aren't stored in the company file, but in an "Attach" folder in the file location.)

f. Save & Close- Records the entry and closes the window.

g. Save & New- Records the entry and opens a new transaction window.

h. Clear- Erases information entered on a new form.

i. Revert- Clear is replaced by revert once a transaction is saved. It erases changes entered while modifying a saved transaction.

j. Tabs to switch between ribbons.

Parts of a Transaction- Four basic details you enter for each transaction.

1. Who -Who are you paying or who is paying you?

2- When - When did the transaction happen in the real world?

3- What - What are you purchasing or selling?

4- How much - The amount of money you receive or spend on a transaction.

Preferences

Customize how QuickBooks works by modifying your preferences.

Customize QuickBooks Preferences
1. Select Edit:Preferences from the menu.
Note: The My Preferences tab only affects you.
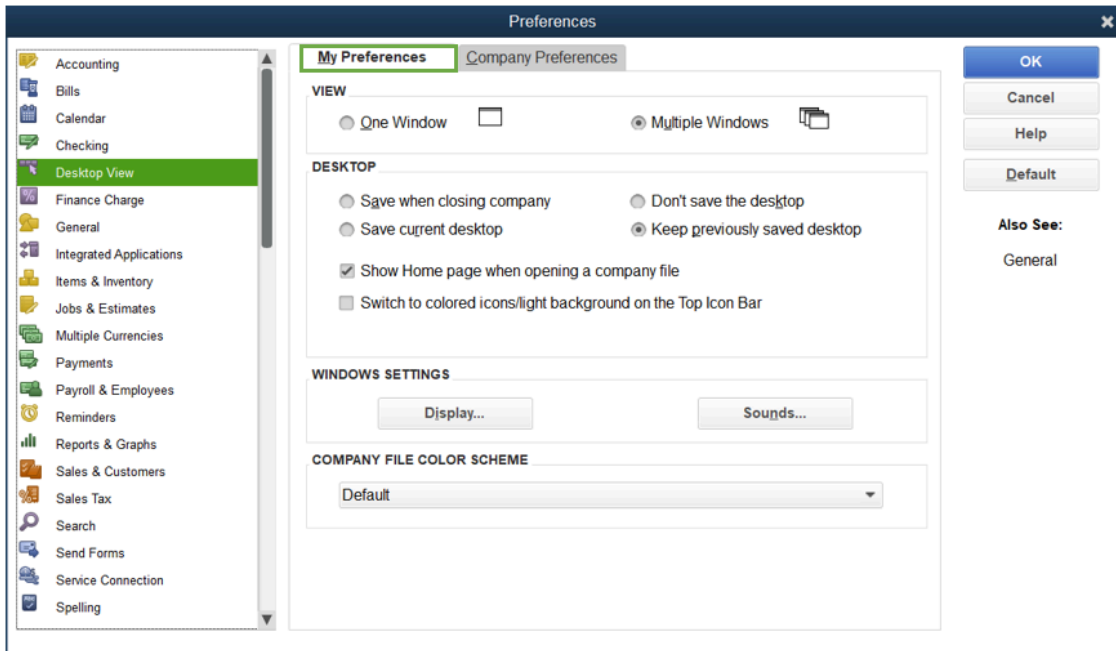
The Company Preferences tab affects all users that use the QuickBooks company file.
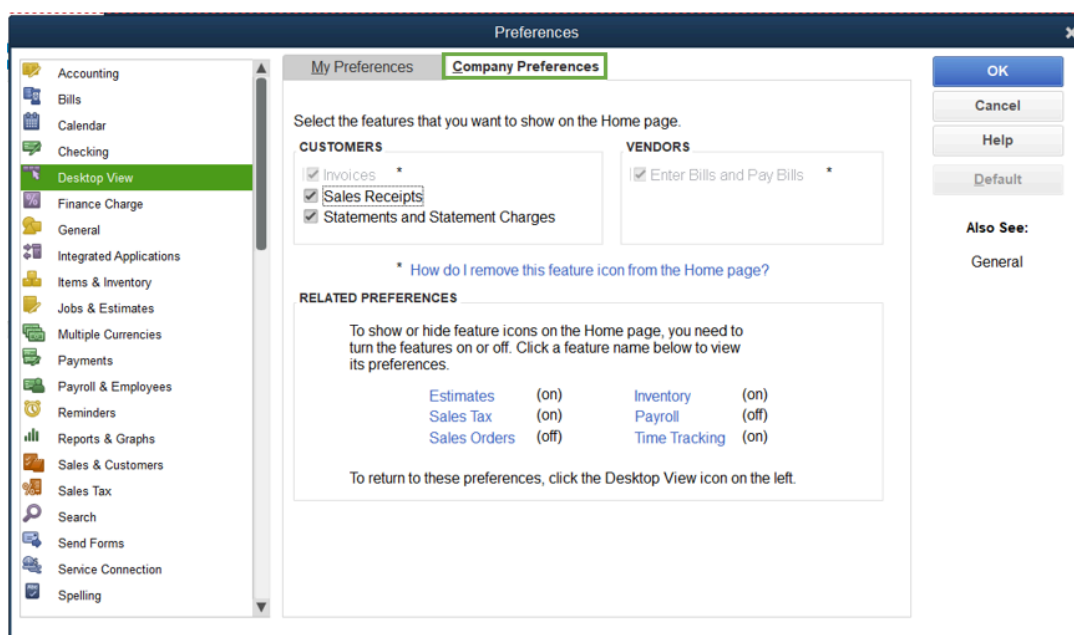
Customize Home Page

You can customize the Home page to match the workflow of your business.
1. Select Edit:Preferences from the menu.
2. Select Desktop View.
3. Choose the Company Preferences tab.
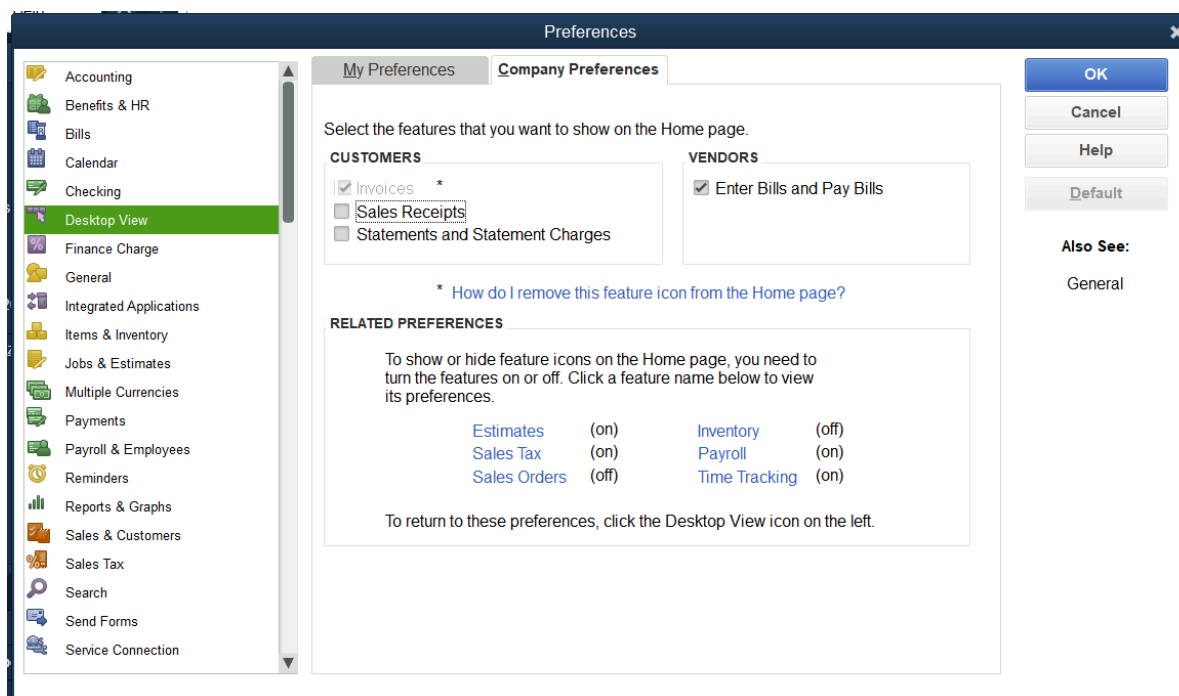
4. Enter appropriate information in the Preferences window.
5. Select OK.
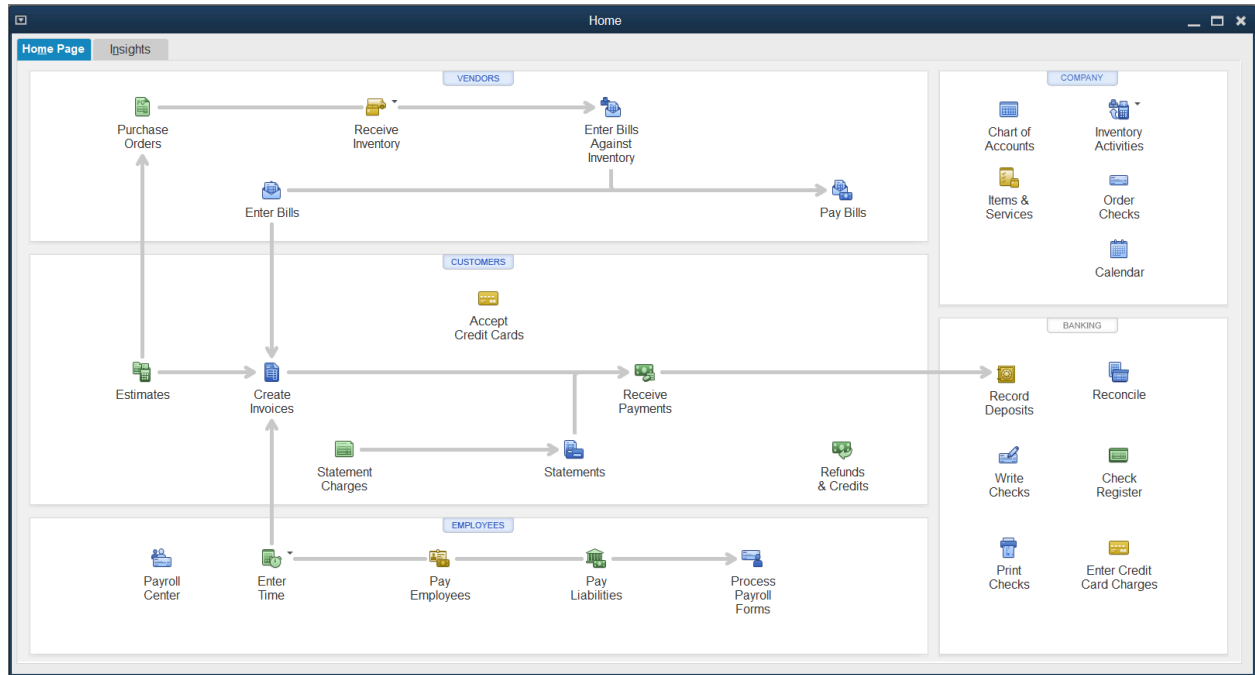
Chapter 2

Working with Lists

What are Lists?

QuickBooks uses lists to organize information about the people and businesses you buy things from as well as the things you buy and sell. Lists help you save time in several ways:

1. Lists store information about people and businesses you work with to record transactions quickly. They also help you find previously recorded transactions.
2. Lists are the foundation of reports. How you organize the list translates to what you'll see on reports.
3. Lists let you track who owes/paid you money and who you owe/paid money to.

List Types

Center-Based Lists

Open center-based lists from their icon on the Home page or the top menu. These lists include Customers & Jobs, Vendors and Employees.

Menu-Based Lists

Menu-based lists are available via the Lists menu. These include the Item List, Chart of Accounts, Class List, and Payroll Item List. You can also open the Item List and Chart of Accounts from the Home page.

NAME	TYPE	BALANCE TOTAL	ATT...
Checking	Bank	79,750.55	
Savings	Bank	4,500.00	
Petty Cash	Bank	0.00	
Accounts Receivable	Accounts Receiva...	337,656.68	
Finished Goods Inventory	Other Current Asset	0.00	
Inventory	Other Current Asset	151,545.31	
Prepaid Expenses	Other Current Asset	0.00	
Raw Materials Inventory	Other Current Asset	750.00	
Retainage Receivable	Other Current Asset	10,724.50	
Undeposited Funds	Other Current Asset	0.00	
Property and Buildings	Fixed Asset	581,182.26	
Warehouse	Fixed Asset	454,235.42	

List Limits

To view your specific company's list limits visit the F2 menu. The counts listed in the menu are specific to the company file.

Names List	Pro & Premier	Enterprise Only
Customers & Jobs	14,500[1]	Unlimited[2]
Vendors		
Employees		
Other Names List		

List Name	Pro & Premier	Enterprise Only
Items-including inventory items	14,500	Unlimited[2]
Sales reps	10,000	10,000
Price levels	100	100
Sales tax codes	10,000	10,000
Job types	10,000	10,000
Vendor types	10,000	100,000
Customer types	10,000	100,000
Payroll items	10,000	10,000
Classes	10,000	100,000
A/R terms & A/P terms (added together)	10,000	29,000
Payment methods	10,000	10,000
Shipping methods	10,000	10,000
Customer messages	10,000	100,000
To do's	10,000	100,000
Memorized transactions	14,500	50,000
Memorized reports	14,500	29,000
Chart of Accounts	10,000	100,000

[1] In Pro/Premier, you can have a total of 14,500 names. Names include Customers, Vendors, Employees, and Other Names.

[2] Performance testing was conducted at 100,000 list entries. You may see performance degradation as you add more than 100,000 items, customers or vendors.

Names Lists

1. Vendors-This list stores the companies and individuals from whom you purchase goods or services. To track accounts payable from a company or issue a 1099 at the end of the year, you must enter the name as a vendor.

2. Customers & Jobs-This list stores customers and the jobs performed for them. To invoice a company on account, you must enter the name as a customer or job.

3. Employees-This list stores employees and their related payroll information. To pay an employee using payroll or issue a W-2 to an employee, you must enter the person as an employee.

4. Other Names-This list stores the names of companies and individuals that do not need to appear on another names list.

Rules for Names Lists

1. The limit for each individual list is 14,500 names (unlimited in QuickBooks Enterprise Solutions). The limit for the four names lists combined is also 14,500 names (unlimited in QuickBooks Enterprise Solutions). Press the F2 key or hold down the Control key and press 1 on the keyboard.

2. An individual name can only be included on one list.

3. Once entered on a list, you can not move the name to another list. The only exception is the Other Names List. When you move Other Names to another list, the move is permanent.

Moving Other Names

Move Individual Other Names to Another List

1. Display the list by selecting Lists:Other Names List from the menu.

NAME	NOTES	ATTACH
Brobrosky, Edna		
In N Out Burger		
O'Brien, Bethany		

Other Names List — Other Names ▼ | Activities ▼ | Reports ▼ | Attach | ☐ Include inactive
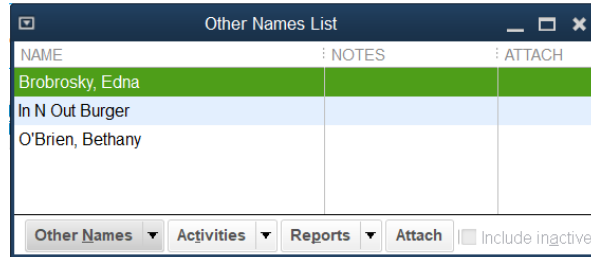
2. Select the item to be moved from the list.
3. Select the Other Names button at the bottom of the list.
4. Select Edit Other Name from the menu.
5. Select the Change Type button.

Select Name Type

Select the name type. Once this name's type has been changed it cannot be undone.

- ◯ Vendor
- ◯ Customer
- ◯ Employee
- ◉ Other

[OK]   [Cancel]
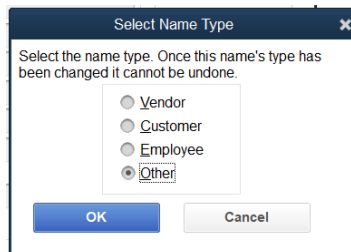
6. Select the button next to the appropriate new name type.
7. Select OK.

Note: When making a name change, this cannot be undone.

Change Type?

⚠ Changing name type cannot be undone. Do you want to continue?

[OK]   [Cancel]
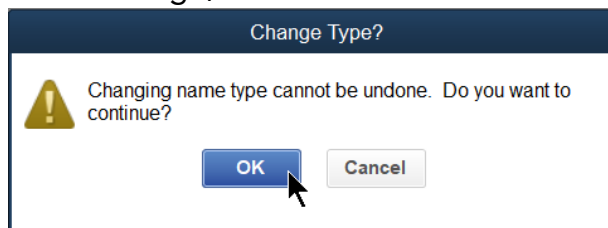
8. Select OK on the Change Type window.

NAME	NOTES	ATTACH
In N Out Burger		
O'Brien, Bethany		

Other Names List — Other Names ▼ | Activities ▼ | Reports ▼ | Attach | ☐ Include inactive
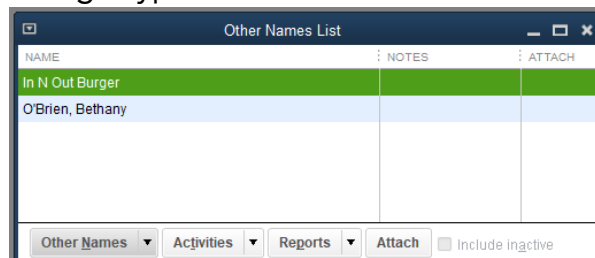
Use Lists

Add Entry from a Center

1. Display the appropriate list.
2. Select the New (List Name) button.
3. Enter appropriate information in the window, and select OK
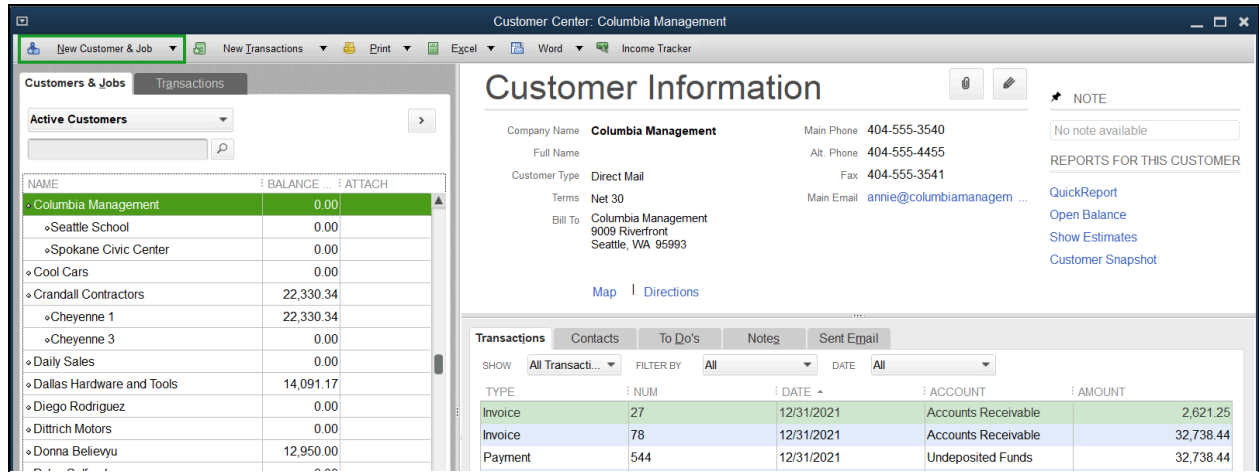
Add Entry from a List

Display the appropriate list.

For menu-based lists, choose between the desired entry, the select one of the following:

the Edit menu.
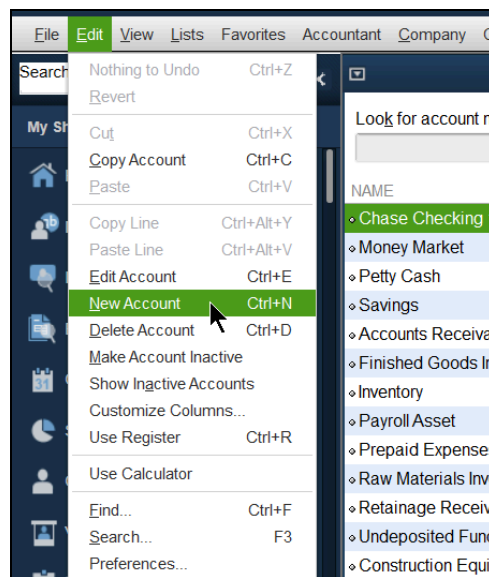
selecting the left-most button at the bottom of the list.
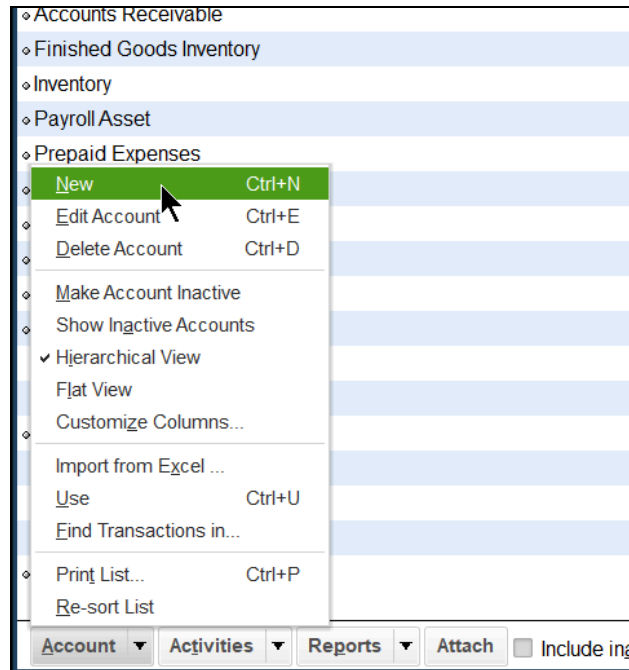
or Right-Clicking on a list or a transaction to get a menu.

Add Entry from Form

1. Display the form and enter appropriate information.
2. Type the name of the new entry as it will appear in the list.
3. Press the Tab key.
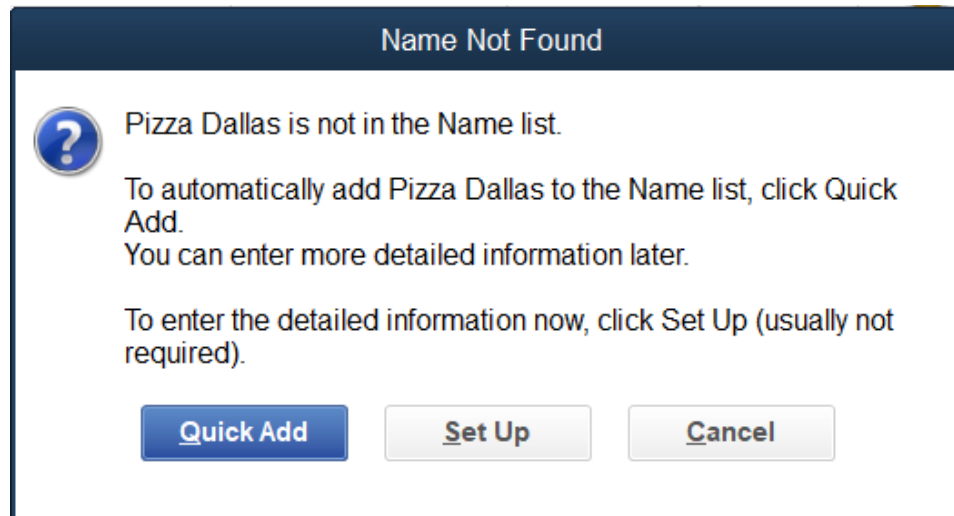
4. When adding a name, select the Quick Add button or Set Up button in the window. When adding an account or item select Set up.
5. Enter appropriate information in the window (if you selected Set Up in step 4).

Edit List Entry

1. Open the list for the type of entry you want to modify.

NAME	DESCRIPTION	TYPE	ACCOUNT	TOTAL ...	PRICE	ATTACH
Design	Custom Design Services	Service	Design Income		75.00	
Double Install	Install double doors (oak)	Service	Construction Income		1,295.00	
Gardening	Weekly Gardening Services	Service	Service Income		25.00	
Glass Install	Installation of New Patio Door.	Service	Service Income		295.00	
Install Patio Locks	Install patio locks on glass doors	Service	Service Income		150.00	
Installation	Installation labor for fountains, sprinklers and other products.	Service	Service Income		50.00	
Knob Install	Install door knob	Service	Service Income		99.95	
Lock Install	Lock Install	Service	Service Income		64.00	
Lock Repairs	Repairs by subcontractors	Service	Service Income		24.95	
Lock Repair-Brandon	Repair by senior specialist Brad.	Service	Service Income		24.95	
Lock Repair-David	Repair by senior specialist David.	Service	Service Income		49.95	
Lock Repair-Thelma	Repair by senior specialist Thelma.	Service	Service Income		29.95	
Oak Install	Install custom oak door	Service	Service Income		150.00	
Patio Lock Install	Customized Installation of Deluxe Kryptonite Lock	Service	Service Income		199.95	
Repair Durr	Door Service & Repair as requested by customer	Service	Service Income		49.95	
Repair Hinges	Hinges service and repair as requested by customer	Service	Construction Income		34.95	
Services		Service	Service Income		0.00	
Tree Trimming	Tree trimming services: pruning, removal, etc.	Service	Service Income		50.00	
Cedar Door	Natural Cedar Door	Inventory Part	Parts Sales	22	499.95	
Door Knob	Deluxe Brass Door Knob	Inventory Part	Parts Sales	114	49.95	
Garage Door	All-weather customer garage door.	Inventory Part	Parts Sales	60	1,599.95	

2. Select the entry in the list to edit.
3. For center-based lists, select the Edit (List Name) button.
   For menu-based lists, select the left-most button at the bottom of the list, then select Edit (List Name) from the menu.
4. Enter or change appropriate information.
5. Select OK.

Note: You can press Control+E on your keyboard for a shortcut and on most lists double-clicking the entry also opens the edit window.

Delete List Entry

Note: If you have used a list entry in a transaction you cannot delete it. Instead, you must make the entry inactive or merge it with another entry.
1. Display the appropriate list.
2. Select the entry in the list to delete.
3. For center-based lists, select Edit:Delete (List Name) from the menu.
    For menu-based lists, select the left-most button at the bottom of the list, then select Delete (List Name) from the menu.
4. Select OK.
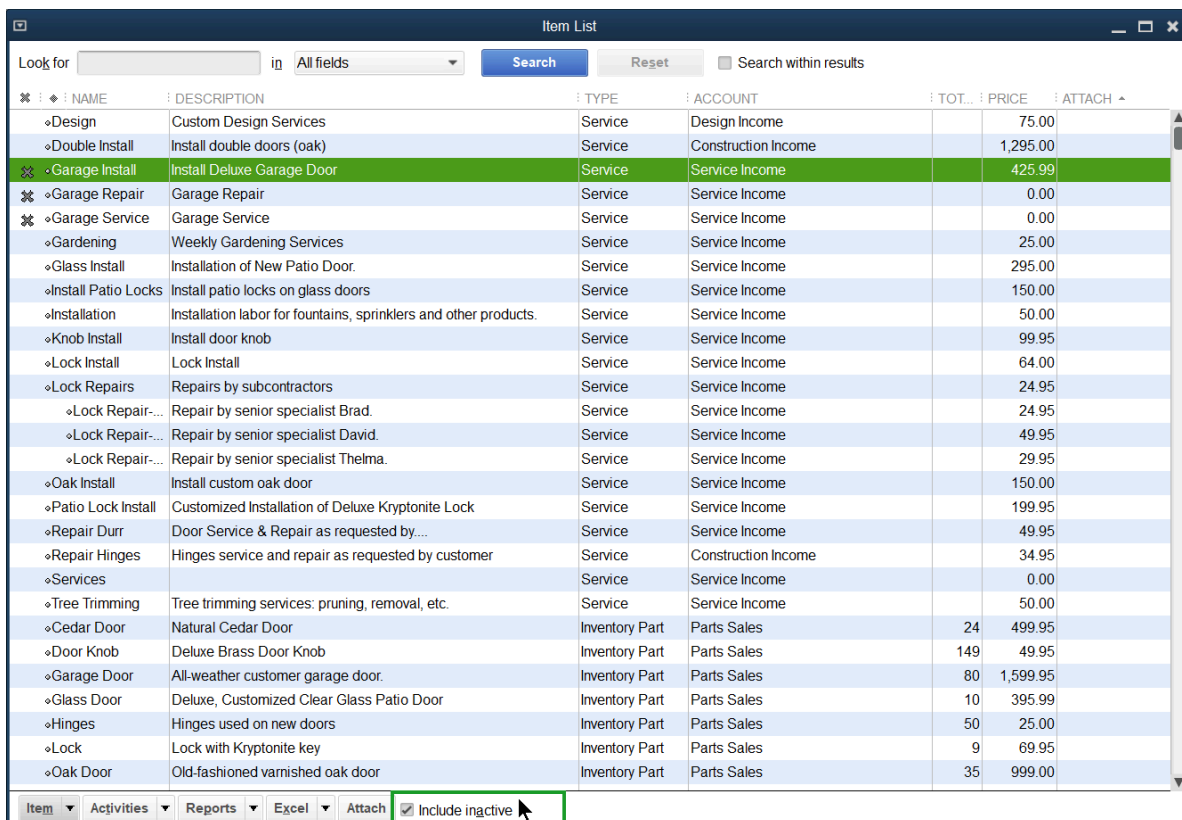
Make List Entry Inactive

1. Display the appropriate list.
2. Select the entry in the list to make inactive.
3. For center-based lists, select the Edit (List Name) button.
    For menu-based lists, select the left-most button at the bottom of the list, then select
4. Make (List Name) Inactive from the menu.
5. For center-based lists, select the (List Name) is inactive box, then select OK.

Hide or Show All Entries on List

Display the appropriate list.

For menu-based lists, select the Include inactive checkbox.

NAME	DESCRIPTION	TYPE	ACCOUNT	TOT...	PRICE	ATTACH
Design	Custom Design Services	Service	Design Income		75.00	
Double Install	Install double doors (oak)	Service	Construction Income		1,295.00	
Garage Install	Install Deluxe Garage Door	Service	Service Income		425.99	
Garage Repair	Garage Repair	Service	Service Income		0.00	
Garage Service	Garage Service	Service	Service Income		0.00	
Gardening	Weekly Gardening Services	Service	Service Income		25.00	
Glass Install	Installation of New Patio Door.	Service	Service Income		295.00	
Install Patio Locks	Install patio locks on glass doors	Service	Service Income		150.00	
Installation	Installation labor for fountains, sprinklers and other products.	Service	Service Income		50.00	
Knob Install	Install door knob	Service	Service Income		99.95	
Lock Install	Lock Install	Service	Service Income		64.00	
Lock Repairs	Repairs by subcontractors	Service	Service Income		24.95	
Lock Repair-...	Repair by senior specialist Brad.	Service	Service Income		24.95	
Lock Repair-...	Repair by senior specialist David.	Service	Service Income		49.95	
Lock Repair-...	Repair by senior specialist Thelma.	Service	Service Income		29.95	
Oak Install	Install custom oak door	Service	Service Income		150.00	
Patio Lock Install	Customized Installation of Deluxe Kryptonite Lock	Service	Service Income		199.95	
Repair Durr	Door Service & Repair as requested by....	Service	Service Income		49.95	
Repair Hinges	Hinges service and repair as requested by customer	Service	Construction Income		34.95	
Services		Service	Service Income		0.00	
Tree Trimming	Tree trimming services: pruning, removal, etc.	Service	Service Income		50.00	
Cedar Door	Natural Cedar Door	Inventory Part	Parts Sales	24	499.95	
Door Knob	Deluxe Brass Door Knob	Inventory Part	Parts Sales	149	49.95	
Garage Door	All-weather customer garage door.	Inventory Part	Parts Sales	80	1,599.95	
Glass Door	Deluxe, Customized Clear Glass Patio Door	Inventory Part	Parts Sales	10	395.99	
Hinges	Hinges used on new doors	Inventory Part	Parts Sales	50	25.00	
Lock	Lock with Kryptonite key	Inventory Part	Parts Sales	9	69.95	
Oak Door	Old-fashioned varnished oak door	Inventory Part	Parts Sales	35	999.00	

For center-based lists, select the View drop-down arrow on the (List Name) tab, then select All (List Name).
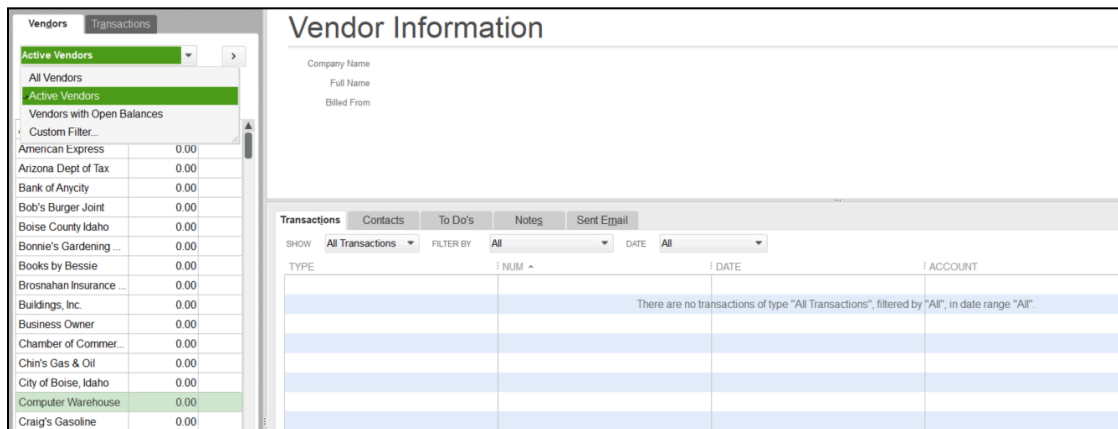
Note: Make sure to change the dropdown back to "Active" when finished.

Merge List Entry

1. Display the appropriate list.
2. Select the list entry to merge (the entry you no longer want to see).
3. For center-based lists, select the Edit (List Name) button.
   For menu-based lists, select the left-most button at the bottom, then select edit (List Name) from the menu.
4. Type the entry you want to merge it with as the new name.
   Note: For accuracy, copy and paste the name into the Name field.
5. Select OK on the pop-up asking "Are you Sure?".
6. Select Yes in the Merge window.

Note: When merging accounts in the Chart of Accounts, you can only merge accounts that are of the same type (e.g. liability with other liabilities, expense with other expenses, income with other incomes).

Sort Lists

Sort Using Column Headings

1. Display the appropriate list.
2. Select the appropriate column heading.

Restore List Order (after column sort)

1. Display the appropriate list.
2. Select the diamond at the top left of the list.

Sort a List Manually (available on most lists)

1. Display the appropriate list.
2. Select the diamond to the left of the entry and drag it up or down.

Sort Alphabetically (restores order after manual sort)

1. Display the appropriate list.
2. For center-based lists, select View: Re-sort List from the menu.
   For menu-based lists, select the left-most button at the bottom of the list, then select Re-sort List? from the menu.
3. Select OK in the Resort List? window.

Print Lists

Option 1: From the Reports Tab

1. Select Reports:List:<List Name> from the menu.
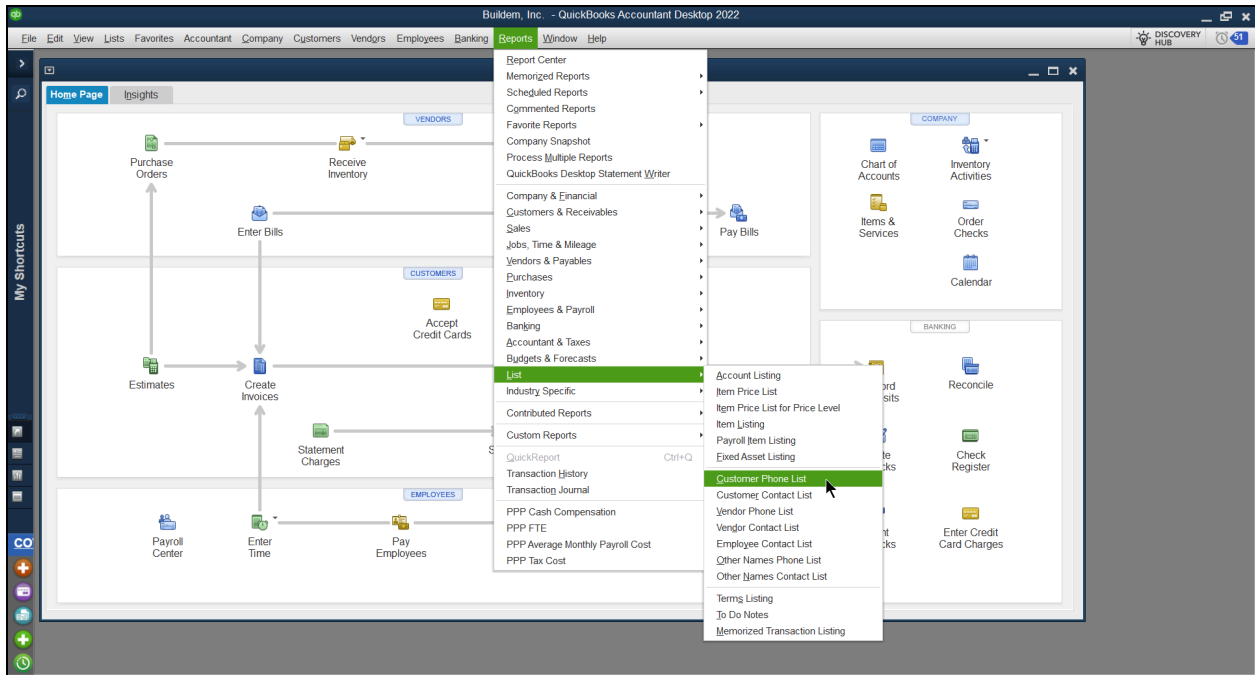
2. Select the Print drop-down arrow and select Report.
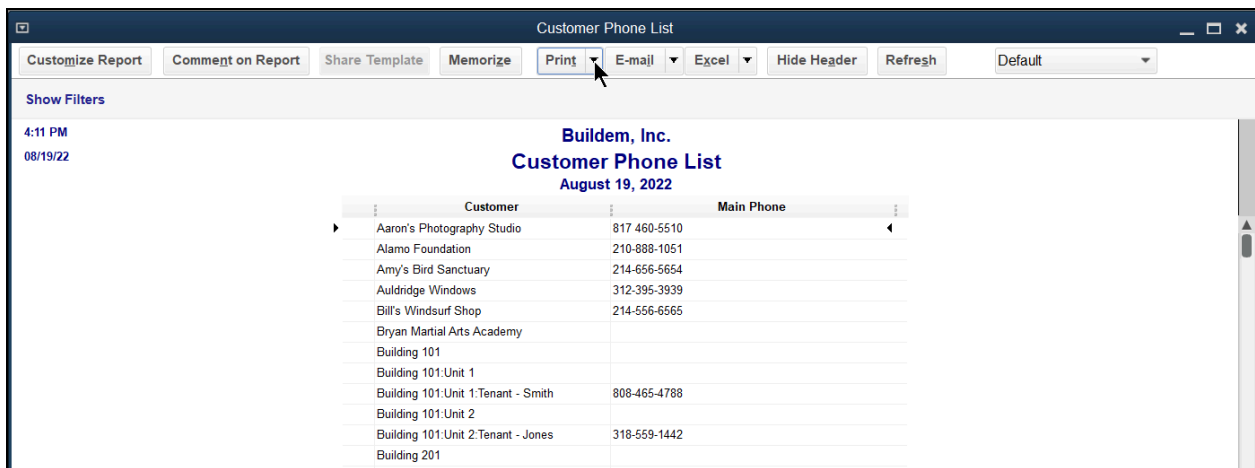
3. Select Print in the Print Reports window.

Option 2: Select the first menu in the bottom left hand corner of the list, then select Print List.

Option 3: Select the Print button at the top of the Center Based list.

Chapter 3

Financial Statements

Financial Statements

For those of you who are from a non-accounting background, this chapter will help you to learn some accounting basics, which leads to understanding more about how QuickBooks works. You'll discover the intention behind the Chart of Accounts and how it relates to two financial statements: the Balance Sheet and the Profit & Loss.

Chart of Accounts

The Chart of Accounts represents the "hub" of your accounting system. Each account represents something that your business owns/owes or a reason that your business earns/spends money. As you record transactions, you assign accounts that represent where the money came from/went to and why. After each transaction, the account balances update on your financial statements based on the accounts and amounts you entered. Each account in the Chart of Accounts becomes a line on either the Balance Sheet or the Profit & Loss Statement.

For example, you used a debit card in an office supplies store and then later download the transaction. The first account affected by the transaction is the Checking account linked to your debit card. That represents where the money came from/went to. The second account the transaction affects is the reason why you spent/earned money …in this case, office supplies. So you would probably use an expense account named Office Supplies so that you could track how much you've spent on office supplies over time.

Balance Sheet

The Balance Sheet is the financial *snapshot* or position of your business. If someone took a photograph of your business right now, what would the financial picture look like? The Balance Sheet has 3 areas: assets, liabilities, and equity.

Assets

Anything owned by your business. Assets include cash/liquid assets like bank accounts, inventory you plan to sell to customers, fixed assets like vehicles and equipment, and even receivables that your customers owe you

Liabilities

What your business owes people/companies outside of your business. Liabilities include credit cards, loans like mortgages and car notes, lines of credit and even payables that you owe on open bills from vendors.

Equity

What the business owes the owners of the business. Equity tracks the investments into the business, draws out of the business to pay the owner/partner and retained earnings. You might also see an account called Opening Balance Equity, which is a summary of what the business was worth to the owner before the business started using QuickBooks.

Run a Balance Sheet
1. Select Reports: Company & Financial from the menu.
2. Select the appropriate Balance Sheet report.

Profit & Loss Statement

This statement is the *movie* of your business. It measures performance over a specified time period. This financial statement includes income, costs of goods sold and expenses.

Income

Income accounts track money that comes into your business through the sale of goods or services. They're also used to track income generated through donations or pledges from donors. Examples include sales and service income.

Cost of Goods Sold

Cost of Goods Sold accounts track the money you spend that is directly related to a specific sale. This includes the cost of contractors you paid to work on a specific job, materials purchased for a specific customer/project, and even the original purchase price of inventory that you've sold.

Note: If you use inventory products & services, QuickBooks automatically calculates the cost of goods sold for you when you record your sale of inventory. You learn about this in the Inventory chapter.

Expenses

Expense accounts track what your business spends on regular expenses like rent, insurance and payroll. Expenses are also often called "overhead" and don't tend to increase or decrease based on the work you perform.

Run a Profit and Loss

1. Select Reports: Company & Financial from the menu.
2. Select the appropriate Profit and Loss report.

Note: You will learn how to print/send and export to Excel in the Working with Reports Chapter.

Account Types

The most important element when working with the Chart of Accounts is the Account Category Type. This must be correct, or your financial statements will be wrong!

Account Types - Balance Sheet

QuickBooks Type	Description	Examples
Bank	Your bank accounts	Checking, Savings and Petty Cash
Accounts Receivable	What your customers owe you	Accounts Receivable
Other Current Asset	Assets likely to be turned into cash within 1 year	Inventory, Short-term Investments and Undeposited Funds
Fixed Asset	Assets expensed over more than 1 year	Furniture & Fixtures and Computer Equipment
Other Asset	Assets that do not belong in other types	Long-term Investments
Accounts Payable	What you owe vendors in open bills	Accounts Payable
Credit Card	Company credit cards used to make purchases	AMEX, Mastercard, and VISA
Other Current Liability	Liabilities you'll pay off within 1 year	Sales Taxes Payable and Payroll Taxes
Long Term Liability	Liabilities that take longer than 1 year to pay off	Mortgage Payable and Long-term Bank Notes
Equity	Owner's investments and draws out of the business	Owner's Contribution and Owner's Draw and Retained Earnings

Account Types - Profit & Loss

QuickBooks Type	Description	Examples
Income	Revenue generated through sales/donations	Product Sales, Service Income and Donations
Cost of Goods Sold	Cost you pay for products sold/services performed	Materials and Cost of Sales
Expense	Operating expenses and overhead	Insurance, Office Supplies and Rent
Other Income	Income earned outside of normal operations	Credit Cards Rewards, Cash Rewards and Interest Income
Other Expense	Non-operating expense	Interest Expense

Add Accounts/Subaccounts
Add Account
1. Select the Chart of Accounts icon on the Home page.
2. Select the Account button.
3. Select New from the menu.

4. Select the appropriate Account Type.
5. Select Continue.

6. Enter remaining information in the Add New Account window.
7. Select Save & Close.

Subaccounts allow you to track your business in more detail by grouping accounts together in a logical fashion. Subaccounts are useful when you print financial statements because they group together related accounts and show a subtotal for the group. QuickBooks supports five account levels.

Add Subaccount
1. Select the Chart of Accounts icon on the Home page.
2. Select the Account button.
3. Select New from the menu.
4. Select the appropriate Account Type.
5. Select Continue.

6. Enter remaining information in the Add New Account window.
7. Select the box next to Subaccount of.
8. Select the Subaccount of drop-down arrow and select the appropriate account.
9. Select Save & Close.

Change Account to Subaccount

1. Click the Chart of Accounts icon on the Home page.

NAME	TYPE	BALANCE TOTAL	ATTACH
Salaries	Expense		
Postage and Delivery	Expense		
Printing and Reproduction	Expense		
Reconciliation Discrepancies	Expense		
Rent	Expense		
Machine Rent	Expense		
Equipment Rental	Expense		
Office Rent	Expense		
Repairs	Expense		
Building Repairs	Expense		
Equipment Repairs	Expense		
Subcontractors	Expense		
Taxes	Expense		

Chart of Accounts window: Look for account name or number [Search] [Reset]. Buttons: Account ▾, Activities ▾, Reports ▾, Attach, ☐ Include inactive.

2. Move the cursor over the diamond to the left of the account that will become a subaccount.

3. Click and drag the account to move below the parent account.

4. Click and drag the account to move to the right.
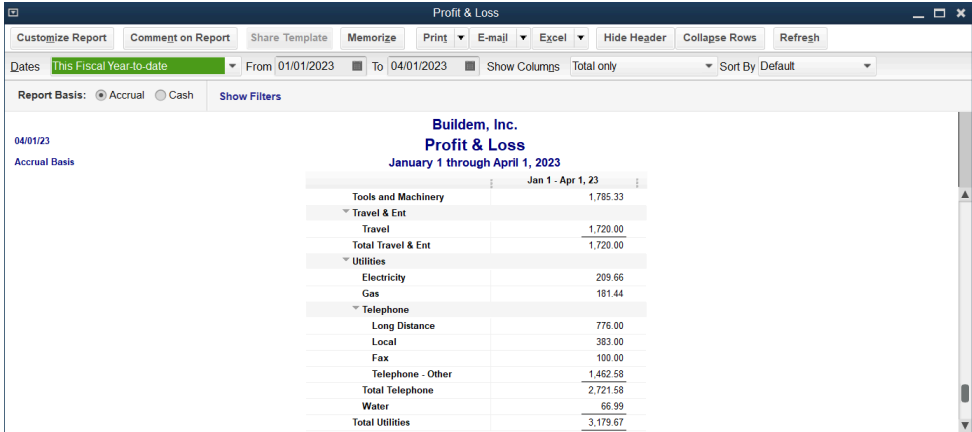
5. If the list is no longer in order alphabetically, Click View, Re-sort to return the list to its original order.

Collapse Financial Statements

When printing financial statements with subaccounts, the collapse rows feature allows you to hide the subaccounts and only show the parent accounts. You can collapse different levels of subaccounts or all of the subaccounts.

Collapse/Expand Financial Statements

1. Select Reports:Company & Financial from the menu.
2. Select the appropriate report.

3. Select the arrows to the left of the accounts to collapse individual accounts, or select the Collapse Rows button to collapse all the subaccounts.
4. Select the arrows to the left to expand the individual subaccounts, or select the Expand Rows button to expand all the subaccounts.

General Journal Entries

Occasionally, you may need to change the balances of your accounts in the chart of accounts. These entries are general journal entries. When entering journal entries, the Debit total and Credit total must equal.

Make General Journal Entry

1. Select Company:Make General Journal Entries from the menu.
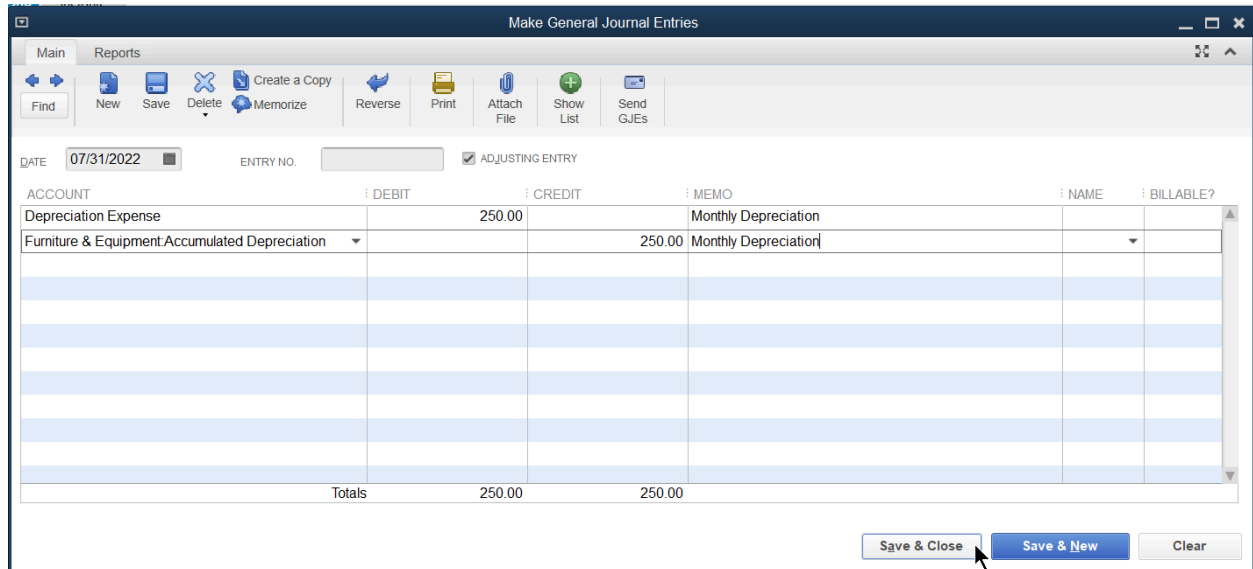
2. Enter the information in the Make General Journal Entries window.
3. Select Save & Close.

Note: Journal Entries can be memorized for automatic entry each month.

Your Financial Statements

Review a Comparison Balance Sheet

1. Select Reports:Company & Financial:Balance Sheet Prev Year Comparison from the menu.

Review a Profit & Loss Statement-By Month

1. Select Reports:Company & Financial:Profit & Loss Standard from the menu.
2. Select the Columns drop-down arrow and select Month.

Review a Profit & Loss Statement-% of Income

1. Select Reports:Company & Financial:Profit & Loss Standard from the menu.
2. Select the Customize Report button.
3. Select the % of Income box below Add subcolumns for.
4. Select OK.

Review a Profit & Loss Statement-Cash Basis

1. Select Reports:Company & Financial:Profit & Loss Standard from the menu.
2. Select the Cash button next to Report Basis.

Note: When running financial statements, choose the appropriate report basis. Accrual basis shows transactions in the period when the service was performed or when the goods were delivered, not when it was paid. Cash Basis shows transactions in the period when it was paid.

Company Snapshot

Review and Customize the Company Snapshot

1. Select Company:Company Snapshot from the menu.

2. Select Add Content.
3. Select the left or right arrow buttons to browse the available snapshot panels.
4. Select the Add button next to the desired panel.
5. Select Done to hide the available snapshot panels.
6. Select and drag a panel heading to reposition a panel.
7. Make additional selections as appropriate to customize individual panels.
8. Select a panel down arrow to view additional options, such as Print or Print Preview.
9. Select X on a panel to remove it from the Company Snapshot window.
10. Select OK (if prompted) to confirm the deletion.

Insights Tab
Review and Customize the Insights Tab
1. Select the Insights tab.
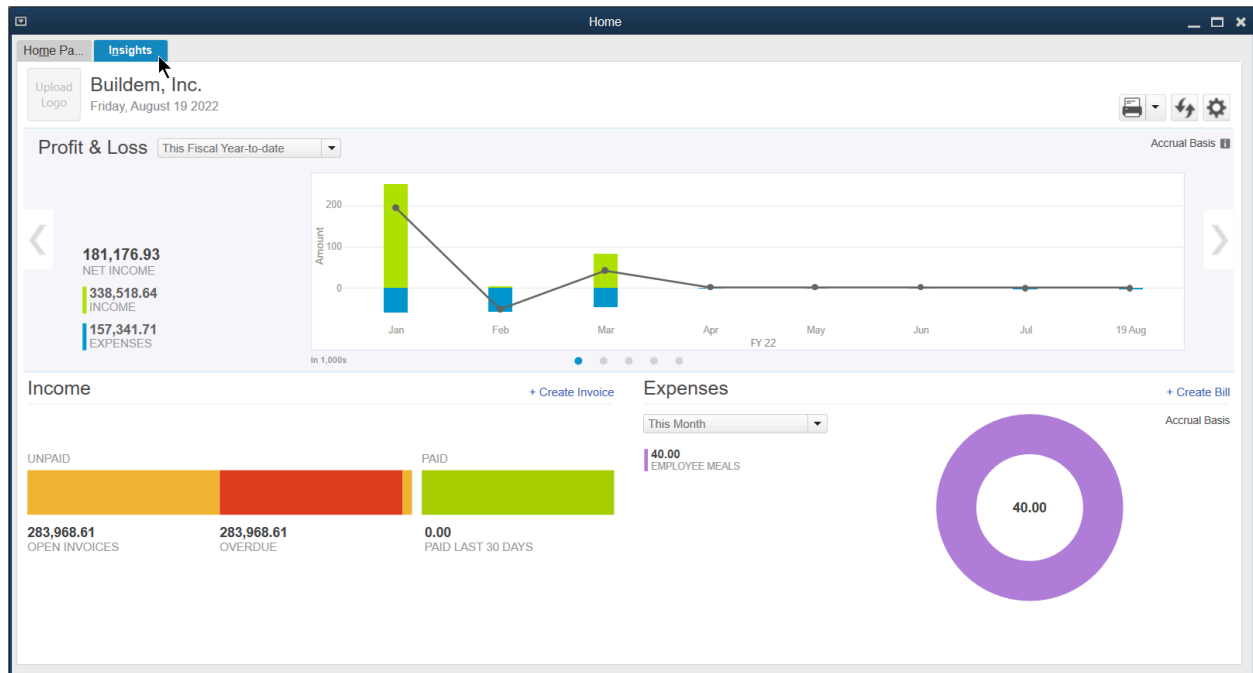
2. Select the gear icon to add or remove reports.
3. Select the report(s) to add.
4. Select OK.
5. Make the appropriate selections on each panel to customize the panel

Chapter 4

Items

Understanding Items

Items are critical to maximizing the use of QuickBooks. Items perform these functions in QuickBooks.

1. Any line item on a purchase order, invoice, or estimate must be set up as an Item.
2. Items make it easier to fill out sales forms.
3. Items act as *pointers* for the financial statements. In other words, items handle the behind the scenes accounting for sales and purchases.
4. Items allow you to track quantities purchased and sold in addition to dollars purchased and sold.

Item List

Item on Invoice

QuickBooks Foundations Desktop - Items Page 60

How Much Detail

How much detail is necessary when setting up items? The rule of thumb is to set up as much detail as possible to get the full benefit of items. However, the limit is 14,500 items in a QuickBooks company file (unlimited in QuickBooks Enterprise Solutions). A good method is to set up individual items if you will use the item more than once. If you will only use the item once, a *generic* item might be more appropriate.

Service Item

Item List - Service Item

Item Types

When adding an item, the key element is the *Type*. QuickBooks is very restrictive when allowing changes in the type. Therefore, it is critical they are set up correctly.

Item Type	Description	Use If You-
Service	Services provided to or from others	Buy or sell services

Item Type	Description	Use If You-
Inventory Part	Inventory you purchase, track as inventory, and then sell	Track quantities, value, and number on order of inventory
Non-inventory Part	Materials or parts for which you do not track quantities	Do not track the quantity of inventory
	Materials or parts you buy but do not sell	Purchase items that are not sold
	Materials or parts you sell but do not buy	Sell items that are not purchased
Inventory Assembly	Inventory items you assemble from other inventory, non-inventory, inventory assembly, other charge, and service items and then sell	Assemble finished goods from components * Not available in Pro.

Item Type	Description	Use If You-
Other Charge	Miscellaneous charges	Show freight, handling, or delivery charges on PO or invoice
Subtotal	Used to calculate subtotals	Show subtotal on invoice or PO
Group	Allows fast entry of a group of individual items	Often sell or buy the same group of items
Discount	Calculates an amount or percent to be subtracted from a total or subtotal	Give or receive discounts off the sales price
Payment	Used to split into multiple payments types on sales receipts	Enter daily sales onto a sales receipt
Sales Tax Item	Calculates a single sales tax	Charge customers for sales taxes
Sales Tax Group	Calculates two or more sales taxes grouped together on the same sale	Charge customers for a combination of sales tax rates as one line item on invoice

Add Items

1. Select the Items & Services icon on the Home page.
2. Select the Item button.
3. Select New from the menu.
4. Select the appropriate item Type.
5. Enter remaining information in the New Item window.
6. Select OK.

Inventory Part

Non-Inventory Part

Service (Performed by Subcontractor)

Reports

Review the Sales by Item Summary

Select Reports:Sales:Sales by Item Summary from the menu.

		Sales by Item Summary								— ☐ ✕
Customize Report	Comment on Report	Share Template	Memorize	Print ▼	E-mail ▼	Excel ▼	Hide Header	Collapse Rows	Refresh

Dates Custom ▼   From 01/01/2023 To 04/01/2023   Show Columns Total only ▼ Sort By Default

Report Basis: ◉ Accrual ○ Cash   **Show Filters**

Buildem, Inc.
03/02/21
Sales by Item Summary
Accrual Basis
January 1 through April 1, 2023

	Jan 1 - Apr 1, 23			
	Qty	Amount	% of Sales	Avg Price
Inventory				
Cedar Door (Natural Cedar Door)	14	6,999.45	1.9%	499.96
Door Knob (Deluxe Brass Door Knob)	176	8,635.13	2.3%	49.06
Glass Door (Deluxe, Customized Clear Glass Patio Door)	25	9,899.75	2.6%	395.99
Oak Door (Old-fashioned varnished oak door)	41	45,969.00	12.3%	1,121.20
Regular Door (Regular wood door.)	10	750.00	0.2%	75.00
Walnut Door (Natural varnish Walnut Door)	50	39,997.50	10.7%	799.95
Total Inventory	316.00	112,250.83	30%	355.22
Parts				
Bag Of Nails (Deluxe Container with 2' Heavy Duty Nails)	150	2,492.50	0.7%	16.62
Bag of Washer (Heavy duty deluxe bag of washers (various siz...	50	1,497.50	0.4%	29.95
Bolts (1/4" bolts)	301	6,085.00	1.6%	20.22
Total Parts	501.00	10,075.00	2.7%	20.11
Service				
Double Install (Install double doors (oak))	128	179,465.00	48%	1,402.07

Review a Purchases by Item Summary
Select Reports:Purchases:Purchases by Item Summary from the menu.

Purchases by Item Summary				
Customize Report	Comment on Report	Share Template	Memorize	Print ▼ E-mail ▼ Excel ▼ Hide Header Collapse Rows

Dates Custom ▼ From 01/01/2023 To 04/01/2023 Show Columns Total only ▼ Sort By De

Report Basis: ● Accrual ○ Cash **Show Filters**

Buildem, Inc.
Purchases by Item Summary
January 1 through April 1, 2023

03/02/21
Accrual Basis

	Jan 1 - Apr 1, 23	
	Qty	Amount
Inventory		
Cedar Door (Natural Cedar Door)	45	13,499.55
Garage Door (All-weather customer garage door.)	50	37,497.50
Steel Locks (Regular dead-bolt lock.)	100	995.00
Total Inventory	195.00	51,992.05
Service		
Lock Repairs		
Lock Repair-Brad (Repair by senior specialist Brad.)	100	3,500.00
Lock Repair-David (Repair by senior specialist David.)	90	4,580.00
Lock Repair-Thelma (Repair by senior specialist Thel...	100	4,000.00
Lock Repairs - Other	50	1,085.00
Total Lock Repairs	340	13,165.00
Total Service	340.00	13,165.00
Other Charges		
Freight (Freight Costs)	0	4,250.00
Total Other Charges	0.00	4,250.00
TOTAL	535.00	69,407.05

Review an Item Profitability Report
Select Reports:Jobs, Time & Mileage:Item Profitability from the menu.

	Act. Cost	Act. Revenue	($) Diff.
Inventory			
Cedar Door (Natural Cedar Door)	8,699.71	14,498.70	5,798.99
Door Knob (Deluxe Brass Door Knob)	6,327.20	8,635.13	2,307.93
Glass Door (Deluxe, Customized Clear Glass Patio Door)	4,998.75	9,899.75	4,901.00
Lock (Lock with Kryptonite key)	928.45	2,168.45	1,240.00
Oak Door (Old-fashioned varnished oak door)	30,709.00	45,969.00	15,260.00
Regular Door (Regular wood door.)	749.25	1,099.75	350.50
Steel Locks (Regular dead-bolt lock.)	149.25	239.25	90.00
Walnut Door (Natural varnish Walnut Door)	24,799.50	39,997.50	15,198.00
Total Inventory	77,361.11	122,507.53	45,146.42
Parts			
Bag Of Nails (Deluxe Container with 2' Heavy Duty Nails)	0.00	3,139.25	3,139.25
Bag of Washer (Heavy duty deluxe bag of washers (various siz...	0.00	1,797.00	1,797.00
Bolts (1/4" bolts)	0.00	6,683.50	6,683.50
Sod (20 lb sack of sod.)	0.00	500.00	500.00
Total Parts	0.00	12,119.75	12,119.75

Chapter 5

Money In I

Customers and Jobs
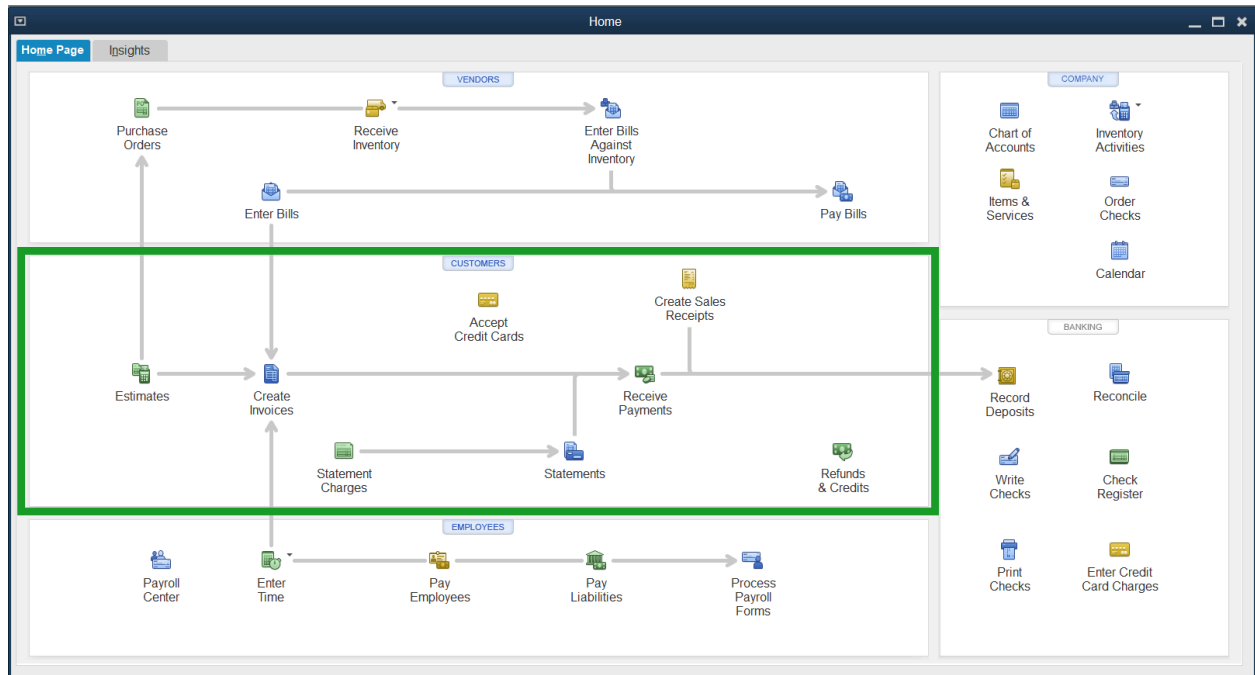
The Customer Center stores information about your customers and the jobs you perform for them.

Note: If you start typing you can get to the name very quickly (the cursor is dark green, don't use the search box).

Should you use customers?

To invoice a customer, you must first add a customer to the Customers & Jobs list.

Add Customers

1. Select the Customer Center icon.
2. Select the Customers & Jobs tab in the Customer Center window.
3. Select the New Customer & Job drop-down arrow and select New Customer.
4. Enter appropriate information in the New Customer window.
5. Select OK.

Payment Settings

Additional Info

Should you use jobs?

QuickBooks uses jobs to track income and expenses by project. For instance, a construction company that builds homes might build 20 homes during a year. It is critical that they know which houses are profitable and which are not. They should enter each house as a job.

Add Jobs

1. Select the Customer Center icon.
2. Select the Customers & Jobs tab in the Customer Center window.
3. Select the appropriate customer or job in the list.
4. Select the New Customer & Job drop-down arrow and select Add Job.

5. Enter appropriate information in the New Job window.
6. Select OK.

Recording Sales

There are 4 ways to record sales in QuickBooks.

Method 1- Invoice

Use this method if a customer owes you money and will pay you later.
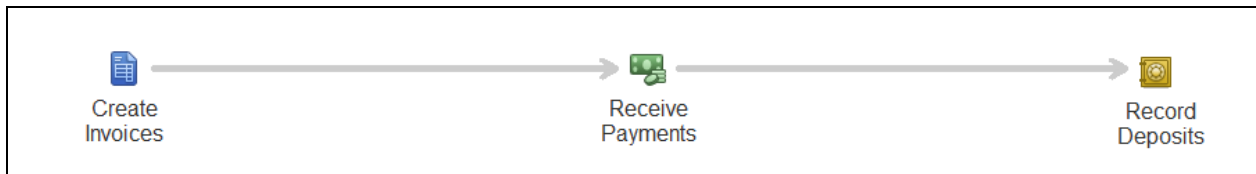
Method 2- Sales Receipt

Use this method if your customer pays you at the time of the sale.
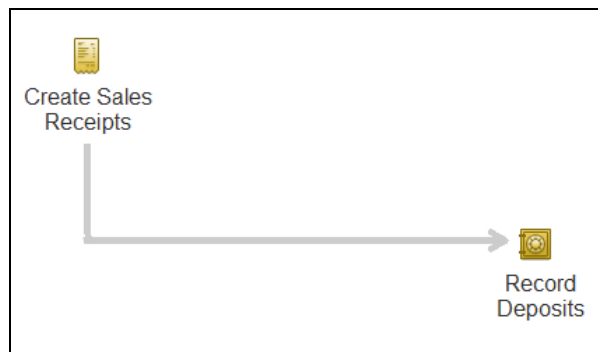
Method 3- Deposit

Use this method to record income on a deposit, when you do not use any of the previous methods.
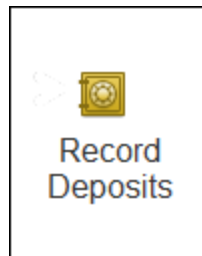
Method 4- Import from Other Program

There are 100s of compatible programs that work with QuickBooks. You record sales in the other program and send it to QuickBooks.

Money In Workflow

Accounts Receivable

No Accounts Receivable

```
        Customer
        pays at the time
        of sale?
No ←                    → Yes
```

Invoice

Sales Receipt

Receive Payment

Make Deposits: You can skip Invoice/Sales Receipts and go straight to Make Deposit, but you will not have any Sales Reports or Customer Statements.

Undeposited Funds
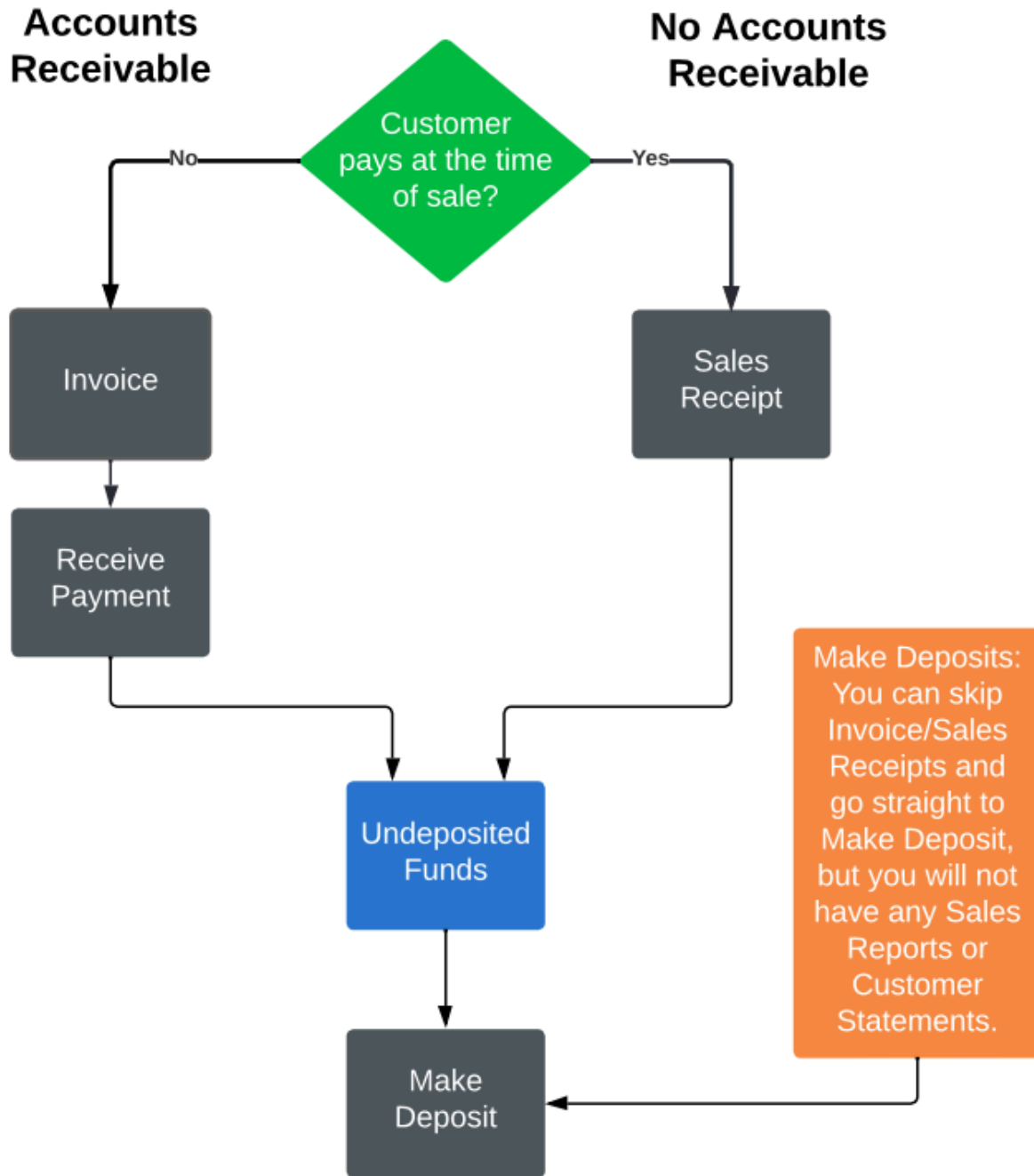
Make Deposit

Method 1-Invoice

Steps for Method 1

1. Create Invoice
2. Receive Payment
3. Make Deposit
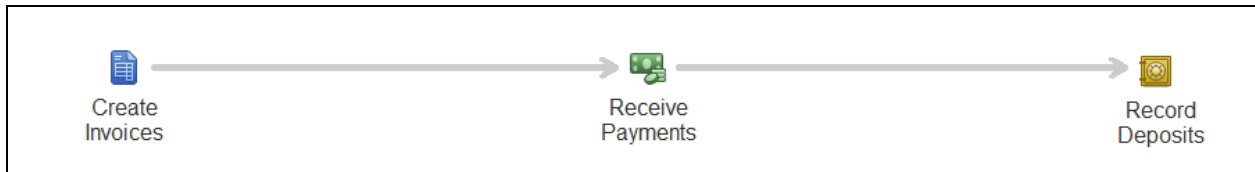
Create Invoice

1. Select the Create Invoices icon on the Home page.
2. Select the Customer:Job drop-down arrow and select the appropriate customer or job.
3. Enter remaining information in the Create Invoices window.
4. Select Save & Close.

Service Invoice

Product Invoice

Email Invoice

Email While in Invoice

While in the Invoice, select the down arrow next to the Email Button and Invoice or Batch.

Setting Up an Email
1. Select Edit:Preferences:Send Forms from the menu.
2. Select My Preferences

Edit Email Templates
1. Edit the email template by selecting Edit:Preferences Send Forms
2. Select Company Preferences

Print Invoices

Print While in Invoice

1. While in the Invoice, select the down arrow next to the Print Button and Invoice or Batch.
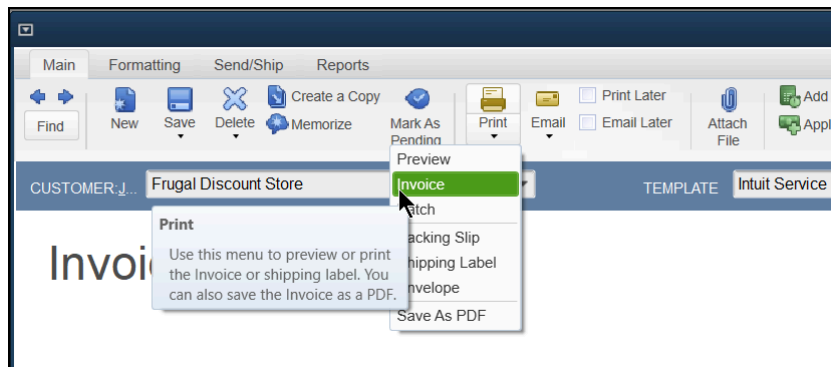
2. Select File:Print Forms:Invoices from the menu.
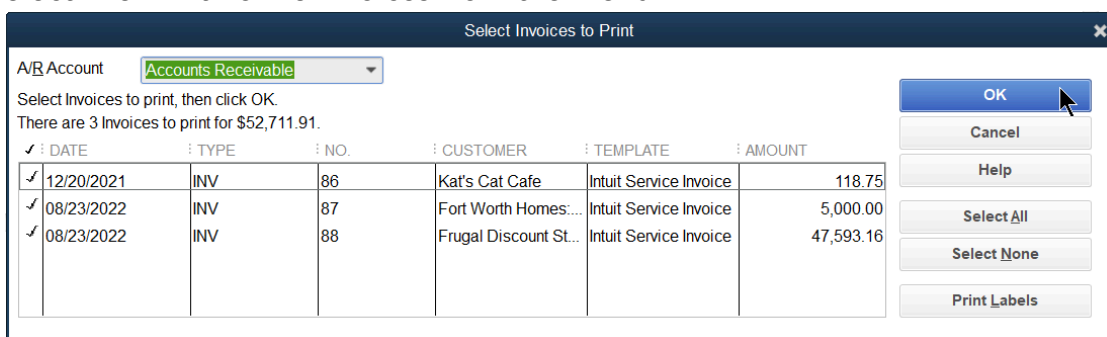
3. Select OK.
4. Select the appropriate batch to print, and select Print in the Print Invoices window (if applicable).
5. Enter appropriate information in the Print Invoices window.
6. Select Print.
7. Select OK in the Print Invoices - Confirmation window.

Note: Once the invoice is printed, it will be removed from the Print Later Queue.

Review Accounts Receivable Aging Summary

Select Reports:Customers & Receivables:A/R Aging Summary from the menu

Undeposited Funds

When you receive a customer's payment it is automatically placed into an asset account called Undeposited Funds. This is a temporary holding place for received payments until a Deposit is made.

A number will appear on the Record Deposits icon on the homepage indicating how many payments are in Undeposited Funds.

When you select Record Deposits, you match up all checks that are going to the bank that day, and it will drop the payments into a deposit slip window. Once you have placed all payments in a deposit, then Undeposited Funds will go to zero.

Note: You can edit the name of the account to represent where you actually keep your money (e.g. Payments to be Deposited).

NAME	TYPE	BALANCE TOTAL	ATTACH
Chase Checking 1234	Bank	92,843.05	
Money Market	Bank	48,688.07	
Petty Cash	Bank	0.00	
Savings	Bank	4,500.00	
Accounts Receivable	Accounts Receivable	336,561.77	
Finished Goods Inventory	Other Current Asset	0.00	
Inventory	Other Current Asset	116,023.81	
Payroll Asset	Other Current Asset	0.00	
Prepaid Expenses	Other Current Asset	0.00	
Raw Materials Inventory	Other Current Asset	750.00	
Retainage Receivable	Other Current Asset	10,724.50	
Undeposited Funds	Other Current Asset	0.00	
Computer Equipment	Fixed Asset	0.00	

Receive Payments

1. Select the Receive Payments icon on the Home page.

2. Select the Received From drop-down arrow and select the appropriate customer or job.
3. Enter remaining information in the Receive Payments window.
4. Select Save & Close.

Receiving a Partial Payment

The Result

The transaction is now listed in the Undeposited Funds account. In order to transfer it from undeposited funds into the correct bank account, follow the steps listed next to Record Deposits.

DATE	REF	PAYEE		DECREASE	✓	INCREASE	BALANCE
	TYPE	ACCOUNT	MEMO				
03/01/2022		Smith Hardware		22,209.40	✓		-22,209.40
	DEP	Deposit From: Chase Checking 1234					
03/01/2022	2	Smith Hardware			✓	22,209.40	0.00
	RCPT	-split-					
03/24/2022	82	Fort Worth Homes:Madison Development			✓	10,000.00	10,000.00
	INV	Accounts Receivable [split]	Payment on invoice				
03/31/2022	82	Fort Worth Homes:Madison Development		10,000.00	✓		0.00
	DEP	Deposit From: Chase Checking 1234	Payment on invoice				
08/23/2022	1111	Sun Valley Builders				1,500.00	1,500.00
	PMT	Accounts Receivable	Payment Inv #81($500) & Inv #79($1000)				
08/23/2022	3232	Frugal Discount Store				47,593.16	49,093.16
	PMT	Accounts Receivable	Payment on Inv #88				

☐ 1-Line

Sort by Date, Type, Number/Ref ▾

ENDING BALANCE   **49,093.16**

Make Deposits

1. Select the Record Deposits icon on the Home page.

2. Select the appropriate payment method(s) to view next to the View payment method type.
3. Select the line items to deposit.
4. Select OK.

Note: If you want to go back to this window, select Payments in the deposit window.

5. Enter any additional items for deposit in the Make Deposits window.
6. Select the Print button to print deposit slips and/or the deposit summary.

7. Select Save & Close.

Note: Undeposited funds is now reduced and has been transferred onto a deposit slip that is now found in the bank account.

Funds being deposited in the Checking account

Result in the Chart of Accounts

Chart of Accounts

Look for account name or number

NAME		TYPE	BALANCE TOTAL	ATTACH
Chase Checking 1234	⚡	Bank	141,936.21	
Money Market		Bank	48,688.07	
Petty Cash		Bank	0.00	
Savings	⚡	Bank	4,500.00	
Accounts Receivable		Accounts Receivable	287,468.61	
Finished Goods Inventory		Other Current Asset	0.00	
Inventory		Other Current Asset	116,023.81	
Payroll Asset		Other Current Asset	0.00	
Prepaid Expenses		Other Current Asset	0.00	
Raw Materials Inventory		Other Current Asset	750.00	
Retainage Receivable		Other Current Asset	10,724.50	
Undeposited Funds		Other Current Asset	0.00	
Computer Equipment		Fixed Asset	0.00	

Account ▾   Activities ▾   Reports ▾   Attach   ☐ Include inactive

Undeposited Funds

Go to...   Print...   Edit Transaction   QuickReport

DATE	REF	PAYEE		DECREASE	✓	INCREASE	BALANCE
	TYPE	ACCOUNT	MEMO				
08/23/2022	1111	Sun Valley Builders			✓	1,500.00	1,500.00
	PMT	Accounts Receivable	Payment Inv #81($500) & Inv #79($1000)				
08/23/2022	1111	Sun Valley Builders		1,500.00	✓		0.00
	DEP	Chase Checking 1234 [split]	Payment Inv #81($500) & Inv #79($1000)				
08/23/2022	3232	Frugal Discount Store			✓	47,593.16	47,593.16
	PMT	Accounts Receivable	Payment on Inv #88				
08/23/2022	3232	Frugal Discount Store		47,593.16	✓		0.00
	DEP	Chase Checking 1234 [split]	Payment on Inv #88				

☐ 1-Line   ENDING BALANCE   **0.00**

Sort by   Date, Type, Number/Ref ▾

Reports

Review an Open Invoices Report

Select Reports:Customers & Receivables:Open Invoices from the menu.

Note: If you see a zero balance or invoices that have really been paid, or credits in this report then you have not connected the payments or credits to the open invoices.

Review a Collections Report

Select Reports:Customers & Receivables:Collections Report from the menu.

Income Tracker

The Income Tracker allows you to easily see your Accounts Receivable transactions in one place. Select from the available categories at the top of the window to see Unbilled, Unpaid, or Paid transactions.

Review the Income Tracker

1. Select Customers:Income Tracker from the menu.
2. Make the appropriate selections in the Income Tracker window.

Chapter 6

Money In II

Method 2-Sales Receipts

Enter sales receipts when your customer pays you in full at the time of the sale.

Scenarios for using a Sales Receipt (not limited to)

- Retail sales
- Walk in sales
- Donations
- Online Sales

Steps for Method 2

1. Create Sales Receipt
2. Make Deposit
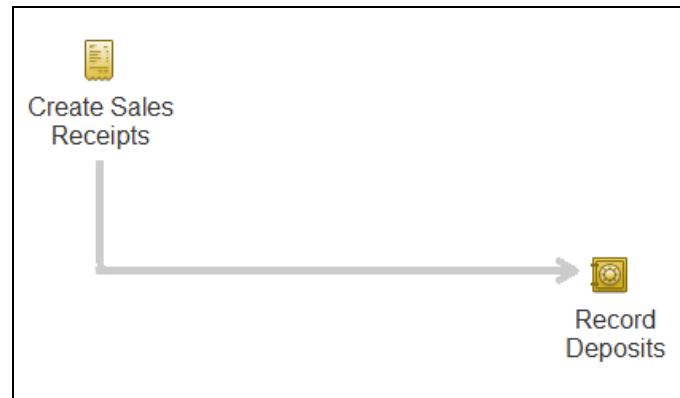
Enter Sales Receipts

1. Select the Create Sales Receipts icon on the Home page.

2. Select the Customer:Job drop-down arrow and select the appropriate customer or job.
3. Enter remaining information in the Enter Sales Receipts window.
4. Select Save & Close.

Make Deposit

1. Select the Record Deposits icon on the Home page.
2. Select the line items to deposit.
3. Select OK.

Note: You can batch payments for invoices and sales receipts in the same deposit.

Limitations of Sales Receipts

1. Can't track a due date for the payment (they have paid immediately)
2. Cannot track balance (Sales receipts don't affect the customer balance in the customer center because they do not have time to pay like they would in an invoice situation).
3. Are not going to show up on Customer Statements

Advantages of Sales Receipts

1. There is only one step required to record both income and payment.
2. QuickBooks does not require Customer in Sales Receipt transactions.
3. No effect on Accounts Receivable.
4. Can include details about the products sold.

Method 3 - Make Deposits

Use this method to record income on a deposit, when you do not use any of the previous methods.

Steps for Method 3

Make Deposit

1. Select the Record Deposits icon on the Home page.
2. Select OK.

3. Enter any amounts to deposit in the Make Deposits window.
4. Select the Print button to print deposit slips and/or the deposit summary.
5. Select Save & Close.

Limitations of Lump-Sum Deposits

1. You can't use items
2. You can't record sales tax
3. Does not show on Sales Reports or Customer Statements, Only Profit and Loss

Scenarios to Use Lump-Sum Deposits

1. Great for non-profits whose only income is one or two large donations checks per year.
2. Great for restaurants or retail using a third party or POS to track sales details outside of QuickBooks.
3. To record money the owner gives from their personal bank account to the business.

Method 4-Import from Other Program

With Method 4 another program designed for your industry determines how the sales data imports into QuickBooks.

Visit the QuickBooks Desktop Marketplace for Apps

In your browser, visit desktop.apps.com.

Credit Memos Intro

Use this form to issue a customer credit for a previously recorded sale. You can create a refund check as part of this process. You should create credit memos if you use methods 1, 2. You should not create credit memos if you use methods 3 or 4.

Scenarios to Use a Credit Memo

- Providing discounts to a customer with an outstanding balance
- Bad Debt- when a customer does not pay what they owe and the company incurs the charge
- To reverse incorrect invoices
- Use a credit memo to give refunds or credits for a current or future invoice.

Limitations of Credit Memos

- Using a Credit Memo for sales tax vs. non sales tax, you must handle each differently.

Using Credit Memos

When entering in a credit memo, three options are available as to how you can use/apply to the customer account.
1. Retaining as Available Credit
2. Giving a Refund
3. Apply to an Invoice
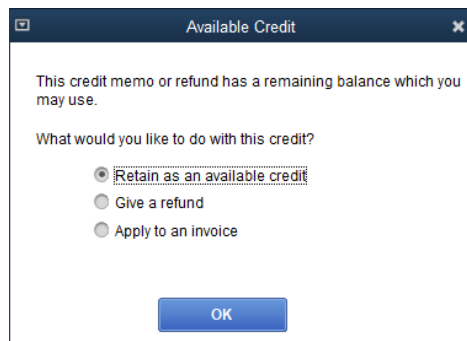
Option 1: Retaining as Available Credit

1. Select the Refunds & Credits icon on the Home page.
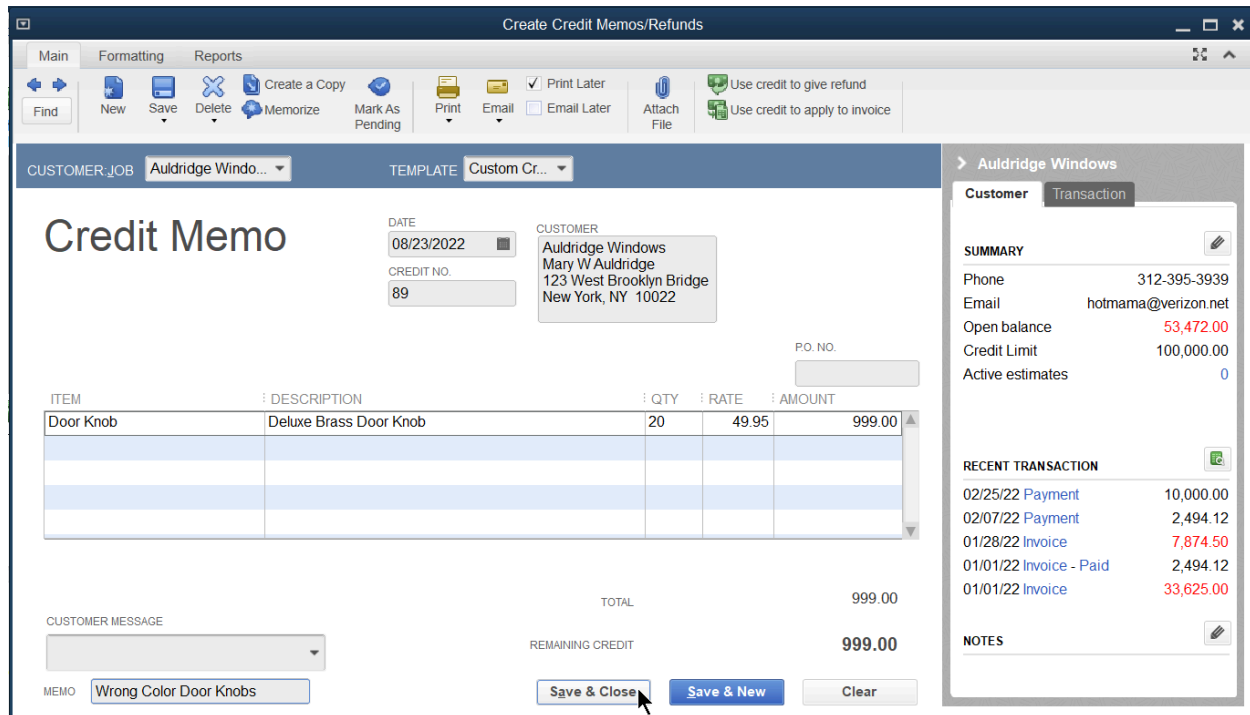
2. Select the Customer:Job drop-down arrow and select the appropriate customer or job.
3. Enter remaining information in the Create Credit Memos/Refunds window.
4. In the popup, select the option to Retain as an available credit.

5. On the customer account the credit will be visible in the transactions list. It will show an open amount that you can apply on a future invoice.
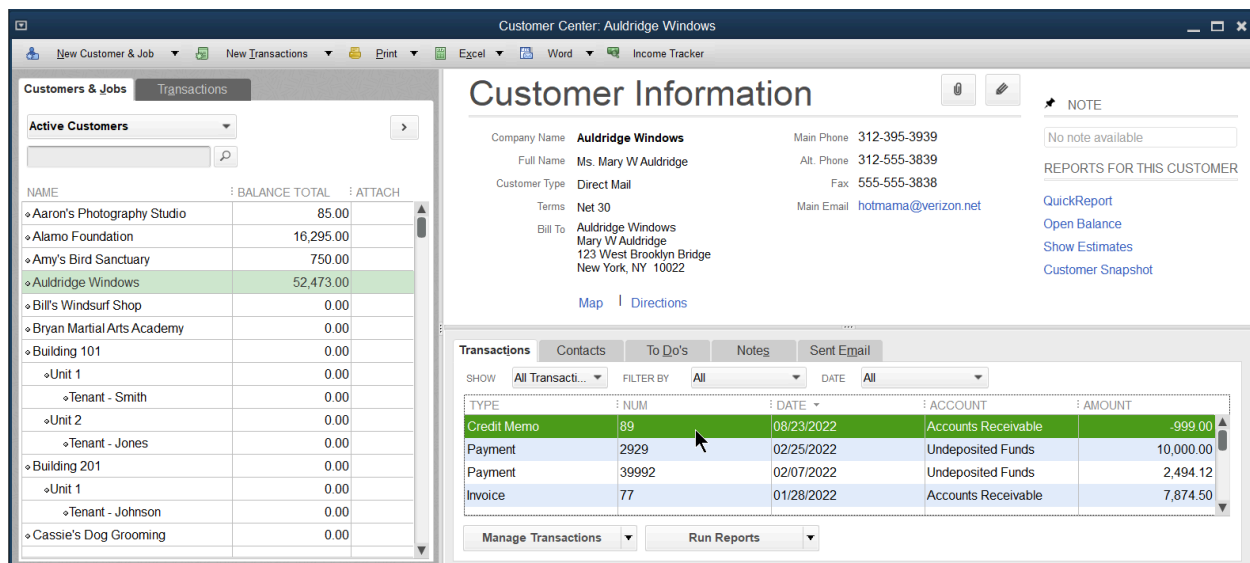
Option 2: Use Credit to Apply to Invoice

1. Select the Refunds & Credits icon on the Home page.

2. Select the Customer:Job drop-down arrow and select the appropriate customer or job.
3. Enter remaining information in the Create Credit Memos/Refunds window
4. In the pop-up window, select Apply Credit to Invoices
5. Select the Invoice(s) to apply the available credit to, enter the amount to apply to each invoice in the Amt. Applied column.
6. Select Done.

Option 3: Giving a Refund

1. Select the Refunds & Credits icon on the Home page.

2. Select the Customer:Job drop-down arrow and select the appropriate customer or job.
3. Enter remaining information in the Create Credit Memos/Refunds window.
4. Select the Use Credit to give refund button.

5. Make appropriate selections in the Issue a Refund window.
6. Select OK.
7. Select Save & Close.

Customer Statements

Use statements for two reasons:
1. To help remind customers of past due balances
2. To send activity of transactions for a specific period (e.g., invoices, payments)

Prepare Customer Statements
1. Select the Statements icon on the Home page.

2. Make appropriate selections below Select Statement Options, Select Customers, and Select Additional Options.
3. Select Print (or E-Mail).

All Open Transactions Statement

Activity Based Statement with Invoice Summary

1. To access, select Customers:Create Statements and enter in the desired details.

2. Then select Preview

Activity Based Statement with Invoice Item Detail

1. To access, select Customers:Create Statements and enter in the desired details.

2. Then select Preview

Reports

Review a Sales by Customer Summary (Collapsed)
1. Select Reports:Sales:Sales by Customer Summary from the menu.
2. Select the Collapse Rows button to show less detail.

Show % of Sales
Select the Customize Report button, select % of Column, and then select OK.

Show Report Columns by Month
At the top of the report, select Month from the Show Columns dropdown menu.

Show Cash Basis Report
At the top of the report, select Cash next to Report Basis.

Chapter 7

Customizing Forms

Introduction to Templates

You use a template to create nearly every transaction in QuickBooks. Any template with Intuit in front of its name, is a default template within the QuickBooks Desktop software and you cannot edit it. However, it is possible to make a copy of the template so that you can adjust the design as desired, through the Template dropdown. When ready to edit the template, select the Formatting tab found along the top of the transaction toolbar.
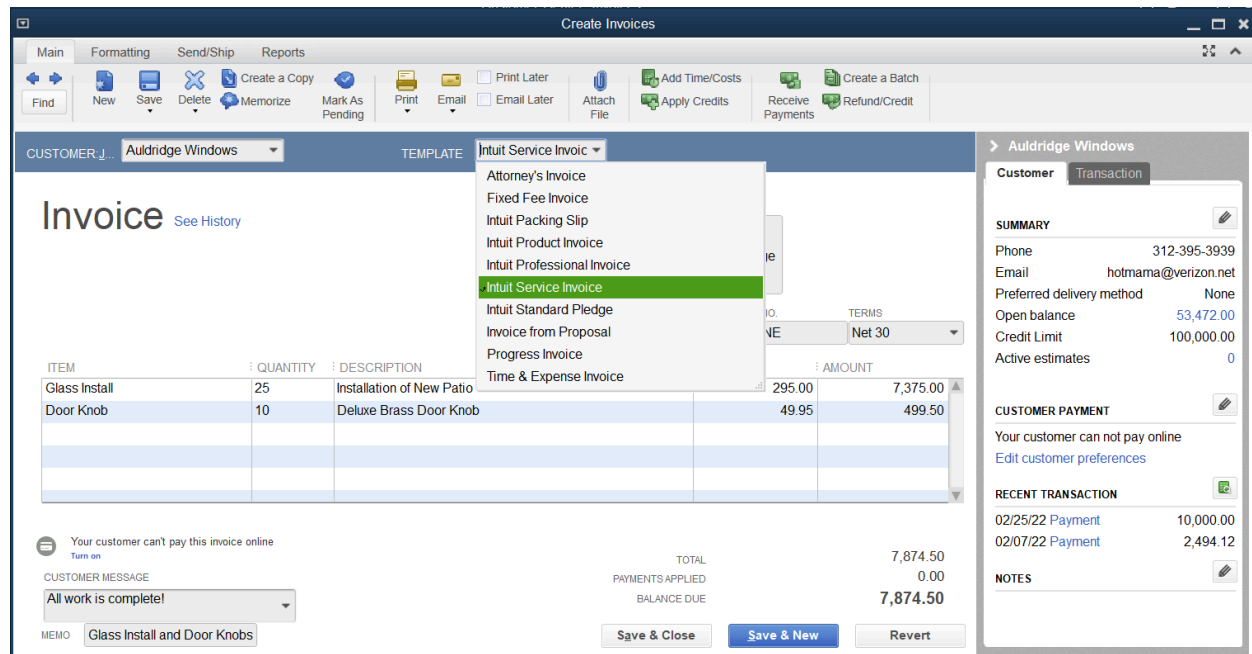

Create Template Design

You can select from existing professional design templates or create your own design. You can add your logo, and customize the fonts, colors, and grid styles.

QuickBooks makes it easy to apply your design to multiple templates at once for a consistent look across your different templates. (Additional fees may apply.)

You can make multiple templates for different types of customers. You can also change whether or not customers can see certain fields of your invoices. There are things that you might want to keep internal vs. being visible to your customers, such as the internal terminology vs. public terminology used in the business.

- Estimate (internal) and Bid or Quote (external)
- Invoice (internal) and Pledge (external)
- Sales Receipt (internal) and Donation or Daily Sales (external)

1. Open a template to customize.
2. Select the Formatting tab.
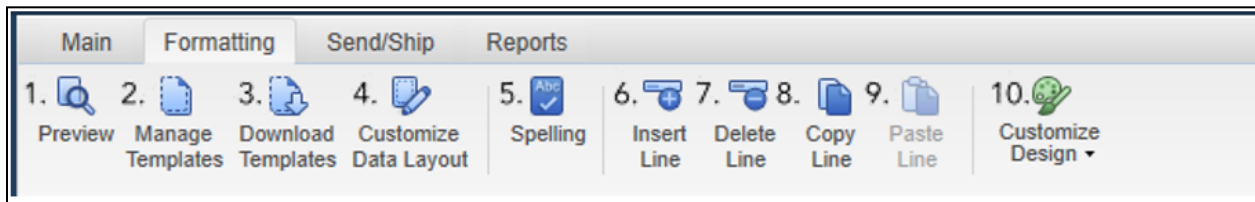
|	
1. Preview	See the template the way your customer/vendor will see it when you print or email it.
2. Manage Templates	View a list of templates so you can copy, rename, customize, and download additional templates.
3. Download Templates	Downloads customize templates to create the right image for your business.
4. Customize Data Layout	Customizes what information appears on a transaction and where it appears on the printed emailed version your customers/vendors see.
5. Spelling	Spell-checks the descriptions
6. Insert Line	Inserts a blank line above an item so you can type additional text, create space, or insert a new live item when applicable.
7. Delete Line	Deletes selected line item(s).
8. Copy Line	Copies selected line item(s).
9. Paste Line	Pastes copied line item(s).
10. Customize Design	Adds a professional look to your templates.

3. Select the Customize Design button.
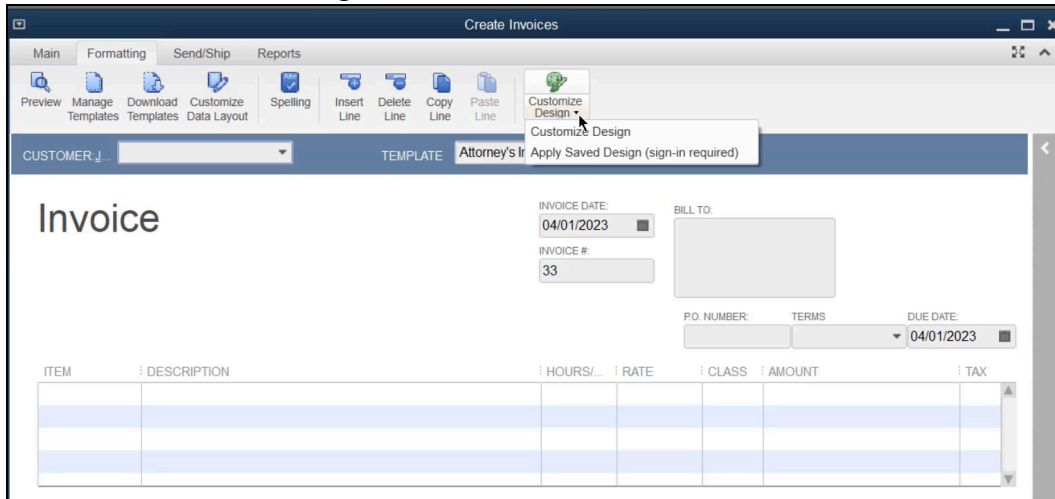
4. Make appropriate selections in the QuickBooks Forms Customization window.
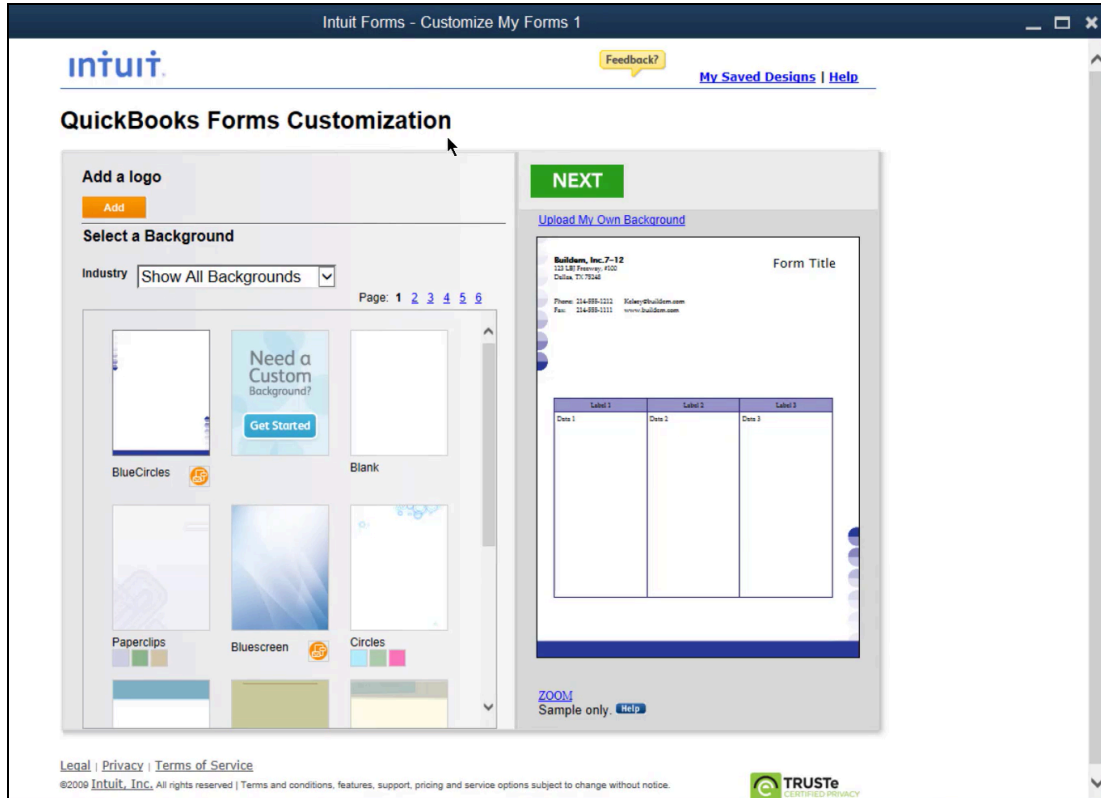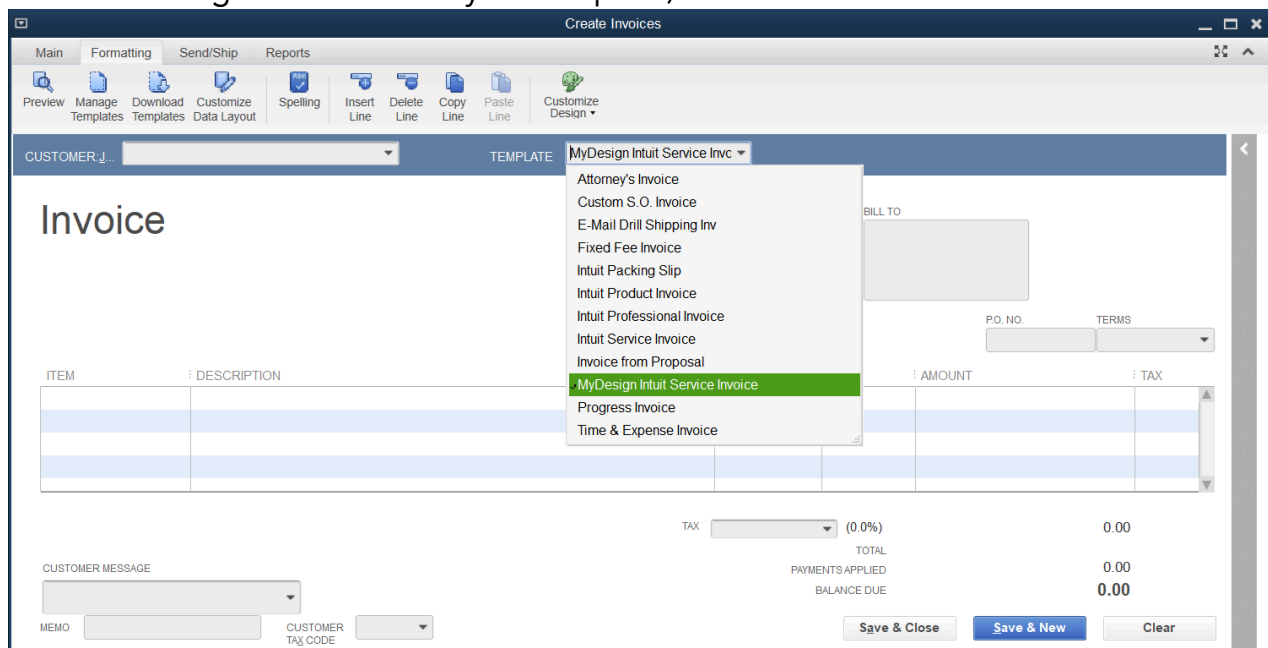
5. Preview the new design and select which forms to apply the design to.
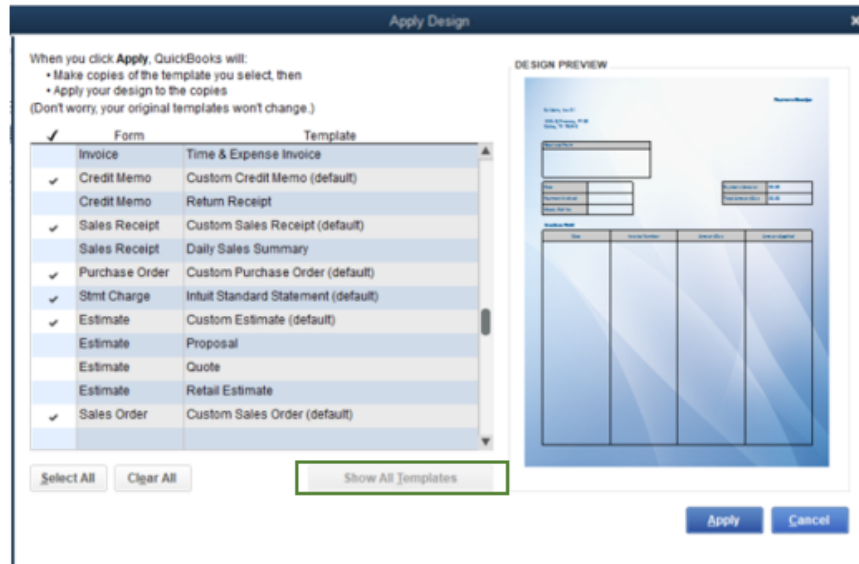
6. Select Apply (to find the template, you'll need to select Show All Templates and scroll through the list to find your template).


Customize Template Data Layout

You can change the data layout of several forms in QuickBooks. You can customize invoices, credit memos, sales receipts, purchase orders, statements, estimates, and sales orders. You can specify which fields and columns to include, the name that appears for them, and where they show up on the printed form. QuickBooks also enables you to add text box, data fields, and other image files to the printed form.

Customize Template Layout
1. Open a form to customize.
2. Select the Formatting tab.

3. Select Customize Data Layout.
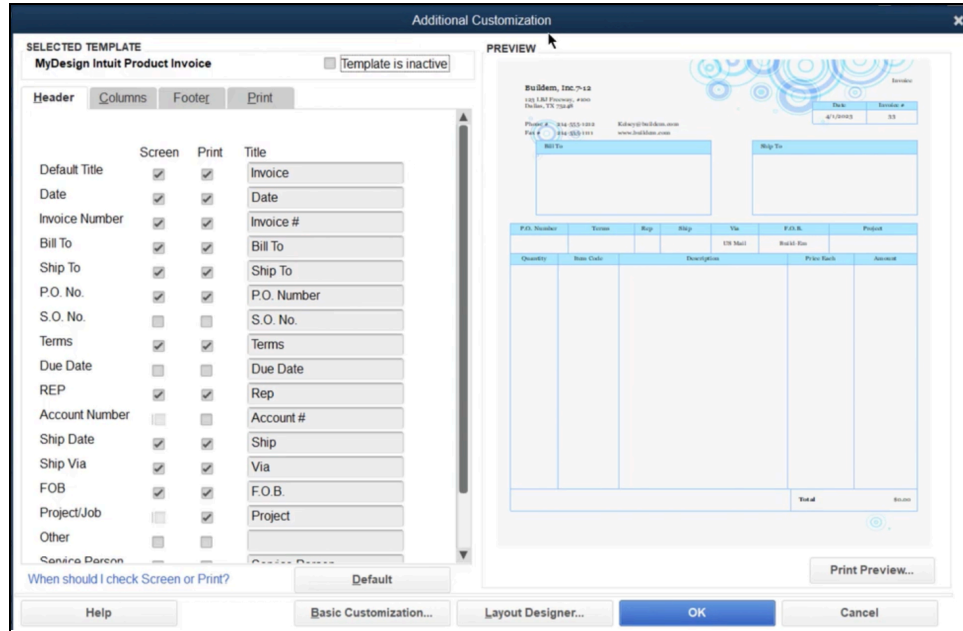
Default Title	The title that your customer sees
Date	The date of the transaction
Invoice #	Distinct number applied to the transaction
Bill To	Address and Name of the customer you are billing/charging the transaction to
Ship To	Address and Name of the customer to ship the item(s) to
P.O. Number	Related purchase order numbers to the transaction (if applicable)
S.O. Number	Related sales order numbers to the transaction (if applicable)
Terms	Length of time before the payment is due
Due Date	The date the payment is due
REP	The sales representative who made the sale on the transaction
Account Number	Customer account number
Ship Date	The date you expect to ship the items to the customer
Ship Via	Shipping details
F.O.B.	Free On Board / Freight On Board
Project/Job	Related project or job to this particular sale for the customer
Other	Custom Field shown in the Header
OK	Saves your changes
Cancel	Closes without saving your changes
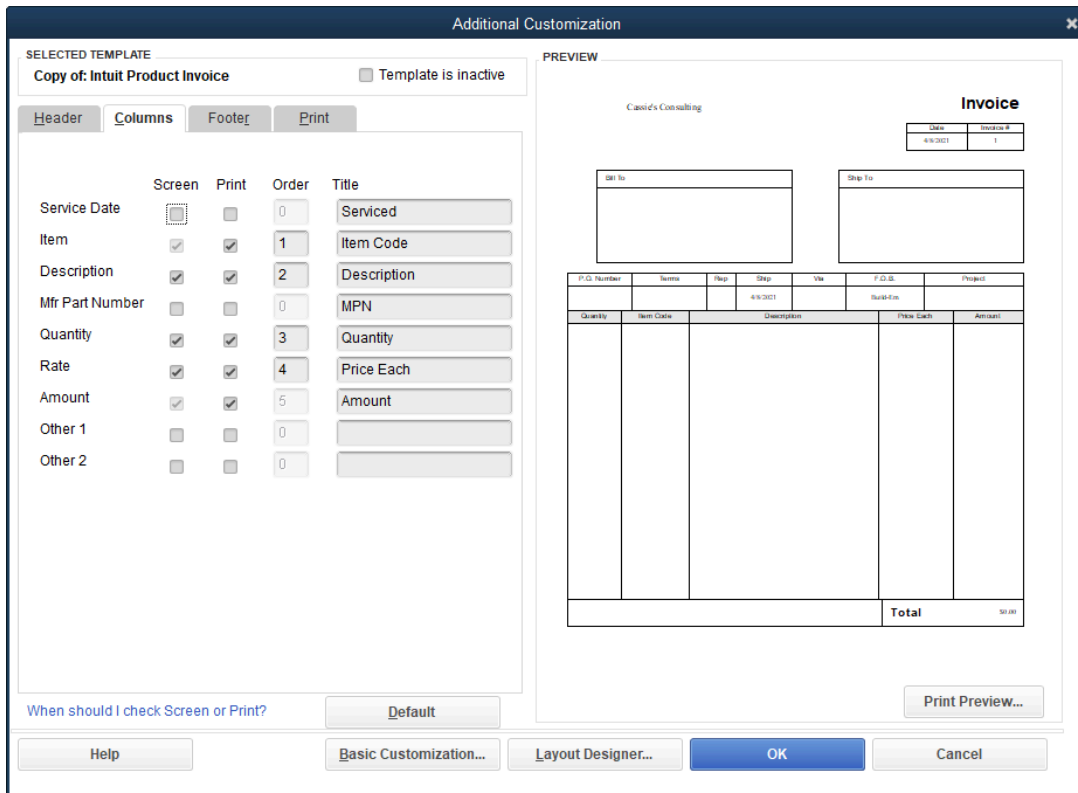
Service Date	Adds a date column for date of service performed/ goods sold
Item	What was sold/purchased on the transaction
Description	Description of item/service sold/purchased
Mfr. Part Number	Identifying number for items sold/purchased
Quantity	How many of each good or service sold/purchased
Rate	Rate for one item sold/purchased
Amount	Quantity x Rate for the line item

4. Select whether to include fields on screen by selecting the box below Screen. Select whether to print fields by selecting the box below Print.
5. Repeat steps for each tab in the Additional Customization window.
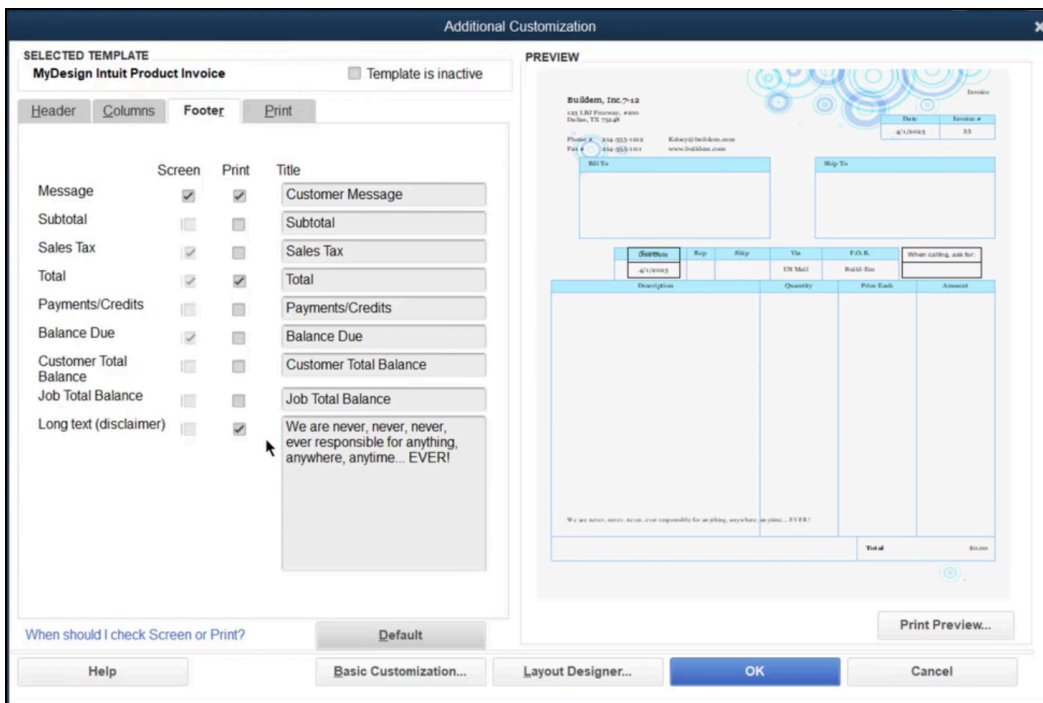
Message	Message to the customer
Subtotal	Total, less taxes
Sales Tax	Amount of sales tax
Total	Total dollar amount of entire transaction
Payments/Credits	Dollar amount of payments or credits applied to transaction
Balance Due	Current amount due on the transaction
Customer Total Balance	Customers current Accounts Receivable balance
Job Total Balance	The jobs' current Accounts Receivable balance
Long text (disclaimer)	(optional) Extra line to communicate to customer or provide legal disclaimer

6. Select the Layout Designer button to change the appearance of the printed form.
7. Make changes to the layout as appropriate.
8. Select OK in the Layout Designer window.
9. Select OK in the Additional Customization window.

Manage Templates

Duplicate/Download Templates

Duplicate a custom template to use it as a starting point for other forms. This makes it easier to create additional templates with the same "look and feel".

Duplicate Custom Template

1. Select Lists:Templates from the menu.
2. Select the template to duplicate.
3. Select the Templates button and select Duplicate.
4. Select the form type to create in the Select Template Type window.
5. Select OK. (Once duplicated you can edit the name and details on the template.)
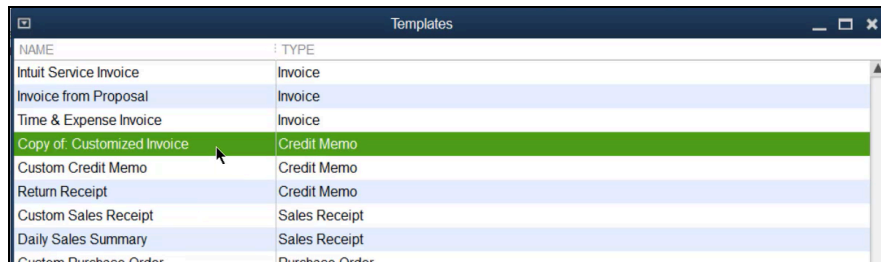
Download Custom Templates

1. Select Lists:Templates from the menu.
2. Select the Templates button and select Download Templates.
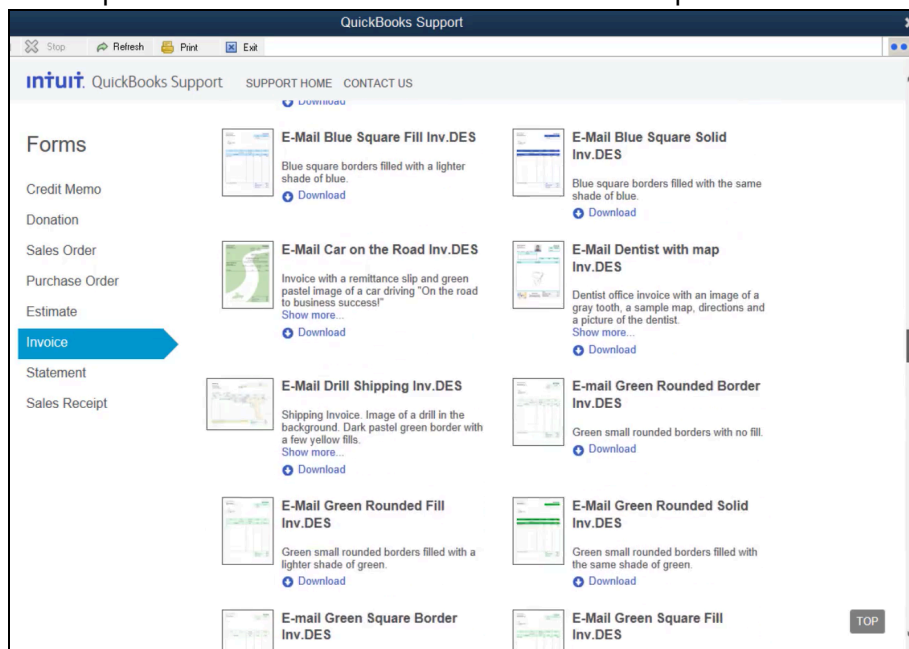
3. Select the form and select Download.
4. Save the template to your computer.

Making the New Template a Default

Note: After you record a transaction with a template, it becomes your default.

Chapter 8

Finding and Saving Time

There are a lot of ways to save time in QuickBooks. In this chapter you'll learn a few of those ways including …

- QuickBooks Calendar
- QuickBooks Search
- Keyboard Shortcuts
- Recurring Transactions

QuickBooks Calendar

For each day, the QuickBooks calendar shows you what is due (bills, invoices, and to do's) and what transactions you entered. You can also add to do's for future tasks. Customize Calendar settings with Calendar preferences.

Note: Your calendar may be different from others in your company, based on the security settings of the company.

This calendar is just used for QuickBooks information, it will not connect to Google Calendar or any other outside calendar applications.

Add a To Do

1. Select the QuickBooks Calendar icon on the Home page.
2. Select Add To Do.

3. Select the appropriate to do Type, Priority, and Due Date.
4. Enter the Details and an appropriate Status.
5. Select OK.

How to Find a Transaction

What if you make a mistake on an invoice or a check? Can you retrieve the original transaction and make the necessary changes? Yes! QuickBooks lets you retrieve and change transactions using the methods discussed in this chapter.

Previous/Next Buttons

Use the Previous/Next buttons to locate recently entered transactions.

Use Previous/Next Buttons
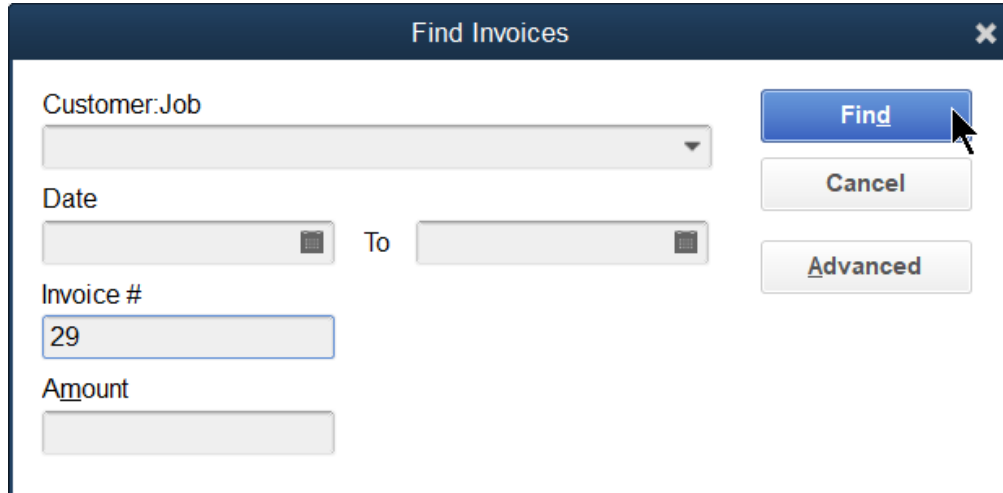
1. Display the appropriate form.
2. Select the Previous or Next button until the original transaction shows on the screen.
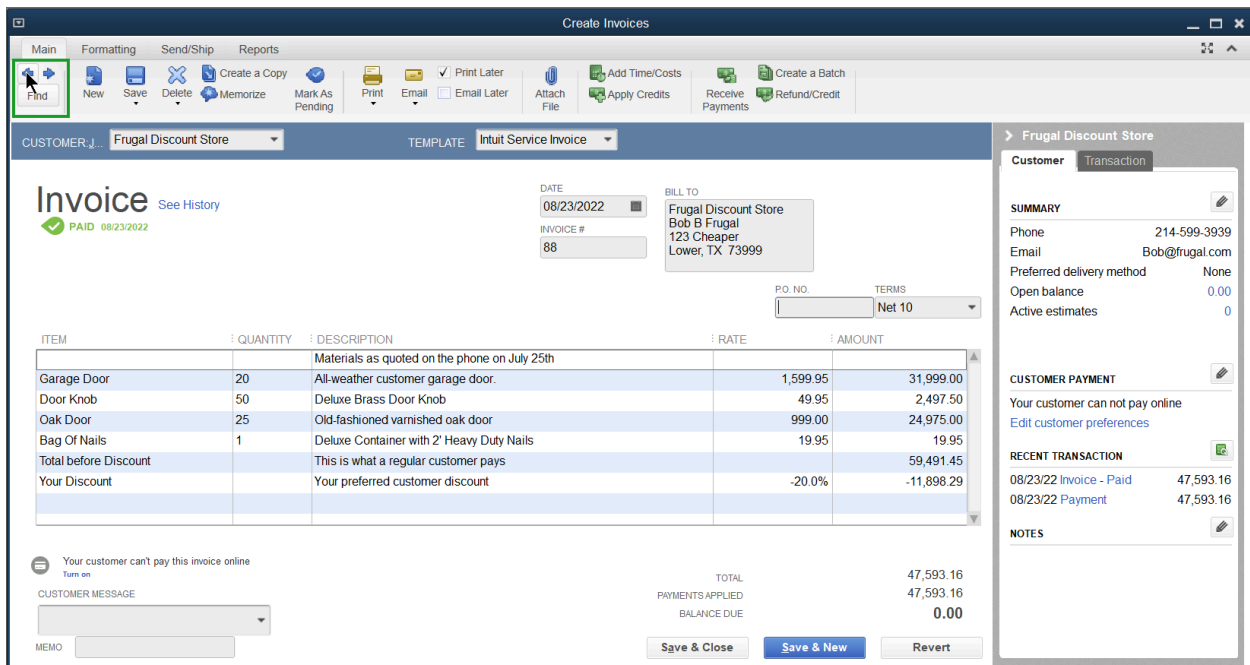
Find Button

QuickBooks has a Find button on checks, invoices, bills, estimates, sales receipts, credit card charges, purchase orders, credit memos, and sales orders. Use the Find button to quickly locate transactions.

1. Display the appropriate form.
2. Select the Find button on the toolbar at the top of the form.

3. Enter the information you want to search for.
4. Select the Find button.

Use Simple Find

1. Select Edit:Find from the menu. (Keyboard shortcut: Control + F)
2. Select the Simple tab.
3. Enter information you want to search for.
4. Select the Find button.
5. Double select to open the transaction.

Use Advanced Find

1. Select Edit:Find from the menu. (Keyboard shortcut: Control + F)
2. Select the Advanced tab.
3. Choose the Filter(s). (e.g., Amount, Name or Memo)
4. Enter information you want to search for.
5. Select the Find button.
6. Double select to open the transaction.

Find Names and Transactions Using Centers

Find Name In a Center
1. Select Vendors/Customers/Employees from the Home Page, then select the first tab.
2. Select the name in the list to the left.
Note: If you can't remember the name, you can search for an address or other information. Select the magnifying glass to see the results.

3. Once you've selected the name, the transactions tab will be visible. Choose what type of transactions to view, and filter by status and date.
4. Double select to open the transaction.

Find Transaction in a Center

1. Select Vendors/Customers/Employees from the Home Page.
2. Select the Transactions tab.
3. Make appropriate selections from the drop-down arrows.
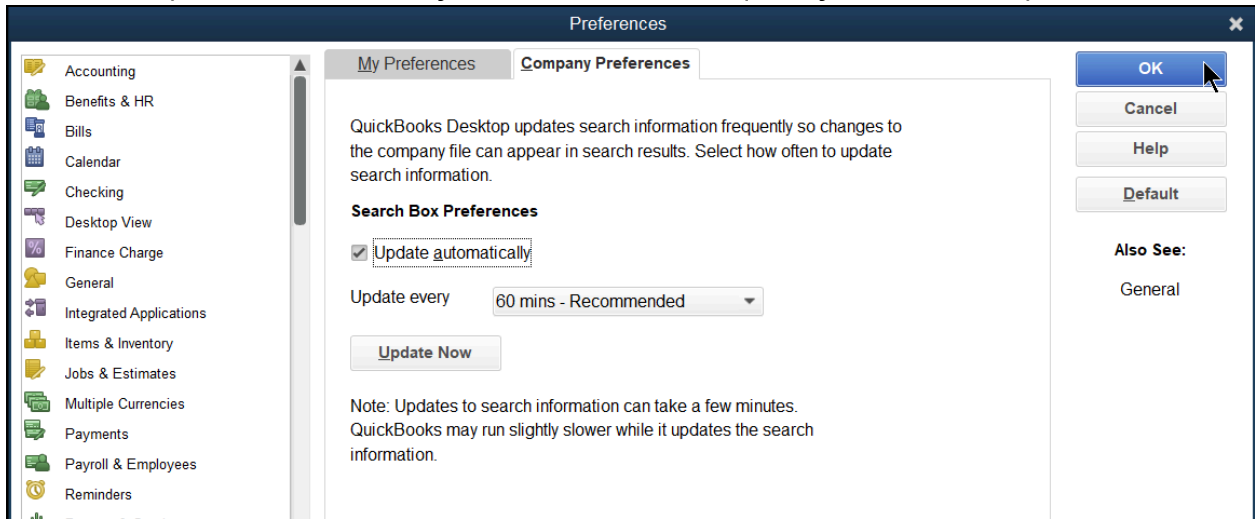
QuickBooks Search

QuickBooks Search helps you find list entries, transactions, and menu items. Not sure how to access a feature? Not sure which list a name is on? Use Search to find it quickly.

Set Search Preferences and Update Search Index

1. Select Edit:Preferences from the menu.
2. Select Search.
3. Select the Company Preferences tab.
4. Select Update automatically and choose the frequency from the dropdown.

Use QuickBooks Search

1. Select Edit:Search from the menu.
2. Enter the information in the Search field.
3. Narrow your search by using the search filters provided.
4. Press Enter or select the magnifying glass.
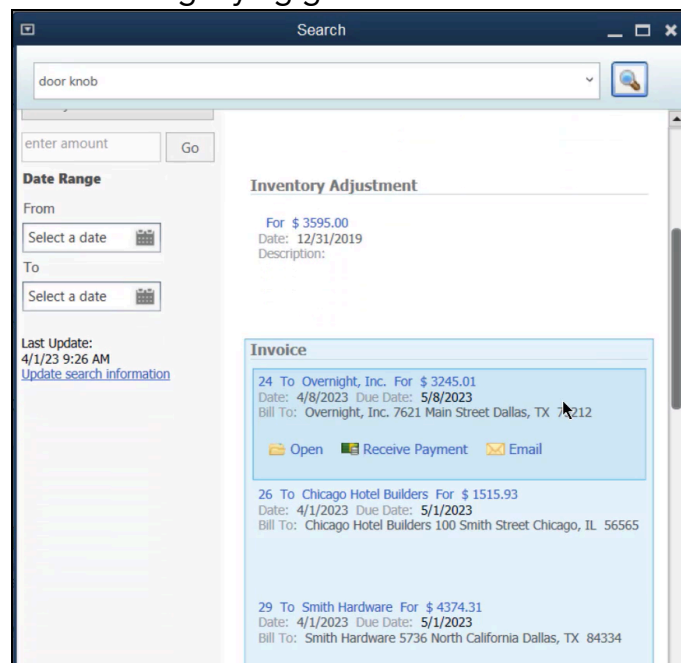
QuickBooks Keyboard Shortcuts

General Shortcuts	Action
F2 or Ctrl + 1	Displays important information about QuickBooks
Ctrl + A	Chart of Accounts
Ctrl + W	Opens Write Checks window
Ctrl + I	Opens the Create an Invoice window
Ctrl + J	Customer Center
Ctrl + M	Memorize current transaction
Ctrl + T	Show Memorized Transaction List
Ctrl + R	Goes to active Register, or Register selector
Ctrl + Q	QuickReport of list entry
Ctrl + H	List of connected transactions
Ctrl + Y	Accounting background of a transaction (transaction journal)
Ctrl + F	Find transaction
Ctrl + P	Prints the active window
Alt-Print Screen	Takes a screenshot of current window (don't forget to paste)
Print Screen	Takes a screenshot of entire screen (don't forget to paste)
Ctrl + Tab	Toggles between open windows in QuickBooks
Alt + Tab	Toggles between open applications in Windows
Diamond	Use the diamond on lists to move the entry to another position in the list or to make subaccounts, sub-times or jobs
F1	Help

Date Shortcuts	Action
+	Increase date
-	Decrease date
T	Changes date to today's date
Y	Changes date to beginning of year
R	Changes date to end of year
M	Changes date to beginning of month
H	Changes date to end of month
W	Changes date to beginning of week
K	Changes date to end of week

| Data Entry Shortcuts	Action
Esc	Closes active window
Tab	Moves to the next field
Shift Tab	Moves to previous field
Ctrl + L	Opens corresponding list for current field
Alt + S	Saves a transaction
Alt + N	Saves the transaction opens a new transaction
Alt + Down Arrow	Displays the drop down list for that field on a form
Ctrl + X	Cuts text in a field
Ctrl + C	Copy text in a field
Ctrl + O	Copy transaction in a register
Ctrl + V	Paste transaction in register, or text in a field
Ctrl + Alt + Y	Copy line in invoice
Ctrl + Alt + V	Paste copied line in invoice
Ctrl + Delete	Deletes a line in a transaction
Ctrl + Insert	Inserts a line in a transaction
Ctrl + N	New transaction/list entry
Ctrl + E	Edit transaction/list entry
Ctrl + D	Deletes a Transaction (will ask "Are you Sure?")
Up Arrow	Moves to line/field above
Down Arrow	Moves to line/field below
Space Bar	Toggle checkboxes on and off
Home	Beginning of current field
End	End of current field
Ctrl + Right Arrow	Moves cursor one word to the right
Ctrl + Left Arrow	Moves cursor one word to the left

Memorizing Transactions

If you have transactions that occur often, you can save time by memorizing the transaction. QuickBooks lets you memorize checks, bills, invoices, and many other transactions.

QuickBooks does not allow memorization of any transactions that require decisions (bill payments, customer payments or payroll).

Memorize Recurring Transaction for Automatic Entry

1. Enter the transaction to memorize.
2. Select the Memorize button at the top of the transaction.
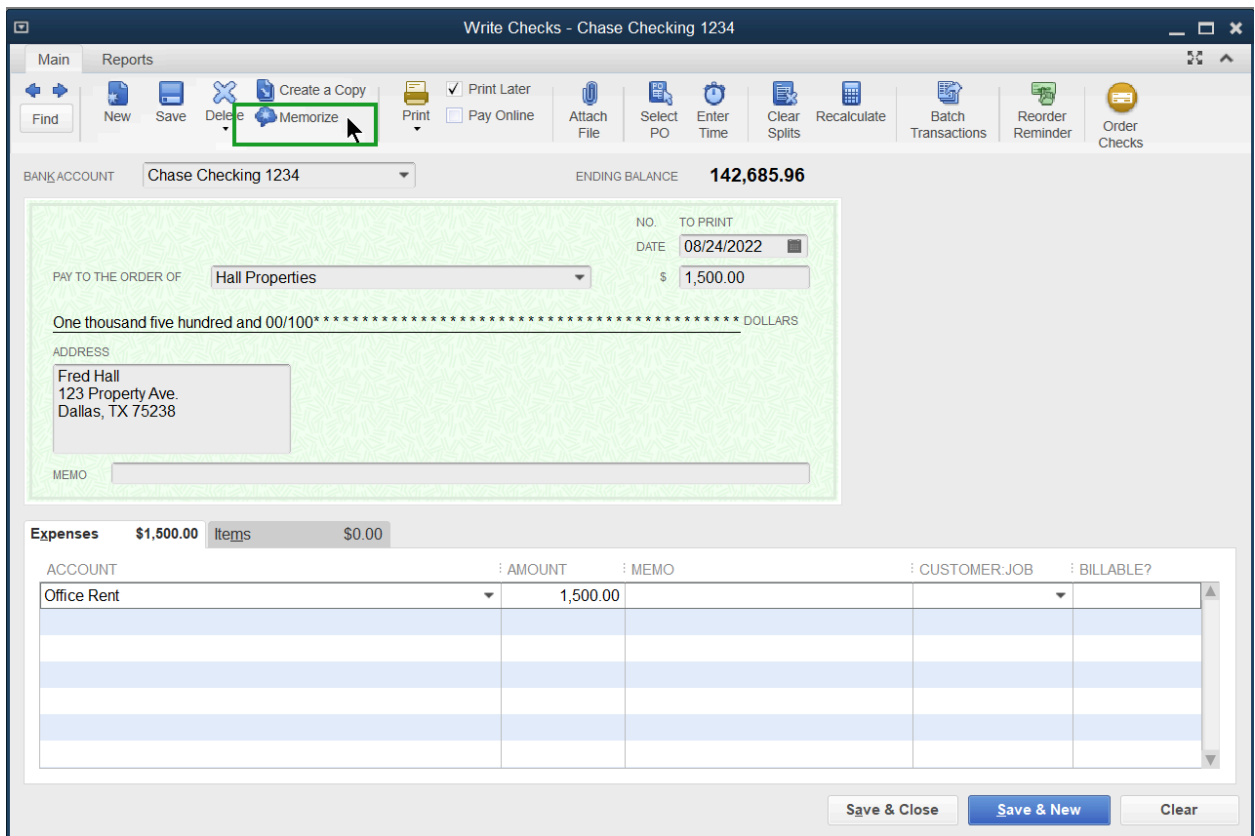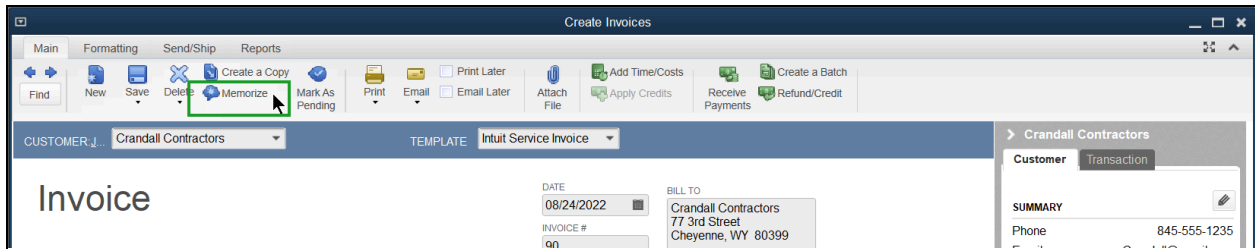
Note: If you do not see a Memorize button, select Edit:Memorize (Form Name) from the menu.

3. Choose how you want QuickBooks to handle the transaction.
4. Enter remaining information in the Memorize Transaction window.
5. Select OK.

Add to my Reminders List	The transaction will be added to the Memorized Transactions on your reminders list. Choose how often to receive the reminder.
Do not remind me	The transaction will not be added to your reminders list or automated. Use for transactions that repeat from time to time. Go to the memorized transaction list and double-click the transaction to record it.
Automate Transaction Entry	When you open QuickBooks, it prompts you to enter the transaction based on the schedule you choose.
How Often	The frequency that QuickBooks will remind or enter the transaction
Next Date	The date for the next reminder or the next entry
Number Remaining	Including next date, how many times to remind or enter
Days In Advance to Enter	Number of days before next date for QuickBooks to remind or enter

Automatically Enter Memorized Transactions

1. When you open your QuickBooks company file, you're prompted to select the transactions to automatically enter.

Note: Opening the company file activates memorized transactions. You must close and reopen the company file to execute the memorized transaction on the date created/setup.

2. Choose Enter Checked Now to enter transactions now or Enter All Later to enter no transactions at this time.

Note: If you do not want a prompt to automatically enter this transaction in the future, delete it from the Memorized Transactions List.

3. Select OK in the QuickBooks Information window.

	Enter Memorized Transactions					✖
You have 2 memorized transactions to be entered now						
SELECT ALL	TRANSACTION NAME	TYPE	ACCOUNT	FREQUENCY	DATE	AMOUNT
✔	Brosnahan Insurance ...	Check	Chase Checking 1234	Monthly	09/01/2022	-520.00
✔	Monthly Rent Payment	Check	Chase Checking 1234	Monthly	09/01/2022	-1,500.00

Enter Checked Now   Enter All Later
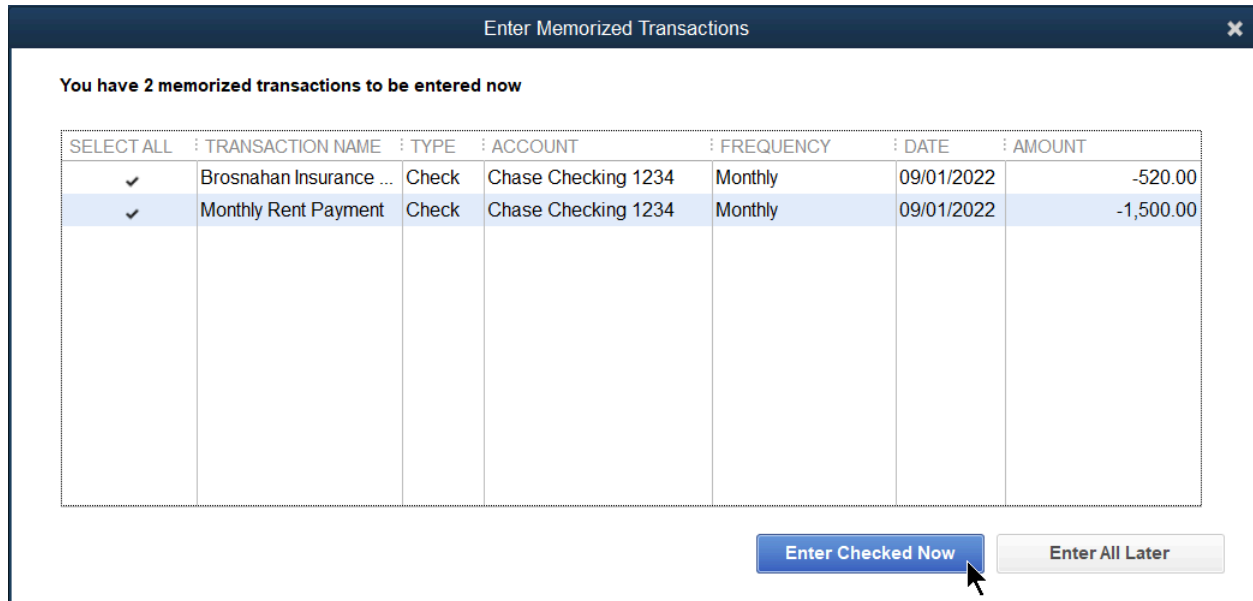
View the Memorized Transaction List

1. Select Lists:Memorized Transaction List from the menu.

TRANSACTION NAME	TYPE	SOURCE ACCOUNT	AMOUNT	FREQUE...	AUTO	NEXT DATE
◦ Brosnahan Insurance Ag...	Check	Chase Checking 1234	520.00	Monthly	✓	09/01/2022
◦ Crandall Contractors	Invoice	Accounts Receivable	375.00	Quarterly	✓	10/01/2022
◦ Monthly Rent Payment	Check	Chase Checking 1234	1,500.00	Monthly	✓	09/01/2022

Memorized Transaction ▾   Enter Transaction
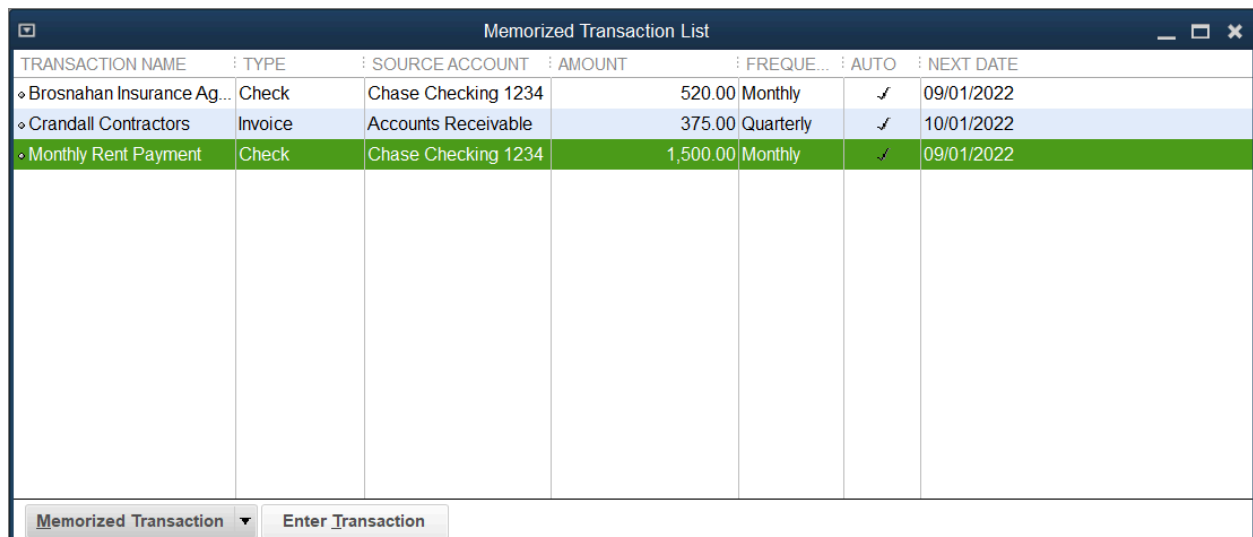
Change Memorized Transaction Detail

1. Select Lists:Memorized Transaction List from the menu.
2. Double-click on the transaction you are changing.
3. Enter any changes in the transaction window.
4. Select the Memorize button at the top of the transaction.
5. Select the Replace button to replace the details in the memorized transaction, or Add to save it as a new memorized transaction
6. Press the ESC key.
7. Select No (to avoid recording the entry before its scheduled date).
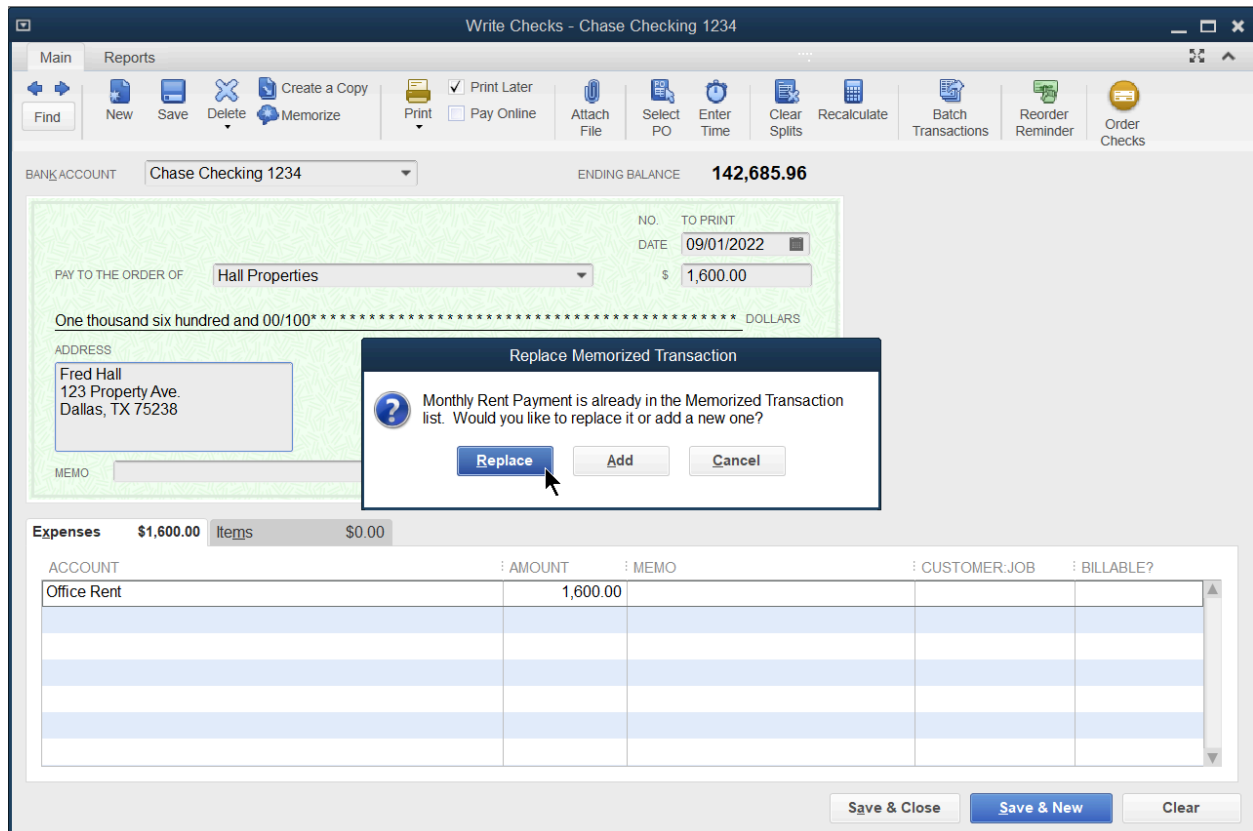
Change Memorized Schedule Details

1. Select Lists:Memorized Transaction List from the menu.
2. Right select the transaction and select Edit Memorized Transaction.
3. Make appropriate changes in the Schedule Memorized Transaction window.
4. Select OK.

	Memorized Transaction List						_ □ ✕
TRANSACTION NAME	TYPE	SOURCE ACCOUNT	AMOUNT	FREQUE...	AUTO	NEXT DATE	
⸰ Brosnahan Insurance Ag...	Check	Chase Checking 1234	520.00	Monthly	✓	09/01/2022	
⸰ Crandall Contractors	Invoice	Accounts Receivable	375.00	Quarterly	✓	10/01/2022	
⸰ Monthly Rent Payment	Check	Chase Checking 1234	1,500.00	Monthly	✓	09/01/2022	

Edit Memorized Transaction   Ctrl+E
New Group
Delete Memorized Transaction   Ctrl+D
Customize Columns...

Print List...   Ctrl+P
Re-sort List

Memorized Transaction ▾   **Enter Transaction**

Delete Memorized Transaction

1. Select Lists:Memorized Transaction List from the menu.
2. Right select the transaction and select Delete Memorized Transaction.
3. Select OK to confirm the deletion

	Memorized Transaction List						_ □ ✕
TRANSACTION NAME	TYPE	SOURCE ACCOUNT	AMOUNT	FREQUE...	AUTO	NEXT DATE	
⸰ Brosnahan Insurance Ag...	Check	Chase Checking 1234	520.00	Monthly	✓	09/01/2022	
⸰ Crandall Contractors	Invoice	Accounts Receivable	375.00	Quarterly	✓	10/01/2022	
⸰ Monthly Rent Payment	Check	Chase Checking 1234	1,500.00	Monthly	✓	09/01/2022	

Edit Memorized Transaction   Ctrl+E
New Group
Delete Memorized Transaction   Ctrl+D
Customize Columns...

Print List...   Ctrl+P
Re-sort List

Memorized Transaction ▾   **Enter Transaction**

Chapter 9

Sales Tax

What is Sales Tax?

Sales taxes are taxes placed on the sale or lease of goods and services. Each individual state governs sales tax in the United States and there is no national sales tax.

Set Up Sales Taxes

Tracking sales taxes can be a challenge. For instance, some customers might be taxable while others are not. Also, you might have to tax customers at different rates depending upon their location. And finally, some of the things you sell might be taxable while others are not. QuickBooks can help you track and control sales taxes. There are five steps to setting up sales taxes in QuickBooks:

1. Turn on sales tax
2. Set up sales tax items and groups
3. Set up sales tax codes
4. Assign a sales tax code to items
5. Assign a sales tax item and sales tax code to customers

Step 1: Turn on Sales Tax

1. Select Edit Preferences
2. Select Sales Tax on the left-hand side
3. Select Company Preferences
4. Select Yes to track sales tax.
5. Select Add Sales Tax Item button to set up your first tax rate. See step 2 for details.
6. Enter the additional information in the Preferences window.
7. Select OK.
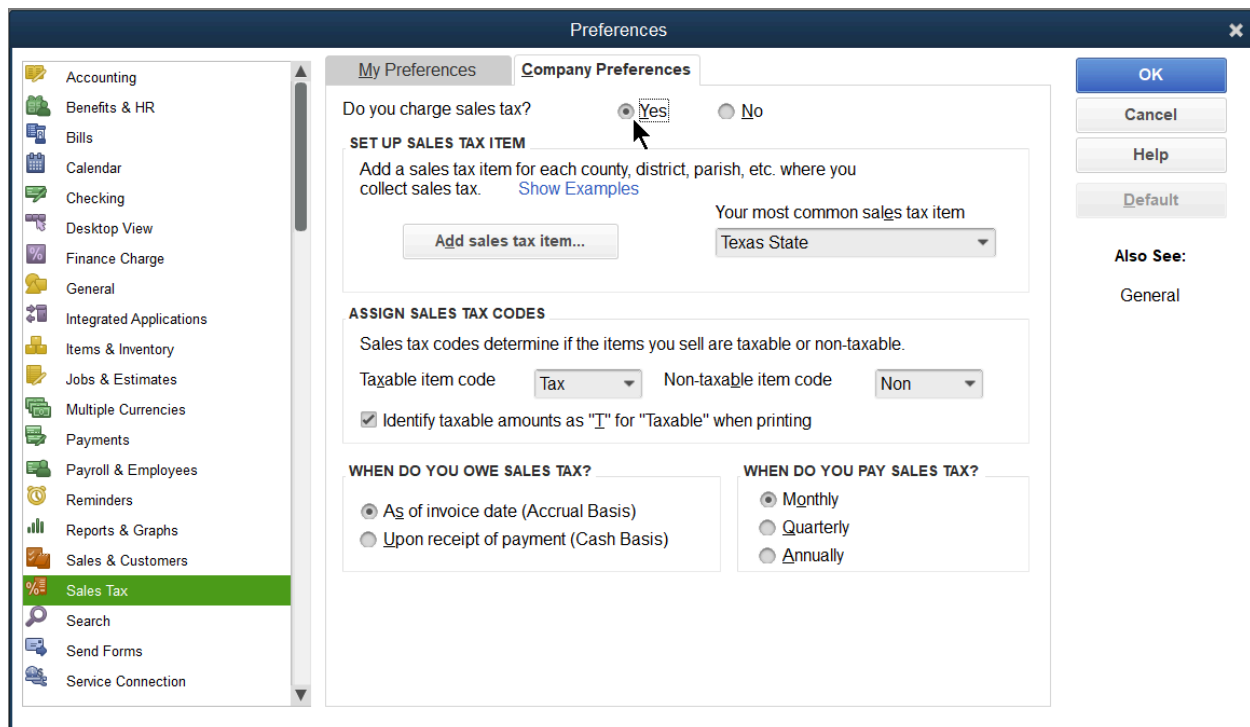
Step 2: Sales Tax Items and Groups

Sales tax items identify the rate and the tax agency for which you collect sales taxes. There are two types of items for sales tax purposes:

- Sales Tax Items calculate single taxes paid to a single tax agency.
- Sales Tax Groups calculate two or more sales taxes grouped together and applied to the same sale.

1. Select the Items and Services icon on the Home page.
2. Select the Item button and select New.
3. Select Sales Tax Item or Sales Tax Group as the Type.
4. Enter remaining information in the New Item window.
5. Select OK.

Note: If a rate changes, double select the Sales Tax Item to adjust the rate.

Sales Tax Item

Sales Tax Group

Step 3: Sales Tax Codes

Some states require more detailed reporting of non-taxable sales. Sales tax codes classify why a transaction is either taxable or non-taxable.
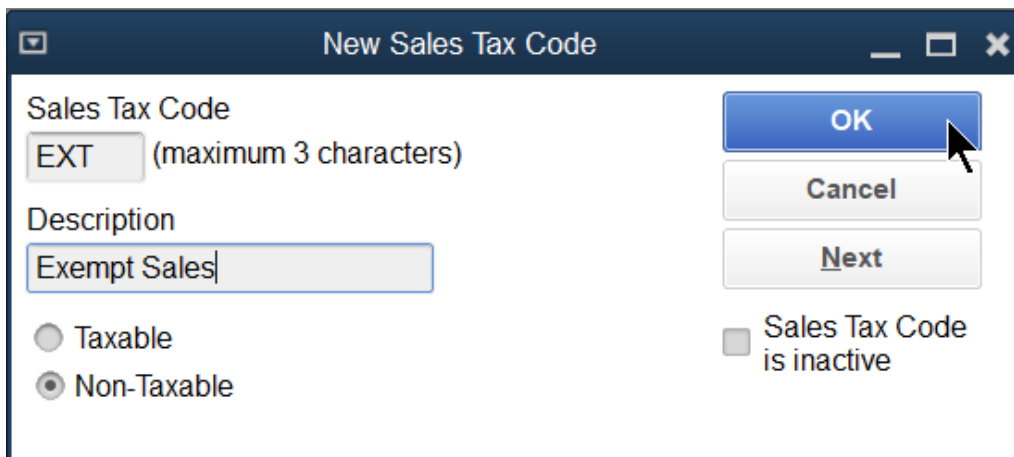
1. Select the Manage Sales Tax icon on the Home page.
2. Select Open Sales Tax Code List.

3. Select the Sales Tax Code button and select New from the menu.
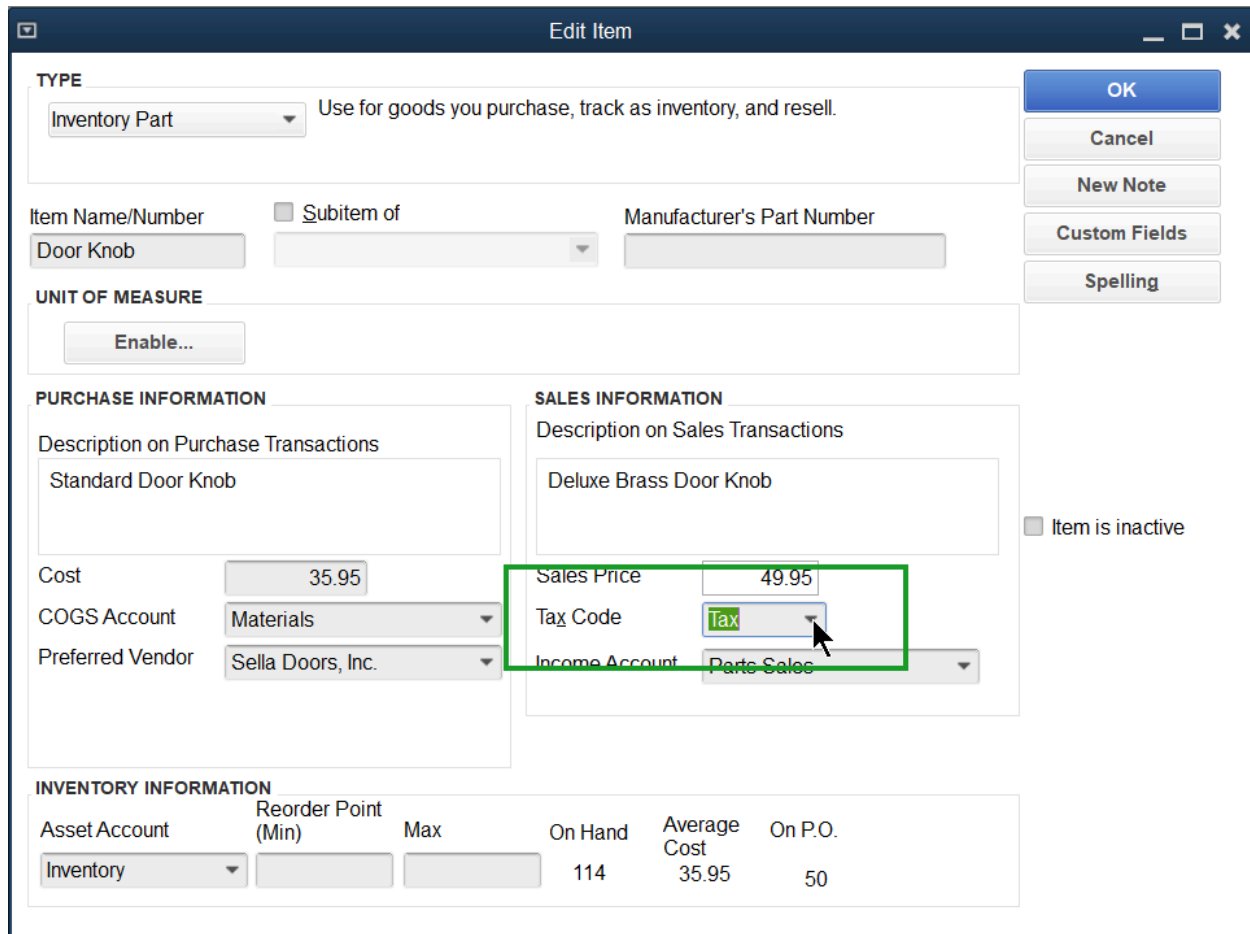
4. Enter a code under Sales Tax Code.
5. Select the Taxable or Non-Taxable button as appropriate.
6. Select OK.
7. Select Close in the Manage Sales Tax window.

Step 4: Assign Sales Tax Code to Item

Assign a sales tax code to indicate whether an item is taxable or non-taxable. Assign Sales tax codes to service, inventory part, non-inventory part, other charge, and discount items.

1. Select the Items & Services icon on the Home page.
2. Double select the item to edit it.
3. Select the Tax Code drop-down arrow and select the appropriate sales tax code.
4. Select OK.

Step 5: Assign Sales Tax Item and Code to Customer

Assign a sales tax code to indicate whether a customer is taxable or non-taxable. Assign a sales tax item to indicate the customer's tax rate. Transactions for non-taxable customers do not calculate sales tax even if they are purchasing a taxable item.

1. Select the Customer Center icon.
2. Select the Customers & Jobs tab in the Customer Center window.
3. Double select the Customer.
4. Select the Sales Tax Settings tab.
5. Select the Tax Code drop-down arrow and select the appropriate sales tax code.
6. Select the Tax Item drop-down arrow and select the appropriate sales tax item.
7. Select OK.

When you record an invoice or a sales receipt, QuickBooks uses the status of the item and the customer to calculate sales tax. The customers' status overrides the item status if the customer is non-taxable.

Taxable Sale

Non-taxable Sale

Review a Sales Tax Revenue Summary Report

1. Select the Manage Sales Tax icon on the Home page.
2. Select Sales Tax Revenue Summary.

Sales Tax Revenue Summary report window showing:

Buildem, Inc.
Sales Tax Revenue Summary
January 1 through August 24, 2022

	Taxable Sales	Exempt Sales	Non-Taxable Sales	TOTAL
State Of Texas				
San Antonio City	249.75	0.00	499.75	749.50
San Antonio Special Rate	249.75	0.00	499.75	749.50
Texas State	249.75	0.00	499.75	749.50
Multiple taxes for State Of Te...	(499.50)	0.00	(999.50)	(1,499.00)
Total State Of Texas	249.75	0.00	499.75	749.50
No tax vendor				
Exempt	0.00	749.50	0.00	749.50
Other	0.00	0.00	390,616.04	390,616.04
Total (no tax vendor)	0.00	749.50	390,616.04	391,365.54
TOTAL	249.75	749.50	391,115.79	392,115.04

Review a Sales Tax Liability Report
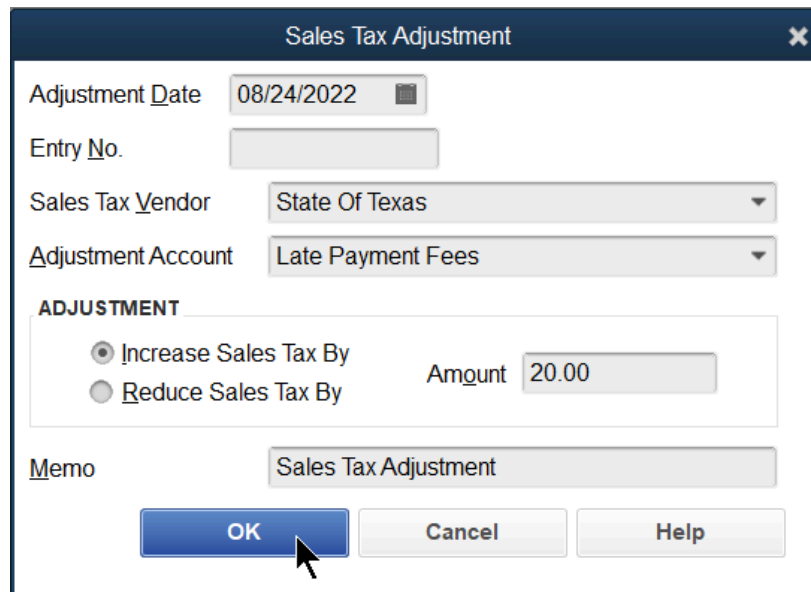
1. Select the Manage Sales Tax icon on the Home page.
2. Select Sales Tax Liability.

Sales Tax Liability report window showing:

Buildem, Inc.
Sales Tax Liability
January 1 through August 24, 2022

	Total Sales	Non-Taxable Sales	Taxable Sales	Tax Rate	Tax Collected	Sales Tax Payable As of Aug 24, 22
State Of Texas						
San Antonio City	749.50	499.75	249.75	1.25%	3.12	3.12
San Antonio Special Rate	749.50	499.75	249.75	0.75%	1.87	1.87
Texas State	749.50	499.75	249.75	6.25%	15.61	15.61
Multiple taxes for State Of Te...	(1,499.00)	(999.50)	(499.50)		0.00	0.00
Total State Of Texas	749.50	499.75	249.75		20.60	20.60
No tax vendor						
Exempt	749.50	749.50	0.00	0.0%	0.00	0.00
Other	390,616.04	390,616.04	0.00		0.00	0.00
Total (no tax vendor)	391,365.54	391,365.54	0.00		0.00	0.00
TOTAL	392,115.04	391,865.29	249.75		20.60	20.60

Adjust Sales Taxes

1. Select the Manage Sales Tax icon on the Home page.
2. Select Adjust Sales Tax Due.

3. Enter an appropriate adjustment in the Sales Tax Adjustment window.
4. Select OK.
5. Select Close in the Manage Sales Tax window.

Pay Sales Taxes

1. Select the Manage Sales Tax icon on the Home page.
2. Select the Pay Sales Tax button.

3. Select the individual items to select for payment.
4. Enter remaining information in the Pay Sales Tax window.
5. If paying electronically on your state's website, enter EFT or other reference as the starting check number.
6. Select OK.
7. Select Close in the Manage Sales Tax window.
8. You can see the payment in the Checking account register.

Note: If you delete a sales tax payment, the amount goes back into the Sales Tax Liability.

Chapter 10

Money Out I

Vendors
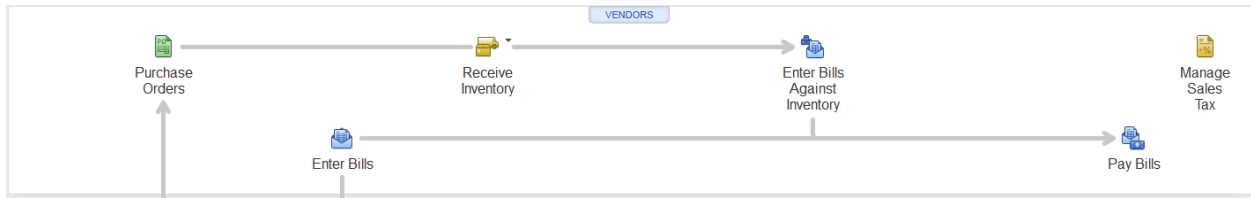
Vendors are companies or individuals you purchase goods or services from.

Reasons to Track a Vendor
1. Contractors or subcontractors that are eligible for a 1099
2. To track money owed to companies or individuals
3. To get reports about goods and services purchased from a vendor

Add Vendors

1. Select Vendors from the Home page.
2. Select the New Vendor button and select New Vendor

3. Enter appropriate information in the New Vendor window.
4. Select OK

Payment Settings

Money Out Workflow

Your bookkeeping should accurately mirror the transactions that occur in the real world as closely as possible. There are two different ways to enter and pay bills. The method you use depends on if you track accounts payable for a transaction.

Track Your Purchases

There are two ways to record purchases. The method used depends on if you track accounts payable.

Method 1: Track Accounts Payable

Tracking accounts payable means that you enter the bill before paying the vendor. If you track accounts payable, you always know how much you owe your vendor.

Steps if you use Accounts Payable: Enter Bill → Pay Bill

Method 2: Open Drawer

If you do not use accounts payable, you directly write the check or enter the credit card charge. In other words, you do not enter the bill before paying the vendor. With this method, QuickBooks will not know how much you owe your vendor.

Steps if use Open Drawer method: Write Check or Enter Credit Card Charge
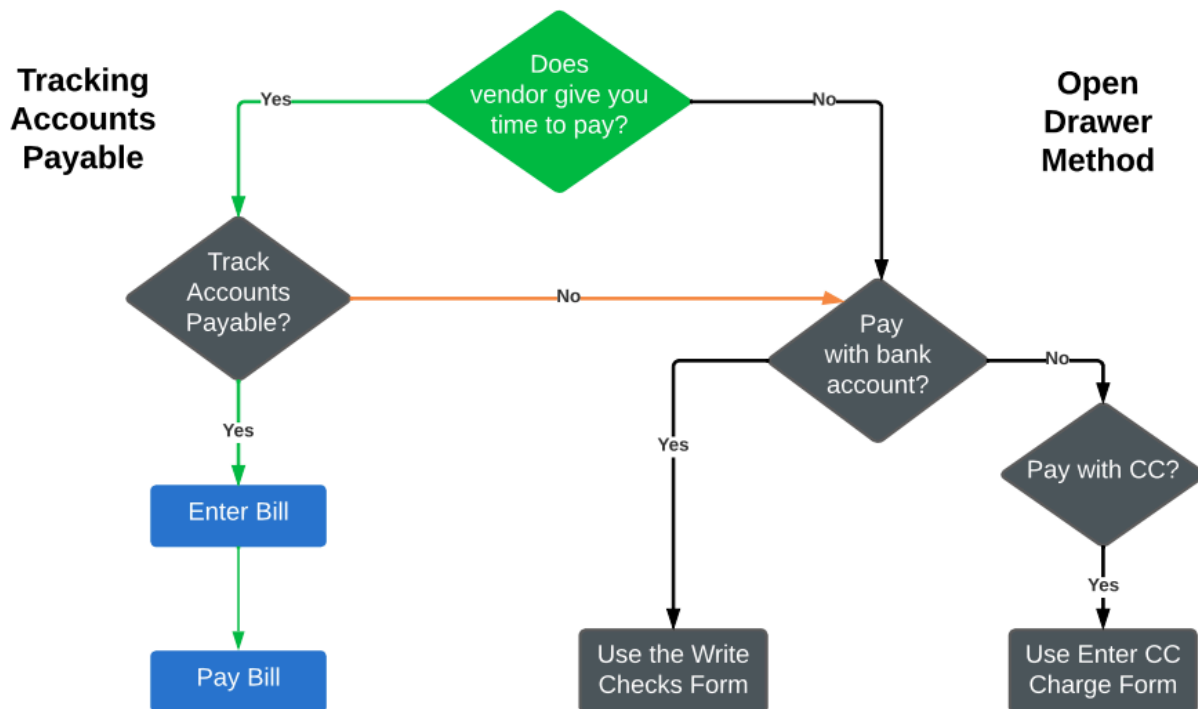
Advantages of Tracking Bills

● QuickBooks warns about Duplicate Bills

QuickBooks will warn you if you enter a reference number (ref. no.) that has already been used for that vendor, so you do not double pay.

● Automatically use Discounts/Credits

1. Select Edit: Preferences from the menu.
2. Select Bills.
3. Select the Company Preferences tab.
4. Select the Warn about duplicate bill numbers from the same vendor box.
5. Select the Automatically use credits box.
6. Select the Automatically use discounts box.
7. Select the Default Discount Account drop-down arrow and select the appropriate account.
8. Select OK.
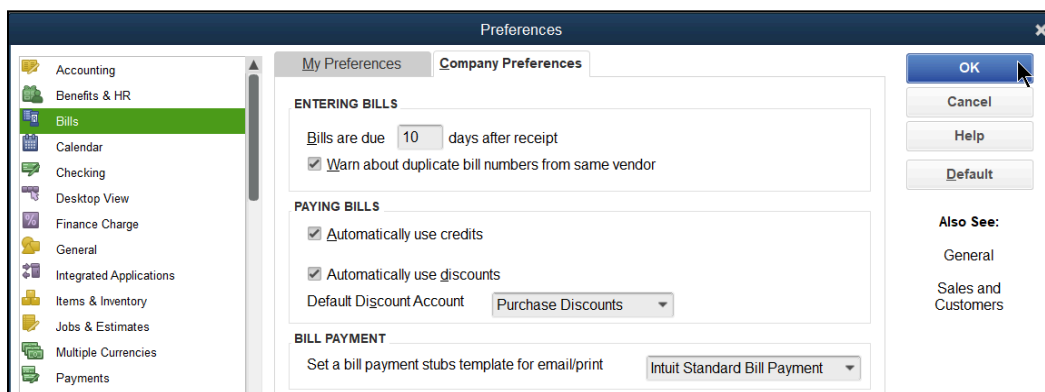
● Greater Control over Expenses and Financial Statements

Using Bills allows you to realize the expense on the day of the Bill and not the day of the Bill Payment. This allows you to see both Cash and Accrual based reports. The expense shows on the Accrual basis report based on the date of the bill and the expense shows on a Cash basis report based on the date of the bill payment.

● Keep Track of Who you Owe and Bill Due Dates

By using bills, you have access to the Accounts Payable Aging Summary and Detail reports. Both reports show who you owe, how much you owe them and if you are overdue. The Summary report shows totals owed to the vendor whereas the Detail report shows each bill separately.

● Prints Payment Details on the Voucher Stub

By tracking accounts payable, you're able to see payment details on the voucher stub such as invoice numbers, due dates, the original amount, amount paid, discounts and credits, rather than having to add the details all in the memo.

Method 1: Track Accounts Payable

1. Enter Bill
2. Pay Bill (regardless of how you pay the bill: check, credit card, PayPal, cash, or wire)

Enter Bill

1. Select the Enter Bills icon on the Home page.

2. Select the Vendor drop-down arrow and select the appropriate vendor.
3. Enter remaining information in the Enter Bills window.
4. Select Save & Close.

Review Unpaid Bills Report

Select Reports:Vendors & Payables:Unpaid Bills Detail from the menu.
Note: Run an Unpaid Bills Detail report to determine what is causing a discrepancy in your Accounts Payable account.

Review an Accounts Payable Aging Summary

Select Reports:Vendors & Payables:A/P Aging Summary from the menu

1. Select the Pay Bills icon on the Home page.

2. Select the bills you want to mark as paid.

3. Enter remaining information in the Pay Bills window.
●   If you're making a partial payment on a bill, change the dollar amount in the Amt. to Pay column.
●   If you set the Automatically Apply Discounts or Credits preference, you will see the discount calculated, and the credit applied when you pay the bill.
●   If you did not turn on the Automatically Apply Discounts or Credits, select Set Discount or Set Credits to manually apply them.
●   If you're paying the bill with a bank account, select Check as the payment method, and choose Print Check or Assign Check #, for anything other than a printed check. (Common examples include Debit, Wire, ACH, EFT and PayPal)
●   If you're paying a bill with a Credit Card, choose Credit Card as a method.

4. Select Pay Selected Bills.

● If you choose print check, you'll see this window. You can print the checks from this window or you can Pay More Bills. If you select Done to close this window you access the print queue from the home page (which you will see in the next section).

● If you chose to assign check #'s, you'll see this window. This is where you assign payment details (hand written check numbers, or other payment methods).

Accessing Print Checks from Home Page

1. Select the Print Checks icon on the Home page.

Select Checks to Print

| Bank Account | Chase Checking 1234 | First Check Number | 1028 | Order Checks |

Select Checks to print, then click OK.
There are 5 Checks to print for $47,062.65.

✓	DATE	PAYEE	AMOUNT
✓	08/24/2022	Jo Jo Inc.	22,833.65
✓	08/24/2022	King & King	3,250.00
✓	08/24/2022	Sella Doors, Inc.	14,999.00
✓	08/24/2022	Smith & Smith (Vendor)	980.00
✓	08/24/2022	Spendalot, Inc.	5,000.00

Buttons: OK, Cancel, Help, Select All, Select None

Show: ⦿ Both   ◯ Checks   ◯ Direct Deposit

2. Select the individual checks to select for printing.
3. Select OK.

Print Checks

You have 5 checks to print for $47,062.65

Tabs: Settings | Fonts | Partial Pa...

Printer name: EPSONEE184B (WF-7710 Series) on WSD-9...   Options...

Printer type: Page-oriented (Single sheets)

Note: To install additional printers or to change port assignments, use the Windows Control Panel.

CHECK STYLE
⦿ Voucher   ◯ Standard   ◯ Wallet

Number of copies: 1
☑ Collate
☐ Print company name and address.
☐ Use logo
☐ Print Signature Image

Buttons: Print, Cancel, Help, Logo, Signature

4. Select the button next to the appropriate Check Style in the Print Checks window.
5. Select Print.
6. Select OK in the Print Checks - Confirmation window

Note: Voucher checks allow you to see the details of the bills paid on the voucher.

Print Bill Payment Stubs

If you track accounts payable, you can always print out a paper stub, to see the bills and credits on the bill payment.

1. Select File:Print Forms:Bill Payment Stubs
2. Select the stubs to print in the Select Bill Payment Stubs to Print window.
3. Select OK.

Bill Payment

Buildem, Inc.

123 LBJ Freeway
Dallas TX 75240

Paid To
Jo Jo Inc.
123 Main Street
Dallas, TX 79240

Date	8/24/2022
Check/Ref No	1028
Amount	$22,833.65
Payment Type	Check

Date	Type	Reference	Original Amount	Balance	Discount	Payment
5/1/2022	Bill	3422	$2,999.90	$2,999.90		$2,999.90
6/25/2022	Bill	3553	$1,085.00	$1,085.00		$1,085.00
7/5/2022	Bill	3434	$18,748.75	$18,748.75		$18,748.75

Method 2: Open Drawer

If you've decided to not track Accounts Payable in QuickBooks, or you've just paid for something that didn't involve a bill, you don't need to use Bills/Bill Payments. Instead, all you have to record is a Check or Credit Card Charge. Use Checks anytime you spend money out of a bank account and you are not entering a bill. Whether you want to print them through QuickBooks or record a handwritten check, Checks are the right transaction to record. If you spend money through a credit card use a Credit Card Charge instead. (You see Credit Card Charges in the next chapter.)

Record a check
1. Select the Write Checks icon on the Home page.
2. Select the Pay to the Order of drop-down arrow and select the payee.
3. For checks to be printed later, select the Print Later box.
    For hand-written checks, make sure the Print Later box is NOT checked so you can enter the handwritten check number.
4. Enter remaining information in the Write Checks window.
5. Select Save & Close.

Print Checks
Print the checks following the steps you learned earlier.

Hand-written Checks

You still have to record handwritten checks that you wrote outside of QuickBooks so that they affect your account balances in QuickBooks. Enter the hand-written check information, using the check # from the hand-written check.

Making Non-Bill Payments with Electronic Transactions

Anytime you spend money out of a bank account, and you did not use a bill, use this method. In the No. field, enter in the way you made the payment (e.g. common examples include Debit, Wire, ACH, EFT and PayPal). How do you enter these electronic transactions? Use the same *Write Checks* form, but enter "DEBIT" (or any other payment method) as the check no. QuickBooks shows the transaction reduces the balance in your bank account without altering the check number sequence. These debit card transactions also appear during the bank reconciliation.

Note: These processes do not apply to credit cards, you will see credit cards in the next chapter.

Reports

Review Expense by Vendor Summary

Select Reports:Company & Financial:Expenses by Vendor Summary from the menu.

Note: Expenses by Vendor Summary report does not show purchases made with the items tab.

The following report is only available for people who record bills and bill payments.

Review a Vendor Balance Detail Report
Select Reports:Vendors & Payables:Vendor Balance Detail from the menu.

	Vendor Balance Detail						
Customize Report	Comment on Report	Share Template	Memorize	Print ▼	E-mail ▼	Excel ▼	Hide Header	Refresh

Dates [All ▼] From [ ] To [ ] Sort By [Default ▼]

Show Filters

1:46 PM
08/24/22

Buildem, Inc.
Vendor Balance Detail
All Transactions

Type	Date	Num	Account	Amount	Balance
Art's Parts Warehouse					
Bill	01/10/2022	53781	Accounts Payable	200.00	200.00 ◄
Total Art's Parts Warehouse				200.00	200.00
Books by Bessie					
Bill	01/03/2020	494	Accounts Payable	75.00	75.00
Bill Pmt -Check	01/07/2020	4	Accounts Payable	(75.00)	0.00
Total Books by Bessie				0.00	0.00
Brosnahan Insurance Agency					
Bill	01/06/2020		Accounts Payable	2,000.00	2,000.00
Bill Pmt -Check	01/08/2020	6	Accounts Payable	(2,000.00)	0.00
Bill	08/20/2022	1741	Accounts Payable	1,000.00	1,000.00
Total Brosnahan Insurance Agency				1,000.00	1,000.00
D. Bell					
Bill	07/31/2022	#7d0	Accounts Payable	388.00	388.00
Total D. Bell				388.00	388.00
Dallas Bell					
Bill	02/01/2019	000001	Accounts Payable	200.00	200.00
Bill Pmt -Check	03/31/2019	1000	Accounts Payable	(200.00)	0.00
Bill Pmt -Check	09/01/2019	1001	Accounts Payable	(100.00)	(100.00)
Bill	01/07/2020		Accounts Payable	114.09	14.09
Bill Pmt -Check	01/09/2020	DEBIT	Accounts Payable	(114.09)	(100.00)
Bill	03/15/2020	3838	Accounts Payable	225.00	125.00
Bill Pmt -Check	04/01/2020	1010	Accounts Payable	(225.00)	(100.00)
Bill	08/01/2020	99999	Accounts Payable	100.00	0.00
Bill	06/28/2022	38888	Accounts Payable	578.00	578.00
Total Dallas Bell				578.00	578.00
Dallas Phone Company					
Bill	12/01/2019	7654	Accounts Payable	400.00	400.00

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Review Bill Tracker

Select Vendors:Bill Tracker from the menu.

	VENDOR	TYPE	NUMBER	DATE	DUE DATE ▲	STATUS	AMOUNT	OPEN BALANCE	ACTION
	UNBILLED 2,172.50 — 2 PURCHASE ORDERS				**UNPAID** 26,995.90 — 11 OPEN BILLS	12,751.15 — 6 OVERDUE		**PAID** 47,406.89 — 9 PAID IN LAST 30 DAYS	

VENDOR All   TYPE All   STATUS All   DATE All   GROUP BY None

	VENDOR	TYPE	NUMBER	DATE	DUE DATE ▲	STATUS	AMOUNT	OPEN BALANCE	ACTION
☐	Art's Parts Warehouse	Bill	53781	1/10/2022	1/20/2022	Overdue	200.00	200.00	Pay Bill
☐	PG&E	Bill	3221	1/10/2022	1/20/2022	Overdue	85.15	85.15	
☐	Door Knob Corporation	Purchase Order	8	3/7/2022	4/5/2022	Open	1,797.50		
☐	Hinges Corporation	Purchase Order	9	3/7/2022	4/7/2022	Open	375.00		
☐	Dallas Bell	Bill	38888	6/28/2022	7/8/2022	Overdue	578.00	578.00	
☐	General Carriers, Inc.	Bill	888	6/15/2022	7/15/2022	Overdue	7,250.00	7250.00	
☐	General Carriers, Inc.	Bill	3993	6/30/2022	7/30/2022	Overdue	4,250.00	4250.00	
☐	D. Bell	Bill	#7d0	7/31/2022	8/10/2022	Overdue	388.00	388.00	
☐	Brosnahan Insurance A...	Bill	1741	8/20/2022	8/30/2022	Open	1,000.00	1000.00	
☐	Spendalot, Inc.	Bill	0039	8/21/2022	9/5/2022	Open	14,000.00	9000.00	
☐	Locks, Inc.	Item Receipt		7/1/2022		Open	995.00	995.00	
☐	Door Knob Corporation	Item Receipt		1/21/2022		Open	3,749.75	3749.75	
☐	General Carriers, Inc.	Credit	CM-03...	1/1/2022		Open	-500.00	-500.00	
☐	Pizza Dallas	Check	1026	8/19/2022		Paid	40.00		
☐	Office Solutions	Check		8/24/2022		Paid	96.12		
☐	O'Brien Window Wizards	Check	1033	8/24/2022		Paid	112.00		
☐	Office Solutions	Check	DEBIT	8/24/2022		Paid	96.12		
☐	Jo Jo Inc.	Bill Pmt-Check	1028	8/24/2022		Paid	22,833.65	0.00	
☐	King & King	Bill Pmt-Check	1029	8/24/2022		Paid	3,250.00	0.00	

Batch Actions   Manage Transactions   Showing 1 - 22 of 22

Chapter 11

Money Out II

Using Credit Cards
Add Credit Card Account
1. Select the Chart of Accounts icon on the Home page.
2. Select the Account button.
3. Select New from the menu.
4. Select Credit Card as the Account Type.
5. Select Continue.

6. Enter remaining information in the Add New Account window.
7. Select Save & Close.
8.

Enter Credit Card Charges

1. Select the Enter Credit Card Charges icon on the Home page.

2. Select the Credit Card drop-down arrow and select the appropriate credit card.
3. Select Purchase/Charge if you're recording a purchase, or Refund/Credit if you need to record a refund or a credit.
4. Enter remaining information in the Enter Credit Card Charges window.
5. Select Save & Close.

Note: For Credit Card Payment, use the Write Checks window, not a Bill in QuickBooks. If paid electronically, enter EFT in the Check No.

Record Credit Card Payment

1. Select the Write Checks icon on the Home page.
2. Select the Bank Account drop-down arrow and select the bank account you used to pay the credit care.
3. Select in the expenses tab and choose the credit card account you are paying as the account.
4. Enter remaining information in the Write Checks window.
5. Select Save & Close.

Note: You can get to the credit card register, by going to Chart of Accounts, double-clicking the credit card or by pressing Ctrl R while you are entering transactions.

Creating Vendor Credit Memos

When a vendor gives you a credit to reduce your accounts payable balance (how much you owe the vendor), enter a Vendor Credit.

1. Select the Enter Bills icon on the Home page.
2. Select the Credit button at the top of the window in order to reduce the accounts payable balance for the vendor.
3. Enter remaining information in the Enter Bills window.
4. Select Save & Close.
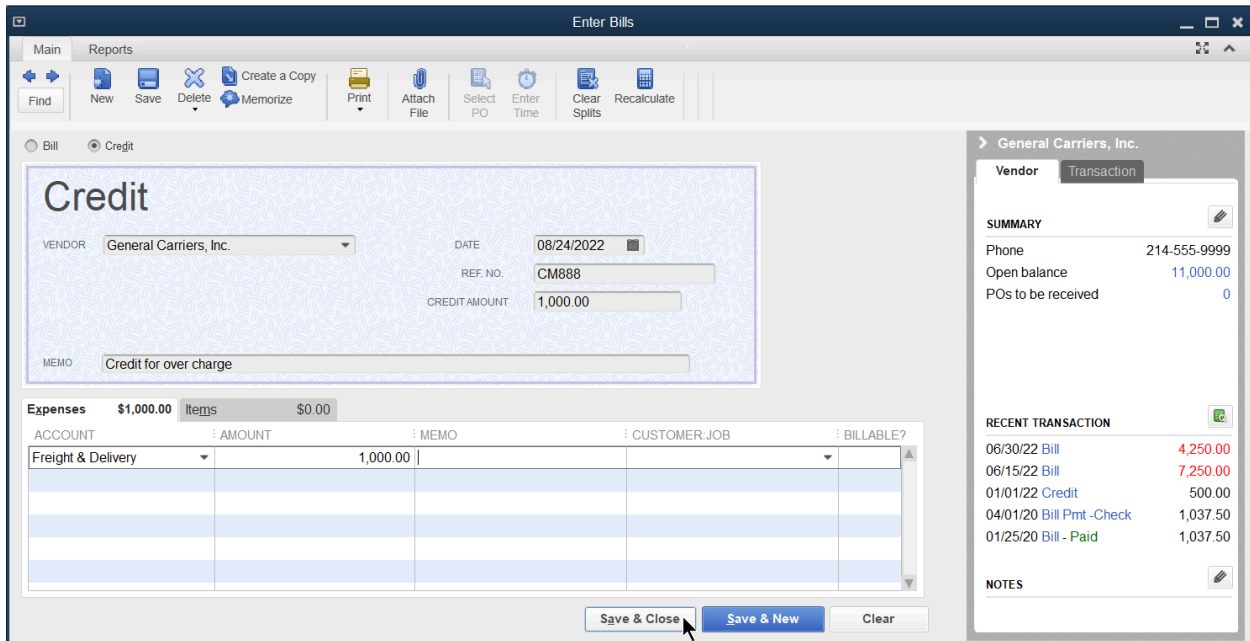
Review the Vendor Open Balance Report

1. Select the Vendors icon on the Home page.
2. Highlight the vendor.
3. Select the Open Balance link in the vendor record.
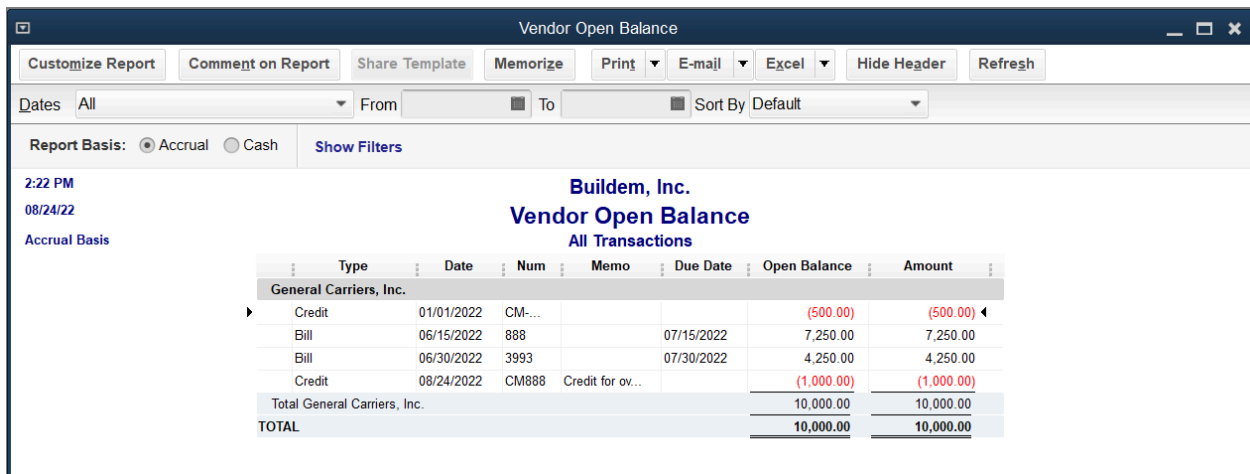
Applying Vendor Credit Memo

1. Select the Vendors icon on the Home page.
2. Select the Pay Bills icon on the Home page.
3. Select the appropriate bills for the payment.

Note: If you have selected the setting for automatically apply credits, QuickBooks will apply the credit. If you have not selected the setting click Set Credits and choose which credits to apply.

✓	DATE	REF. NO.	CREDIT AMT.	AMT. TO USE	CREDIT BALANCE
	01/01/2022	CM-03-20	500.00	0.00	500.00
✓	08/24/2022	CM888	1,000.00	1,000.00	0.00
	Totals		1,500.00	1,000.00	500.00

4. Enter the appropriate payment details in the pay bills window.
5. Select Pay Selected Bills.

Vendor Refund

When a vendor gives you a refund that you deposit into your bank account, you should record a deposit transaction in QuickBooks.

1. Select the Record Deposit icon on the Home page.

2. Select the bank account you are depositing the check in and enter the appropriate date.
3. Enter the vendor name in the Received From field.
4. In the From Account field use the account that was used on the original transaction. For example, telephone expense which would reduce the amount of telephone expense.
5. Enter any notes you would like to see in reporting in the Memo field.
6. Include the Check No. and Payment Method.
7. Enter the amount of the refund.
8. Select Save & Close.

Note: If you deposit the refund with other payments from customers, select the undeposited funds to include in the deposit as you learned in the Money In I chapter and on the next blank line type in the vendor refund details.

Void vs. Delete Checks

Void a check if you used the check number, but the payee will never cash it. Delete a check if the check was never used in the real world.

Delete a Check
1. Display the appropriate check in the Write Checks window.
2. Enter any notes you would like to see in the Audit Trail reporting in the Memo field.
3. Select Save in the ribbon.
4. Select Edit:Delete Check or Edit:Delete Bill Pmt-Check from the menu.
5. Select OK in the Delete Transaction window.
6. Select Save & Close.

Void a Check

1. Display the appropriate check in the Write Checks window.

2. Select Edit:Void Check or Edit:Void Bill Pmt-Check from the menu.
3. Enter any notes you would like to see in reporting in the Memo field.
4. Select Save & Close.
5. Select Yes to void the check and enter adjusting journal entries.
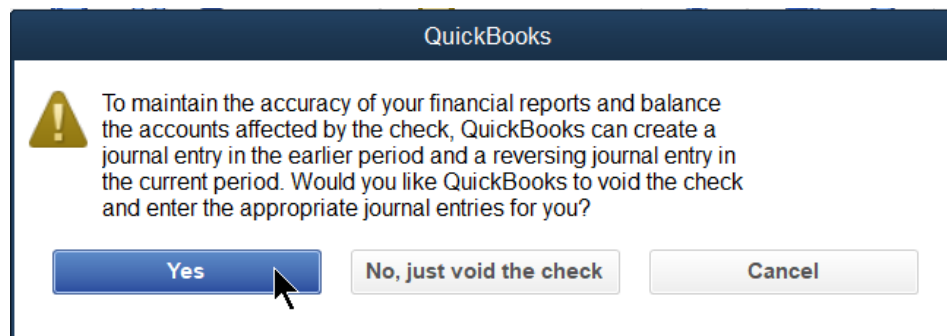
Note: If the check was from a prior accounting period, QuickBooks voids the check and automatically records journal entries replacing it in the past so the previous periods remain unaffected. This only applies to checks written using expense accounts (also known as simple checks) and only if you choose "Yes" when QuickBooks asks.

Reports

Review the Missing Checks Report

1. Select Reports:Banking:Missing Checks from the menu.
2. Select the Specify Account drop-down menu and select the bank account.
3. Select OK.

Type	Date	Num	Name	Memo	Account	Split	Amount
Check	01/01/2020	1	Business Owner		Chase Checking 1...	Owner's Draw	(1,286.82)
Check	01/06/2020	2	Tania's Nursery		Chase Checking 1...	Materials	(108.09)
Check	01/06/2020	3	Tania's Nursery		Chase Checking 1...	Materials	(46.98)
Bill Pmt -Check	01/07/2020	4	Books by Bessie		Chase Checking 1...	Accounts Pa...	(75.00)
Check	01/08/2020	5	Pye's Cakes		Chase Checking 1...	Travel Meals	(87.50)
Bill Pmt -Check	01/08/2020	6	Brosnahan Insuran...		Chase Checking 1...	Accounts Pa...	(2,000.00)
Check	01/10/2020	7	Pam Seitz		Chase Checking 1...	Accounting	(75.00)
Check	01/10/2020	8	Hicks Hardware		Chase Checking 1...	Materials	(228.75)
Check	01/29/2020	9	Hicks Hardware		Chase Checking 1...	Materials	(665.00)
*** Missing numbers here ***							
Bill Pmt -Check	03/31/2019	1000	Dallas Bell	7865	Chase Checking 1...	Accounts Pa...	(200.00)
Bill Pmt -Check	09/01/2019	1001	Dallas Bell	7865	Chase Checking 1...	Accounts Pa...	(100.00)
Bill Pmt -Check	01/01/2020	1002	Dallas Phone Com...		Chase Checking 1...	Accounts Pa...	(400.00)
Check	02/01/2020	1003	Smith County		Chase Checking 1...	Property	(600.00)
Check	02/01/2020	1004	Lee Advertising		Chase Checking 1...	-SPLIT-	(1,400.00)
Check	02/01/2020	1005	Tania's Nursery		Chase Checking 1...	Materials	(8,665.36)
Check	02/28/2020	1006	Dallas Bell	7865	Chase Checking 1...	Telephone	(337.00)

Chapter 12

Banking

Bank Feeds

Use Bank Feeds to electronically manage bank and credit card accounts directly from QuickBooks. There are two ways to connect your bank and credit card accounts.

Option 1: Direct Connect

With Direct Connect, QuickBooks receives information directly from your financial institution and maintains a persistent connection that downloads transactions whenever they clear. Transactions await your approval in the Bank Feeds Center before they're added to the register. This requires the use of a PIN or password from your financial institution.

Note: Not all banking institutions allow Direct Connect and some banks charge a fee for this service.

Option 2: Download and Import a Web Connect File from your Bank/Credit Card's Website

Some bank/credit card websites let you download records of your financial transactions as .QBO files. Once you've downloaded a .QBO file, you can import it, and the records it contains, into QuickBooks. This method requires you to download and import a new file anytime you want to bring new transactions into Bank Feeds.

Get Started with Bank Feeds (Direct Connect)

1. Contact your financial institution to obtain Sign in and Password information.
2. Select Banking:Bank Feeds:Set Up Bank Feed for an Account from the menu.
3. Complete the remaining on-screen instructions.
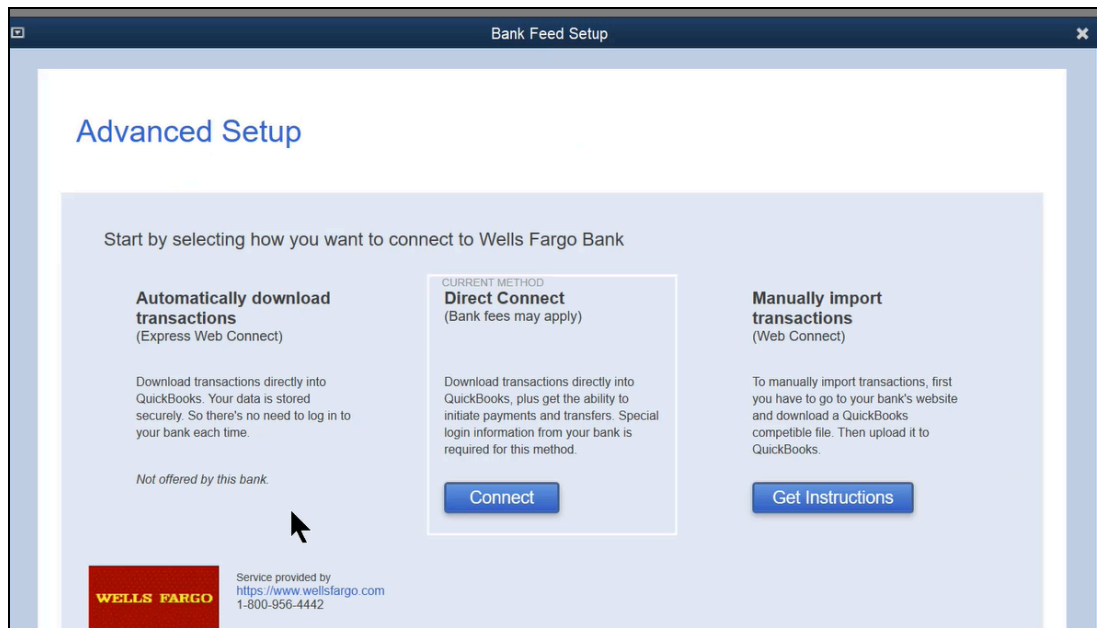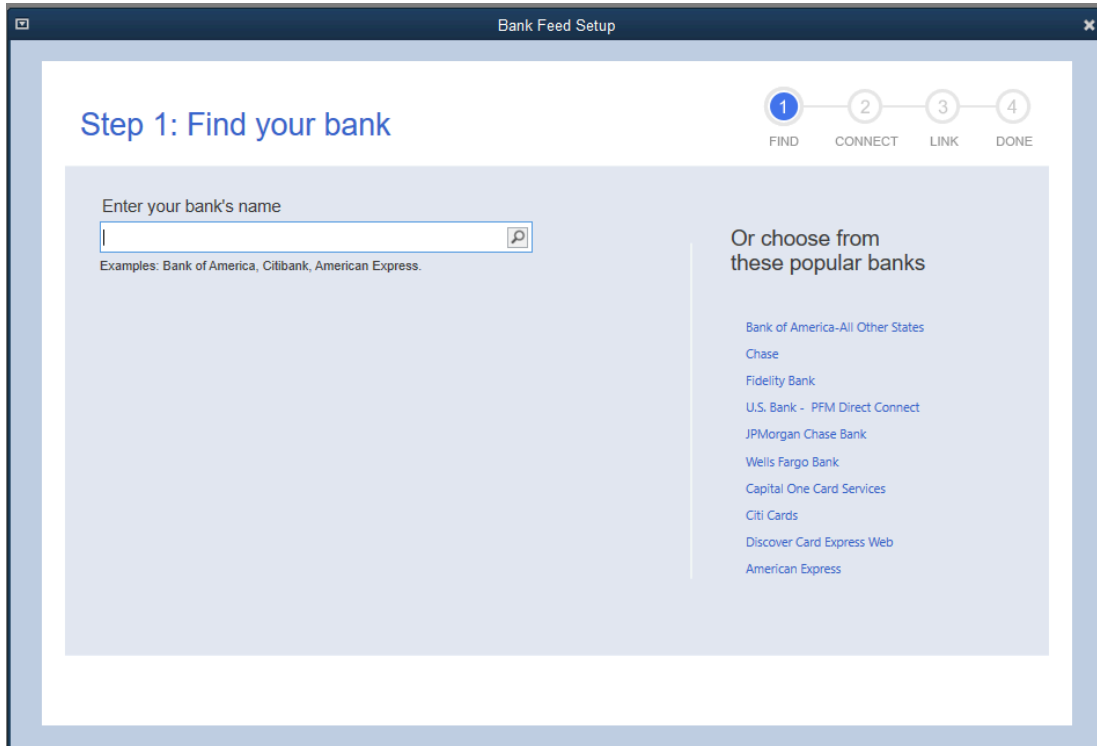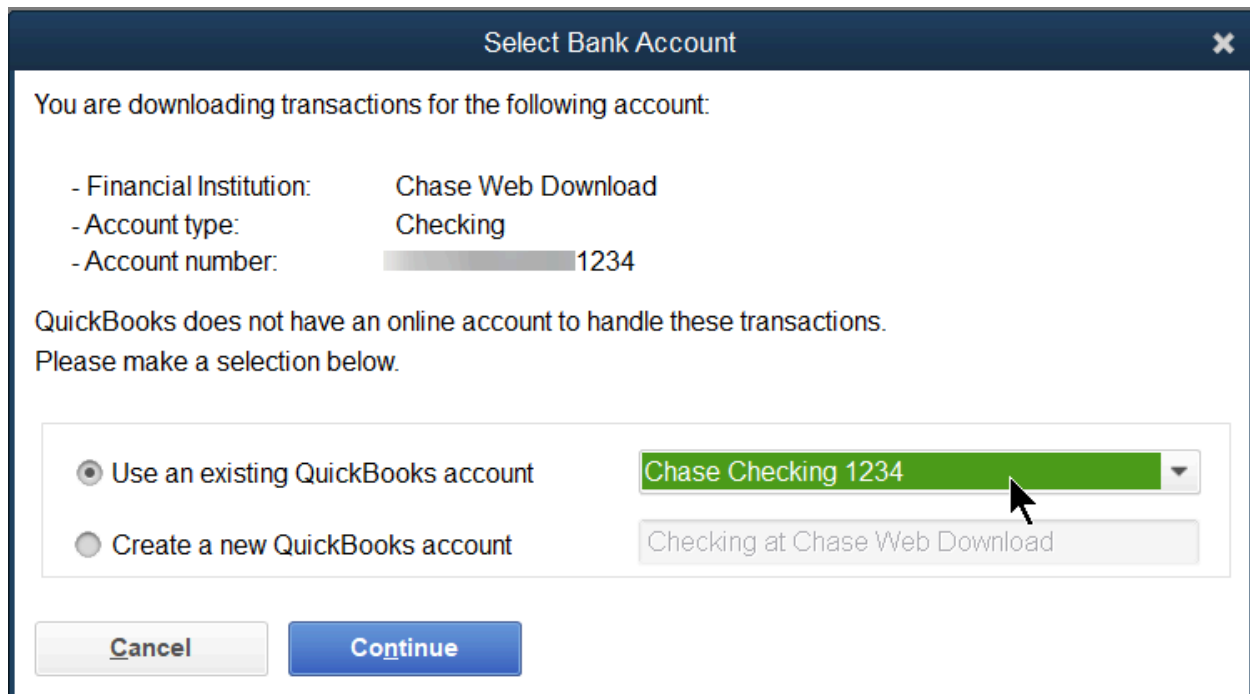
Get Started with Bank Feeds (Web Connect)

1. Sign in to your financial institution's website.
2. Download/Export your transactions for the date range you need as a .QBO file, and save it in an easily accessible place on your computer.

Note: Some financial institutions call .QBO files **QuickBooks** files or Web Connect.

3. In QuickBooks, select Banking:Bank Feeds: Import Web Connect file.
4. Select the bank or credit card account the transactions relate to. If you've already created the bank or credit card account on the chart of accounts in QuickBooks, choose **Use an existing QuickBooks account and select the account from the drop-down menu.** If you have not set up the account on your chart of accounts in QuickBooks, select **Create a new QuickBooks account.**

5. Select **Continue.**

6. Select OK.

Set Preferences

1. Select Edit:Preferences from the menu.
2. Select Checking.
3. Select the Company Preferences tab.
4. Select Advanced Mode.

Note: If you're using Express Mode, set rule preferences to help QuickBooks "learn" as you go. *Always ask before creating a rule* allows you to edit the rule before saving.
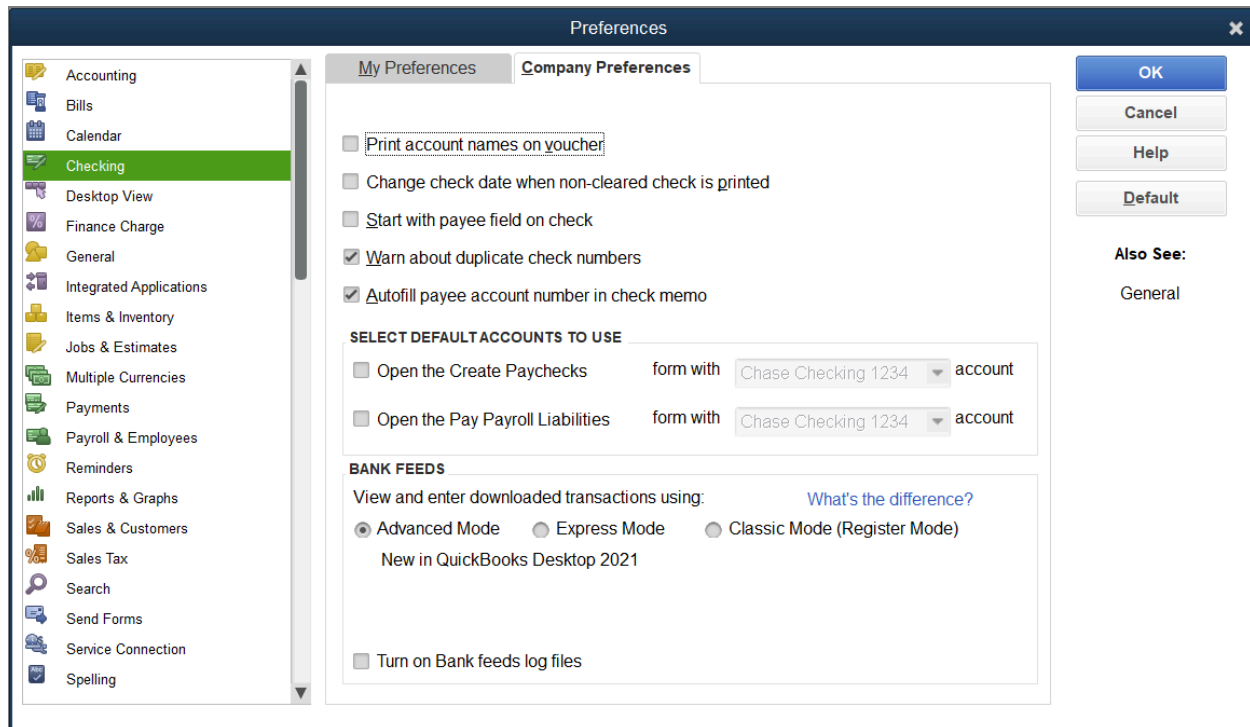
Bank Feeds Center

The Bank Feeds Center stores all transactions downloaded from your financial institutions. You can add these transactions as new entries on your register, or match them to transactions you've already recorded in QuickBooks.

Note: The first time you use Direct Connect, the financial institution determines how far back to retrieve transactions. If you download again at a later time, this feature knows where you left off. For Web Connect: You must put in a date range each time you download a .QBO file from your bank/credit card.

1. Add Account	Add accounts to Bank Feeds
2. Rules	View/edit/delete rules applied to banking transactions
3. Connected Accounts	View bank and credit card accounts connected to QuickBooks
4. Transaction List	Downloaded transactions you need to review

Reviewing Downloaded Transactions

1. Select Banking:Bank Feeds:Bank Feeds Center from the menu.
2. Select the account you want to work with.
3. Select the tab you want to work in (Recognized, Partially-recognized, etc.).
4. You can confirm details for a single transaction through the Action drop-down menu, or select multiple transactions and confirm them in a batch with the Batch Actions drop-down menu.

   Note: Options vary based on the type of transaction and the tab (recognized vs unrecognized) you are viewing.

Recognized Tab

	Batch Actions drop-down options (Recognized Tab)
Add/Confirm	If you've already entered the downloaded transactions, this matches them to what you've already entered. Matching downloaded transactions to existing transactions avoids duplicates. If the transactions are new, this adds them to the register.
Ignore	Removes the downloaded transactions from the transaction review list.
Not a Match	Tells QuickBooks the transactions don't match and moves them into the Unrecognized tab.

	Individual Transaction Actions drop-down options (Recognized Tab)
Add/Confirm	If you've already entered the downloaded transaction, this matches it to what you've already entered. Matching a downloaded transaction to an existing transaction avoids duplicates. If the transaction is new, this adds it to the register.
View Details	Displays the existing transaction that QuickBooks suggests you match the downloaded transaction to.
Not a Match	Tells QuickBooks the transactions don't match and moves them into the Unrecognized tab.
Ignore	Removes the downloaded transaction from the transaction review list.

Matching To Existing Transaction (Recognized Tab)

On the Recognized tab, QuickBooks auto-matches transactions downloaded from your bank/credit card to transactions you've already entered manually into QuickBooks. The Recognized tab also shows transactions QuickBooks has applied a rule to. You learn about rules later in this chapter.

You can confirm transactions one-by-one from the Action column or you can batch confirm transactions by selecting *Add/Confirm* under the batch actions drop down menu. This will confirm matches and/or add any transactions QuickBooks applied a rule to.

If the transaction is not a match for an existing transaction, choose *Not a match* under the action drop-down menu, and QuickBooks moves the transaction to the Unrecognized tab.

Unrecognized Tab

Batch Actions drop-down options (Unrecognized Tab)	
Modify	Enters the same Payee, Account, Customer:Job and Memo to multiple transactions at one time.
Add/Confirm	Records the transactions in the bank/credit card account register.
Ignore	Removes the downloaded transactions from the transaction review list.

Individual Transaction Actions drop-down options (Unrecognized Tab)	
Add	Adds downloaded transaction to the register
Add more details	Add details not available through the transaction review list, like multiple accounts (split).
Match to existing transactions	Choose a match from transactions you've already recorded. Matching a downloaded transaction to an existing transaction avoids duplicates.
Ignore	Removes the downloaded transaction from the transaction review list.

Adding a New Transaction (Unrecognized Tab)

You use the Unrecognized tab to record transactions that aren't in QuickBooks yet.
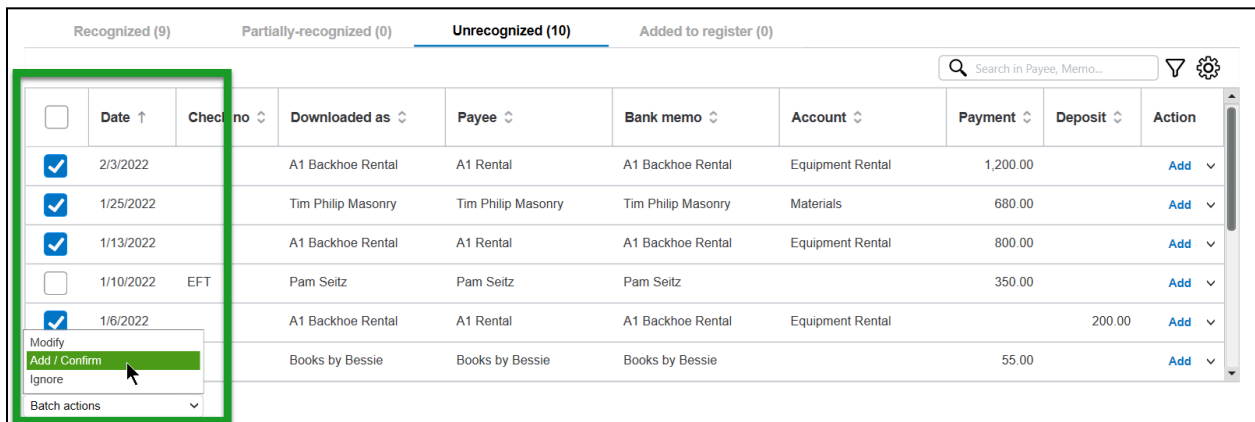
1. Select the Payee drop-down menu > select (or Add New) the customer, vendor, employee or other name the transaction was with.
2. Select the Account drop-down menu > select (or Add New) the account that best describes why you received or spent money. Note: this is where the transaction appears on your financial statements.
3. Select Add to record the transaction into the account register.

(Optional) To save time:

1. Enter details for multiple transactions.
2. Select the checkbox next to each transaction. (See screenshot below)
3. Select Batch Actions > Add/Confirm.

What if QuickBooks Should've Matched Something but Didn't?

Whenever transactions appear in your Bank Feeds Center, QuickBooks searches through your transaction history to see if you've already recorded it. If it discovers a match, the transaction appears in the Recognized tab, which you learned about earlier. If you download a transaction that you've already recorded and QuickBooks didn't find the match on its own, you can find the match yourself.

1. Select Action drop-down menu > select Match to existing transaction.
2. Enter an amount, type of transactions and/or date to search for the transaction.
3. Select the correct transaction to match with the downloaded transaction.
4. Select Save and add to register.

Note: If you add downloaded transactions that are already in QuickBooks without matching them, you create a duplicate in the register.

What QuickBooks Downloads vs What You Enter Manually

Why would you need to manually enter anything into QuickBooks if you can just download from your connected bank or credit card account? Since Bank Feeds makes it so easy to enter transactions, it's tempting to rely on it to record all of your transactions. However, there are some transactions that you *cannot* download from the bank. If you want QuickBooks to print a check, or if you want to record more specific products and services a customer purchased from you, you'll need to record those details through a manually entered transaction.

Transactions you add through Bank Feeds:
- Receive Payment from customers (you should still record this manually if it applies to multiple invoices, or deposited with other payments)
- Bill Payments (if you paid a bill with a printed check, handwritten check, or used credits, you should still enter it manually)
- Credit Card Charges
- Credit Card Credits
- Transfers

Transactions you enter manually:
- Invoices
- Estimates
- Sales Receipts
- Refunds & Credits to customers
- Deposits (you can download some vendor refunds without adding manually)
- Checks (printed or handwritten)
- Bills
- Vendor Credits
- Purchase Orders
- Paychecks and Timesheets (you can sometimes download third-party payroll)

Add a Deposit

If you receive a deposit that doesn't relate to a sale, such as a refund from a vendor or an owner's contribution, you can add it from the Unrecognized tab.

1. Select the Payee drop-down menu > select (or Add New) who you received the money from.
2. Select the Account drop-down menu > select (or Add New) an account that best describes why you received the money. Note: For vendor refunds, use the same account you used when you paid the vendor. This reduces that account's balance.
3. Select Add.

	Date ↑	Check no	Downloaded as	Payee	Bank memo	Account	Payment	Deposit	Action
☑	1/6/2022		A1 Backhoe Rental	A1 Rental	A1 Backhoe Rental	Equipment Rental		200.00	Add
☐	1/5/2022		Mastercard	Mastercard	Mastercard Payment		657.12		Add
☐	1/4/2022		Mahoney's Mugs	Mahoney's Mugs	Mahoney's Mugs		18.08		Add
☐	1/3/2022		The Cheesecake Factory		The Cheesecake Factory		24.38		Add
☐	1/3/2022		Chin's Gas and Oil		Chin's Gas and Oil	Automobile Expense	185.00		Add

Recognized (9)   Partially-recognized (0)   **Unrecognized (12)**   Added to register (0)

Batch actions

Split Transaction

Use "Add more details" to assign more than one account to a transaction.
1. Select the Action drop-down menu > select Add more details.
2. Split the total amount into multiple accounts and/or Customer:Jobs. Select Add line and enter the amount on each line to reach the total amount of the transaction.
3. Select Save and add to register to record the transaction.

Ignore Transactions

You may need to ignore downloaded transactions, such as duplicates or transactions that took place before you chose to start tracking an account.

Reasons to Ignore Transactions
1. If you download transactions you've already included in a reconciliation (you learn about reconciliations later). You cannot reconcile a transaction twice, so ignore to avoid a duplicate.
2. If the bank sent the transaction more than once.
3. If the transaction happened before the date you chose as the starting point for the account. Whenever you set up a new bank or credit card account you have to choose an opening balance date, and enter your balance on that account on that date. If you record any transactions that happened before that date, it's like recording it twice.

To ignore one transaction:
1. Select the Action drop-down menu.
2. Select Ignore.

To ignore more than one transaction:
1. Select the checkboxes next to each transaction you want to ignore.
2. Select Batch actions.
3. Select Ignore.

	Date ↑	Check no ↕	Downloaded as ↕	Payee ↕	Bank memo ↕	Account ↕	Payment ↕	Deposit ↕	Action
☐	1/5/2022		Mastercard	Mastercard	Mastercard Payment		657.12		Add ∨
☐	1/4/2022		Mahoney's Mugs	Mahoney's Mugs	Mahoney's Mugs		18.08		Add ∨
☐	1/3/2022		The Cheesecake Factory		The Cheesecake Factory		24.38		Add ∨
☐	1/3/2022		Chin's Gas and Oil		Chin's Gas and Oil	Automobile Expense	185.00		Add ∨
☑	12/14/2021		Bonnies Garden Services		Landscaping Services		85.00		Add ∨

Recognized (9)   Partially-recognized (0)   **Unrecognized (12)**   Added to register (0)
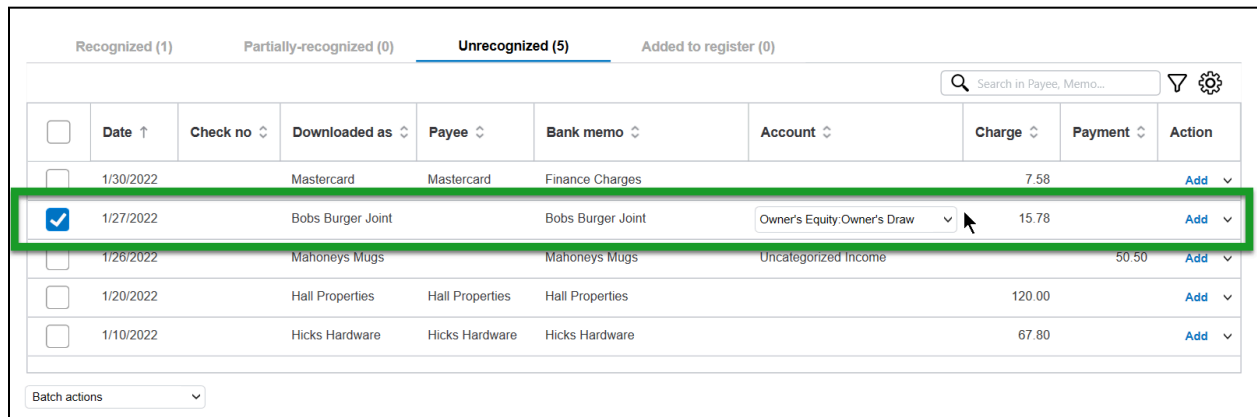
Add more details
Match to existing transactions
Ignore

Batch actions ∨

Recording Owner's Personal Expenses

It's tempting to ignore personal expenses; however, you need to record all transactions from your bank and credit card accounts in order to reconcile the account. During a reconciliation, you compare your bank statements to what you have in QuickBooks to make sure you've recorded everything that happened in that account. If you ignore ANY transaction that appears on your statement, you'll not be able to reconcile.

Instead of ignoring these transactions, you can use an equity account to properly record the transaction. Most businesses have an equity account named Owner's Draw that you use for these kinds of personal purchases. If you do not have this on your Chart of Accounts, you can easily create a new equity account with this name.

	Date ↑	Check no ⇕	Downloaded as ⇕	Payee ⇕	Bank memo ⇕	Account ⇕	Charge ⇕	Payment ⇕	Action
☐	1/30/2022		Mastercard	Mastercard	Finance Charges		7.58		Add ∨
☑	1/27/2022		Bobs Burger Joint		Bobs Burger Joint	Owner's Equity:Owner's Draw ∨	15.78		Add ∨
☐	1/26/2022		Mahoneys Mugs		Mahoneys Mugs	Uncategorized Income		50.50	Add ∨
☐	1/20/2022		Hall Properties	Hall Properties	Hall Properties		120.00		Add ∨
☐	1/10/2022		Hicks Hardware	Hicks Hardware	Hicks Hardware		67.80		Add ∨

Recognized (1)   Partially-recognized (0)   **Unrecognized (5)**   Added to register (0)

Batch actions ∨

Transfers

Transfers represent the movement of money from one bank account to another. You can download and add them to QuickBooks without entering them manually first. If you transfer money between two bank accounts that you've connected to bank feeds, then you only need to Add the transfer for one account. It will show up in the Recognized tab for the other account.

Add/Match Transfers

1. In the Account field, select the account the money came from (if the amount appears in the Deposit column) or the account the money went to (if the amount appears in the Payment column).
2. Select Add.
3. If the other bank account is also connected to bank feeds, confirm the match in the Recognized tab for that bank account

Credit Card Payments

If you pay your credit card balance online, with a debit card or with a bank transfer, the payments will download to the Bank Feeds Center.

Add Credit Card Payments
1. Select the Payee drop-down menu > select (or Add New) the name of the vendor or other name you paid.
2. Select the Account drop-down menu > select the credit card account you paid.
3. Select Add.
4. If the credit card account is also connected to bank feeds, confirm the match in the Recognized tab for that credit card.

Review Rules

1. Select Rules.
2. To add a rule, select + Add Rule. Enter the appropriate information, and select Save.
3. To edit a rule, double-click the rule, make changes, then select Save.

	Add rule details	✕

Rule name: Backhoe Rule   **For:** Money out ▾

When a transaction meets Any ▾ **of these conditions**

| Description ▾ | Contains ▾ | Backhoe | 🗑 |

Add line

Do this

Rename Payee to   A1 Rental ▾

and **Categorize** in account   Equipment Rental ▾

and **Assign** customer:job   ▾

Cancel   **Save**

Note: If QuickBooks asks you to set up a rule, always review/edit the rule to be sure that you approve what QuickBooks created for you.

Chapter 13

Reconciliation

Reconcile a Bank Account

In QuickBooks, you reconcile bank and credit card accounts to make sure your records match the bank's. This helps you locate errors in QuickBooks. You should reconcile bank and credit cards each month when you receive their statements.

Buildem, Inc.
123 LBJ Freeway
Dallas, TX 75240

For Jan 01, 2022 to Jan 31, 2022
Account Number
00-123456
Branch Transit Number
098765

Account Summary

Opening Balance	$367,091.38
Withdrawals	$27,490.95
Deposits	$42,050.65
Closing Balance on Jan 31, 2022	**$381,651.08**

Contact Information

1-800-222-0123
Contact us by phone for questions, on this statement, change of personal information, and general inquiries, 24 hours a day, 7 days a week

TTY for the hearing impaired:
1-800-123-0007
Outside North America:
+1-123-4567

Your branch
Main and Elm
100 Main Street
Dallas, TX
75240

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To find out more about a High Interest
Savings Account – with the first $100
Deposit on us!

You may need to get a QR Code® reader from your SmartPhone App Store

Your Transaction Details

Deposits and other credits cleared (7) Total $42,050.65

Date	Ref No.	Payee	Amount
01/01/2022		Alamo Foundation	$499.95
01/01/2022		Deposit	$40,000.00
01/03/2022	Cash	Deposit	$699.00
01/06/2022		A1 Rental	$200.00
01/08/2022		Deposit	$218.75
01/09/2022		Erik's Foundation and Roof Repair	$408.00
01/10/2022		Myers & Associates	$24.95

Checks and payments cleared (23) $27,490.95

Date	Ref No.	Payee	Amount
01/01/2022		King Cable Co	-$320.32

Compare your Statement to QuickBooks

1. Get your bank statement from the bank/credit card company
2. Select the Reconcile icon on the Home page.

3. Select the Account drop-down menu and select the bank or credit card account you want to reconcile.
4. Enter appropriate information in the Begin Reconciliation window.
5. Select Continue.

Tip: When reconciling, you must make what you see in QuickBooks match what is on your statement.

- Work through one section at a time, starting with Deposits and Other Credits (for example). Statements typically group transactions into three sections: Total Deposits, Checks, and Other.
- Starting with the Deposits, your goal is to make the total value for the Deposits and Other Credits in QuickBooks match the total value you see on the statement.
- If a transaction is different from how it appears on the statement, double-click it and edit it. Select Save once you've made it match the statement.

6. Select the items that cleared the bank. Once there is zero difference between what you have in QuickBooks and what appears on the statement, select Reconcile Now.
7. Select the type of reconciliation report you want to keep for your records.
8. Select Print/Display.

Reconciliation Reports

What if your difference is not zero?

In a reconciliation, discrepancies (or differences) mean that something in QuickBooks doesn't match the statement. Use the list below of potential problems/solutions to successfully complete the reconciliation.

Problem	Solution
Incorrect beginning balance	If this is your first reconciliation, add or edit the beginning balance from the register. If this is not your first reconciliation, consult the Locate Discrepancies report.
Missing or extra cleared transactions	Unselect transactions that do not appear on your statement and/or record missing transactions and select them.
Transactions entered for the wrong amount or date	Double-click the transaction and correct the dollar amount or date.
Incorrect ending balance	Select Modify to edit the ending balance using the correct balance from the bank or credit card statement.

Locate Discrepancies

QuickBooks provides an easy way to locate and fix bank account reconciliation discrepancies. You can undo the last reconciliation or restart the reconciliation of a selected account. You can run a *Discrepancy Report* as well as previous reconciliation reports. Note: QuickBooks Pro only lets you print a copy of the most recent reconciliation report.

1. Select the Reconcile icon on the Home page and select the appropriate account.
2. Enter appropriate information in the Begin Reconciliation window.
3. Select Continue.
4. Select Modify.

5. Select Locate Discrepancies.

Register Tips

1. Select Chart of Accounts.
2. Double-click a bank or credit card account.
3. Reconciled transactions display a checkmark in the checkmark column. Transactions downloaded and added/matched from bank feeds display a lightning bolt, which means they are pre-reconciled for the next reconciliation.

Note: To see transactions grouped by status, select the Sort By drop-down menu on the bottom left and sort by Cleared status. Sort the transactions by amount to view any duplicate transactions.

Do not delete or edit reconciled transactions. Doing so disrupts future reconciliations.

Tips on the Reconciliation Window

1. In the top right corner, choose to Hide transactions after the statement's end date to remove any transactions not in the statement date range.
2. Double-check the Beginning Balance and make sure that the number of deposits and other credits/checks and payments are the same as what's on your statement.
3. If you have the account connected to bank feeds, you see a Matched button. Select it and enter the statement end date to select all of the transactions you matched or added from the bank feeds window.
4. Select Modify to correct information like Statement Date and Ending Balance.

Chapter 14

Security and Multi-User

Users

Users on the QuickBooks Desktop have varying permissions within the account. Depending on the type of user set up, one would have access to different responsibilities within the Desktop account.

- Help you track who makes changes

Admin
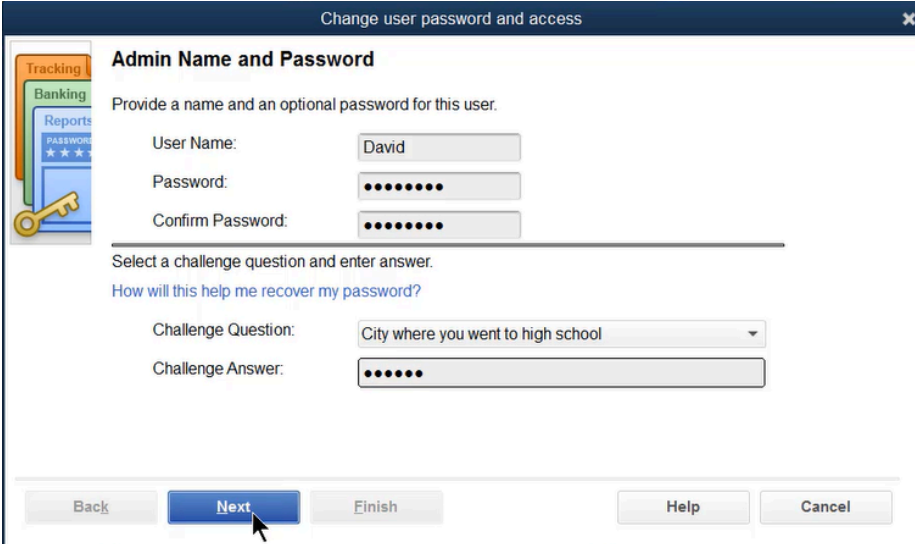
When you set up a new company, QuickBooks automatically sets up an admin user. This one user has unlimited access to all of QuickBooks. The *Admin* is the only user who can:

- Add new users
- Change a user's access privileges
- Import and export data*
- Change company info and preferences*
- Set and change the closing date and password*
- Create portable company files*

*An External Accountant user can also perform these tasks.

Add Details to an Admin User

1. Select Company:Set Up Users and Passwords:Set Up Users from the menu.

2. Enter the admin's name as the Admin's Name.
3. Enter the admin's password as the Admin's Password.
4. Enter the admin's password as the Confirm Password.
5. Select a Challenge Question and enter a Challenge Answer.
6. Select Next, and then select Finish.
7. Select Close.
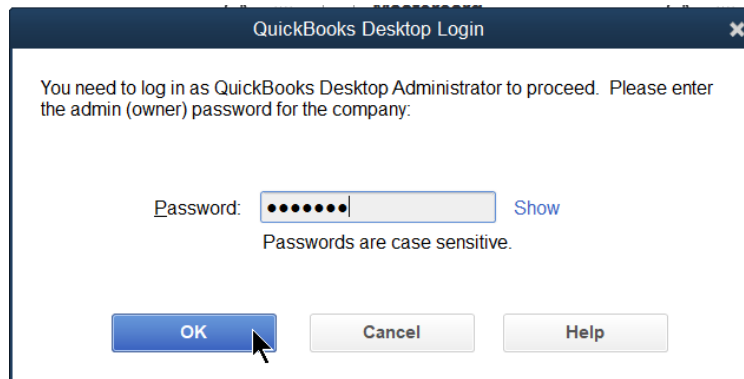
Add a New User

The *QuickBooks Admin* can add users to the company file and assign user security levels. You can set up your accountant as an External Accountant user. An External Accountant user can access all areas of QuickBooks, but can't view sensitive customer information, such as credit card numbers.

Note: You can have as many users in a company file as you would like, this is not the same as User Licenses.

Add a New User (Pro and Premier)
1. Select Company: Set Up Users and Passwords: Set Up Users from the menu.
2. Enter the administrator password (if prompted) and select OK.
3. Select the Add User button.
4. Enter the new user's name as the User Name.
5. Enter the new user's password as the Password.
6. Enter the new user's password as the Confirm Password.
7. Check the box if you want to add this user to your license.
8. Select the Next button.
9. In the first screen, select the user's access level: Selected areas of QuickBooks, All areas of QuickBooks, or External Accountant.
10. Select the appropriate level of access in the following windows.
11. Select Finish in the last window.
12. Select Close.

Add a New User (Enterprise Solutions)
1. Select Company: Users: Set Up Users and Roles from the menu.
2. If prompted, enter the appropriate Password and select OK.
3. Select New.
4. Enter the user's name as the User Name.
5. Enter the user's password as the Password (optional).
6. Enter the user's password as the Confirm Password.
7. Select a role from the list of Available Roles and select Add.
8. Repeat Step 7 to assign additional roles.
9. Select OK.
10. Select Close.

Note: Now that you have set up various users, you can run your account in Multi-User mode. To Log Off, select File: Close Company/Logoff

What is multi-user mode?

Benefits of Multi-user mode
- Multiple people can work in the file at the same time, so they don't have to trade the company file back and forth.

Requirements to use Multi-User Mode
- Install QuickBooks on a computer that is networked with your other computers.
- Or install on a server that is networked with all of your other computers.
- Or contact Right Networks to set up remote hosting.

QB Version	Number of Simultaneous Users
QuickBooks Pro	up to 3
QuickBooks Premier	up to 5
Enterprise Gold & Platinum	up to 30
Enterprise Diamond	up to 40

Drawbacks of Multi-User Mode
In most QuickBooks editions, you must be in *Single-user* mode to perform certain actions. These actions include:

- Some types of changes to lists (such as deleting, merging, and sorting)
- Change company preferences
- Create or work with accountant's copies
- Condense or rebuild data
- Import or export data
- Create portable company files
- Adjust inventory

How to use multi-user mode…
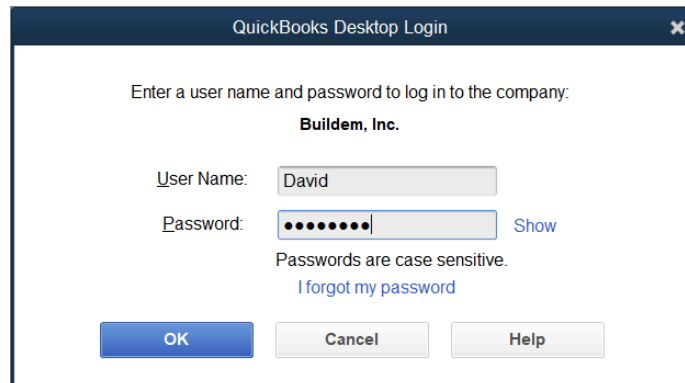
Switch to Multi-user Mode
1. Select File: Switch to Multi-user Mode from the menu.
2. Select OK.

Switch Back to Single User Mode
1. Select File: Switch to Single-user Mode from the menu.
2. Select OK.

Log in as another user
1. Log out as current user (select File: Close Company/Logoff)
2. Select File: Open or Restore Company from the menu.
3. Select Open a company file (.QBW).
4. Select Next.
5. Select the name of the appropriate company file.
6. Select Open.
7. Enter the User Name and the Password.

8. Select OK.

Audit Trail

An important part of accounting is tracking the transactions added, changed, or deleted during a time period…and by whom. QuickBooks provides this information through the Audit Trail report.

Review an Audit Trail Report

Select Reports: Accountant & Taxes:Audit Trail from the menu to view Additions, Changes, Deletions and more on transactions.

Audit Trail with Modification

Audit Trail with Deletion

Audit Trail

| Customize Report | Comment on Report | Share Template | Memorize | Print ▾ | E-mail ▾ | Excel ▾ | Hide Header | Refresh |

Date Entered/Last Modified Today ▾ From 08/25/2022 ▦ To 08/25/2022 ▦

Show Filters

11:27 AM
08/25/22

Buildem, Inc.
Audit Trail
Entered/Last Modified August 25, 2022

Num	Entered/Last Modified	Last modified by	State	Date	Name	Memo	Account	Split	Debit	Credit
Transactions entered or modified by Admin										
Invoice 93										
▸ 93	08/25/2022 11:27:30	Admin	*Deleted*						0.00	◂
93	08/25/2022 11:26:52	*Admin*	Prior	08/25/2022	Smith Hardware		Accounts Receiva...	-SPLIT-	*21.25*	
					Smith Hardware	Deluxe Con...	Parts Sales	Accounts Re...		*20.00*
					State Of Texas	Texas State...	Sales Tax Payable	Accounts Re...		*1.25*
93	08/25/2022 11:26:14	Robin Banks	Prior	08/25/2022	Smith Hardware		Accounts Receiva...	-SPLIT-	42.39	
					Smith Hardware	Deluxe Con...	Parts Sales	Accounts Re...		39.90
					State Of Texas	Texas State...	Sales Tax Payable	Accounts Re...		2.49
Transactions entered or modified by Robin Banks										
Invoice 93										
93	08/25/2022 11:27:30	Admin	*Deleted*						0.00	
93	08/25/2022 11:26:52	*Admin*	Prior	08/25/2022	Smith Hardware		Accounts Receiva...	-SPLIT-	*21.25*	
					Smith Hardware	Deluxe Con...	Parts Sales	Accounts Re...		*20.00*
					State Of Texas	Texas State...	Sales Tax Payable	Accounts Re...		*1.25*
93	08/25/2022 11:26:14	Robin Banks	Prior	08/25/2022	Smith Hardware		Accounts Receiva...	-SPLIT-	42.39	
					Smith Hardware	Deluxe Con...	Parts Sales	Accounts Re...		39.90
					State Of Texas	Texas State...	Sales Tax Payable	Accounts Re...		2.49

Chapter 15

Reports

Report Center

The *Report Center* helps locate and run reports that show the information you need.

Open Report Center

1. In My Shortcuts on the left icon bar, select Reports.
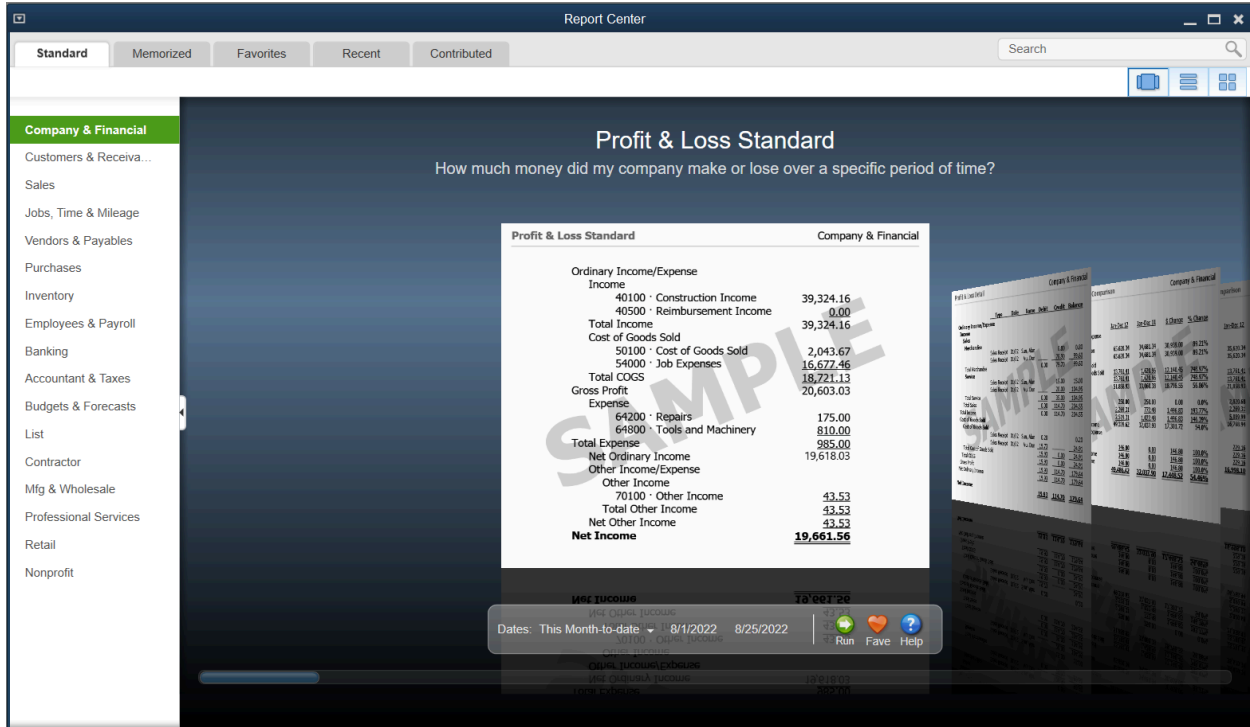
2. Select the appropriate report group to the left.
3. To open a report, select the Run icon below the report preview.

Note: The Contributed tab allows access to shared reports from other QuickBooks users.

Columns
Modify Report Columns

1. Run the appropriate report. Select Reports:Customers & Sales:Customer Phone List.
2. Select the Customize Report button.
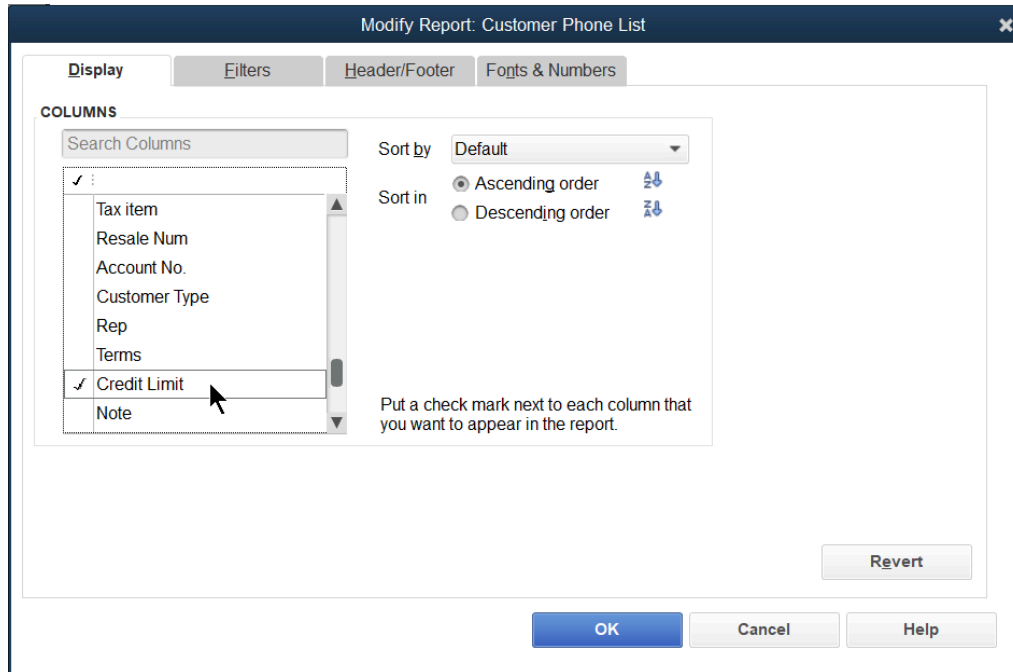
3. Change appropriate information in the Modify Report window.
4. Select OK.

Sorting
Sort Report
1. Run the appropriate report.
2. Select the Customize Report button.
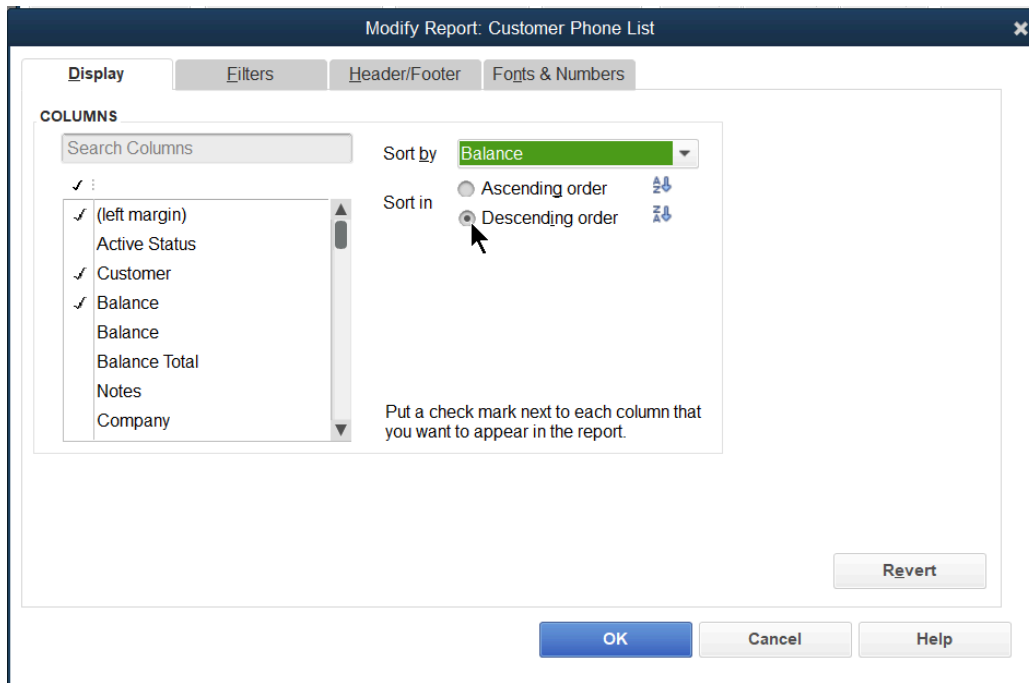
3. Select the drop-down arrow next to Sort by to select the sort field.
4. Select the appropriate button next to Sort in.
5. Select OK.

Column Width & Order

Change Column Width

1. Run the appropriate report.
2. Select and drag the divider between column headings to the left or right.

Change Column Order

1. Run the appropriate report.
2. Select and drag the column title over the diamond between column headings.

Filter Reports

1. Run the appropriate report.
2. Select the Customize Report button.
3. Select the Filters tab.

4. Change appropriate information in the Modify Report window.
5. Select OK.

Header/Footer
Change Header/Footer
1. Run the appropriate report.
2. Select the Customize Report button.
3. Select the Header/Footer tab.

4. Change appropriate information in the Modify Report window.
5. Select OK.

Fonts & Numbers

1. Run the appropriate report.
2. Select the Customize Report button.
3. Select the Fonts & Numbers tab.
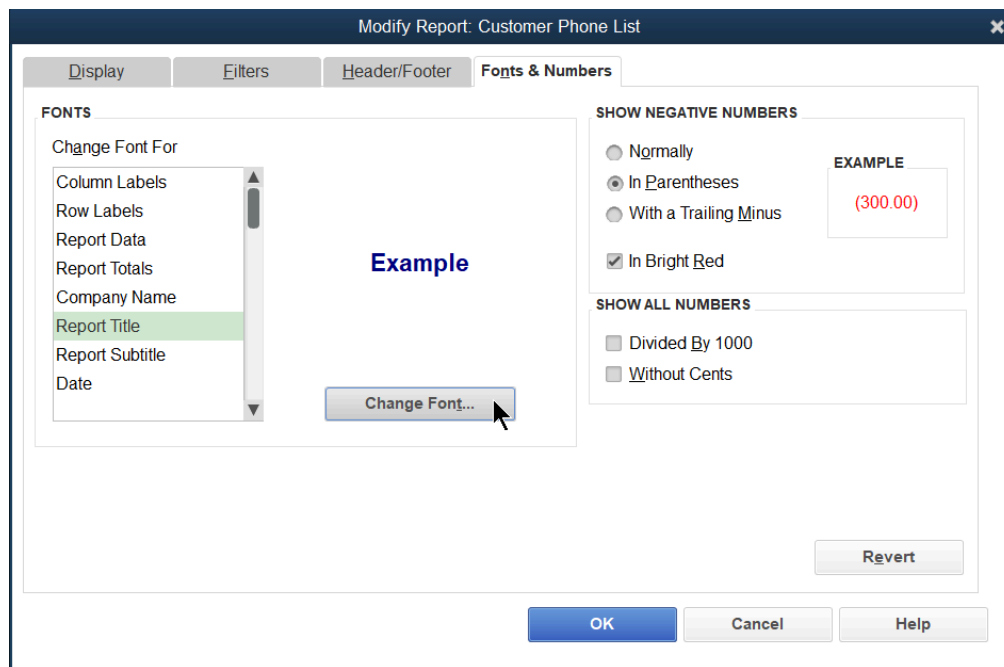
4. Select the appropriate report element in the Change Font For list.
5. Select the Change Font button.
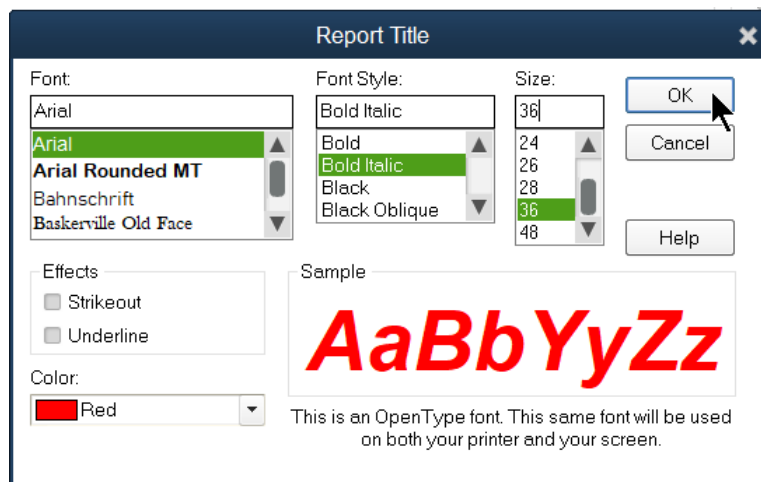
6. Enter appropriate information in the window.
7. Select OK.
8. Select whether to change all related fonts.
9. Enter remaining information in the Customize Report window.
10. Select OK.

Note: You can change the font size in a report by right clicking the part you want to change fonts for.

Report Preferences

Report preferences allow you to customize and format reports for your business needs.

Set Report Preferences

1. Select the Edit menu and select Preferences.
2. Select Reports & Graphs in the list to the left.
3. Select the Company Preferences tab.
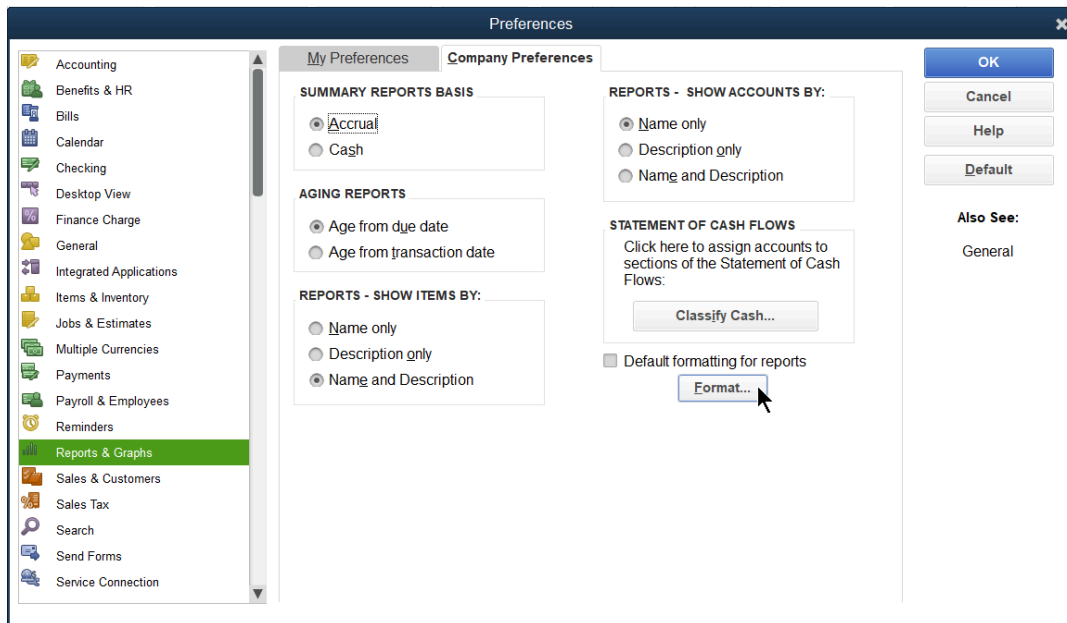
4. Select Format.
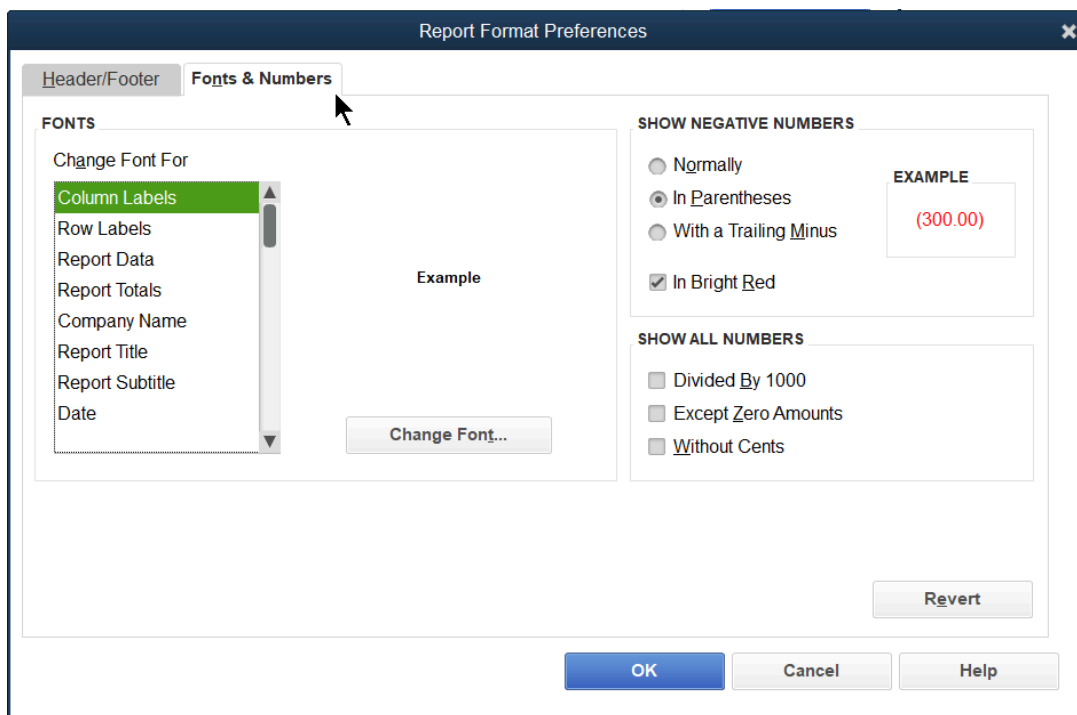
5. Change the Header/Footer or Fonts & Numbers on reports.

Memorizing

Memorize a Report
1. Run the appropriate report.
2. Make appropriate changes to the report.
3. Select the Memorize button.
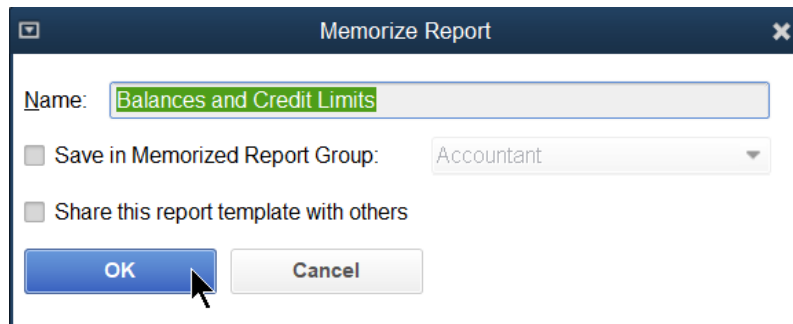
4. Enter the report name in the Memorize Report window.
5. Select OK.

Report Groups

QuickBooks lets you display/print multiple reports at one time. To do so, create a *Memorized Report Group*. Once you add a group, you can click and drag memorized reports to make them part of a group. You can also add a report to a group when you memorize the report.

Add a Memorized Report Group
1. Select Reports:Memorized Reports:Memorized Report List from the menu.
2. Select the Memorized Report button.
3. Select New Group from the menu.
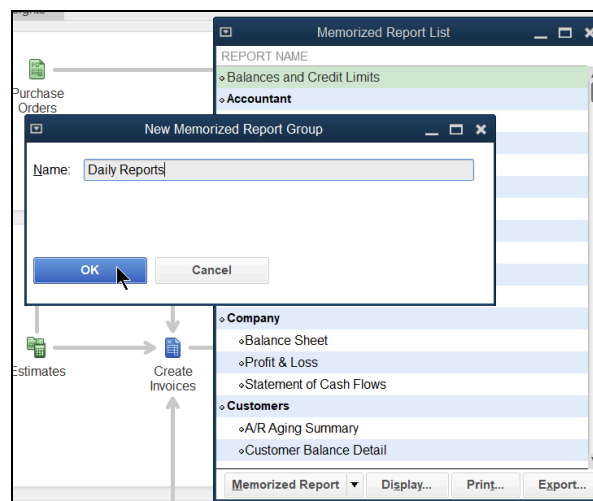
4. Enter the Name in the New Memorized Report Group window.
5. Select OK.
Note: If you make any changes you can memorize the report again and choose either replace (to replace the existing report) or new (to create a 2nd memorized report).

Add Memorized Report to Group

1. Display the report you want to add to the group
2. Select Memorize
3. Check Save in Memorized Report Group
4. Select the group you want to add it to in the drop down
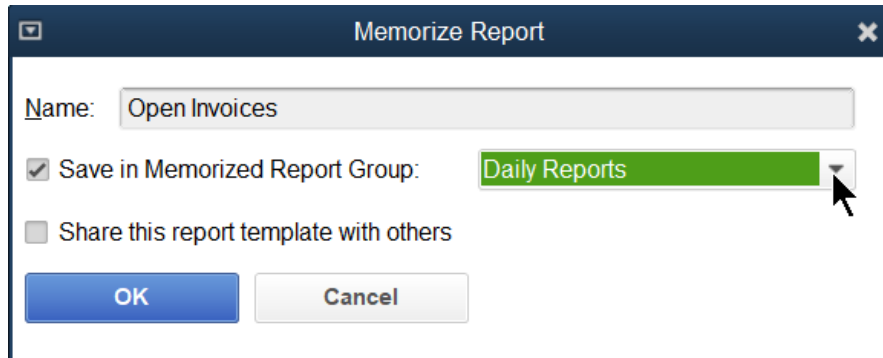
Display/Print a Memorized Report Group

1. Select Reports:Process Multiple Reports from the menu.

5. Select the reports to display/print in the Process Multiple Reports window.
6. Change the From and To dates of the reports as appropriate.
7. Select Display or Print.

Working with Microsoft® Excel®

QuickBooks lets you create custom reports in Excel without having to re-enter the data.

Export a Report to Excel

1. Run the appropriate report.
2. Select the Excel button.
3. Select whether to create a new worksheet or update an existing worksheet from the menu.
4. Select the Advanced button to modify the transfer options.
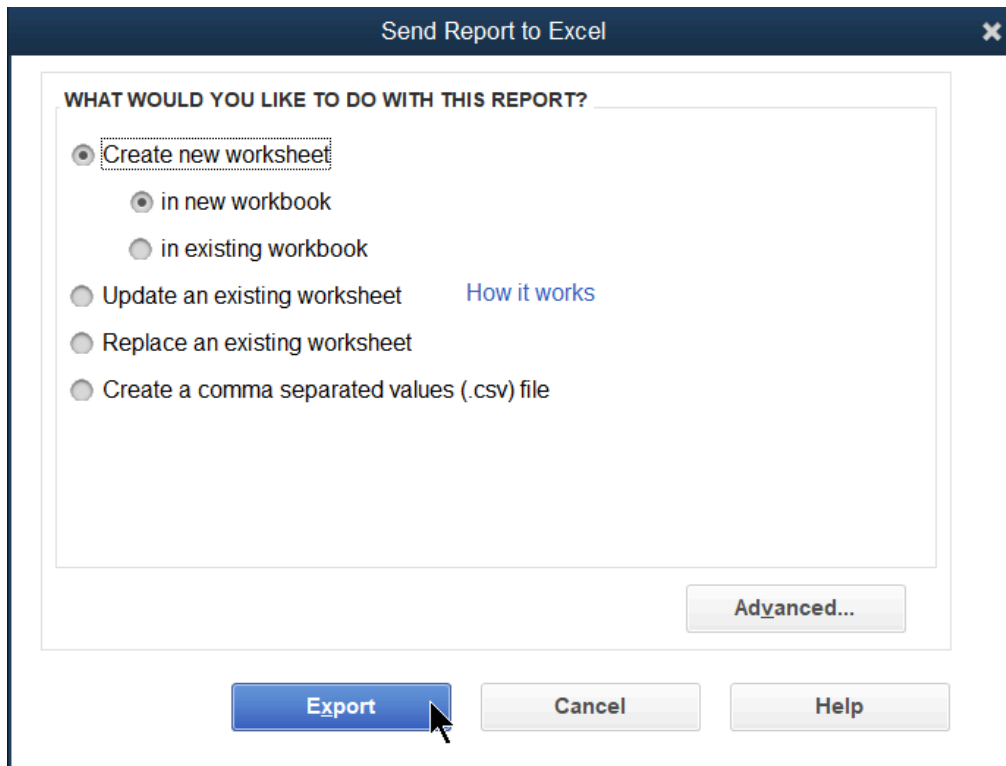
Note: Select Advanced to remove spaces between columns before exporting.

5. Select the Export button.
6. QuickBooks automatically runs Excel and displays the report.

Book2 - Excel

File | Home | Insert | Draw | Page Layout | Formulas | Data

Arial | 8

D3 | Sales

	A	B	C	D	E	F	G	H	I
1								Jan - Mar 22	
2		Ordinary Income/Expense							
3				Sales					
4							Construction Income	132,750.00	
5							Design Income	17,959.90	
6							Freight Income	3,589.37	
7							Parts Sales	101,845.88	
8							Service Income	90,458.49	
9					Total Income			346,603.64	
10					Cost of Goods Sold				
11							Construction Labor	28,000.00	
12							Cost of Sales	8,992.58	
13							Materials	56,431.92	
14					Total COGS			93,424.50	
15				Gross Profit				253,179.14	
16					Expense				
17							Advertising		

QuickBooks Desktop Export Tips | **Sheet1**

Update Report Data

QuickBooks makes it easy to update report data in Excel if the QuickBooks data changes after export. The first time you do this, you must have your QuickBooks Company File open.

Update Report in Excel

1. Save the report in Excel.
2. Select the QuickBooks tab and select Update Report.
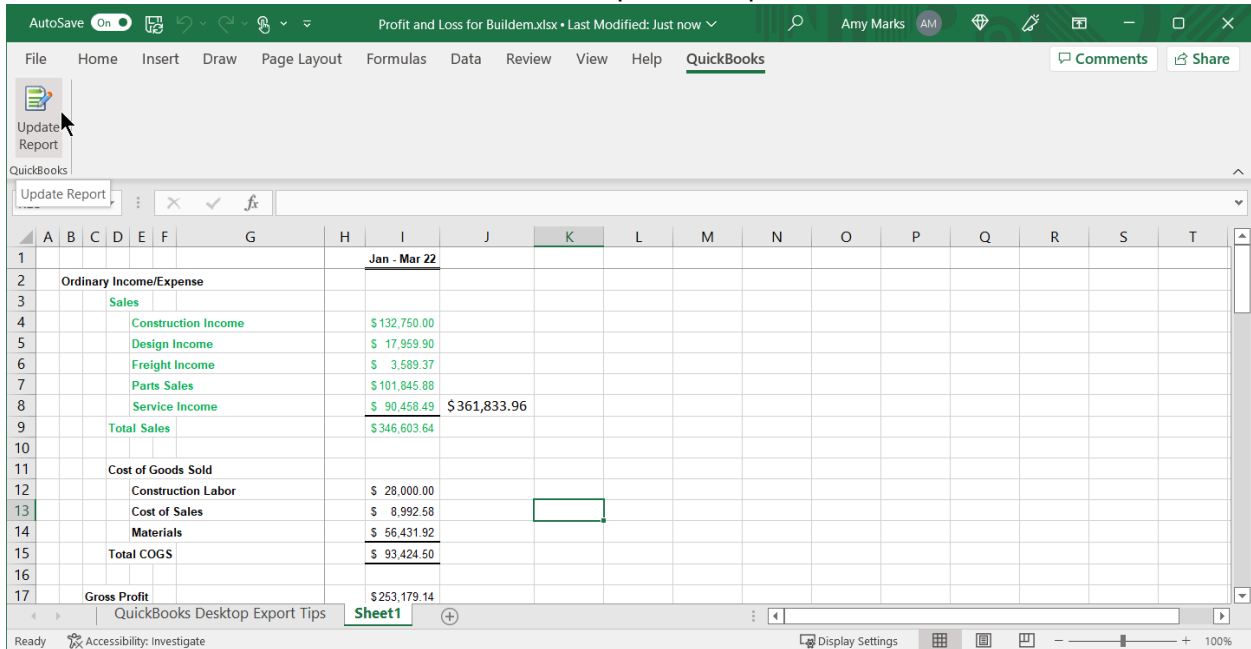
3. Select Browse to select the location of your company file (if necessary).
4. Select the drop-down arrows to change the date range for the report (if necessary).
5. Select Update.

Export Report-Considerations

If you make changes to your exported report, Excel only keeps certain changes:

- Renamed report titles
- Font formatting in row and column headers
- Resized columns
- Renamed column and row headers
- Inserted rows and columns with information entered
- Formulas (the updated report must contain the row associated with the formula)
- Inserted text

Any time you make the following changes to your exported report you will have to manually update the excel file:

- Font formatting in non-header cells
- Formatting other than changes to Font
- Moved data cells

Formula Errors

If you entered a formula in your Excel report and you receive an error when you update the report, you have two choices:

1. Close the workbook without saving to retain the report before the update.
2. Save the report on Sheet1 to keep the updated report without the formula.

Chapter 16

Accounting Tasks & Procedures

Backup Data Files

You should make regular backups of your QuickBooks company files and keep these backups off-site. This ensures you will always have a recent copy of your critical accounting records should a data loss occur.

QuickBooks makes this easy with options for setting the reminder frequency for backups, verifying data integrity, and scheduling backups at set intervals. You can also use Intuit's online backup service (additional fees apply).

There are four ways to backup your company file in QuickBooks:
1. Backup online
2. Manual backup
3. Automatic backup
4. Scheduled backup

Back Up Company Data File

1. Select File: Back Up Company: Create Local Backup from the menu.
2. Select the Options button.
3. Set the backup location and other options and select OK.

4. Select Next.
5. Select when to back up, select Next.

---

6. If creating a manual backup, select Save.
   If creating an automatic or scheduled backup, set options and create a schedule.
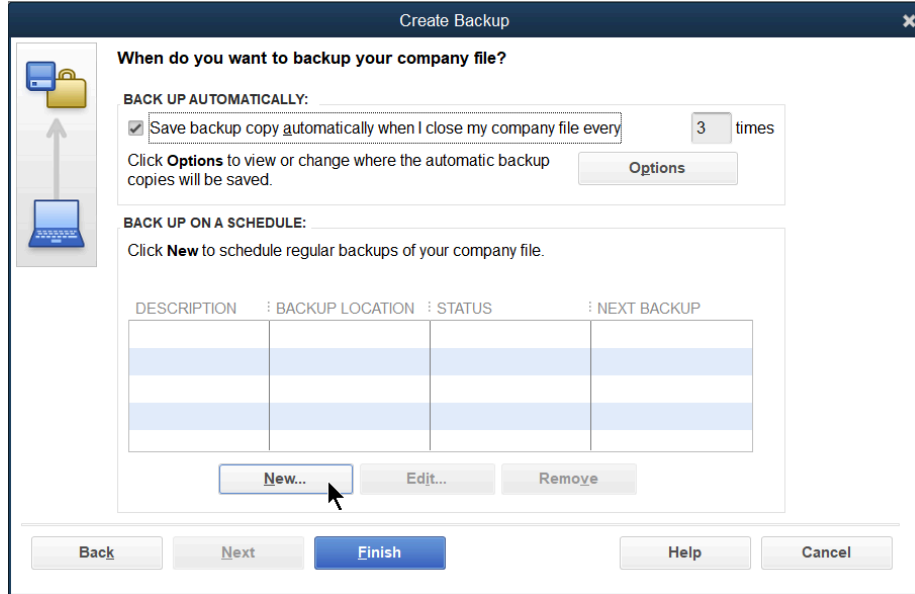
7. Select Finish.

Restore Data Files

Restoring data files means recreating a company data file from a backup copy. You may do this for several reasons.

- You have a damaged company file.
- You have a damaged hard drive on your computer.
- You wish to review your company data as it stood at an earlier date.

1. Select File:Open or Restore Company from the menu.
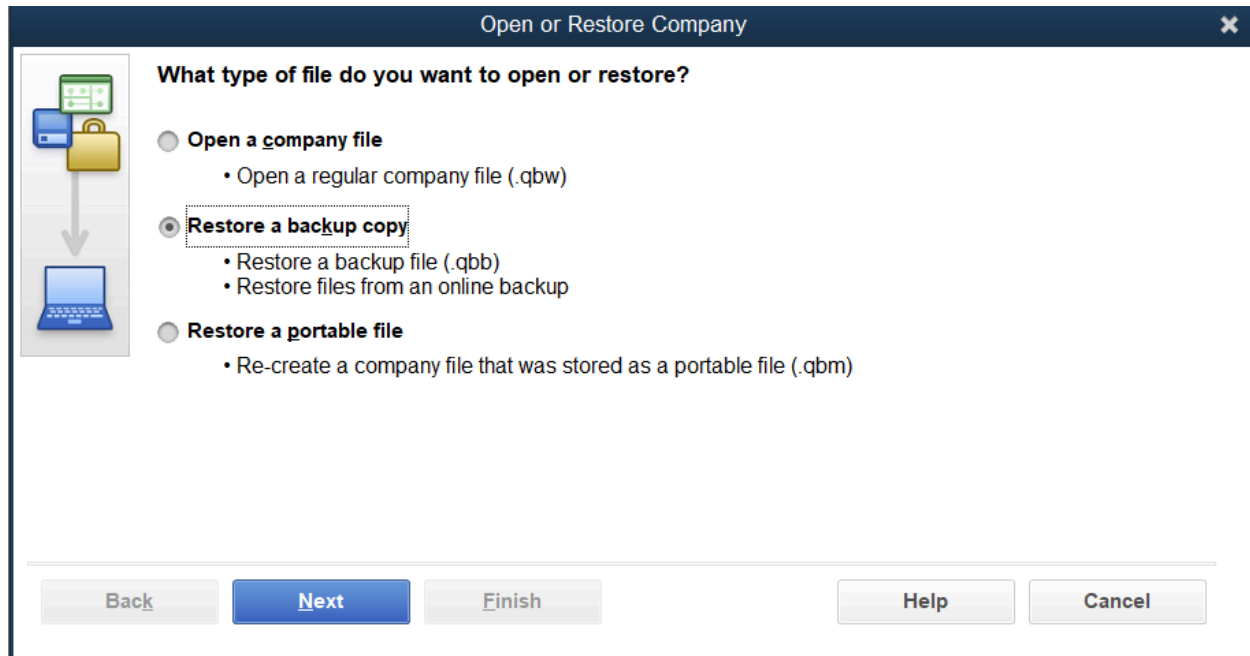
2. Select Restore a backup copy.
3. Select Next.
4. Select Local backup or Online backup.
5. Select Next.
6. Select the backup file being restored in the Open window.
7. Select Open.
8. Select Next.
9. Select an appropriate Restore To location.
10. Select Save.
11. Enter the User Name: and Password: in the QuickBooks Login window (if the file is password protected).
12. Select OK in the QuickBooks Information window.

Updating QuickBooks

Versions

QuickBooks releases a new version of the software approximately every year. A new version adds new features and improvements. Intuit charges a fee for the purchase of a new version. Contact Intuit for current prices.

After you install the new version, QuickBooks asks you to update your data file to the new version. By typing "YES", QuickBooks automatically updates your file to the new version. Once you update the file, you can no longer open the data file in the previous version.

Maintenance Releases

Intuit occasionally creates maintenance releases for an existing version of QuickBooks. A maintenance release usually corrects problems in QuickBooks not discovered until after distribution of a new version. Also, Intuit might add features that were not available at the time of the release of the version. Intuit does not charge a fee for maintenance releases.

To determine the current version and release of QuickBooks, display the *Product Information* window.

Display the Product Information Window
Press the F2 key or hold down the Ctrl key and press 1 on the keyboard.
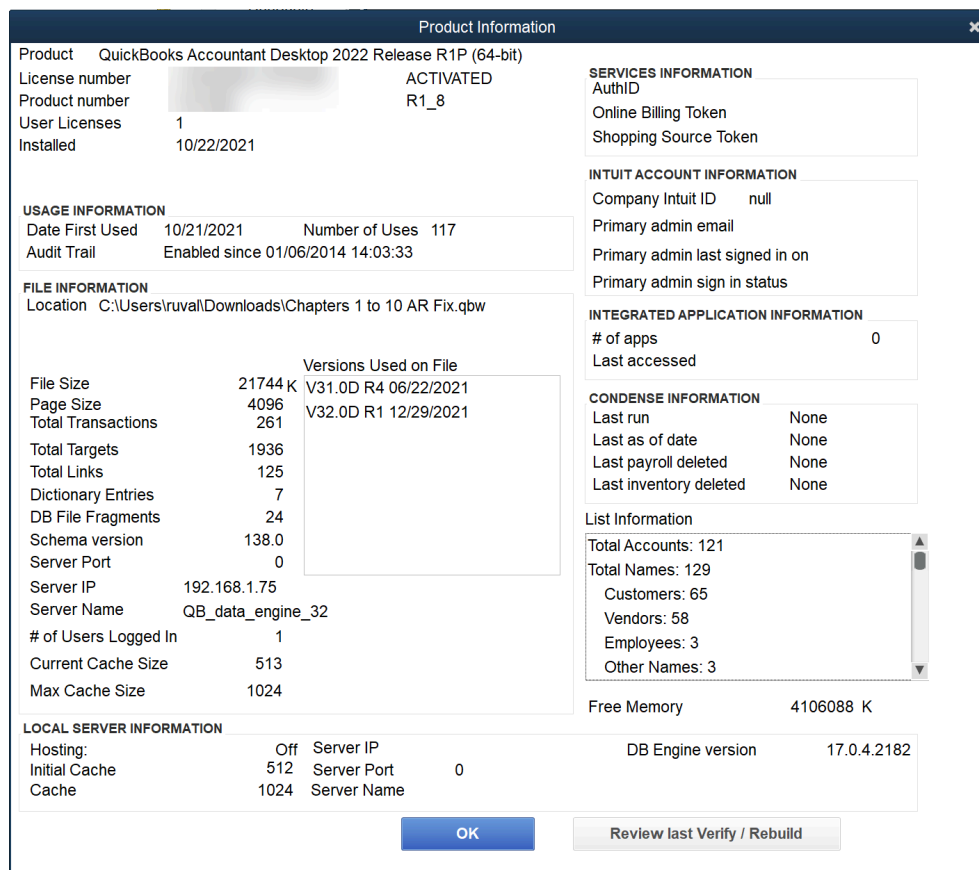
Getting Maintenance Releases

You should download the current maintenance release for your QuickBooks version. You must install the update on every computer that will run QuickBooks in a multi-user system. You can share updates with other users in a multi-user environment.

There are three ways to get the latest maintenance release.

1. Get updates automatically, via the *QuickBooks Update Service*. By turning on the Automatic Update feature in the Update QuickBooks window, QuickBooks will automatically download a new maintenance release when available.
2. Check for and download updates using the *QuickBooks Update Service* when you want. You should check for updates once a month to keep QuickBooks current.
3. Manually download and install the latest maintenance release from the QuickBooks website.

Turn On/Off Automatic Update
1. Select Help: Update QuickBooks Desktop from the menu.
2. Select the Options tab.
3. Select the Yes or No button next to Automatic Update.
4. Select to select the appropriate updates in the Update QuickBooks window.
5. Select Save, then Close.

Check For and Download Updates
1. Select Help:Update QuickBooks Desktop from the menu.
2. Select the Update Now tab.
3. Select the Get Updates button.
4. Select the Yes button when exiting QuickBooks (if prompted).
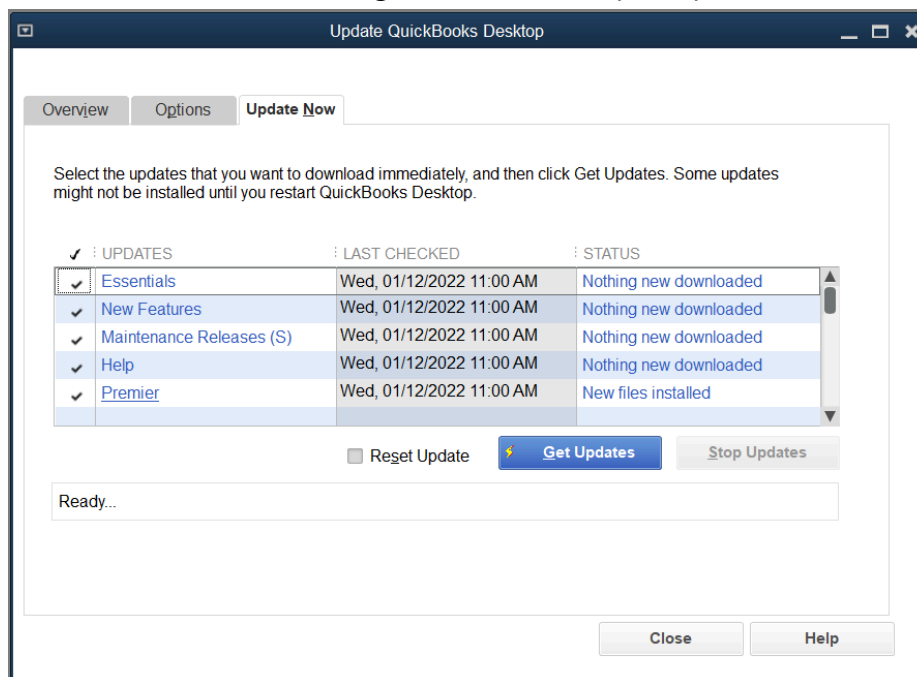
Year-End Steps

You can keep as many years of data in QuickBooks as you wish. However, there are certain procedures you should follow at year-end. In this chapter, you learn 3 steps to complete in QuickBooks at year-end. Consult your accounting professional regarding all year-end procedures your company must complete.

1. Set a closing date and password to restrict users from a prior period.
2. Provide your accountant with your QuickBooks financial information using a method such as the *Accountant's Copy*.
3. Incorporate changes from accountant.

Set a Closing Date

This year-end procedure involves restricting user access to prior accounting periods and setting a closing date and password. To make a change to a prior period, a user must have access and must know the closing date password.

1. Select Company:Set Closing Date from the menu.
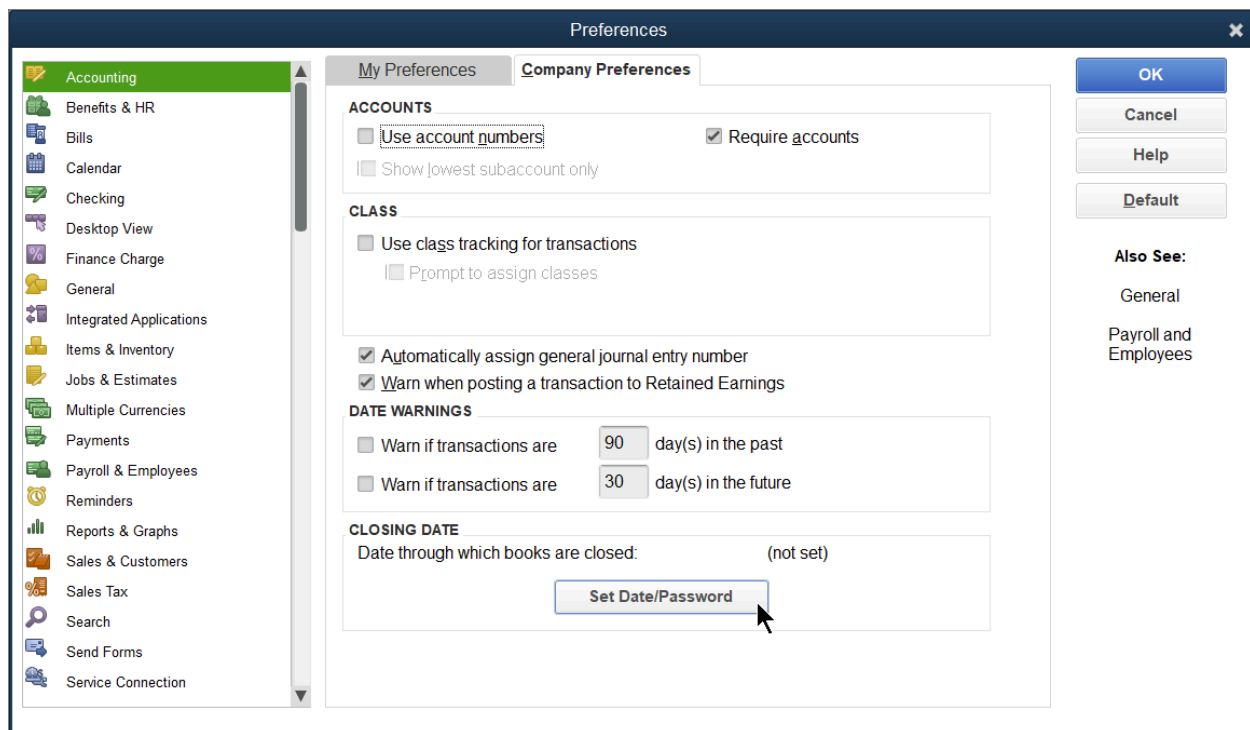
2. Select Set Date/Password.

Set Closing Date and Password

To keep your financial data secure, QuickBooks recommends assigning all other users their own username and password, in Company > Set Up Users.

DATE

QuickBooks will display a warning, or require a password, when saving a transaction dated on or before the closing date.   More details...

☐ Exclude estimates, sales orders and purchase orders from closing date restrictions

Closing Date   12/31/2021

PASSWORD

QuickBooks strongly recommends setting a password to protect transactions dated on or before the closing date.

Closing Date Password   ••••   Show
Confirm Password   ••••
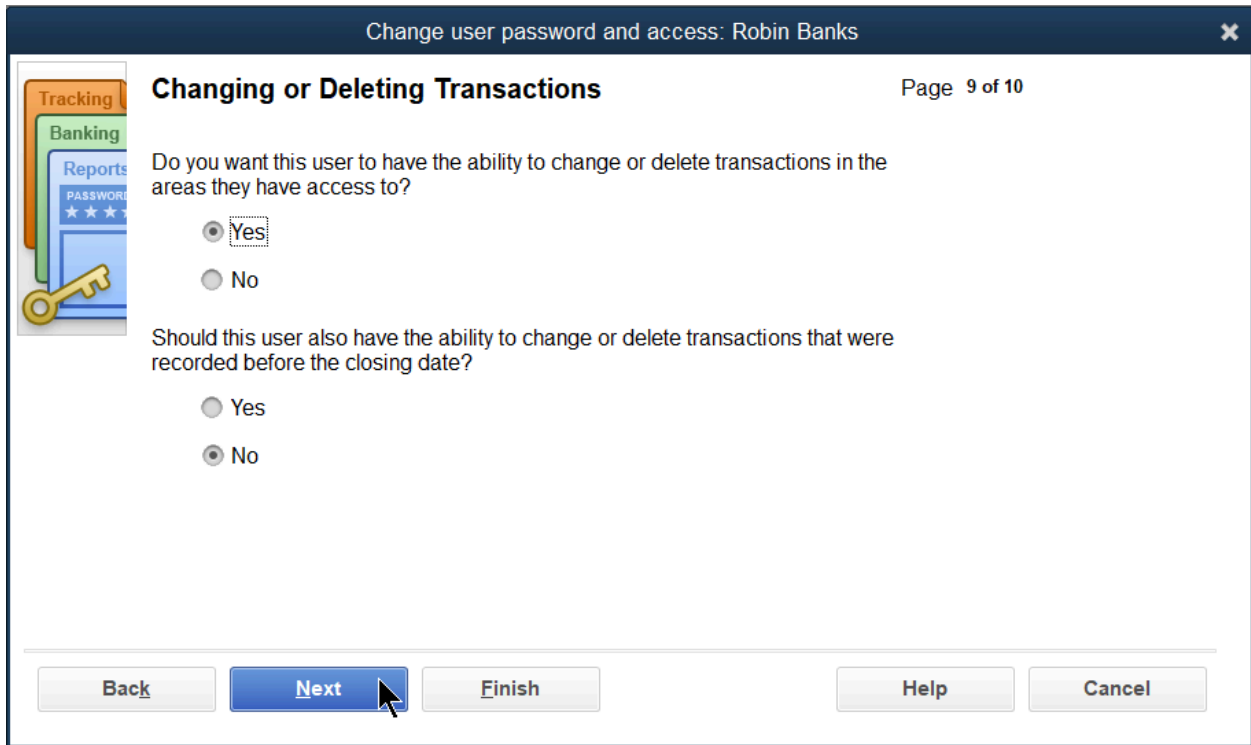
To see changes made on or before the closing date, view the Closing Date Exception Report in Reports > Accountant & Taxes.

OK   Cancel

3. Enter a Closing Date.
4. Enter the password as the Closing Date Password.
5. Enter the password as the Confirm Password.
6. Select OK.

Restrict User Access to Prior Period

1. Select Company:Set Up Users and Passwords:Set Up Users from the menu.
2. Enter the Password in the QuickBooks Login window.
3. Select OK.
4. Select the appropriate user.
5. Select the Edit User button.
6. Select the Next button until you see the Changing or Deleting Transactions window.

7. Select if the user can change or delete transactions prior to the closing date.
8. Select Finish.
9. Select Close

No Access to Prior Transactions
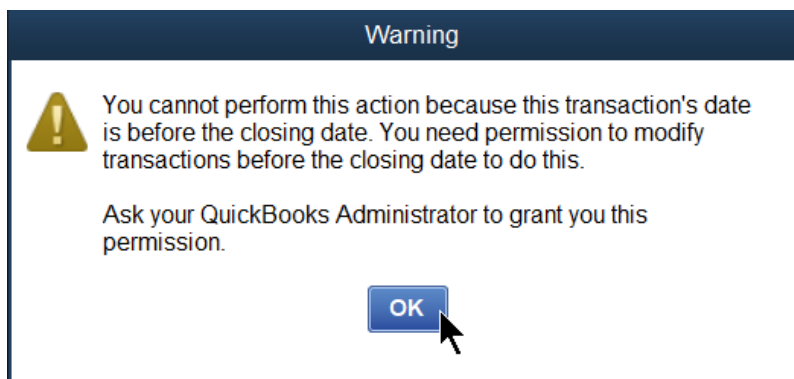
Financial Info to Accountant

The *Accountant's Copy* is an efficient way to work with accountants that use QuickBooks. With this process, you can give a special copy of your data file to your accountant to enter adjustments. Meanwhile, you can continue to work on your original data file. When the adjustments are complete, the changes are imported into your original data file.

There are restrictions on you and your accountant while an Accountant's Copy exists. For a list of restrictions, search for "Accountant's Copy" in the QuickBooks Help system.

Use a *Dividing Date* to ensure changes you make in the current period don't conflict with changes your accountant is making in a prior period.

Create Accountant's Copy
1. Select File:Send Company File:Accountant's Copy:Save File.
2. Select Next.
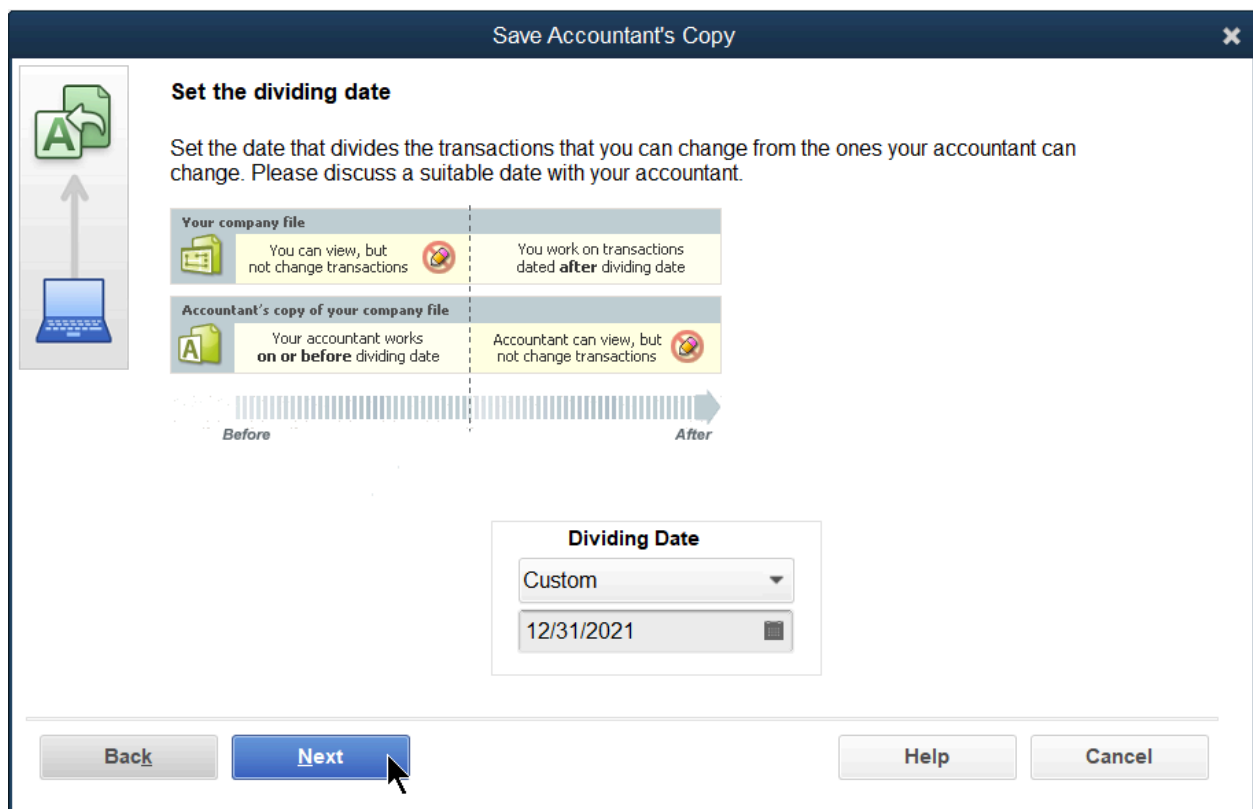
3. Select a Dividing Date for the Accountant's Copy.
4. Select Next.
5. Select OK.

Incorporate Accountant's Changes

If you use the Accountant's Copy, you can import your accountant's changes into your QuickBooks data file.

If you are not using the Accountant's Copy, you can incorporate your accountant's changes into QuickBooks in several ways. For example, your accountant might send you a list of year-end journal entries and ask you to enter them into QuickBooks. Or, your accountant might travel to your office to enter year-end journal entries.

Consult with your accountant to determine the most efficient way of entering their changes in QuickBooks.

Import Accountant's Changes
Select File:Send Company File:Accountant's Copy:Import Accountant's Changes from File.
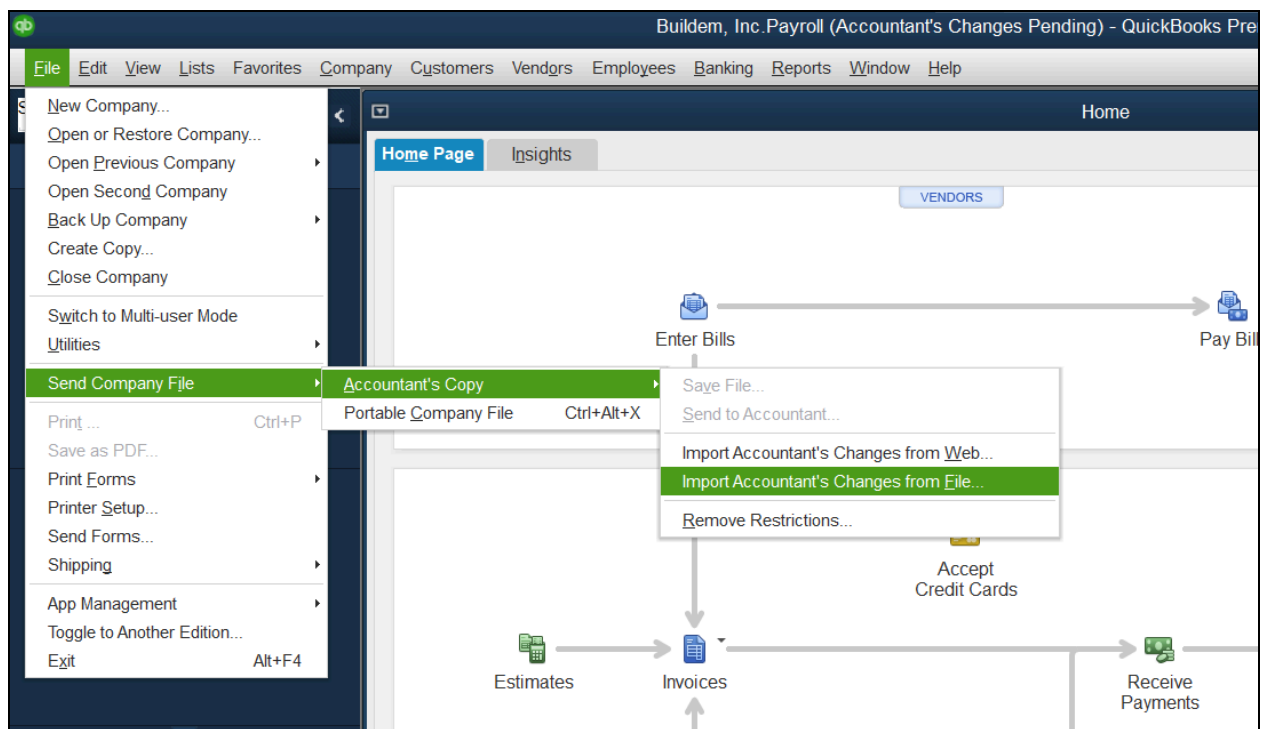
Chapter 17

Payroll Setup

Payroll Setup

Perform these four steps to set up payroll from scratch:
1. Review and Select Payroll Service
2. Payroll Setup Interview
3. Create Payroll Schedules (optional)
4. Set Payroll Preferences
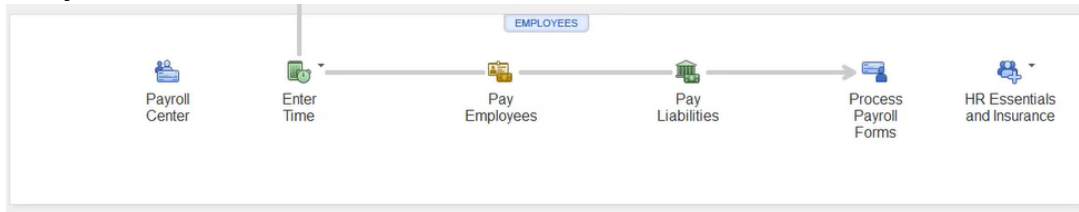
Step 1. Review and Select Payroll Service
Options can be found on the QuickBooks website at
https://quickbooks.intuit.com/payroll/desktop/

* Intuit's payroll services are compatible with the latest version(s) of QuickBooks. However, supported versions are subject to change.

Step 2. Payroll Setup Interview
QuickBooks has a Payroll Setup Interview that walks you through the process of setting up your payroll. If you have not started using QuickBooks payroll, use the Interview.

Start QuickBooks Payroll Setup
1. Select Employees:Payroll Setup from the menu.
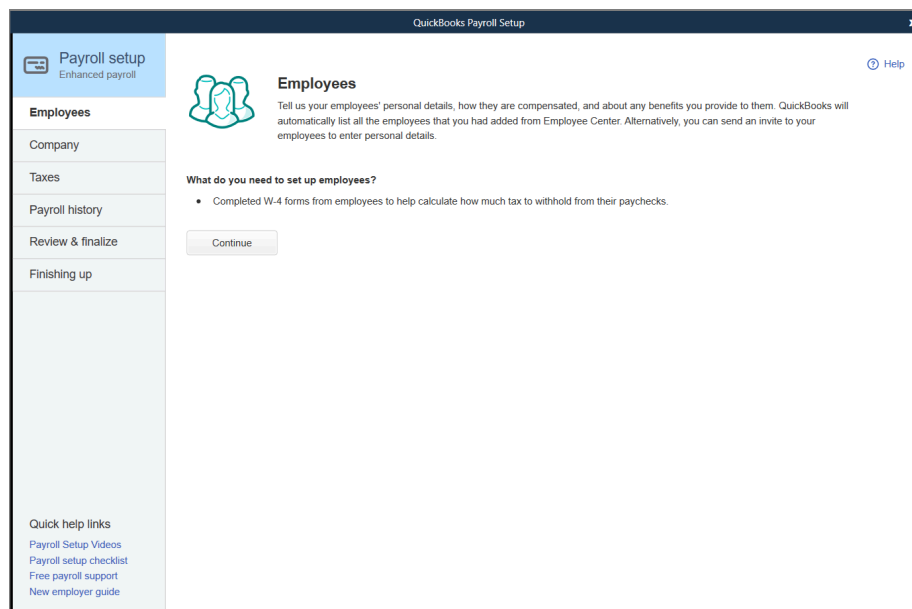
2. Select the appropriate option.
3. Select the Continue button.
4. Enter appropriate information into the windows displayed by QuickBooks.

Step 3. Create Payroll Schedules (optional)

Payroll schedules define when you should run payroll so that you can pay employees on their payday. QuickBooks gives you the option to use *Payroll Schedules*.

1. Select the Lists: Payroll Schedule Lists
2. Select New from the menu.

3. Enter appropriate information into the window.
4. Select OK.

5. Select Yes to assign employees with the same pay frequency to the payroll schedule (if prompted).
6. Select OK in the QuickBooks Desktop Information window.

Step 4. Set Payroll Preferences

1. Select Edit:Preferences from the menu.
2. Select Payroll & Employees.
3. Select the Company Preferences tab.
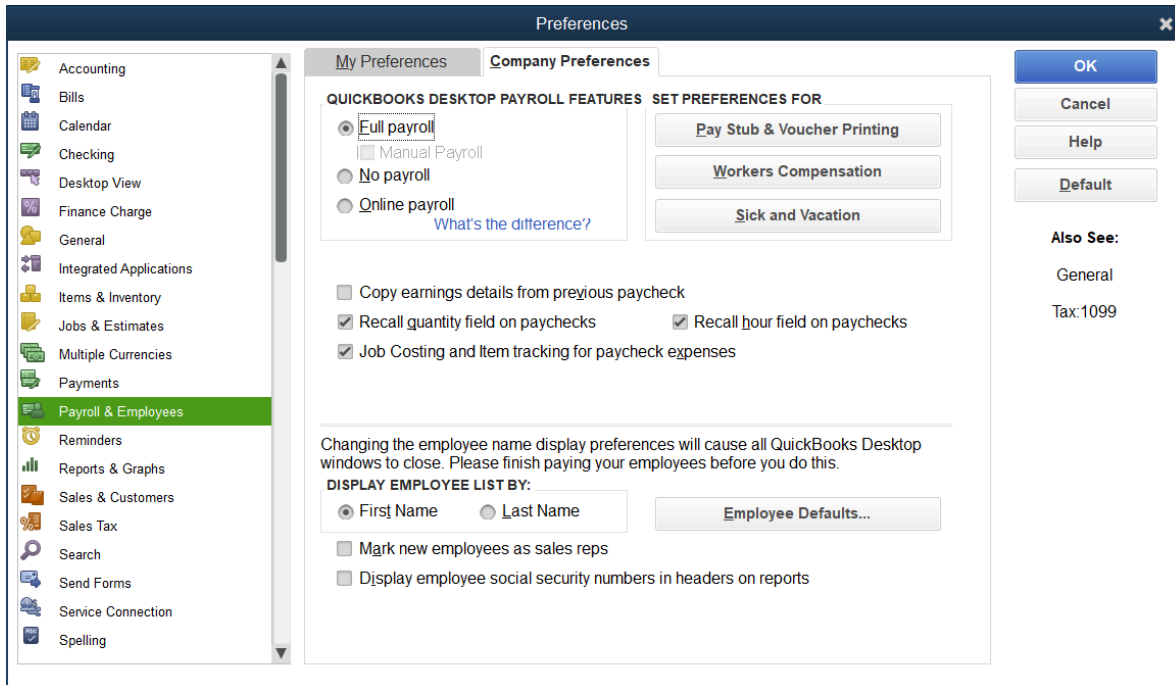
4. Select Pay Stub & Voucher Printing to customize your Payroll printing settings.
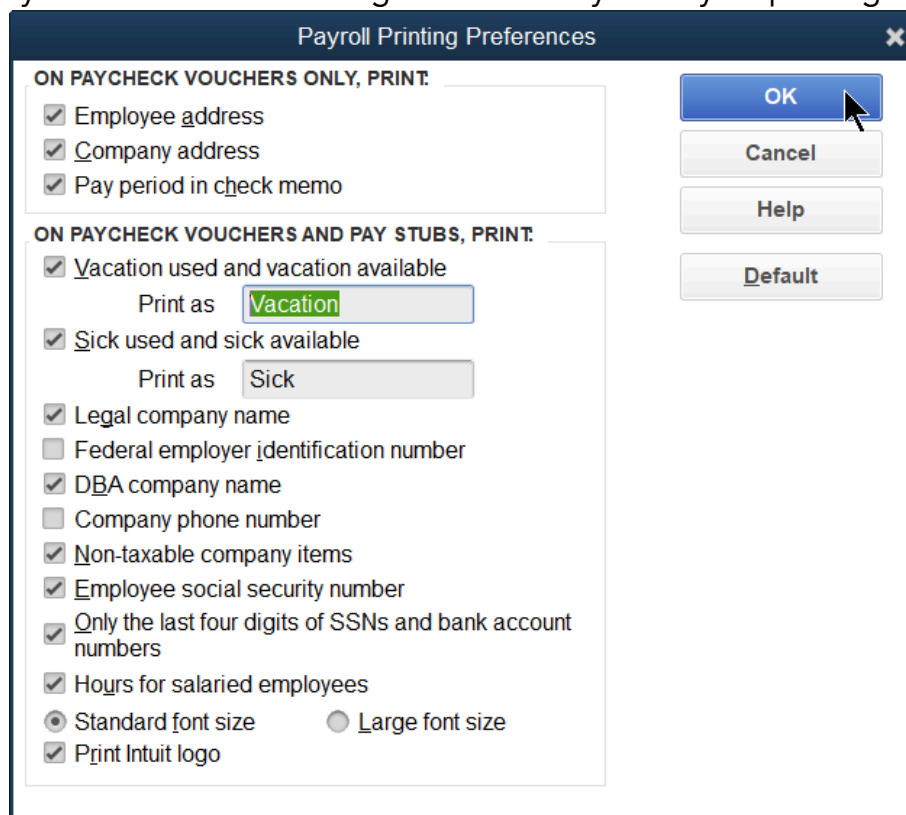
Select the Employee Defaults button and enter any details you want to apply to new employees you set up in your company.

5. If your company needs job costing information for payroll expenses, select Job Cost.
6. Select OK.

Payroll Items

Item Type	Description	Example
Compensation	Hourly or salary wage, commission, or bonus paid to employee	Straight Time, Salary, Sales Commission, Bonus
Insurance Benefits	Taxable and pre-taxable Insurance benefits	Health Insurance, Sec 125 Insurance, Dental Insurance
Retirement Benefits	Employee benefits related to retirement	401(K) Plans, Simple IRA
Paid Time Off	Vacation and sick time used on a paycheck	Vacation Salary, Vacation Hourly, Sick Hourly
Other Additions	Other common additions to a paycheck	Mileage Reimbursement, Employee Advance
Other Deductions	Other common deductions from a paycheck	Wage Garnishments, (e.g. Child Support Orders), Union Dues
Custom	Payroll items not falling within another type	State Income Tax, State Unemployment Tax

QuickBooks uses Payroll Items for anything that affects the amount on a payroll check and for company expenses related to payroll. After turning on QuickBooks Payroll, you can add payroll items as needed. When you add an item, you can use EZ Setup or Custom Setup. Real World Training recommends EZ Setup.

Payroll Item Types

Add Payroll Items

1. Select Lists: Payroll Item lists
2. Select the Payroll Item List button, then New.
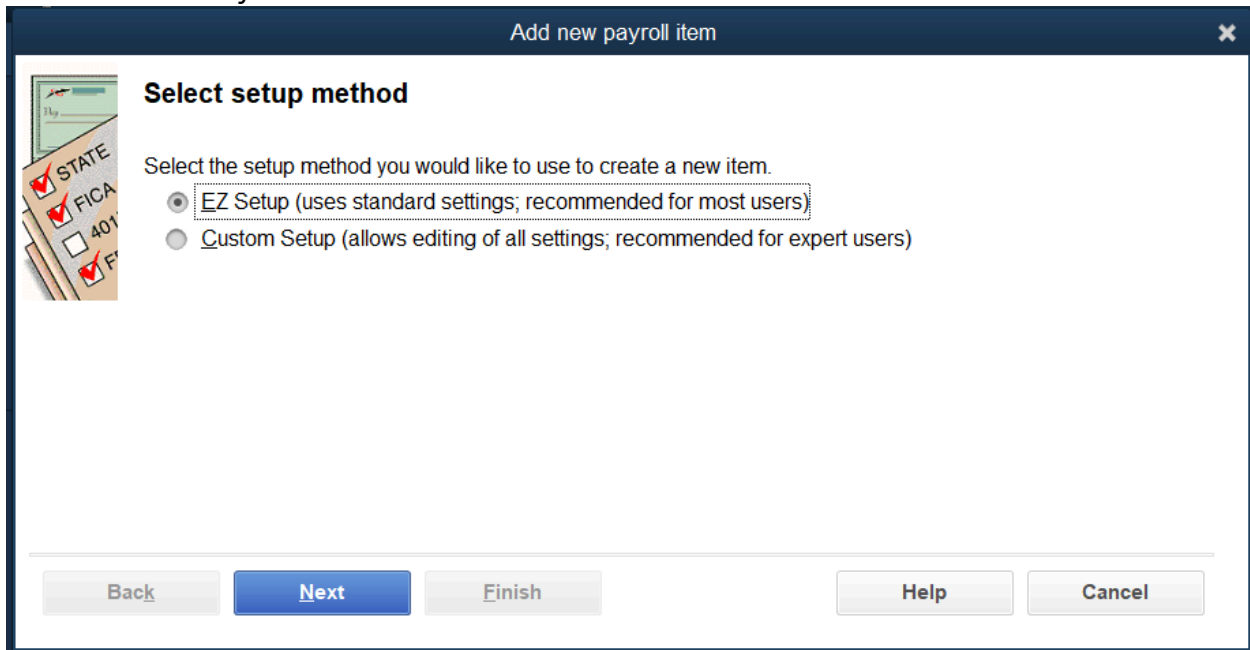
3. Select EZ Setup and select Next.
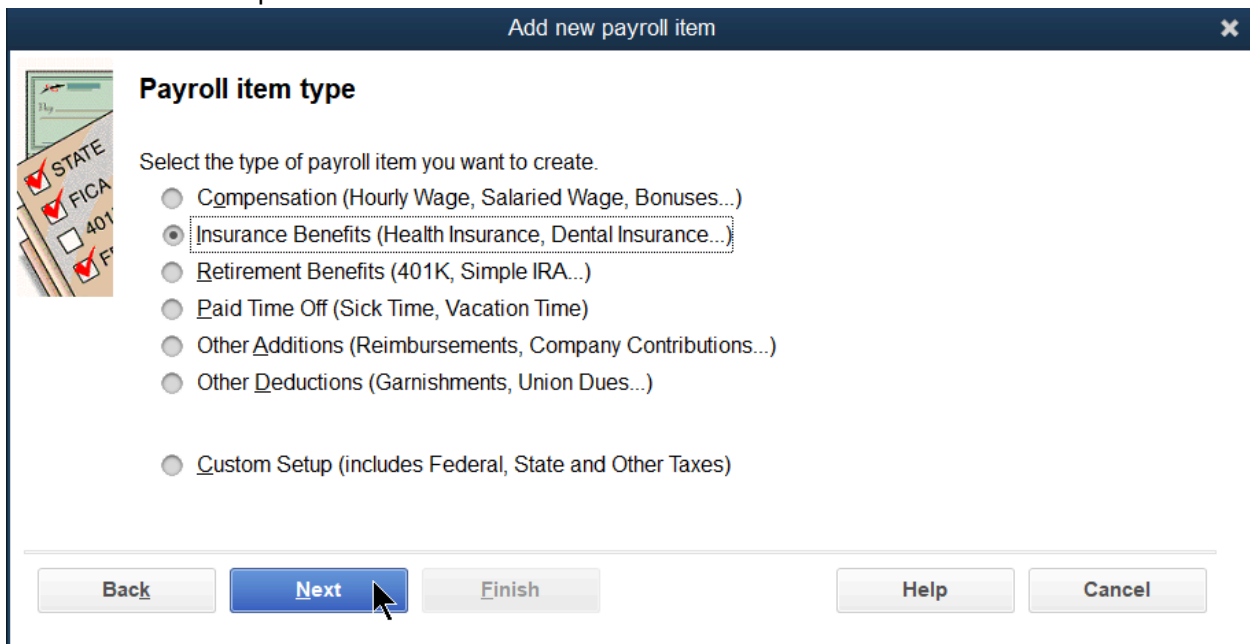
4. Select one of the top payroll item types and select Next.

5. Enter remaining information in the Add New payroll item windows.
6. Select Finish.

Note: EZ Setup uses preset standard settings. To get more detailed questions during setup, always edit the payroll item after it has been created. Most payroll problems originate from incorrect or incomplete setup.

Edit Payroll Items

1. Select Lists: Payroll Item lists
2. Select the payroll item to edit.
3. Select the Payroll Item button.
4. Select Edit Payroll Item from the menu.

5. Enter remaining information in the Edit payroll item windows.

6. Select Finish.

Employees

1. To Add / Edit Employees… select Employees.
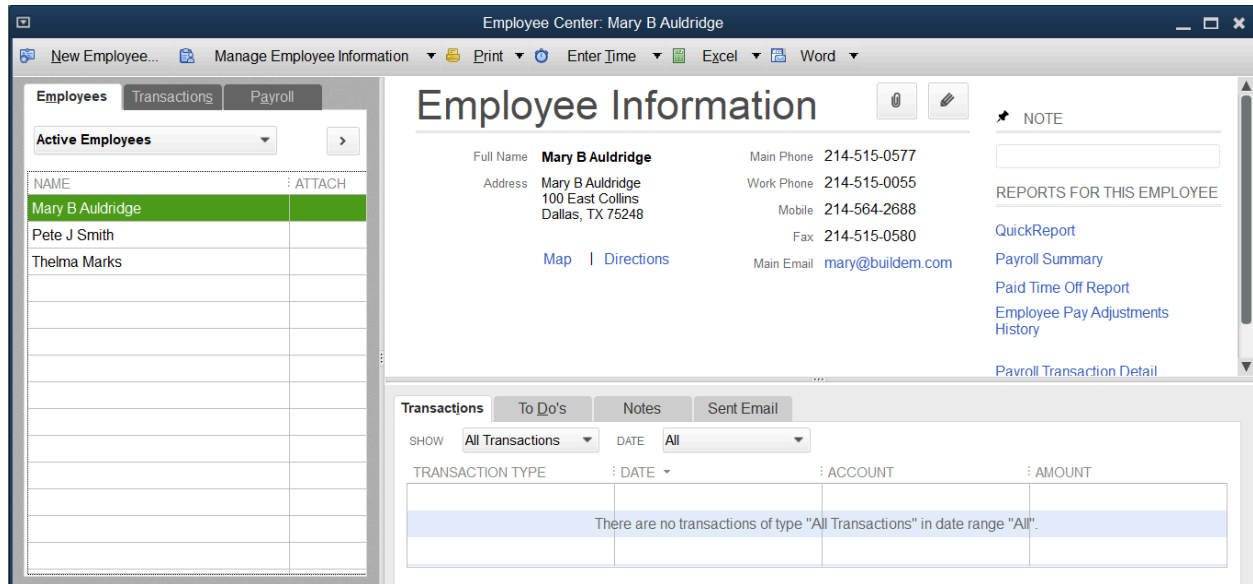
2. Select the New Employee button, or double-click to edit an existing employee.
3. Enter appropriate information in the New or Edit Employee window.
4. Select OK.

Personal Information

Address and Contact Information

Employment Information

Payroll and Compensation Information

Federal Taxes

State Taxes

Sick & Vacation Information

Note: Options for sick and vacation hours are the same.

Hours Available	How many hours the employee has available. You can enter the amount or change as needed.
Hours Used	Number of hours employee has used
Year Begins On	The beginning of the year is set per employee. It relates to the accrual period as well as the reset.
Accrual Period: Beginning of the year	Lump sum of hours given at the beginning of the year (does not accrue over time). (*see Year Begins On*)
Accrual Period: Every paycheck	Hours accrue each paycheck
Accrual Period: Every hour on paycheck	Hours accrue based on the hours in the paycheck.
Maximum number of hours	Limits maximum available hours at any point in time.
Reset hours each new year	Check the box if you have a "use it or lose it" policy.
Begin accruing time on	Accrual begins after a specified date to allow for a probation period.

Chapter 18

Time Tracking

Set Up Time Tracking

Benefits of Time Tracking in QuickBooks

QuickBooks lets you track the time an employee, subcontractor, or owner spends on each job. Once you enter the time, you can use the information in several ways.

Note: It is not necessary to have payroll to use time tracking.

- Invoice the customer for actual time worked on jobs
- Print reports showing the time spent on jobs
- To run accurate time reports, you must enter time in the timesheet rather than entering it directly onto a paycheck
- Prefill employee paychecks with entered time

Set Time Tracking Preferences

Turn on Time Tracking and set the first day of your work week by setting time tracking preferences. If you have QuickBooks Premier or Enterprise Solutions, you can also activate invoicing from a list of time and expenses.

5. Select Edit:Preferences from the menu.
6. Select Time & Expenses.
7. Select the Company Preferences tab.
8. Change appropriate information in the Preferences window.
9. Select OK.
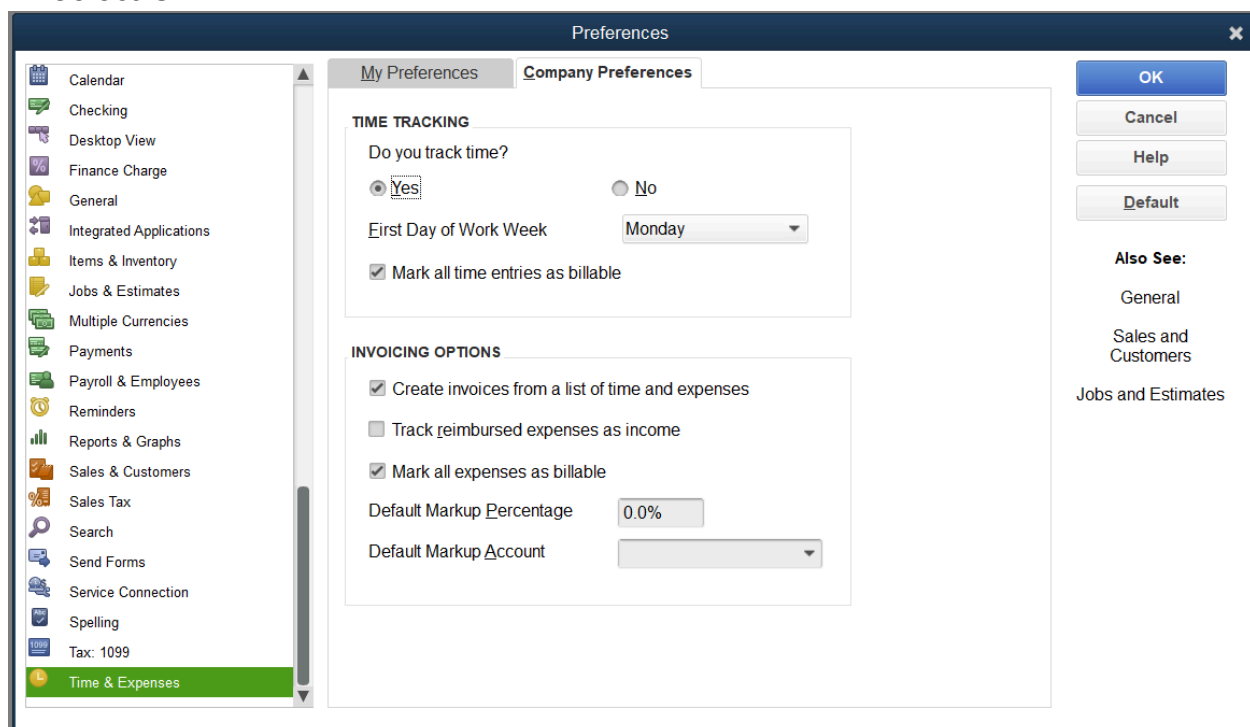
Enter Weekly Timesheet

QuickBooks lets you track the time employees or subcontractors spend on each job. You can use the time to pay employees, pay subcontractors, and invoice customers. Entering time alone does not update job costing reports.

Note: Timesheets are a non-posting transaction (this means it does not affect your reports).

1. Select the Enter Time icon on the Home page and select Use Weekly Timesheet from the drop-down arrow.
- Make sure the date range is correct.
- Select the Name drop-down arrow and select the appropriate employee.

4. Enter remaining information in the Weekly Timesheet window.
5. Select Save & Close.

Weekly Timesheet (Subcontractor)

Note about Subcontractor Timesheets
- Recording time is not enough for it to translate to financial reports.

- There are no payroll items on timesheets for Subcontractors. The costs flow to the reports from the vendor transactions you create.

- The rate paid to the Subcontractor comes from service items.

Print Timesheets

Print timesheets for your records or for review and approval.
1. Select the Enter Time icon on the Home page and select Use Weekly Timesheet from the drop-down arrow.
2. Select the Print drop-down arrow and select Print.

3. Enter appropriate Dates in the Select Timesheets to Print window.
4. Select on the individual timesheets to select for printing.
5. Select OK.
6. Select Print.

Invoice for Time

1. Select the Create Invoices icon on the Home page.

Note: For QuickBooks Pro, after you select Create Invoices, enter the customer's name and it takes you directly to the choose Billable Time and Cost window.

2. For QuickBooks Premier and Enterprise Solutions, select Invoice for Time & Expenses from the list.

	CUSTOMER:JOB ▲	TIME	EXPENSES	MILEAGE	ITEMS	TOTAL
	Columbia Management:Spokane Civic Center	0.00	1,000.00	0.00	36,249.00	37,249.00
	Fort Worth Homes:Madison Development	0.00	5,398.10	0.00	0.00	5,398.10
	Jupiter Homes:Fannin Residence	1,911.30	0.00	0.00	0.00	1,911.30
	Lancaster County	0.00	1,025.00	0.00	0.00	1,025.00
	Orlando Homes:Division 1a	0.00	0.00	0.00	4,495.50	4,495.50
	The Jones Group:Stadium	1,501.95	0.00	0.00	0.00	1,501.95

Invoice for Time & Expenses window. Select the Date Range and Template. Then select Customer:Jobs to invoice. Click Create Invoice or Next Step. Date Range From ___ To 03/31/2022. Template Intuit Service Invoice. Select All.

3. Select the appropriate customer or job from the list.
4. Check the box next to Let me select specific billables for this Customer:Job.
5. Select Create Invoice.

Choose Billable Time and Costs window

Time and Costs For: The Jones Group:Stadium

Time (6) $1,501.95 | Expenses $0.00 | Mileage $0.00 | Items $0.00

Clear All

Click on Options... to customize how information from timesheets is brought into QuickBooks invoices — Options...

✓	DATE	EMPLOYEE	SERVICE ITEM	HOURS	RATE	AMOUNT	DESCRI...	HIDE
✓	12/27/2021	Mary B Auldridge	Repair Hinges	8:00	34.95	279.60	Hinges s...	
✓	12/27/2021	Mary B Auldridge	Repair Hinges	3:00	34.95	104.85	Hinges s...	
✓	12/28/2021	Mary B Auldridge	Repair Hinges	8:00	34.95	279.60	Hinges s...	
✓	12/28/2021	Mary B Auldridge	Repair Hinges	2:00	34.95	69.90	Hinges s...	
✓	12/29/2021	Mary B Auldridge	Lock Install	4:00	64.00	256.00	Lock Inst...	
✓	12/30/2021	Mary B Auldridge	Lock Install	8:00	64.00	512.00	Lock Inst...	

☐ Print selected time and costs as one invoice item

Total billable time and costs 1,501.95

OK | Cancel | Help

6. Select the time to bill in the Choose Billable Time and Costs window.
7. Select Options to make additional decisions about the time to be invoiced and select OK.
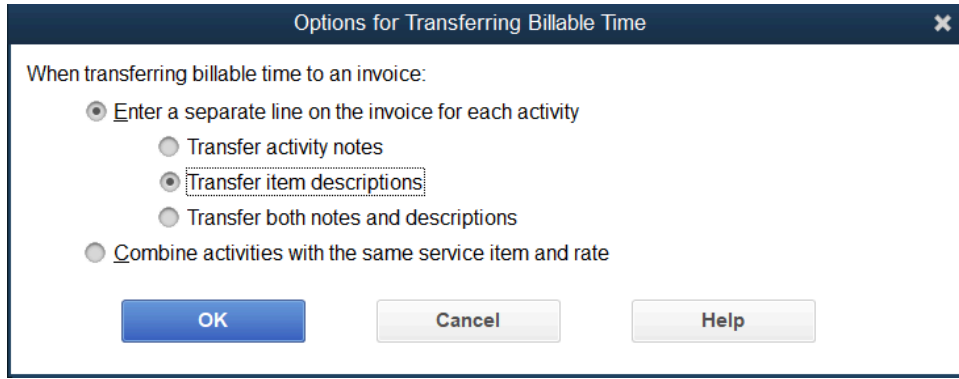
8. Select OK.
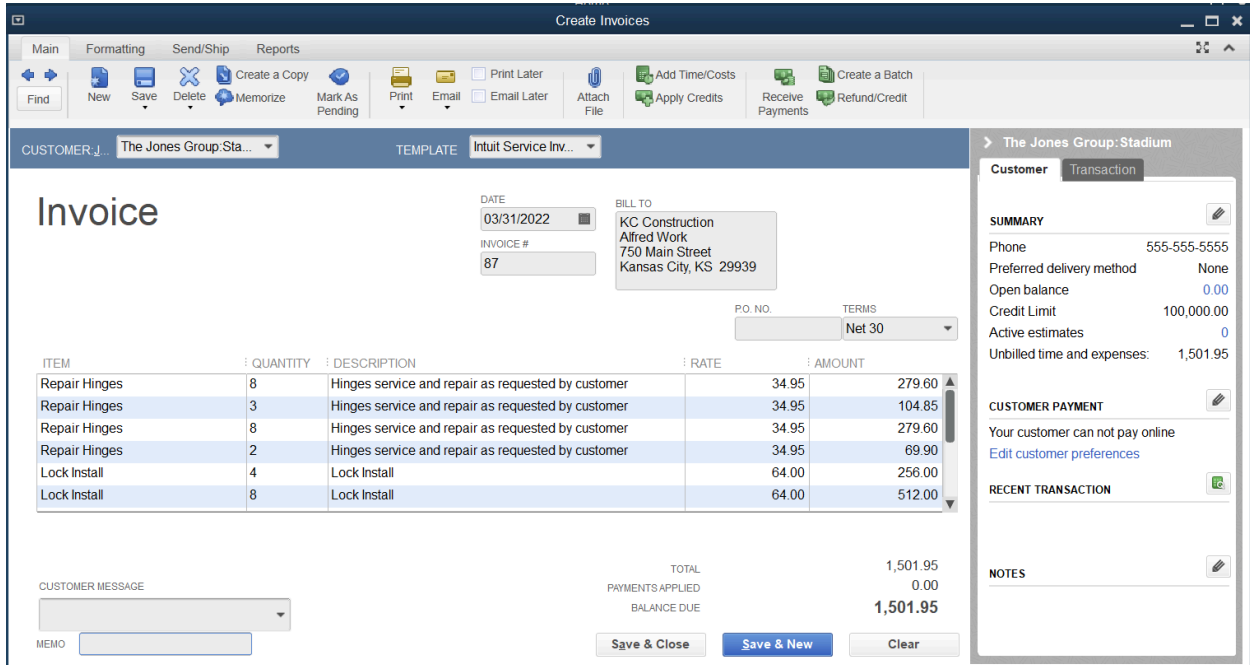
9. Enter remaining information in the Create Invoices window.
10. Select Save & Close.

Time Reports

Review a Time by Name Report

1. Select Reports:Jobs, Time & Mileage:Time by Name from the menu.
2. Select the Customize Report button.

3. Select the boxes next to Billed, Unbilled, and Not Billable.
4. Select OK.

Review a Time by Job Detail Report
Select Reports:Jobs, Time & Mileage:Time by Job Detail from the menu.

Review a Job Profitability Detail Report
1. Select Reports:Jobs, Time & Mileage:Job Profitability Detail from the menu.
2. Select the Customer:Job drop-down arrow, select the appropriate customer or job, and select OK.

Note: Only income shows after invoicing. Costs show after paying employees as you learn in the next chapter.
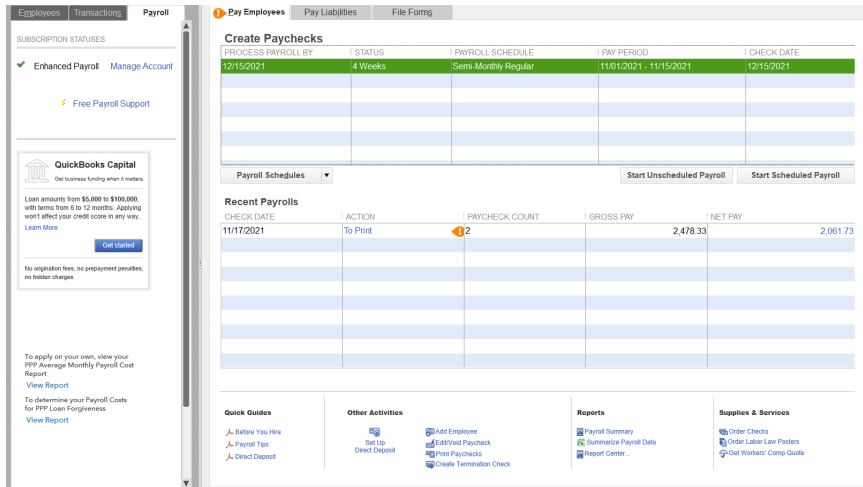
Chapter 19

Running Payroll

Create Paychecks

1. Select the Pay Employees icon on the Home page. Or select the Payroll Center icon on the Home page. Enter Payroll information.
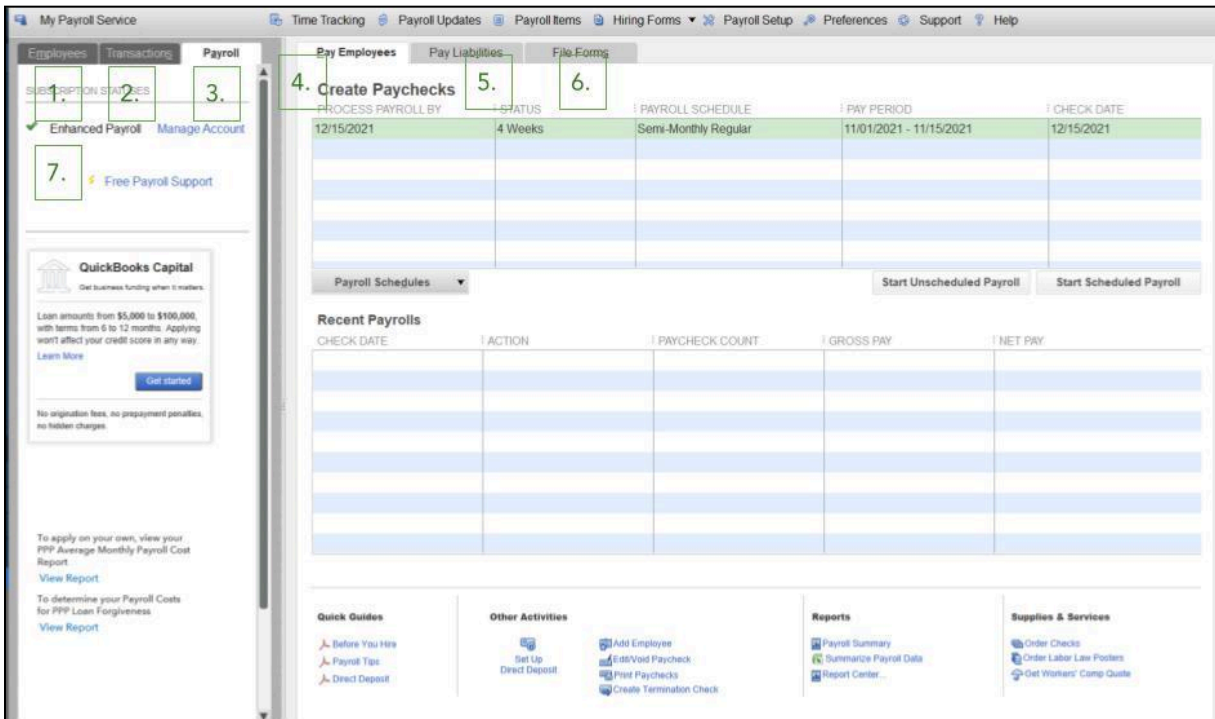
1.	Employee tab	Select this tab to view details about Employees. This tab allows access to edit existing, create new, and remove employees, as well as add time worked.
2.	Transaction tab	Select this tab to view transactions related to employees, including payroll paycheck details, liability checks, as well as liability and year-to-date adjustments.
3.	Payroll tab	Create new and view prior payroll and liability check details on this tab. See details below for information about individual tab actions.
4.	Pay Employees tab	Create new and view prior payroll run details on this tab.
5.	Pay Liabilities tab	Create new liability and tax checks on this tab and view tax and liability payment history on this tab.
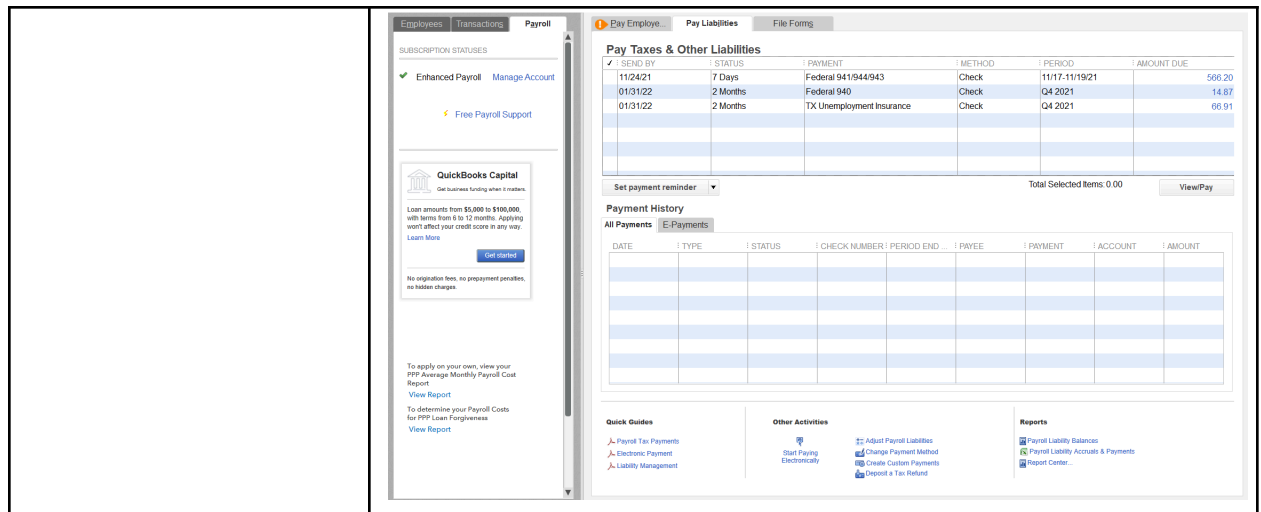
6. File Forms tab	Create and file tax forms from this tab. You can also view historical forms that you have created and filed here as well.
7. Subscription Statuses	Under this heading will be the subscription type your company has purchased for QuickBooks Desktop payroll.
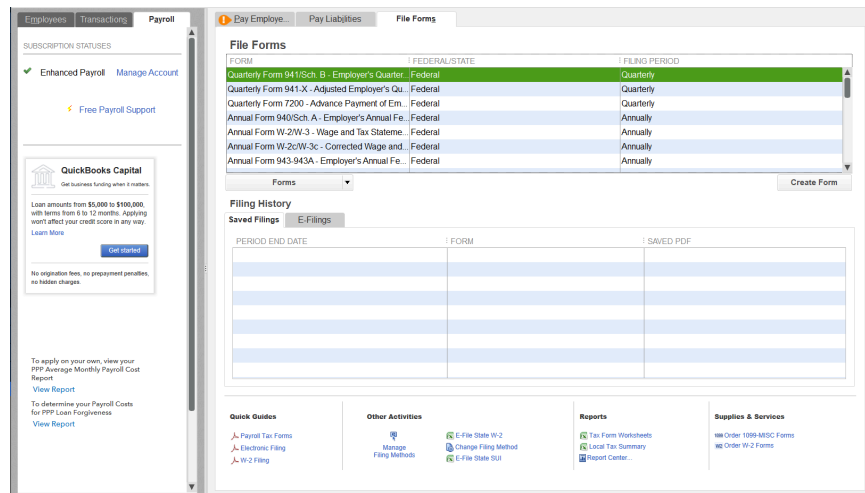
2. If using payroll schedules, select Scheduled Payroll for payment. Then select Start Scheduled Payroll. If not using payroll schedules, select Unscheduled Payroll. Then select the employees to pay in the Enter Payroll Information window.

3. Enter and review hours in the Enter Payroll Information window.

Scenarios for Unscheduled and Schedule Payroll

Scenario	Scheduled or Unscheduled
Creating paychecks for regular pay cycle	Scheduled
A bonus check, not included in a regular paycheck	Unscheduled
Additional check for hours missing on a regular paycheck	Unscheduled

Note: If you enter additional hours here, they will not show up on time reports. Time reports only include time entered on timesheets.

4. Select Continue.
5. Review information in the Review and Create Paychecks window.
6. To make a change, select the employee's name.

7. Select Save & Close to save changes.
8. Select the Create Paychecks button.

9. Select whether to Print Paychecks and/or Print Pay Stubs in the Confirmation and Next Steps window.
10. Select Close.

Print Paychecks

You can print a paycheck while reviewing it in the Paycheck window. This method works well if you are printing only one or two checks. If you are printing several paychecks at once, you can select the Print:Print Paychecks button in the Payroll Center or select File:Print Forms:Paychecks from the menu.

Print Paychecks

1. Create paychecks as usual.

2. Select Print Paychecks in the Confirmation and Next Steps window.

3. Select Print.

Print Pay Stubs

Print pay stubs from the Confirmation and Next Steps window, or select the Print:Print/Email Paystubs button in the Payroll Center, or select File:Print Forms:Pay Stubs from the menu.

1. Create paychecks as usual.

2. Select Print Pay Stubs in the Confirmation and Next Steps window.
3. Select pay stubs to print, select Print, and select Print again.

Pay Liabilities & Taxes

When you create paychecks, QuickBooks calculates taxes for you and calculates due dates based on your payment schedules. You enter the payment schedule for each liability when you add a payroll liability item. QuickBooks shows the due dates for the payments and warns you when your liability payments are overdue.
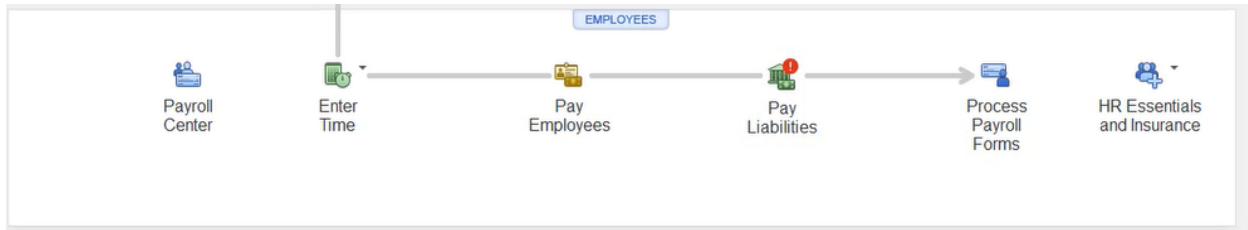
1. Select the Pay Liabilities icon on the Home page.

2. In the Pay Taxes & Other Liabilities section of the window, select the tax or liability to pay in the list.
3. Select the View/Pay button.

Note: If you are not set up to pay electronically, and you want to, select Manage Payment Methods at the bottom of the Pay Liabilities tab.

4. Enter expenses and/or penalties in the Liability Payment window (if applicable).
5. Select Save & Close.
6. Select Close in the Payment Summary window.
   ● With E-pay, select E-payment.
   ● Put in your user id, password, and your 4 digit pin for the EFTPS website, select Submit, and print when it tells you to save for your records.

Tax Form 941

1. Select the Process Payroll Forms icon on the Home page.

Note: Select on Manage Filing Methods to request a 10 digit pin from the IRS to E-File your forms.

2. Select Quarterly Form 941/Schedule B in the Select Payroll Form window.
3. Select Create Form.
4. Enter the appropriate filing period below Select Filing Period.
5. Select OK.

6. Answer all questions in the Interview for your Form 941/Schedule B, and select Next until finished.
7. Select the Check for errors button.
8. After correcting any errors, select Print forms.
9. Make appropriate selections in the Printing window.
10. Select Print.
11. Submit Form if you have requested the 10 digit pin from the IRS through Manage Filing Methods, prior to selecting Create Form in step 3.
12. Select Save & Close.

Reports

Review a Payroll Summary

1. Select Reports:Employees & Payroll:Payroll Summary from the menu.
2. Select the Customize Report button.
3. Select the boxes next to Hours and Rate below Add subcolumns for.
4. Select OK.

QuickBooks Payroll Summary report window showing:

Toolbar: Customize Report | Comment on Report | Share Template | Memorize | Print ▼ | E-mail ▼ | Excel ▼ | Hide Header | Refresh   Jan 21   Jan 21

Dates: Custom — From 01/01/2022 To 01/15/2022 — Show Columns: Employee

Show Filters

9:19 PM
01/07/22

Buildem, Inc.
Payroll Summary
January 1 - 15, 2022

	Mary B Auldridge			Pete J Smith			Thelma Marks			TOTAL		
	Hours	Rate	Jan 1 - 1...	Hours	Rate	Jan 1 - 1...	Hours	Rate	Jan 1 - 1...	Hours	Rate	Jan 1 - 1...
Employee Wages, Taxes and Adjustm...												
Gross Pay												
Salary			0.00			2,083.33			0.00			2,083.33
Hourly	40	20.00	800.00			0.00	80	18.00	1,440.00	120		2,240.00
Overtime hourly	5	30.00	150.00			0.00	3	27.00	81.00	8		231.00
Sick Hourly Rate			0.00			0.00		18.00	0.00			0.00
Vacation Hourly Rate			0.00			0.00		18.00	0.00			0.00
Total Gross Pay	45		950.00			2,083.33	83		1,521.00	128		4,554.33
Deductions from Gross Pay												
Medical Insurance			(100.00)			0.00			0.00			(100.00)
Total Deductions from Gross Pay			(100.00)			0.00			0.00			(100.00)
Adjusted Gross Pay	45		850.00			2,083.33	83		1,521.00	128		4,454.33
Taxes Withheld												
Federal Withholding			(31.00)			(177.00)			(134.00)			(342.00)
Medicare Employee			(12.33)			(30.21)			(22.06)			(64.60)
Social Security Employee			(52.70)			(129.17)			(94.30)			(276.17)
Medicare Employee Addl Tax			0.00			0.00			0.00			0.00
Total Taxes Withheld			(96.03)			(336.38)			(250.36)			(682.77)
Deductions from Net Pay												
Dental Insurance			0.00			(20.00)			(20.00)			(40.00)
Total Deductions from Net Pay			0.00			(20.00)			(20.00)			(40.00)
Net Pay	45		753.97			1,726.95	83		1,250.64	128		3,731.56
Employer Taxes and Contributions												
Federal Unemployment			5.10			12.50			9.12			26.72
Medicare Company			12.33			30.21			22.06			64.60
Social Security Company			52.70			129.17			94.30			276.17
TX - Unemployment			25.65			56.25			41.06			122.96

Review a Job Profitability Detail

1. Select Reports:Jobs, Time & Mileage:Job Profitability Detail from the menu.
2. Select the Customer:Job drop-down arrow and select the appropriate customer or job.
3. Select OK.

Note: Income shows after invoicing. Now that payroll has been processed we see the costs as well.

Chapter 20

Inventory

Manage Inventory

QuickBooks helps you manage your inventory with essential inventory activities and reports. QuickBooks Enterprise Solutions Advanced Inventory allows you to accurately track the quantity and value of inventory items held in multiple locations. You can also transfer inventory from one location to another. Additional fees apply. Learn more at www.qbes.com/inventory.

The Inventory Center stores information about all of the Inventory and Inventory Assemblies in your company file.

Note: Inventory Center is only available for premier and enterprise. Pro users work from the Items & Services list

Purchase Orders

Review Inventory Stock Status by Item Report

1. Select Reports:Inventory:Inventory Stock Status by Item from the menu.

	Pref Vendor	Reorder Pt (Min)	Max	On Hand	For Assemblies	Available	Order	On PO	Reorder Qty	Next Deliv	Sales/Week
Inventory											
Cedar Door (Natural Cedar Door)	Walnut, Inc.			24	0	24		0	0		0
Door Knob (Standard Door Knob)	Sella Doo...			104	0	104		50	0	04/05/2022	12.6
Garage Door (All-weather customer garage do...	Hinges Co...			60	0	60		0	0		5.6
Glass Door (Glass Patio Door)	▶ Sliding Do...	50	100	10	0	10	✓	0	90		0 ◀
Hinges (Hinges you buy for doors)	Sella Doo...			50	0	50		25	0	04/07/2022	0
Lock (Lock with Kryptonite key)	Locks, Inc.			9	0	9		0	0		0
Oak Door (Old-fashioned varnished oak door)	Sella Doo...			10	0	10		0	0		7
Patio Locks (Locks for installation on patio do...	Sella Doo...			100	0	100		0	0		0
Regular Door (Regular wood door)	Supply-A-...			45	0	45		0	0		0
Steel Locks (Regular dead-bolt lock.)	Locks, Inc.			360	0	360		0	0		0
Walnut Door (Natural varnish Walnut Door)	Walnut, Inc.			80	0	80		0	0		0

Enter Purchase Order

1. Select the Purchase Orders icon on the Home page.

2. Select the Vendor drop-down arrow and select the appropriate vendor.
3. Enter remaining information in the Create Purchase Orders window.
4. Select Save & Close.

Note: Purchase Orders are non posting transactions that do not affect your financials.

Receive Items with Bill

1. Select the Receive Inventory icon on the Home page and select Receive Inventory with Bill from the drop-down arrow.
2. Select the Vendor drop-down arrow and select the Vendor.
3. Select Yes in the Open PO's Exist window.

4. Select the purchase order(s) being received against in the Open Purchase Orders window.
5. Select OK.

6. Change any information in the Enter Bills window.
7. Select Save & Close.

Pay Bill

1. Select the Pay Bills icon on the Home page.

2. Select the individual bills to select for payment.
3. Enter remaining information in the Pay Bills window.
4. Select Pay Selected Bills.
5. Select Print Checks or Done in the Payment Summary window.
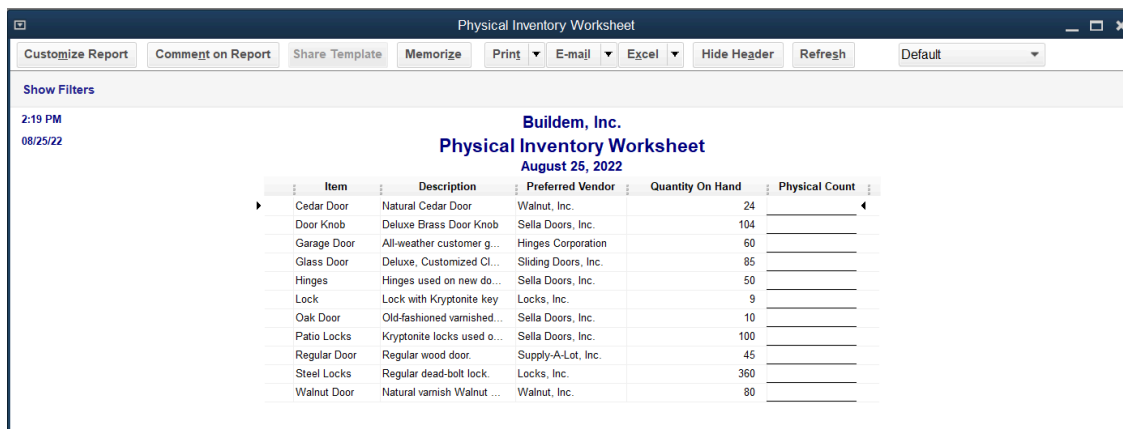
Adjust Inventory

For a business with inventory, the quantity on-hand is critical information. When you purchase inventory, you add to the on-hand quantity. Invoicing a customer reduces the quantity. If the actual quantity differs from the quantity in QuickBooks, you need to adjust the inventory.

Review a Physical Inventory Worksheet
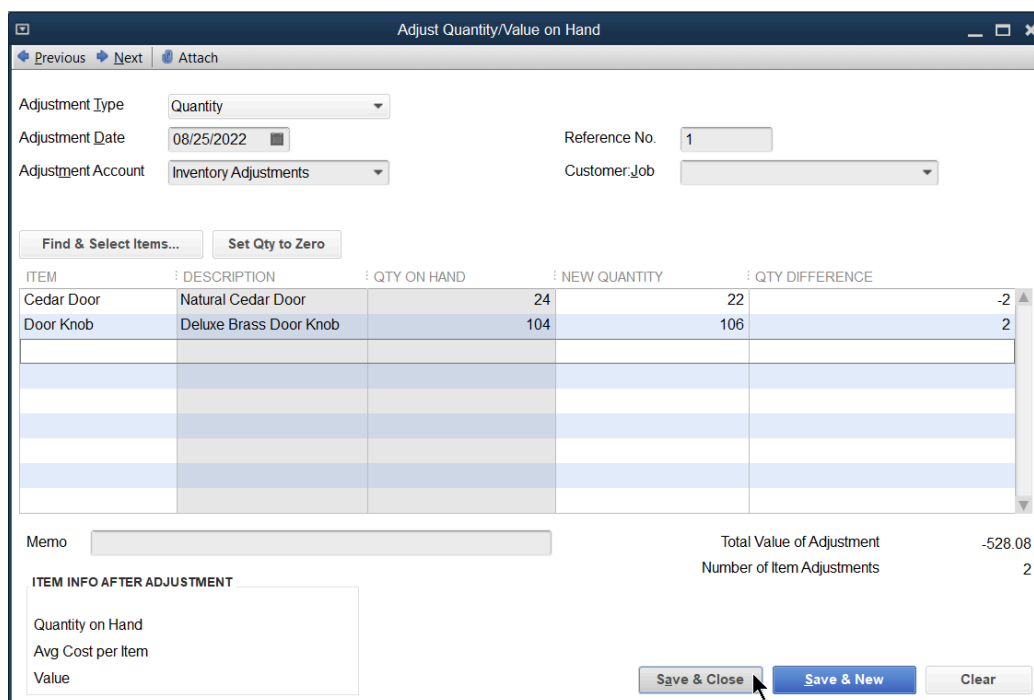
Select Reports:Inventory:Physical Inventory Worksheet from the menu.

Adjust Inventory

1. Select Inventory Activities on the Home page.
2. Select Adjust Inventory Activities Quantity/Value on Hand.

3. Select the Adjustment Type drop-down arrow and select the appropriate Adjustment Type.
4. Enter appropriate information in the Adjust Quantity/Value on Hand window.
5. Enter either the New Qty or Qty Difference in the window.
6. Select Save & Close.

Inventory Reports

Review an Open Purchase Orders Detail Report
Select Reports:Purchases:Open Purchase Orders Detail from the menu.

Review an Inventory Valuation Summary
Select Reports:Inventory:Inventory Valuation Summary from the menu.

What To Do After Class Is Over
## Proper Way to Close QuickBooks
You can only work on one Company file at a time, as you open another company QuickBooks will close that company before it opens another. When you finish working for the day, always select File Close, this properly closes the company so that the software can close properly and protects you from corrupting the data. Then selecting File Exit or the X in the top right corner is ok to press. If it says no company open, then you are ready to close the software.
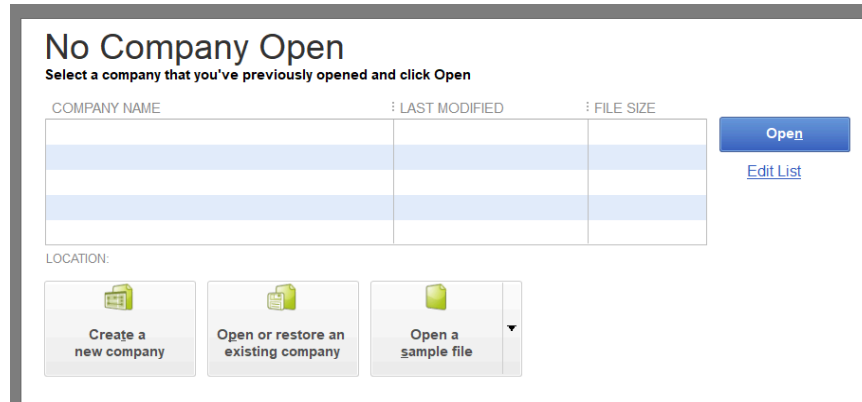
How to Open a Sample File

You can practice in a sample file. Select File>Close, and then select the down arrow next to Open a Sample File in the bottom right corner. We recommend you change the company file color scheme in preferences if a practice file so you can tell which is the Sample File. To switch back to your working company file select File>Open Previous Company.
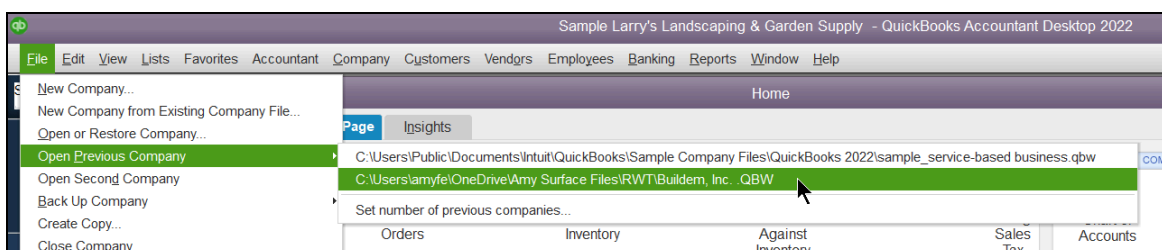
Open a sample company file
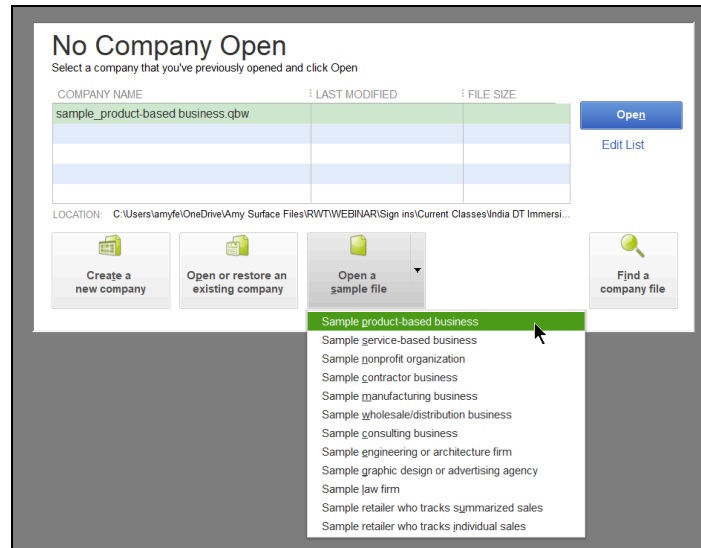
Change color for company file
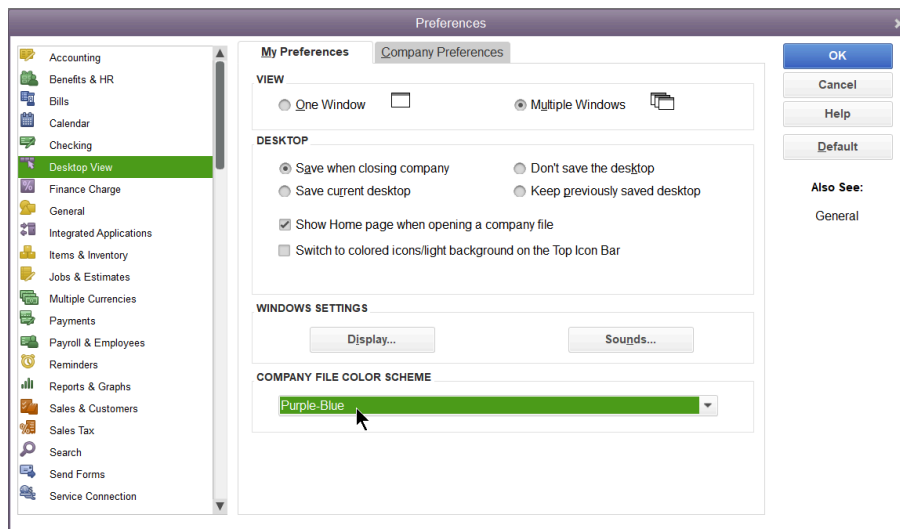
Switch back to working company file

Notes