

Accounting Analytics Accounting System Bookkeeping Guide

with QuickBooks Online™



Accounting Analytics Accounting System

Bookkeeping Guide

with QuickBooks Online

Increase Financial Condition, Profit, and Cash Flow
with QuickBooks Online™



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List of Changes

January 2020

- “Create” icon changed to “New” in QuickBooks Online. Updated name of icon and screenshots

March 2020

- Screenshot images added to *Overview of the Accounting System* section in Chapter 1

May 2020

- Processing Payroll and 1099s chapter removed due to release of new training guide *Accounting Analytics Payroll with QuickBooks Online Payroll*

June 2020

- Added information to Chapter 7 regarding new report customization options, including the ability to edit titles within a report
- Updated various screenshots

July 2020

- Updated Banking Page screenshots in Chapter 4
- Updated the Reviewed tab to Categorized on the banking page

February – March 2021

- Added information regarding Business view vs. Accountant view ([pg. 35](#))
- Updated steps for setting up Automated Sales Tax ([pg. 90](#))
- Added information on new QuickBooks Payments instant deposits feature ([pg. 92](#))
- Added information on Grouping feature in Bank Feeds ([pg. 101](#))
- Added information on the ability to upload bills from the Receipts page ([pg. 111](#))
- Updated requirements for receipt forwarding using email ([pg. 112](#))
- Added information on new Tagging feature ([pg. 117](#))
- Added information on the new Payment Links feature ([pg. 157](#))
- Added information on the new Online Bill Pay feature ([pg. 221](#))
- Added information on the new Dashboard Cash Flow Widget ([pg. 295](#))
- Added and updated various screenshots
- Term “Master Admin” changed to “Primary Admin”

October 2021

- Added QuickBooks Online Overview section to Chapter 3 to agree with the *Accounting with QuickBooks Online Accountant* guide ([pg. 36](#))
- Added information on the new two-tab Dashboard format ([pg. 36](#))
- Added steps for setting up Custom Fields with the new interface ([pg. 82](#))
- Added information on the new Automated Statement Import feature when reconciling an account ([pg. 129](#))

CHAPTER 1 – INTRODUCTION

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Introduction

Who Should Use this Guide?

This Bookkeeping Guide (Guide) is for anyone who performs bookkeeping or related tasks using QuickBooks Online including:

1. Bookkeeping students,
2. Bookkeeping employees,
3. Bookkeeping business owners, and
4. Small business owners.

Bookkeeping Guide Objectives

The objectives of the Guide are to enable bookkeepers to:

1. Efficiently, accurately, and productively perform bookkeeping,
2. Provide timely, relevant, and reliable financial information,
3. Increase financial position, profit, and cash flow, and
4. Understand how accounting process automation has transformed bookkeeping.

This Guide presents Accounting Analytics Accounting System’s bookkeeping process using QuickBooks Online. This bookkeeping process enables bookkeepers to achieve these four objectives.

Business Success

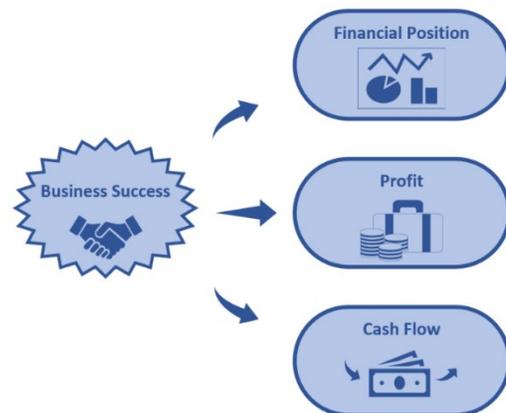
There are three things that communicate and determine business success:

1. Financial Position,
2. Profit, and
3. Cash Flow.

Successful businesses are built on a healthy financial position, profit, and cash flow foundation.

You measure your company’s financial position by analyzing your company’s statement of financial position or balance sheet. A balance sheet is a financial report that reports a company's assets (resources), liabilities (obligations) and owner's equity (ownership) as of a specific date such as the last day of a month, quarter, or year. You increase financial position by increasing assets and decreasing liabilities.

You measure your company’s profit by analyzing your company’s income or profit and loss statement. A profit and loss statement is a financial report that reports a company’s income, expenses, and profit or loss over a period of time such as a month, quarter, or year. You increase profit by increasing income and decreasing expenses.



You measure your company's cash flow by analyzing your company's statement of cash flows or cash flow statement. A statement of cash flows is a financial report that reports a company's sources and uses of cash and net cash increase or decrease over a period of time such as a month, quarter, or year. You increase cash by increasing sources of cash and decreasing uses of cash.

Each of these financial statements, along with other financial reports, are used in evaluating a company's financial position, profit, and cash flow and determining the company's financial health. Owners use that information to increase their company's financial position, profit, and cash flow.

Timely, Relevant, and Reliable Financial Information

Business owners build successful businesses by making good business decisions and good decisions are made when owners make those decisions based on timely, relevant, and reliable financial information.

Timely financial information refers to the need for financial information to be presented to the users of the financial information in time to enable them to make informed decisions.

Relevant financial information refers to the need for financial information to be capable of affecting the decisions of the users of the financial information. The information should be useful and not useless.

Reliable financial information refers to whether the financial information can be verified and used consistently by the users of the financial information with the same results. Reliability refers to the trustworthiness of the financial information.

Accounting Analytics Accounting System

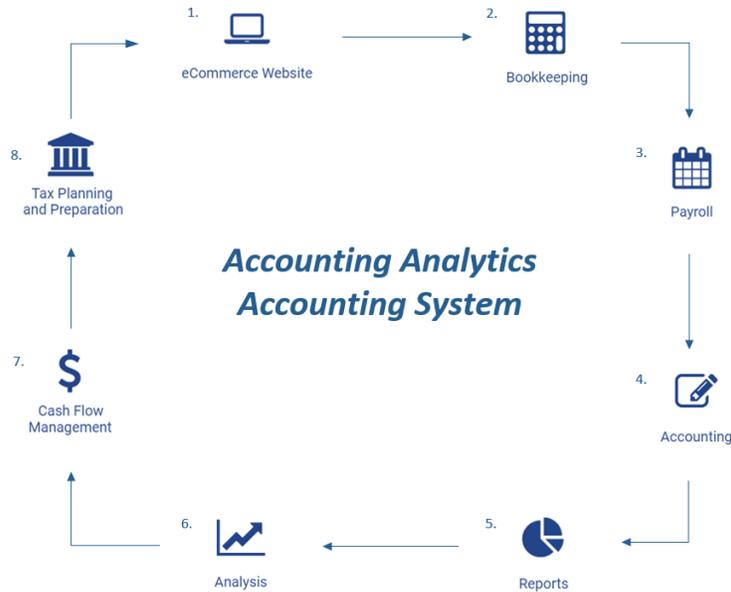
An accounting system is a set of tools, processes, methods, policies, procedures, and controls that gather, record, classify, analyze, summarize, interpret, and communicate business information.

The purpose of accounting is to communicate a business's financial position, profit, and cash flow. Our Accounting System communicates and increases your financial position, profit, and cash flow.

When we developed our Accounting System, we analyzed every component of an accounting system. We adapted leading tools and technology and developed processes, methods, policies, procedures, and controls to efficiently and productively increase a company's financial position, profit, and cash flow.

Our Accounting System includes:

1. An eCommerce website,
2. Bookkeeping,
3. Payroll,
4. Accounting,
5. Reports,
6. Business performance analysis,
7. Cash flow management, and
8. Tax planning and preparation.



eCommerce is a general term that includes virtually any transaction that takes place on the Internet.

An eCommerce website is a website with eCommerce functionality that allows customers or clients to purchase and pay for your products or services via the Internet.

Your website should increase sales and receipts. It should also integrate with your accounting system so you can gather, record, and classify sales and receipt transactions and your accountant can analyze, summarize, interpret, and communicate sales and receipt information.

Our eCommerce websites increase sales and receipts and integrate with your accounting system.

Bookkeeping

Bookkeeping is the day-to-day gathering, recording, and classifying of financial transactions, such as sales and receipts and purchases and payments, and is the foundation of your accounting system.

Bookkeeping is critical to cash flow because bookkeeping controls the timing of receipts and payments. Effective cash flow management requires that receipts be received as soon as possible, and payments be paid as late as possible, but on time to maintain vendor relations. Bookkeeping also determines whether your business information is timely, relevant, and reliable.

Our bookkeeping process increases your financial position, profit, and cash flow and is the foundation for timely, relevant, and reliable business information.

Payroll

Payroll and employee benefits are your highest business expense and should receive constant attention.

Effective cash flow management requires payroll, payroll taxes, and employee benefits be paid as late as possible, but on time to avoid penalties and interest. Payroll and employee benefit expense should be reviewed and negotiated at least annually.

Our payroll process ensures your payroll, payroll taxes, and employee benefits are paid as late as possible, but on time.

Accounting

Accounting involves analyzing, summarizing, interpreting, and communicating business information.

Business information is communicated through financial and management reports and business performance analysis.

Business decisions are based on financial and management reports and business performance analysis.

Business information must be timely, relevant, and reliable since business decisions can make or break business success.

Our accounting assures the owner that their business information is timely, relevant, and reliable.

Reports

Bill Gates stated: *The term, information at your fingertips, is to remind people what a broad role the personal computer will be playing. It is not a computation device; it is not a word processing or a spreadsheet device. It is a window into the world of information.*

Financial and management reports are the window into the world of business information.

At the end of each day, week, month, quarter, and year; our Accounting System provides financial and management reports that keep owners informed of their financial position, profit, and cash flow.

These reports communicate daily, weekly, monthly, quarterly, and yearly business performance and help owners make better business decisions.

Business Performance Analysis

It has been said: *You must know where you are to decide where you are going.*

Our business performance analysis analyzes your company's key performance indicators (KPIs). KPIs are the elements of a business performance plan that express what the owner wants to achieve and when they want to achieve it. They are the quantifiable, outcome-based indicators used to measure if the owner is on track to meet their business performance goals.

The owner uses the analysis to know their company's performance and make better business decisions.

Our business performance analysis helps the owner know their company's financial position, profit, and cash flow; make better business decisions, and increase their financial position, profit, and cash flow.

Cash Flow Management

As any business owner knows, cash is king, and it is no coincidence that "Cash" is the first line item on your balance sheet. A classified balance sheet is presented in the order of liquidity or in the order of the amount of time it takes an asset or liability to convert into cash.

The purpose of a business is to generate cash and what you do with that cash is your business.

Our Accounting System is designed with cash flow tools, technology, processes, methods, policies, procedures, and controls to increase your company's financial position, profit, and cash flow.

Tax Planning and Preparation

Tax planning is a plan, from a tax perspective, to reduce tax liability and prepare for retirement.

Tax preparation is preparing the tax return after the tax year is over when most opportunities to reduce tax liability are gone.

Our tax planning reduces the owner's tax liability and prepares him or her for retirement.

Implementing the Accounting System

A large corporation's accounting system is developed and maintained by the CFO (Chief Financial Officer), managed by a Controller, and performed by Senior and Junior Accountants and administrative assistants.

An accounting firm's accounting system is developed and maintained by the Partner(s), managed by a Manager, and performed by Senior and Junior Accountants.

A small business's accounting system is developed and maintained by the company's accounting firm, managed by the firm's Manager, and performed by the firm's Senior and Junior Accountants or the business owner's bookkeeper.

Who Should Perform the Bookkeeping?

There are three people who can perform the bookkeeping for a small business:

1. Owner,
2. Employee, or
3. Independent contractor (bookkeeper or accountant).

Note: Accountants are defined as individuals who possess accounting degrees. Accountants can perform bookkeeping but should not or prefer not to. Accountants generally earn a higher income performing accounting work or services and they obtained their degree to perform accounting, not bookkeeping.

A small business owner should not perform their own bookkeeping. They make better use of their time working *on* their business and not working *in* their business. The owner should delegate their bookkeeping to a trained, certified, and experienced employee or independent contractor bookkeeper.

To determine whether to delegate their bookkeeping to an employee, bookkeeper or accountant, a business owner should perform a cost-benefit analysis. A cost-benefit analysis is a process a business owner uses to analyze decisions. The owner sums the benefits of a situation or action and then subtracts the costs associated with taking that action.

If the business owner chooses to have an employee perform their bookkeeping, the owner should ensure the employee is trained, certified, experienced, supported, and supervised.

Intuit has a reputation for developing DIY (Do-it-yourself) applications such as Mint for personal budgeting, QuickBooks for bookkeeping, and TurboTax for tax preparation. Therefore, many small business owners believe Intuit developed QuickBooks to replace their accountants. Thus, many QuickBooks Users do not have bookkeeping training, certification, experience, support, and supervision.

Intuit developed QuickBooks to enable small businesses to perform their bookkeeping with assistance from their accountants. This is the relationship small business owners and accountants should develop.

Many small businesses have the following responsibilities:

- Bookkeeping,
- Payroll,
- Merchant Account,
- Accounting,
- Business Performance Analysis, and
- Tax Preparation.

Intuit is QuickBooks Online Ecosystem provides the following tools to assist small business owners and accountants in completing these responsibilities:

- Bookkeeping – QuickBooks Online,
- Payroll – QuickBooks Online Payroll,
- Merchant Account – QuickBooks Payments,
- Accounting – QuickBooks Online Accountant,
- Business Performance Analysis – Fathom (QuickBooks Online third-party app), and
- Tax Preparation – Intuit ProConnect Tax Online.

The person responsible for completing these responsibilities should be:

- Bookkeeping – small business employee or independent contractor bookkeeper,
- Payroll – small business employee or independent contractor bookkeeper,
- Merchant Account – small business employee or independent contractor bookkeeper,
- Accounting – accountant,
- Business Performance Analysis – accountant, and
- Tax Preparation – accountant or tax preparer.

Accounting Analytics was developed based on this model. Therefore, we provide the following services:

- eCommerce website setup, hosting, maintenance, training, and support.

- Bookkeeping setup, training, certification, support, and supervision.
- Payroll setup, training, certification, support, and supervision.
- QuickBooks Online Ecosystem setup, training, certification, support, and supervision.
- Accounting.
- Business performance analysis.
- Tax planning and preparation.

Chapter Overviews

This Guide presents the bookkeeping process of our Accounting System.

Chapter 2 - Bookkeeper Tools

This chapter presents the bookkeeping tools utilized in our Accounting System.

The chapter addresses Support tools, Bookkeeping tools, Payroll tools, and Accounting tools.

Accounting Analytics utilizes the leading support, bookkeeping, payroll, and accounting tools. We utilize hardware and applications that maximize efficiency and productivity.

Chapter 3 - Setting Up Your Bookkeeping

This chapter presents the information needed and steps necessary to properly set up your bookkeeping.

Chapter 4 - Processing Bank and Credit Card Accounts

Processing bank and credit card accounts are critical activities of small businesses. Not only must you follow practices that protect the company's cash from misuse, but you must process it accurately to productively manage the company's cash flow and maintain good financial institution relations.

This chapter provides you step-by-step guidance for processing bank and credit card accounts.

The guidance in the chapter is useful to bookkeepers as well as personnel involved in bank and credit card account activities. The chapter helps bank and credit card account personnel fine-tune their processing activities and provides newly hired or cross-trained employees with a foundation for processing bank and credit card accounts.

Chapter 5 - Processing Sales and Receipts

Processing sales and receipts are critical activities of small businesses. Not only must you follow practices that increase cash flow and protect the company's cash from misuse, but you must process it accurately to productively manage the company's cash flow and maintain good customer relations.

This chapter provides bookkeepers step-by-step guidance for processing sale and receipt transactions.

The guidance in the chapter is useful to bookkeepers as well as personnel involved in sales and receipts activities. The chapter helps sales and receipts personnel fine-tune their processing activities and provides newly hired or cross-trained employees with a foundation for processing sales and receipts.

Chapter 6 - Processing Purchases and Payments

Processing purchases and payments are critical activities of small businesses. Not only must you follow practices that increase cash flow and protect the company's cash from misuse, but you must process it accurately to productively manage the company's cash flow and maintain good vendor relations.

This chapter provides you step-by-step guidance for processing purchase and payment transactions.

The guidance in the chapter is useful to bookkeepers as well as personnel involved in purchases and payments activities. The chapter helps purchases and payments personnel fine-tune their processing activities and provides newly hired or cross-trained employees with a foundation for processing purchases and payments.

Chapter 7 - Communicating Business Performance

Management is informed of their company's business performance by analyzing QuickBooks reports. QuickBooks reports organize and communicate timely, relevant, and reliable financial information to company management to assist them in making better business decisions.

This chapter provides step-by-step guidance for organizing and communicating business performance.

The guidance in the chapter is useful to bookkeepers as well as personnel involved in report activities.

Overview of the Accounting System

An understanding of the accounting system is helpful to anyone performing an accounting process. It is especially important to anyone who performs several accounting processes. When they understand the "big picture", they realize how important their work is and how vital it is to the accounting system.

This overview provides an outline of a small business accounting system.

The overview includes:

- **Types of Financial Records.** This section briefly discusses the five types of financial records (source documents, summary journals, subsidiary ledgers, general ledger, and financial reports) used in most small businesses.
- **Primary Accounting Processes.** This section addresses the four of the six accounting processes found in most small businesses: sales, accounts receivable, and cash receipts; purchasing, accounts payable, and cash disbursements; payroll; inventories and costs of sales; fixed assets and depreciation; and general ledger and financial reports.
- **Basic Internal Accounting Controls.** This section provides a brief overview of the basic small business internal accounting controls.

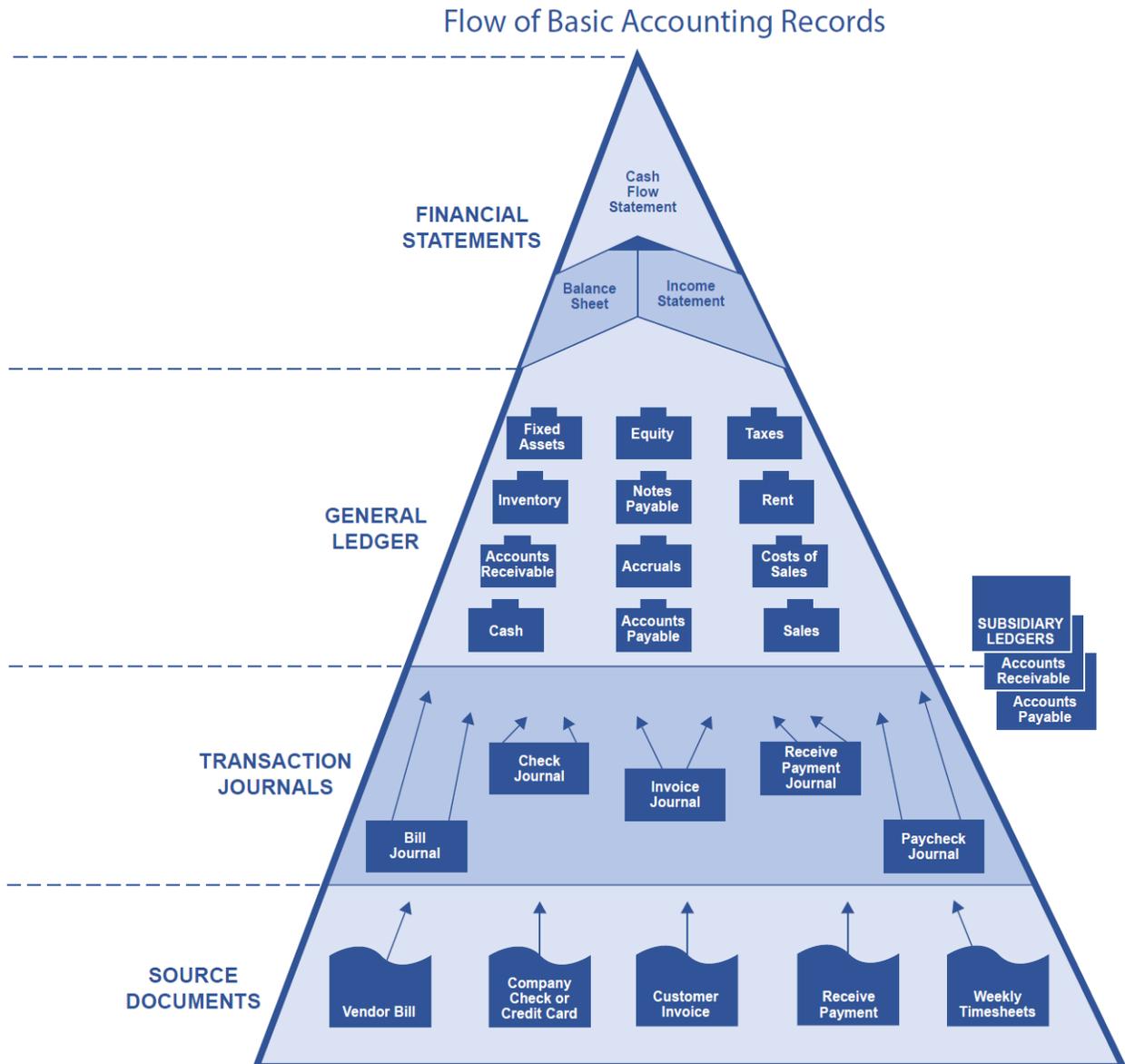
Note: QuickBooks terminology is used to better understand the accounting system using QuickBooks.

Types of Financial Records

Each company's accounting system is responsible for distilling the hundreds or thousands of monthly transactions into a manageable format, i.e., the month-end general ledger and financial statements. The

monthly financial transactions in most small businesses start with one or more source documents, such as invoices, cash receipts, and time sheets, which are summarized throughout the month and posted to specified general ledger accounts. The ending monthly general ledger balances are then used to generate the company's financial reports.

The image below presents a pyramid to show how the various source documents and other financial records are processed throughout each period to produce the company's month-end financial information. The following paragraphs briefly discuss the types of financial records shown in the image below and the bookkeeper and accountant's involvement with the records.



Source Documents

Each accounting transaction begins with some type of source document, which differs depending on the type of transaction. The source documents that account for most financial transactions include:

- Sales – Invoices and Sales Receipts are the primary source documents for customer sales transactions.

The screenshot shows an 'Invoice' creation screen. At the top right, there are links for 'Take a tour', 'Help', and a close button. The main form includes:

- Customer:** Freeman Sporting Goods (dropdown), Customer email: Sporting_goods@intuit.com, Online payments: Get set up (checkboxes for Cards, Bank transfer).
- Billing address:** Kirby Freeman, Freeman Sporting Goods, 370 Easy St., Middlefield, CA, 94482.
- Terms:** Net 30, **Invoice date:** 03/01/2021, **Due date:** 03/31/2021.
- Balance Due:** \$125.00 (displayed in large green text).
- Table:** A table with columns: #, PRODUCT/SERVICE, DESCRIPTION, QTY, RATE, AMOUNT, TAX. It contains two items: 1 Design:Design (Custom Design, 1, 75, 75.00) and 2 Landscaping:Installation (Installation of landscape design, 1, 50, 50.00).
- Summary:** Subtotal \$125.00, Taxable subtotal \$0.00, Total \$125.00, Balance due \$125.00.
- Message on invoice:** Thank you for your business and have a great day!
- Message on statement:** If you send statements to customers, this will show up as the description for this invoice.
- Attachments:** Maximum size: 20MB, Drag/Drop files here or click the icon, Show existing.
- Footer:** Cancel, Clear, Print or Preview, Make recurring, Customize, Save, Save and send.

- Cash receipts – Receive Payments and Bank Deposits are the primary source documents for cash received from customers on sales on account. For companies that do not extend credit to customers, the Sales Receipt source document also serves as the sales document.
- Purchases – Vendor invoices (Bills) are the primary source document for vendor purchases on account.

Bill ? Help X

Vendor: Cal Telephone

BALANCE DUE
\$56.50

Mailing address: Cal Telephone, 10 Main St, Palo Alto, CA 94303

Terms: Due on receipt | Bill date: 03/01/2021 | Due date: 03/01/2021 | Bill no.:

Tags: [Manage tags](#)

Category details

#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	TAX	CUSTOMER
1	Utilities:Telephone		56.50			
2						

Item details

Memo:

Total **\$56.50**

Attachments: Maximum size: 20MB
 [Show existing](#)

Privacy

- Cash disbursements – Company check and credit card payments accompanied by approved vendor invoices (Bills) and receipts supporting the purchase are the primary supporting documents for cash disbursements.
- Payroll – Single or Weekly Timesheets showing time worked by employees are the primary supporting documents for recording payroll costs. Paychecks and direct deposits (ACH or eCheck) are the primary documents supporting the payment of payroll costs.

Weekly Timesheet ? Help X

Emily Platt | 3/1/2021 to 3/7/2021

TOTAL HOURS
38:30

#	DETAILS	MON 1	TUE 2	WED 3	THU 4	FRI 5	SAT 6	SUN 7	TOTAL
1	Choose a customer Choose the service worked on Description <input type="checkbox"/> Billable (/hr)	8:00	8:30	7:30	6:30	8:00			38:30
2	Choose a customer Choose the service worked on Description <input type="checkbox"/> Billable (/hr)								
3	Choose a customer Choose the service worked on Description <input type="checkbox"/> Billable (/hr)								
TOTAL		8:00	8:30	7:30	6:30	8:00			38:30

Privacy

Whenever possible, appropriate controls (such as using prenumbered source documents) should exist to help ensure that all transactions are captured and recorded.

Journal

Each transaction is recorded from its source document and summarized in a Transaction Journal. The Transaction Journal lists the date, transaction type, number, name, memo/description, accounts, debit, credit, and amount. The Transaction Journal is then posted to the general journal.

Note: In QuickBooks, you can view Transaction Journals in a Journal Report for a selected period of time.

To view the Journal Report:

1. Select Reports from the left menu,
2. Scroll down to the For My Accountant report section, and
3. Select Journal.

Craig's Design and Landscaping Services							
JOURNAL							
January 1-29, 2020							
DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	ACCOUNT	DEBIT	CREDIT
01/01/2020	Payment	6552	Amy's Bird Sanctuary		Undeposited Funds	\$108.00	
					Accounts Receivable (A/R)		\$108.00
						\$108.00	\$108.00
01/01/2020	Payment	5421	John Melton		Undeposited Funds	\$300.00	
					Accounts Receivable (A/R)		\$300.00
						\$300.00	\$300.00
01/01/2020	Payment		Freeman Sporting Goods:55 ...		Checking	\$50.00	
					Accounts Receivable (A/R)		\$50.00
						\$50.00	\$50.00
01/01/2020	Invoice	1010	Weiskopf Consulting	Custom Design	Accounts Receivable (A/R)	\$375.00	
					Design income		\$375.00
						\$375.00	\$375.00
01/01/2020	Bill Payment (Check)	3	Books by Bessie		Checking		\$75.00
					Accounts Payable (A/P)	\$75.00	
						\$75.00	\$75.00

Transaction Journals not only provide a trail showing amounts posted to the general ledger, but they also show the detailed components making up each general ledger posting. This detail makes it easier for accounting personnel to locate original source documents when questions arise at a later date.

Subsidiary Ledgers

As the system posts Transaction Journal amounts to the general ledger, the system also generates subsidiary ledgers for selected balance sheet accounts, such as accounts receivable and accounts payable. These subsidiary ledgers show the composition of ending general ledger account balances.

1. Accounts receivable – The accounts receivable subsidiary ledger (Accounts Receivable Aging Detail or Summary reports) shows the date, transaction type, number, customer, due date,

amount, and open balance owed by customer. Amounts owed are divided by current, 1-30 days past due, 31-60 days past due, and 61-90 days past due.

2. Accounts payable – The accounts payable subsidiary ledger (Accounts Payable Aging Detail or Summary reports) shows the date, transaction type, number, vendor, due date, amount, and open balance owed by vendor. Amounts owed are divided by current, 1-30 days past due, 31-60 days past due, and 61-90 days past due.

Subsidiary ledgers are key financial records used for managing each of these balance sheet accounts on a day-to-day basis. Thus, it is crucial that bookkeepers record individual transactions accurately and on a timely basis to ensure that the subsidiary ledgers remain useful and in agreement with the related general ledger balances.

General Ledger

Transaction Journals record transaction amounts by general ledger accounts so the system can post to and update the general ledger. Accountants also update the general ledger by preparing manual journal entries for transactions, such as depreciation or period-end accruals, that are not accumulated and posted automatically through Transaction Journals.

The general ledger lists the period-beginning and period-end balance for each general ledger account. It also lists each Transaction Journal from the period-beginning to the period-end activity posted to each general ledger account.

Note: In QuickBooks, you can view the general ledger in a General Ledger Report for a selected period of time.

To view the General Ledger Report:

1. Select Reports from the left menu,
2. Scroll down to the For My Accountant report section, and
3. Select General Ledger.

Sort Add notes ✉ 🖨 📄 ⚙

Craig's Design and Landscaping Services

GENERAL LEDGER
January 1-29, 2020

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	SPLIT	AMOUNT	BALANCE
▼ Accounts Receivable (A/R)							
Beginning Balance							
01/01/2020	Invoice	1010	Weiskopf Consulting		Design income	375.00	4,865.29
01/01/2020	Invoice	1019	Sushi by Katsuyuki		Landscaping Services	80.00	5,240.29
01/01/2020	Invoice	1023	Red Rock Diner		Pest Control Services	70.00	5,390.29
01/01/2020	Invoice	1015	Paulsen Medical Supplies		-Split-	954.75	6,345.04
01/01/2020	Payment	5421	John Melton		Undeposited Funds	-300.00	6,045.04
01/01/2020	Payment	2064	Travis Waldron		Checking	-103.55	5,941.49
01/01/2020	Payment	6552	Amy's Bird Sanctuary		Undeposited Funds	-108.00	5,783.49
01/02/2020	Invoice	1034	Rondonuwu Fruit and Vegi		-Split-	78.60	5,862.09
01/02/2020	Invoice	1033	Geeta Kalapatapu		-Split-	629.10	6,491.19
01/02/2020	Payment		Amy's Bird Sanctuary		Undeposited Funds	-220.00	6,271.19
01/03/2020	Payment		Cool Cars		Undeposited Funds	-1,675.52	4,127.67
01/03/2020	Invoice	1035	Mark Cho		-Split-	314.28	4,441.95
01/03/2020	Invoice	1037	Sonnenschein Family Store		-Split-	362.07	4,804.02
01/03/2020	Invoice	1036	Freeman Sporting Goods:0969 ...		-Split-	477.50	5,281.52
Total for Accounts Receivable (A/R)						\$416.23	
▼ Inventory Asset							
01/03/2020	Invoice	1036	Freeman Sporting Goods:0969 ...	Fountain Pump	Accounts Receivable (A/R)	-10.00	-10.00
01/03/2020	Check	75	Hicks Hardware	Fountain Pump	Checking	30.00	20.00
01/03/2020	Invoice	1037	Sonnenschein Family Store	Fountain Pump	Accounts Receivable (A/R)	-10.00	10.00
01/03/2020	Invoice	1037	Sonnenschein Family Store	Rock Fountain	Accounts Receivable (A/R)	-125.00	-115.00

General ledger accounts are comprised of assets, liabilities, and equity accounts (balance sheet accounts) and income and expense accounts (income statement or profit and loss accounts). For the general ledger to be “in balance,” the period’s total debits must equal the total credits. In addition, the income less expenses must equal the net income or profit added to the retained earnings account.

Financial Reports

Financial reports simply represent a summarization and grouping of period-end general ledger amounts into designated financial statement captions such as cash, accounts receivable, accounts payable, income, cost of sales, expenses, and net income or profit. QuickBooks reports define which general ledger accounts are grouped into which financial report captions.

Common financial reports include a statement of financial condition (balance sheet), income statement (profit and loss), and statement of cash flows (cash flow statement). The balance sheet and profit and loss are taken directly from the corresponding general ledger accounts. The cash flow statement is derived from the balance sheet and profit and loss statements.

Primary Accounting Processes

Accounting activities generally fall into one of several natural accounting processes or cycles. In the Accounting Analytics Accounting System, the bookkeeper is responsible for the first three processes and the accountant is responsible for the last three processes. Whether the bookkeeper performs a process or not, it is important they have a basic understanding of the steps in each process.

The primary accounting system processes include:

1. Sales, accounts receivable, and cash receipts.
2. Purchasing, accounts payable, and cash disbursements.
3. Payroll.

4. Inventories and costs of sales.
5. Fixed assets and depreciation.
6. General ledger and financial reports.

Four of the six processes are briefly discussed below.

Note: Although each step in each primary process is presented to enable the bookkeeper to better understand the process, QuickBooks is programed to automatically process certain steps.

Sales, Accounts Receivable, and Cash Receipts

This process or cycle consists of selling products or services and receiving payment from customers. The bookkeeper's role in this process generally consists of the following:

- Account maintenance – Setting up new customers and updating/deactivating customers.
- Data entry (invoices) – Recording Invoices (and Credit Memos if any) into the accounting system to produce the Invoice Transaction Journals.
- General ledger posting (invoices) – Posting the Invoice Transaction Journals to the Accounts Receivable Aging and applicable general ledger accounts (debit to accounts receivable and credit to sales).
- Data entry (customer payments) – Creating Receive Payments against the open Invoices to produce the Receive Payment Transaction Journals.
- General ledger posting (payments) – Posting the Receive Payment Transaction Journals to the Accounts Receivable Aging and applicable general ledger accounts (debit cash and credit accounts receivable).
- Reconciliation – Keeping the Accounts Receivable Aging in balance with the ending general ledger balance.

A crucial part of this process is ensuring that invoices, payments, and any adjustments are recorded accurately and on a timely basis. If the transactions are recorded inaccurately or timing is delayed, the Accounts Receivable Aging balance will become unreliable for managing receivables, customer complaints will become common place, and financial report accuracy could diminish.

Chapter 5: *Processing Sales and Receipts*, provides an in-depth discussion of this process.

Purchasing, Accounts Payable, and Cash Disbursements

This process or cycle consists of the purchase of products or services and the subsequent payment for those products or services. The bookkeeper's role in this process generally consists of the following:

- Account maintenance – Setting up new vendor accounts and updating/deactivating vendors.
- Categorizing – Ensuring that vendor invoices (Bills) are coded with the appropriate general ledger accounts based on the chart of accounts. Proper account categorization requires bookkeeping personnel to have a strong understanding of the company's chart of accounts.

- Data entry (vendor invoices) – Recording the Bills (including Vendor Credits if any) into the accounting system to produce the Bill Transaction Journals.
- General ledger posting (vendor invoices) – Posting the Bill Transaction Journals to the Accounts Payable Aging and applicable general ledger accounts. Such as recording a debit to the appropriate asset or expense accounts and a credit to accounts payable.
- Check preparation – Selecting invoices to pay (Pay Bills) and preparing checks for paying vendor purchases to produce the Check Printed Transaction Journals.
- General ledger posting (checks) – Posting the Check Printed Transaction Journals to the Accounts Payable Aging and the general ledger accounts (debit to accounts payable and credit to cash).
- Reconciliation – Keeping the Accounts Payable Aging in balance with the ending general ledger balance.

A crucial part of this process is ensuring that vendor invoices, payments, and any adjustments are recorded accurately and on a timely basis. If the transactions are recorded inaccurately or timing is delayed, the Accounts Payable Aging balance will become unreliable for managing payables, vendor relations will suffer, and financial report accuracy could diminish.

Chapter 6: *Processing Purchases and Payments*, provides in-depth discussion of this process.

Payroll

The payroll process or cycle consists of processing payrolls and remitting amounts due to employees, government, and others (health insurers, retirement plan trustees, etc.). The bookkeeper's role in this process generally consists of the following:

- Account maintenance – Setting up new employees, updating/terminating employees, changing pay rates and tax rates, revising employee withholding amounts, etc.
- Time sheets processing – Ensuring time is entered and complete at the payroll cutoff date.
- Data entry – Employees recording time, including hours worked, time off, and overtime hours into the accounting system to produce the Payroll Check Transaction Journals.
- General ledger posting (payroll checks) – Posting the Payroll Check Transaction Journals to the general ledger. For example, debit wages expense and credit liability accounts for net payroll (accrued wages) and payroll taxes.
- Check preparation – Preparing and distributing employee Payroll Checks to the checking account register.
- General ledger posting – Posting the checking account register to the general ledger accounts. For example, debit liability accounts (accrued wages and payroll taxes) and credit checking account.
- Tax reports preparation and deposits – Preparing payroll tax reports and making required tax deposits to state and federal agencies.

A crucial part of this process is ensuring that employee time, paychecks, and tax payments are recorded accurately and distributed on a timely basis. If the transactions are recorded inaccurately or timing is delayed, the payroll balances will become unreliable for managing payroll, employee complaints will become common place, tax penalties may occur, and financial report accuracy could diminish.

The *Accounting Analytics Bookkeeping with QuickBooks Online* guide provides in-depth discussion of this process.

General Ledger and Financial Reports

The general ledger process consists of posting the period's transactions to the general ledger and preparing financial reports. The accountant's role in this process generally includes:

- Posting Transaction Journals – Transaction Journals are typically posted by the system throughout the month as transactions are processed.
- Preparing manual Journal entries – Recording and posting Journal Entries varies depending on the type of Journal Entry. The Journal Entries may be either recurring Journal Entries that must be made each month or adjusting Journal Entries that are made as needed to correct any general ledger account balances.
- Generating the trial balance – The trial balance is simply a listing of all general ledger accounts in order of the financial statement report accounts (balance sheet and profit and loss statements). Accounting personnel generate the general ledger trial balance to ensure total debits equal total credits and review the accounts for correct balances.
- Verifying account balances with supporting workpapers or documents is vital to ensuring the accuracy of the general ledger – Such as comparing the bank, accounts receivable, accounts payable, and credit card account balances with the bank reconciliation, Accounting Receivable Aging, Accounts Payable Aging, and credit card reconciliation. Accounting persons should investigate out-of-balance situations and prepare adjusting journal entries when needed.
- Closing out – Closing out the general ledger involves making an entry to zero out all profit and loss accounts for the period (month, quarter, or year) and posting the offsetting entry to the balance sheet's retained earnings account. After making this entry, the balance sheet should be in balance (assets should equal liabilities plus equity).
- Producing the financial statement reports – Producing the financial statement reports is done after the general ledger has been prepared and is in balance. Computer-generated financial statement reports typically include a balance sheet, profit and loss statement, and cash flow statement.

The accountant's main concern in preparing the general ledger and financial statement reports is ensuring that all entries (Transaction Journals, recurring and adjusting entries) have been accurately posted. A careful review of the trial balance and general ledger and a comparison to supporting workpapers will often reveal additional adjusting journal entries that are needed to correct errors.

Basic Internal Accounting Controls

Although bookkeepers are not generally involved with ensuring appropriate internal accounting controls, a basic understanding of accounting controls is helpful in carrying out day-to-day tasks. This knowledge also helps bookkeepers better understand why they are asked to perform certain procedures.

This section discusses the following general categories of internal accounting controls:

- Segregation of duties
- Restricted access
- Document controls
- Processing controls
- Reconciliation controls

Segregation of Duties

Segregation of duties involves allocating bookkeeping tasks among personnel so one individual does not have the ability to make an accounting error (either intentionally or unintentionally) or cover one up.

The principle of segregation of duties implies that the person with physical access to cash or other moveable assets (investments or inventory) should not also be involved with the related recordkeeping. For example, the person opening the mail and depositing customer payments should not also be responsible for maintaining the Accounts Receivable Aging. In addition, the person responsible for writing checks should not also have responsibility for maintaining the Accounts Payable Aging.

Whenever possible, bank accounts should be reconciled by someone with no other cash receipt or disbursement functions.

Unfortunately, the limited number of bookkeeping personnel in most small businesses often make it difficult to adequately segregate incompatible duties. Therefore, the services of other nonbookkeeping personnel, such as the receptionist or even the business owner, can sometimes be used in a limited capacity to provide some segregation. Also, a closer involvement in the day-to-day affairs by the small business owner and accountant often partially compensate for the lack of segregation of duties.

Restricted Access

Restricted access is a control category closely related to segregation of duties. Not only should bookkeeping duties be segregated whenever possible, but physical access to valuable and moveable assets should be restricted to only authorized personnel.

For example, access to warehouse and other inventory should be restricted to only those people with responsibility for maintaining inventory. In almost all instances, salespersons should not have access to inventory locations. Also, inventory should not be shipped from the warehouse unless accompanied by appropriate shipping documents. In addition, unused checks and petty cash should be kept in a secure area such as a locked filing cabinet.

Document Controls

Since source documents initiate the recording of transactions, it is essential that adequate controls exist to ensure that the accounting system captures all source documents. Source document controls principally include using prenumbering documents and accounting for the numerical sequence of those documents.

Common prenumbered source documents include invoices, credit memos, sales receipts, checks, purchase orders, and vendor credits.

Processing Controls

Once documents are recorded in the accounting system, processing controls help ensure that the documents are processed accurately. Common processing controls include:

- Batch controls – Preparing batch control totals of key source document amounts to ensure the amounts are entered into the accounting system accurately. For example, the receptionist or person opening the mail runs an adding machine tape of total payments received from customers for the day. After the bookkeeper records the payments, the adding machine tape total is compared to the recorded payments to ensure all payments were accurately entered.
- Source document matching – Compare information on the various source documents to ensure they match. For example, for vendor shipments, this control might include comparing quantities and part numbers on purchase orders and shipping documents with vendor invoices and comparing prices on purchase orders and price lists with vendor invoices. For customer shipments, this control might include comparing quantities and part numbers on sales orders and shipping documents with customer invoices and comparing prices on sales orders and price lists with customer invoices.
- Clerical accuracy of documents – Checking the mathematical accuracy of financial data on key source documents, such as vendor invoices, customer invoices, and time sheets. For example, bookkeepers may recalculate the extended prices on invoices by multiplying the quantity by the unit price.
- General ledger account checking – Checking to ensure that amounts on source documents (such as vendor invoices) are categorized with the appropriate general ledger accounts.

Processing controls are designed to catch errors before they are posted to the general ledger.

Reconciliation Controls

Reconciliations consist of reconciling selected general ledger control accounts to subsidiary ledgers. A control account is an account in the general ledger with a corresponding subsidiary ledger. The subsidiary ledger provides more detail and supporting information of the control account. For example, accounts receivable and accounts payable are general ledger control accounts and the Accounts Receivable Aging and Accounts Payable Aging reports are the subsidiary ledgers for those accounts. In contrast to processing controls, reconciliation controls are designed to detect errors *after* transactions have been posted to the general ledger.

Accountants commonly reconcile accounts receivable, property and equipment, and accounts payable control accounts to their respective subsidiary ledgers.

Bank accounts and credit card accounts are not control accounts, however monthly bank and credit card statement reconciliations are also essential reconciliation controls over cash and credit card balances.

Summary

To perform to the best of their abilities and to receive increased responsibility, bookkeepers should have a good understanding of all the accounting processes and their purposes in the accounting system.

Getting an understanding of the “big picture” of the accounting system involves understanding how the various financial records interact within the accounting system. Key financial records include various source documents, summary journals, subsidiary ledgers, general ledger, and financial statements. The accounting system starts with numerous source documents and continually processes and groups these transactions to ultimately produce daily, weekly, monthly, quarterly, and annual financial reports.

Each accounting transaction falls into one of the accounting processes or cycles. Common accounting processes include sales, accounts receivable, and cash receipts; purchasing, accounts payable, and cash disbursements; payroll; and general ledger and financial statement reports. Although the general steps performed in each of these processes may appear similar on the surface, the specific procedures performed are generally quite different. There are also certain aspects of each process that are more vital than others.

Although bookkeepers may not have direct responsibility for internal accounting controls, a basic understanding of controls is helpful for understanding why accounting procedures are performed in a certain way. This knowledge can also help bookkeepers improve the company’s control environment when circumstances permit. The controls generally fall into one of the following categories: segregation of duties, restricted access controls, document controls, processing controls, and reconciliation controls.

CHAPTER 2 – BOOKKEEPER TOOLS

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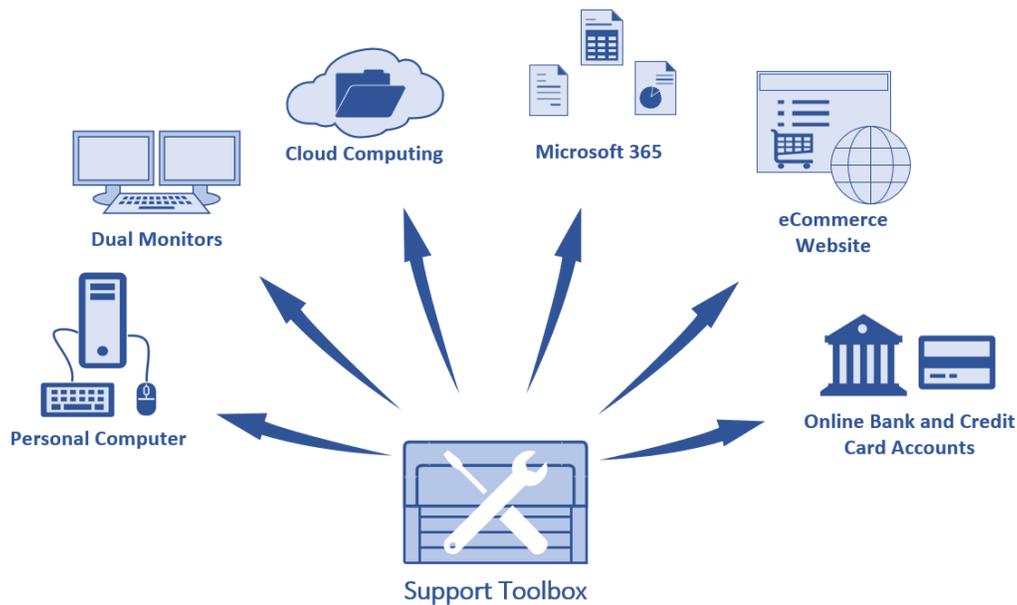
Introduction

This chapter introduces the bookkeeping, payroll, and accounting tools utilized in our Accounting System.

Accounting Analytics utilizes the leading support, bookkeeping, payroll, and accounting tools. We utilize technology, hardware, and applications that maximize efficiency and productivity.

The tools are categorized as Support, Bookkeeping, Payroll, and Accounting tools.

Support Tools



Personal Computer

A personal computer (PC) is the most versatile and efficient tool in just about any present-day vocation. If the user is stationary, a desktop PC is the most versatile PC. If the user is mobile, a laptop PC is the most versatile PC. If a person is stationary and mobile, they generally have a desktop and a laptop PC.

The pros of a desktop are the ease of upgrading components in the larger housing, larger display(s), full-size keyboard, and mouse. All great advantages for stationary users. However, if the user is mobile, the pros become the cons. It is difficult to transport the larger desktop housing and the external larger display(s), full-size keyboard, and mouse. Thus, the laptop PC. The laptop was developed for mobility.

The pro of a laptop is the smaller size of the housing and its internal display, keyboard, and touchpad. However, like the desktop, the pro becomes the con. The smaller size of the housing and its internal display, keyboard, and touchpad are not as user friendly when compared to a desktop.

Accounting Analytics professional personnel are both stationary and mobile. They prefer the stationary advantages of a desktop and the mobility advantage of a laptop. Therefore, to obtain both advantages, our professionals have the larger displays, a full-size keyboard, and mouse where they are most stationary (at the office for some and at home for others), and a laptop for when mobile.

Instead of investing in a desktop and a laptop, our professionals only invest in a laptop. However, when stationary, they connect their laptop to a docking station or dock to obtain the advantages of a desktop.

When some individuals think of a docking station, they think of the old, clunky docking stations where they insert and encase their laptops into the docking stations. However, today's docking stations are external devices that connect their laptops to their peripheral devices with a single connection cable.

Dual Monitors

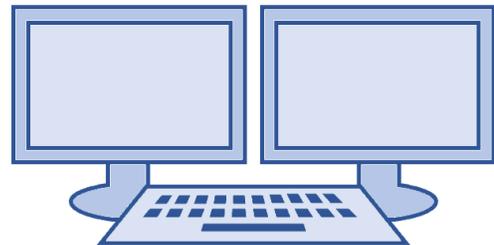
To maximize productivity, a bookkeeper should use a dual monitor setup. This involves having two monitors set up and used simultaneously side-by-side. Doing this makes it much easier to organize, manage, and perform work by being able to display multiple programs or pages at a time.

We use dual monitors to use an application on the right and reference the documentation on the left. For example, when performing a bank reconciliation, we display the QuickBooks Reconcile page on the right monitor and the bank statement on the left, allowing us to reference the bank statement as we perform the reconciliation.

With Windows 10, you can do this with one monitor splitting the screen, but you have limited visibility.

Additional advantages of using dual monitors include:

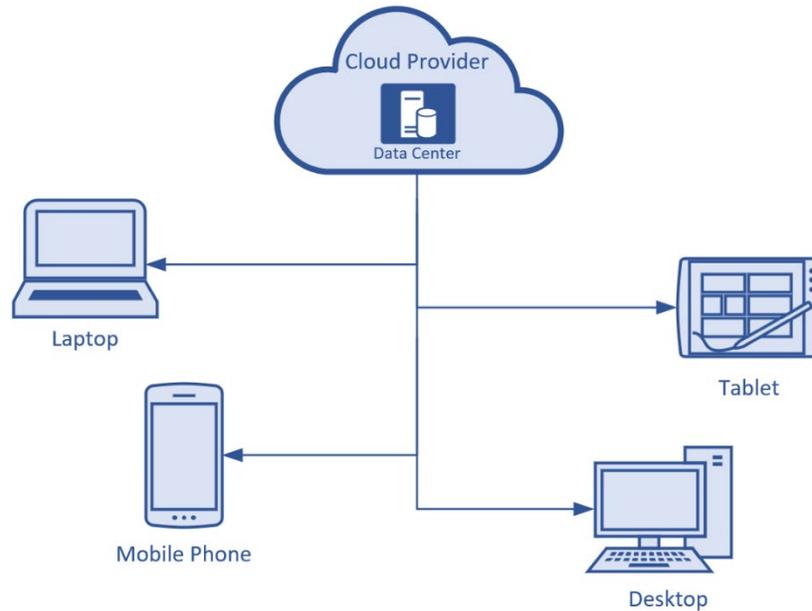
1. Increased productivity.
2. Reduction in errors.
3. Using two applications simultaneously.
4. Sharing data between applications.
5. Comparing data on one monitor to data on the other monitor.



It is also helpful to have dual monitors that allow you to adjust the monitors from a horizontal to a vertical position when viewing certain documentation such as a tax return.

Cloud Computing

Cloud computing is the ability to access, store, manage, and process data on a network of remote servers (data centers) hosted on the Internet, rather than on a personal computer or local server. The Cloud is a metaphor for the Internet. Cloud computing is storing and accessing applications and data over the Internet instead of your computer's hard drive. The user accesses the Cloud via an Internet connected device such as a computer, tablet, or phone. For example, QuickBooks Online is a Cloud-based application. You access the application and manage and process your stored company data through an Internet connected device.



The benefits of Cloud computing are as follows:

- Safe storage (never losing data to hardware issues or disasters),
- Ease of access (access the application and data at any time and from anywhere with any Internet connected device),
- Shared access (share your application and data with associates or clients),
- Up-to-date software (when you access Cloud software, it is the latest version), and
- Little to no maintenance or hardware costs.

Microsoft 365

Microsoft 365 (formerly Microsoft Office 365) is a cloud-based subscription service that combines Word (word processing), Excel (spreadsheets), Outlook (email), and PowerPoint (presentations), with OneDrive (Cloud-based file storage service). The subscription allows users to create and share documents at anytime and anywhere on any device.

Microsoft 365 has two subscription plan categories: Home and Business. Home has Family (up to 6 people) and Personal (1 person) subscriptions. Business has Basic, Standard, and Premium subscriptions. The most popular and best value subscription is Family. The Family subscription is \$99.99 per year or \$9.99 per month. The Personal subscription is \$69.99 per year or \$6.99 per month. The Basic subscription is \$5 per month. The Standard subscription is \$12.50 per month. The Premium subscription is \$20 per month.

Microsoft 365 Cloud-based subscriptions include all the Cloud-computing benefits discussed above.

You can subscribe to Microsoft 365 at <https://www.microsoft.com/en-us/microsoft-365>.

eCommerce Website

A website is a collection of web pages of codes that describe the layout, format, and content on a page. A website resides on a web server. A web server is an Internet-connected computer that receives a request for a web page sent by a web browser. A web browser connects your device to the web server through an IP (Internet Protocol) address.

An eCommerce website is a website with eCommerce functionality that allows customers or clients to purchase and pay for products or services via the Internet.

Your website should increase your sales and receipts. It should also integrate with your accounting system so you can gather, record, and classify sale and receipt transactions and your accountant can analyze, summarize, interpret, and communicate sales and receipt information.

Online Bank and Credit Card Accounts

Online bank and credit card accounts allow you to access, manage, and process your bank and credit card accounts with an Internet connected device such as a computer, tablet, or phone.

Online banking allows you to:

- View current and past transactions,
- Check your balances,
- View current and previous bank statements,
- Deposit checks,
- Transfer funds,
- Pay bills, and
- Import transactions into QuickBooks Online.

Online credit cards allow you to:

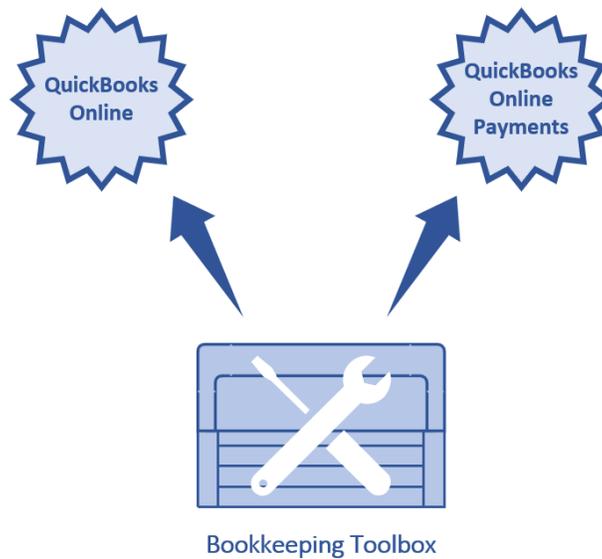
- View current and past transactions,
- Check your balances,
- View current and previous credit card statements,
- Pay your bill,
- View your rewards balance,
- Report lost or stolen credit cards, and
- Import transactions into QuickBooks Online.

Most banks and credit card companies allow customers to access their bank and credit card accounts via the Internet and connect to QuickBooks Online.

Online bank and credit card accounts include all the Cloud-computing benefits discussed above.

Bookkeeping Tools

Note: The Guide assumes you are using QuickBooks Online and QuickBooks Online Payments (formally QuickBooks Merchant Account). QuickBooks Online and QuickBooks Online Payments are the leading bookkeeping and payment applications.



QuickBooks Online

Note: In this Guide, when we refer to “QuickBooks”, we are referring to QuickBooks Online.

QuickBooks is a Cloud-based application that allows you to access, store, manage, and process your company’s bookkeeping and accounting at any time and from anywhere with an Internet connected device. The features of QuickBooks allow you to access, store, manage, and process your bank and credit card accounts, sales and receipts, purchases and payments, payroll and 1099s, and financial reports.

QuickBooks has several subscription plans: Simple Start, Essentials, and Plus. The most popular plan is Plus. The Plus monthly subscription is \$70.

QuickBooks includes all the Cloud-computing benefits discussed above.

Note: Accounting Analytics’ bookkeeping service fee includes the QuickBooks monthly subscription.

QuickBooks Online Payments

QuickBooks Online Payments (formerly QuickBooks Merchant Account) is a Cloud-based application that allows you or your customers (when making online invoice payments) to access, store, manage, and process your company’s sales receipts including invoice, phone, mobile, and recurring payments at any time and from anywhere with an Internet connected device.

QuickBooks Online Payments is 2.4% (swiped), 2.9% (invoiced), and 3.4% (Keyed) plus 25 cents per transaction and 1% per bank transfer or eCheck (ACH). You can save up to 40% on monthly payment amounts over \$7,500.

QuickBooks Online Payments integrates with your QuickBooks account and can be accessed directly or through your QuickBooks account.

QuickBooks Online Payments includes all the Cloud-computing benefits discussed above.

Payroll Tool

Note: The Guide assumes you are using QuickBooks Online Payroll. QuickBooks Online Payroll is the leading payroll application.

QuickBooks Online Payroll

Note: In this Guide, when we refer to “QuickBooks Payroll”, we are referring to QuickBooks Online Payroll.

QuickBooks Online Payroll is a Cloud-based application that allows you to access, store, manage, and process your company’s payroll at any time and from anywhere with an Internet connected device. The features of QuickBooks Online Payroll allow you to access, store, manage, and process your employees’ payroll, benefits, tax reports, and tax payments; and contractor 1099 forms and reports.

QuickBooks Online Payroll has three subscription plans: Core, Premium, and Elite. The Core plan has a monthly subscription of \$45 plus \$4 per employee/contractor payment and includes the necessary features to process your payroll. The Guide uses the Core subscription plan.

QuickBooks Online Payroll includes all the Cloud-computing benefits discussed above.

QuickBooks Online Payroll is different than Intuit Online Payroll. QuickBooks Online Payroll integrates with your QuickBooks account; Intuit Online Payroll doesn’t and is used as a stand-alone subscription.

Note: Accounting Analytics’ payroll fee includes the QuickBooks Online Payroll subscription.

This guide does not cover the use of payroll tools. To learn how to integrate QuickBooks Online Payroll into the Accounting Analytics Accounting System, refer to the *Accounting Analytics Bookkeeping with QuickBooks Online* guide.

Accounting Tool

Note: The Guide assumes you are using QuickBooks Online Accountant. QuickBooks Online Accountant is the leading accounting application.

QuickBooks Online Accountant

Note: In this Guide, when we refer to “QuickBooks Accountant”, we are referring to QuickBooks Online Accountant.

QuickBooks Accountant is a Cloud-based application that allow accounting firms to access, store, manage, and process their QuickBooks accounts at any time and from anywhere with an Internet

connected device. The features of QuickBooks Accountant also allow accounting firms to access, store, manage, and process their clients' bookkeeping, payroll, accounting, business analysis, and taxes.

Accounting Analytics uses QuickBooks Accountant to:

1. Perform our bookkeeping, payroll, accounting, business analysis, and tax preparation.
2. Manage, support, and supervise our professional staff.
3. Manage, support, and supervise our clients' bookkeepers.
4. Perform our clients' accounting, business analysis, and tax preparation.

QuickBooks Accountant includes all the Cloud-computing benefits discussed above.

CHAPTER 3 – SETTING UP YOUR BOOKKEEPING

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Introduction

Note: If you are a new Accounting Analytics' client, we set up and customize your QuickBooks account. Therefore, this chapter may be disregarded. However, if you do set up your QuickBooks account, we suggest you do so under the direction of your accountant.

This chapter is for QuickBooks users who purchased this Guide to enable them to perform their company's bookkeeping with QuickBooks using our Accounting System's bookkeeping process.

Before you start performing our bookkeeping process, you need to set up your company in QuickBooks. There is no such thing as a general setup. You need to set up QuickBooks specifically for your company.

Remember, the objectives of this Guide are to enable bookkeepers to:

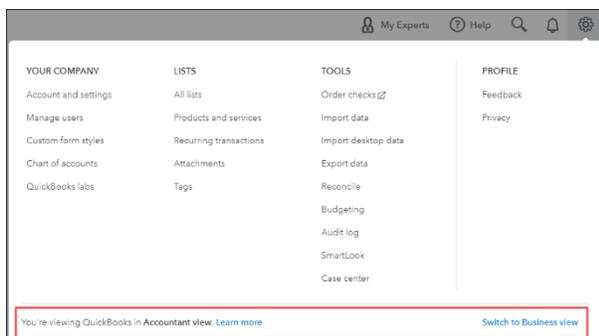
1. Efficiently and productively perform their employers' bookkeeping,
2. Help provide their employers' timely, relevant, and reliable financial information, and
3. Help increase their employers' financial position, profit, and cash flow.

Therefore, although setting up QuickBooks is primarily a one-time event, how you set up QuickBooks determines what you get from QuickBooks. If you want to achieve the objectives above, you need to be thoughtful and thorough in how you set up QuickBooks. As the saying goes, *Begin with the end in mind.*

The first time you log in to your QuickBooks account, a set up wizard displays. The wizard consists of a series of screens that ask for information about your company. QuickBooks uses your answers to set up some of the company's preferences. Follow the onscreen prompts and fill in your company information. This saves time when you set up your company.

When you have completed the set-up wizard, your company is partially set up. The wizard is more of a "quick start" setup to enable you to quickly begin using QuickBooks. However, as stated above, if you want to achieve the Accounting System objectives, you need to be thoughtful and thorough when setting up QuickBooks. Therefore, in addition to completing the wizard, you need to complete the following setup procedures to complete the set-up process.

QuickBooks Online has two different view modes: Business View and Accountant View. Accountant view uses the default terminology and display. Business view uses terminology targeted to individuals who may be unfamiliar with bookkeeping and accounting (example, the Banking page is labeled Transactions). In this guide, we will be using the Accountant View. Ensure you are in Accountant View by selecting the Gear Icon and selecting the appropriate option at the bottom of the window.



Setup Tools

The following tools are needed to set up your company in QuickBooks:

- QuickBooks,
- QuickBooks Payments,
- Company online bank account(s) compatible with QuickBooks,
- Company credit card(s) (business credit card or personal credit card used only for business) compatible with QuickBooks, and
- Company one sheet, two-part voucher QuickBooks compatible checks.

Bookkeeper Tasks

Your setup tasks include:

1. Gather QuickBooks Setup Information,
2. Subscribe to QuickBooks Services,
3. Set Up Your Company,
4. Set Up Your Lists,
5. Set Up Your Bank and Credit Card Accounts (Bank Feeds), and
6. Set Up Your Automated Sales Tax.

Accountant Tasks

Your accountant's setup tasks include:

1. Provide QuickBooks set up training,
2. Support QuickBooks set up questions or problems, and
3. Review your QuickBooks set up.

QuickBooks Online Overview

The layout in QuickBooks Online has a homepage dashboard, a left menu, and toolbar. Each of these contain links to help you quickly navigate features and tools. As we briefly introduce you to features, keep in mind that most of these will be addressed in more detail later in the guide.

Homepage Dashboard

The QuickBooks Online Dashboard is the landing page when you first login to QuickBooks Online.

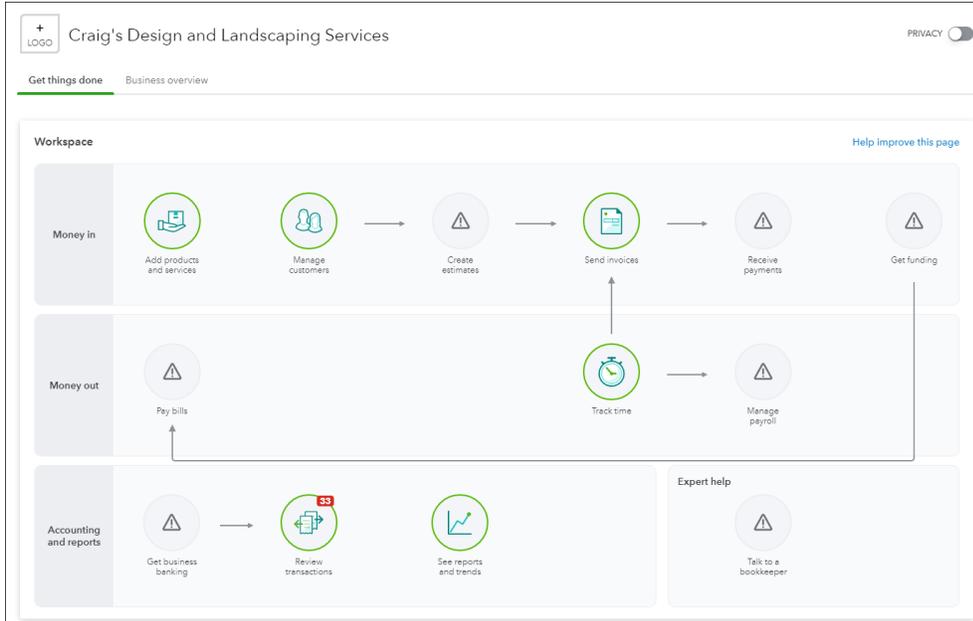
The Dashboard includes:

1. Get things done and

2. Business overview.

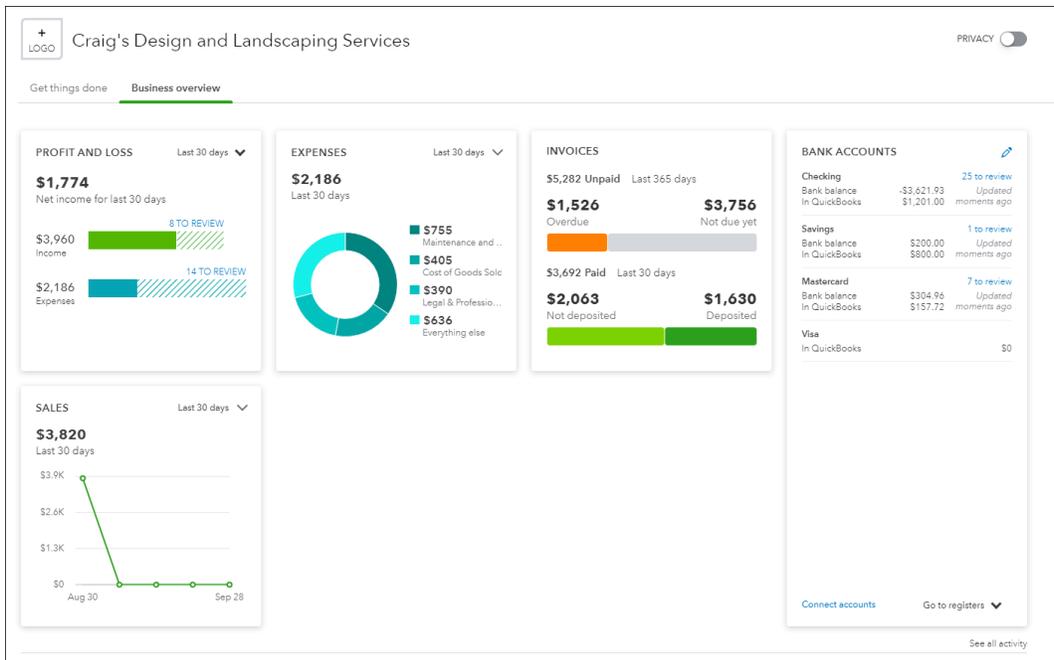
Get Things Done

The Get Things Done tab provides links to quickly access money in, money out, and accounting and reports items. The links are organized to show the workflow of money in and money out.



Business Overview

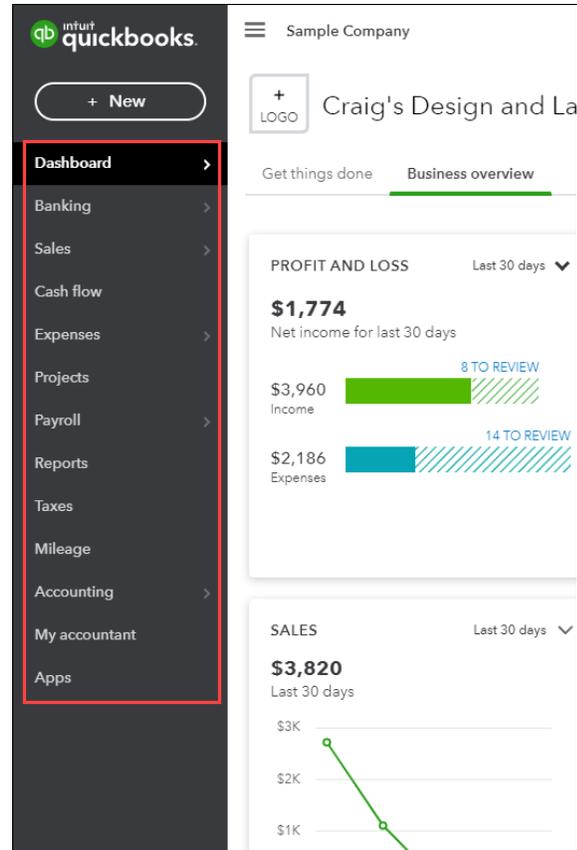
The Business overview tab of the Dashboard contains tiles that display snapshots of your company's operating performance. The tiles communicate information regarding your invoices, expenses, profit or loss, sales, and bank accounts.



Left Menu

The Left Menu includes:

1. Dashboard,
2. Banking,
3. Sales,
4. Cash Flow,
5. Expenses,
6. Projects,
7. Payroll,
8. Reports,
9. Taxes,
10. Mileage,
11. Accounting,
12. My accountant, and
13. Apps.



Banking

The Banking page displays your QuickBooks connected bank and credit card accounts, their account balances, and transactions for these accounts. Transactions on this page need to be categorized.

Sales

The Sales page is where you can view, create, and edit sales forms, customers, and products/services.

Cash Flow

The Cash flow page shows an overview of your cash flow, including bank/credit card account balances, expected money in, and expected money out. The page also features the Cash Flow Planner, a tool that looks at your financial history to forecast future money in and money out events.

Expenses

The Expenses page is where you can view, create, and edit expense forms and vendors.

Projects

The Projects page is where you can create Projects, which allow you to track profitability by adding project income, expenses, and labor expenses.

Payroll

The Payroll page is where you can run payroll, as well as manage employee, contractor, and employee benefit information. To learn more about this page, see our *Payroll with QuickBooks Online Payroll* guide.

Reports

The Reports page provides report tools to help you review your financial data and prepare company financial reports.

Taxes

The Taxes page is where you can set up and manage your automated sales tax, payroll tax, and income tax. Each tab displays information regarding your taxes and when things are due.

Mileage

The Mileage page lets you manage and review mileage tracking data, as well as assign vehicles that will be tracked.

Accounting

The Accounting page contains two tabs; Chart of accounts and Reconcile. The Chart of accounts page displays every account and links to their registers. The Reconcile page is where you perform your bank/credit card account reconciliations.

My Accountant

The My Accountant page is where you will conduct communications with your accountant, including Requests (accountant requests information or a document) and Shared documents (documents that either you or your accountant have uploaded to share with each other).

Apps

The Apps page is where you can find and manage third-party applications that integrate with QuickBooks Online.

Toolbar

The QuickBooks Online toolbar includes:

1. Open and close left menu (hides the left menu),
2. My Experts,
3. Help,
4. Search,
5. Notifications,
6. Settings (Gear), and
7. Profile icons.



My Experts

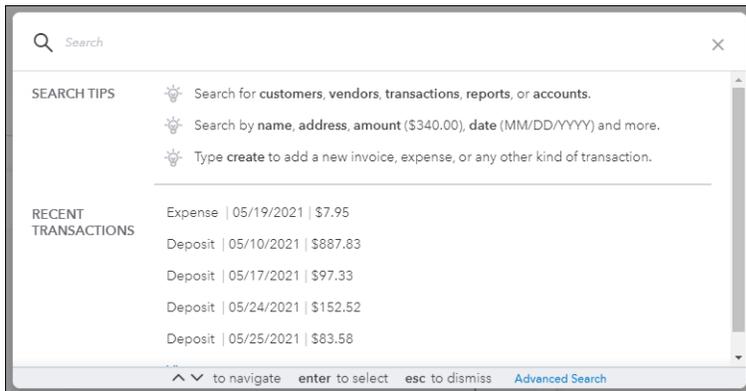
The My Experts icon opens a side window that shows current open requests or shared documents with your accountant.

Help

The Help icon opens a side window that displays Intuit's help articles related to the current page you are viewing. You can use the search box in the window to search for other topics.

Search

The Search icon opens the search window. This feature allows you to search your entire QuickBooks Online account for anything (transactions, customers, vendors, employees, etc.) containing the key words of your search. By default, the search window displays search tips and a list of recent transactions. To narrow your search results further, you can select Advanced Search.

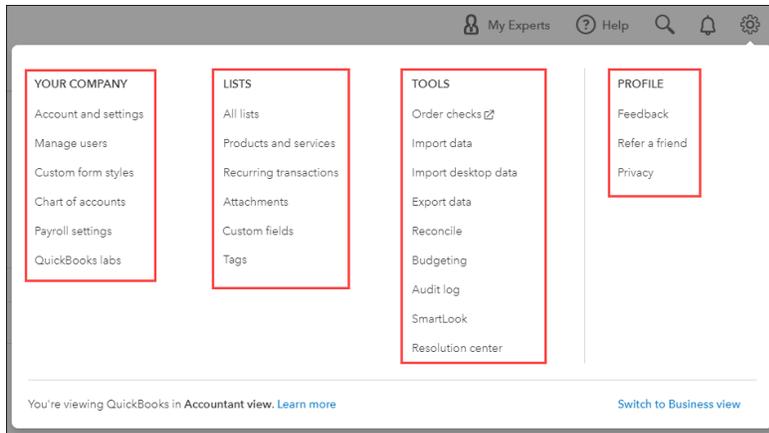


Notifications

The Notifications icon displays items that may need your attention or that may have changed in your books.

Settings

The Settings (Gear) icon opens the settings window. This window displays a list of links for Settings, Lists, Tools, and Your Company.



The Settings categories in QuickBooks Online include:

1. Your Company – Account and settings, Manage users, Custom form styles, Chart of accounts, Payroll settings, and QuickBooks Labs.
2. Lists – All lists, Products and services, Recurring transactions, Attachments, Custom fields, and Tags.
3. Tools – Order checks, Import data, Import desktop data, Export data, Reconcile, Budgeting, Audit log, SmartLook, and Resolution center.
4. Profile – Feedback, Refer a friend, and Privacy.

Gather QuickBooks Setup Information

To expedite the setup process, you need to gather the information you need to set up your company.

The following is a checklist of the information you need to complete your setup. The Checklist is organized in the same order as the QuickBooks setup process including:

- Account and Settings,
- Manage Users,
- Custom Form Styles,
- Chart of Accounts, and
- Payroll Settings.

Account and Settings

Company Settings include:

1. Company,
2. Sales,
3. Expenses,

4. Payments, and
5. Advanced.

Company

1. Company Name

- a. Company logo file for sales forms and purchase orders
- b. Company name as you want it to appear on sales forms and purchase orders
- c. Legal name

The legal or registered name of your business is the official name of the entity or person that owns a business. If you are the only owner of your business (sole proprietorship) without employees, the legal name can be your full name.

- d. Company EIN (Employee Identification Number) or SSN (Social Security Number)

If you are a sole proprietor with no employees and file no excise or pension plan tax returns, you are not required to obtain an EIN and can use your social security number. However, we suggest you obtain an EIN to protect your social security information.

To apply for an EIN, go to www.irs.gov/businesses/small-businesses-self-employed/apply-for-an-employer-identification-number-ein-online.

2. Company Type

- a. Company tax form number

Your tax form number is your company's IRS tax form number. If you do not know the number, ask your company tax preparer.

- b. Industry type

Your industry type is your company's area of expertise or the products or services you offer.

3. Contact Info

- a. Company email address where QuickBooks can email you
- b. Customer-facing email address where your customers can email you
- c. Company phone number shown on sales forms
- d. Company website shown on sales forms

4. Address

- a. Company address is where your company is based
- b. Customer-facing address where customers can contact you or send payments

- c. Legal address for filing taxes

Sales

1. Sales Form Content

- a. Default payment date
- b. Default delivery method (send or print)
- c. General fields you want to show on sales forms (shipping, service date, discount, deposit, tips, and other custom fields)
- d. Custom transaction numbering system, if you use one

2. Products and Services

- a. Columns you want to show on sales forms (Product/Service, SKU, and Quantity and Price Rate)
- b. Any special pricing (price rules) you offer to customers.

3. Late Fees

- a. Customer late fees and type (flat fee or percentage of remaining balance)
- b. Grace period

A Grace period provides the customer a period of time *after* the due date that the late fee will still not be applied.

- c. The label or name you want to use for late fees

4. Messages

- a. Default email message and subject sent with sales forms

5. Reminders

- a. Default email message and subject sent with customer reminders

6. Online Delivery

- a. Format sales forms will be sent to customers (Online invoice, HTML, or Plain text)

Online invoice will send an online link to the invoice. This option allows the customer to see any changes made to the invoice.

HTML email will send the invoice in a nice easy to read format. They will not be able to access the invoice via a link like with the Online Invoice option and you will need to re-send the invoice if you make any changes you need the customer to see.

Plain text email will send the invoice in a non-formatted version. This will not contain a link either.

7. Statements

- a. Fields you want on statements, including aging information

Expenses

1. Bills and Expenses

- a. Information you want to show on expenses and purchase forms, including product/service, customer, and billable columns.
- b. Mark up rates when expenses are billed to customers
- c. Default bill payment terms

Payments

1. Business Owner Info

- a. Owner's address and mobile phone number

2. Chart of Accounts

- a. Accounts that standard deposits and processing fees will be posted to

Advanced

1. Accounting

- a. First month of fiscal year

This is for reporting, allowing you to specify any month as the start of your fiscal year (also called your financial reporting year or accounting year).

- b. Accounting method (cash or accrual)

Accrual means reporting income when you bill a customer; Cash means reporting income when you receive payment from a customer. If you are not sure, consult your accountant.

2. Company Type

- a. The tax form your company files.

If you are not sure, consult your accountant.

3. Chart of Accounts

- a. Account that discounts will be posted to
- b. Account that tips will be posted to (if applicable)
- c. Account that billable expense income will be posted to

4. Categories

- a. Classes such as departments, locations, or product lines you may assign transactions to
This allows you to add a Class field on forms
 - b. Locations such as stores, sales regions, or counties you may assign transactions to
This allows you to add a Location field on forms
5. Automation
 - a. Preferred automatic invoicing schedule
 6. Time Tracking
 - a. Time related fields to include on forms, such as service and billing rate
 7. Other Preferences
 - a. Label used for customers (customers, clients, donors, guests, members, patients, or tenants)

Manage Users

1. Add a New User
 - a. First and last names of individuals to add as Users
 - b. User types to assign to each user.
User types include:
 - Primary administrator: In most cases, the individual who created the company would be this type of user, with no limitations to access.
 - Company Administrator: This type of user has access to every aspect of the company file.
 - Accounting firms: This is for granting access to an accountant or accounting firm (up to two).
 - Standard user: Gives you the option of granting full or limited access, excluding administrator privileges.
 - Custom user: This user type allows you to specify many areas you want accessed or restricted.
 - Reports only: This only grants the user read-only access to reports, with the exception of the Audit Log and Payroll Reports. The user will be able to see reports related to transactions, without being able to view the actual transactions.
 - Time Tracking only: These users will only have access to their own time sheets and time reports.

Any user with access rights is able to do anything within QuickBooks that Administrators can, including changing company settings, creating and editing budgets, viewing the Audit Log, make deposits and transfer funds, reconcile accounts, make journal entries, and view reports. If given payroll access, they can also add and edit employees, create paychecks, and perform payroll.

A user with no access rights cannot use any accounting features but can simply fill out their own time sheets.

Custom Form Styles

1. Customize Your Sales Forms
 - a. Samples of your current invoice, estimate, sales receipt, and statement templates

Chart of Accounts

1. Current chart of accounts in an Excel spreadsheet (if applicable)
2. Any and all accounts to be added

Set Up Your Lists

Products and Services

1. (Optional) Import Products and Services
 - a. All products/services your company offers in an Excel spreadsheet
2. Setup Categories
 - a. Categories that your products/services fit in
3. Add Products and Services
 - a. Detailed information on each product or service your company offers, including the following:
 - Product/service name
 - SKU (if applicable)
 - Image of product (optional)
 - Category
 - Description
 - Sales price/rate
 - Income account
 - Sales tax category (if applicable)
 - Purchase information (if purchased from a vendor)

Payment Methods

1. Add a Payment Method
 - a. All payment methods your company accepts

Terms

1. Add a Term
 - a. Terms given to customers regarding invoice payments

Terms refers to the due date you set for your customers to pay (Ex. Due on receipt, Net 15, Net 30, Net 60, etc.)

Set Up Your Bank and Credit Card Accounts (Bank Feeds)

1. Create a New Account
 - a. Accounts in chart of accounts to link to your bank/credit card accounts to
2. Connect a Bank or Credit Card Account
 - a. Bank and Credit Card Account information for the accounts you will connect to QuickBooks, including your login credentials to your financial institution's website and your bank account and credit card numbers
3. Set Up Deposit Account
 - a. Bank or Credit Card account you want funds to be deposited to

Set Up Your Automate Sales Tax

1. Set Up Automated Sales Tax
 - a. Physical address of the company
 - b. Date current tax period started
 - c. Frequency you file sales tax returns
 - d. Date you started collecting tax for your home tax agency
 - e. List of additional tax agencies (if you collect sales tax in multiple states)

Subscribe to QuickBooks Services

Subscribing to QuickBooks tools include:

1. Subscribe to QuickBooks Online Plus,
2. Subscribe to QuickBooks Online Payments.

Subscribing to QuickBooks Online

Note: Accounting Analytics' bookkeeping service fee includes your QuickBooks subscription.

To subscribe to QuickBooks Online, go to quickbooks.intuit.com/pricing.

Applying for QuickBooks Online Payments

Note: If you are a new Accounting Analytics' client, we apply for and set up your QuickBooks Online Payments.

In order to use QuickBooks Online Payments, you need to apply for a QuickBooks Online Payments account. To apply for a QuickBooks Payment account, go to quickbooks.intuit.com/payments.

When you subscribe to QuickBooks, you can apply for a QuickBooks Online Payments account by selecting the Setup icon and Billing & Subscription.

Set Up Your Company

When using QuickBooks, it is important that you have your settings completed properly to allow your company to operate in a way that best fits your needs.

Your Company includes:

1. Account and Settings,
2. Manage Users,
3. Custom Form Styles,
4. Chart of Accounts, and
5. Payroll settings.

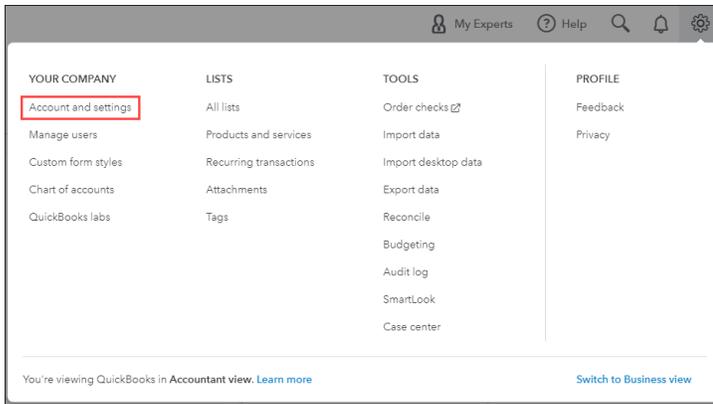
Account and Settings

Account and Settings includes:

1. Company,
2. Sales,
3. Expenses,
4. Payments, and
5. Advanced.

To complete Account and Settings:

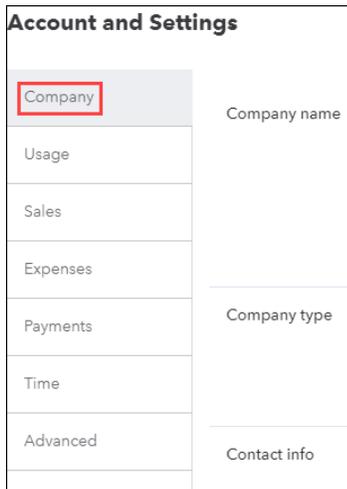
1. Select the Gear icon on the toolbar and select Account and Settings.



Company

Company settings involves entering your company information, such as name, contact info, address, and more.

To set up your Company settings, select Company from the left of the screen in Account and Settings.



Company Name

1. Select the Pencil icon in the Company name section.

2. Select the plus in the image box, select the plus, and select and upload your company logo file.

3. Enter your Company name.
4. Enter your Legal name. If the Company name and the Legal name are the same, check the Same as company name box.
5. Select and enter your EIN (Employer Identification Number) or SSN (Social Security Number).
6. Select Save.

Company Type

1. In the Company Type section, select the Pencil icon to the right.

2. Select your company tax form from the Tax form drop-down menu.
3. Enter your Industry type.
4. Select Save.

Contact Info

1. In the Contact Info section, select the Pencil icon to the right.

2. Enter your Company email.
3. Enter your Customer-facing email, if different from Company email.
4. Enter your Company phone number.
5. Enter your Website.
6. Select Save.

Address

1. In the Address section, select the Pencil icon to the right.

Address	Company address	Street address
		City
		ZIP code
	Customer-facing address	<input checked="" type="checkbox"/> Same as company address
	Legal address	<input checked="" type="checkbox"/> Same as company address
		Cancel Save

2. Enter your Company address.
3. Enter your Customer-facing address, if different from Company address.
4. Enter your Legal address, if different from Company address.
5. Select Save.

Communications with Intuit

Communications with Intuit is where you select how you want or do not want Intuit, the developer of QuickBooks, to communicate with you. By default, Intuit is set up to mail, phone, and email you. To unsubscribe from one or more of these communications, select Please do not mail me, Please do not phone me, or Please do not email me.

Sales

When you go through your Sales settings, several functions and the decision to use them will depend on your company and the way it operates. With that in mind, use the following steps to set up your sales content and preferences to your discretion.

To set up sales, select Sales from the left of the screen in Account and Settings.

Account and Settings	
Company	Customize
Usage	
Sales	Sales form content
Expenses	
Payments	
Time	
Advanced	

Sales Form Content

1. In the Sales form content section, select the Pencil icon to the right.

2. Select the default payment date from the Preferred invoice terms drop-down menu.
3. Select the default delivery method for sales forms to new customers from the Preferred delivery terms drop-down menu.
4. Select Shipping to add shipping fields (date, tracking number, destination, subtotal) to sales forms.
5. Select Custom transaction numbers to use your own numbering system. If left blank, invoice numbers are automatically assigned by QuickBooks.

Open an invoice or any sales form, and in the Invoice no. field, enter the custom number or letter sequence you want to use for your forms. The sequence you set here applies to all sales forms.

Note: Once you have set up your custom invoice numbering, turn off the Custom transaction numbers feature. This will help prevent accidental changes to your numbering. Turning this feature off only means the Invoice no. field is hidden from your sales form. Invoice numbers are still printed for your customers.

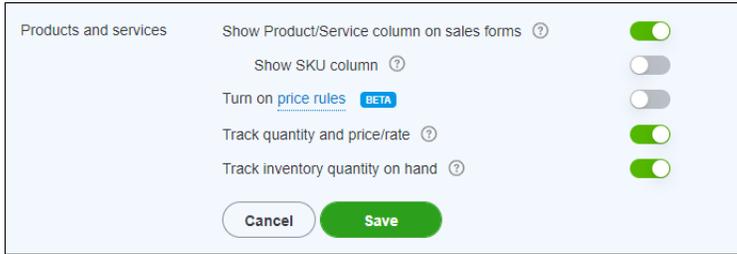
6. Select Service date to add a Service date field if you need to track the date a service was performed separately from the invoice date.
7. Select Discount to add a Discount field to invoices and other sales forms.
8. Select Deposit to add a Deposit field to invoices so you can subtract a customer deposit from the total to calculate the balance due.
9. Select Tips (Gratuity) to add a tips field to sales receipts (not for mandatory gratuity or service fees.)

A window will appear to select who is receiving the tips. Select either Just me or My team. If prompted, select Update to update sales forms.

10. Select Save.

Products and Services

1. In the Products and services section, select the Pencil icon to the right.



Products and services

Show Product/Service column on sales forms ?

Show SKU column ?

Turn on price rules ? **BETA**

Track quantity and price/rate ?

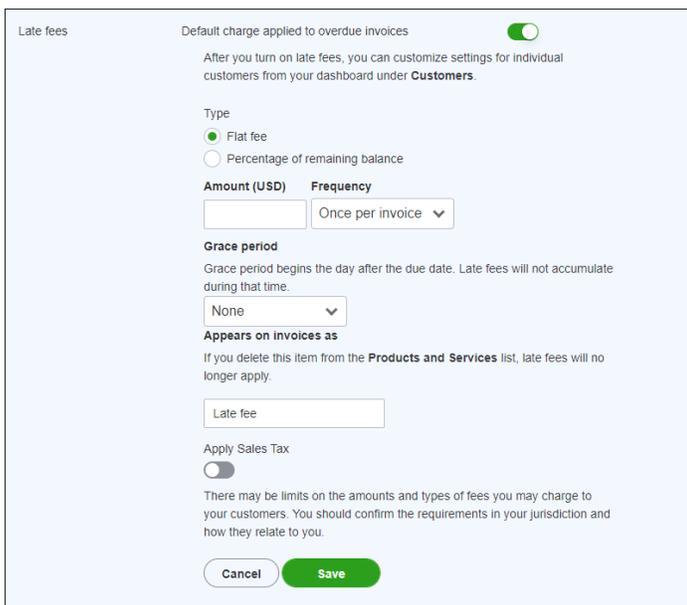
Track inventory quantity on hand ?

2. Select Show Product/Service column on sales forms to add a Product/Service column on sales forms so you can choose from a list of products and services to include.
3. Select Show SKU column to add a SKU column to on-screen sales forms so you can easily track products and services by SKU. You can also show SKUs on printed forms.
4. Select Turn on price rules to be able to provide discounts for specific products to certain customers for a specified amount of time.
5. Select Track quantity and price/rate to add Quantity and Rate fields to sales forms so you can track this information for products and services.
6. Leave the box next to Track inventory quantity on hand unchecked.
7. Select Save.

Late Fees

Enabling this setting creates a product/service item for late fees and will automatically apply and calculate late fees.

1. In the Late fees section, select the Pencil icon to the right.



Late fees

Default charge applied to overdue invoices

After you turn on late fees, you can customize settings for individual customers from your dashboard under **Customers**.

Type

Flat fee

Percentage of remaining balance

Amount (USD)

Frequency

Grace period

Grace period begins the day after the due date. Late fees will not accumulate during that time.

Appears on invoices as

If you delete this item from the **Products and Services** list, late fees will no longer apply.

Apply Sales Tax

There may be limits on the amounts and types of fees you may charge to your customers. You should confirm the requirements in your jurisdiction and how they relate to you.

2. If you use late fees, select Default charge to be applied to overdue invoices.
3. Select either “Flat fee” or “Percentage of remaining balance”, depending on the type of late fee you wish to use.

If you select “Flat fee”, you can specify a default amount to be charged independent from the invoice total.

If you select “Percentage of remaining balance”, it will allow you to specify a percentage of the total invoice amount to charge for the late fee.

4. Enter the Amount or Percent (depending on the option you selected) and select the Frequency, which dictates how often the late fee is applied.

For the percentage option, you can also select the box to Apply an upfront, one-time flat fee in addition to the percentage. If you select this option, fill in the Amount field that then appears.

The screenshot shows a configuration form for late fees. It has two columns: 'Percent (%)' and 'Frequency'. Under 'Percent (%)', there is a text input field containing '10'. Under 'Frequency', there is a dropdown menu showing 'Once per invoice'. Below these, there is a checkbox with a green checkmark and the text 'Apply an upfront, one-time flat fee'. Below that, there is a label 'Amount (USD)' and a text input field containing '10'. Red rectangular boxes highlight the checkbox and the 'Amount (USD)' field.

5. To apply a Grace period, open the drop-down menu and make selection.
6. Enter the label used for late fees on invoices or use the default “Late fee”.
7. To apply sales tax to late fees, select Apply Sales Tax.
8. Select Save

Progress Invoicing

This feature can allow you to keep track of the progress of a particular job by creating multiple invoices from an estimate.

1. In the Progress Invoicing section, select the Pencil icon to the right.

The screenshot shows a section titled 'Progress Invoicing'. It contains the text 'Create multiple partial invoices from a single estimate' followed by a toggle switch that is currently turned off. Below this, there are two buttons: a white 'Cancel' button and a green 'Save' button.

2. Select Create multiple partial invoices from a single estimate to turn on Progress Invoicing.
3. Select Save.

Messages

This allows you to customize the default email message sent with sales forms.

1. In the Messages section, select the Pencil icon to the right.

Messages

Default email message sent with sales forms

Use greeting Dear ▾ [Full Name] ▾

Sales form ?

Invoice ▾ Use standard message

Email subject line

Email message

Email me a copy at noreply@quickbooks.com

Copy (Cc) new invoices to address

Blind Copy (Bcc) new invoices to address

Sales form

Estimate ▾ ?

Cancel Save

2. (Optional) Select Use greeting, then from the drop-down, choose your ideal greeting.
3. Select the desired Sales Form type from the drop-down menu. You can create a different default email message for each sales form.
 - Invoice
 - Estimate
 - Credit Memo
 - Sales Receipt
 - Statement
 - Refund Receipt
4. For the Subject and Email message, you can leave the default message in the box or type in your own custom messages.
5. If you would like to receive a copy, select Email me a copy.
6. After you have made all the appropriate changes to the message, select Save.

Reminders

These are invoice reminders, which are email messages sent to your customers to remind them that payment is due.

1. In the Reminders section, select the Pencil icon to the right.

Reminders

Default email message for invoice reminders

Use [Invoice No.] and [Company Name] as placeholders in the email.

Subject line

Reminder: Your payment is due

Use email greeting Dear [Full Name]

Email message

We're sending a reminder to let you know that invoice [Invoice No.] has not been paid. If you already paid this invoice or have any questions, let us know!

Have a great day!

Send a copy to noreply@quickbooks.com

Automatic invoice reminders

Automatic email reminders only apply to new invoices. Turning off automatic reminders removes them from all invoices.

Reminder 1 (3 day(s) before due date) Off

Reminder 2 (On due date) Off

Reminder 3 (3 day(s) after due date) Off

- To change the default reminder, select the dropdown arrow to show the customization options.

Note: You can use [Invoice No.] and [Company Name] as placeholders in the subject and message of the reminder.

- Enter the Subject line.
- (Optional) Select to Use greeting, then from the drop-down menus, choose your greeting.
- Enter the desired Email message.
- If you would like to receive a copy, select Send a copy.
- Select Automatic invoice reminders to have QuickBooks automatically send invoice reminders.

Note: You can set up to three automatic reminders.

- Select each reminder and toggle it on or off and customize it, as desired.

9. Select Save.

Online Delivery

This feature gives you some control over how your forms come through to the customer.

1. In the Online delivery section, select the Pencil icon to the right.

2. For Email options for all sales forms, select either Show short summary in email or Show full details in email, then check the PDF Attached box if desired.

Attach sales form as PDF will allow the customer to view and print a full PDF of the invoice, which will retain all the formatting of your invoice, even the colors, in addition to the format you select in the email options for invoices drop-down.

3. Select Online invoice, HTML, or Plain text from the email option drop-down menu.
4. Select Save.

Statements

Statements lets you customize the form and show how much detail to include.

1. In the Statements section, select the Pencil icon to the right.

Statements

List each transaction as a single line ?

List each transaction including all detail lines

Show aging table at bottom of statement ?

Cancel
Save

2. Select either List each transaction as a single line or List each transaction including all detail lines.

A statement includes all unpaid transactions for a customer. This is simply choosing how much detail to include.

3. (Optional) Select Show aging table at bottom of statement to have the statement show how many days an invoice is overdue by adding the aging information.

The aging information is grouped as Currently due, 1-30 days past due, 31-60 days past due, 61-90 days past due, and 90+ days past due.

4. Select Save.

Expenses

Similar to setting up your sales functions, Expenses settings have several functions and the decision to use them will depend on your company and the way it operates. With that in mind, use the following steps to set up your preferences to your discretion.

To set up expenses, select Expenses from the left of the screen in Account and Settings.

Account and Settings

Company	Bills and expenses
Usage	
Sales	
Expenses	
Payments	Purchase orders
Time	Messages
Advanced	

Bills and Expenses

1. In the Bills and expenses section, select the Pencil icon to the right.

2. Select Show Items table on expense and purchase forms to add a Product/Service table on expense and purchase forms so you can itemize products and services.
3. Select Track expenses and items by customer to add a Customer column on expense and purchase forms so you can track expenses and items by customer.
4. Select Make expenses and items billable to add a Billable column on expense and purchase forms so you can add billable expenses and items on sales forms.
5. (Optional) Set the markup rate.

If you make an expense billable to your customer, this automatically adds a default markup % to the expense.

6. (Optional) Enable Track billable expenses and items as income. Then, select either In a single account or In multiple accounts (Adds a "Use for billable expenses" checkbox to an account's edit screen in the Chart of Accounts).

Use one or more income accounts to track billable expenses.

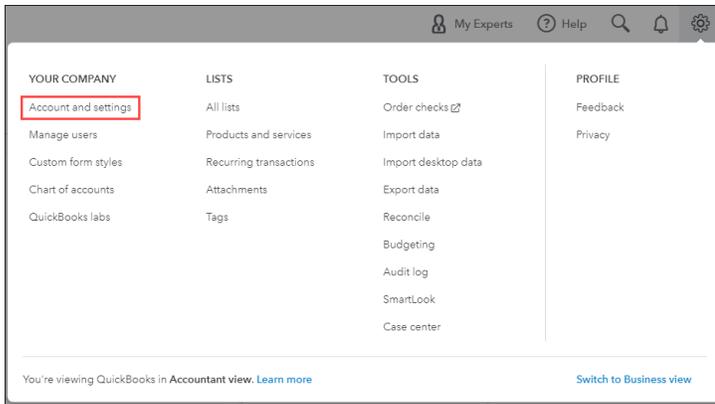
7. Set the default bill payment terms (when payment is due) under the drop-down menu.
8. Select Save.

Payments

Before you can set up the Payments section of Account and Settings, you will want to connect your Payments account to QuickBooks. By doing so, you will be able to send invoices that get deposited directly to your bank after payment is received.

To connect your Payments account:

1. Select the Gear icon at the top, then select Account and Settings.



2. Select Payments from the left menu.
3. Select Connect or Start here for linking your merchant service.

An additional window or tab opens to an Intuit Payment Solutions page. The connection service automatically looks for any QuickBooks Online Payments accounts that have the same login as the current user.

4. Select the QuickBooks Online Payments account you want to connect with your QuickBooks company.

If no accounts are found, sign in using the QuickBooks Online Payments account login credentials.

If you do not see the QuickBooks Online Payments account you want to connect, select Choose another account to link, then sign in using the QuickBooks Online Payments account login credentials.

5. Review all important disclosures then confirm that everything looks right and that the correct account was selected. Select Link account and wait to be informed that the process is complete.
6. Sign out of your QuickBooks account and sign back in for all features to take effect.

Now that your Payments account is connected to QuickBooks, you can proceed to complete the Payments settings in Account and Settings.

To set up payments, select Payments from the left of the screen in Account and Settings.

Account and Settings	
Company	Merchant details
Usage	
Sales	_____
Expenses	Deposit Speed
Payments	_____
Time	Deposit accounts
Advanced	_____
	Business Owner info

Deposit Accounts

You will set up your Deposit to accounts after you have connected your company bank account. See Setting Up Bank Feeds later in this chapter for this step.

Business Owner Info

1. In the Business Owner info section, select the Pencil icon to the right.

Business Owner info	Business title	Managing Member	▼
	Owner address	Owner address	Apt/Ste/Unit
		ZIP	City
			▼
	Mobile phone number		
	Reason for change	We use this for account verification.	
		Choose your reason for change	
		▼	
		Cancel	Save

2. Select the owner's business title.
3. Enter the owner's address and mobile phone number.
4. Select Save.

Chart of Accounts

1. In the Chart of Accounts section, select the Pencil icon to the right.

Chart of Accounts	Tell us where in QuickBooks to automatically record:
Standard deposits	Checking US Bank ... ▼
Processing fees	Bank Charges & Fees:Mer... ▼
	Cancel Save

2. Select the accounts for Standard deposits and Processing fees from the drop-down menu.

To add a new account, select Add new. Take the time to do this now.

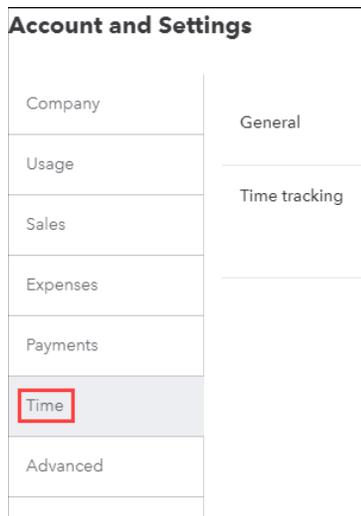
To see how to add a new account, see Chart of Accounts later in the chapter.

3. Select Save.

Time

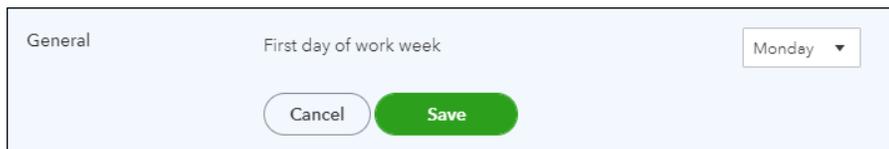
The Time settings enable you to use time tracking to assign particular activities to a project or customer and choose whether to bill your customers for the activity. This can also be used to track an employee's time for payroll purposes.

To set up time settings, select Time from the left of the screen in Account and Settings.



General

1. In the General section, select the Pencil icon to the right.



2. Select Add Service field to timesheets to be able to specify services performed when entering timesheets.

Time tracking

1. In the Time tracking section, select the Pencil icon to the right.

Time tracking

Add Service field to timesheets ?

Make Single-Time Activity Billable to Customer ?

Show billing rate to users entering time ?

Cancel Save

2. Select Add Service field to timesheets to be able to specify services performed when entering timesheets.
3. Select Make Single-Time Activity Billable to Customer to add a checkbox on timesheets to specify whether activities should be billed to the customer.

When checked employees and contractors who fill out timesheets can specify if activities should be billed to a customer.

4. Select Show billing rate to users entering time box.

If you bill customers a different hourly rate than you pay your employees and subcontractors, you may want to leave this blank.

5. Select the drop-down and choose the First day of work week.

This affects how employees and contractors view weekly time sheets.

6. Select Save.

Advanced

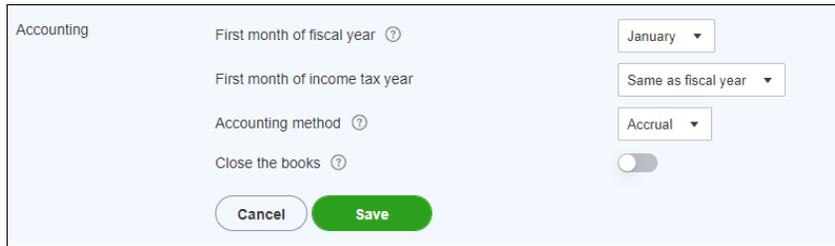
The Advanced settings section has many features, some of the most notable being Accounting preferences, Automation, Time tracking functions, and several others. Follow the steps below to be sure that everything is set the way you need it.

To set up advanced settings, select Advanced from the left of the screen in Account and Settings.

Account and Settings	
Company	Accounting
Usage	
Sales	
Expenses	Company type
Payments	Chart of accounts
Time	Categories
Advanced	

Accounting

1. In the Accounting section, select the Pencil icon to the right.



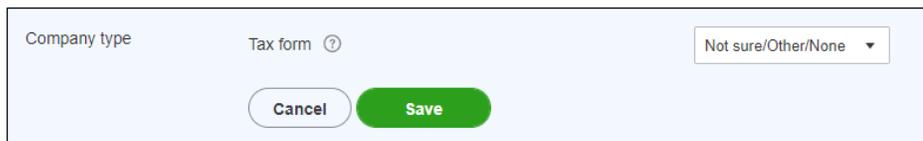
The screenshot shows the 'Accounting' settings form. It includes the following fields and controls:

- First month of fiscal year**: A dropdown menu with 'January' selected.
- First month of income tax year**: A dropdown menu with 'Same as fiscal year' selected.
- Accounting method**: A dropdown menu with 'Accrual' selected.
- Close the books**: A toggle switch that is currently turned off.
- Buttons**: 'Cancel' and 'Save' buttons at the bottom.

2. Select the First month of fiscal year from the drop-down menu.
3. Select whether you want the First month of income tax year to be Same as fiscal year or January.
4. Select your Accounting method (Cash or Accrual).
5. Select Save.

Company Type

1. In the Company type section, select the Pencil icon to the right.



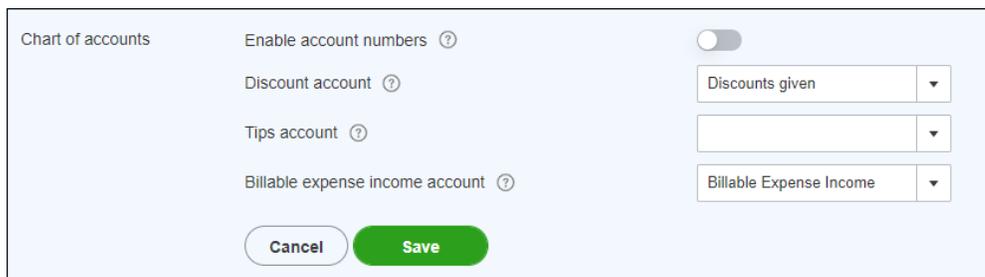
The screenshot shows the 'Company type' settings form. It includes the following fields and controls:

- Tax form**: A dropdown menu with 'Not sure/Other/None' selected.
- Buttons**: 'Cancel' and 'Save' buttons at the bottom.

2. Select the Tax form your company files from the drop-down menu.
3. Select Save.

Chart of Accounts

1. In the Chart of accounts section, select the Pencil icon to the right.



The screenshot shows the 'Chart of accounts' settings form. It includes the following fields and controls:

- Enable account numbers**: A toggle switch that is currently turned off.
- Discount account**: A dropdown menu with 'Discounts given' selected.
- Tips account**: A dropdown menu that is currently empty.
- Billable expense income account**: A dropdown menu with 'Billable Expense Income' selected.
- Buttons**: 'Cancel' and 'Save' buttons at the bottom.

2. (Optional) Select Enable account numbers to turn on account numbers in your Chart of Accounts. This affects all users within your company.

QuickBooks will sort accounts by their account number within each account type.

3. (Optional) Check the Show account numbers box to display account numbers on reports and transactions, such as in sales and expense forms (for your view only).

Note: Making this change will affect the sort order of your reports, such as the Profit & Loss and Balance Sheet.

4. Select the desired Discount account from the drop-down menu.

To add a new account, select Add new. Take the time to do this now.

To see how to add a new account, see Chart of Accounts later in the chapter.

5. Select the desired Tips account from the drop-down menu.

To add a new account, select Add new. Take the time to do this now.

6. Select the Billable expense income account from the drop-down menu.

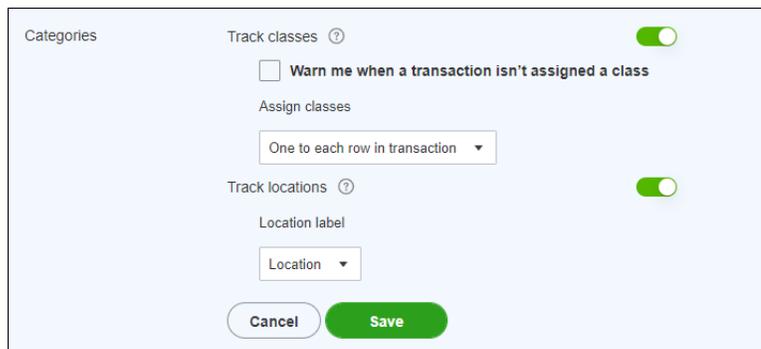
To add a new account, select Add new. Take the time to do this now.

7. Select Save.

Categories

This adds a Class field on forms to make it easier to assign and organize transactions.

1. In the Categories section, select the Pencil icon to the right.



The screenshot shows the 'Categories' settings dialog box. It has a title bar 'Categories' and a close button (X). The settings are as follows:

- Track classes** (with a help icon): A toggle switch is turned on.
- Warn me when a transaction isn't assigned a class**
- Assign classes**: A dropdown menu is set to 'One to each row in transaction'.
- Track locations** (with a help icon): A toggle switch is turned on.
- Location label**: A dropdown menu is set to 'Location'.

At the bottom, there are two buttons: 'Cancel' and 'Save'.

2. Select the Track classes to add a Class field on forms so you can assign transactions to different segments like departments, locations, and product lines.
3. (Optional) Select the checkbox next to “Warn me when a transaction is not assigned a class” and select how you want classes to be assigned from the drop-down menu.
4. Select the Track Locations to add a Location field on forms so you can assign transactions to different locations like stores, sales regions, and counties.
5. (Optional) Use the options in the Location label drop-down list to specify a name for the field in which you select a location. If you do not select an option, the name of the field defaults to Location.
6. Select Save.

Automation

1. In the Automation section, select the Pencil icon to the right.

2. Select Pre-fill forms with previously entered content to enable auto-recall.

This automatically fills other fields of the form, based on the last saved transaction for that customer, vendor, or employee.

3. Select Automatically apply credits.

This automatically applies credits to the next invoice you create for the same customer. Most companies turn on this setting; turn it off if you are a property manager that requires security deposits.

4. Select “Automatically invoice unbilled activity” to automatically create invoices for customers with unbilled activities. Then, set your preferred invoicing schedule and choose how you want to be notified every time.

Notifications appear in the Activity feed on the Home page.

5. Select Automatically apply bill payments to automatically apply payments to the oldest existing bill when you add bill payments in the register.
6. Select Save.

Other Preferences

1. In the Other preferences section, select the Pencil icon to the right.

2. Select the Date format from the drop-down menu.
3. Select the Number format from the drop-down menu.

4. To change the Customer label, select the desired label from the drop-down menu.

This replaces the word "Customers" wherever it is shown in QuickBooks.

5. (Optional) Select Warn if duplicate check number is used.
6. (Optional) Select Warn if duplicate bill number is used.
7. (Optional) Select Warn if duplicate journal number is used.
8. Select the timeout duration by choosing 1, 2, or 3 hours from the drop-down menu.

QuickBooks measures your time of inactivity from the last time you moved your mouse, clicked, or used your keyboard on any transaction form.

If you are timed out, sign back into your company to continue where you left off.

The timeout setting can only be changed by the Primary administrator and it applies to all company users.

9. Select Save.

Manage Users

If you want to give your employees the ability to log and track their own time, you will need to give them permission to access your QuickBooks account by adding them each as a user. To keep your sensitive company information protected, we will help you understand the different types of users to assign them appropriately.

Manage Users includes:

1. User Types and
2. Add a New User.

User Types

Here are the different user types, along with the details regarding access rights.

- Primary administrator: In most cases, the individual who created the company would be this type of user, with no limitations to access.
- Company Administrator: This type of user has access to every aspect of the company file.
- Accounting firms: This is for granting access to an accountant or accounting firm (up to two).
- Standard user: Gives you the option of granting full or limited access, excluding administrator privileges.
- Custom user: This user type allows you to specify many areas you want accessed or restricted.

- **Reports only:** This only grants the user read-only access to reports, with the exception of the Audit Log and Payroll Reports. The user will be able to see reports related to transactions, without being able to view the actual transactions.
- **Time Tracking only:** These users will only have access to their own time sheets and time reports.

Any user with access rights is able to do anything within QuickBooks that Administrators can, including changing company settings, creating and editing budgets, viewing the Audit Log, make deposits and transfer funds, reconcile accounts, make journal entries, and view reports. If given payroll access, they can also add and edit employees, create paychecks, and perform payroll.

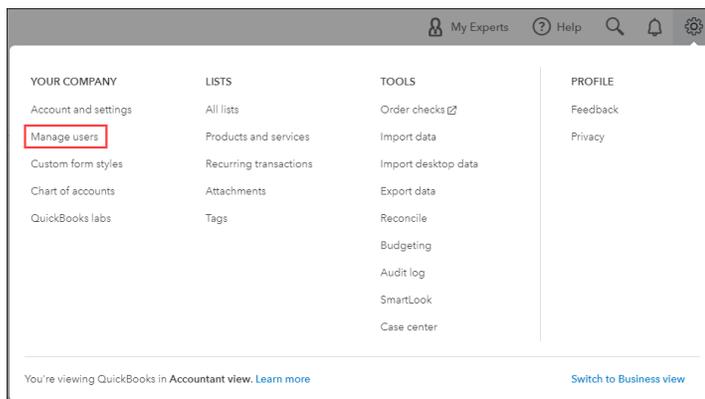
A user with no access rights cannot use any accounting features but can simply fill out their own time sheets.

Add a New User

To add a new user:

You must be a Primary administrator or Company administrator to add or change a user’s access. Keep in mind that, depending on your subscription options, you will have a limit to the number of users you can add. To view your user limit, go to the Gear icon and, after selecting Account and Settings, select Usage. Fortunately, Time Tracking and Reports Only users do not count towards your user limit.

1. Select the Gear icon on the toolbar and select Manage Users.



2. Select Add user to open the Add a new user page.

Add a new user ✕

Select user type

These count toward your user limit.

Standard user
You can give them full or limited access, without admin privileges.

Company admin
They can see and do everything. This includes sending money, changing passwords, and adding users. Not everyone should be an admin.

These don't count toward your user limit.

Reports only
They can see all reports, except ones that show payroll or contact info.

Time tracking only
They can add their own time sheets.

Next

3. Select which type of user you would like them to be, then select Next.

If you select the Company admin option, specify whether or not this user is your accountant. Just be aware that you can only have one accountant user.

4. For Company admin, Reports only, Time tracking only, and Take payments only users, enter the user's First name, Last name, and Email address, then select Save.

For a Standard user, follow the steps below.

5. Select the appropriate access right you would like them to have, then select Next.

You can set up an All access rights user with or without payroll permission. Simply check or uncheck the Payroll access box.

6. Set the desired user settings, then select Next.

7. Enter the user's First name, Last name, and Email address, then select Save.

The new user will receive an email after you add them. Invite them to read the email and select "Let's go!". This link must be opened through a web browser and not from the mobile app and will expire within 2 to 5 days. After selecting the link, it will direct them to finish the process.

Users and their rights can be removed or edited by going to Manage Users through the Gear icon and selecting Edit or Delete from the Action column.

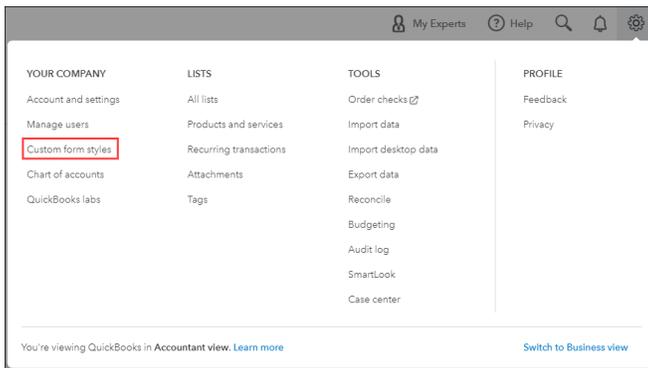
Custom Form Styles

Customizing your Sales Forms allows you to decide which fields display on your forms and modify them to fit the feel and aesthetic of your company. You have the option to customize a standard template, which you can use for all transaction types, or create a custom template for specific transactions. A custom template has advanced customization options, but is only available for invoices, estimates, and sales receipts. The following steps will walk you through the process.

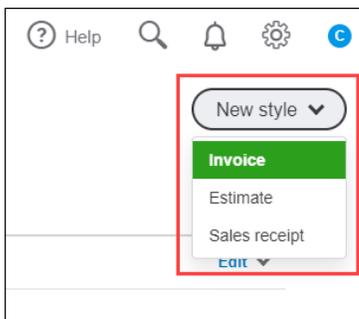
Customize Your Sales Forms

To customize your sales forms:

1. Select the Settings (Gear) icon on the toolbar, then select Custom Form Styles.

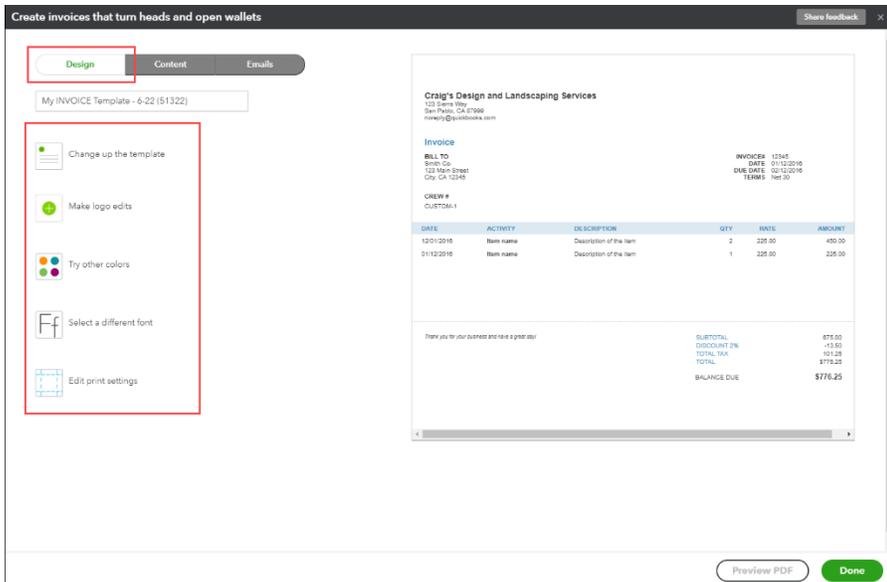


2. Select New Style and choose a type of transaction from the drop-down.



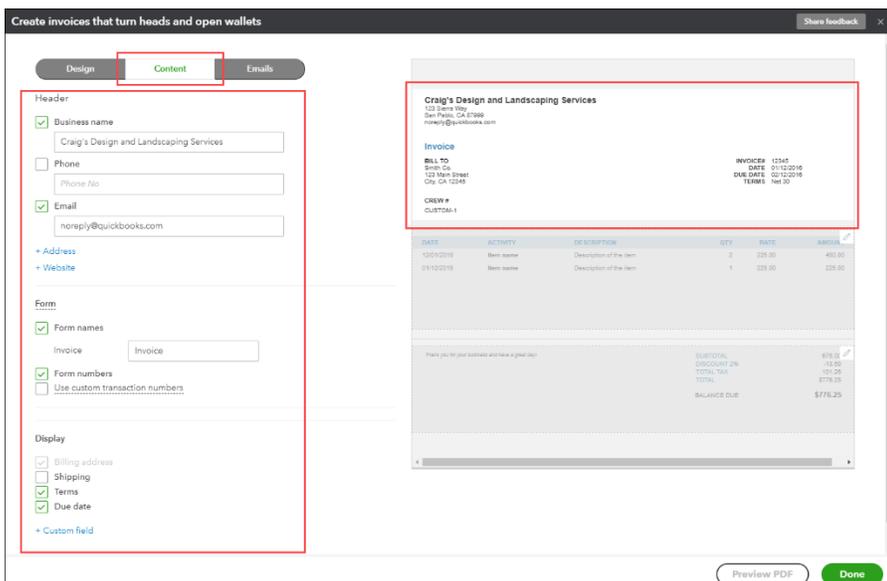
3. Select a tab to start customizing your form template.

Design: Edit and personalize the following areas as needed.



- **Change up the template / Dive in with the template:** Select a template that fits your company's style. Take note that while you can choose your template, you cannot drag or rearrange boxes.
- **Make logo edits:** Upload, resize, relocate, and hide your logo here.
- **Try other colors:** Choose your desired color scheme or use html color codes to customize your color palette.
- **Select a different font:** Select a font that fits your business. Set the font and line height to Arial MS (Multilingual) to see multilingual characters such as Chinese.
- **Edit print settings:** Adjust how your forms will print in this section.

Content: Select the section of the form from the preview on the right to start editing.



- **Header:** The top section of the form where you can customize your business and basic information. You can add up to 3 custom fields here.
- **Table:** The middle section is where you can select the fields you want to show on your forms, including the account summary. Select Edit Labels and Widths to edit the sizing of these items. Select Show more activity options for more options.
- **Footer:** The bottom is where you can add customized messages or a note for your customers.

Emails: Change how your form will appear in emails, enter a default message that you send with your invoice, estimate, or sales receipts, and set up email reminders here (for Invoices only).

Note: Avoid using special characters or emojis in the subject line or the body of your email to prevent delivery errors.

4. Select Preview PDF or Done at the bottom of the window.
5. Do these steps for your Invoices, Sales Receipts, and Estimates.

Chart of Accounts

Your Chart of Accounts is an important tool for analyzing and recording your company data into individual accounts. When you specified an industry in the previous settings, QuickBooks automatically presets a chart of accounts for you. However, you will want to review your chart of accounts and add or remove accounts as needed based on your business needs.

Chart of Accounts includes:

1. Import accounts,
2. Add an account, and

3. Make an account inactive.

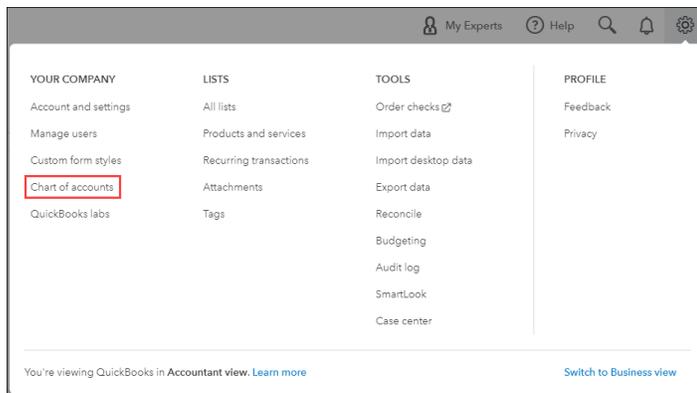
Note: Accounts may be added or removed from the chart of accounts at any time. However, an account is not easily removed after transactions have been posted to it. As such, it is important to remove any accounts that are not needed before recording transactions. You do this by making undesired accounts “inactive”.

Import Accounts

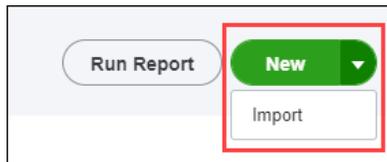
If you have an existing chart of accounts, you can import the data using Excel spreadsheets. While this is not required, importing can save a lot of time, as opposed to adding each account manually.

To import Accounts from an Excel spreadsheet:

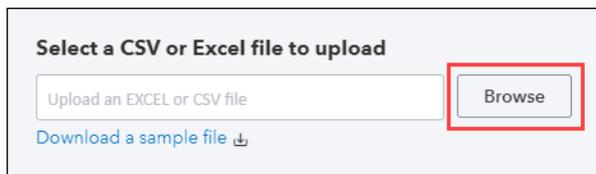
1. Select the Gear icon from the toolbar, then select Chart of Accounts.



2. Select the dropdown arrow next to New, then select Import.



3. On the Import accounts page, select Browse. Then, locate and open the excel file to be imported.



You can select the link to download a sample file to see how the excel spreadsheet should be formatted. It is recommended to save this sample file to use as a template and simply edit the information to contain your data.

4. Select Next.
5. Verify the field mapping from the Excel file to QuickBooks, then select Next.

Map your fields to QuickBooks fields

QUICKBOOKS ONLINE FIELD	YOUR FIELD
Detail Type	Detail Type <input type="text"/> <input type="button" value="v"/> <input checked="" type="checkbox"/>
Account Name	Account Name <input type="text"/> <input type="button" value="v"/> <input checked="" type="checkbox"/>
Account number	Account Number <input type="text"/> <input type="button" value="v"/> <input checked="" type="checkbox"/>
Type	Type <input type="text"/> <input type="button" value="v"/> <input checked="" type="checkbox"/>

To change which fields from the Excel file correspond to each QuickBooks field, open the dropdown menus and change the selections.

6. Select Next.
7. Verify and edit the accounts and account information as desired, as well as selecting the checkboxes next to the rows that are to be imported.

4 accounts are ready to be imported

<input checked="" type="checkbox"/>	ACCOUNT NUMBER	ACCOUNT NAME	TYPE	DETAIL TYPE
<input checked="" type="checkbox"/>	112720	Checking Account - Bank of America	Bank <input type="text"/> <input type="button" value="v"/>	Checking <input type="text"/> <input type="button" value="v"/>
<input checked="" type="checkbox"/>		Money Market - First National Bank	Bank <input type="text"/> <input type="button" value="v"/>	Money Market <input type="text"/> <input type="button" value="v"/>
<input checked="" type="checkbox"/>	410790	Product Sales Revenue	Income <input type="text"/> <input type="button" value="v"/>	Sales of Product Income <input type="text"/> <input type="button" value="v"/>
<input checked="" type="checkbox"/>	500780	Cost of Materials	Cost of Goods Sold <input type="text"/> <input type="button" value="v"/>	Supplies & Materials - COGS <input type="text"/> <input type="button" value="v"/>

8. Select Import.

Add an Account

To add an account:

1. Select the Gear icon on the toolbar, then select Chart of Accounts.
2. Select New from the upper right-hand side of the screen.

The following window will appear:

3. From the Account Type and Detail Type drop-down menus, make selections for the type of account you are creating.
4. In the Name field, name the account accordingly.
5. (Optional) Add a Description for the account in the appropriate field.
6. (Optional) Check the Is sub-account box to indicate if the account will have a parent account. Select the parent account from the drop-down menu.
7. Select the option for when QuickBooks will start tracking finances from the drop-down, then enter the account balance in the appropriate field.
8. Select Save and Close.

Repeat these steps for all necessary accounts.

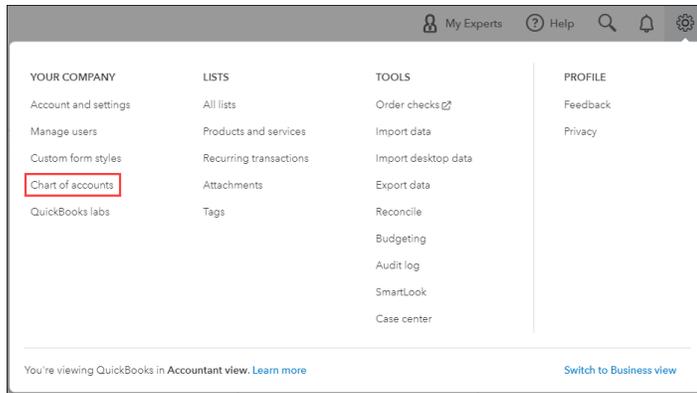
Make an Account Inactive

You cannot permanently delete an account. Instead, you make it inactive. Making an account inactive does not remove its transactions.

Note: Before making a balance sheet account (bank, credit card, asset, liability, and equity accounts) inactive, you should always consult your accountant, as doing so will reduce its balance to zero.

To make an account inactive:

1. Select the Gear icon on the toolbar, then select Chart of Accounts.



2. Locate the account to be removed, then select the dropdown arrow from the Action column.
3. Select Make inactive.

Repeat these steps for any accounts that need to be removed.

Set Up Your Lists

Set up your lists includes:

1. Products and Services,
2. Custom Fields,
3. Payment Methods, and
4. Terms.

Products and Services

There are two sales items that are available when using QuickBooks: Products and Services. A product is a tangible, usable item that is physically delivered and received by the customer, while a service is generally identified as a work performed for the benefit of the customer. Your Products and Services list (located through the Gear icon under Lists), displays your existing products and services that you offer to your customers. When setting this up, you will want to simply go through and add each product and/or service item to the list, as well as categorize them accordingly. The following steps will show you how to do just that. (Make sure your Products and Services preference is turned on in the company settings).

Setting up your products and services list includes:

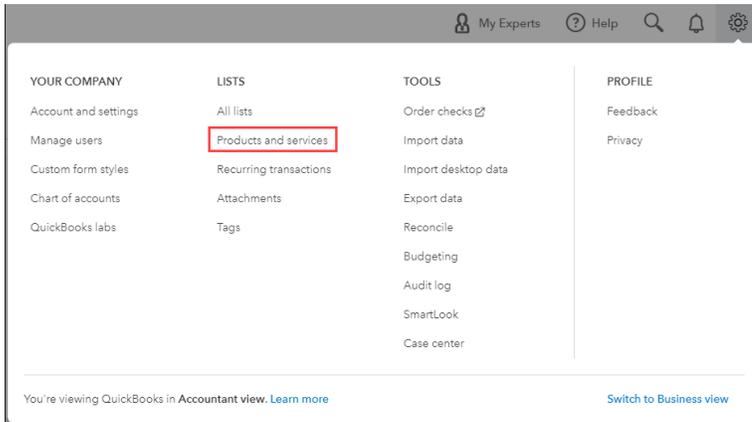
1. Import products and services,
2. Set up categories, and
3. Add products and services.

Import Products and Services

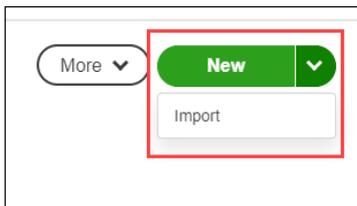
If you have an existing list of your products and services, you can import the data using Excel spreadsheets. While this is not required, importing can save a lot of time, as opposed to adding each product or service manually.

To import Products and Services from an Excel spreadsheet:

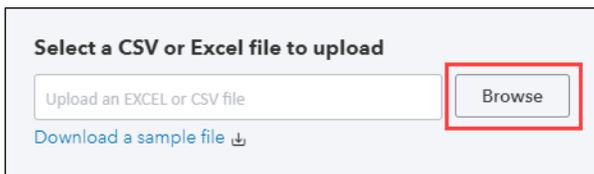
1. Select the Gear icon from the toolbar, then select Products and Services.



2. Select the dropdown arrow next to New, then select Import.



3. On the Import products and services page, select Browse. Then, locate and open the excel file to be imported.



You can select the link to download a sample file to see how the excel spreadsheet should be formatted. You can even save this sample file to use as a template and simply edit the information to contain your data.

4. Select Next.
5. Verify the field mapping from the Excel file to QuickBooks, then select Next.

Map your fields to QuickBooks fields	
QUICKBOOKS ONLINE FIELD	YOUR FIELD
Product/Service Name	Product/Service Name <input type="checkbox"/>
SKU	SKU <input type="checkbox"/>
Type	Type <input type="checkbox"/>
Sales Description	Sales Description <input type="checkbox"/>
Sales Price/Rate	Sales Price / Rate <input type="checkbox"/>
Taxable	Taxable <input type="checkbox"/>
Income Account	No Match <input type="checkbox"/>
Purchase Description	Purchase Description <input type="checkbox"/>
Purchase Cost	Purchase Cost <input type="checkbox"/>
Expense Account	No Match <input type="checkbox"/>
Quantity On Hand	Quantity on Hand <input type="checkbox"/>
Reorder Point	Reorder Point <input type="checkbox"/>

To change which fields from the Excel file correspond to each QuickBooks field, open the dropdown menus and change the selections.

6. Select Next.
7. Verify and edit the information and options you want associated with each row item as desired.

6 products and services are ready to be imported <input type="text" value="Filter by name"/>																
SELL	BUY	TRACK	NAME	SKU	TYPE	SALES DESC	SALES PRICE / RATE	TAXABLE	INCOME ACCT	PURCHASE DESC	PURCHASE COST	EXPENSE ACCT	QTY	REORDER POINT	INVENTORY ASSET ACCT	QTY AS-OF DATE
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Design		Service	Custom lanc	150.00	No	Service			Purcha	0		Inventory As	02/23/2021
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Fountain	341253	Inventc	Garden rock	275.00	Yes	Sales c	Rock fountain	150.00	Cost of	15	5	Inventory As	02/23/2021
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Gardening		Service	Weekly gard	75.00	No	Service			Purcha	0		Inventory As	02/23/2021
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Garden supp	142563	Inventc	Garden rock	75.00	Yes	Sales c	Garden rocks	50.00	Cost of	110	10	Inventory As	02/23/2021
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Garden supp	145632	Noninv	Garden soil	20.00	Yes	Service	Garden soil - 1	15.00	Purcha	0		Inventory As	02/23/2021
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Trimming		Service	Tree and shr	50.00	No	Service			Purcha	0		Inventory As	02/23/2021

Overwrite all values for each product or service that you import with the identical name. (This can't be undone.)

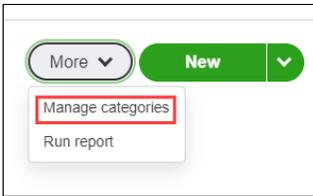
8. (Optional) Select the checkbox at the bottom to overwrite any existing products or services in your QuickBooks account that contain the same name as the ones being imported.
9. Select Import.

Set Up Categories

Creating categories and sub-categories for your products and services keeps them organized and will allow you to better understand your sales volume, as well as track more easily what customers are buying what items from you. This will also allow you to search for items by category, saving you time when completing forms.

To set up a new category or sub-category:

1. Select the Gear icon on the toolbar, then select Products and Services.
2. Select Manage Categories from the More button drop-down list.



3. Select New category from the upper-right of the screen, and the following Category information panel will appear.

A screenshot of a 'Category information' form. The form has a title bar with 'Category information' and a close button (X). It contains a text input field labeled 'Name *', a checkbox labeled 'Is a sub-category', and a green 'Save' button at the bottom right.

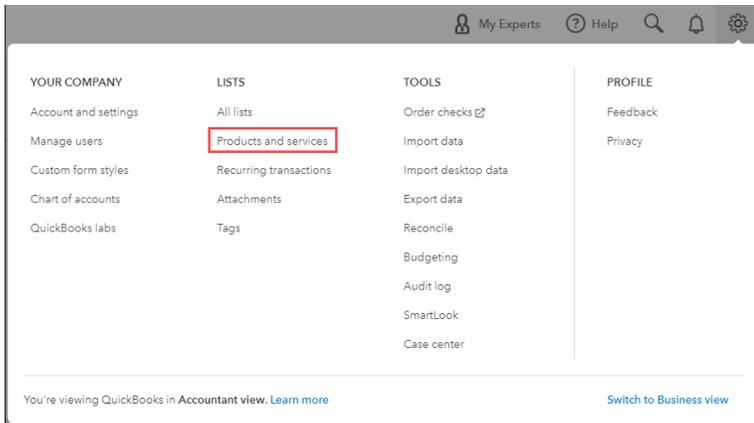
4. Enter the Name of the new category.
5. Select the Is a sub-category checkbox, if applicable, and select the parent category from the drop-down list.
6. Select Save at the bottom of the panel.

To add an existing product/service to a category, go to the Products and Services list, check the box next to the desired item(s) and select the category from the Assign category drop-down list that appears at the top of the table.

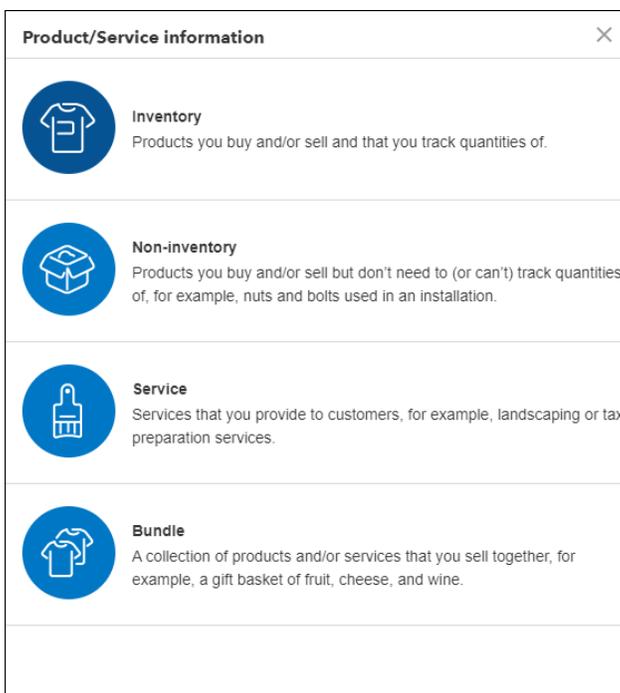
Add Products and Services

To add a Product or Service:

1. Select the Gear icon on the toolbar, then select Products and Services.



2. Select New from the upper right-hand side of the screen and the following window will appear.



3. Select the product or service type.

- Because we are not tracking inventory, you will select Non-Inventory for products or Service for services.

The Product/Service information page opens.

The screenshot shows a 'Product/Service information' form with the following fields and callouts:

- 4:** Name* and SKU input fields.
- 5:** Image upload box.
- 6:** Category dropdown menu.
- 7:** Description section with a checked checkbox 'I sell this product/service to my customers.' and a text area for 'Description on sales forms'.
- 8:** Sales price/rate input field and Income account dropdown menu (set to 'Services').
- 9:** Sales tax category dropdown menu (set to 'Taxable - standard rate').
- 10:** Purchasing information section with a checked checkbox 'I purchase this product/service from a vendor.', a text area for 'Description on purchase forms', Cost input field, Expense account dropdown menu (set to 'Purchases'), and Preferred Vendor dropdown menu.
- 11:** Save and close button.

4. Enter the Name of the product or service and SKU number (if applicable).
5. (Optional) Select the Image box to the right to attach an image to the product/service item.
6. Select a Category from the drop-down list.
7. Check the box next to I sell this product/service to my customers then add a description of the product/service in the appropriate box for the description field to auto-populate on sales forms.
 - In order for the item to show up on sales forms, this box must be checked.
8. Enter the dollar amount for the item under Sales price/rate, then open the drop-down menu and select the Income account.
9. Select the Sales tax category from the drop-down list.
10. If you purchase this item from a vendor before it is sold to customers, check the box under Purchasing information and fill in the Description, Cost, Expense account, and Preferred Vendor.
11. Select Save and close or Save and new.

You can edit, duplicate, or deactivate a product/service at any time from the Action column on the Products and Services list.

Repeat these steps for all products and services your company offers.

Custom Fields

Custom fields allow you to place additional fields to your sales forms for further customization. By using custom fields, you can better track, search, and filter data points relevant to your company and create detailed reports to help you make better business decisions.

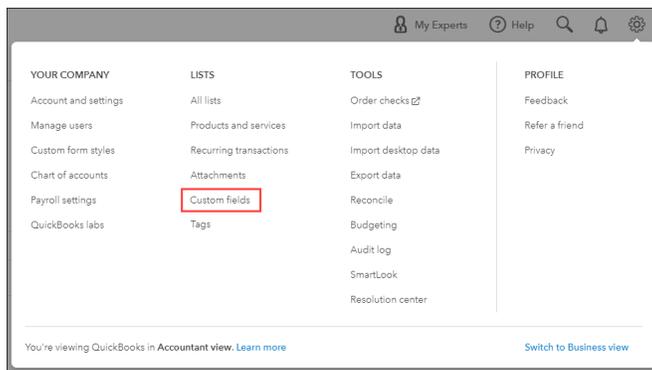
Custom Fields includes:

1. Add a custom field and
2. Edit or disable a custom field.

Add a Custom Field

To add a custom field:

1. Select the Gear icon on the toolbar, then select Custom fields.



2. Select Add custom field.

The Add custom field window will open.

3. Enter the desired name in the Name field.
4. Select the All Sales forms checkbox.
5. To have the custom field appear on printed and delivered forms, select Print on form.

Note: If you want the custom field to only be visible in QuickBooks, leave the Print on form toggle off.

6. Select Save.

Edit or Make a Custom Field Inactive

To edit or make a custom field inactive:

1. Select the Gear icon, then Custom fields.
2. In the Actions column, select Edit or Make inactive as necessary.
3. Select Save.

Payment Methods

By default, your QuickBooks Online Payments will accept Visa, MasterCard, Discover and AMEX. However, if a payment method option is missing, you will need to add it manually in order for merchant processing to work.

Payment methods includes:

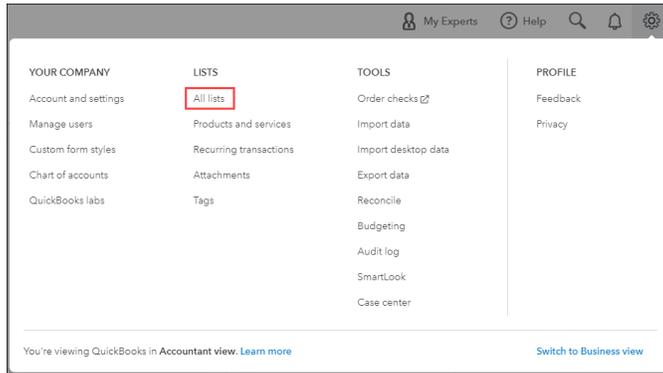
1. Add a payment method and

2. Edit or disable a payment method.

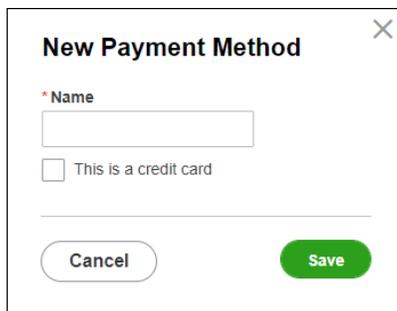
Add a Payment Method

To add a payment method:

1. Select the Gear icon, then All Lists.



2. Select Payment Methods, then select New to open the New Payment Method window.



3. Enter a name for the payment method and select "This is a credit card" if necessary.

Note: If the "This is a credit card" checkbox is unchecked, that payment method is not going to be processed with Merchant Services. This is often used when you need to record a credit card payment without submitting the card for electronic processing.

4. Select Save.

Edit or Disable a Payment Method

To edit, disable, or make a payment method inactive:

1. Select the Gear icon, then All Lists.
2. Select Payment Method.
3. Select the Credit Card Name and click on the drop-down arrow, then select Edit or Delete as necessary.
4. Select Save.

Terms

Terms refers to the due date you set for your customers to pay. By setting terms, you can indicate how long the customer has to pay an invoice and the date that payment is due. You can set multiple terms to use for different circumstances. You should have default terms in your Terms list already, including Due on receipt, Net 15 (15 days), Net 30 (30 days), and Net 60 (60 days). However, you can create additional custom terms as well.

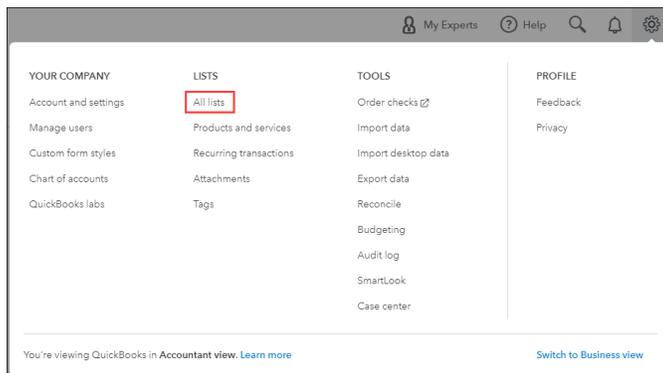
Terms includes:

1. Add a term and
2. Make a term inactive.

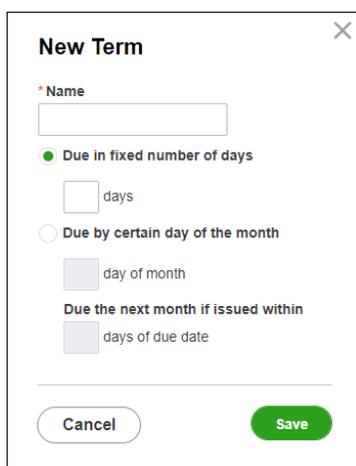
Add a Term

To add a term:

1. Select the Gear icon, then All Lists.



2. Select Terms, then select New to open the New Term window.

A screenshot of the 'New Term' window. The window has a title bar with 'New Term' and a close button (X). Below the title bar, there is a text input field for 'Name'. Below the input field, there are three radio button options: 'Due in fixed number of days' (selected), 'Due by certain day of the month', and 'Due the next month if issued within'. Each option has a corresponding input field for the number of days or months. At the bottom of the window, there are two buttons: 'Cancel' and 'Save'.

3. Enter the Name of the term.
4. Select "Due in fixed number of days" or "Due by certain day of the month".

5. If you select the first option, enter the number of days the customer has to pay from the date the invoice is received.

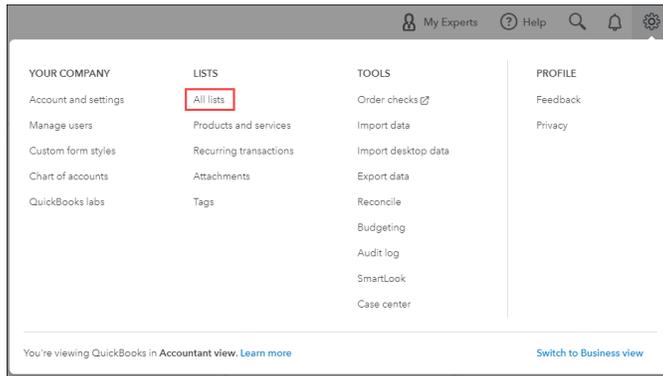
If you select the second option, enter the day of the month payment is due and the number of days within the due date that it will be moved to the following month (optional).

6. Select Save.

Make a Term Inactive

To make a Term Inactive:

1. Select the Gear icon, then All Lists.



2. Select Terms.
3. Locate the term in the list, then select the drop-down arrow in the action column and select Make inactive.

Note: To view inactive terms, select the settings (Gear) icon from the terms list and select Include inactive.

Set Up Your Bank and Credit Card Accounts (Bank Feeds)

QuickBooks offers a convenient feature that automatically imports your bank and credit card transactions, which allows you to view, analyze and manage connections and transactions. This is done using your financial institution's online banking sign-in information. You will need to create an account to link your bank account to before connecting it. Follow the steps below to create and connect a bank or credit card account.

Set up your bank and credit card accounts include:

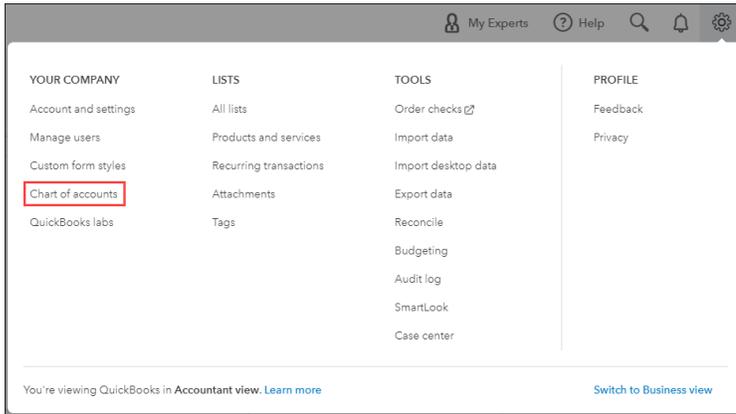
1. Create a New Account,
2. Connect a Bank or Credit Card Account, and
3. Set up Deposit Account.

Create a New Account

If you have not already, you will first want to create an account that you will then link to your bank account.

To create a corresponding account:

1. Select the Gear icon on the toolbar, then select Chart of Accounts.



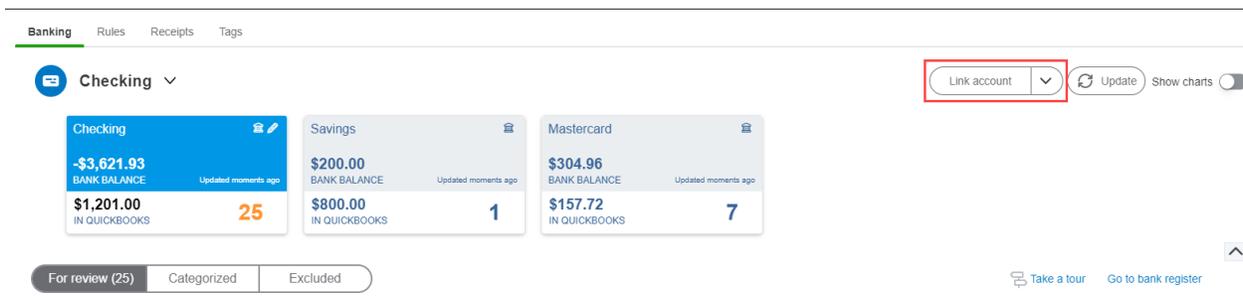
2. Select the New button to open the Account window.
3. From the Account Type drop-down menu, select Bank.
4. Provide information as needed.
5. Select Save and Close.

Connect a Bank or Credit Card Account

Now that you have created the account in your Chart of Accounts, you can connect the bank or credit card account using the steps below.

To connect a Bank or Credit Card Account:

1. Select Banking from the left menu.
2. On the Banking page, select Link account.



The following page will open:

Let's get a picture of your profits

Connect your bank or credit card to bring in your transactions.

Enter your bank name or URL

Here are some of the most popular ones

Citi CHASE BANK OF AMERICA WELLS FARGO

CapitalOne USbank PayPal PNC

At Intuit, the privacy and security of your information are top priorities.

Privacy

TRUSTe Verified Privacy

3. Search for your financial institution and select it from the list.
4. Enter your User or Login ID and password for the financial institution's website and select Continue.
5. Complete the security verification steps your financial institution may require and select Securely connect.
6. Select the Account type drop-down menu to choose either a Bank or Credit Card account.
7. Select Connect.

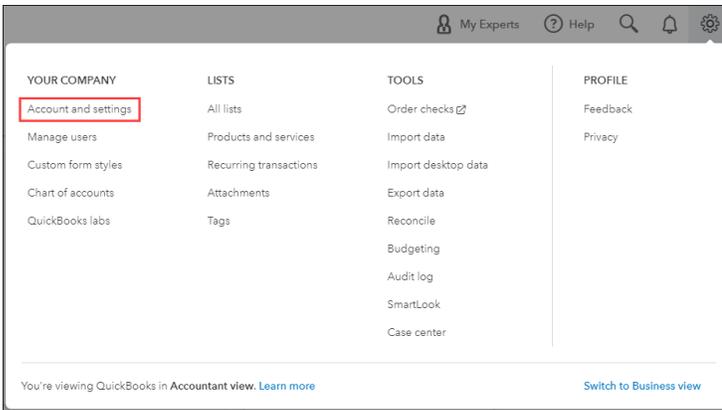
Repeat the above steps for additional bank and credit card accounts.

Set Up Deposit Account

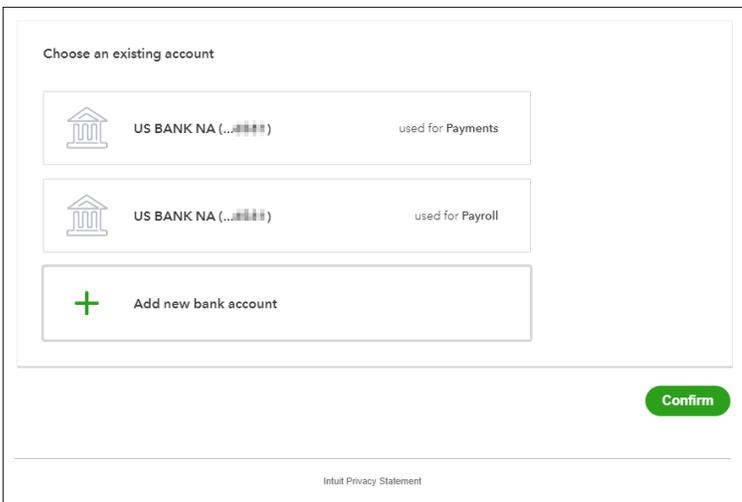
Now that your bank and credit card accounts are connected to QuickBooks, you will need to navigate back to the Payments settings to select your standard "Deposit to" account.

To set up your deposit account:

1. Select the Gear icon at the top, then select Account and Settings.



2. Select Payments from the left menu.
3. Under Deposit accounts, select Change.



4. In the window that appears, select the connected bank account for standard deposits.
5. Select Confirm.

Set Up Your Automated Sales Tax

QuickBooks offers a new Automated Sales Tax system to make dealing with sales tax as hassle-free as possible. By using information like your state (where you have nexus and are registered to collect sales tax), physical address of business, physical address on sales receipts and invoices, and product mapping associated with your products/services, the feature is able to calculate the appropriate sales tax.

What is Sales Tax?

Sales tax is an imposed dollar amount collected on the sale of tangible personal property (physical items with value) and some services by the government. This tax is generally collected first from the consumer by the final seller and is represented as a percentage rate determined by a tax agency.

What conditions require a seller to collect sales tax?

A seller will be obligated to collect sales tax when they have nexus. Nexus is the physical presence in a specific jurisdiction, and, depending on the state, is generally dictated by one or more of the following: being physically located in a jurisdiction, delivering in company-owned vehicles, having property in a jurisdiction, or having sales presence or services performed in a jurisdiction.

What products or services are tax exempt?

This is another area that will differ depending on the state. However, there are circumstances where a product or service may be exempt. One of those is where there is a public policy reason for it. In this case, these items would be exempt to all purchasers. Examples could include food, clothing, utilities, or medical items. Another situation could pertain to a state law that constitutes an exemption based on the nature of the actual purchaser or the reason for the purchase. This could include exemptions based on the entity (usually government, charities, or religious/scholastic organizations) or based on the use (such as agriculture, manufacturing, or resale).

What does Automated Sales Tax do for you?

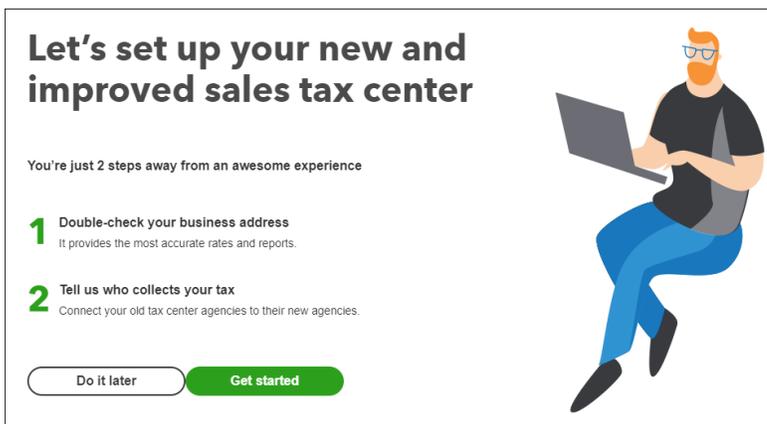
In the past, trying to accurately calculate sales tax and keep up to date with tax rates and agencies was a hassle. The advancement of automation has, once again, relieved the sales tax process for the user with Automated Sales Tax (AST) in QuickBooks, which automatically calculates sales tax rates based on product mapping and your locations.

Once activated, the Automated Sales Tax feature considers all of the questions above and more to automatically calculate the required sales tax for your sales. It does this by looking at the information that you have set up, such as the state where you have nexus and are registered to collect sales tax, the physical address of your business, the address on the sales receipt or invoice, the product mapping that is associated with the products and services you offer, and the exemption status of the customer. The feature will also automatically update sales tax rates and rules when changes occur.

Set Up Automated Sales Tax

To set up automated sales tax:

1. Select Taxes from the left menu, then Sales Tax.
2. Select Get started.



Let's set up your new and improved sales tax center

You're just 2 steps away from an awesome experience

- 1 Double-check your business address**
It provides the most accurate rates and reports.
- 2 Tell us who collects your tax**
Connect your old tax center agencies to their new agencies.

[Do it later](#) [Get started](#)

- When asked to verify your address, select Next if correct, or select the Pencil icon and correct it. Calculations are based on this address, so it is important that it is correct.

Set up your sales tax center

Double-check your address to make sure it's right.

Here's the address we have for you

We use your physical business address to calculate your sales tax rate.

Business address

123 Sierra Way
San Pablo CA 87999

Next

- Select your Official agency.

Bulk matching

To apply multiple rates to an agency, select your rates, then select your agency.

4 Official agency
6 California Department of Ta Apply (3 selected) [Clear selection](#)

5 <input checked="" type="checkbox"/>	TAX RATE NAME	TAX RATE	YOUR AGENCY NAME	OFFICIAL AGENCY NAME
<input checked="" type="checkbox"/>	California	8%	Board of Equalization	California Department of Ta ▼
<input checked="" type="checkbox"/>	Tucson (combined rate)	9.10%		
<input checked="" type="checkbox"/>	AZ State tax	7.1%	Arizona Dept. of Revenue	California Department of Ta ▼
<input checked="" type="checkbox"/>	Tucson City	2%	Arizona Dept. of Revenue	California Department of Ta ▼

Previous
Next

- Select the checkbox for any other tax agencies you will be paying sales tax to from the list provided.
- Select Apply to auto-populate the Official Agency Name column.
- Select Next.
- In the new window, review the Active Rates, then select Save.

Review your rates

Here's what we'll bring over to your new sales tax center.

Active Rates

California
California Department of Tax and Fee Administration

8% [Change](#)

AZ State tax
California Department of Tax and Fee Administration

7.1% [Change](#)

Tucson City
California Department of Tax and Fee Administration

2% [Change](#)

Previous
Save

9. Select Save.

10. In the new window, select the Filing frequency from the drop-down menu.

How often do you file sales tax?

You can find this info on your sales tax business registration. If you can't find it or it changed, check out the table to see where your business fits.

Agency
California Department of Tax and Fee Administration 1 of 1

Filing frequency
Select frequency

California filing frequency requirements

Average monthly liability	Filing frequency
\$0 to \$100	Annual
not permitted	Semi-Annual
\$100.01 to \$1,200	Quarterly
\$1,200.01 and up	Quarterly Prepaid

Source:
<https://www.cdtfa.ca.gov/taxes-and-fees/cpm-02.pdf>, page 57 (February 20, 2018)

Save

11. Select Save.

Set Up QuickBooks Payments Instant Deposits

It generally takes several days for customer payments to show up in your bank account through QuickBooks Payments. However, there is an option to receive instant deposits for eligible participants who deposit to a Visa or Mastercard debit card with a fee of 1% of the total deposit amount. If you use a QuickBooks Cash account, as opposed to a Visa or Mastercard account, the 1% fee will be waived. Once set up, the user can then specify when and how often the instant deposits should occur.

Set Up Instant Deposits

To set up instant deposits:

1. Select Sales from the left menu and select the Deposits tab.
2. Select Get set up in the instant deposit banner.

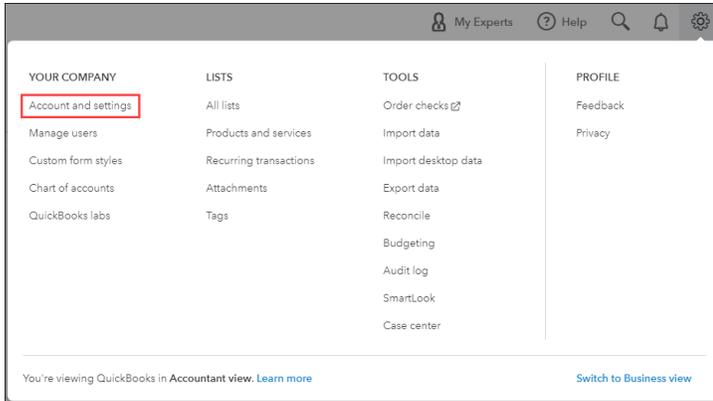
Note: You'll only see this option if you are eligible.

3. Follow the onscreen steps and enter your debit card info.
4. When you get the confirmation code, enter it to verify the account.

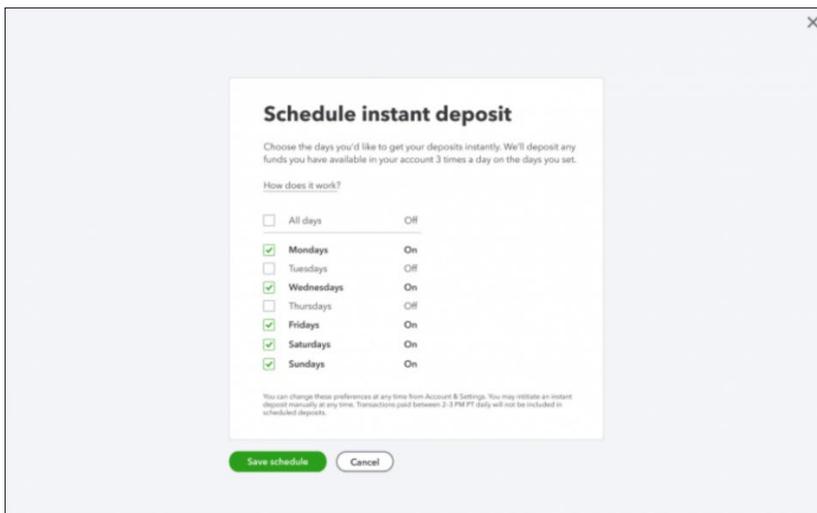
Set Up Deposit Schedule

To set up your deposit schedule:

1. Select the Gear icon at the top, then select Account and settings.



2. Select Payments from the left menu.
3. Select Deposit Speed, then Set a schedule for instant deposits.
4. Select the checkbox next to the day that you would like to get instant deposits.



5. Select Save schedule.

CHAPTER 4 – PROCESSING BANK AND CREDIT CARD ACCOUNTS

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Introduction

Processing bank and credit card accounts are critical activities of small businesses. Not only must you follow practices that protect the company's cash from misuse, but you must process it efficiently and productively to manage the company's cash flow and maintain good customer and banking relations.

This chapter provides you step-by-step guidance for processing bank and credit card accounts.

The guidance in the chapter is useful to bookkeepers as well as personnel involved in bank and credit card account activities. The chapter helps bank and credit card account personnel fine-tune their processing activities and provides newly hired or cross-trained employees with a foundation for processing bank and credit card accounts.

Accounting Process Automation

Accounting process automation (APA) automates routine bank and credit card account processes. Automation improves the speed, accuracy, and reliability of processing bank and credit card transaction documents such as deposits, checks, transfers, charges, payments, and credits.

Our Accounting System uses accounting process automation to efficiently and productively process bank and credit card accounts with QuickBooks.

Important: In this chapter we address processing bank and credit card accounts. To automate routine bank and credit card account transactions, we utilize online bank and credit card connection set up. This feature allows QuickBooks to automatically import your company's bank and credit card transactions directly from your company's online bank and credit card accounts. This feature improves the speed, accuracy, and reliability of recording bank and credit card transactions because you are no longer required to manually record or create these transactions.

Hypothetically, if all of your company's financial transactions flowed through your QuickBooks connected bank and credit card accounts, you wouldn't need to manually record any transactions. Processing bank and credit card account transactions would be as easy as importing and reviewing the transactions and reconciling the bank and credit card accounts. However, not all company financial transactions flow through your bank and credit card accounts and not all of your company financial transactions that do flow through your bank and credit card accounts provide you the information you may need or want.

An example of a financial transaction that does not flow through your bank or credit card accounts is a non-cash transaction. A non-cash transaction is a transaction that does not involve a cash receipt or payment such as asset depreciation or gains and losses on the sale of assets.

An example of a financial transaction that does flow through your bank and credit card accounts but does not provide you the information you may need or want is a QuickBooks Online Payments deposit. Your QuickBooks integrated QuickBooks Online Payments automatically gathers and records your credit card, debit card, or ACH bank transfer (eCheck) online invoice, phone, mobile, and recurring payments. Each payment transaction is listed and summarized into a sales deposit and deposited into your account. When you import and review your QuickBooks connected bank account transactions, the total sales deposit and merchant fee are recorded to the sales and merchant fee accounts you designated when setting up your QuickBooks Online Payments subscription. Therefore, the sales and merchant account

fees are recorded, and the amounts display in your profit and loss report. However, the sales amount does not display on your homepage Dashboard Sales tile overview. If the Sales overview is helpful to you, you will need to manually record each payment transaction in the sales deposit and create a Deposit.

The important thing to remember is a majority of your financial transactions do flow through your bank and credit card accounts and a majority of your time could be spent importing and reviewing the transactions and reconciling the bank and credit card accounts. However, the purpose of accounting is to communicate a business's financial position, profit, and cash flow and there are times when just importing and reviewing the transactions and reconciling the bank and credit card accounts does not achieve that purpose.

Throughout this Guide, we provide instructions and step-by-step procedures to enable you to manually record and create financial transactions for those times when you need or want to.

When we work with new clients, we set up their accounting system using QuickBooks connected bank and credit card automation. We monitor the financial information the system is communicating and add manual procedures as necessary to communicate the client's financial position, profit, and cash flow.

Bank and Credit Card Account Tools

The following tools are needed to process bank and credit card accounts:

- QuickBooks,
- Company online bank account(s) compatible with QuickBooks, and
- Company credit card(s) (business credit card or personal credit card used only for business) compatible with QuickBooks.

Bookkeeper Tasks

Your bank and credit card account tasks include:

1. Import and review bank and credit card transactions,
2. Create banking Rules,
3. Create Receipts,
4. Create Bank Deposits and Transfers,
5. Reconcile bank and credit card accounts, and
6. Email bank and credit card account reports.

Accountant Tasks

Your accountant's bank and credit card account tasks include:

1. Connect your bank and credit card accounts,
2. Provide bank and credit card account training,

3. Support bank and credit card account questions or problems,
4. Review your monthly bank and credit card transactions and balances, and
5. Customize, group, and schedule your daily, weekly, monthly, quarterly, and annual bank and credit card reports.

Bank and Credit Card Account Bank Feeds

Online banking is a method of banking in which bank transactions such as deposits, transfers, and bill payments are performed electronically via the Internet on your bank or financial institution's website. The primary benefit of online banking is your ability to access accounts, review balances, and perform transactions at any time and from anywhere with an Internet connected computer or mobile device.

QuickBooks allows you to connect QuickBooks to your bank and credit card accounts to automatically import transactions. This connection is referred to as “Bank Feeds” because your online accounts “feed” or import transaction information to your QuickBooks connected online bank and credit card accounts.

Connecting your accounts saves you time, reduces manual entry and entry errors, and ensures your information in QuickBooks is current.

Your bank and credit card companies store your account transaction information. You want that same information in QuickBooks because it is part of your company’s finances. Instead of manually creating or recording bank and credit card transactions, QuickBooks creates or records the transactions for you.

You can choose whether to add transactions as new transactions or match them with transactions you manually created in QuickBooks.

After your bank and credit cards are connected to QuickBooks, QuickBooks imports your bank and credit card transaction information automatically, which typically takes place each evening.

This chapter provides bookkeepers with the knowledge and understanding of QuickBooks banking, as well as guidance for importing transactions, reviewing transactions, and performing reconciliations.

Import and Review Bank and Credit Card Transactions

Frequency

Import (Update) and review your QuickBooks connected online bank and credit card accounts daily.

Banking Page

After your online bank and credit card accounts are connected to QuickBooks, you can import your bank and credit card account transactions. The Banking page, accessed from the left menu, displays your QuickBooks connected bank and credit card accounts. Each account displays your Bank and QuickBooks balances. When you select an account, the Banking page displays the account’s For Review, Categorized, and Excluded transaction tabs. For Review transactions are imported transactions you need to Add or Match. When you Add or Match transactions, they are transferred to the Categorized tab. Categorized transactions are transactions you have reviewed, and they are added to the specific account Register. Excluded transactions are transactions you have reviewed and excluded from the account Register.

The screenshot displays the QuickBooks Banking interface. At the top, there are navigation tabs for 'Banking', 'Rules', 'Receipts', and 'Tags'. Below this, the 'Checking' account is selected, showing a balance of \$3,621.93 and 25 transactions for review. Other accounts shown include Savings (\$200.00, 1 transaction) and Mastercard (\$304.96, 7 transactions). A search bar and filters are present above the transaction list.

DATE	DESCRIPTION	PAYEE	CATEGORY OR MATCH	SPENT	RECEIVED	ACTION
04/01/2021	Books By Bessie	Books by Bessie	Uncategorized Income		\$55.00	Add
03/02/2021	A Rental		Uncategorized Income		\$200.00	Add
03/02/2021	A Rental		Uncategorized Expense	\$1,200.00		Add
02/07/2021	A Rental		Uncategorized Expense	\$800.00		Add
02/04/2021	Pam Seitz	Pam Seitz	2 records found	\$75.00		View
02/04/2021			1 record found Deposit 02/04/2021 \$868.15		\$868.15	Match
02/04/2021	Hicks Hardware	Hicks Hardware	1 record found Check 75	\$228.75		Match

When a bank or credit card account is updated, the number of imported transactions shows in the account tile and the imported transactions are listed in the For Review tab. The transactions need to be reviewed and assigned as Categorized or Excluded. During the import process, QuickBooks analyzes the transactions and auto-populates the Date, Description, Payee, Category or Match, Spent, Received, and Action transaction fields. If it cannot populate the Category (account) it will classify it as uncategorized.

The number of imported transactions also displays in the All tab and the number of imported transactions QuickBooks recognizes displays in the Recognized tab. Recognized transactions are transactions QuickBooks has previously analyzed. The All tab transactions display by default. However, you can select the Recognized tab to display the imported transactions QuickBooks recognizes.

If a transaction is not recognized, QuickBooks auto-populates transaction fields to the best of its ability. You should open and review unrecognized transaction fields and enter or change transaction field information. You open an imported transaction by clicking on the transaction line. Once you review, update, and add an unrecognized transaction, QuickBooks retains the information and recognizes and auto-populates similar future imported transactions.

If you manually create a transaction, such as an Invoice, Receive Payment, Sales Receipt, Bank Deposit, Expense, Check, or Bill; QuickBooks matches the manual transaction to the imported transaction and lists the manual transaction in the account Register.

Processing QuickBooks Connected Bank and Credit Card Accounts

There are three steps to processing QuickBooks connected bank and credit card accounts:

1. Manually Update Your Accounts,
2. Review Your Imported Bank and Credit Card Transactions, and
3. Review Transactions After You Match or Add Them.

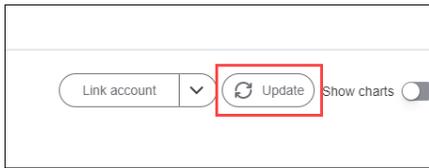
Step 1: Manually Update Your Accounts

Manually update your recent QuickBooks connected online bank and credit card account transactions.

QuickBooks may not import some recent transactions listed on the current day's online bank or credit card transactions. Generally, these include pending transactions. However, these transactions should import when they transfer to cleared, completed, or posted transactions the following business day.

To manually update your accounts:

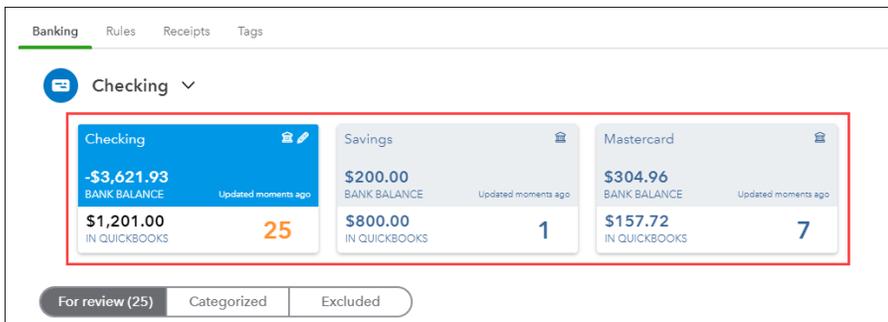
1. From the left menu, select Banking.
2. On the Banking page, select Update.



Note: QuickBooks automatically imports your recent transactions for each QuickBooks connected account. The imported transactions let you know if they match any transactions you have manually created in QuickBooks or imported from another QuickBooks connected account. If it cannot find a match, QuickBooks starts a new transaction for you to add.

Step 2: Review Your Imported Bank and Credit Card Transactions

1. Select the account tile for the account you want to review.



Note: You can arrange the order of your accounts on the Banking page by selecting the drop-down arrow, then selecting Reorder accounts. In the window that appears, select the Pencil icon, then select and drag the accounts into the desired order, then select Save.

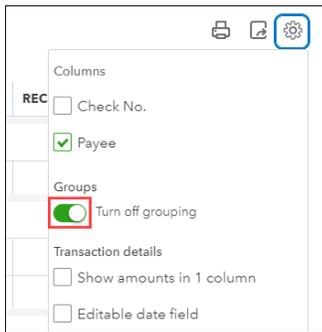
2. Select the For Review tab to start your review.

QuickBooks imports any recent bank transactions in the For Review tab.

If you are reviewing many transactions at a time, you can turn on Grouping. Grouping will group transactions together by month, which will allow you to collapse months as you work with them to declutter your display.

DATE	DESCRIPTION	PAYEE	CATEGORY OR MATCH	SPENT	RECEIVED	ACTION
▼ April 2021 (1)						
04/01/2021	Books By Bessie	Books by Bessie	Uncategorized Income		\$55.00	Add
▼ March 2021 (2)						
03/02/2021	A Rental		Uncategorized Income		\$200.00	Add
03/02/2021	A Rental		Uncategorized Expense	\$1,200.00		Add
> February 2021 (13)						
▼ January 2021 (8)						
01/30/2021	Dylan Soilfrank	Dylan Soilfrank	1 record found Sales receipt 10264 01/30/2021 \$337.50 Dylan Soilfrank		\$337.50	Match
01/29/2021	Mahoney Mugs	Mahoney Mugs	Uncategorized Expense	\$18.08		Add
01/28/2021		Cool Cars	1 record found Payment 1886 01/28/2021 \$694.00 Cool Cars		\$694.00	Match

To turn on grouping, select the small gear icon on the For review page, the toggle Groups to on.



Review each transaction. For each imported transaction, you can match, add, or view multiple matches.

Match an Existing Transaction

Match means QuickBooks matched the imported transaction with one you manually created or imported from another QuickBooks connected account. This links them to prevent any duplicates. These are labeled as Recognized transactions. Occasionally these matches are incorrect, review each match to make sure it is correct.

To match an imported transaction:

1. Select the transaction to open it.
2. Review the “Matching records found.” Records found are transactions you manually created or imported from another QuickBooks connected account.

<input type="checkbox"/>	06/25/2020		1 record found Deposit 06/25/2020 \$868.15		\$868.15	Match
--------------------------	------------	--	--------------------------------------------------	--	----------	-------

Categorize
 Find match
 Record as transfer

Matching records found

Deposit 06/25/2020 \$868.15

BANK DETAIL No description available from Example Bank U.S.A.

3. Select the link for the record found to get more details and identify it as the correct match.
4. Once you are sure you have the correct match, review and edit any transaction details as needed, such as the Date, Description, Payee, Category or Match, Spent, and Received fields.
5. Select Match.

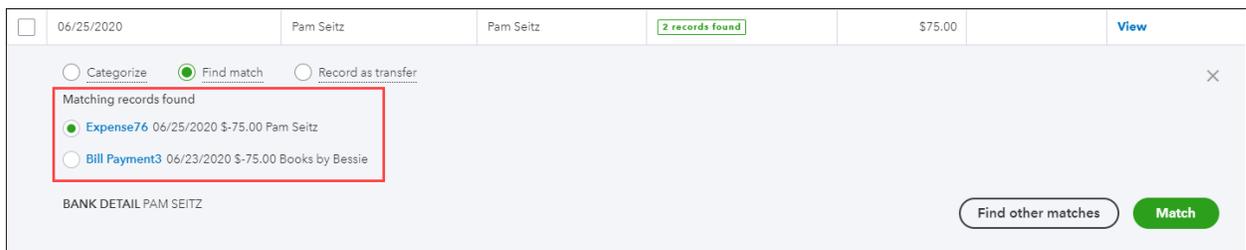
QuickBooks now knows the record from your bank or credit card is the same one you manually created or imported from another QuickBooks connected account and will not create a duplicate.

View and Review Multiple Matches

View means QuickBooks found more than one potential match. Review the matches and select the correct match, if any.

To view and review multiple matches:

1. Select View from the Action column.
2. Review the “Matching records found”.



3. Select the links for each record to get more details.
4. Compare the potential matches.
5. Select the correct match and then select Match.

Note: If there is not a match, categorize the transaction.

Find Matches for an Imported Transaction

If an imported transaction should be matched but does not prompt you with records found, you can find correct matches. You can also do this when multiple transactions make up a single deposit.

To find matches for an imported transaction:

1. Select the transaction in the For Review tab to open it.
2. Select Find match.

07/21/2020 A Rental

Categorize Find match Record as transfer

Payee Category * [Split transaction](#)

Memo

BANK DETAIL A1 RENTAL BACKHOE DEPOSIT REFUND

[Add attachment](#) [Create a rule](#) [Exclude](#)

The Match transactions page opens, which displays a list of transactions you can match.

Match transactions ? X

A Rental Spent: **\$800.00**

A1 RENTAL
 05/19/2019

Show: Search: From: To:

Select transaction to match

DATE	TYPE	REF NUMBER	PAYEE	TRANSACTION AMOUNT	OPEN BALANCE	PAYMENT
<input type="checkbox"/> 03/05/2019	Expense	12	Sample Vendor	\$250.00		
<input type="checkbox"/> 04/12/2019	Expense	15	Sample Vendor 3	\$108.09		
<input type="checkbox"/> 04/25/2019	Bill Payment (Check)	7	Sample Vendor	\$250.00		
<input type="checkbox"/> 05/09/2019	Bill		Sample Vendor 2	\$241.23	\$241.23	<input type="text"/>
<input type="checkbox"/> 05/10/2019	Check	2	Sample Vendor	\$18.08		
<input type="checkbox"/> 05/10/2019	Expense	13	Sample Vendor 3	\$215.66		
<input type="checkbox"/> 05/12/2019	Cash Expense		Sample Vendor	\$3.86		
<input type="checkbox"/> 05/14/2019	Bill		Sample Vendor 2	\$755.00	\$755.00	<input type="text"/>
<input type="checkbox"/> 05/15/2019	Expense	108	Sample Vendor 2	\$46.98		
<input type="checkbox"/> 05/16/2019	Check	75	Sample Vendor	\$228.75		
<input type="checkbox"/> 05/16/2019	Expense	76	Sample Vendor	\$75.00		
<input type="checkbox"/> 05/19/2019	Cash Expense		Sample Vendor 3	\$23.50		

< First Previous 1-33 of 33 Next Last >

Selected transaction(s) \$0.00
 Downloaded transaction \$800.00
 Difference \$800.00
 Total \$0.00

3. (Optional) Filter the transactions by changing the transaction type from the Show drop-down menu, using the search feature, or changing the From and To dates.
4. Select the checkbox(es) next to the transaction(s) you want to match.
5. For Bills and invoices, you can enter and make a payment in the Payment column.
6. Proceed to select the correct transactions, which should make the difference \$0.00.
7. You can also resolve any difference by selecting Resolve at the bottom of the page and adding a resolving transaction.
8. Select Save when finished to match the transaction(s).

Add a New Transaction

Add means QuickBooks didn't find a matching transaction. Instead of matching, QuickBooks starts a new transaction using the information from your online bank or credit card company.

1. Select the transaction to expand the view.

The screenshot shows the 'Add' transaction dialog in QuickBooks. At the top, it displays the date '03/28/2021', the vendor 'Books By Bessie', the description 'Books by Bessie', the category 'Design income', and the amount '\$55.00'. Below this, there are three radio buttons: 'Categorize' (selected), 'Find match', and 'Record as transfer'. The 'Vendor/Customer' dropdown is set to 'Books by Bessie' (circled 2), and the 'Category' dropdown is set to 'Design income' (circled 3). There is a 'Tags' field with a 'Manage tags' link (circled 4) and a 'Memo' field. At the bottom, there are buttons for 'Add attachment', 'Create a rule', and 'Exclude'. The 'Add' button is highlighted with a red box and a circled number 5.

2. Review the recommended Payee and select the correct one if different.
3. Review the recommended account category. This is the account QuickBooks wants to categorize the transaction to. For example, you see an expense for supplies for your office. QuickBooks may suggest categorizing it under Office Supplies. You can change the category by entering a different account.
4. (Optional) Enter the Tag for the transaction (see Create Tags later in the chapter for more information).
5. Select Add to create and categorize the transaction.

Add an Uncategorized Imported Transaction

During the import process, QuickBooks analyzes the QuickBooks connected bank and credit card transactions and auto-populates the Date, Description, Payee, Category or Match, Spent, Received, and Action transaction fields. If it cannot populate the Category (account) it will classify it as uncategorized. QuickBooks uses default accounts: Uncategorized Income, Uncategorized Expense, and Uncategorized Asset for transactions that do not have a clear category. These are temporary accounts. If you know the correct account, categorize the transaction account.

If you need to add a new account or are unsure what account to categorize the transaction to, categorize the transaction to the Ask My Accountant account. When your accountant reviews your bookkeeping, they will communicate the proper category for each Ask My Accountant transaction.

To add an uncategorized imported transaction:

1. Select an unrecognized transaction in the For Review tab to open it. The Description column entry indicates the type of transaction.

To group the uncategorized transactions, select the Category or Match column down arrow.

The screenshot shows a transaction entry form for the date 02/26/2021, amount \$200.00, and description 'A Rental'. The form has three radio buttons at the top: 'Categorize' (selected), 'Find match', and 'Record as transfer'. Below these are three main input areas: 'Vendor/Customer' with a dropdown menu (callout 2), 'Category' with a dropdown menu (callout 3), and 'Tag' with a text input field (callout 4). Below the tag field is a 'Memo' field. At the bottom right, there are 'Split' and 'Add' buttons (callout 5). The 'Add' button is highlighted in green. The form also includes a 'Manage tags' link and a 'BANK DETAIL A1 RENTAL BACKHOE DEPOSIT REFUND' label.

2. Select a vendor or customer name from the Payee drop-down menu or type the first letter(s) to retrieve the vendor or customer to assign a vendor or customer to the transaction.

Select Add new if the vendor or customer is not set up. Take the time now to set up the vendor or customer information.

3. If you know the correct account, categorize the transaction account.

If you need to add a new account or are unsure what account to categorize the transaction to, categorize the transaction to the Ask My Accountant account. When your accountant reviews your bookkeeping, they will communicate to you the proper category for each Ask My Accountant account transactions.

4. (Optional) Enter the Tag for the transaction (see Create Tags later in the chapter for more information).
5. Select Add to create and categorize the transaction.

Enter or Edit a Payee or Category to Multiple Transactions

If you need to enter or edit a payee or category (account) to several transactions, you can save time by assigning them all at once.

To assign multiple transactions at once:

1. On the For Review tab, select the checkbox on the left side of the table for each transaction you want to assign the same payee or category.

Note: You can select multiple rows by holding down the Shift key, selecting the first checkbox, and selecting the last checkbox.

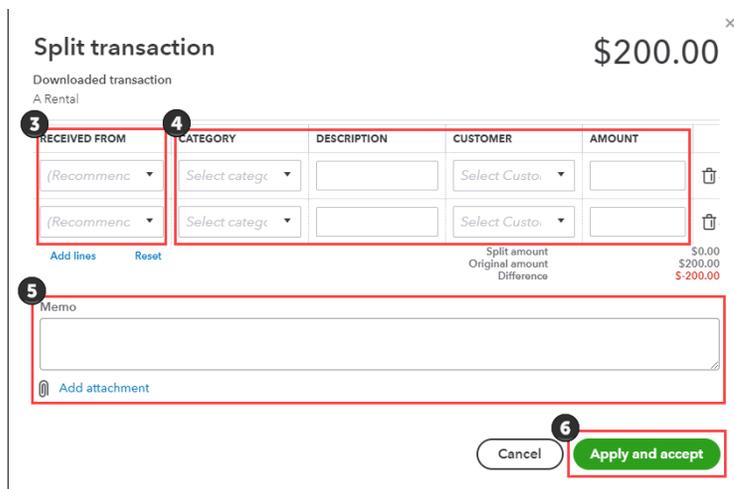
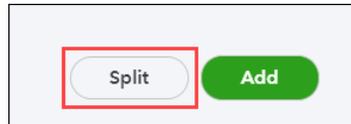
2. From the Batch actions drop-down menu, select Modify Selected.
3. Use the fields in the Modify Selected dialog to specify the Payee or Category to assign to all of the selected transactions.
4. Select Apply.

Assign Multiple Categories to a Single Transaction (Split)

When you import a transaction from your QuickBooks connected bank and credit card accounts, only one category (account) can be associated with it. However, you can modify the transaction if you need to list multiple categories for that transaction.

To split a transaction:

1. From the For Review tab, find and select the transaction to open it.
2. Select Split to open the Split Transaction window.



Split transaction \$200.00

Downloaded transaction
A Rental

RECEIVED FROM	CATEGORY	DESCRIPTION	CUSTOMER	AMOUNT
(Recommend)	Select category		Select Custo.	
(Recommend)	Select category		Select Custo.	

Add lines Reset

Split amount \$0.00
Original amount \$200.00
Difference \$-200.00

Memo

Add attachment

Cancel Apply and accept

3. Select a Payee from the Received From drop-down menus.
4. Select a Category, then enter a Description, Customer (if applicable) and Amount for each line until the Split amount and Original amount agree.

You can select Add Lines to add more categories, Reset to start over, or, if necessary, the trash can icon to delete a row.

5. Enter any Memo or Attachments.
6. Select Apply and accept.

Undo Added Transactions

If you realize you incorrectly added a QuickBooks connected bank or credit card imported transaction, you can undo the transaction. This transfers the transaction back to the For Review tab.

To undo an added transaction:

1. On the Banking page, select the Categorized tab.
2. Locate the transaction and select Undo from the action column.

Exclude a Transaction

If you realize you need to exclude a QuickBooks connected bank or credit card imported transaction, you can exclude the transaction.

Note: If you have the same imported and manual transaction in the Categorized tab, undo the imported transaction to the For Review tab. The imported transaction should now match with the manual transaction. If not, refresh (reload) the page on your web browser.

To exclude a transaction:

1. From the left menu, select Banking.
2. On the Banking page, select the Categorized tab.
3. Select the checkbox of the transaction to exclude.
4. From the Batch actions drop-down menu, choose Exclude Selected.

Excluded transactions are transferred to the Excluded tab.

Undo Excluded Transactions

If you realize you incorrectly excluded a QuickBooks connected bank or credit card imported transaction, you can undo the transaction.

To undo an excluded transaction:

1. From the left menu, select Banking.
2. On the Banking page, select the Excluded tab.
3. Locate the transaction and select Undo from the action column.

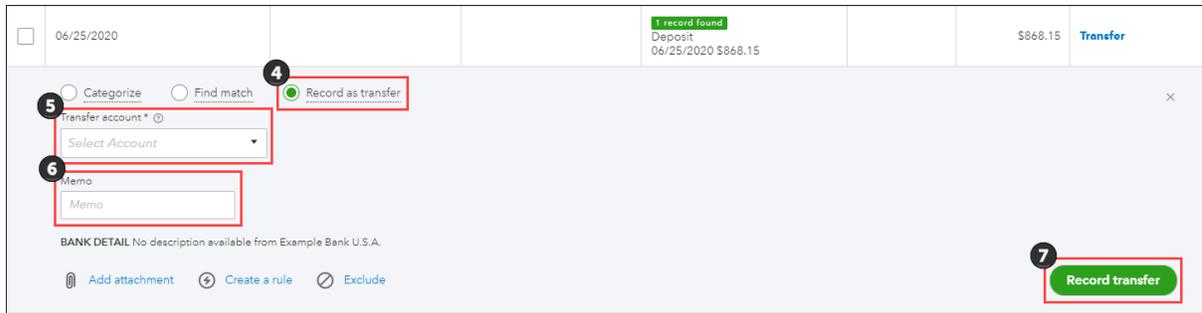
This transfers the transaction back to the For Review tab.

Create a Transfer

If a QuickBooks connected bank or credit card imported transaction was a transfer from one bank account to another bank or credit card account, you can create the transfer.

To create a transfer:

1. From the left menu, select Banking.
2. On the Banking page, select the account tile, then select the For Review tab.
3. Select the transaction in the For Review tab to open it.



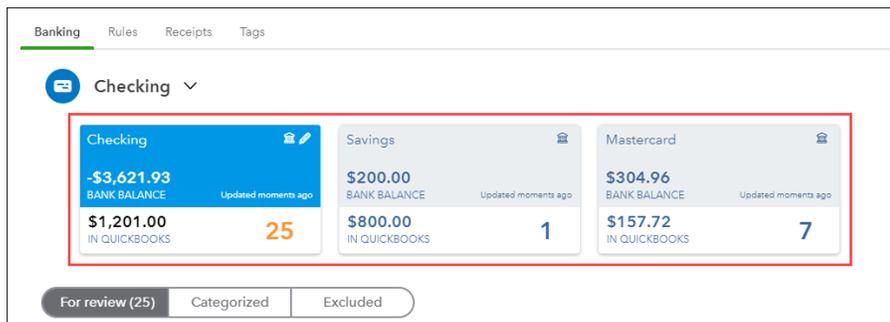
4. Select Record as transfer.
5. From the Transfer account drop-down menu, select the account the funds were transferred to.
6. (Optional) Edit or enter a Memo in the appropriate field.
By default, the Memo field contains bank detail information from imported transactions.
7. Select Record transfer.

Step 3: Review Transactions After You Match or Add Them

After you match or add imported transactions, the transactions are added to the bank or credit card account Register. The categorized transactions transfer from the For Review tab to the Categorized tab.

After you match or add a few transactions, check the transactions in case you need to make changes:

1. From the left menu, select Banking.
2. Select the account tile for the account you want to check.



3. Select the Categorized tab.
4. Select the link in the Added or Matched column to check the transaction. Pay particular attention to the "Deposit to" field. The Deposit to field is the account QuickBooks categorized the transaction.
5. Enter or change transaction field information as needed.

If you need to recategorize a transaction to a different account, select Undo and go back to the For Review tab.

Make any changes before you perform your monthly reconciliations.

Create Banking Rules

To automate banking and save time, you can utilize the Rules feature in QuickBooks. The purpose of banking rules is to automatically categorize and add transactions. The Rules page contains a list of rules QuickBooks suggests or you create for you to view and edit.

Online banking rules go beyond the automatic memorizing and categorizing that QuickBooks does. For frequently downloaded items, rules can save you time by scanning QuickBooks connected bank or credit card transactions for details you assign for specific payees and categories.

Default accounts are used when it is unclear how a transaction should be categorized. Because these do not accurately depict the category, they are ignored by Banking Rules.

The following default accounts shouldn't be used when creating a banking rule:

- Uncategorized Asset,
- Uncategorized Income, and
- Uncategorized Expense.

Banking rules only apply to imported transactions that are in For Review.

Create a Bank Rule

To create a bank rule:

1. From the left menu, select Banking, then select Rules.
2. Select New rule to open the Rule window.

The screenshot shows the 'Create rule' window with the following steps highlighted:

- 3** What do you want to call this rule? *
Name this rule
- 4** Apply this to transactions that are
Money out in All bank accounts
- 5** and include the following: All
Description Contains Enter text
+ Add a condition
- 6** Then assign
Transaction type Expense
Category Select a category Add a split
Payee (Recommended)
Tags Start typing to add a tag
+ Assign more
- 7** Automatically confirm transactions this rule applies to
Auto-add
- 8** Save

3. Enter a name for the rule in the appropriate field.
4. Select Money in or Money out in the first drop-down menu, then select the bank account or credit card account(s) to which the rule will apply by marking the checkbox(es) next to each account in the drop-down menu.
5. Set the rule conditions, specifying whether the transaction must meet All or Any of the conditions. You can add up to 5 lines.
 - To reduce the need for multiple rules, you can create rules with “Or” so that transactions are edited when they meet any of the outlined conditions. To use the Or function, you must specify the “When a transaction meets *any* of these conditions” then select, Add line.
 - In the “conditions” fields, specify whether the rule applies to Bank text, Description, or Amount, then identify the content the transaction Contains, Does not contain, or Is exactly for the rule to apply and enter the desired text in the blank field.
 - Select the Trash bin icon to remove a condition, if needed.
6. Select the settings for the rule fields, using the drop-down menus and fields to specify the Transaction type, Category, Payee, and Tags (optional).
 - If you want to apply multiple categories, select Split. Use the drop-down menu to specify if you want to separate the values by Percentage (%) or Amount (\$). Then enter the percentages or amounts, along with the corresponding categories. Select Add line to use more than two categories.
 - To enter a Memo, select Assign more to display the memo field.
7. Select Auto-add, if desired.

Auto-add automatically adds transactions in the For Review tab that meet the conditions.
8. Select Save.

Once you have banking rules created, you can see any transactions the rule has recognized by selecting the For Review tab, then select the Recognized tab.

Create Receipts and Bills

Important: Do not use Receipts for receipts paid for with QuickBooks connected bank and credit card accounts. These receipts will have already been created in QuickBooks. Receipts should be used for occasional purchases made with unreimbursed owner or employee personal funds.

If you have owners or employees who regularly make company purchases with personal funds, such as travel, entertainment, or meal receipts, consider providing the owner or employee a business credit card or setting up an expense reimbursement program. Contact your accountant for more information.

Receipts Page

To help you manage physical expense receipts and bills, QuickBooks offers a Receipts and Bills upload feature. The Receipts page allows you to add, track, manage, and match your expense receipts and bills. When adding receipts or bills, QuickBooks extracts the information and automatically creates a transaction for you to review and add or match.

There are three ways to add your receipts/bills into QuickBooks:

- Upload,
- Email, and
- QuickBooks Mobile app capture.

When adding receipts/bills, add only one receipt at a time. When uploading or emailing receipts/bills, the file should be formatted as a PDF, JPEG, JPG, GIF, or PNG image file.

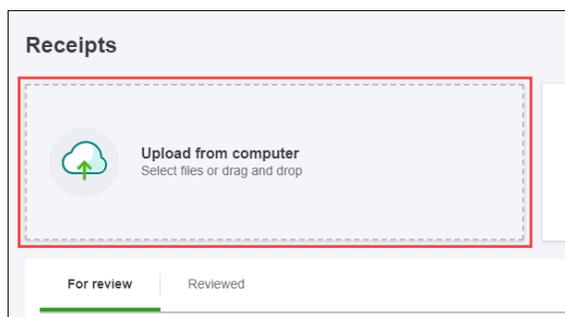
Receipts added are displayed on the Receipts page in the For Review tab.

Upload a Receipt or Bill

When you upload a receipt to QuickBooks, you are adding the receipt image from your computer or portable device to your QuickBooks account.

To upload a receipt/bill:

1. Select Banking from the left menu, then select Receipts.
2. Drag and drop the receipt/bill into the upload box or select the box to browse and open the file to upload.



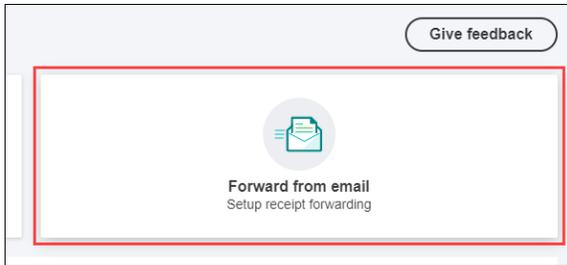
QuickBooks takes about 15 or more minutes to process the receipt or bill before it is available to view.

Email a Receipt or Bill

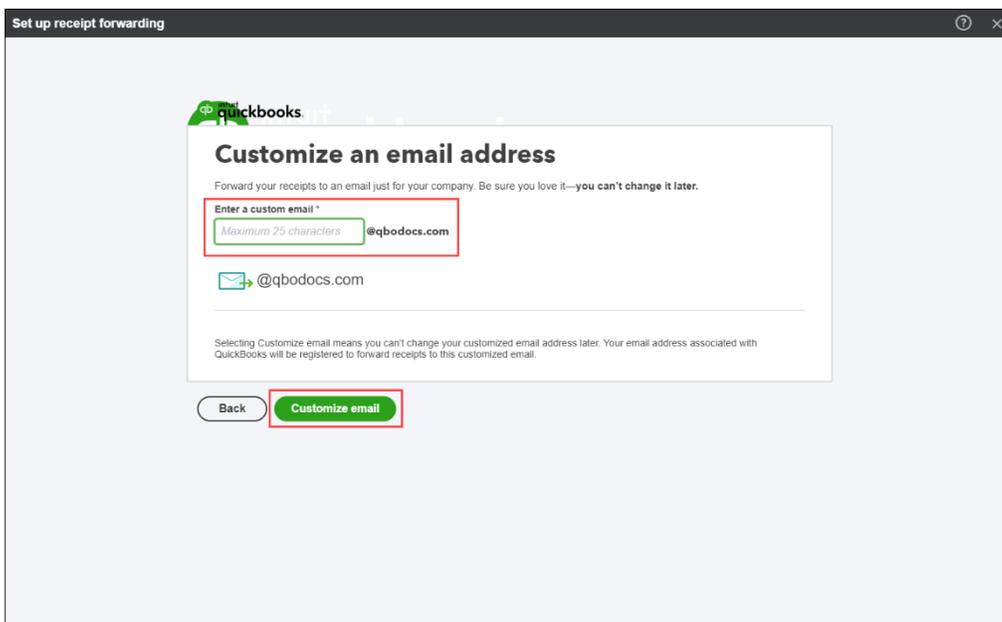
Before you can email receipts or bills, you must set up a custom email for your company and select which users will be able to forward receipts and bills. The custom email is the address that you will send receipts/bills to. This will allow you to forward images of receipts/bills directly to your QuickBooks account via email.

To set up receipt/bill forwarding:

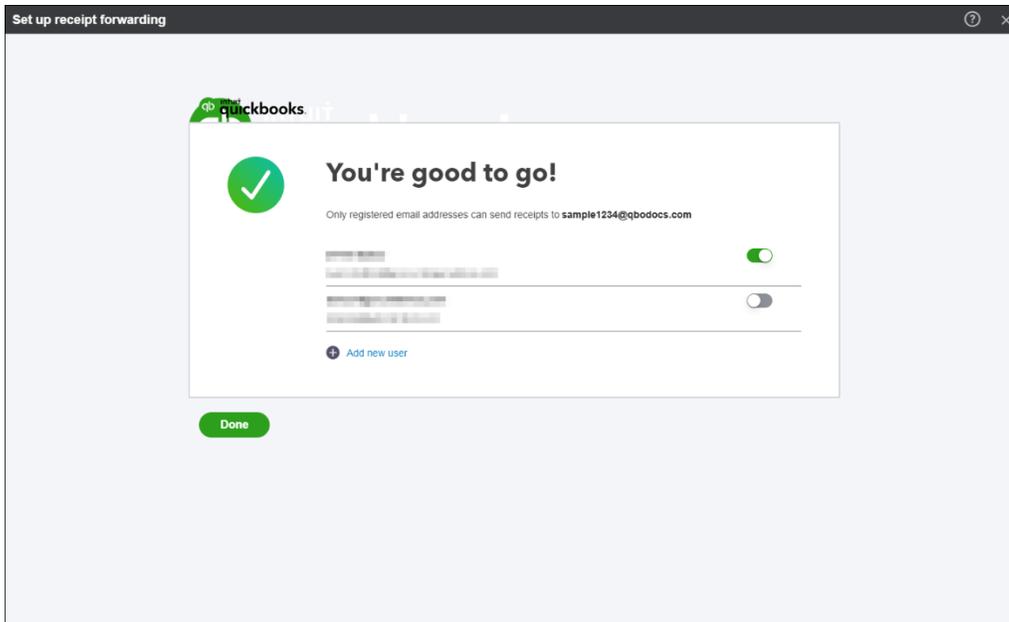
1. Select Banking from the left menu, then select Receipts.
2. Select the Forward from email box.



3. In the Set up receipt forwarding window, enter a customized email in the field and select Customize email.



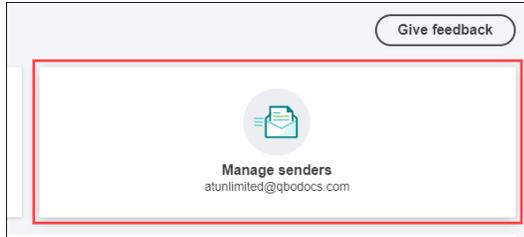
4. When asked to confirm your customized email, select Confirm.
5. In the next window, there will be a list of your existing users. You grant them access by toggling them on or off.



If you would like to create a new user, you can select Add new user to be taken to the Manage users page.

6. Select Done.

Note: You can manage and add new email senders by selecting Manage senders on the Receipts page.



To email a receipt:

1. Create a new email using your email provider and insert the receipt/bill image file as an attachment. You can also forward an email that is a receipt or bill.
2. Send the email to the custom email address you set up previously (ex. [companyname]@qbodocs.com).

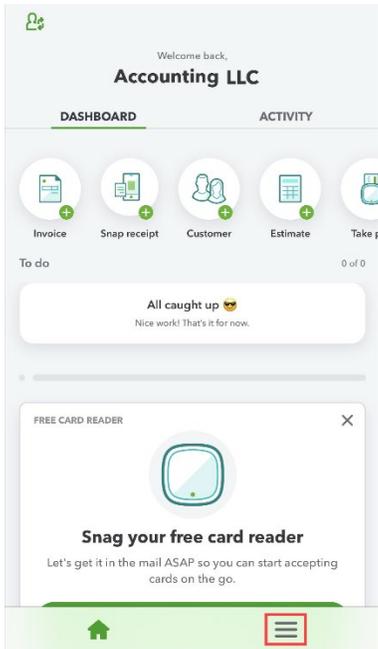
QuickBooks takes about 15 or more minutes to process the receipt or bill before it is available to view.

QuickBooks Mobile App

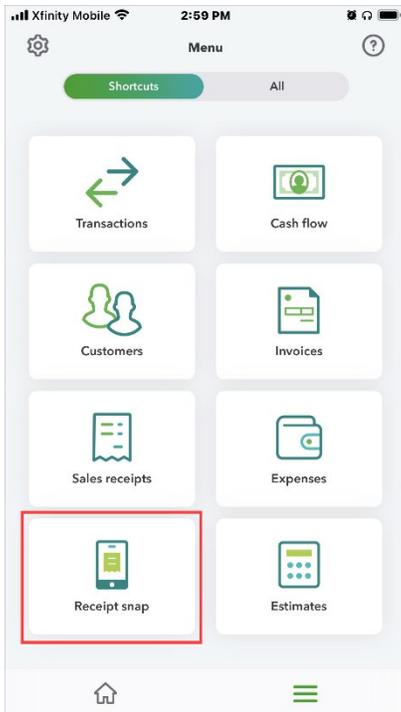
To add receipts/bills to QuickBooks from your mobile device, you need to install the QuickBooks Mobile app on your mobile device.

To add a receipt/bill using the app:

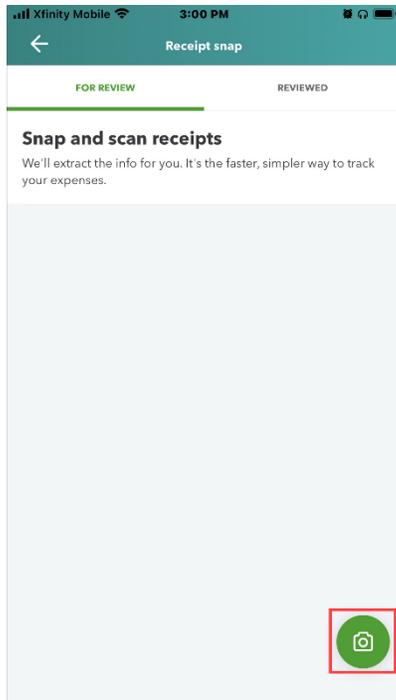
1. Open the app on your mobile device, then tap the menu button.



2. Select Receipt capture.



3. Tap the Camera icon to take a photo of your receipt or bill.



Make sure the receipt/bill is focused and within the green borders.

4. Select Use this photo and the image is uploaded to your QuickBooks account.
5. Select Done or Capture another receipt.

The image is automatically listed on your Receipts page under the For Review tab.

QuickBooks takes about 15 or more minutes to process the receipt or bill before it is available to view.

Review Receipts and Bills

Once receipts and bills have finished processing, it is important that you review them for accuracy, as QuickBooks does not automatically distinguish the difference between bills and receipts.

To review your receipts in your QuickBooks account:

1. Select Banking, then select Receipts.
2. On the Receipts page, select the For Review tab.

If your receipt/bill is not ready to view the page states "We are processing your receipts. You will see them here soon." If your receipt is ready to review the receipt is listed.

3. To review the receipt, select Review, select the Type (Expense or Bill), then enter or edit the remaining fields as necessary.

To help you enter or edit the Receipt details, the receipt image appears to the left of the fields. You can zoom in or out and rotate the image.

4. Select Save and close, Delete this receipt, or Save and next.

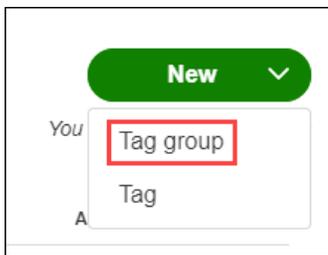
Create Tags

QuickBooks has a Tag feature that enables you to give custom labels or tags to your transactions. These tags are placed into color coordinated groups that you create to group transactions together. These groups can help you locate specific transactions or analyze your business.

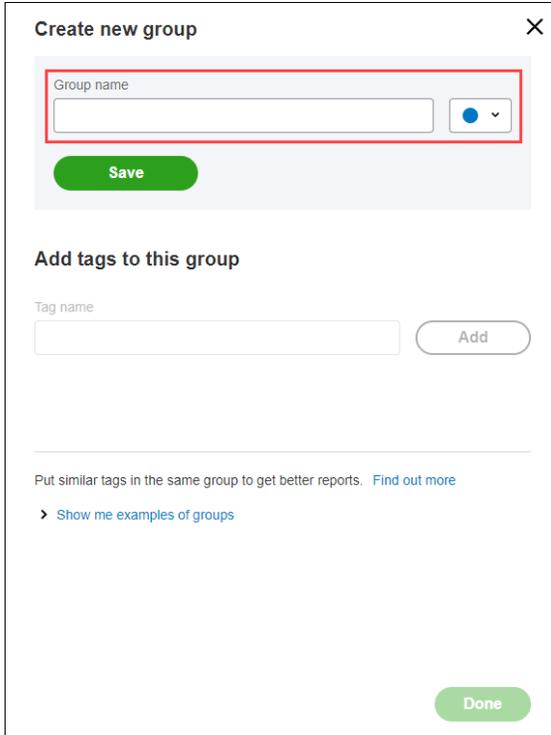
Create Tag Groups

To create a tag group:

1. Select Banking from the left menu, then Tags.
2. Select the New dropdown arrow and then Tag group.



3. Enter a name for the group, then select a color from the dropdown arrow.

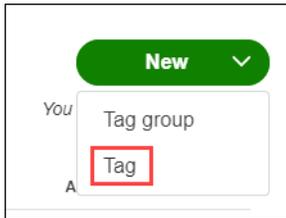
A screenshot of the 'Create new group' dialog box. The dialog has a title bar with 'Create new group' and a close button (X). Inside, there is a 'Group name' input field with a red border, and a color selection dropdown menu with a blue dot and a downward arrow. Below this is a green 'Save' button. Underneath, there is a section titled 'Add tags to this group' with a 'Tag name' input field and an 'Add' button. At the bottom, there is a 'Done' button. There is also a link 'Find out more' and a link 'Show me examples of groups'.

4. Select Save, then Done.

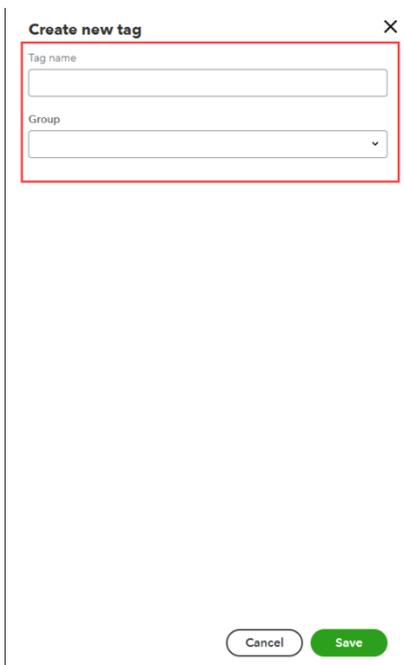
Create Tags

To create a tag:

1. Select Banking from the left menu, then Tags.
2. Select the New dropdown arrow and then Tag.



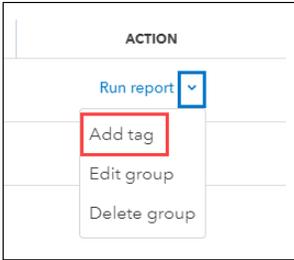
3. Enter a name for the tag, then select the group from the dropdown menu.

A screenshot of a dialog box titled 'Create new tag' with a close button (X) in the top right corner. The dialog contains two input fields: 'Tag name' and 'Group'. The 'Tag name' field is a text input, and the 'Group' field is a dropdown menu. A red rectangular box highlights both input fields. At the bottom of the dialog, there are two buttons: 'Cancel' and 'Save'.

4. Select Save.

To create a tag through a group:

1. Select Banking from the left menu, then Tags.
2. Locate the group from the Tags list, then select the dropdown arrow and Add tag.



3. Enter a name for the tag.

A screenshot of a 'Create new tag' dialog box. The dialog has a title bar with 'Create new tag' and a close button (X). Inside, there is a text input field labeled 'Tag name' which is highlighted with a red rectangular box. Below it is a dropdown menu labeled 'Group' with 'Sales team' selected. At the bottom of the dialog are two buttons: 'Cancel' and 'Save'.

4. Select Save.

Tag Transactions

To tag a transaction from the transaction screen (invoice, sales receipt, expense, deposit, etc.):

1. On the transaction screen, under Tags, enter the name of the desired tag, then select it from the list.

If a new tag, select + Add and create the new tag.

Invoice #1037

1 linked Estimate

Customer: Sonnenschein Family Store
Customer email: Familystore@intuit.com

Send later: Co/Boo

Billing address: Russ Sonnenschein, Sonnenschein Family Store, 5647 Cypress Hill Ave, Middlefield, CA 94303

Terms: Net 30
Invoice date: 01/09/2021
Due date: 02/08/2021

Crew #: 102

Tags: Sam

+ Add Sam
Sales Team: Sam

		DESCRIPTION	QTY
1	Design:Fountains:Rock Fountain	Rock Fountain	1
2	Design:Fountains:Pump	Fountain Pump	1

2. Select Save and close when finished.

To tag a transaction from the bank feeds:

1. Select Banking from the left menu.
2. Under For review, select a transaction ready to be added.

You cannot add tags to matched transactions in the bank feeds. To add tags to these transactions, you will need to open the original transaction and add any desired tags.

3. Under Tags, Enter the name of the desired tag, then select it from the list.

Sample Company

Banking Rules Receipts Tags

24 1 7

For review (24) Categorized Excluded

Take a tour Go to bank register

All dates All transactions (24) Search by description or check number

DATE	DESCRIPTION	PAYEE	CATEGORY OR MATCH	SPENT	RECEIVED	ACTION
03/06/2021	Books By Bessie	Books by Bessie	Uncategorized Income		\$55.00	Add

Categorize Find match Record as transfer

Vendor/Customer: Books by Bessie Category: Uncategorized Income

Tags: Sarah

+ Add Sarah
Sales Team: Sarah

BANK DETAIL BOOKS BY BESSIE

Add attachment Create a rule Exclude

Split Add

02/04/2021	A Rental		Uncategorized Income		\$200.00	Add
02/04/2021	A Rental		Uncategorized Expense	\$1,200.00		Add

If a new tag, select + Add and create the new tag.

4. Select Add.

Manage Tags

To manage your custom tags, navigate to the Tags page by selecting Banking from the left menu, then selecting Tags. From the Tags page, you can view and edit your custom tags.

The screenshot displays the 'Tags' page for 'Sample Company'. At the top, there are navigation links for 'Banking', 'Rules', 'Receipts', and 'Tags'. The 'Tags' section is active. It features two summary cards: 'MONEY IN' for the 'Sales Team' (Last 365 days) with a total of \$4,267.22, and 'MONEY OUT' for 'Contractors' (Last 365 days) with a total of \$315.00. Below these are a 'New' button and a table listing tags and their associated transactions.

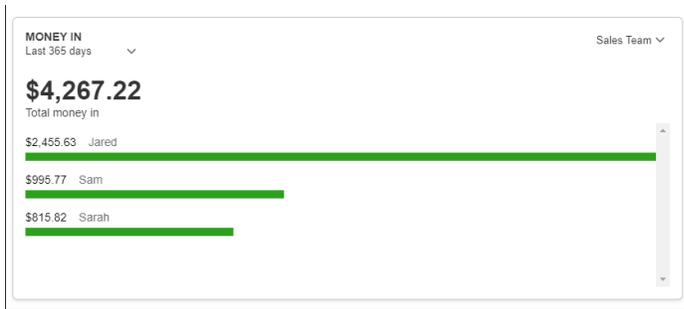
TAGS AND TAG GROUPS	TRANSACTIONS	ACTION
● Sales Team (3)	12 transactions	Run report
■ Sales Team: Jared	5 transactions	Run report
■ Sales Team: Sam	4 transactions	Run report
■ Sales Team: Sarah	3 transactions	Run report
● Contractors (1)	1 transaction	Run report
■ Contractors: Daniel	1 transaction	Run report

The Tags page includes:

1. Money In,
2. Money Out,
3. See all tagged transactions,
4. New button, and
5. Tags and Tag Groups list.

Money In

The Money In pane shows a summary of your money in transactions (like invoices) by tag.



The default date range displayed is the last 365 days. This can be changed by selecting the drop-down arrow next to Last 365 days. You can also filter the tags displayed by selecting the drop-down arrow from the upper-right corner of the pane.



Money Out

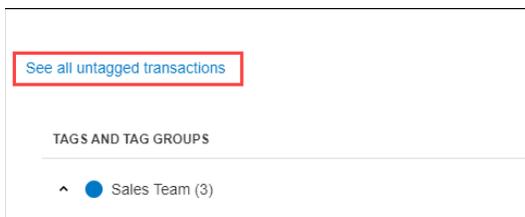
The Money Out pane shows a summary of your money out transactions (like expenses) by tag.



The date range and filter options are accessed in the same way as the Money In pane.

See All Untagged Transactions

Selecting the See all untagged transactions link takes you to a list of transactions by tag.



By default, the list will show all transactions over the last 365 days that do not contain a tag. You can add filters and customize the list further by selecting Filters and Tags.

Sample Company

My Experts Help

All tags

Transactions by tag

Filters Tags (0) Date: Last 365 days X Untagged X

<input type="checkbox"/>	DATE	FROM/TO	MEMO	TYPE	AMOUNT	TAGS
<input type="checkbox"/>	2021-01-31			Credit card expense	\$34.00	
<input type="checkbox"/>	2021-01-20		Monthly Payment	Credit card credit	\$900.00	
<input type="checkbox"/>	2021-01-18	Squeaky Kleen Car Wash		Credit card expense	\$19.99	
<input type="checkbox"/>	2021-01-12	Hicks Hardware		Credit card expense	\$42.40	
<input type="checkbox"/>	2021-01-11	Bob's Burger Joint	Bought lunch for crew 102	Credit card expense	\$18.97	
<input type="checkbox"/>	2021-01-11	Squeaky Kleen Car Wash		Credit card expense	\$19.99	
<input type="checkbox"/>	2021-01-09	Tania's Nursery		Cash purchase	\$23.50	
<input type="checkbox"/>	2021-01-06	Robertson & Associates		Bill	\$315.00	
<input type="checkbox"/>	2021-01-06	Hicks Hardware		Purchase order	\$228.75	
<input type="checkbox"/>	2021-01-06	Hicks Hardware		Check	\$228.75	
<input type="checkbox"/>	2021-01-06	Mark Cho		Invoice	\$314.28	
<input type="checkbox"/>	2021-01-06			Deposit	\$868.15	
<input type="checkbox"/>	2021-01-06	Chin's Gas and Oil		Expense	\$52.56	

Selecting a transaction from the list will open the transaction, allowing you to add tags or edit the transaction.

You can add tags to multiple transactions by selecting the checkbox next to the appropriate transactions, selecting Update tags, then Add tags.

Sample Company

All tags

Transactions by tag

3 selected Update tags

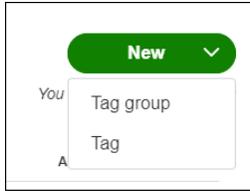
<input type="checkbox"/>	DATE	FROM/TO	MEMO
<input type="checkbox"/>	2021-01-21		Monthly Payment
<input checked="" type="checkbox"/>	2021-01-19	Squeaky Kleen Car Wash	
<input checked="" type="checkbox"/>	2021-01-13	Hicks Hardware	
<input checked="" type="checkbox"/>	2021-01-12	Bob's Burger Joint	Bought lunch for

In the Tags window that appears, enter the name of the tag, then select Apply.

You can remove tags from multiple transactions by selecting the checkbox next to the appropriate transactions, then selecting Update tags, then Remove tags.

New Button

The New button allows you to create new tags and tag groups by selecting New, then selecting the desired option.



Tags List

The Tags list displays a list of all created tags by group.

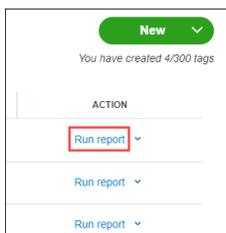
TAGS AND TAG GROUPS	TRANSACTIONS	ACTION
<ul style="list-style-type: none"> Sales Team (3) <ul style="list-style-type: none"> Sales Team: Jared Sales Team: Sam Sales Team: Sarah Contractors (1) <ul style="list-style-type: none"> Contractors: Daniel 	<ul style="list-style-type: none"> 12 transactions 5 transactions 4 transactions 3 transactions 1 transaction 1 transaction 	<ul style="list-style-type: none"> Run report Run report Run report Run report Run report Run report

2 of 40 tag groups created. [Learn more about tag limits](#)

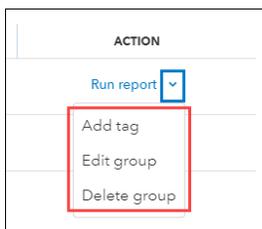
The Tags and Tags Groups column contains all tag groups and their tags. Selecting a tag group from the list opens more rows showing the tags belonging to the tag group.

The transactions column indicates the number of transactions using each tag and group. Select the transactions from the Transactions column to be taken to a filtered list, showing all transactions over the last 365 days containing the tag (or, if for a group, tags from the group).

The Action column allows you to open reports for tags and tag groups, add tags to groups, and edit or delete tags and tag groups. When Selecting Run report for a tag group, the Transaction List by Tag Group report opens. Selecting Run report for a tag opens the Profit and Loss by Tag Group report.



By selecting the drop-down arrow for a tag group, you can add a tag and edit or delete the tag group. Selecting the drop-down arrow for a tag allows you to edit or delete the tag.



Create Bank Deposits and Transfers

What is a Bank Deposit?

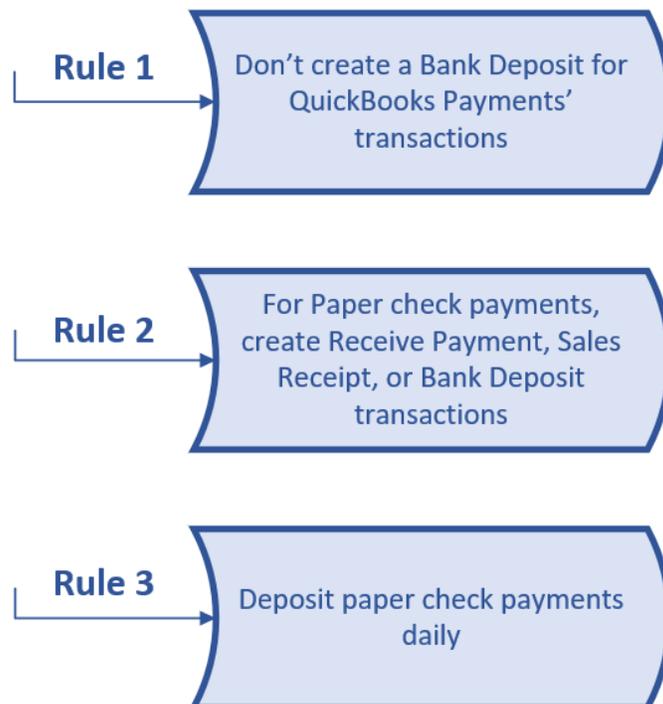
A bank deposit consists of money deposited into a banking institution for safekeeping. These deposits are made to deposit accounts such as checking accounts, savings accounts, and money market accounts.

What is a Bank Transfer?

A bank transfer is money sent from one bank account to another bank or credit card account. Transferring money from your bank account is usually fast, free, and safe compared to withdrawing and paying by check. Bank transfers should always be created from the imported transaction in your bank feeds.

Bank Deposit Rules

There are three rules to follow when it comes to bank deposits.



QuickBooks Online Payments Transactions

Important: Do not create a manual Bank Deposit for QuickBooks Online Payments' credit card, debit card, or ACH bank transfer (eCheck) payments. QuickBooks Online Payments automatically creates a Bank Deposit when the deposits are funded to your QuickBooks Online Payments connected bank account.

For paper check payments, create a manual Receive Payment for Invoice payments, Sales Receipt for sales not sold on account, or Bank Deposit for other paper checks such as vendor refunds.

QuickBooks Online Payments automatically creates the Bank Deposit and the Bank Deposit payment transactions.

To view a QuickBooks Online Payments' Bank Deposit and deposit payment transactions:

1. Select Sales from the left menu, then Deposits.
2. The Deposits from QuickBooks Online Payments page lists QuickBooks Online Payments daily deposits.
3. Select the deposit line drop-down menu to view the detailed deposit payment transactions.

You cannot view the detailed deposit payment transactions until the deposit is settled.

QuickBooks Online Payments Monthly Statements

You can also view QuickBooks Online Payments' monthly statements. The statements summarize the QuickBooks Online Payments' Overall Summary (Gross Transaction Amount, Total Fees Charged, and Net Transaction Amount) and Activity Summary (Date, Sales, Returns, Fees Charged, and Net Sales) for the month. The statements are available by the 5th of the following month.

To view the monthly statements:

1. Select the Gear icon on the toolbar, then select Account and Settings.
2. Select Payments.
3. In the Documents section, select the statement month and year in the Select a month drop-down menu.
4. Select View.

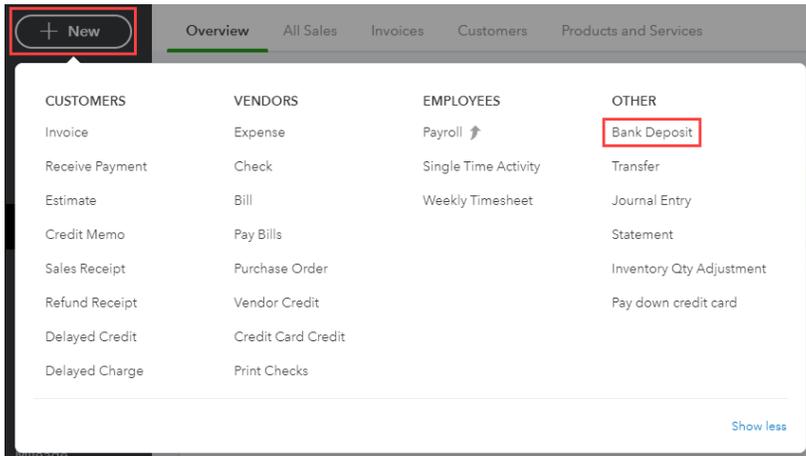
Manual Bank Deposits

As mentioned before, credit card and online invoice payments are automatically created and deposited with QuickBooks Online Payments, meaning you will typically not need to use the Bank Deposit function (through the New + icon). If you need to apply another type of customer payment towards an invoice, you use the Receive Payments screen to create them. An example of when you would create a manual bank deposit is when a vendor mails you a check for a refund.

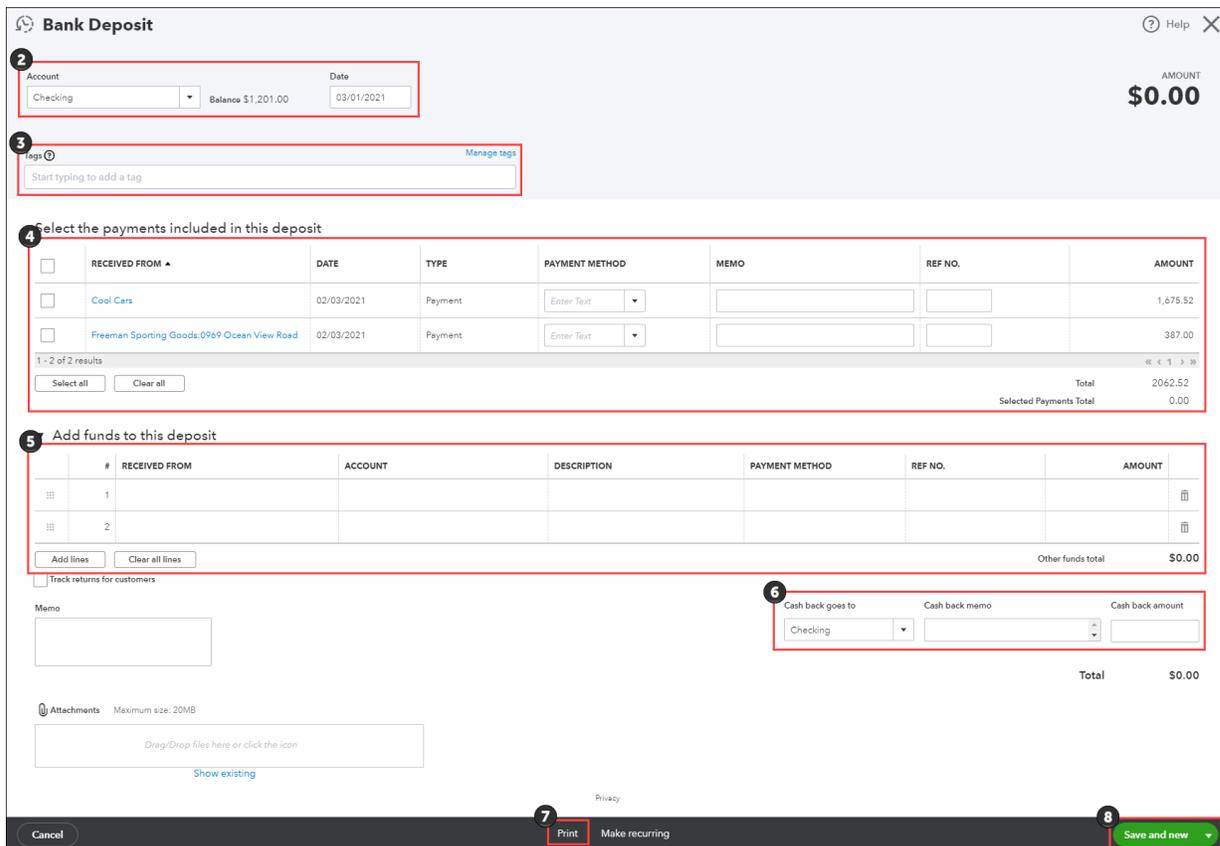
With QuickBooks Online Payments, the Bank Deposit screen contains a QuickBooks Online Payments section that has a list of pending payments. This is only shown if there are customer payments that have not yet been settled. These can be left alone, as they are automatically added to a deposit transaction and deposited. To create and record a deposit that is not a payment received online or from a customer, follow the steps below to create a Bank Deposit.

To create a manual Bank Deposit:

1. Select the New Icon (+) from the left menu, then select Bank Deposit.



The Bank Deposit page opens.



2. Select the bank account you want to deposit the funds to from the Account drop-down menu, then verify the deposit date.
3. (Optional) Enter any Tags for the transaction.

4. Select the checkboxes of the transactions to deposit in the Select the payments included in this deposit or QuickBooks Online Payments sections, then select the Payment Method for each from the drop-down menu and enter any Memo and/or Ref No. desired.

Transactions will only show up in the Select the payments included in this deposit section if they were deposited to the Undeposited funds account.

5. In the Add funds to this deposit table, enter information about any additional items to include in this deposit, including who the item was Received From, the Account, Description (optional), Payment Method, Ref No. (optional), and Amount of the item.

You can also use this section to account for processing fees by adding the fee as a negative amount. (Note: If you select an Other Current Assets account with Detail Type Inventory as one of these accounts when entering a vendor refund, you will get a *Select a non-inventory account for your deposit* error message.)

6. If you will receive cash back from this deposit, select the account you use to track cash on hand in the Cash back goes to field, enter any Memo, and specify the Cash back amount.
7. (Optional) Select Print to print the deposit slip before saving.
8. Select Save and close or Save and new.

Reconcile Bank and Credit Card Accounts

Frequency

You should reconcile your Bank and Credit Card accounts monthly to keep your banking records current.

Although your online bank account's monthly statement should be available on the first business day of the following month, your QuickBooks connected bank account typically takes one to two days to import the online bank account's previous monthly statement transactions. Therefore, do not reconcile your bank account until the online bank account's monthly statement transactions are imported.

If your credit card account's monthly statement is not a month end date (last business day of the month), reconcile your credit card account as of the credit card account's month end date balance. You can and should contact your credit card company and change your month end date to the last day of the month.

What is a Reconciliation?

You reconcile your bank or credit card account to compare your bank or credit card monthly statement ending balance with your QuickBooks bank or credit card account register ending balance. The previous month ending balance becomes your current month beginning balance. You want the difference between your bank or credit card and QuickBooks account register to match with a \$0.00 difference.

To reconcile your bank or credit card account with your QuickBooks bank or credit card account register, you need your bank or credit card statement and QuickBooks bank or credit card account register. To perform the reconciliation efficiently, you should have a computer with dual monitors. You display the

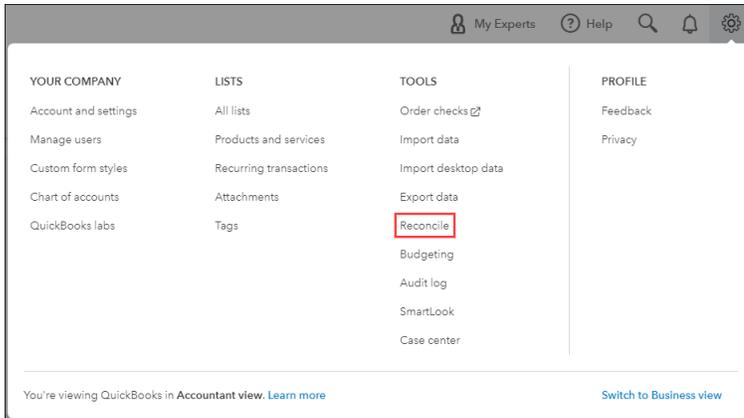
online monthly statement on the left monitor and the bank or credit card account register on the right monitor. If you do not have dual monitors, print out the bank or credit card monthly statement.

Performing a Reconciliation

Once you have your bank or credit card statement available, you can reconcile the account.

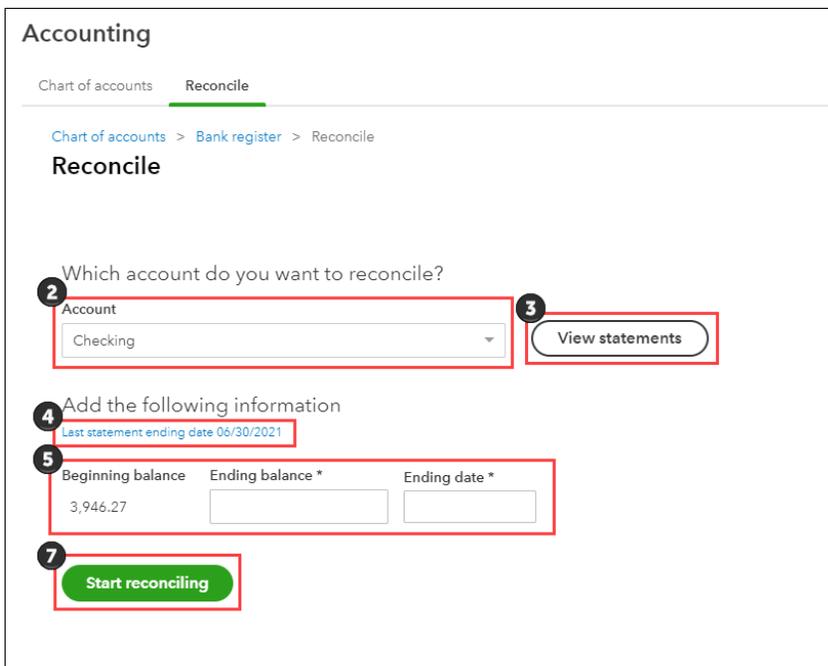
To set up the Reconciliation:

1. Select the Gear icon on the toolbar, then select Reconcile.

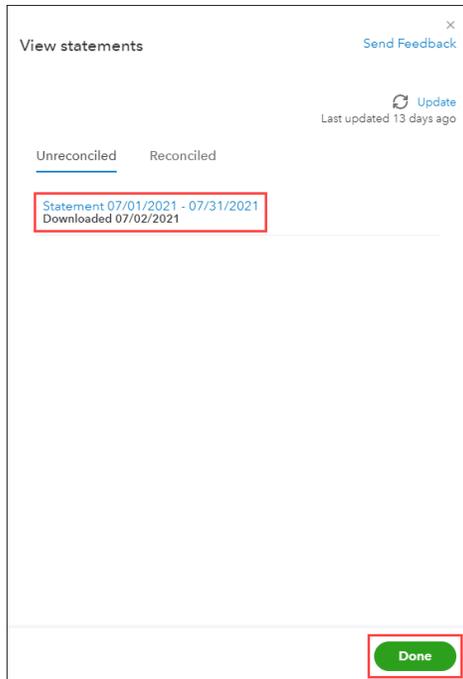


2. Select the account you want to reconcile from the Account drop-down menu.

Depending on the type of account, different statement information fields may show.



3. If your bank is supported with the automated statement import feature, select View statements to open the View statements window and download the statement for the period you are reconciling.



If View statements is not visible, your bank may not yet be supported, and you will need to obtain the bank or credit card account statement through their website.

Note: The View statements feature allows you to view unreconciled and reconciled statements that have been automatically imported.

4. If the account was reconciled before, check the Last statement ending date to be sure you are reconciling the following month's statement.
5. Confirm that the beginning balance on your statement matches the Beginning balance, then enter the bank or credit card statement Ending balance and Ending date.
6. Enter any additional information requested.

If your statement does not have an amount for any of the additional fields, you can leave them blank.

For QuickBooks connected online bank or credit card accounts, the Service Charge, Interest Earned, and Finance Charge (credit cards) fields do not show. These are imported automatically.

7. Select Start reconciling to open the Reconcile page.

To reconcile the account:

1. On the Reconcile page, compare the total number of transactions listed for each transaction type, Payments and Deposits for bank accounts or Charges and Payments for credit card accounts, to the total number of transactions listed for each transaction type listed on your account statement.

2. On your account statement, review the first transaction and find the same transaction from the list in the Reconcile window.

The screen lists All transactions, but if you have a lot of transactions to review, you can use the Payments and Deposits or Charges and Payments tabs to review only Payments and Deposits or Charges and Payments. You can also set filter options by selecting the Filter icon on the left side of the screen.

3. If the transaction listed on screen matches the transaction on your statement, select the checkbox next to the amount for that transaction.

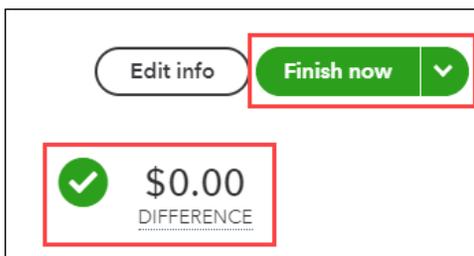
If the amount in QuickBooks is incorrect, select the transaction to open it and manually adjust the amount, then select the checkbox when corrected.

	PAYMENT (USD)	DEPOSIT (USD)	
	300.00		<input checked="" type="checkbox"/>
		175.00	<input checked="" type="checkbox"/>
	250.00		<input checked="" type="checkbox"/>
	54.55		<input type="checkbox"/>
	38.50		<input type="checkbox"/>
	38.40		<input type="checkbox"/>
	89.09		<input type="checkbox"/>
	55.00		<input type="checkbox"/>

4. Repeat this comparison for each transaction listed on your statement.
5. If necessary, select Edit info at the top right of the screen to edit the Ending balance or Ending date from your statement.

If you need to leave the Reconcile page before finishing your reconciliation and you want to save what you have completed at that time, select Save for later at the top right of the screen.

6. After you review all transactions listed, if the amount in the Difference panel is \$0.00, select Finish now from the drop-down menu.



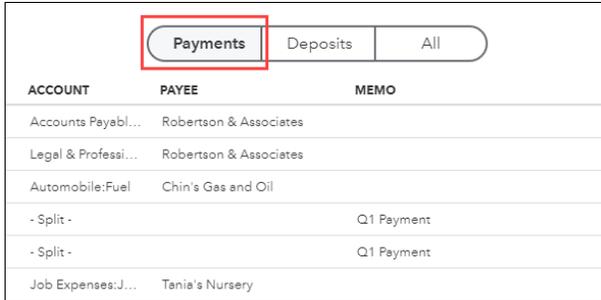
7. In the Success message, select Done, or select View report to review your Reconciliation report.

If you want to view or print the reconciliation report, select Reports, then Reconciliation Reports in the For my accountant section.

Bank and Credit Card Account Reconciliation Tips

On the account Reconcile page:

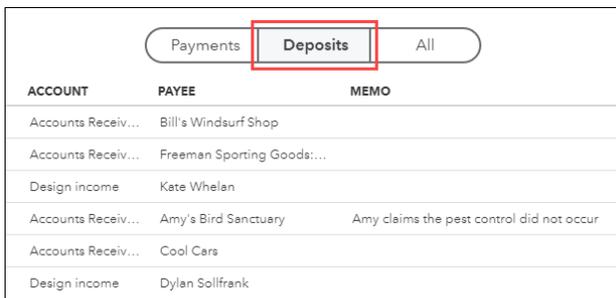
1. Select Payments to filter the list results to show only payments.



The screenshot shows a filter bar at the top with three buttons: 'Payments', 'Deposits', and 'All'. The 'Payments' button is highlighted with a red box. Below the filter bar is a table with three columns: ACCOUNT, PAYEE, and MEMO.

ACCOUNT	PAYEE	MEMO
Accounts Payabl...	Robertson & Associates	
Legal & Professi...	Robertson & Associates	
Automobile:Fuel	Chin's Gas and Oil	
- Split -		Q1 Payment
- Split -		Q1 Payment
Job Expenses:J...	Tania's Nursery	

2. Compare your Payments' amount to your bank statement's Other Withdrawals and Checks Paid amounts.
3. If there is a difference, scroll to the bottom of the screen and unselect any transactions with the next month's Cleared Date.
4. If there is a difference, calculate the difference between the Payments' amount and the bank statement's Other Withdrawals and Checks Paid amounts.
5. If there is a difference, scan the Payment column amounts for the difference.
6. If there is a difference, scan the bank statement Other Withdrawals and Checks Paid amounts for the difference.
7. If you do not see the difference, you need to unselect all the Payment transactions and compare and select each bank statement's Other Withdrawals and Checks Paid amounts to the Payment transactions. Start at the earliest bank statement Other Withdrawals and Checks Paid amounts and compare and select them in order.
8. Select Deposits to filter the list results to show only deposits.



The screenshot shows a filter bar at the top with three buttons: 'Payments', 'Deposits', and 'All'. The 'Deposits' button is highlighted with a red box. Below the filter bar is a table with three columns: ACCOUNT, PAYEE, and MEMO.

ACCOUNT	PAYEE	MEMO
Accounts Receiv...	Bill's Windsurf Shop	
Accounts Receiv...	Freeman Sporting Goods:...	
Design income	Kate Whelan	
Accounts Receiv...	Amy's Bird Sanctuary	Amy claims the pest control did not occur
Accounts Receiv...	Cool Cars	
Design income	Dylan Sollfrank	

9. Compare your Deposits' amount to your bank statement's Deposits amount.
10. If there is a difference, scroll to the bottom of the screen and unselect any transactions with the next month's Cleared Date.

11. If there is a difference, calculate the difference between the Deposits' amount and the bank statement's Deposits amount.
12. If there is a difference, scan the Deposit column amounts for the difference.
13. If there is a difference, scan the bank statement Deposits amount for the difference.
14. If you do not see the difference, you need to unselect all the Deposits transactions and compare and select each bank statement's Deposit amounts to the QuickBooks Deposits transactions. Start at the earliest bank statement Deposit amounts and compare and select them in order.

Bank and Credit Card Information

This section provides bank and credit card account information useful to you, management, and your accountant.

Bookkeeper Information

The following reports provide you information on your bank and credit card accounts.

For more information on reports, including how to customize them, see Chapter 7: *Communicating Business Performance*.

The relevant reports to your bank and credit card accounts include:

- **Deposit Detail**

This report displays your deposits and their information, including date, customer or vendor, and amount.

To run the Deposit Detail report:

1. From the left menu, select Reports.
2. Search for Deposit Detail in the search bar and select it.
3. Customize the report if desired.
4. Select Run Report.
5. To print the report, select the printer icon.

- **Bank and Credit Card Reconciliation Reports**

This report displays a list of your bank and credit card reconciliations, with links to reports for individual reconciliations.

To run the Reconciliation Reports:

1. From the left menu, select Reports.
2. Search for Reconciliation Reports in the search bar and select it, where you will be directed to the History by account page.

The History by account page shows a list of your past reconciliations for the specified account.

3. Select the Account and Report period from the drop-down menus.

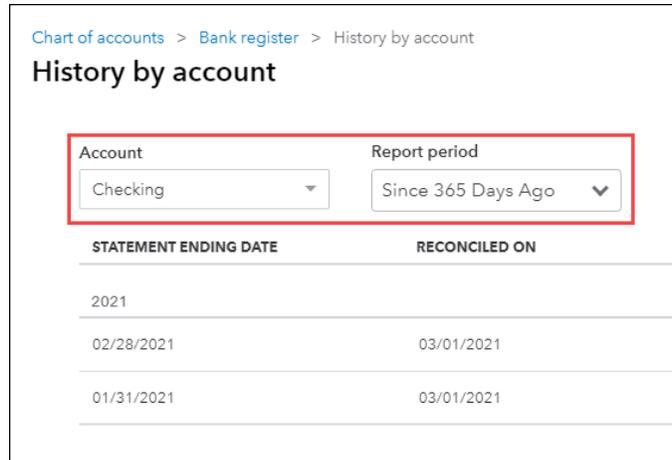


Chart of accounts > Bank register > History by account

History by account

Account: Report period:

STATEMENT ENDING DATE	RECONCILED ON
2021	
02/28/2021	03/01/2021
01/31/2021	03/01/2021

4. Locate the reconciliation for which you want to view, then select View report from the action column.
5. Change the Statement ending date, if desired.
6. To print the report, select the printer icon.

Management Information

The following reports provide management with bank information to help them make good decisions.

The relevant reports for management include:

- Statement of Cash Flows

The Statement of Cash Flows, or Cash Flow Statement, is a financial statement that summarizes the amount and source of the company's cash inflow and outflow over a period of time.

The Cash Flow Statement (CFS) measures how well a company manages its cash, meaning how well the company generates cash to fund its operating expenses and pay its debt obligations.

The Cash Flow Statement complements the Balance Sheet (financial position as of a certain date) and Income Statement (profit or loss over a period of time). Each financial statement provides a different insight into the financial health of the business. Therefore, it is essential that all three basic financial statements are analyzed to determine the company's overall financial health.

To generate the Statement of Cash Flows:

1. From the left menu, select Reports.
2. On the Reports page, select the Standard tab.
3. In the Favorites section, select Statement of Cash Flows.

If the Statement of Cash Flows is not in the Favorites section, copy it from the Business overview section to the Favorites section by selecting the star icon. A green star indicates the report is in the Favorites section.

4. Select the Report period from the drop-down menu or enter the beginning and ending dates.
5. Select Run report.
6. Select Add notes and enter any notes that may be helpful to the reader of the report.
7. Select the email icon.
8. Select the Email button, enter the recipient's email address, and select Send.

Accountant Information

Your accountant will access and review your monthly bank and credit card account statements and reconciliation reports and email you with any questions, concerns or suggestions. Your accountant will email you a Request through QuickBooks to ensure your correspondence and documents are secure. The email will come from quickbooks@notification.intuit.com.

If the email requires a response from you, select the Respond in QuickBooks button in the body of the email. Do not reply to the email with your program. When you select the Respond in QuickBooks button, you will be redirected to your QuickBooks' My Accountant page. The page will list the Request.

The My Accountant page has Requests and Shared documents tab. The Request is listed in the Requests tab under Upcoming. Select the right-arrow to open the list. The Request lists the date, text, number of comments and documents, and status (In Progress or Done). Select To Do to open the Respond to the Request panel. You can add a document and/or post a reply in the request panel.

When your accountant determines the Request is complete, he or she will update the status of the Request to Done and the Request will be listed under Done.

The Shared documents tab allows you and your accountant to view, add, and delete documents.

You can sort Requests or Shared documents by Due date or Recently updated.

If you have any bank or credit card account questions or need assistance, contact your accountant.

To contact your accountant:

1. From the left menu, select My Accountant.
2. On the My Accountant page, select your accountant's email link below his or her name.

Or

1. Go to your accountant's website.
2. Select Contact Us and complete the Online Form.

Email Bank and Credit Card Account Reports

Daily, weekly, monthly, quarterly, and annual bank and credit card account reports should be emailed to personnel who use sales and receipts report information. See *QuickBooks Report Email Schedule* Chapter 7: *Communicating Business Performance*.

CHAPTER 5 – PROCESSING SALES AND RECEIPTS

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Introduction

Processing sales and receipts are critical activities of small businesses. Not only must you follow practices that increase cash flow and protect the company's cash from misuse, but you must process it accurately to productively manage the company's cash flow and maintain good customer relations.

This chapter provides bookkeepers step-by-step guidance for processing sale and receipt transactions.

The guidance in the chapter is useful to bookkeepers as well as personnel involved in sales and receipts activities. The chapter helps sales and receipts personnel fine-tune their processing activities and provides newly hired or cross-trained employees with a foundation for processing sales and receipts.

Accounting Process Automation

Accounting process automation automates traditional routine manual sales and receipts processes. Automation improves the speed, accuracy, and reliability of everyday transactional documents such as sales receipts, invoices, payments, credit memos, and refund receipts.

This chapter uses accounting process automation to efficiently and productively process sales and receipts with QuickBooks.

Important: In this chapter we address processing sale and receipt transactions. To automate routine sale and receipt transactions, we utilize online bank and credit card connection set up. This feature allows QuickBooks to automatically import your company's sale and receipt transactions directly from your company's online bank account. This feature improves the speed, accuracy, and reliability of recording sale and receipt transactions because you are no longer required to manually record or create these transactions.

Hypothetically, if all of your company's sale and receipt transactions flowed through your QuickBooks connected bank account, you wouldn't need to manually record any sale and receipt transactions. Processing sale and receipt transactions would be as easy as importing and reviewing the transactions and reconciling the bank account. However, not all of your company sale and receipt transactions that flow through your bank account provide you the information you may need or want.

For example, if you sell your products or services on account (credit sales) you need to record an invoice. When you receive an invoice payment you need to record a payment receipt. If you issue a customer a credit on their account or refund you need to record a credit memo or refund receipt. If you only import your company's sale and receipt transactions directly from your company's online bank account, your accounting system will only record the payment receipt and refund receipt. The payment and refund information will display in your profit and loss report, but the timing of the sale or refund information will be off. To be useful, accounting information must be *timely*, relevant, and reliable. You also will not have the accounts receivable information necessary to monitor and collect money owed to you.

Throughout this chapter, we provide instructions and step-by-step procedures to enable you to manually record sale and receipt transactions for those times when you need or want to.

When we work with new clients, we set up their accounting system using QuickBooks connected bank and credit card automation. We monitor the financial information the system is communicating and add manual procedures as necessary to communicate the client's financial position, profit, and cash flow.

Sales and Receipts Tools

The following tools are needed to process sales and receipts:

- QuickBooks,
- QuickBooks Online Payments, and
- Company online bank account(s) compatible with QuickBooks.

Bookkeeper Tasks

Your sales and receipts tasks include:

1. Manage Customers,
2. Record advance payment and cash sales,
3. Record sales on account (credit sales),
4. Record sales refunds,
5. Record bank deposits,
6. Monitor and collect unpaid invoices, and
7. Email sales and receipts reports.

Accountant Tasks

Your accountant's sales and receipts tasks include:

1. Apply for and set up your company's QuickBooks Online Payments account,
2. Set up your company's Sales settings,
3. Set up your company's Custom Form Styles,
4. Set up your company's Sales Tax setting,
5. Provide processing sales and receipts training,
6. Support sales and receipts questions or problems,
7. Review your monthly sale and receipt transactions and balances, and
8. Customize, group, and schedule your daily, weekly, monthly, quarterly, and annual sales reports.

What are Sales?

Sales are the products or services your company sells. Sales are usually shown at the top item of your income or profit and loss statement from which all your charges, costs, and expenses are subtracted to arrive at net income.

Types of Sales Transactions

There are three main types of sales transactions: advance payment, cash sales, and credit sales. The difference between these sales transactions is in the timing of when payment is received.

1. Advance payment: Customers pay you before the product or service is shipped, delivered, or performed.
2. Cash sales (at the time of sale or completion of service): Payment is received at the time the product or service is purchased, shipped, delivered, or performed.
3. Sales on account (credit sales): Customers are provided a period of time to pay you after the product or service is purchased, shipped, delivered, or performed.

What is the Sales Process?

The sales process is the steps to sell and receive payment for products or services to customers. This set of sequential, interrelated activities is known as the sales process or cycle. The activities involved with a sale depend on how you sell and receive payment for your products and services.

What are Invoices?

Invoices are used for sales on account and should be created daily. Invoices track accounts receivable or money your customers owe you. An invoice is sent to a customer to request payment for the sale.

What are Receipts?

Receipts are cash sales (credit cards, debit cards, eCheck) and payment on a customer's account. A receipt is the document provided to the customer showing the details of the transaction.

QuickBooks Online Payments

QuickBooks Online Payments, formerly known as QuickBooks Merchant Services, is a QuickBooks add-on credit card, debit card, and ACH bank transfer (eCheck) processing service which seamlessly integrates with QuickBooks. QuickBooks Online Payments enable you to accept advance payment, cash sales, and sales on account credit card, debit card, and eCheck payments online, by mail, phone, and on-site.

Cash Management

The cash management rule pertaining to sales is *Receive payment as soon as possible*. Therefore, the advance payment policy complies best with the *Receive payment as soon as possible* rule. However, the policy may not be practical or generally accepted in certain industries or with certain products and services. For example, it is generally accepted that attorneys receive an advanced payment, referred to as a retainer, for legal services. If you establish an advance payment policy in an industry or with products or services where the policy is not generally accepted, you are more likely to lose sales.

The cash sales policy does not comply with the *Receive payment as soon as possible* rule as well as advance payment, but it is the next best option and it is generally accepted for customers to pay for a product or service at the time of purchase, shipping, delivery or completion. One reason for this general acceptance is because that is the time when customers are most appreciative for the product or service. Another reason is because of the use of credit cards. Credit cards have shifted the delayed time to pay

from the vendor to the credit card company. In addition, credit cards are more convenient, secure, and often provide the user awards such as cash back or airline miles.

The sales on account policy does not comply as well with the *Receive payment as soon as possible* rule. The original purpose of sales on account was to increase sales. However, this new policy came with the risk of not getting paid. Today, businesses implement policies to offset that risk such as reviewing a prospective customer's payment history. However, there are ways to make sales on account policies comply better with the *Receive payment as soon as possible* rule.



For example, a common invoicing process for a law firm is to invoice clients once a month on a set day of the month, such as the fourth Friday of the month.

Using this process, assume an attorney performs eight hours of service at \$400 an hour on Friday, the first day of the month. The attorney creates and mails the \$3,200 invoice to the client on the fourth Friday, the 29th of the month. The term of the invoice is Net 30 (the attorney expects to be paid within 30 days of receipt of the invoice). The client mails the invoice payment on the 30th day after receipt of the invoice.

An analysis of the example is the attorney earned \$3,200 on the first of the month and was not paid for her services for 60 days. The attorney gave the client a \$3,200 interest-free loan for 60 days, assuming two additional days for mailing the invoice to the client and mailing the payment to the attorney.

We can make this invoicing process comply better with the *Receive payment as soon as possible* rule by doing the following:

1. Change the monthly invoicing from once a month to daily invoicing. In our example, this change would reduce the collection period by 28 days.
2. Change the mailing of invoices to emailing. In our example, this change would reduce the collection period by 1 day.
3. Change the payment of invoices from mailing to online payment. In our example, this change would reduce the collection period by 1 day.
4. Change the term of the invoice from Net 30 to Net 15 or Due on receipt. In our example, this change would reduce the collection period by 15 to 30 days.

In our example, four minor changes to this firm's invoicing policy could reduce the collection period from 60 days to 0 days.

From a cash management standpoint, a company is better off accepting advance payment sales and cash sales and not sales on account. However, there are times when sales on account are unavoidable such as when transacting business with education institutions or government agencies.

When you do accept sales on account, make sure you have an accounts receivable collection policy.

Accounts Receivable Collection Policy

There is a saying in accounts receivable collection: *The sooner you get paid, the more likely you are to be paid.* With sales on account you always face the risk of not getting paid. Therefore, do all you can to eliminate or reduce the risk. Let's say you sell a product for 150% of its cost. For example, you purchase a product for \$100 and sell the product for \$150. If you are not paid for the sale of that product, you would have to sell two more of those products just to break even for the loss.

Another saying in accounts receivable collection is: *The squeaky wheel gets oiled first.* The company that has an accounts receivable collection policy, and enforces it, is likely to be paid before anyone else.

Make sure you have a written and communicated accounts receivable collection policy.

A major requirement of cash flow is ensuring that customers pay their bills. The process of collecting on a sales invoice begins when the invoice is generated and ends when the payment is received.

Invoice Terms

The collection procedure starts with the terms of payment outlined on the invoice. The invoice should have an area which outlines the customer terms, which can be credit terms of Due Upon Receipt, 15 days (Net 15), or 30 days (Net 30). The due date of the payment should be clearly stated, along with the acceptable methods of payment such as credit card, debit card or eCheck (ACH bank transfer).

As an added measure to help ensure your customer pays on time, include a clearly outlined penalty for late payment on the invoice and list a customer service email or phone number for any questions.

Immediately Past Due

When an invoice goes beyond the scheduled due date, send a reminder invoice to the customer. The invoice indicates the invoice number, the due date, the amount due, a customer service phone number and any penalties that have been added to the invoice. If you would like to offer the customer payment options such as an installment plan, this is the time when you give that information to the customer.

Accounts Receivable Collection Policies and Procedures

See the end of this chapter for a sample Accounts Receivable Collection Policies and Procedures.

Manage Customers

Before you start processing sales and receipts, you need to manage your customers.

Managing your customers includes:

1. Add a customer,
2. Edit customer information,
3. Inactivate a customer, and
4. Merge customers.

Customer Information

When you create a cash sale (Sales Receipt) or sale on account (Invoice) you enter the Customer. You can enter the customer when you create a Sales Receipt or Invoice, or you can enter or import all your customers from a customer list. Entering customers is not just a matter of entering their names but entering their profiles. A customer profile is a description of a customer that includes contact, geographic, demographic, and purchase history information.

Customer contact information provides you who-to-contact information and options on how-to-contact them such as address, phone number, cell number, and email address. Many companies attempt to increase sales by contacting new leads, however the easiest and least expensive way to increase sales is from your customers and knowing how best to contact them. For example, if you want to introduce a new product or service or have a sales promotion, you could mail, phone, text or email that information to your existing customers.

Customer geographics are geographic information based on geography such as city, county, state, region, and country. Geographics help you know where your customers live and where to target market. For example, do you sell more to one city over another city in your market per capita? If so, your marketing dollars should be more directed to that city.

Customer demographics are characteristic information of your customers such as race, ethnicity, gender, age, education, profession, occupation, income level, and marital status. Demographics help you know who your customers are and who to target market. For example, do you sell more to men or women? If women, your marketing dollars should be more directed to women.

QuickBooks reports can provide your company timely, relevant, and reliable management, research and development, marketing and sales, production, finance, and customer service information. However, it can only provide that information if QuickBooks is properly set up and used. For example, QuickBooks reports can provide purchase history information by generating the Income by Customer Summary, Sales by Customer Summary, Sales by Customer Detail, Sales by Product/Service Summary, Sales by Customer Type Detail, and Sales by Product/Service Detail reports. These reports identify who your company's best income and sales customers are.

QuickBooks is a database. A database is an organized collection of data which is stored and accessed. Take the time to organize and collect customer profile information that will help your company management, research and development, marketing and sales, production, finance, and customer service owners and employees.

Note: If you are a new Accounting Analytics' client, we set up your company's QuickBooks account to organize and collect your customers' profile information.

QuickBooks Customer Information

You set up and manage customer information on the Contact Information page. The page allows you to enter the following contact, geographic, bookkeeping, and demographic information:

Contact Information

- Company

- Title
- First Name
- Middle Name
- Last Name
- Suffix
- Display name
- Email
- Phone
- Mobile
- Fax
- Other
- Website
- Sub-customer of parent customer

Geographic Information

- Billing and shipping address (Google map, street, City, State, Zip code, Country)

Bookkeeping Information

- Notes
- Tax information (Exemption details)
- Payment and billing (Preferred payment method, Preferred delivery method, Terms, Opening balance, and Opening balance date)
- Attachments

Demographic Information

- Customer type (Additional information tab)

Customer Type allows you to enter customer demographics your company wants to store, collect, and access. Customer types are used for grouping customers into different segments. However, you must set up and assign your customer types.

To set up and assign customer types:

1. From the left menu, select Sales, and Customers.
2. From the Customers screen, select Customer types.

3. Select New customer type.
4. Enter a name for the customer type and select Save.

To generate a customer type report:

1. From the left menu, select Reports.
2. Scroll down to the Sales and Customers section.
3. Choose one of the following reports:
 - a. Customer Contact List (select the Gear icon and check Customer Type under Change columns)
 - b. Sales by Customer Detail (select the Gear icon and check Customer Type under Change columns)
 - c. Sales by Customer Type Detail

Add a Customer

To add a customer:

1. Select Sales from the left menu, then select Customers.
2. Select New Customer.

The Customer information page opens.

3. Complete the fields in the Customer Information window.

Note: You can also enter additional information on the Notes, Tax info, Payment and billing, Attachments, and Additional info (company types) tabs.

4. Select Save.

Edit Customer Information

You may need to edit a customer's information. When you edit customer information, the changes are reflected in other areas of your company file including previously sent invoices. QuickBooks also updates any recurring templates that use the previous information such as:

- Billing address,
- Shipping address,
- Email,
- Preferred payment method,
- Terms, and
- Preferred delivery method.

To edit customer information:

1. Select Sales from the left menu, then select Customers.
2. Select the customer's name from the list or search the customer by name or details.
3. Select Edit.
4. Update customer information.
5. Select Save.

Inactivate a Customer

If you need to remove a customer so they do not appear as an option when creating sales or receipts, you make them inactive. You cannot delete a customer.

To make a customer inactive:

1. Select Sales from the left menu, then select Customers.
2. Search the customer by name and select Customer Details.
3. Select Edit, then Make inactive.
4. Select Yes to make the customer inactive.

Merge Customers

If a customer has been created twice or has a duplicate profile by mistake, it is usually best to just merge the two customers, as opposed to making one of the two inactive.

Note: The merging process is not reversible and cannot be undone.

To merge customers:

1. Select Sales from the left menu, then Customers.
2. Search the customer you do not want to use by name and select Customer Details.
3. Select Edit.
4. Change the Title fields (First name, Middle name, Last name, and Suffix) and the Display Name to make them identical to the customer you want to merge with.
5. Select Save, then select Yes to confirm that you want to merge the two customers.

Sales and Receipts Process

Frequency

Good cash management requires you to process your sales and receipts daily. Sales and receipts received over the weekend or holiday should be processed on the following Monday or business day. You can create sales and receipts one at a time throughout the day or all at once at the end of the day.

Processing Sales and Receipts

How you process sale and receipt transactions depends on your type of sales transactions, acceptable methods of payment, and technology.

Type of Sales Transactions

How you record sales transactions in QuickBooks depend on the type of sales transaction.

1. Advance payment sales: Sales Receipt and Refund Receipt,
2. Cash sales (time of sale or completion of service): Sales Receipt and Refund Receipt, and
3. Sales on account: Invoice, Receive Payment, Credit Memo, and Refund Receipt.

Acceptable Methods of Payment

Acceptable methods of payment may include cash, checks, credit cards, ACH bank transfers (eCheck), and online payment systems such as PayPal. There was a time when the majority of payments were made by cash or paper checks. However, today very few customers carry or pay for products or services with cash or paper checks. The main driving force for the change is online companies such as Amazon. As more customers transition from shopping at brick and mortar to online companies, customers transition from cash and paper checks to credit cards, debit cards, eCheck, and online payment systems.

In addition, many vendors such as restaurants no longer accept cash or paper checks. Although they receive more money for accepting cash or paper checks because there are no merchant fees, they do not accept cash or paper checks primarily due to insufficient funds paper checks and paper check processing inefficiencies. It is more efficient to process credit cards, debit cards or eChecks compared to processing cash and paper checks. If you do not accept cash or paper checks you may lose a few sales, but the loss is outweighed by the cost and inefficiencies of accepting them.

Sales and Receipts Technology

QuickBooks Online Payments is an accounting process automation tool used to efficiently and productively process sales and receipts with QuickBooks. QuickBooks Online Payments is seamlessly integrated with your QuickBooks account and enables you to receive payments sooner. Your Sales Receipts and Invoices payments can be processed with a credit card, debit card, or eCheck online, by mail, phone, and on-site.

To automate the invoice payment process, you can email invoices with an option for the customer to elect to pay the invoice by credit card, debit card, or eCheck online. When an online payment is made, QuickBooks automatically creates a Receive Payment, applies the payment to the customer's account, and emails a payment confirmation that he or she can print.

Sales and Receipts Process

The sales and receipts process include:

1. Record advance payment and cash sales.
 - a. Create Sales Receipts.
2. Record sales on account (credit sales).
 - a. Create Invoices,
 - b. Create Receive Payments, and
 - c. Create Credit Memos.
3. Record sales refunds.
 - a. Create Refund Receipts.
4. Record bank deposits.
 - a. Create Bank Deposits.
5. Monitor and collect unpaid Invoices.
6. Email sales and receipts reports.

Record Advance Payment and Cash Sales

Creating Sales Receipts includes:

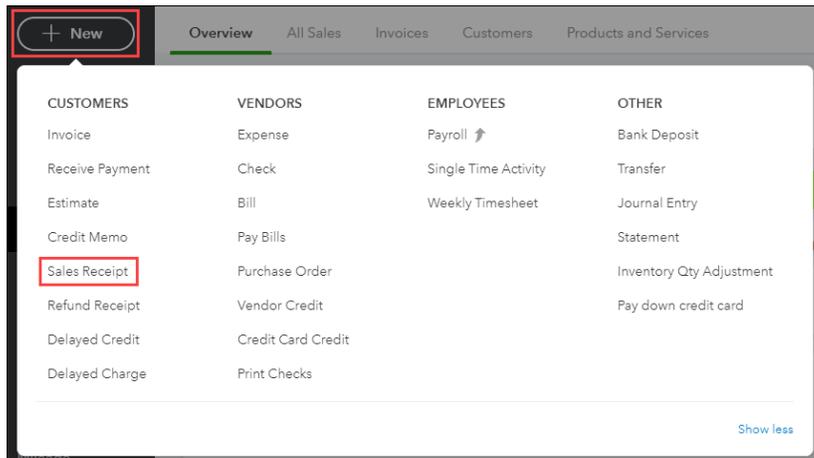
1. Create a Sales Receipt,
2. Make Recurring Sales Receipts,
3. Edit a Sales Receipt,
4. Void a Sales Receipt, and
5. Delete a Sales Receipt.

Create a Sales Receipt

When you have an advance or cash sale you create a sales receipt. Cash receipts record the sale and the cash (currency, check, credit card and eCheck) received.

To create a Sales Receipt:

1. Select New from the left menu, then Sales Receipt.



The Sales Receipt page opens.

The screenshot shows the 'Sales Receipt' form with the following elements and callouts:

- 1**: Customer selection dropdown.
- 2**: Email input field.
- 3**: Billing address input field.
- 4**: Sales Receipt date input field.
- 5**: Tag input field.
- 6**: Payment method dropdown.
- 7**: Discount percent dropdown.

The form includes a table for line items with columns: #, PRODUCT/SERVICE, DESCRIPTION, QTY, RATE, AMOUNT, TAX, and a trash icon. The table currently has two empty rows. The right side of the form shows a summary of amounts: Subtotal (\$0.00), Taxable subtotal, Total (\$0.00), Amount received (\$0.00), and Balance due (\$0.00). The bottom of the form has a 'Save and send' button highlighted with a red box.

2. Type the customer's name and select the customer.

To add a new customer, select Add new. Take the time now to set up customer information.

3. (Optional) Add any applicable tags.

4. Select the Payment method, enter the Reference no., and select Undeposited Funds in the Deposit to account.

If the method is "QuickBooks Payment-Credit Card", select Enter credit card details and enter the card information requested in the Credit Card Information window. Then, select Use this info.

The screenshot shows a payment method selection window. At the top, there are two fields: "Payment method" with a dropdown menu showing "QuickBooks Payments-Credi" and "Reference no." with an empty text box. Below these is a button labeled "Enter credit card details" which is highlighted with a red rectangular box. Underneath the button is a checked checkbox labeled "Process credit card". At the bottom of the window, there is a table header with three columns: "#", "PRODUCT/SERVICE", and "DESCRIPTION".

The screenshot shows a "Credit Card Information" window with a close button (X) in the top right corner. It has a "Swipe card" button and the text "Or enter card details below". The form contains several input fields: "Credit Card number" (a long text box), "Expiration date" (with "Month" and "Year" dropdown menus), "CVV" (a short text box), "Name on Card" (a long text box), "Street address" (a long text box), and "ZIP code" (a short text box). At the bottom center is a green button labeled "Use this info".

Select the Process credit card box to charge the payment upon completion.

5. Select the Product/Service(s) and enter the quantity (QTY).

Delete, add, or clear all lines as necessary. To delete a line, select the trash can icon to the right. To add one line, select the line and the + icon to the left. To add 4 lines, select Add lines. To clear all lines, select Clear all lines.

6. (Optional) Enter the Discount percent or value.

7. Depending on your sales process you can create and send sales receipts one at a time throughout the day or all at once at the end of the day.

- Create and Send Sales Receipts One at a Time

Select Save and send to create and preview an email to send the sales receipt to your customer.

- All at Once at the End of the Day

Select Save and new to save your work and start a new Sales Receipt. Select Save and close on your last Sales Receipt.

1. From the left menu, select Sales and All Sales.
2. Select Filter, then Sales Receipts in the Type field, Today in the Date field, and Apply.
3. Select the Batch all button to select all of the day's Sales Receipts.
4. Select Batch actions and Send transactions.

Behind the Scenes

When you create a Sales Receipt, QuickBooks increases (debits) the "Deposit to" Undeposited Funds account (Balance Sheet: Asset) and increases (credits) the "Product/Service" account (Profit and Loss: Income) and Sales tax account (Balance Sheet: Liability) by the "Amount received".

Example – Company sold an item for \$100 with a sales tax rate of 6.5% at the time of purchase.

T Accounts:

Undeposited Funds		Product/Service		Sales Tax	
Debit	Credit	Debit	Credit	Debit	Credit
\$106.50			\$100.00		\$6.50

Note: You can go to a previously created Sales Receipt transaction to view the Transaction journal.

To view the Transaction journal:

1. Select the Sales Receipt transaction you would like to view.
2. Select More at the bottom of the transaction.
3. Select Transaction journal.

Make Recurring Sales Receipts

You can make a Recurring Sales Receipt for Sales Receipts that occur periodically or frequently.

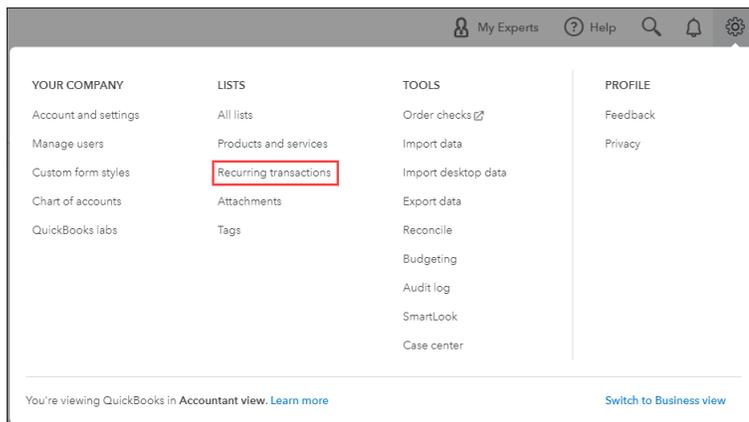
For example, you may sell a product or service to a customer monthly for a fixed fee. By creating a Recurring Sales Receipt, you do not have to create and send it each month. You can schedule it to be created and emailed automatically.

You may sell the same products or services frequently. By creating Recurring Sales Receipt, you do not have to create it every time you sell it.

You may also sell products or services that do not occur periodically or frequently, but the accounts are numerous, and/or the descriptions are detailed, and it takes time to create it. By creating a Recurring Sales Receipt, you do not have to take the time to recreate it every time you sell it.

To make a Recurring Sales Receipt:

1. Select the Gear icon on the toolbar, then select Recurring Transactions.



2. On the Recurring Transactions page, select New.
3. Select Sales Receipt from the Transactions Type drop-down list and select OK.

The Recurring Sales Receipt page opens.

4 Recurring Sales Receipt

Template name Type Create days in advance

5 Customer Email **6** Options Automatically send emails Print later

7 Interval on of every month(s) **8** Start date End

9 Billing address

10 Tag [Manage tags](#)

11 Payment method Reference no. Deposit to

12

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	TAX
1						
2						

Add lines Subtotal \$0.00

Message displayed on sales receipt

Message displayed on statement

Attachments Maximum size: 20MB

Cancel **13**

4. Enter a Template name and choose a Type — Scheduled, Reminder, or Unscheduled.

Scheduled

- What it does: Creates sales receipts according to a schedule you set. If you schedule them to be sent “Automatically send emails” they will be emailed automatically.
- This type is useful for: Sales receipts with a fixed schedule and amounts.

Reminder

- What it does: Proposes a series of sales receipts according to schedules you set. The sales receipts are not sent until you decide to create and send them. These reminders are found in the Tasks section at the top of the Dashboard page. The Tasks section only appears when you have tasks. The reminders can also be found on the Reminder List.
- How you control it: By selecting on each sales receipt you will be able to decide which ones to create, and you can review and edit them first before scheduling them.
- This type is useful for: Sales receipts with a fixed schedule that need to be edited before they are created.

Unscheduled

- What it does: It is saved with partial or complete data and without a schedule. Nothing happens to this type of sales receipt until you choose to use it.
- How you control it: Unscheduled transactions do not have timetables; you use them as needed from the Recurring Transactions list. You select the sales receipt and select Use to use it as the starting point for a new sales receipt.
- This type is useful for: Transactions that contain a lot of detail that you do not want to retype, but that aren't needed on any set schedule such as complicated sales receipts that need to go to different customers.

Note: Do not use Create days in advance with QuickBooks Online Payments. If you enter a number in the Create days in advance, the sales receipt will be created and charged on the advanced day.

5. Select the name of the customer from the drop-down list or type the first letter(s) to retrieve the customer and verify the Email and Cc and Bcc emails.

Select Add new if the customer is not set up. Take the time now to set up customer information.

6. Under Options, check Automatically send emails.
7. Select the interval for the recurring sales receipt.

This dictates when and how often the sales receipt will be created, charged, and emailed.

8. (Optional) Select Start date and End (None, By, or After) to start and end the recurring sales receipt.
9. Verify and enter the Billing address, Shipping to address, Ship via, Shipping date, and Tracking no., if any.
10. (Optional) Enter any applicable tags.

11. Select the Credit Card Payment method, then verify the credit card information.

The Service Date is taken from the Start date.

12. Select or add the Product/Service(s) purchased from the drop-down list, change, enter or select the Description, quantity (QTY), Rate, Amount, Tax (taxable?), and Discount, if any.

Select Add new if the product or service is currently not set up.

Delete, add or clear all lines as necessary. To delete a line, select the trash can icon to the right of the line. To add one line, select the line and the + icon. To add 4 lines, select Add lines. To clear all lines, select Clear all lines.

Note: All fields must be entered for Scheduled templates. For example, if an item has a rate of \$0, enter 0. If left blank, the line will not save.

It is not necessary to fill in every field for Reminder or Unscheduled templates. Enter just the data to be repeated in each occurrence. You'll be able to edit each occurrence before it is actually created.

13. Select Save template.

Note: You can make a recurring Sales Receipt template from any existing Sales Receipt. To make a recurring Sales Receipt template from an existing Sales Receipt, open an existing Sales Receipt and select Make Recurring at the bottom of the page.

Edit a Sales Receipt

To edit a Sales Receipt:

1. Select the Search icon, then Advanced Search.
2. Select Sales Receipts from the All Transactions drop-down menu.
3. Enter the customer in the Enter Customers field and select Search.
4. Scan the sales receipt transaction matches and select the sales receipt to edit.
5. Edit the transaction.
6. Select Save and close.

Void a Sales Receipt

To void a Sales Receipt:

1. Select the Search icon, then Advanced Search.
2. Select Sales Receipts from the All Transactions drop-down menu.
3. Enter the customer in the Enter Customers field and select Search.
4. Scan the sales receipt transaction matches and select the sales receipt to void.
5. Select More, then Void.
6. Select Yes to confirm that you want to void the transaction.
7. Select Save and close.

Delete a Sales Receipt

Note: It is a good practice not to delete, but void transactions.

To delete a Sales Receipt:

1. Select the Search icon, then Advanced Search.
2. Select Sales Receipts from the All Transactions drop-down menu.
3. Enter the customer in the Enter Customers field and select Search.

4. Scan the sales receipt transaction matches and select the sales receipt to delete.
5. Select More, then Delete.
6. Select Yes to confirm that you want to delete the transaction.
7. Select Save and close.

Once you delete a sales receipt, only the Audit log maintains a record of it. To open the Audit log, from the left menu, select Reports and enter Audit log in the search bar.

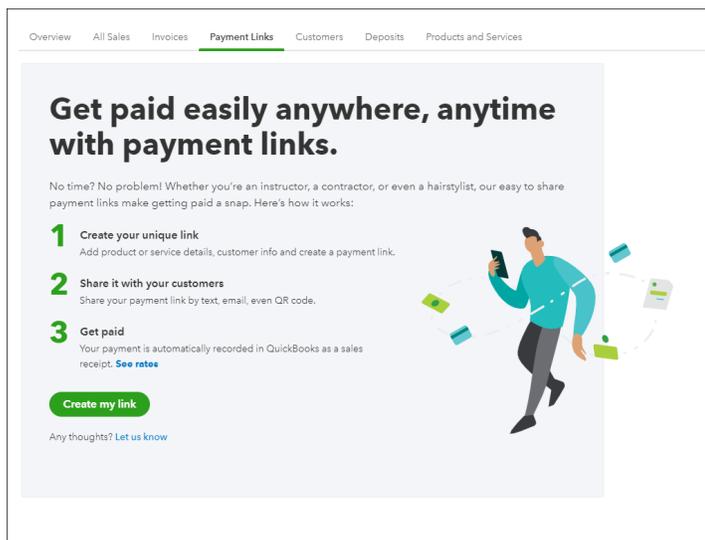
Create a Payment Link

QuickBooks allows you to create Payment Links. Payment Links are custom links or QR codes you can share with the customer, which they can open to easily pay for products or services. This feature is included with your QuickBooks Online Payments subscription. When a customer pays through a Payment Link, QuickBooks automatically creates a Sales Receipt.

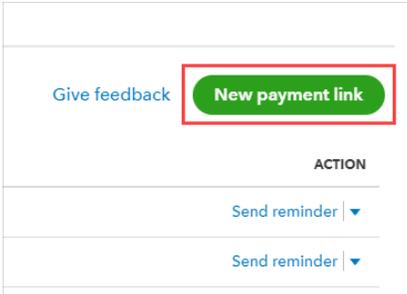
This feature is typically used in face-to-face interactions with a customer as a quick way for them to pay. For example, a contractor may complete a service and use their mobile device to quickly enter a customer and total amount, then have the customer scan the QR code with their mobile device and pay right away. This option should not be used in place of an invoice. To properly track Accounts Receivable, an invoice should be used for customers that you don't expect to pay right away.

To create a payment link:

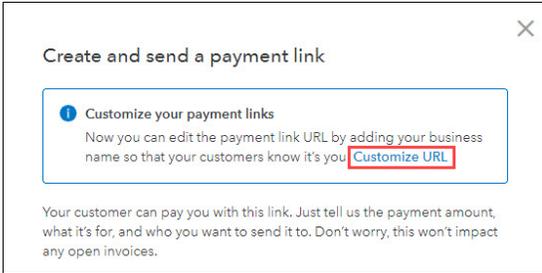
1. Select Sales from the left menu, then select the Payment Links tab.
2. If this is your first time creating a payment link, select Create my link.



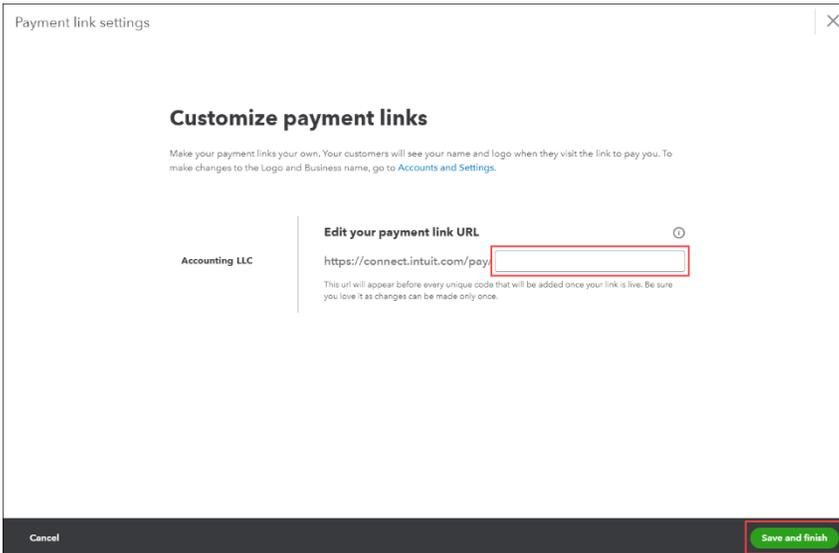
If you have already set up payment links, select New payment link.



3. If this is your first time creating a payment link, select Customize URL to edit the URL.



Then, enter your custom text (ex. company name) in the field provided and select Save and finish.



4. Enter the payment amount.

Create and send a payment link

1 Customize your payment links
Now you can edit the payment link URL by adding your business name so that your customers know it's you. [Customize URL](#)

Your customer can pay you with this link. Just tell us the payment amount, what it's for, and who you want to send it to. Don't worry, this won't impact any open invoices.

4 \$0.00

5 What product or service is this for?
Your customers will see this in the email you send with your link.
#128 characters

6 Who are you sending this link to?
Customer name
Enter or select

7 Customer email
Ex: jane.doe@gmail.com

8 Choose the ways you want to get paid.
 Cards VISA MASTERCARD AMERICAN EXPRESS PAYCOM
 Bank Transfer AAC

By selecting Send payment link, you agree to our [Terms & Conditions](#).

Cancel **9** Send payment link

5. Enter product or service details for the customer to see.
6. Select or enter the Customer name.
7. Enter or edit the Customer email.
8. Select the methods of payment you want to provide the customer.
9. Select Send payment link.
10. The next screen will say that the link was emailed to the customer. From here, you can select Copy to copy the link. This is useful if you want to send the link to a customer via text message.

Payment link emailed

In addition to sharing via email, you can also copy the link or display the QR code to share directly with your customer.

Link QR Code

<https://connect.intuit.com/portal/app/Commer> **Copy**

You can also select QR Code to access the QR code generated by QuickBooks. This is useful if you want to allow the customer to scan the code directly from your phone and be taken to the payment link.



11. When finished, select Done.

Edit an Automatic Sales Receipt

Once the customer has paid using the payment link, you will need to edit the sales receipt automatically created by QuickBooks. Because the only details included in the payment link are the customer and total amount, you will need to add any other necessary details by editing the sales receipt.

To edit an Automatic Sales Receipt:

1. Select the Search icon, then Advanced Search.
2. Select Sales Receipts from the All Transactions drop-down menu.
3. Enter the customer in the Enter Customers field and select Search.
4. Scan the sales receipt transaction matches and select the sales receipt to edit.
5. Add necessary details to the Sales Receipt (Tags, Product/Service details, Attachments, etc.).
6. Select Save and close.

View a Payment Link

You can see the details and status of a payment link from the Payment Links page.

To view a payment link:

1. Select Sales from the left menu, then select the Payment Links tab.
2. Select the Payment link from the list.

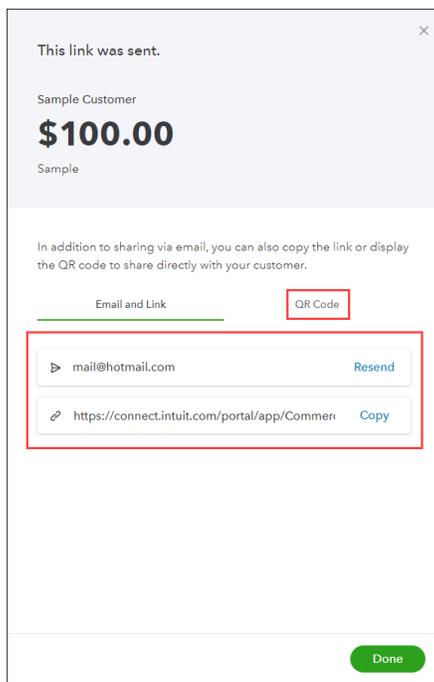
Overview All Sales Invoices **Payment Links** Customers Deposits Products and Services

Payment Links Give feedback [New payment link](#)

DATE	CUSTOMER	DESCRIPTION	AMOUNT	STATUS	ACTION
3/11/2021	Sample Customer 1	Service provided 3/17/2021	\$100.00	✔ Sent	Send reminder ▾
3/12/2021	Sample Customer 2	Service provided 3/17/2021	\$30.00	✔ Sent	Send reminder ▾
3/12/2021	Sample Customer 3	Service provided 3/17/2021	\$70.00	✔ Sent	Send reminder ▾

Previous 1-1 Next

- Resend the email to the customer, copy the link, view the QR code, or review the details of the link.



Note: The status is displayed at the top of the pane.

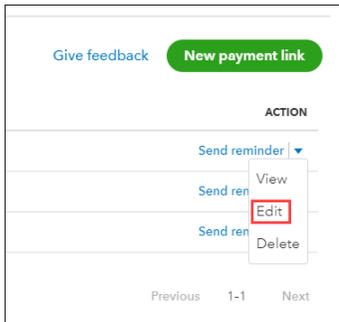
- Select Done.

Edit a Payment Link

To edit a Payment Link:

- Select Sales from the left menu, then select the Payment Links tab.

2. Select the drop-down arrow from the Action column, then select Edit.

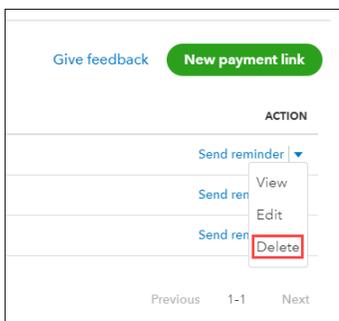


3. Make any necessary changes, then select Send payment link to have the link resent to the customer.

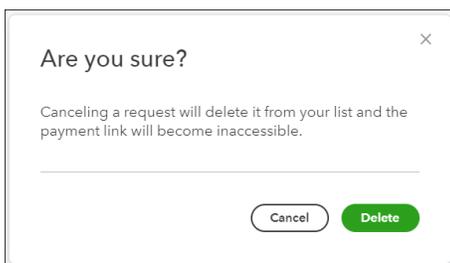
Delete a Payment Link

To delete a Payment Link:

1. Select Sales from the left menu, then select the Payment Links tab.
2. Select the drop-down arrow from the Action column, then select Delete.



3. When asked to confirm, select Delete.



Record Sales on Account (Credit Sales)

Creating invoices include:

1. Create an Invoice,
2. Make Recurring Invoices,

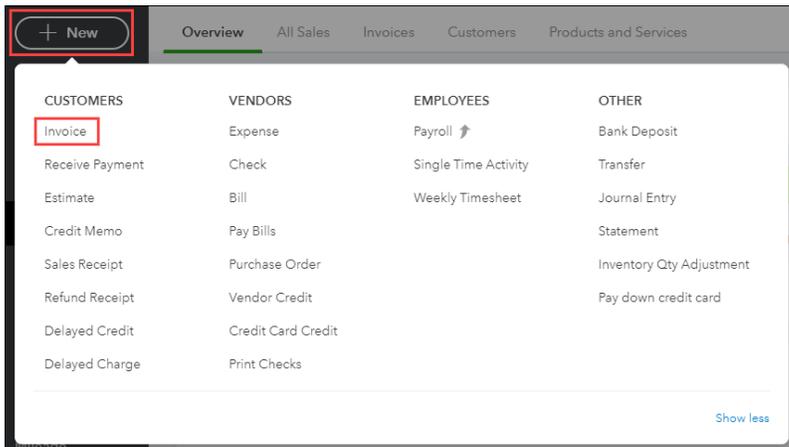
3. Edit an Invoice,
4. Void an Invoice, and
5. Delete an Invoice.

Create an Invoice

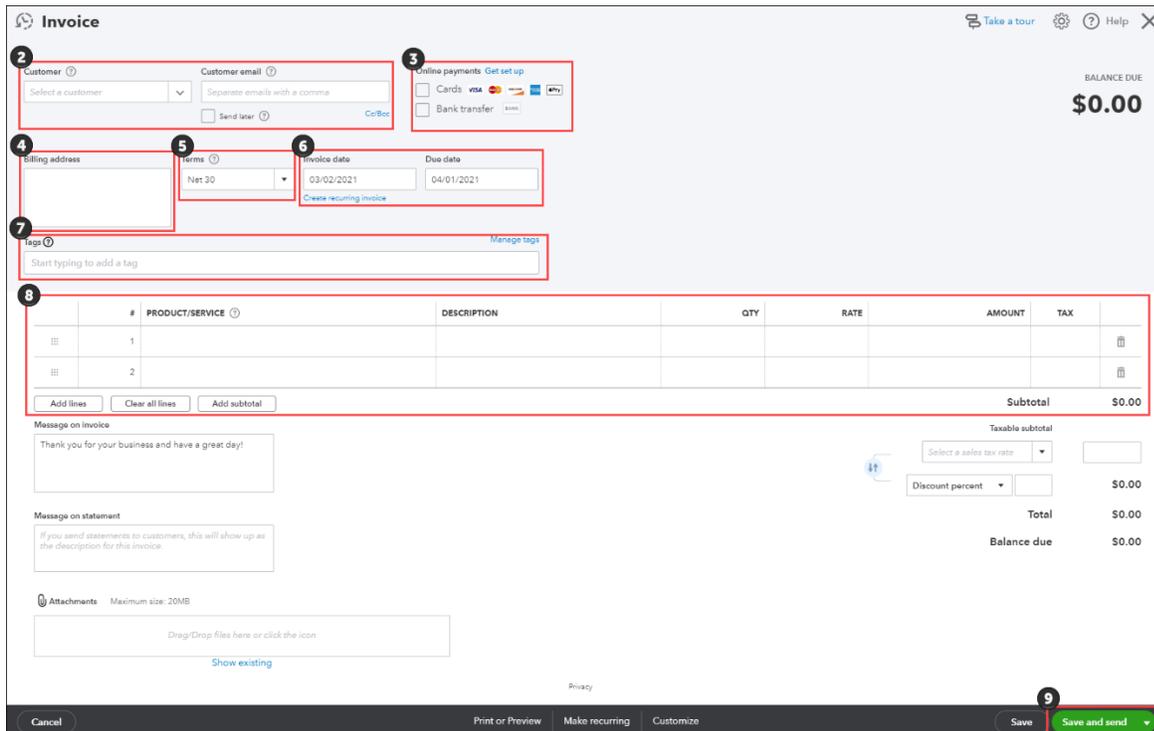
When you have a sale on account you create an Invoice. Invoices record the sale and track accounts receivable or the amount of money your customer owes you.

To create an Invoice:

1. Select New from the left menu, then select Invoice.



The Invoice page opens.



2. Type the customer's name and select the customer.

To add a new customer, select Add new. Take the time now to set up customer information.

3. Verify the Online payments options (Cards and Bank transfer with QuickBooks Online Payments).
4. Verify the Billing address.
5. Select the Terms for the Invoice from the drop-down list.

The terms indicate when you expect payment for the Invoice.

6. Verify the Invoice date and the Due date. If you perform services and turned on the Service date, enter the Service Date.

The default due date changes depending on the terms previously selected.

7. (Optional) Enter any applicable tags.

8. Select the Product/Service(s) and enter the quantity (QTY).

Delete, add or clear all lines as necessary. To delete a line, select the trash can icon to the right.

To add one line, select the line and the + icon to the left. To add 4 lines, select Add lines. To clear all lines, select Clear all lines.

9. Depending on your sales process you can create and send Invoices one at a time throughout the day or all at once at the end of the day.

- Create and Send Invoices One at a Time

Select Save and send to create and preview an email to send the invoice to your customer.

- All at Once at the End of the Day

Select Save and new to save your work and start a new Invoice. Select Save and close on your last Invoice.

1. From the left menu, select Sales and All Sales.
2. Select Filter, then Invoices in the Type field, Today in the Date field, and Apply.
3. Select the Batch all button to select all of the day's Invoices.
4. Select Batch actions and Send transactions.

Behind the Scenes

When you create an Invoice, QuickBooks increases (debits) the Accounts Receivable (A/R) account (Balance Sheet: Asset) and increases (credits) the "Product/Service" account (Profit and Loss: Income) and Sales tax account (Balance Sheet: Liability), if taxable, by the "Balance due" amount.

Example – Company sold an item for \$100 with a sales tax rate of 6.5% on account.

T Accounts:

Accounts Receivable		Product/Service		Sales Tax	
Debit	Credit	Debit	Credit	Debit	Credit
\$106.50			\$100.00		\$6.50

Note: You can go to a previously created Invoice transaction to view the Transaction journal.

To view the Transaction journal:

1. Select the Invoice transaction you would like to view.
2. Select More at the bottom of the transaction.
3. Select Transaction journal.

Make Recurring Invoices

You can make a Recurring Invoice for Invoices that occur periodically or frequently.

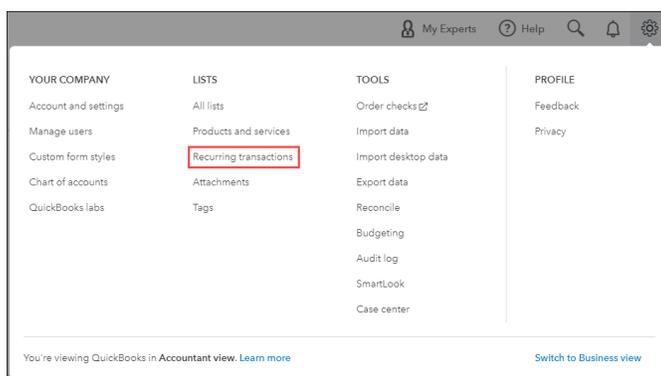
For example, you may sell a product or service on account to a customer monthly for a fixed fee. By creating a Recurring Invoice, you do not have to create and send it each month. You can schedule it to be created and emailed automatically.

You may sell certain products or services on account frequently. By creating a Recurring Invoice, you do not have to create it every time you sell it.

You may also sell products or services that do not occur periodically or frequently, but the accounts are numerous, and/or the descriptions are detailed, and it takes time to create it. By creating a Recurring Invoice, you do not have to take the time to recreate it every time you sell it.

To make a Recurring Invoice:

1. Select the Gear icon on the toolbar, then select Recurring Transactions.



2. On the Recurring Transactions page, select New.
3. Select Invoice from the Transactions Type drop-down list and select OK.

The Recurring Invoice page opens.

The screenshot shows the 'Recurring Invoice' page with the following numbered callouts:

- 4:** Template name and Type dropdown (set to Scheduled).
- 5:** Customer selection dropdown.
- 6:** Email field with a 'Cc/Rec' button.
- 7:** Options section including 'Automatically send emails', 'Print later', and 'Include unbilled charges'.
- 8:** Interval settings: Monthly, on day, 1st, of every 1 month(s).
- 9:** Start date and End date dropdown (set to None).
- 10:** Billing address field and Terms dropdown (set to Net 30).
- 11:** Tags input field with a 'Manage tags' link.
- 12:** Table with columns: #, PRODUCT/SERVICE, DESCRIPTION, QTY, RATE, AMOUNT, TAX. It contains two rows and buttons for 'Add lines', 'Clear all lines', and 'Add subtotal'.
- 13:** 'Save template' button at the bottom right.

Other visible elements include 'Cancel', 'Customize', and 'Privacy' links at the bottom.

4. Enter a Template name and choose a Type — Scheduled, reminder, or unscheduled.

Scheduled

- What it does: Creates Invoices according to a schedule you set. If you schedule them to be sent “Automatically send emails” they will be emailed automatically.
- This type is useful for: Invoices with a fixed schedule and amounts.

Reminder

- What it does: Proposes a series of Invoices according to schedules you set. The Invoices are not sent until you decide to create and send them. These reminders are found in the Tasks section at the top of the Dashboard page. The Tasks section only appears when you have tasks. The reminders can also be found on the Reminder List.
- How you control it: By selecting on each Invoice you will be able to decide which ones to create, and you can review and edit them first before scheduling them.
- This type is useful for: Invoices with a fixed schedule that need to be edited before they are created.

Unscheduled

- What it does: It is saved with partial or complete data and without a schedule. Nothing happens to this type of Invoice until you choose to use it.
- How you control it: Unscheduled transactions do not have timetables; you use them as needed from the Recurring Transactions list. You select the Invoice and select Use to use it as the starting point for a new Invoice.
- This type is useful for: Transactions that contain a lot of detail that you do not want to retype, but that aren't needed on any set schedule such as complicated Invoices that need to go to different customers.

Note: Do not use Create days in advance with QuickBooks Online Payments. If you enter a number in the Create days in advance, the Invoice will be created and charged on the advanced day.

5. Select the name of the customer from the drop-down list or type the first letter(s) to retrieve the customer, then verify the Email and Cc and Bcc emails.

Select Add new if the customer is not set up. Take the time now to set up customer information.

6. Under Options, check Automatically send emails.
7. Verify the Online payments options (Cards and Bank transfer with QuickBooks Online Payments).
8. Select the interval for the recurring Invoice.

This dictates when and how often the Invoice will be created and emailed.

9. (Optional) Select Start date and End (None, By, or After) to start and end the recurring Invoice.
10. Verify and enter the Billing address, Terms, Shipping to address, Ship via, Shipping date, and Tracking no., if any.

The Service Date is taken from the Start date.

11. (Optional) Enter any applicable tags.
12. Select or add the Product/Service(s) purchased from the drop-down list, change, enter or select the Description, quantity (QTY), Rate, Amount, Tax (taxable?), and Discount, if any.

Select Add new if the product or service is currently not set up.

Delete, add or clear all lines as necessary. To delete a line, select the trash can icon to the right of the line. To add one line, select the line and the + icon. To add 4 lines, select Add lines. To clear all lines, select Clear all lines.

Note: All fields must be entered for Scheduled templates. For example, if an item has a rate of \$0, enter 0. If left blank, the line will not save.

It is not necessary to fill in every field for Reminder or Unscheduled templates. Enter just the data to be repeated in each occurrence. You'll be able to edit each occurrence before it is actually created.

13. Select Save template.

Note: You can make a recurring Invoice template from any existing Invoice. To make a recurring Invoice template from an existing Invoice, open an existing Invoice and select Make Recurring at the bottom of the page.

Edit an Invoice

To edit an Invoice:

1. Select the Search icon, then Advanced Search.
2. Select Invoices from the All Transactions drop-down menu.
3. Enter the Customer in the Enter Customers field and select Search.
4. Scan the Invoice transaction matches and select the Invoice to edit.
5. Edit the transaction.
6. Select Save and close.

Void an Invoice

To void an Invoice:

1. Select the Search icon, then Advanced Search.
2. Select Invoices from the All Transactions drop-down menu.
3. Enter the Customer in the Enter Customers field and select Search.
4. Scan the Invoice transaction matches and select the Invoice to void.
5. Select More, then Void.
6. Select Yes to confirm that you want to void the transaction.
7. Select Save and close.

Delete an Invoice

Note: It is a good practice not to delete, but void transactions.

To delete an Invoice:

1. Select the Search icon, then Advanced Search.
2. Select Invoices from the All Transactions drop-down menu.
3. Enter the customer in the Enter Customers field and select Search.

4. Scan the Invoice transaction matches and select the Invoice to delete.
5. Select More, then Delete.
6. Select Yes to confirm that you want to delete the transaction.

Once you delete an Invoice, only the Audit log maintains a record of it. To open the Audit log, from the left menu, select Reports and enter Audit log in the search bar.

Creating Late Fees or Finance and Service Charges on Invoices

The sample Accounts Receivable Collection Policy directs you to add late fees or finance charges to overdue Invoices.

Note: Some states do not permit certain businesses to charge finance charges. Check with your state when setting up your Accounts Receivable Collection Policy late fees or finance charges.

QuickBooks automatically calculates late fees and adds them to overdue Invoices as a line below Product/Service. See Late Fees in Chapter 3: *Setting Up Your Company*.

The default settings apply to all customer Invoices; however, you can also customize these fees for individual customers.

To create a custom late fee for an individual customer:

1. Select Sales from the left menu, then Customers.
2. Choose the customer you would like to customize.
3. Select the Late Fees tab. You have two ways to customize:

Waive late fees – Disabling late fees prevents QuickBooks Online from ever calculating and applying late fees on an overdue Invoice for this customer.

Override the default late fee settings – Selecting Customize creates a new set of rules that apply only to the customer. You can have different late fee rules for different customers.

Sample Customer
Sample Customer
[Add notes](#)

Transaction List | Projects | Customer Details | **Late Fees**

Enabled ⓘ

Use default
A flat fee of 10 USD once per invoice with no grace period.

Customize

There may be limits on the amounts and types of fees you may charge to your customers. You should confirm the requirements in your jurisdiction and how they relate to you.

Type

Flat fee
 Percentage of remaining balance

Amount (USD) Frequency

Grace period
Grace period begins the day after the due date. Late fees will not accumulate during that time.

4. Customize as desired, then select Save.

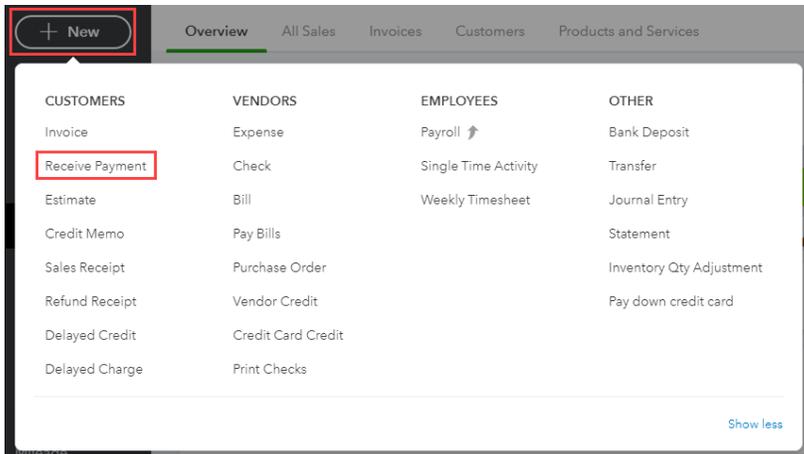
Create Receive Payments

With QuickBooks Online Payments the invoiced customer has the option to pay online with a credit card, debit card, or ACH bank transfer (eCheck), thus automating the payment process. When an online payment is made, the payment is automatically created as a payment on the customer's accounts receivable account. The customer is automatically emailed a Payment sent confirmation which he or she can print.

You may have some customers who choose to pay the Invoice outside of QuickBooks Online Payments (offline). If so, the customer can print and mail the Invoice with the check or call with credit card information. When you receive the check or credit card information, you create a Receive Payment.

To create a Receive Payment (payment of an invoice):

1. Select New from the left menu, then select Receive Payment.



The Receive Payment page opens.

2. Type the customer's name and select the customer.
You can also select the customer by selecting Find by invoice no.
3. Verify the Payment date.
4. Select the Payment method, enter the Reference no. (check number) and select Undeposited Funds in the Deposit to account.
5. On the Outstanding Transactions table, select the checkbox next to the invoices that you are collecting payment for and enter the Payment in the applicable field.

6. Select Save and close if entering one payment or Save and new if multiple payments.

Note: To link a payment to an invoice, always use Receive payment for invoice payments. If you deposit a payment from the Bank Deposit screen instead of Receive payment on the invoice, the payment will not be linked to the invoice and the invoice will appear as unpaid on your reports.

Behind the Scenes

When you create a Receive Payment, QuickBooks increases (debits) the “Deposit to account” (Balance Sheet: Asset) and decreases (credits) the Accounts Receivable (A/R) account (Balance Sheet: Asset) by the “Amount received”.

Example – Company sold an item for \$100 with a sales tax rate of 6.5% on account. The customer paid the invoice.

T Accounts:

Deposit to Account		Accounts Receivable	
Debit	Credit	Debit	Credit
\$106.50			\$106.50

In our example, the Sales tax account will be decreased when the liability is paid from the operating cash account.

Sales tax account (Balance Sheet: Liability) decreased (debited). Cash operating account (Balance Sheet: Asset) decreased (credited).

Sales Tax		Cash Operating Account	
Debit	Credit	Debit	Credit
\$6.50			\$6.50

Note: You can go to a previously created Invoice transaction to view the Transaction journal.

To view the Transaction journal:

1. Select the Invoice transaction you would like to view.
2. Select More at the bottom of the transaction.
3. Select Transaction journal.

Create Credit Memos

As the seller, you issue a customer credit on purchases on account which have not been paid.

A credit memo is an abbreviated form of the term "credit memorandum," which is issued by a seller to a credit customer. The credit decreases the customer’s account by the credit amount. The memo should

explain the reason for the credit and specify the invoice that initiated the credit. An analysis of credit memos over a period of time helps identify deficiencies in the seller's sales process.

In QuickBooks, a credit memo decreases the customer's account and not a specific invoice. If you have a customer with one unpaid invoice, the credit is applied to that unpaid invoice. If you have a customer with multiple unpaid invoices, the credit is applied to the oldest unpaid invoice.

If a customer overpays, the payment transaction automatically creates an additional credit in the customer's credit balance. While this is not a credit memo, you can apply the overpayment as a credit to their next transaction or you can give them a refund.

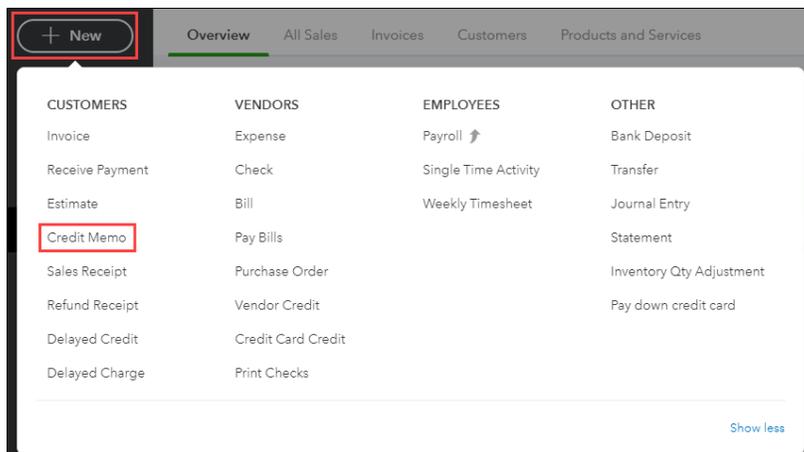
Creating credit memos includes:

1. Create a Credit Memo,
2. Make Recurring Credit Memo,
3. Edit a Credit Memo,
4. Void a Credit Memo, and
5. Delete a Credit Memo.

Create a Credit Memo

To create a Credit Memo:

1. Select New from the left menu, then select Credit Memo.



The Credit Memo page opens.

Credit Memo Help X

2 Customer: Choose a customer, Email: Email (Separate emails with a comma), Send later, Cc/Bcc

3 Billing address, Credit Memo Date: 03/04/2021

4 Tags: Start typing to add a tag, Manage tags

5

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	TAX
1						
2						

Add lines, Clear all lines, Subtotal: \$0.00

Message displayed on credit memo: Thank you for your business and have a great day!

Message displayed on statement

Attachments: Maximum size: 20MB, Drag/Drop files here or click the icon, Show existing

Privacy

Cancel, Print or Preview, Make recurring, **6** Save and send

AMOUNT TO REFUND
\$0.00

2. Type the customer's name, select the customer, and verify the Email and Cc and Bcc emails.
3. Verify the Billing address and Credit Memo Date. If you perform services and turned on the Service date, enter the Service Date.
4. (Optional) Enter any applicable tags.
5. Select the Product/Service(s) and enter the quantity (QTY).

Delete, add or clear all lines as necessary. To delete a line, select the trash can icon to the right of the line. To add one line, select the line and the + icon. To add 4 lines, select Add lines. To clear all lines, select Clear all lines.

6. Select Save and send to create and preview an email to send the credit memo to your customer or Save and share link to create a link to the credit memo you can email or text to your customer. Alternatively, you can select Save and new to save your work and start a new credit memo or Save and close to save the credit memo and close the screen. You can select Save at any time to save your work without leaving the credit memo.

If Save and new, select Save and close on the last credit memo.

7. On the All Sales page, select the Type column up arrow to group the credit memos, select the credit memos you created and on the Batch actions drop-down menu, select Send transactions.

Once you save or preview the invoice, even if you do not send or print it, the transaction information from the invoice you created is included in reports and in the customer balance.

Behind the Scenes

When you create a Credit Memo, QuickBooks decreases (debits) the “Product/Service” account(s) (Profit and Loss: Income) and decreases (credits) the Accounts Receivable (A/R) account (Balance Sheet: Asset) by the “Total Credit”.

Example – Company created a \$106.50 credit memo for a return of a \$100 item with a sales tax rate of 6.5% purchased on account. The invoice has not been paid.

T Accounts:

Product/Service		Sales Tax		Accounts Receivable	
Debit	Credit	Debit	Credit	Debit	Credit
\$100.00		\$6.50			\$106.50

Note: You can go to a previously created Credit Memo transaction to view the Transaction journal.

To view the Transaction journal:

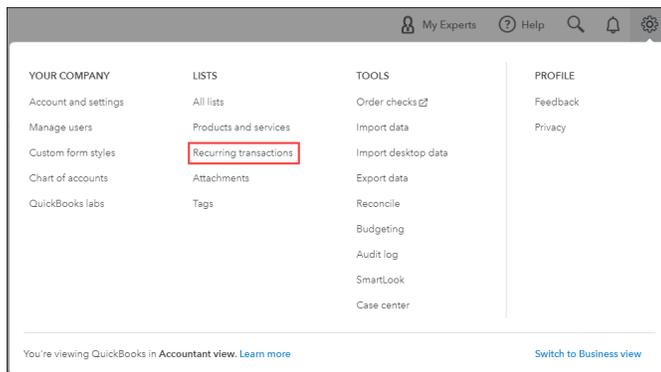
1. Select the Credit Memo transaction you would like to view.
2. Select More at the bottom of the transaction.
3. Select Transaction journal.

Make Recurring Credit Memos

You can make a Recurring Credit Memo for credit memos that occur periodically. For example, you may issue a common credit memo to customers such as a product return. By creating a Recurring Credit Memo, you do not have to create and send it each time a credit memo occurs.

To make a Recurring Credit Memo:

1. Select the Gear icon on the toolbar, then select Recurring Transactions.



2. On the Recurring Transactions page, select New.
3. Select Credit Memo from the Transactions Type drop-down list and select OK.

The Recurring Credit Memo page opens.

4 Recurring Credit Memo

Template name: Type: Unscheduled transactions don't have timetables; you use them as needed from the Recurring Transactions list.

5 Customer: Email: [Cc/Bcc](#)

6 Billing address:

7 Tag: [Manage tags](#)

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	TAX	
1							
2							

[Add lines](#) [Clear all lines](#) Subtotal: \$0.00

Message displayed on credit memo:

Message displayed on statement:

Attachments: Maximum size: 20MB

Privacy

9 [Save template](#)

4. Enter a Template name and choose the Type **Unscheduled**. Due to the nature of credit memos you would generally create a recurring unscheduled credit memo.

Unscheduled

- What it does: It is saved with partial or complete data and without a schedule. Nothing happens to this type of credit memo until you choose to use it.
- How you control it: **Unscheduled** transactions do not have timetables; you use them as needed from the Recurring Transactions list. You select the credit memo and select **Use** to use it as the starting point for a new credit memo.
- This type is useful for: Transactions that contain detail that you do not want to retype, but that aren't needed on any set schedule such as credit memos that need to go to different customers.

5. Select the name of the customer from the drop-down list or type the first letter(s) to retrieve the customer, then verify the Email and Cc and Bcc emails.

Select **Add new** if the customer is not set up. Take the time now to set up customer information.

6. Verify the Billing address.

7. (Optional) Enter any applicable tags.
8. Select or add the Product/Service(s) purchased from the drop-down list, change, enter or select the Description, quantity (QTY), Rate, Amount, Tax (taxable?), and Discount, if any.

Select Add new if the product or service is currently not set up.

Delete, add or clear all lines as necessary. To delete a line, select the trash can icon to the right of the line. To add one line, select the line and the + icon. To add 4 lines, select Add lines. To clear all lines, select Clear all lines.

It is not necessary to fill in every field for Unscheduled templates. Enter just the data to be repeated in each occurrence. You'll be able to edit each occurrence before it is actually created.

9. Select Save template.

Note: You can make a Recurring Credit Memo template from any existing Credit Memo. To make a Recurring Credit Memo template from an existing Credit Memo, open an existing Credit Memo and select Make Recurring at the bottom of the page.

Edit a Credit Memo

To edit a Credit Memo:

1. Select the Search icon, then Advanced Search.
2. Select Credit Memos from the All Transactions drop-down menu.
3. Enter the payee in the Enter Payee field and select Search.
4. Scan the credit memo transaction matches and select the transaction to edit.
5. Edit the transaction.
6. Select Save and close.

Void a Credit Memo

To void a Credit Memo:

1. Select the Search icon, then Advanced Search.
2. Select Credit Memo from the All Transactions drop-down menu.
3. Enter the Customer in the Enter Customers field and select Search.
4. Scan the Credit Memo transaction matches and select the Credit Memo to void.
5. Select More, then Void.
6. Select Yes to confirm that you want to void the transaction.
7. Select Save and close.

Delete a Credit Memo

Note: It is a good practice not to delete, but void transactions.

To delete a credit memo:

1. Select the Search icon, then Advanced Search.
2. Select Credit Memos from the All Transactions drop-down menu.
3. Enter the customer in the Enter Customer field and select Search.
4. Scan the credit memo matches and select the desired transaction to delete.
5. In the Credit Memo window, select More at the bottom of the window and then select Delete.
6. Select Yes to confirm that you want to delete the transaction.

Once you delete a credit memo, only the Audit log maintains a record of it. To open the Audit log, from the left menu, select Reports and enter Audit log in the search bar.

Record Sales Refunds

You issue a refund on advanced payment purchases, cash purchases, and purchases on account which have been paid. The type of refund depends on the type of payment you received. If your customer paid with a check, the refund should be issued with a check. If your customer paid with a credit card, the refund should be issued with a credit to the credit card they used.

A refund is money returned from a vendor to a customer generally due to the return of a product. The refund receipt should explain the reason for the refund and specify the sales receipt that initiated the refund. An analysis of refunds over a period of time can help identify deficiencies in the vendor's sales process and lead to sales process improvement.

If the customer paid with a check and you are issuing a refund with a check, the check category is a refund account and therefore you do not need to create a Refund Receipt. The check records the refund.

To issue a refund with a check, see *Create Checks* in Chapter 6: *Processing Purchases and Payments*.

If your customer paid with a credit card and you are issuing a refund to the credit card, the refund is processed through your QuickBooks Online Payments or merchant account. However, the refund needs to be recorded in QuickBooks, therefore you create a Refund Receipt.

Note: In QuickBooks, a Refund Receipt identifies the customer refunded, but not the specific sales receipt.

Creating Refund Receipts includes:

1. Create a Refund Receipt,
2. Make Recurring Refund Receipt,
3. Edit a Refund Receipt,

4. Void a Refund Receipt, and
5. Delete a Refund Receipt.

Create a Refund Receipt (Credit Card Payment)

To create a credit card Refund Receipt for an item paid with a credit card.

1. Select New from the left menu, then select Refund Receipt.

The Refund Receipt page opens.

The screenshot shows the 'Refund Receipt' form with the following elements highlighted by numbered callouts:

- 2:** Customer selection dropdown and Email input field.
- 3:** Billing address input field and Refund Receipt date (03/04/2021) input field.
- 4:** Tags input field.
- 5:** Payment method dropdown menu.
- 6:** 'Enter credit card details' button.
- 7:** The table with columns: #, PRODUCT/SERVICE, DESCRIPTION, QTY, RATE, AMOUNT.
- 8:** 'Save and new' button at the bottom right.

Additional form details include: 'AMOUNT \$0.00' in the top right; 'Process credit card' checkbox checked; 'Add lines' and 'Clear all lines' buttons; 'Message displayed on refund receipt' (Thank you for your business and have a great day!); 'Message displayed on statement'; 'Attachments' section with a 'Show existing' link; and footer buttons for 'Cancel', 'Clear', 'Print or Preview', 'Make recurring', and 'Save and new'.

2. Type the customer's name, select the customer, and verify the Email and Cc and Bcc emails.
3. Verify the Billing address and Refund Receipt date.
4. (Optional) Enter any applicable tags.
5. Select the Credit Card Payment method and enter the Service Date (if you perform services and turned on the Service date).
 Note: The Refund From field closes and a new Enter credit card details box opens.
6. Select Enter credit card details, enter the Credit Card Information, and select save.
7. Select the Product/Service(s) and enter the quantity (QTY).

Delete, add or clear all lines as necessary. To delete a line, select the trash can icon to the right of the line. To add one line, select the line and the + icon. To add 4 lines, select Add lines. To clear all lines, select Clear all lines.

8. Select Save and send to create and preview an email to send the refund receipt to your customer. Alternatively, you can select Save and new to save your work and start a new refund receipt or Save and close to save the refund receipt and close the screen. You can select Save at any time to save your work without leaving the refund receipt.

If Save and new, select Save and close on the last refund receipt.

On the All Sales page, select the Type column up arrow to group the refund receipts, select the refund receipt you created and on the Batch actions drop-down menu, select Send transactions.

Once you save or preview the refund receipt, even if you do not send or print it, the transaction information from the refund you created is included in reports.

Behind the Scenes

When you create a Refund Receipt, QuickBooks decreases (debits) the “Product/Service” account(s) (Profit and Loss: Income) and decreases (credits) the credit card bank account (Balance Sheet: Asset) by the “Total Amount Refunded”.

Example – Company created a \$106.50 refund receipt for a return of a \$100 item with a sales tax rate of 6.5% paid with a check.

T Accounts:

Product/Service		Sales Tax		Credit Card Bank Account	
Debit	Credit	Debit	Credit	Debit	Credit
\$100.00		\$6.50			\$106.50

Note: You can go to a previously created Refund Receipt transaction to view the Transaction journal.

To view the Transaction journal:

1. Select the Refund transaction you would like to view.
2. Select More at the bottom of the transaction.
3. Select Transaction journal.

Make Recurring Refund Receipts

You can make a Recurring Refund Receipt for refund receipts that occur periodically. For example, you may issue a common refund receipt to customers such as a product return. By creating a Recurring Refund Receipt, you do not have to create and send it each time it occurs.

To make a Recurring Refund Receipt:

1. Select the Gear icon on the toolbar, then select Recurring Transactions.
2. On the Recurring Transactions page, select New.
3. Select Refund from the Transactions Type drop-down list and select OK.

The Recurring Refund page opens.

The screenshot shows the 'Recurring Refund Receipt' form with the following elements highlighted by numbered callouts:

- 4:** Template name and Type (set to 'Unscheduled') dropdowns.
- 5:** Customer and Email input fields.
- 6:** Billing address input field.
- 7:** Tags input field with a 'Manage tags' link.
- 8:** Payment method and Refund From dropdowns.
- 9:** The main table with columns: #, PRODUCT/SERVICE, DESCRIPTION, QTY, RATE, AMOUNT, TAX, and a trash icon column. It includes 'Add lines' and 'Clear all lines' buttons.
- 10:** The 'Save template' button at the bottom right.

Additional form details include a 'Message displayed on refund receipt' field with the text 'Thank you for your business and have a great day!', a 'Message displayed on statement' field, and an 'Attachments' section with a maximum size of 20MB. The bottom of the form has 'Cancel', 'Clear', and 'Save template' buttons.

4. Enter a Template name and choose the Type 'Unscheduled'. Due to the nature of refund receipts you would generally create a recurring unscheduled Refund Receipt.

Unscheduled

- What it does: It is saved with partial or complete data and without a schedule. Nothing happens to this type of refund receipt until you choose to use it.
- How you control it: 'Unscheduled' transactions do not have timetables; you use them as needed from the Recurring Transactions list. You select the refund receipt and select 'Use' to use it as the starting point for a new refund receipt.

- This type is useful for: Transactions that contain detail that you do not want to retype, but that aren't needed on any set schedule such as credit memos that need to go to different customers.
5. Type the customer's name, select the customer, and verify the Email and Cc and Bcc emails.
Select Add new if the customer is not set up. Take the time now to set up customer information.
 6. Verify the Billing address.
 7. (Optional) Enter any applicable tags.
 8. Select the payment method originally used by the customer and select the refund account from the drop-down menus.
 9. Select the Product/Service(s) and enter the quantity (QTY). Select Add new if the product or service is currently not set up.

Delete, add or clear all lines as necessary. To delete a line, select the trash can icon to the right of the line. To add one line, select the line and the + icon. To add 4 lines, select Add lines. To clear all lines, select Clear all lines.

Note: All fields must be entered for Scheduled templates. For example, if an item has a rate of \$0, enter 0. If left blank, the line will not save.

It is not necessary to fill in every field for Reminder or Unscheduled templates. Enter just the data to be repeated in each occurrence. You'll be able to edit each occurrence before it is actually created.

10. Select Save template.

Note: You can make a Recurring Refund Receipt template from any existing refund. To make a recurring refund template from an existing refund, open an existing refund and select Make Recurring at the bottom of the refund.

Edit a Refund Receipt

To edit a Refund Receipt:

1. Select the Search icon, then Advanced Search.
2. Select Refunds from the All Transactions drop-down menu.
3. Enter the customer in the Enter Customers field and select Search.
4. Scan the refund transaction matches and select the refund to edit.
5. Edit the transaction.
6. Select Save and close.

Void a Refund Receipt

To void a Refund Receipt:

1. Select the Search icon, then Advanced Search.
2. Select Refunds from the All Transactions drop-down menu.
3. Enter the customer in the Enter Customers field and select Search.
4. Scan the refund transaction matches and select the refund to void.
5. Select More, then Void.
6. Select Save and close.

Delete a Refund Receipt

Note: It is a good practice not to delete, but void transactions.

To delete a Refund Receipt:

1. Select the Search icon, then Advanced Search.
2. Select Refunds from the All Transactions drop-down menu.
3. Enter the customer in the Enter Customers field and select Search.
4. Scan the refund transaction matches and select the refund to delete.
5. In the Refund window, select More at the bottom of the window and then select Delete.
6. Select Yes to confirm that you want to delete the transaction.
Once you delete a refund, only the Audit log maintains a record of it. To open the Audit log, from the left menu, select Reports and enter Audit log in the search bar.

Record Bank Deposits

At the end of each business day the bookkeeper should create a Bank Deposit. See *Bank Deposits and Transfers* in Chapter 4: *Processing Bank and Credit Card Accounts*.

Monitor and Collect Unpaid Invoices

Accounts Receivable Collection Policies and Procedures

An accounts receivable collection policy should identify what methods credit personnel will use to collect receivables, particularly past due accounts. The best collection process is one which is proactive and consistent, and which reflects the sales cash management rule *Receive payment as soon as possible*.

The accounts receivable collection policy should include:

- When to contact a customer,

- How to contact a customer,
- When to place an account on hold,
- How to resolve disputes, deductions, etc.,
- When to turn over delinquent accounts to an outside collection agency or attorney,
- When to write-off an account to bad debt, and
- Authorizing settlements.

Points to Consider:

- Has the company established a clearly defined process for collecting past due accounts, beginning when an account first becomes delinquent and continuing until the debt is collected or when the collection cost exceeds the benefit?
- Does the company use multiple collection strategies such as email, telephone, and letter?
- Does the collection policy contain a statement that reinforces ethical behavior and credit professionalism when communicating with customers and salespeople?
- Is there a policy for when to place an account on credit hold and does it have the buy-in of sales?
- Are customers, customer service, shipping, and salespeople notified immediately, as applicable, of a potential credit hold situation before the hold actually goes into effect?

Small companies often do not have the abundant source of capital or funding that large public companies do and, as such, the risks associated with slow paying customers is detrimental. Therefore, small companies need to guard accounts receivable closely to optimize cash flow.

Collection Responsibility

Depending on the size or organization of the company, the collection function should be assigned to a specific employee. The employee will be working under the direction of the owner of the company, CFO, controller, accountant, or bookkeeper.

Sample Collection Policies and Procedures

Employee Responsible

The bookkeeper is responsible for the accounts receivable collection process.

Payment Terms

The company's terms are 30 days (Net 30) of the receipt of the invoice.

Late Fees

The company assesses a finance charge of 1.5% per month or 18% per year on all amounts received after 30 days of the receipt of the invoice.

Late Fee Customer Communication

All invoices must contain the following message:

Thank you for your business. Please send payment within 30 days of receipt of this invoice. We assess a finance charge of 1.5% per month or 18% per year on all amounts received after that time. If you have a question or need assistance, please contact us.

When and How Invoices are Sent

Invoices are emailed on the day upon completion of service.

When and How to Contact a Customer

First Contact

Each day the bookkeeper reviews the Invoices Unpaid list (select the Invoices, Unpaid window on the Dashboard page), scans the Status column for invoices Due in 7 days, and emails a reminder invoice with the following message:

This invoice is to remind you that your invoice is due in 7 days. If you have made your payment, thank you. If we do not receive your payment by the due date, we will assess you a finance charge of 1.5% per month or 18% per year on all amounts received after that time. Please ensure that we receive your payment by the due date to avoid the charge. If you have a question or need assistance, please contact us. We value your business and look forward to working with you.

Note: The QuickBooks Invoices Unpaid list Status column also indicates if the invoice was Sent, Viewed, Paid, and Deposited. Thus, the bookkeeper knows if the invoice was viewed.

Second Contact

The bookkeeper also scans the Status column for invoices Overdue 1 day and emails an overdue invoice with the 30-day 1.5% finance charge added and the following message:

This invoice is overdue, therefore the amount you owe includes a finance charge of 1.5% per month or 18% per year in addition to the past due amount. If you contact us within 7 days and pay the past due amount, we will waive the finance charge. If you have a question or need assistance, please contact us. We value your business and look forward to working with you.

Third Contact

The bookkeeper also scans the Status column for invoices Overdue 38 days and calls the customer. The bookkeeper communicates the following:

1. Hi [name].
2. This is [name] with [company].
3. Invoice number [#] was emailed on [date] for [amount] and is now overdue.
4. I'm calling to ask when we will receive payment? (Let the customer provide a day or date.)

5. If we receive payment by that day or date (or within 7 days if message left on voicemail), we will be happy to waive the finance charge.
6. Thank you for your time and have a great day. We appreciate your business.

The bookkeeper should be kind, friendly, and courteous.

If the bookkeeper receives a voicemail, record the message.

Fourth Contact

The bookkeeper also scans the Status column for invoices Overdue 45 days and calls the customer. The bookkeeper communicates the following:

1. Hi [name].
2. This is [name] with [company].
3. Invoice number [#] was emailed on [date] for [amount] and is now overdue.
4. We called you last week and you stated you would pay the invoice by [day or date] and we still have not received payment.
5. We are calling to let you know that if we do not receive payment or hear from you to make an installment payment arrangement within 7 days, we will turn your invoice over to our attorney for collection.
6. We understand you may be having financial difficulties and we'd be happy to work with you.
7. We look forward to receiving your payment or hearing from you.
8. Thank you for your time and have a great day. We appreciate your business.

The bookkeeper should be kind, friendly, and courteous.

If the bookkeeper receives voicemail, record the message.

When to Place an Account on Hold

The company no longer works with the client and places the account on hold.

The hold is immediately communicated to salespeople and customer service.

Fifth Contact

How to Resolve Disputes, Deductions, etc.,

The bookkeeper also scans the Status column for invoices Overdue 52 days and contacts his attorney. The company should have an attorney on retainer. The attorney has a collection letter template stating that his client will accept 50% of the original invoice as settlement of the total amount due and save the customer from harming his/her credit and avoiding small claims court and legal fees.

If payment is not received or arranged, the attorney reports the customer to the credit bureaus and takes the customer to small claims court.

When to Write-off an Account to Bad Debt

The bookkeeper writes-off the amount not collected to bad debt.

Email Sales and Receipts Reports

Daily, weekly, monthly, quarterly, and annual sales and receipts reports should be emailed to personnel who use sales and receipts report information. See *QuickBooks Report Email Schedule* Chapter 7: *Communicating Business Performance*.

CHAPTER 6 – PROCESSING PURCHASES AND PAYMENTS

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Introduction

Processing purchases and payments are critical activities of small businesses. Not only must you follow practices that increase cash flow and protect the company's cash from misuse, but you must process it accurately to productively manage the company's cash flow and maintain good vendor relations.

This chapter provides you step-by-step guidance for processing purchase and payment transactions.

The guidance in the chapter is useful to bookkeepers as well as personnel involved in purchases and payments activities. The chapter helps purchases and payments personnel fine-tune their processing activities and provides newly hired or cross-trained employees with a foundation for processing purchases and payments.

Accounting Process Automation

Accounting process automation automates traditional routine manual purchases and payments processes. Automation improves the speed, accuracy, and reliability of everyday transactional documents such as expenses, bills, payments, vendor credits, and credit card credits.

This chapter uses accounting process automation to efficiently and productively process purchases and payments with QuickBooks.

Important: In this chapter we address processing purchase and payment transactions. To automate routine purchase and payment transactions, we utilize online bank and credit card connection set up. This feature allows QuickBooks to automatically import your company's purchase and payment transactions directly from your company's online bank and credit card accounts. This feature improves the speed, accuracy, and reliability of recording purchase and payment transactions because you are no longer required to manually record or create these transactions.

Hypothetically, if all of your company's purchase and payment transactions flowed through your QuickBooks connected bank and credit card accounts, you wouldn't need to manually record any purchase and payment transactions. Processing purchase and payment transactions would be as easy as importing and reviewing the transactions and reconciling the bank and credit card accounts. However, not all of your company purchase and payment transactions that flow through your bank and credit card accounts provide you the information you may need or want.

For example, if you purchase products or services on account (credit purchases) you need to record the vendor invoice (bill). When you pay a bill, you need to record the payment. If you are issued a credit on your account or refund, you need to record the vendor credit or refund. If you only import your company's purchase and payment transactions directly from your company's online bank account, your accounting system will only record the payment and refund. The payment and refund information will display in your profit and loss report, but the timing of the purchase or refund information will be off. To be useful, accounting information must be *timely*, relevant, and reliable. You also will not have the accounts payable information necessary to monitor and pay money you owe.

Throughout this chapter, we provide instructions and step-by-step procedures to enable you to manually record purchase and payment transactions for those times when you need or want to.

When we work with new clients, we set up their accounting system using QuickBooks connected bank and credit card automation. We monitor the financial information the system is communicating and add manual procedures as necessary to communicate the client's financial position, profit, and cash flow.

Purchases and Payments Tools

The following tools are needed to process purchases and payments:

- QuickBooks,
- Company online bank account(s) compatible with QuickBooks,
- Company credit card(s) (business credit card or personal credit card used only for business) compatible with QuickBooks, and
- Company one sheet, two-part voucher QuickBooks compatible checks.

Bookkeeper Tasks

Your purchases and payments tasks include:

1. Manage Vendors,
2. Record advance payments and cash purchases,
3. Record purchases on account,
4. Record purchase credits and refunds, and
5. Email purchases and payments reports.

Accountant Tasks

Your accountant's purchases and payments tasks include:

1. Set up your company's Expenses settings,
2. Provide processing purchases and payments training,
3. Support purchases and payments questions or problems,
4. Review your monthly purchase and payment transactions and balances, and
5. Customize, group, and schedule your daily, weekly, monthly, quarterly, and annual expense reports.

What are Purchases?

Purchases are the products or services your company buys including assets (inventory, equipment and furniture) and expenses (advertising, insurance, and supplies).

What is the Purchases Process?

The purchases process is the steps taken to buy and pay for products or services from vendors. This set of sequential, interrelated activities is known as the purchases process or cycle. The activities involved with purchases depend on how you buy and pay for vendor products and services.

What are Payments?

Payments are cash purchases (including checks and credit cards) on vendor accounts. It is the movement of money from an individual or business to another individual or business in exchange for a product or service. Payments are the means by which one compensates another.

What are Expenses?

An expense is a cost incurred that can be justified through a payment. In a business, expenses are the costs of operations necessary to generate revenue. The most common expenses include payments to suppliers, rent or real estate, and maintenance. Employee wages are also considered an expense when referring to the company's income statement.

What are Bills?

A bill is an invoice sent to an individual or business from the vendor for money owed for products or services that have been provided but not paid. The term invoice is used by the sender, while the term bill is used as the receiver. Just as you set invoice payment terms for your customers, your vendors will also have terms regarding when and how the payment for the bill should be made.

What is the Difference Between a Bill and an Expense?

A bill is an expense. However, the difference between a bill and an expense is that a bill represents something you will pay for at a later time, while an expense represents something you have already paid for.

What is a Purchase Discount?

A purchase discount is an offer from the supplier to the buyer, to reduce the payment amount if the payment is made within a certain period of time. For example, if a buyer purchased a \$100 item with a purchase discount term 3/10, net 30, the buyer would receive a 3% or \$3 discount if the buyer pays within 10 days. If not, the full amount is due within 30 days.

Types of Purchase Transactions

There are three main types of purchase transactions: advance payment purchases, cash purchases, and credit purchases. The difference between these purchase transactions is in the timing of when payment is made.

1. Advance payment purchases: You pay the vendor before the products or services are shipped, delivered or performed.
2. Cash purchases: (time of sale or completion of service): Payment is made at the time the product or service is purchased, shipped, delivered or performed.
3. Purchases on account: You are provided a period of time to pay the vendor after the product or service is purchased, shipped, delivered or performed.

Cash Management

The cash management rule pertaining to purchases is *Pay as late as possible, but within terms*. Therefore, the purchases on account policy complies best with the *Pay as late as possible, but within terms* rule. However, the policy may not be practical or generally accepted in certain industries or with certain products and services. For example, if you pay for SaaS (Software as a Service) subscriptions, such as QuickBooks or Microsoft 365, they are only sold on monthly or annual advance payments.

Whenever possible, try to work with vendors who offer credit terms to retain your cash as long as you can. In addition, negotiate with those vendors to extend their credit terms. For example, if they offer credit terms of Net 15, negotiate the terms to Net 30.

While the rule is to pay as late as possible, always pay your bills on time. Experienced, successful business owners understand the importance of relationships. Whether those relationships be with employees, customers, bankers, or vendors; developing and maintaining good relationships buys you a lot of latitude. Employees would rather work for, customers would rather buy from, bankers would rather lend to, and vendors would rather supply to business owners they have good relationships with. Not paying your bills on time is a fast track to ruining a good relationship. For example, who are your best customers? That's right, the ones who pay on time. And who are the worst? Right again, the ones who do not pay on time.



Manage Vendors

Before you start creating purchases or payments, you need to manage your vendors.

Managing your vendors include:

1. Add a vendor,
2. Edit vendor information,
3. Inactivate a vendor, and
4. Merge vendors.

Add a Vendor

To add a vendor:

1. Select Expenses from the left menu, then select Vendors.
2. Select New Vendor.

The Vendor information window appears.

3. Complete all the fields in the Vendor Information window except the Opening balance fields. Opening balance fields should only be completed during set up. Obtain any missing field information.

The Display name is the name that will appear in QuickBooks as the default Company name.

4. Add any applicable notes or attachments.
5. Select Save.

Edit Vendor Information

There may be times where you need to change a vendor's information, such as the terms or billing address. You can do this by editing the vendor. When you edit vendor information, the changes will be reflected in other areas of your company file including previously sent invoices. QuickBooks also updates any recurring templates that use previous information such as:

- Billing Address
- Email
- Terms
- Phone number

To edit vendor information:

1. Select Expenses from the left menu, then select Vendors.
2. Select the vendor's name from the list or search the vendor by name or details.
3. Select Vendor Details.
4. Select Edit.

5. Update vendor information.
6. Select Save.

Inactivate a Vendor

If you need to remove a vendor so they do not appear as an option when creating purchases or payments, you make them inactive. You cannot delete a vendor.

To make a vendor inactive:

1. Select Expenses from the left menu, then select Vendors.
2. Search the vendor by name and select Vendor Details.
3. Select Edit, then Make inactive.
4. Select Yes to make the vendor inactive.

Merge Vendors

If a vendor has been created twice or has a duplicate profile by mistake, it is usually best to merge the two vendors, as opposed to making one of the two inactive.

Note: Be aware that the merging process is not reversible and cannot be undone.

To merge vendors:

1. Select Expenses from the left menu, then Vendors.
2. Search the vendor you do not want to use by name and select Vendor Details.
3. Select Edit.
4. Change the Title fields (First name, Middle name, Last name, and Suffix) and the Display Name to make them identical to the vendor you want to merge with.
5. Select Save, then select Yes to confirm that you want to merge the two vendors.

Purchases and Payments Process

Frequency

Process purchases and payments daily to generate timely, relevant, and reliable financial information. Bills received and expenses incurred over the weekend or holiday should be processed the following Monday or business day. You can create purchases and payments one at a time throughout the day or all at once at the end of the day. However, all at once is usually more efficient.

Processing Purchases and Payments

How you process purchase and payment transactions depend on the type of purchase transaction, methods of payment, and technology.

Type of Purchase Transaction

How you record purchase transactions in QuickBooks depend on the type of purchase transaction.

1. Advance payment purchases: Expense and Check
2. Cash purchases (at the time of purchase or completion of service): Expense and Check
3. Purchases on account: Bill, Pay Bills, Vendor Credit, Credit Card Credit, and Print Checks

Acceptable Methods of Payment

Acceptable methods of payment may include cash, checks, credit cards, ACH bank transfers (eCheck), and online payment systems such as PayPal.

When you do make advance, cash, or purchases on account payments, use a credit card with a rewards program (this applies to your personal payments as well). Use a business credit card or personal credit card used only for business. That way you do not have to review the card transactions to determine if the transactions are business or personal expenses. Business credit cards usually offer better benefits than personal credit cards used for business, but business cards generally have higher annual fees.

Credit cards with reward programs can be quite beneficial. Rewards such as airline miles or hotel stays can add up very quickly when used to pay business expenses. You may want to use the card used for business for miles and the card used for personal expenses for hotels. Many business owners take luxurious annual vacations based on the business and personal credit cards miles earned each year.

Credit cards provide the business owner with greater protection than checks. If someone uses your credit card and makes unauthorized purchases, you can dispute those charges and have your money returned. If someone uses your checks and makes unauthorized purchases, it is difficult if not impossible to have your money returned.

Purchases and Payments Process

The purchases and payments process include:

1. Record advance payment and cash purchases.
 - a. Create Expenses.
 - b. Create Checks.
2. Record purchases on account.
 - a. Create Bills.
 - b. Pay Bills.
3. Record purchase credits and refunds.
 - a. Create Vendor Credits.
 - b. Create Credit Card Credits.
 - c. Create Vendor Refunds.

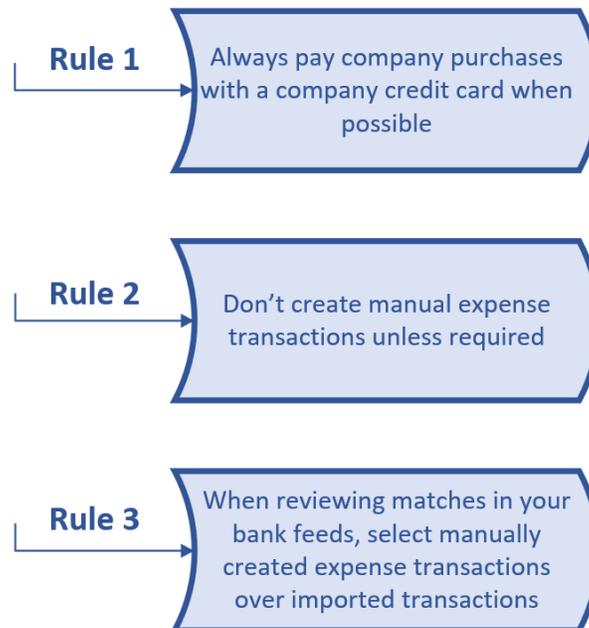
4. Email purchases and payments reports.

Record Advance Payment and Cash Purchases

Note: If you are paying, will pay, or have paid for a purchase with a check, in QuickBooks you use Check to create a check to pay now, Pay bills to create checks for Bills you have entered and will pay, and Expense to record a check you have written outside of QuickBooks (you can also enter the check directly in the checking account Register).

General Expense Transaction Rules

There are three rules to follow when it comes to purchases.



Bank and Credit Card Downloaded Transactions (Bank Feeds)

Bank Feeds connect QuickBooks to your bank and credit card accounts and download transaction information automatically. Therefore, you do not need to manually create Expense transactions when expenses are paid with your QuickBooks connected bank and credit card accounts. However, you may want to create Expense transactions to generate timely, relevant, and reliable financial information.

Some bank and credit card account imported Expense type transactions can take days to import. If the transaction is large or numerous and omitted, reports may be misleading. For example, if there is a large expense transaction incurred at the end of the month and is not imported until the first of the month, that month's income statement (P&L) profit is overstated.

You do need to manually create Check and Bill transactions when paying bills with a company check. When check transaction information is downloaded in the bank feed, the transaction is matched to the manually created check. You should select the manually created check over the bank feed downloaded transaction information. The information from a manually created transaction is generally more detailed and informative than a bank feed downloaded transaction.

Create an Expense

You manually create an Expense transaction when an expense transaction has not been paid from a QuickBooks connected company bank or credit card account. QuickBooks connected company bank or credit card account expense transactions are automatically downloaded, reviewed, and added or matched to your QuickBooks file. Therefore, you should only manually create Expense transactions for expenses paid from company cash accounts, such as petty cash, or noncompany cash, bank, or credit card accounts, such as personal accounts. In some instances, you may want to manually create an Expense transaction in addition to a QuickBooks connected company bank or credit card account expense transaction to provide more detailed expense transaction information than the downloaded transaction may provide.

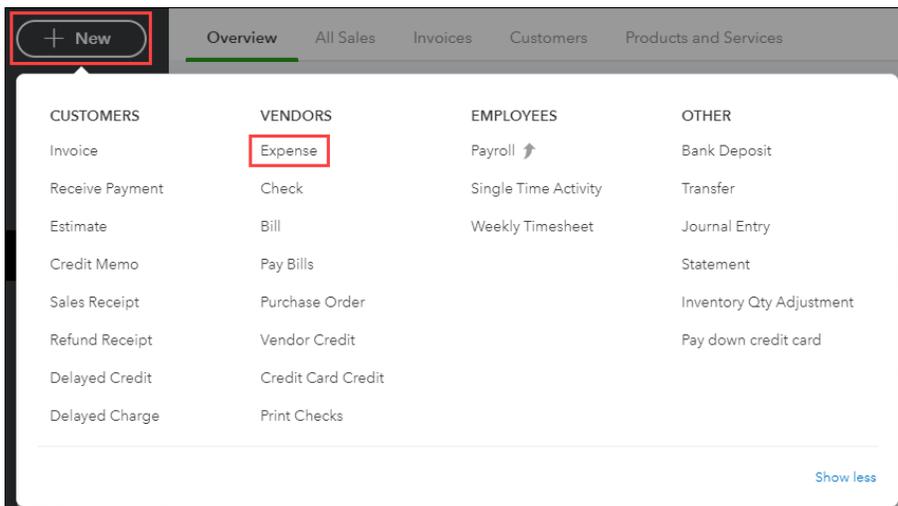
Tip: If you have a large number of expenses to create, it may be easier to enter them in the checking or credit card account register (Account history).

Creating Expenses includes:

1. Create an Expense,
2. Make a Recurring Expense,
3. Edit an Expense,
4. Void an Expense, and
5. Delete an Expense.

To create an Expense:

1. Select New from the left menu, then select Expense.



Expense Take a tour ⚙️ ? Help ✕

2 Payee: Who did you pay? (dropdown) | Payment account: Checking (dropdown) | Balance \$1,201.00 | **AMOUNT \$0.00**

3 Payment date: 03/05/2021 | Payment method: What did you pay with? (dropdown) | **4** Ref no.: (text field)

5 Tags: (text input) | [Manage tags](#)

6 **Category details**

#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	TAX	CUSTOMER
1	What tax category fits?	What did you pay for?				
2						

7 **Item details**

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	BILLABLE	TAX	CUSTOMER
1		What did you pay for?						
2								

8 Memo: (text input) | Attachments: (file upload) | **9** **Total \$0.00**

Buttons: Cancel, Make recurring, Save, **Save and close**

2. Select the name of the vendor from the Payee drop-down menu or type the first letter(s) to retrieve the vendor and select the Payment account used to pay the expense.

Select Add new if the vendor is not set up. Take the time now to set up vendor details.

3. Enter the Payment date and Payment method (type) used to pay the expense.
4. Enter the receipt reference number in the Ref no. field to identify the expense receipt.
5. (Optional) Enter any applicable tags.
6. For the Category details, select the expense account from the Category drop-down menu and enter or change the Description and Amount.

If you need to add a new account or are unsure what account to classify the expense to, select Ask My Accountant account. When your accountant reviews your bookkeeping, they will communicate the proper category for each Ask My Accountant transactions.

Delete, add or clear all lines as necessary. To delete a line, select the trash can icon to the right of the line. To add one line, select the line and the + icon. To add 4 lines, select Add lines. To clear all lines, select Clear all lines.

7. (Optional) For the Item details, select any Product/Service(s) from the drop-down menu, change, enter or select the Description, quantity (QTY), Rate, and Amount.

Select Add new if the product or service is currently not set up.

8. Enter any memo item that you want to appear in the Register (or Account history) and on reports that include this expense and add any attachments.
9. Select Save and new to save your work and start a new expense or Save and close to save the expense and close the window. You can select Save at any time to save your work without leaving the expense.

Behind the Scenes

When you create an Expense, QuickBooks increases (debits) an asset (Balance Sheet: Asset) or expense (Profit and Loss: Expenses) account and decreases (credits) a bank account (Balance Sheet: Asset) or increases a credit card account (Balance Sheet: Current Liabilities) by the amount paid.

Example – Company purchased an item for \$100 with a sales tax rate of 6.5% at the time of purchase.

T Accounts:

Asset or Expense Account		Bank or Credit Card Account	
Debit	Credit	Debit	Credit
\$106.50			\$106.50

Note: You can go to a previously created Expense transaction to view the Transaction journal.

To view the Transaction journal:

1. Select the Expense transaction you would like to view.
2. Select More at the bottom of the transaction.
3. Select Transaction journal.

Make Recurring Expenses

You can create a Recurring Expense for purchases that occur periodically or frequently.

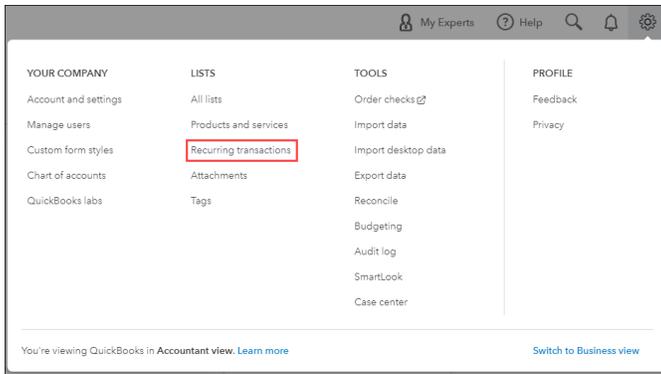
For example, you may purchase assets or expenses periodically for a fixed fee or payment. By creating a Recurring Expense, you do not have to create and pay it each period. You can schedule it to be created and paid automatically.

You may purchase the same assets or expenses frequently. By creating a Recurring Expense, you do not have to create and pay it every time you purchase it.

You may also purchase assets or expenses that do not occur periodically or frequently, but the accounts are numerous, and/or the descriptions are detailed, and it takes time to create it. By creating a Recurring Expense, you do not have to take the time to recreate it every time you purchase it.

To create a Recurring Expense:

1. Select the Gear icon on the toolbar, then select Recurring Transactions.



2. On the Recurring Transactions page, select New.
3. Select Expense from the Transactions Type drop-down menu and select OK.

The screenshot shows the 'Expense' recurring transaction form. It includes fields for template name, type, create days in advance, payee, account, interval, start date, end date, payment method, and tags. Below these are sections for 'Category details' and 'Item details', each with a table for adding lines. At the bottom, there is a memo field, attachments, and a 'Save template' button.

1 Template name

2 Type

3 Create

4 days in advance

5 Payee

6 Account

7 Interval

8 Start date

9 End

10 Payment method

11 Tags

12 Category details

#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	TAX	CUSTOMER
1	What tax category fits?	What did you pay for?				
2						

13 Item details

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	BILLABLE	TAX	CUSTOMER
1		What did you pay for?						
2								

14 Total \$0.00

Save template

4. Enter a Template name and choose a Type — Scheduled, Reminder, or Unscheduled.

Scheduled

- What it does: Creates purchases according to a schedule you set.
- This type is useful for: Purchases (assets or expenses) with fixed schedules and amounts.

Reminder

- What it does: Proposes a series of expenses according to schedules you set. The expenses are not paid until you decide to create and pay them. These reminders are found in the Tasks section at the top of the Dashboard page. The Tasks section only appears when you have tasks. The reminders can also be found on the Reminder List.
- How you control it: By selecting on each expense you will be able to decide which ones to create, and you can review and edit them first before scheduling them.
- This type is useful for: Expenses with a fixed schedule that need to be edited before they are created.

Unscheduled

- What it does: It is saved with partial or complete data and without a schedule. Nothing happens to this type of expense until you choose to use it.
- How you control it: Unscheduled transactions do not have timetables; you use them as needed from the Recurring Transactions list. You select the purchase and select Use to use it as the starting point for a new expense.
- This type is useful for: Transactions that contain a lot of detail that you do not want to retype, but that aren't needed on any set schedule such as complicated purchases that need to go to different vendors.

5. (Optional) Enter how many days to create in advance.
6. Select the name of the payee from the drop-down menu or type the first letter(s) to retrieve the payee and select the account you will pay with.

Select Add new if the payee is not set up. Take the time now to set up payee details.

7. Select the interval for the Recurring transaction.

This dictates when and how often the transaction will take place.

8. (Optional) Select Start date and End (None, By, or After) to start and end the recurring expense.
9. Select the desired Payment method from the drop-down menu.
10. (Optional) Enter any applicable tags.
11. For the Category details, select the expense account from the Category drop-down menu and enter or change the Description and Amount.

If you need to add a new account or are unsure what account to classify the purchase to, select Ask My Accountant account. When your accountant reviews your bookkeeping, they will communicate the proper category for each Ask My Accountant transactions.

Delete, add or clear all lines as necessary. To delete a line, select the trash can icon to the right of the line. To add one line, select the line and the + icon. To add 4 lines, select Add lines. To clear all lines, select Clear all lines.

12. (Optional) For the Item details, select or add any Product/Service(s) from the drop-down menu, change, enter or select the Description, quantity (QTY), Rate, and Amount.

Select Add new if the product or service is currently not set up.

Note: All fields must be entered for Scheduled templates. For example, if an item has a rate of \$0, enter 0. If left blank, the line will not save.

It is not necessary to fill in every field for Reminder or Unscheduled templates. Enter just the data to be repeated in each occurrence. You'll be able to edit each occurrence before it is actually created.

13. Enter any memo item that you want to appear in the Register (or Account history) and on reports that include this expense and add any attachments.

14. Select Save template.

Note: You can make a Recurring Expense template from any existing Expense. To make a Recurring Expense template from an existing Expense, open an existing Expense and select Make Recurring at the bottom of the page.

Edit an Expense

To edit an Expense:

1. Select the Search icon, then Advanced Search.
2. Select Expenses from the All Transactions drop-down menu.
3. Enter the payee in the Enter Payee field and select Search.
4. Scan the expense transaction matches and select the expense to edit.
5. Edit the transaction.
6. Select Save and close.

Void an Expense

To void an Expense:

1. Select the Search icon, then Advanced Search.
2. Select Expenses from the All Transactions drop-down menu.
3. Enter the payee in the Enter Payee field and select Search.

4. Scan the expense transaction matches and select the expense to void.
5. Select More, then Void.
6. Select Save and close.

Delete an Expense

To delete an Expense:

1. Select the Search icon, then Advanced Search.
2. Select Expenses from the All Transactions drop-down menu.
3. Enter the payee in the Enter Payee field and select Search.
4. Scan the expense transaction matches and select the expense to delete.
5. In the Expense window, select More at the bottom of the window and then select Delete.
6. Select Yes to confirm that you want to delete the transaction.
Once you delete an expense, only the Audit log maintains a record of it. To open the Audit log, from the left menu, select Reports and enter Audit log in the search bar.

Create Checks

Creating checks in QuickBooks lets you track expenses and helps organize your checking account and bank statement reconciliation.

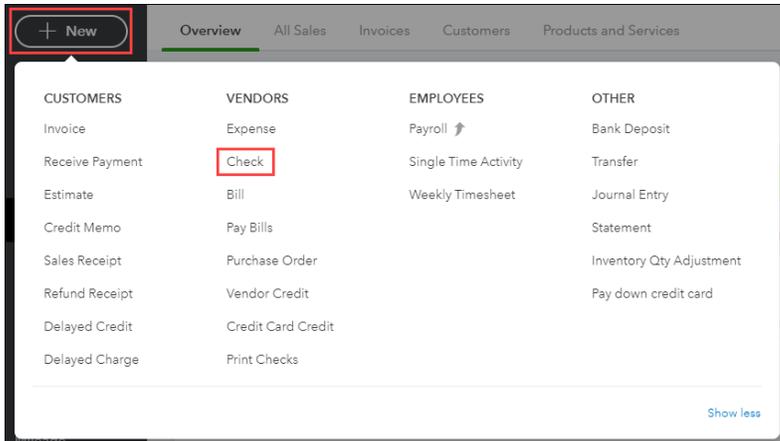
Creating checks includes:

1. Create a Check,
2. Make Recurring Checks,
3. Edit a Check,
4. Void a Check,
5. Delete a Check, and
6. Print Checks.

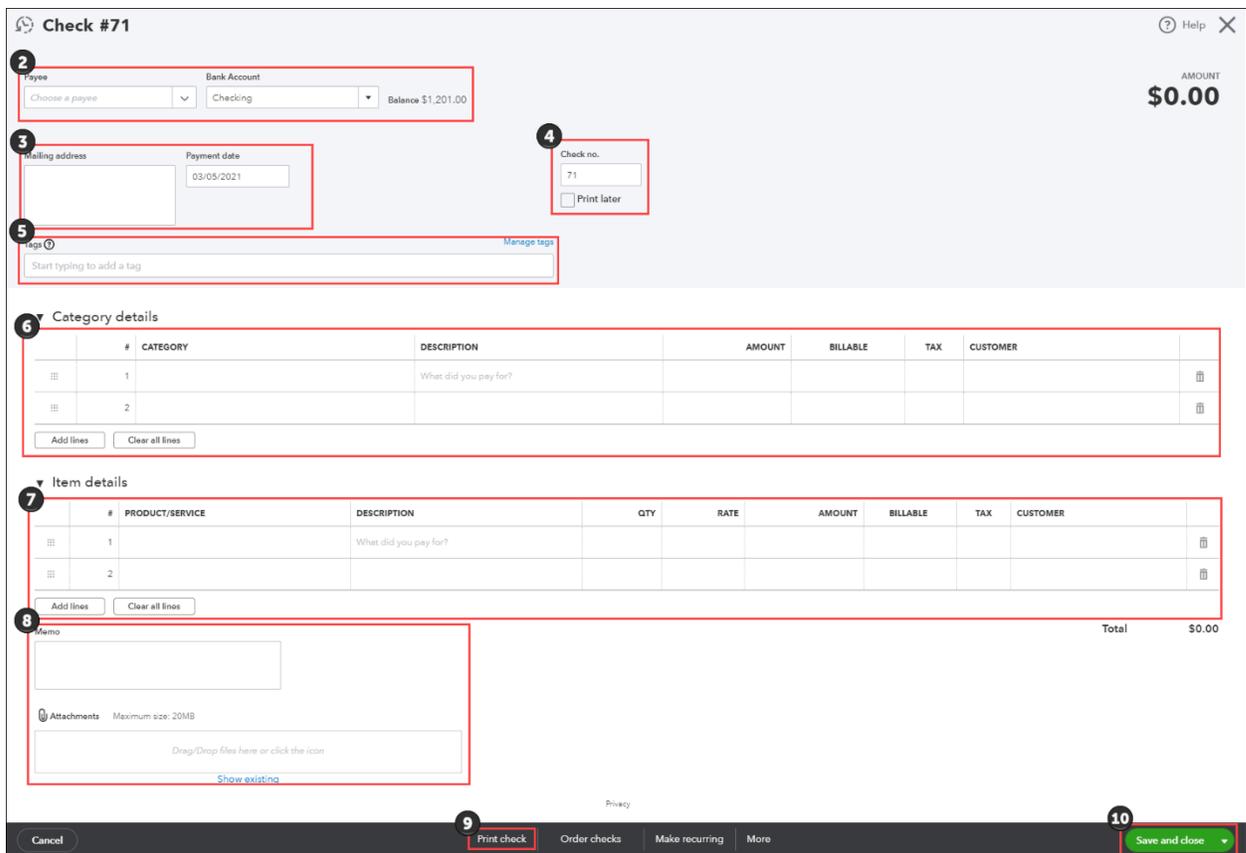
Create a Check

To create a Check:

1. Select New from the left menu, then select Check.



The Check page opens.



2. Select the name of the payee from the Payee drop-down menu or type the first letter(s) to retrieve the payee and specify the Bank Account where the money will be withdrawn.
Select Add new if the payee is not set up. Take the time now to set up payee details.
3. Verify the Mailing address and Payment date.
4. Verify or change the Check no.

Check the Print later box if you plan to print the check later. If you want to print the check, leave the Print later box unchecked.

5. (Optional) Add any applicable tags.
6. For the Category details, select the account the purchase will be classified to from the Category drop-down menu, change or enter the Description and Amount.

If you need to add a new account or are unsure what account to classify the purchase to, select Ask My Accountant account. When your accountant reviews your bookkeeping, they will communicate the proper category for each Ask My Accountant transactions.

Delete, add or clear all lines as necessary. To delete a line, select the trash can icon to the right of the line. To add one line, select the line and the + icon. To add 4 lines, select Add lines. To clear all lines, select Clear all lines.

7. (Optional) For the Item details, select or add any Product/Service(s) from the drop-down menu, change, enter or select the Description, quantity (QTY), Rate, and Amount.

Select Add new if the product or service is currently not set up.

8. Enter any memo item that you want to appear in the Register (or Account history) and on reports that include this check and add any attachments.
9. If you want to print the check, select Print check. The check is saved, and the Print Checks window appears. Select Preview and Print, then Print. Select Close and answer "Did your checks print OK?", then Done.
10. Select Save and close to save the check and close the window.

If you want to create another check, select Save and new to save the check and create a new check. Select Save and close after the last check you create.

To print the check later, select Save and close to save the check and close the window.

Behind the Scenes

When you create a Check, QuickBooks increases (debits) an asset (Balance Sheet: Asset) or expense (Profit and Loss: Expenses) account and decreases (credits) the bank account (Balance Sheet: Asset) by the amount paid.

Example – Company purchased an item for \$100 with a sales tax rate of 6.5% with a check.

T Accounts:

Asset or Expense Account		Bank Account	
Debit	Credit	Debit	Credit
\$106.50			\$106.50

Note: You can go to a previously created Check transaction to view the Transaction journal.

To view the Transaction journal:

1. Select the Check transaction you would like to view.
2. Select More at the bottom of the transaction.
3. Select Transaction journal.

Make Recurring Checks

You can create a Recurring Check for purchases that occur periodically or frequently.

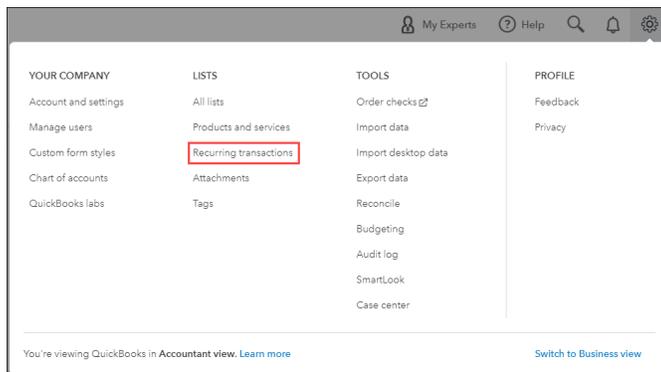
For example, you may purchase assets or expenses or make rent or loan payments periodically for a fixed fee or payment. By creating a Recurring Check, you do not have to create and pay it each period. You can schedule it to be created and paid automatically.

You may purchase the same assets or expenses frequently. By creating a Recurring Check, you do not have to create and pay it every time you purchase it.

You may also purchase assets or expenses that do not occur periodically or frequently, but the accounts are numerous, and/or the descriptions are detailed, and it takes time to create it. By creating a Recurring Check, you do not have to take the time to recreate it every time you make the purchase.

To create a Recurring Check:

1. Select the Gear icon on the toolbar, then select Recurring Transactions.



2. On the Recurring Transactions page, select New.
3. Select Check from the Transactions Type drop-down menu and select OK.

The Recurring Check page opens.

Check #71 ⚙️ Help ✕

4 Recurring Check

4 Template name **5** Type: Scheduled days in advance

6 Payee: Account: Checking

7 Interval: Monthly on day 1st of every 1 month(s) **8** Start date: End: None

9 Mailing address:

10 Check no.: 71 Print later

11 Tag: [Manage tags](#)

12 Category details

#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	TAX	CUSTOMER
1		What did you pay for?				
2						

13 Item details

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	BILLABLE	TAX	CUSTOMER
1		What did you pay for?						
2								

14 Memo:

Attachments: Maximum size: 20MB

Total \$0.00

15

Privacy

4. Enter a Template name and choose a Type — Scheduled, Reminder, or Unscheduled.

Scheduled

- What it does: Creates purchases and payments according to a schedule you set.
- This type is useful for: Purchases (assets or expenses) and rent or loan payments with fixed schedules and amounts.

Reminder

- What it does: Proposes a series of checks according to schedules you set. The checks are not paid until you decide to create and pay them. These reminders are found in the Tasks section at the top of the Dashboard page. The Tasks section only appears when you have tasks. The reminders can also be found on the Reminder List.
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- This type is useful for: Checks with a fixed schedule that need to be edited before they are created.

Unscheduled

- What it does: It is saved with partial or complete data and without a schedule. Nothing happens to this type of check until you choose to use it.
- How you control it: Unscheduled transactions do not have timetables; you use them as needed from the Recurring Transactions list. You select the purchase and select Use to use it as the starting point for a new check.
- This type is useful for: Transactions that contain a lot of detail that you do not want to retype, but that aren't needed on any set schedule such as complicated purchases that need to go to different vendors.

5. (Optional) Enter how many days to create in advance.

6. Select the name of the payee from the drop-down menu or type the first letter(s) to retrieve the payee and select the account you will pay with.

Select Add new if the payee is not set up. Take the time now to set up payee details.

7. Select the interval for the Recurring transaction.

This dictates when and how often the transaction will take place.

8. (Optional) Select Start date and End (None, By, or After) to start and end the recurring check.

9. Verify the Mailing Address.

10. Verify or change the Check no.

With a recurring check, the Check no. will auto populate with the most current check number.

Check the Print later box if you plan to print the check later. If you want to print the check, leave the Print later box unchecked.

11. (Optional) Enter any applicable tags.

12. For the Category details, select the expense account from the Category drop-down menu and enter or change the Description and Amount.

If you need to add a new account or are unsure what account to classify the purchase to, select Ask My Accountant account. When your accountant reviews your bookkeeping, they will communicate the proper category for each Ask My Accountant transactions.

Delete, add or clear all lines as necessary. To delete a line, select the trash can icon to the right of the line. To add one line, select the line and the + icon. To add 4 lines, select Add lines. To clear all lines, select Clear all lines.

13. (Optional) For the Item details, select or add any Product/Service(s) from the drop-down menu, change, enter or select the Description, quantity (QTY), Rate, and Amount.

Select Add new if the product or service is currently not set up.

Note: All fields must be entered for Scheduled templates. For example, if an item has a rate of \$0, enter 0. If left blank, the line will not save.

It is not necessary to fill in every field for Reminder or Unscheduled templates. Enter just the data to be repeated in each occurrence. You'll be able to edit each occurrence before it is actually created.

14. Enter any memo item that you want to appear in the Register (or Account history) and on reports that include this expense and add any attachments.
15. Select Save template.

Note: You can make a Recurring Check template from any existing Check. To make a Recurring Check template from an existing Check, open an existing Check and select Make Recurring at the bottom of the page.

Edit a Check

To edit a Check:

1. Select the Search icon, then Advanced Search.
2. Select Checks from the All Transactions drop-down menu.
3. Enter the payee in the Enter Payee field and select Search.
4. Scan the check transaction matches and select the check to edit.
5. Edit the transaction.
6. Select Save and close.

Should You Delete or Void a Check?

One of the most common errors made in QuickBooks is deleting a check that should be voided. You shouldn't delete checks that have been printed.

You shouldn't void a check that already has been cleared during the bank reconciliation for a prior month. If you void a check issued in a prior fiscal period that already has been "closed," QuickBooks changes the cash and other affected general ledger account balances as of the prior balance sheet date. Consequently, to restore balances as of the prior balance sheet date, your accountant would need to create a journal entry as of the prior balance sheet date to credit the cash account and debit the account to which the check was charged originally. In addition, a journal entry would need to be created in the fiscal period in which the check actually was voided to debit cash and credit the account to which the check was charged originally. If the amount of the voided check is material, the accountants should consider whether a prior-period adjustment should be created.

Voiding a check is not the same as deleting a check, and you should understand the differences.

The primary differences are:

- QuickBooks retains transaction details about voided checks and continues to list voided checks in the bank account register (with a “VOID” notation and a “0.00” check amount) but does not retain transaction details about deleted checks or list them in the check register.
- Deleting a check creates a gap in check numbers within QuickBooks. However, QuickBooks retains the check number information associated with voided checks.

You can find information about deleted checks via the “Audit Log” report in QuickBooks. The report lists the check date, payee, affected accounts, and amount, as well as the date and time the original check was printed, the date and time the check was deleted, and the user who deleted the check. However, you cannot double-select on the report information to view a deleted check.

Due to the reasons discussed, you shouldn’t delete checks that have been printed. Those checks should be voided. For example, you may need to void a check issued in error or with a mistake. If an erroneous check has not been printed, you can delete the check, but you can also void the check.

Void a Check

To void a Check:

1. Select the Search icon, then Advanced Search.
2. Select Checks from the All Transactions drop-down menu.
3. Enter the payee in the Enter Payee field and select Search.
4. Scan the check transaction matches and select the check to void.
5. Select More, then Void.
6. Select Save and close.

Delete a Check

To delete a Check:

1. Select the Search icon, then Advanced Search.
2. Select Checks from the All Transactions drop-down menu.
3. Enter the payee in the Enter Payee field and select Search.
4. Scan the check transaction matches and select the check to delete.
5. In the Check window, select More at the bottom of the window and then select Delete.
6. Select Yes to confirm that you want to delete the transaction.

Once you delete a check, only the Audit log maintains a record of it. To open the Audit log, select the Gear icon on the toolbar, then Audit Log under Tools.

Print Checks

To Print Checks:

1. Select New from the left menu.
2. Under Vendors, select Print Checks.
3. The Print Checks set up window will appear.
4. Select the check(s) you want to print.

Insert the number of checks you want to print into your printer. Depending on your laser printer, make sure the checks are facing the correct way to print.

5. Select Preview and Print.
6. Select Print.

Record Purchases on Account

When you receive a bill from a vendor, QuickBooks allows you to create and pay it when it is due. To create and pay bills, you can use the Bill and Pay Bills pages, which lets you enter and pay multiple bills and vendors at the same time, or use the Check page, which provides more information about a bill, but is better for paying one vendor at a time.

Create a Bill

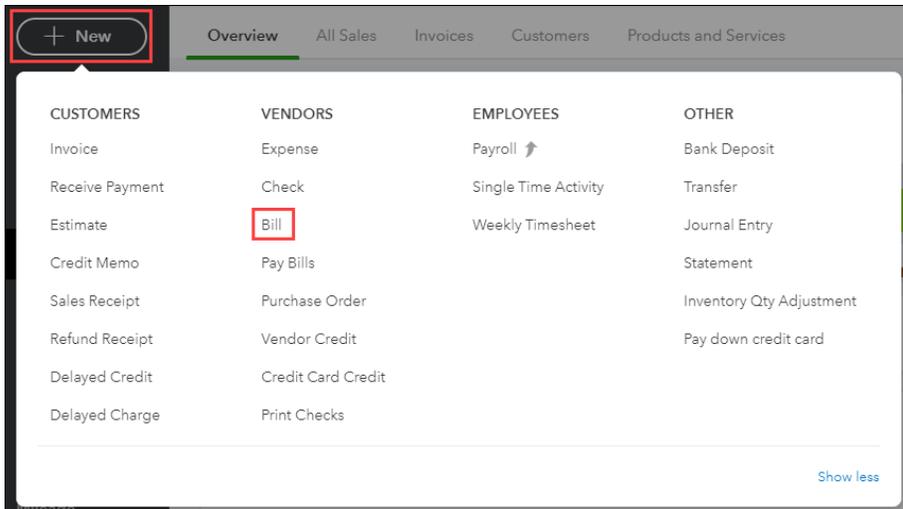
Your QuickBooks connected credit card account(s) downloads transaction information automatically. Therefore, you do not need to manually create Bill and Pay Bills transactions when bills are paid with your QuickBooks connected credit card account. However, you do need to manually create Bill and Pay Bills transactions when paying bills with a QuickBooks connected bank account company check. The checks are downloaded automatically, but you need to create the checks. In addition, the Bill and Pay Bills feature allows you to efficiently manage the cash payment rule *Pay as late as possible, but within terms*.

Creating Bills include:

1. Create a Bill,
2. Make Recurring Bills,
3. Edit a Bill,
4. Void a Bill, and
5. Delete a Bill.

To create a Bill:

1. Select New from the left menu, then select Bill.



The Bill page will then appear.

Bill Help X

BALANCE DUE
\$0.00

2 Vendor
Choose a vendor

3 Mailing address Terms 4 Bill date 03/08/2021 Due date 03/08/2021 5 Bill no.

6 Tag Start typing to add a tag [Manage tags](#)

7 **Category details**

#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	TAX	CUSTOMER
1						
2						

Add lines Clear all lines

8 **Item details**

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	BILLABLE	TAX	CUSTOMER
1								
2								

Add lines Clear all lines

9 Memo

Total \$0.00

Attachments Maximum size: 20MB
Drag/Drop files here or click the icon
[Show existing](#)

Cancel Make recurring Save **Save and schedule payment**

2. Select the name of the vendor from the Vendor drop-down menu or type the first letter(s) to retrieve the vendor.

Select Add new if the vendor is not set up. Take the time now to set up vendor details.

3. Verify the Mailing address and select the bill's Terms from the drop-down menu. The terms indicate when the vendor expects payment.

4. Verify the Bill date and specify the Due date for the bill. The Bill date is the date the bill was created, entered, or received, and the Due date is the date payment must be made to the vendor.
5. In the Bill no. field, enter a bill number or reference.
6. (Optional) Enter any applicable tags.
7. For the Category details, select the account from the Category drop-down menu and enter or change the Description and Amount.

If you need to add a new account or are unsure what account to classify the bill to, select Ask My Accountant account. When your accountant reviews your bookkeeping, they will communicate the proper category for each Ask My Accountant transactions.

Delete, add or clear all lines as necessary. To delete a line, select the trash can icon to the right of the line. To add one line, select the line and the + icon. To add 4 lines, select Add lines. To clear all lines, select Clear all lines.

8. For the Item details, select any Product/Service(s) from the drop-down menu, change, enter or select the Description, quantity (QTY), Rate, and Amount.

Select Add new if the product or service is currently not set up.

9. Enter any memo item that you want to appear in the Register (or Account history) and on reports that include this bill and add any attachments.
10. Select Save and schedule payment, Save and new to save your work and start a new bill, or Save and close to save the bill and close the window. You can select Save at any time to save your work without leaving the bill.

The Bill is entered into the system and you can pay it from the Pay Bills page.

Behind the Scenes

When you create a Bill (vendor invoice), QuickBooks increases (debits) an asset (Balance Sheet: Asset) or expense (Profit and Loss: Expenses) account and increases (credits) the accounts payable account (Balance Sheet: Current Liabilities) by the Bill amount.

Example – Company purchased an item for \$100 with a sales tax rate of 6.5% on account.

T Accounts:

Asset or Expense Account		Accounts Payable	
Debit	Credit	Debit	Credit
\$106.50			\$106.50

Note: You can go to a previously created Bill transaction to view the Transaction journal.

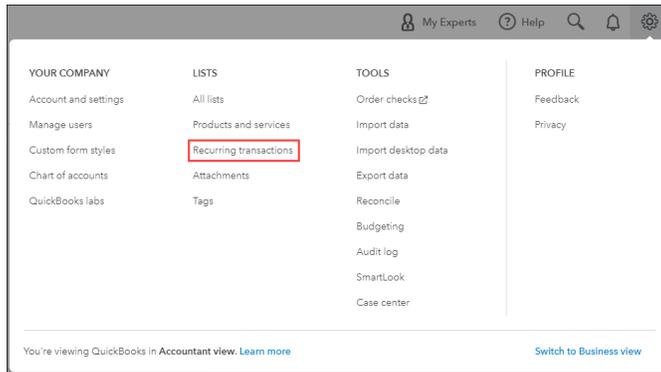
To view the Transaction journal:

1. Select the Bill transaction you would like to view.
2. Select More at the bottom of the transaction.
3. Select Transaction journal.

Make Recurring Bills

To make a Recurring Bill:

1. Select the Gear icon on the toolbar, then select Recurring Transactions.



2. Select New.
3. Select Bill as the Transaction Type and then select OK.

The screenshot shows a 'Bill' creation form with the following sections and callouts:

- 4** Recurring Bill: Includes fields for 'Template name' and 'Type' (set to 'Scheduled').
- 5** 'Create' button and 'days in advance' field.
- 6** 'Vendor' dropdown menu.
- 7** 'Interval' settings: 'Monthly' on 'day' '1st' of every '1' month(s).
- 8** 'Start date' and 'End' (set to 'None') fields.
- 9** 'Mailing address' and 'Terms' dropdown.
- 10** 'Tags' input field with 'Manage tags' link.
- 11** 'Category details' table with columns: #, CATEGORY, DESCRIPTION, AMOUNT, BILLABLE, TAX, CUSTOMER.
- 12** 'Item details' table with columns: #, PRODUCT/SERVICE, DESCRIPTION, QTY, RATE, AMOUNT, BILLABLE, TAX, CUSTOMER.
- 13** 'Memo' text area and 'Attachments' section (Maximum size: 20MB).
- 14** 'Save template' button.

4. Enter a Template name (ex. Telephone Bill or Monthly Building Lease) and choose a Type — Scheduled, unscheduled or reminder.

Scheduled

- What it does: Creates bills according to a schedule you set.
- This type is useful for: Bills with fixed schedules and amounts.

Reminder

- What it does: Proposes a series of bills according to schedules you set. The bills are not paid until you decide to create and pay them. These reminders are found in the Tasks section at the top of the Dashboard page. The Tasks section only appears when you have tasks. The reminders can also be found on the Reminder List.
- How you control it: By selecting on each bill you will be able to decide which ones to create, and you can review and edit them first before scheduling them.
- This type is useful for: Bills with a fixed schedule that need to be edited before they are created.

Unscheduled

- What it does: It is saved with partial or complete data and without a schedule. Nothing happens to this type of bill until you choose to use it.
- How you control it: Unscheduled transactions do not have timetables; you use them as needed from the Recurring Transactions list. You select the purchase and select Use to use it as the starting point for a new bill.
- This type is useful for: Transactions that contain a lot of detail that you do not want to retype, but that aren't needed on any set schedule such as complicated purchases that need to go to different vendors.

5. (Optional) Enter how many days to create in advance.
6. Select the name of the vendor from the drop-down menu or type the first letter(s) to retrieve the vendor.

Select Add new if the vendor is not set up. Take the time now to set up vendor details.

7. Select the interval for the Recurring transaction.

This dictates when and how often the transaction will take place.

8. (Optional) Select Start date and End (None, By, or After) to start and end the recurring bill.
9. Verify the Mailing address and select the bill's Terms from the drop-down menu. The terms indicate when the vendor expects payment.

10. (Optional) Enter any applicable tags.

11. For the Category details, select the expense account from the Category drop-down menu and enter or change the Description and Amount.

If you need to add a new account or are unsure what account to classify the purchase to, select Ask My Accountant account. When your accountant reviews your bookkeeping, they will communicate the proper category for each Ask My Accountant transactions.

Delete, add or clear all lines as necessary. To delete a line, select the trash can icon to the right of the line. To add one line, select the line and the + icon. To add 4 lines, select Add lines. To clear all lines, select Clear all lines.

12. For the Item details, select or add any Product/Service(s) from the drop-down menu, change, enter or select the Description, quantity (QTY), Rate, and Amount.

Select Add new if the product or service is currently not set up.

Note: All fields must be entered for Scheduled templates. For example, if an item has a rate of \$0, enter 0. If left blank, the line will not save.

It is not necessary to fill in every field for Reminder or Unscheduled templates. Enter just the data to be repeated in each occurrence. You'll be able to edit each occurrence before it is actually created.

13. Enter any memo item that you want to appear in the Register (or Account history) and on reports that include this bill and add any attachments.
14. Select Save template.

Edit a Bill

To edit a Bill:

1. Select the Search icon, then Advanced Search.
2. Select Bills from the All Transactions drop-down menu.
3. Enter the vendor in the Enter Vendor field and select Search.
4. Scan the bill transaction matches and select the bill to edit.
5. Edit the transaction.
6. Select Save and close.

Void a Bill

You cannot void a Bill.

Delete a Bill

To delete a Bill:

1. Select the Search icon, then Advanced Search.
2. Select Bills from the All Transactions drop-down menu.
3. Enter the vendor in the Enter Vendor field and select Search.
4. Scan the bill transaction matches and select the bill to delete.
5. In the Bill page, select More at the bottom of the page and then select Delete.
6. Select Yes to confirm that you want to delete the transaction.

Once you delete a Bill, only the Audit log maintains a record of it. To open the Audit log, from the left menu, select Reports and enter Audit log in the search bar.

Pay Bills

Frequency

Good cash management requires paying your bills as late as possible, but within terms to maintain good vendor relations. To pay your bills as late as possible, but within terms, pay your vendor invoices on a set day each week such as Friday.

There are three ways to pay bills in QuickBooks Online:

1. Pay Bills Online (Not Recommended),
2. Record Bill Payments (manual payment), and
3. Pay Bills by Check.

Each Friday you should filter and sort your bills to determine which bills are due by the following Friday.

The Pay Bills page allows you to review the bills you have entered and select the ones that are due. This is where you can pay multiple vendors or invoices at one time.

To view the Pay Bills page, select New from the left menu, then select Pay Bills.

The screenshot displays the 'Pay Bills' interface in QuickBooks Online. At the top, there's a header with 'Pay Bills' and a close button. Below the header, there are filters for 'Payment account' (Mastercard) and 'Payment date' (03/12/2021). The 'TOTAL PAYMENT AMOUNT' is shown as \$0.00. A table lists five bills with columns: PAYEE, REF NO., DUE DATE, OPEN BALANCE, CREDIT APPLIED, PAYMENT, and TOTAL AMOUNT. The bills are: Norton Lumber and Building Materials (\$205.00), PG&E (\$86.44), Robertson & Associates (\$315.00), Brosnahan Insurance Agency (\$241.23), and Diego's Road Warrior Bodyshop (\$755.00). All bills have 'Not available' for credit applied and empty payment boxes. At the bottom, there's a 'Cancel' button and a 'Schedule payments online' button.

<input type="checkbox"/>	PAYEE	REF NO.	DUE DATE	OPEN BALANCE	CREDIT APPLIED	PAYMENT	TOTAL AMOUNT
<input type="checkbox"/>	Norton Lumber and Building Materials		03/16/2021	\$205.00	Not available		\$0.00
<input type="checkbox"/>	PG&E		03/17/2021	\$86.44	Not available		\$0.00
<input type="checkbox"/>	Robertson & Associates		03/17/2021	\$315.00	Not available		\$0.00
<input type="checkbox"/>	Brosnahan Insurance Agency		03/18/2021	\$241.23	Not available		\$0.00
<input type="checkbox"/>	Diego's Road Warrior Bodyshop		03/18/2021	\$755.00	Not available		\$0.00

To determine the bills that are due, you need to understand how to filter and sort bills.

Paying Bills includes:

1. Filter Bills,
2. Sort Bills,
3. Pay Bills,
4. Pay Multiple Bills by Check, and
5. Print Checks for Bills.

Filter Bills

By default, the list shows bills that are due within the last 365 days, but you can use the options available from the Filter to filter the list. You can filter for:

- Bills due on a certain Due Date,
- Bills in a date range you specify,
- Bills due on or before a certain date (leave the From field blank and enter the date in the To field),
- Bills only for all or a specific Payee, and
- Bills in Overdue status only.

Sort Bills

To sort by a particular column in ascending order (up arrow), select the header of that column. To sort in descending order (down arrow), select the header again. You can sort the Pay Bills list by:

- Payee,
- Ref. No.,
- Due Date, and
- Open Balance.

If you sort by Payee or Open Balance, bills with that payee or balance are listed in date order.

The Pay Bills page remembers your sorting preference, and the list will be sorted the same way the next time you open the page.

Tip: Filter first and sort second. If you filter the list before you sort it, you'll find the transactions you are looking for faster.

You can also change the number of rows displayed using the options available from the Gear icon, located above the Total Amount column.

Pay Bills Online

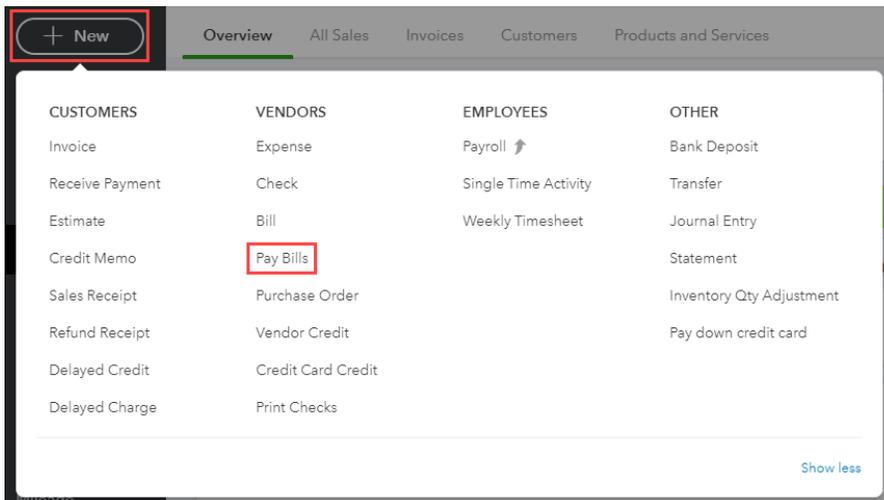
Note: We strongly recommend that you do not use this method by paying with a credit card. It goes against cash management rules. Why pay a 2.9% fee to pay a bill with a credit card when you can pay a bill with the same credit card without incurring a 2.9% fee.

If you are paying with a credit card you will want to enter the payment using Record Bill Payments.

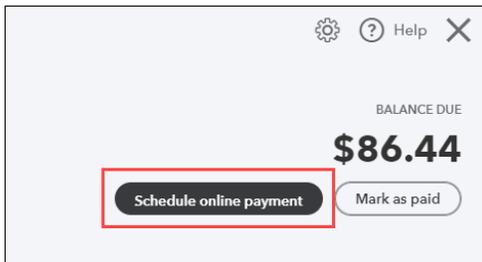
QuickBooks Online has a feature that allows you to pay bills directly from QuickBooks. You can make the payment with a bank account or debit card for free, or a credit card for a 2.9% fee per transaction. The vendor then receives the payment via ACH bank transfer within 1-2 business days or via paper check within 5-7 business days. The first time you pay a vendor using online bill payment, there will be a few extra steps.

To pay bills online:

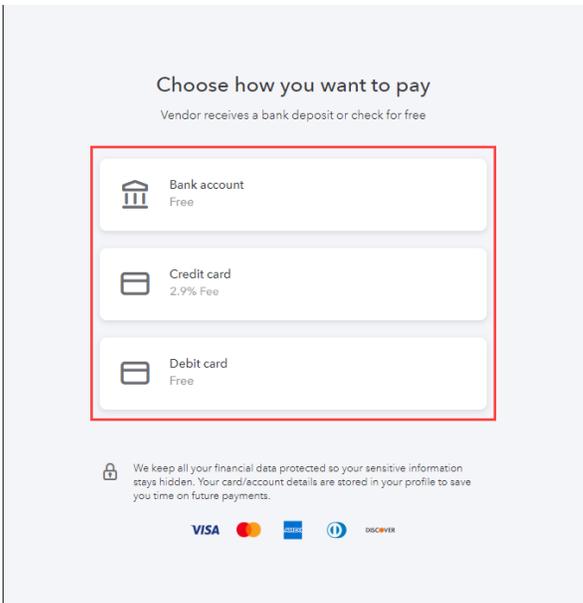
1. Select New from the left menu, then select Pay Bills.



2. Select the bill from the list.
3. Select Schedule online payment.

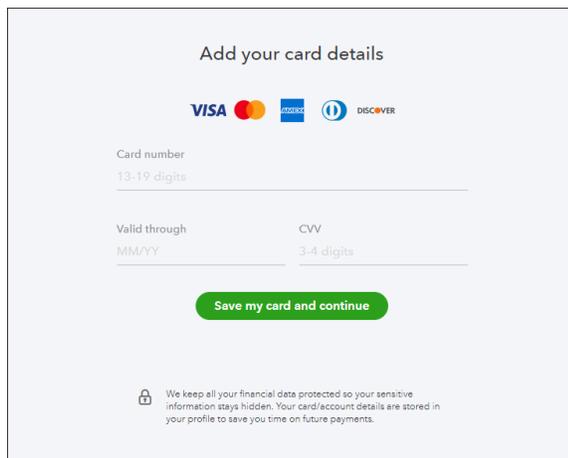


4. On the Get Started page, select Continue.
5. Select the method you would like to use to pay the bill.



If Credit card or debit card:

- Enter card details and select Save my card and continue.



- Enter cardholder details, then select Complete and save.

Add cardholder details

First name Last name

Address line 1

City State

ZIP code

[Complete and save](#)

If Bank account:

- Select Connect instantly to connect your bank account.

Connect your bank account

Choose how you'd like to transfer payments for free.

Connect instantly >

Securely log in to your bank and start scheduling transfers right away.

Or

Verify with deposits >

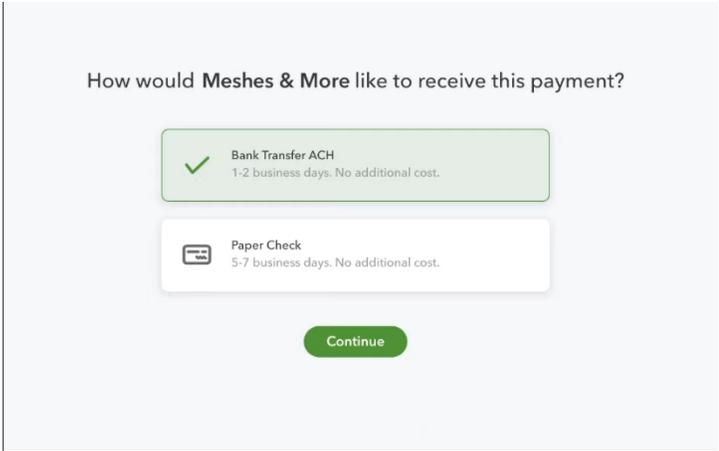
Add your account and routing numbers. We'll send 2 micro-deposits within 2 business days.

- Search for your bank and select your bank, then enter bank account information to connect.

The screenshot shows the PLaid mobile interface for selecting a bank. At the top, there is a search bar with the text "Search". Below the search bar, a list of banks is displayed, each with its logo and website URL:

- Chase** (www.chase.com)
- Bank of America** (www.bankofamerica.com)
- Wells Fargo** (www.wellsfargo.com)
- Citi** (www.citi.com)
- U.S. Bank** (www.usbank.com)

6. Select how the vendor will receive payment, then select Continue.



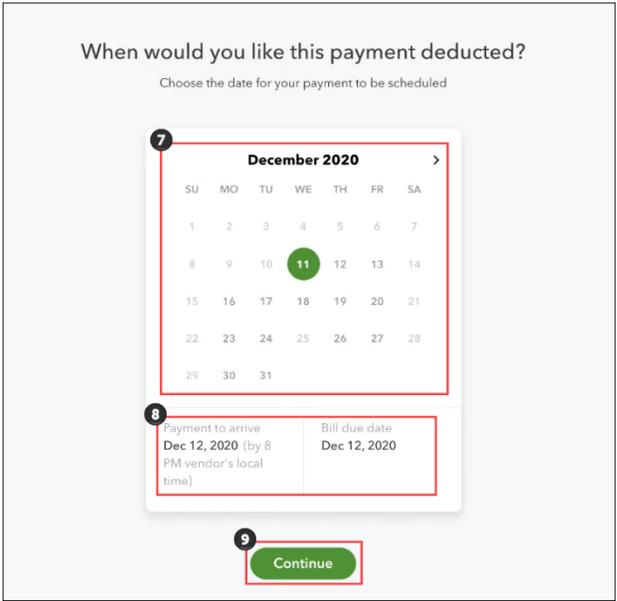
If bank transfer:

- Enter the vendor’s routing number and account number, then select Save bank details.

If paper check:

- Enter the vendor’s mailing address, then select Save details.

7. Select the date for your payment to be scheduled.



8. Review the arrival date to ensure the payment is made before the due date.

9. Select Continue.

10. Enter a note or invoice number for the vendor (Optional), then select Continue.

Leave a note for your vendor

Note (optional)
 Account ID#, payment description
 This note will appear on the payment

Continue

11. Review the payment information and make any necessary changes, then select Continue.

Review payment

TOTAL
\$90⁰⁰

PAY TO

Vendor Meshes & More	Invoice # No invoice number
--------------------------------	---------------------------------------

PAY FROM

Debit card
MasterCard ✎

Payment will be deducted on
Dec 11, 2020 ✎

VENDOR RECEIVES

Bank Transfer to
Meshes & More ✎

Delivery ETA
Dec 12, 2020 (by 8 PM vendor's local time)

Note to Vendor ✎

TRANSACTION FEE
\$0⁰⁰

By clicking confirm and schedule I give permission to charge my debit card on Dec 16, 2019 for \$690.00

Confirm and schedule payment

12. Select Confirm and schedule payment.

13. Select Notify my vendor to enter the vendor's email and let them know the payment is on the way (Optional), then select I'm done here to finish.

To cancel, edit, or view the status of a bill payment:

1. Select Expenses from the left menu.
2. Find and select the bill from the list.
3. Select View payment details, then edit or cancel as needed.

Behind the Scenes

When you pay a Bill (vendor invoice) with a credit card, QuickBooks decreases (debits) the accounts payable account (Balance Sheet: Current Liabilities) and increases (credits) the credit card account (Balance Sheet: Current Liabilities) by the Bill amount.

Example – Company paid a bill for \$100 with a sales tax rate of 6.5% on account using a Credit Card.

T Accounts:

Accounts Payable		Credit Card Account	
Debit	Credit	Debit	Credit
\$106.50			\$106.50

Note: You can go to a previously created Bill transaction to view the Transaction journal.

To view the Transaction journal:

1. Select the Bill transaction you would like to view.
2. Select More at the bottom of the transaction.
3. Select Transaction journal.

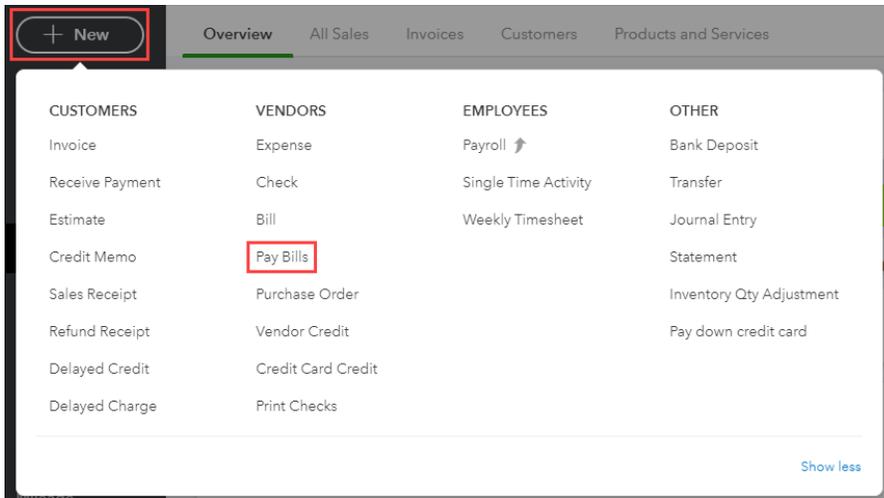
Record Bill Payments

Pay each bill with your company credit card via the most efficient payment method. For example, you can usually pay a bill by credit card via a vendor's online email invoice, website, telephone, mail, or onsite. However, the most efficient way to pay by credit card is online email invoice or website. After making the payment, record the payment in QuickBooks.

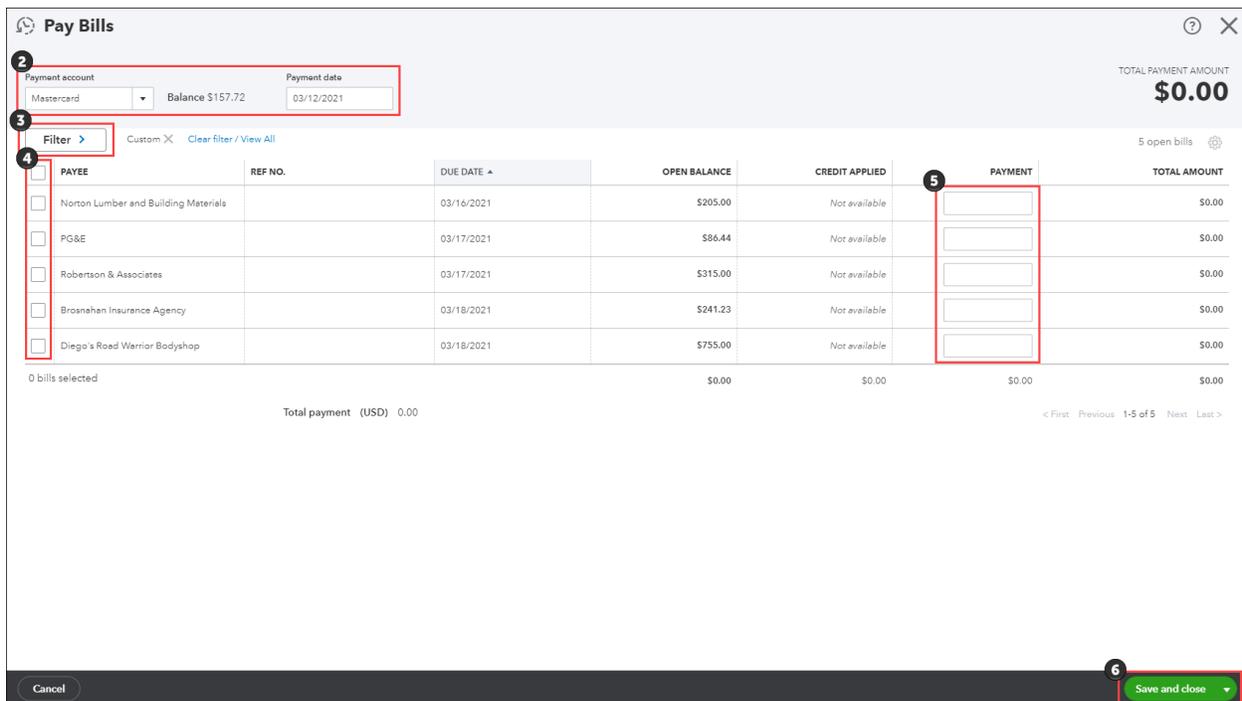
Tip: When paying online by credit card make sure the email or website is secure. Always look for "https:" (Hypertext Transfer Protocol Secure) at the beginning of the website address. "Https:" is a variant of the standard web transfer protocol "HTTP" (Hypertext Transfer Protocol) that adds a layer of security on the data in transit through a secure socket layer (SSL) or transport layer security (TLS) protocol connection. The same security used by banks.

To record multiple bill payments by credit card:

1. Select New from the left menu, then select Pay Bills.



The Pay Bills window will appear.



2. Select the appropriate credit card Payment account and enter or verify the Payment date.
3. Select the Filter and enter next Friday's due date in the To field and select Apply.
4. Select the all checkbox to the left of Payee to select and pay all bills due by next Friday.

The Payment amount, Open Balance less Credit Applied (Vendor Credit), will appear after you select a bill to be paid.

Note: Vendor credits appear in the Credit Applied column.

5. To pay a different amount, change the Payment amount.

6. Select Save and close to save and mark the bills as paid and close the screen.

Select Schedule payments online to schedule direct payments with your QuickBooks Online Payments account.

Behind the Scenes

When you pay a Bill (vendor invoice), QuickBooks decreases (debits) the accounts payable account (Balance Sheet: Current Liabilities) and increases (credits) the credit card account (Balance Sheet: Current Liabilities) by the Bill amount.

Example – Company paid a bill for \$100 with a sales tax rate of 6.5% on account using a Credit Card.

T Accounts:

Accounts Payable		Credit Card Account	
Debit	Credit	Debit	Credit
\$106.50			\$106.50

Note: You can go to a previously created Bill transaction to view the Transaction journal.

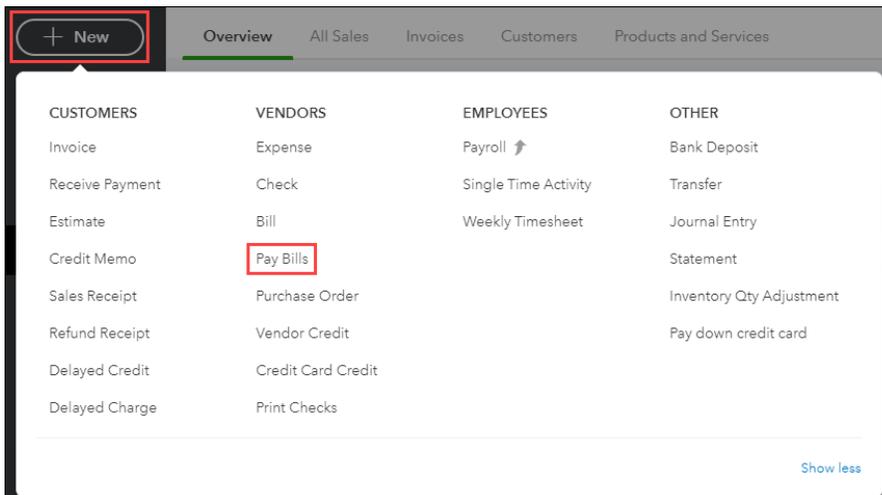
To view the Transaction journal:

1. Select the Bill transaction you would like to view.
2. Select More at the bottom of the transaction.
3. Select Transaction journal.

Pay Multiple Bills by Check

To pay multiple bills by check:

1. Select New from the left menu, then select Pay Bills.



The Pay Bills window will appear.

Pay Bills

TOTAL PAYMENT AMOUNT
\$0.00

2 Payment account: Checking Balance \$1,201.00 Payment date: 03/12/2021 Starting check no.: 71 Print later

4 Filter > Custom X Clear filter / View All 5 open bills

PAYEE	REF NO.	DUE DATE	OPEN BALANCE	CREDIT APPLIED	PAYMENT	TOTAL AMOUNT
<input type="checkbox"/> Norton Lumber and Building Materials		03/16/2021	\$205.00	Not available		\$0.00
<input type="checkbox"/> PG&E		03/17/2021	\$86.44	Not available		\$0.00
<input type="checkbox"/> Robertson & Associates		03/17/2021	\$315.00	Not available		\$0.00
<input type="checkbox"/> Bronahan Insurance Agency		03/18/2021	\$241.23	Not available		\$0.00
<input type="checkbox"/> Diego's Road Warrior Bodyshop		03/18/2021	\$755.00	Not available		\$0.00
0 bills selected			\$0.00	\$0.00	\$0.00	\$0.00

Total payment (USD) 0.00 < First Previous 1-5 of 5 Next Last >

Cancel Save and print

2. Select the appropriate checking Payment account and enter or verify the Payment date.

The Payment account is the account from which you pay the bills. To pay one bill from different accounts (for example, part by check and part by credit card), or to create separate payments on different days, you must enter each partial payment separately.

3. Verify or change the Starting check no.

Check the Print later box if you plan to print the checks later. If you want to print the checks, leave the Print later box unchecked.

4. Select the Filter and enter next Friday's due date in the To field and select Apply.

5. Select the all checkbox to the left of Payee to select and pay all bills due by next Friday.

The Payment amount, Open Balance less Credit Applied (Vendor Credit), will appear after you select a bill to be paid.

Note: Vendor credits appear in the Credit Applied column.

6. To pay a different amount, change the Payment amount.

7. Select Save to save and mark the bills as paid.

Select Save and close to save and mark the bills as paid and close the screen.

Select Save and Print to save and mark the bills as paid and print the checks.

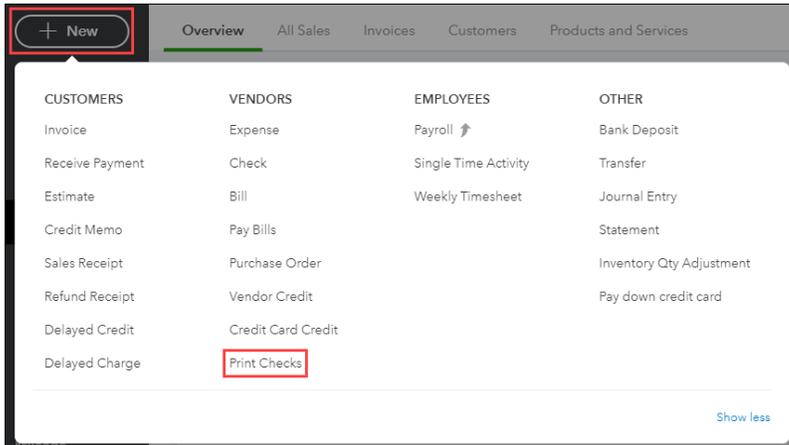
To print the checks later, verify the Print later box is checked and select Save and close to save and mark the bills as paid and close the screen.

To print the checks, select New from the left menu, then select Print Checks.

Print Checks for Bills

To print checks:

1. Select New from the left menu, then Print Checks.



2. Select the checks you want to print.

Insert the number of checks you want to print into your printer. Depending on your laser printer, make sure the checks are facing the correct way to print.

3. Select Preview and Print.
4. Select Print.

Behind the Scenes

When you pay a bill (vendor invoice), QuickBooks decreases (debits) the accounts payable account (Balance Sheet: Current Liabilities) and decreases (credits) the bank account (Balance Sheet: Assets) by the bill amount.

Example – Company paid a bill for \$100 with a sales tax rate of 6.5% on account.

T Accounts:

Accounts Payable		Bank Account	
Debit	Credit	Debit	Credit
\$106.50			\$106.50

Note: You can go to a previously created Bill transaction to view the Transaction journal.

To view the Transaction journal:

1. Select the Bill transaction you would like to view.

2. Select More at the bottom of the transaction.
3. Select Transaction journal.

Record Purchase Credits and Refunds

Vendor Credit vs. Refund

A vendor issues a credit on purchases on account which have not been paid.

Note: Some vendors may want to issue a credit on a purchase on your account that has been paid and apply the credit to a future purchase on your account. This goes against the cash management rules. When you allow a vendor to retain your cash for a future payment, you are in essence giving the vendor an interest free loan (the vendor has your money but hasn't earned it). Unless you plan to make a future purchase in the very near future, request the vendor to issue you a refund.

A vendor issues a refund on advanced payment purchases, cash purchases, and purchases on account which have been paid. The type of refund depends on the type of payment they received. If you paid with a check, the refund is issued in the form of a check. If you paid with a credit card, the refund is issued in the form of a credit to the credit card you used.

As the purchaser, the vendor issues a purchase credit on purchases on account you have not paid.

A purchase credit is issued by the vendor to the credit customer's account or the credit card account. The credit decreases the customer's account or credit card account by the credit amount.

In QuickBooks you record a purchase credit to a customer's account as a Vendor Credit or a credit card credit as a Credit Card Credit.

Creating Vendor Credits include:

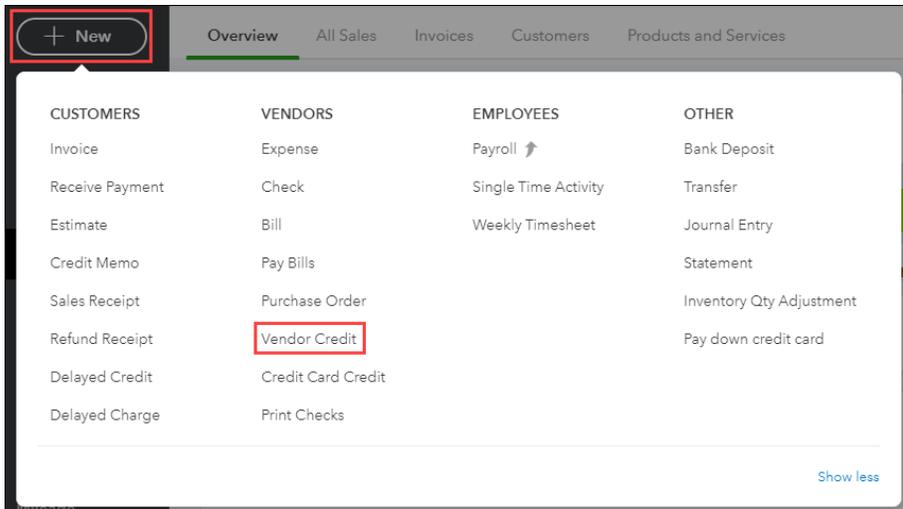
1. Create a Vendor Credit,
2. Make Recurring Vendor Credit,
3. Edit a Vendor Credit,
4. Void a Vendor Credit, and
5. Delete a Vendor Credit.

Create Vendor Credits

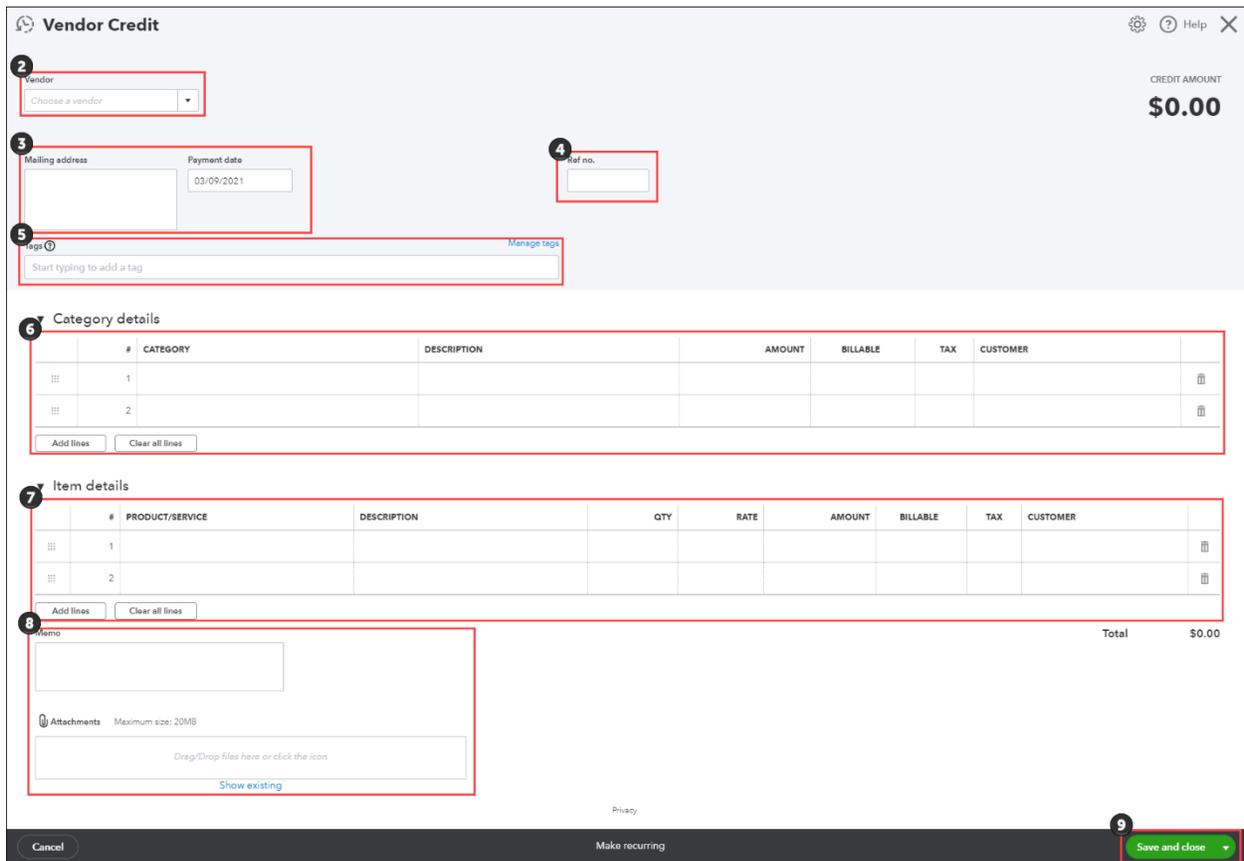
There are situations when a vendor issues you a credit. This usually occurs when you return an item or receive a damaged item created as a Bill and unpaid. When a vendor issues a credit, you create it as a Vendor Credit.

To create a Vendor Credit:

1. Select the New icon (+), then Vendor Credit.



The Vendor Credit page opens.



2. Select the name of the vendor from the Vendor drop-down menu or type the first letter(s) to retrieve the vendor.
Select Add new if the vendor is not set up. Take the time now to set up vendor details.
3. Verify the Mailing address and Payment date.

4. Enter the reference number from the vendor credit document in the Ref no. field to identify the vendor credit.
5. (Optional) Enter any applicable tags.
6. For the Category details, select the account from the Category drop-down menu and enter or change the Description and Amount.

If you need to add a new account or are unsure what account to classify the expense to, select Ask My Accountant account. When your accountant reviews your bookkeeping, they will communicate the proper category for each Ask My Accountant transactions.

Delete, add, or clear all lines as necessary. To delete a line, select the trash can icon to the right of the line. To add one line, select the line and the + icon. To add 4 lines, select Add lines. To clear all lines, select Clear all lines.

7. (Optional) For the Item details, select any Product/Service(s) from the drop-down menu, change, enter or select the Description, quantity (QTY), Rate, and Amount.

Select Add new if the product or service is currently not set up.

8. Enter any memo item that you want to appear in the Register (or Account history) and on reports that include this vendor credit and add any attachments.
9. Select Save and new to save your work and start a new vendor credit or Save and close to save the vendor credit and close the window. You can select Save at any time to save your work without leaving the vendor credit.

Note: After you create a Vendor Credit, the credit is automatically applied to the bill when you Pay Bills.

Behind the Scenes

When you create a Vendor Credit, QuickBooks decreases (debits) the amount due to the vendor and the accounts payable account (Balance Sheet: Current Liabilities) and decreases (credits) the asset account (Balance Sheet: Assets) or expense account (Profit and Loss: Expenses) by the credit amount.

Example – Company paid a bill for \$100 with a sales tax rate of 6.5% on account. The vendor issued the company a \$50 credit.

T Accounts:

Accounts Payable		Asset or Expense Account	
Debit	Credit	Debit	Credit
\$50.00			\$50.00

Note: You can go to a previously created Vendor Credit transaction to view the Transaction journal.

To view the Transaction journal:

1. Select the Vendor Credit transaction you would like to view.

2. Select More at the bottom of the transaction.
3. Select Transaction journal.

Make Recurring Vendor Credits

You can create a Recurring Vendor Credit for credits received from a vendor periodically or frequently.

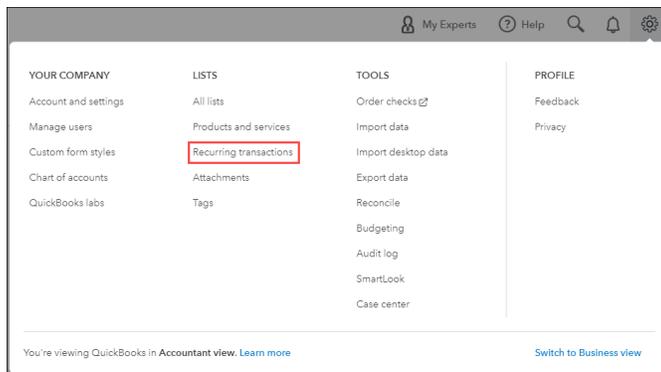
For example, a vendor may extend a fixed credit periodically. By creating a Recurring Vendor Credit, you do not have to create and record it each period. You can schedule it to be created automatically.

You may receive similar vendor credits frequently. By creating a Recurring Vendor Credit, you do not have to create and record it every time it is issued.

You may also receive vendor credits that do not occur periodically or frequently, but the accounts are numerous, and/or the descriptions are detailed, and it takes time to create it. By creating a Recurring Vendor Credit, you do not have to take the time to recreate it every time you receive it.

To create a Recurring Vendor Credit:

1. Select the Gear icon on the toolbar, then select Recurring Transactions.



2. On the Recurring Transactions page, select New.
3. Select Vendor Credit from the Transactions Type drop-down menu and select OK.

Vendor Credit [Settings] [Help] [Close]

4 Recurring Vendor Credit

Template name [] Type [Scheduled] **5** Create [] days in advance

6 Vendor [Choose a vendor]

7 Interval [Monthly] on [] day [] 1st of every [] month(s) **8** Start date [] End [None]

9 Mailing address []

10 Tag [] [Manage tags](#)

11 Category details

#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	TAX	CUSTOMER	
1							🗑️
2							🗑️

Add lines Clear all lines

12 Item details

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	BILLABLE	TAX	CUSTOMER	
1									🗑️
2									🗑️

Add lines Clear all lines

13 Memo [] Total \$0.00

Attachments Maximum size: 20MB

Drag/Drop files here or click the icon

Privacy

14 [Save template](#) [Cancel]

4. Enter a Template name and choose a Type — Scheduled, Reminder, or Unscheduled.

Scheduled

- What it does: Creates vendor credits according to a schedule you set.
- This type is useful for: Vendor credits with fixed schedules and amounts.

Reminder

- What it does: Proposes a series of vendor credits according to schedules you set. The vendor credits are not processed until you decide to create and use them. These reminders are found in the Tasks section at the top of the Dashboard page. The Tasks section only appears when you have tasks. The reminders can also be found on the Reminder List.
- How you control it: By selecting on each vendor credit you will be able to decide which ones to create, and you can review and edit them first before scheduling them.
- This type is useful for: Vendor credits with a fixed schedule that need to be edited before they are created.

Unscheduled

- What it does: It is saved with partial or complete data and without a schedule. Nothing happens to this type of vendor credit until you choose to use it.
- How you control it: Unscheduled transactions do not have timetables; you use them as needed from the Recurring Transactions list. You select the template and select Use to use it as the starting point for a new vendor credit.
- This type is useful for: Transactions that contain a lot of detail that you do not want to retype, but that aren't needed on any set schedule such as complicated vendor credit transactions.

5. (Optional) Enter how many days to create in advance.
6. Select the name of the vendor from the drop-down menu or type the first letter(s) to retrieve the vendor.

Select Add new if the vendor is not set up. Take the time now to set up vendor details.

7. Select the interval for the Recurring transaction.

This dictates when and how often the transaction will take place.

8. (Optional) Select Start date and End (None, By, or After) to start and end the recurring expense.
9. Verify the Mailing address.
10. (Optional) Enter any applicable tags.
11. For the Category details, select the expense account from the Category drop-down menu and enter or change the Description and Amount.

If you need to add a new account or are unsure what account to classify the purchase to, select Ask My Accountant account. When your accountant reviews your bookkeeping, they will communicate the proper category for each Ask My Accountant transactions.

Delete, add or clear all lines as necessary. To delete a line, select the trash can icon to the right of the line. To add one line, select the line and the + icon. To add 4 lines, select Add lines. To clear all lines, select Clear all lines.

12. (Optional) For the Item details, select or add any Product/Service(s) from the drop-down menu, change, enter or select the Description, quantity (QTY), Rate, and Amount.

Select Add new if the product or service is currently not set up.

Note: All fields must be entered for Scheduled templates. For example, if an item has a rate of \$0, enter 0. If left blank, the line will not save.

It is not necessary to fill in every field for Reminder or Unscheduled templates. Enter just the data to be repeated in each occurrence. You'll be able to edit each occurrence before it is actually created.

13. Enter any memo item that you want to appear in the Register (or Account history) and on reports that include this expense and add any attachments.

14. Select Save template.

Note: You can make a Recurring Vendor Credit template from any existing vendor credit. To make a Recurring Vendor Credit template from an existing vendor credit, open an existing vendor credit and select Make Recurring at the bottom of the page.

Edit a Vendor Credit

To edit a Vendor Credit:

1. Select the Search icon, then Advanced Search.
2. Select Vendor Credit from the All Transactions drop-down menu.
3. Enter the payee in the Enter Payee field and select Search.
4. Scan the vendor credit transaction matches and select the transaction to edit.
5. Edit the transaction.
6. Select Save and close.

Void a Vendor Credit

You cannot void a Vendor Credit.

Delete a Vendor Credit

To delete a Vendor Credit:

1. Select the Search icon, then Advanced Search.
2. Select Vendor Credits from the All Transactions drop-down menu.
3. Enter the vendor in the Enter Vendor field and select Search.
4. Scan the vendor credit matches and select the desired transaction to delete.
5. In the Vendor Credit window, select More at the bottom of the window and then select Delete.
6. Select Yes to confirm that you want to delete the transaction.
Once you delete a vendor credit, only the Audit log maintains a record of it. To open the Audit log, from the left menu, select Reports and enter Audit log in the search bar.

Vendor Credit Card Credit

Creating Credit Card Credits include:

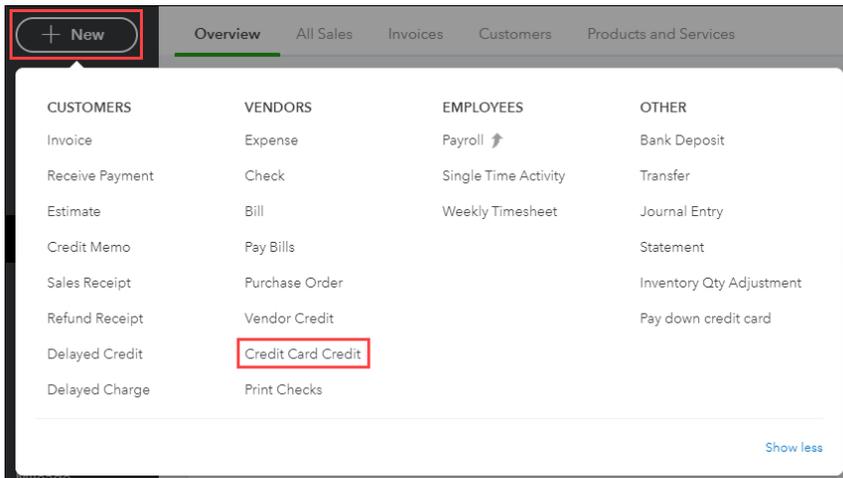
1. Create a Credit Card Credit,
2. Make Recurring Credit Card Credits,
3. Edit a Credit Card Credit,

4. Void a Credit Card Credit, and
5. Delete a Credit Card Credit.

Create a Credit Card Credit

To create a vendor credit card refund:

1. Select New from the left menu, then select Credit Card Credit.



The Credit Card Credit page opens.

The screenshot shows the 'Credit Card Credit' form with the following elements and callouts:

- 1:** 'Payee' dropdown menu.
- 2:** 'Bank/Credit account' dropdown menu.
- 3:** 'Payment date' input field.
- 4:** 'Ref no.' input field.
- 5:** 'Tags' input field with a 'Manage tags' link.
- 6:** 'Category details' table with columns: #, CATEGORY, DESCRIPTION, AMOUNT, BILLABLE, TAX, CUSTOMER.
- 7:** 'Item details' table with columns: #, PRODUCT/SERVICE, DESCRIPTION, QTY, RATE, AMOUNT, BILLABLE, TAX, CUSTOMER.
- 8:** 'Memo' text area and 'Attachments' section.
- 9:** 'Save and close' button.

Additional form elements include a 'Total' field showing '\$0.00', a 'Privacy' link, and a 'Make recurring' checkbox.

2. Select the name of the Payee from the drop-down menu or type the first letter(s) to retrieve the vendor and select the appropriate Bank/Credit account.

Select Add new if the vendor is not set up. Take the time now to set up details.

3. Enter the Payment date.
4. Enter the reference number from the credit document in the Ref no. field to identify the credit card credit.
5. (Optional) Enter any applicable tags.
6. For the Category details, select the account you use to track cash back rewards from the Category drop-down menu and enter or change the Description and Amount.

If you need to add a new account or are unsure what account to classify the credit to, select Ask My Accountant account. When your accountant reviews your bookkeeping, they will communicate the proper category for each Ask My Accountant transactions.

Delete, add or clear all lines as necessary. To delete a line, select the trash can icon to the right of the line. To add one line, select the line and the + icon. To add 4 lines, select Add lines. To clear all lines, select Clear all lines.

7. (Optional) For the Item details, select any Product/Service(s) from the drop-down menu, change, enter or select the Description, quantity (QTY), Rate, and Amount.

Select Add new if the product or service is currently not set up.

8. Enter any memo item that you want to appear in the Register (or Account history) and on reports that include this credit card credit and add any attachments.
9. Select Save and new to save your work and start a new credit card credit or Save and close to save the credit card credit and close the window. You can select Save at any time to save your work without leaving the credit card credit.

Behind the Scenes

When you create a vendor credit card refund, QuickBooks decreases (debits) the credit card account and decreases (credits) the asset account (Balance Sheet: Assets) or expense account (Profit and Loss: Expenses) by the refund amount.

Example – Company paid a bill for \$100 with a sales tax rate of 6.5% by credit card. The company returned the item and the vendor issued the company a full refund.

T Accounts:

Credit Card Account		Asset or Expense Account	
Debit	Credit	Debit	Credit
\$106.50			\$106.50

Note: You can go to a previously created Credit Card Credit transaction to view the Transaction journal.

To view the Transaction journal:

1. Select the Credit Card Credit transaction you would like to view.
2. Select More at the bottom of the transaction.
3. Select Transaction journal.

Make Recurring Credit Card Credits

You can create a Recurring Credit Card Credit for credits that occur periodically or frequently.

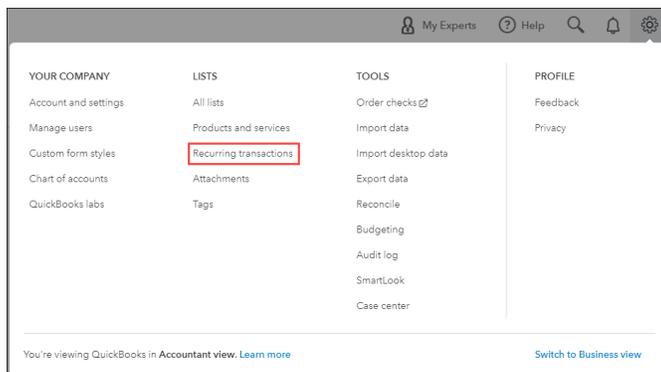
For example, you may receive credit card credits periodically for a fixed amount. By creating a Recurring Credit Card Credit, you do not have to create and record it each period. You can schedule it to be created and recorded automatically.

You may frequently receive credit card credits that contain similar content. By creating a Recurring Credit Card Credit, you do not have to create it every time you receive it.

You may also receive credit card credits that do not occur periodically or frequently, but the accounts are numerous, and/or the descriptions are detailed, and it takes time to create it. By creating a Recurring Credit Card Credit, you do not have to take the time to recreate it every time you receive it.

To create a Recurring Credit Card Credit:

1. Select the Gear icon on the toolbar, then select Recurring Transactions.



2. On the Recurring Transactions page, select New.
3. Select Credit Card Credit from the Transactions Type drop-down menu and select OK.

Credit Card Credit ? Help X

4 Recurring Credit Card Credit

4. **4** Template name **5** Type **5** Scheduled days in advance

6 **6** Payee **6** Account **6** Mastercard

7 **7** Interval **8** Start date **8** End

Monthly on day 1st of every 1 month(s) None

9 **9** [Manage tags](#)

10 **10** Category details

#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	TAX	CUSTOMER
1						
2						

11 **11** Item details

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	BILLABLE	TAX	CUSTOMER
1								
2								

12 **12** Memo Total \$0.00

13 **13** Attachments Maximum size: 20MB

4. Enter a Template name and choose a Type — Scheduled, Reminder, or Unscheduled.

Scheduled

- What it does: Creates transactions according to a schedule you set.
- This type is useful for: Credit Card Credits with fixed schedules and amounts.

Reminder

- What it does: Proposes a series of credit card credits according to schedules you set. The credit card credits are not processed until you decide to create and use them. These reminders are found in the Tasks section at the top of the Dashboard page. The Tasks section only appears when you have tasks. The reminders can also be found on the Reminder List.
- How you control it: By selecting on each credit card credit you will be able to decide which ones to create, and you can review and edit them first before scheduling them.
- This type is useful for: Credit Card Credits with a fixed schedule that need to be edited before they are created.

Unscheduled

- What it does: It is saved with partial or complete data and without a schedule. Nothing happens to this type of credit card credit until you choose to use it.
 - How you control it: Unscheduled transactions do not have timetables; you use them as needed from the Recurring Transactions list. You select the purchase and select Use to use it as the starting point for a new credit card credit.
 - This type is useful for: Transactions that contain a lot of detail that you do not want to retype, but that aren't needed on any set schedule such as complicated purchases that need to go to different vendors.
5. (Optional) Enter how many days to create in advance.
 6. Select the name of the payee from the drop-down menu or type the first letter(s) to retrieve the payee and select the credit card account from the drop-down menu.

Select Add new if the payee is not set up. Take the time now to set up payee details.
 7. Select the interval for the Recurring transaction.

This dictates when and how often the transaction will take place.
 8. (Optional) Select Start date and End (None, By, or After) to start and end the recurring credit card credit.
 9. (Optional) Enter any applicable tags.
 10. For the Category details, select the expense account from the Category drop-down menu and enter or change the Description and Amount.

If you need to add a new account or are unsure what account to classify the purchase to, select Ask My Accountant account. When your accountant reviews your bookkeeping, they will communicate the proper category for each Ask My Accountant transactions.

Delete, add, or clear all lines as necessary. To delete a line, select the trash can icon to the right of the line. To add one line, select the line and the + icon. To add 4 lines, select Add lines. To clear all lines, select Clear all lines.
 11. (Optional) For the Item details, select or add any Product/Service(s) from the drop-down menu, change, enter or select the Description, quantity (QTY), Rate, and Amount.

Select Add new if the product or service is currently not set up.

Note: All fields must be entered for Scheduled templates. For example, if an item has a rate of \$0, enter 0. If left blank, the line will not save.

It is not necessary to fill in every field for Reminder or Unscheduled templates. Enter just the data to be repeated in each occurrence. You'll be able to edit each occurrence before it is actually created.
 12. Enter any memo item that you want to appear in the Register (or Account history) and on reports that include this credit card credit and add any attachments.

13. Select Save template.

Note: You can make a Recurring Credit Card Credit template from any existing credit card credit. To make a Recurring Credit Card Credit template from an existing credit card credit, open an existing credit card credit transaction and select Make Recurring at the bottom of the page.

Edit a Credit Card Credit

To edit a Credit Card Credit:

1. Select the Search icon, then Advanced Search.
2. Select Credit Card Credit from the All Transactions drop-down menu.
3. Enter the payee in the Enter Payee field and select Search.
4. Scan the credit card credit transaction matches and select the transaction to edit.
5. Edit the transaction.
6. Select Save and close.

Void a Credit Card Credit

To void a Credit Card Credit:

1. Select the Search icon, then Advanced Search.
2. Select Credit Card Credits from the All Transactions drop-down menu.
3. Enter the Payee in the Enter Payee field and select Search.
4. Scan the Credit Card Credit transaction matches and select the Credit Card Credit to void.
5. Select More, then Void.
6. Select Yes to confirm that you want to void the transaction, then select Save and close.

Delete a Credit Card Credit

To delete a Credit Card Credit:

1. Select the Search icon, then Advanced Search.
2. Select Credit Card Credit from the All Transactions drop-down menu.
3. Enter the payee in the Enter Payee field and select Search.
4. Scan the credit card transaction matches and select the transaction to delete.
5. In the Credit Card Credit window, select More at the bottom of the window, then select Delete.
6. Select Yes to confirm that you want to delete the transaction.
Once you delete a credit card credit, only the Audit log maintains a record of it. To open the Audit log, from the left menu, select Reports and enter Audit log in the search bar.

Vendor Refunds

There are situations when a vendor issues you a refund. This usually occurs when you return an item or receive a damaged item paid with a check. Therefore, you need to offset the account used to create the purchase for the amount of the refund.

Vendor Check Refund

To create a vendor check refund:

1. Select New from the left menu, then Bank Deposit.
The Bank Deposit page opens.
2. Select the bank account from the Account drop-down menu and verify the Date.
3. Under Add funds to this deposit, select the vendor from the Received From column drop-down menu or type the first letter(s) to retrieve the vendor.
4. Select the account from the Account column drop-down menu or type the first letter(s) to retrieve the account.
5. Enter a Description, select a Payment Method, and enter a Ref no. and Amount.
6. Enter any memo item you want to appear in the Register (or Account history) and on reports that include this refund and add any attachments.
7. Select Save and close.

To print the bank deposit slip, select Print, then Print deposit slip and summary, then Print.

Behind the Scenes

When you create a vendor check refund, QuickBooks increases (debits) the bank account and decreases (credits) the asset account (Balance Sheet: Assets) or expense account (Profit and Loss: Expenses) by the refund amount.

Example – Company paid a bill for \$100 with a sales tax rate of 6.5% by check. The company returned the item and the vendor issued the company a full refund.

T Accounts:

Bank Account		Asset or Expense Account	
Debit	Credit	Debit	Credit
\$106.50			\$106.50

Note: You can go to a previously created Vendor Check Refund transaction to view the Transaction journal.

To view the Transaction journal:

1. Select the Vendor Check Refund transaction you would like to view.
2. Select More at the bottom of the transaction.
3. Select Transaction journal.

Email Purchases and Payments Reports

Daily, weekly, monthly, quarterly, and annual purchases and payments reports should be emailed to personnel who use purchases and payments report information. See *QuickBooks Report Email Schedule Chapter 7: Communicating Business Performance*.

CHAPTER 7 – COMMUNICATING BUSINESS PERFORMANCE

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Introduction

Management is informed of their company's business performance by analyzing QuickBooks reports. QuickBooks reports organize and communicate timely, relevant, and reliable financial information to company management to assist them in making better business decisions.

This chapter provides step-by-step guidance for organizing and communicating business performance.

The guidance in the chapter is useful to bookkeepers as well as personnel involved in report activities.

Accounting Process Automation

Accounting process automation automates report organization and communication processes. Automation improves the speed, accuracy, and reliability of business performance communication.

This chapter uses accounting process automation to create, customize, view, and distribute QuickBooks reports.

QuickBooks Reports Tools

The following tool is needed to organize and communicate business performance:

- QuickBooks

Bookkeeper Tasks

Your reporting tasks include:

1. Generate and review daily, weekly, monthly, quarterly, and annual (year-end) reports and
2. Email daily, weekly, monthly, quarterly, and annual QuickBooks Management Reports.

Accountant Tasks

Your accountant's reporting tasks include:

1. Customize, group, and schedule your daily, weekly, monthly, quarterly, and annual reports,
2. Provide QuickBooks reports training,
3. Support QuickBooks reports questions and problems, and
4. Review your monthly QuickBooks reports.

Why use QuickBooks reports?

QuickBooks reports is a tool used to convey information regarding your company's activities or results. QuickBooks reports provide management a snapshot in time to easily analyze their company's business processes such as sales and receipts, purchases and payments, and overall business performance.

What are my responsibilities regarding reports?

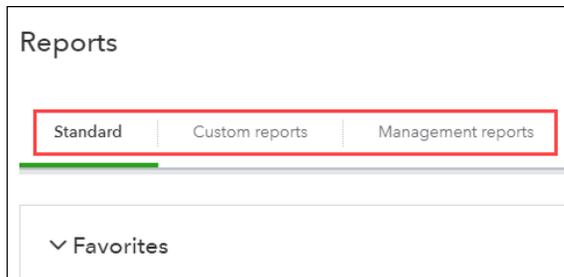
Your responsibility is to perform the day-to-day bookkeeping and generate and communicate timely, relevant, and reliable financial information to internal (owner, manager, and employee) and external (bank, vendor, and tax agency) users.

Navigating Your QuickBooks Reports

Categories and Navigating Reports

The Reports page in QuickBooks organizes the various reports available into different categories. This helps you navigate the page more easily and locate the reports you want to run. You also use the search feature (Find report by name) to search for specific reports by name.

On the reports page, there are three tabs: Standard, Custom reports, and Management reports.



When viewing reports, QuickBooks offers a feature that allows you to “drill down” or access individual transactions and activities that make up your company’s reports. When viewing a report, select any transaction or activity to open it for viewing or editing.

Standard Reports

The Standard reports tab contains the majority of the reports available in QuickBooks. Standard reports are grouped into the following sections:

- Favorites,
- Business Overview,
- Who Owes You,
- Sales and Customers,
- What You Owe,
- Expenses and Vendors,
- Employees,
- For My Accountant, and
- Payroll.

To view Standard reports:

1. From the left menu, select Reports.
2. Select the Standard tab.

If the report you are looking for has been copied to the Favorites section or listed in the Business overview section, select the name of the report in that section.

If the report has not been copied to the Favorites section or listed in the Business overview section, enter the name of the report in the Search field and select the report name.

Favorites

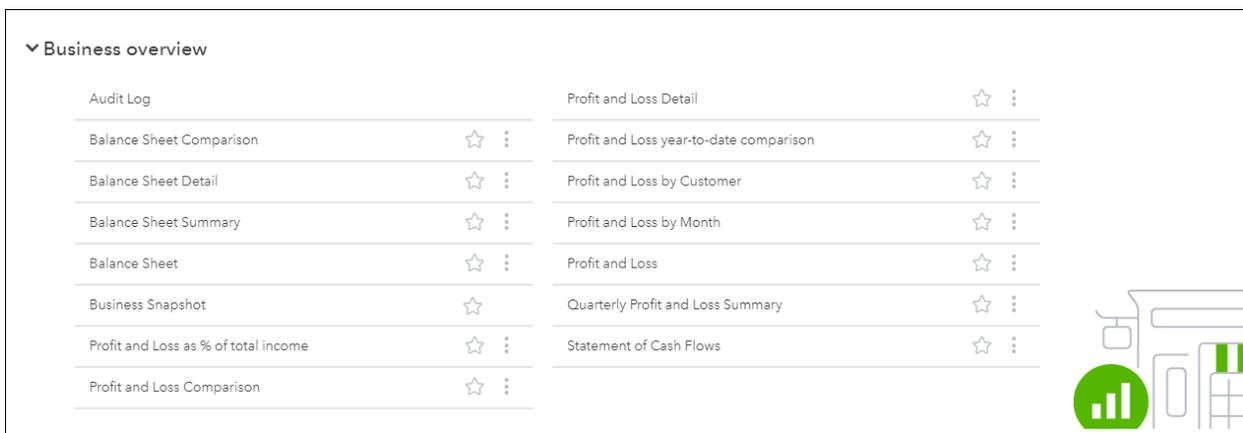
The Favorites section displays a list of reports that you mark as “favorite”. You mark a report as “favorite” by selecting the Star icon next to any report listed on the Standard tab. The Favorites section saves time by organizing your company’s most used reports in alphabetical order at the top of the page. A green star indicates the report has been copied to the Favorites section.



Note: As part of your QuickBooks set up, your accountant will copy the reports to the Favorites section based on what he or she believes is the most relevant financial information for your company’s specific type of business. The most useful reports are found in the Favorites and Business overview sections.

Business Overview

The Business Overview section contains reports concerning your company’s general finances, activities, and transactions, including account balances, profit and loss, and cash flow statements.



Business Overview reports include:

1. Audit Log

Accounts involved: No specific accounts are applicable.

Description: Displays all your company's activity chronologically, allowing you to see which individuals have been in your QuickBooks and what they have done.

2. Balance Sheet Comparison

Accounts involved: Assets, Liabilities and Equity.

Description: This report communicates your company's assets, liabilities, and equity compared to the prior year (PY).

3. Balance Sheet Detail

Accounts involved: Assets, Liabilities and Equity.

Description: This report communicates your company's assets, liabilities, and equity with all related transactions and accounts.

4. Balance Sheet Summary

Accounts involved: Assets, Liabilities and Equity.

Description: This report communicates your company's assets, liabilities, and equity with only main accounts (No detail from sub-accounts/transactions).

5. Balance Sheet

Accounts involved: Assets, Liabilities and Equity.

Description: This report communicates your company's assets, liabilities, and equity without detailed transactions.

6. Business Snapshot

Accounts involved: All accounts.

Description: This report communicates your company's income and expenses over time using pie charts and bar graphs. Determine the information shown by selecting the drop-down menu at the top of each chart/graph. See more later in this chapter.

7. Profit and Loss as % of total income

Accounts involved: Income and Expense.

Description: This report communicates your company's income and expenses as percentages of your company's total income.

8. Profit and Loss Comparison

Accounts involved: Income and Expense.

Description: This report communicates your company's income, expenses, and net income compared to last year.

9. Profit and Loss Detail

Accounts involved: Income and Expense.

Description: This report communicates your company's income, expenses, and net income with individual transactions.

10. Profit and Loss year-to-date comparison

Accounts involved: Income and Expense.

Description: This report communicates your company's income, expenses, and net income compared to the current year so far.

11. Profit and Loss by Customer

Accounts involved: Income and Expense.

Description: This report communicates your company's income, expenses, and net income by customer.

12. Profit and Loss by Month

Accounts involved: Income and Expense.

Description: This report communicates your company's income, expenses, and net income by month.

13. Profit and Loss

Accounts involved: Income and Expense.

Description: This report communicates your company's income, expenses, and net income. This is also known as an income statement.

14. Quarterly Profit and Loss Summary

Accounts involved: Income and Expense.

Description: This report communicates your company's income, expenses, and net income by quarter.

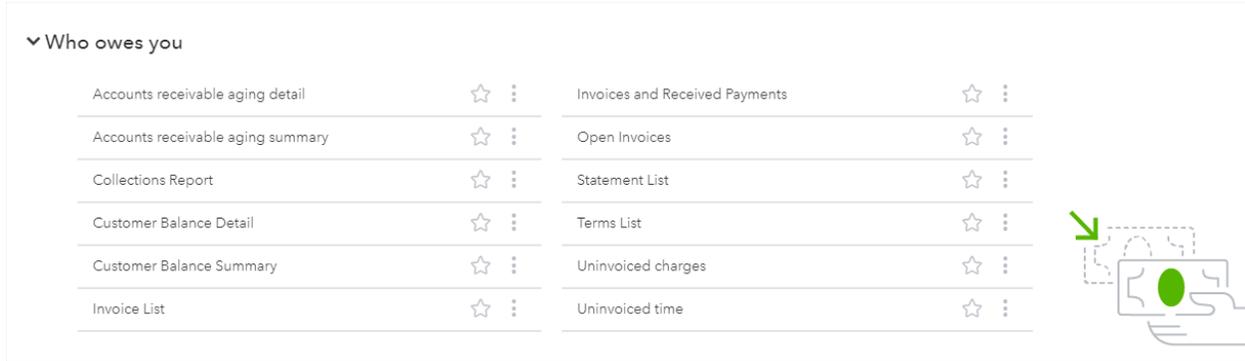
15. Statement of Cash Flows

Accounts involved: All accounts.

Description: This report communicates the cash generated by your company's business, cash spent, and cash in or out from operating, financing, and investment activities.

Who Owes You

The Who Owes You section contains reports concerning accounts receivable, customer balances, open invoices and more. These reports communicate who owes you cash and helps you implement your company's sales and receipts policies.



The Who Owes You reports include:

1. Accounts receivable aging detail

Accounts involved: Accounts Receivable.

Description: This report communicates all unpaid invoices for the current period, the last 30 days, the last 60 days, and 90+ days. The outstanding invoices are grouped by the number of days past due.

2. Accounts receivable aging summary

Accounts involved: Accounts Receivable.

Description: This report communicates only customers with unpaid invoices for the current period, the last 30 days, the last 60 days, and 90+ days. This report does not show individual invoices.

3. Collections Report

Accounts involved: Accounts Receivable.

Description: This report communicates overdue invoices with their due dates, number of days past due, and totals for each customer.

4. Customer Balance Detail

Accounts involved: Accounts Receivable.

Description: This report communicates each customer's total open balances and their unpaid invoices, including the invoice date, number, due date, total, and open balance.

5. Customer Balance Summary

Accounts involved: Accounts Receivable.

Description: This report communicates each customer's total open balances.

6. Invoice List

Accounts involved: Accounts Receivable.

Description: This report communicates a chronological list of all your company's invoices for a specified date range.

7. Invoices and Received Payments

Accounts involved: Accounts Receivable.

Description: This report communicates the payments that you have received and their related invoices. This report can be used to troubleshoot unexpected A/R balances or audit how payments were applied to ensure it matches the customer's record.

8. Open Invoices

Accounts involved: Accounts Receivable.

Description: This report communicates unpaid invoices and statement charges with totals for each customer.

9. Statement List

Accounts involved: Accounts Receivable.

Description: This report communicates a list of statements that you sent to customers during a specific period of time.

10. Terms List

Accounts involved: No specific accounts are applicable.

Description: This report communicates a list of your company's terms, which determine due dates for payments from customers or to vendors. This report can also be used to view discounts you offer for early payment, as this can be indicated by terms.

11. Uninvoiced charges

Accounts involved: No specific accounts are applicable.

Description: This report communicates a list of customer transactions that you have not invoiced yet (meaning the transaction was saved, but not sent or billed to the customer as an invoice).

12. Uninvoiced time

Accounts involved: No specific accounts are applicable.

Description: This report communicates a list of time activities provided by employees that have not yet been invoiced.

Sales and Customers

The Sales and Customers reports communicate your company's customers and their information, general sales, estimates and progress invoicing, and more. These reports help management view your company's total sales and customer information.

Sales and customers	
Customer Contact List	☆ ⋮
Deposit Detail	☆ ⋮
Estimates & Progress Invoicing Summary by Customer	☆ ⋮
Estimates by Customer	☆ ⋮
Income by Customer Summary	☆ ⋮
Inventory Valuation Detail	☆ ⋮
Inventory Valuation Summary	☆ ⋮
Payment Method List	☆ ⋮
Physical Inventory Worksheet	☆ ⋮
Product/Service List	☆ ⋮
Sales by Customer Detail	☆ ⋮
Sales by Customer Summary	☆ ⋮
Sales by Customer Type Detail	☆ ⋮
Sales by Product/Service Detail	☆ ⋮
Sales by Product/Service Summary	☆ ⋮
Time Activities by Customer Detail	☆ ⋮
Transaction List by Customer	☆ ⋮



The Sales and Customers reports include:

1. Customer Contact List

Accounts involved: No specific accounts are applicable.

Description: This report communicates a list of your company's customers and their contact information, including phone number, email, and billing address.

2. Deposit Detail

Accounts involved: Asset (including Bank).

Description: This report communicates your company's deposits and their information, including date, customer or vendor, and amount.

3. Estimates & Progress Invoicing Summary by Customer

Accounts involved: Accounts Receivable.

Description: This report communicates your company's estimates by customer, invoiced amounts, and remaining amounts to invoice.

4. Estimates by Customer

Accounts involved: No specific accounts are applicable.

Description: This report communicates a list of your company's estimates by customer and whether estimates were invoiced.

5. Income by Customer Summary

Accounts involved: Income and Expense.

Description: This report communicates your company's net income for each customer (income after expenses).

6. Inventory Valuation Detail

Accounts involved: Inventory Asset, Income, Expense, and Cost of Goods Sold.

Description: This report communicates your company's inventory item information, including the quantity on hand, value, and average cost, as well as individual transactions that each item is linked to.

7. Inventory Valuation Summary

Accounts involved: Inventory Asset, Income, Expense, and Cost of Goods Sold.

Description: This report communicates your company's inventory item information, including the quantity on hand, value, and average cost.

8. Payment Method List

Accounts involved: Bank and Credit Card.

Description: This report communicates a list of the payment options you accept from customers.

9. Physical Inventory Worksheet

Accounts involved: No specific accounts are applicable.

Description: This report communicates the total physical quantity on hand for each inventory item. This report includes a space where you add the actual amount, making it a great tool to print and use when doing a physical inventory.

10. Product/Service List

Accounts involved: Income, Expense, Inventory Asset, and Cost of Goods Sold.

Description: This report communicates a list of your company's products and services that you sell, including information such as sales price, name, description, purchase cost (if applicable), and quantity on hand (if applicable).

11. Sales by Customer Detail

Accounts involved: Accounts Receivable and Income.

Description: This report communicates your company's sales information and transactions for each customer, including dates, types, amounts, and totals. This is a great tool for determining which customers generate the most revenue.

12. Sales by Customer Summary

Accounts involved: Accounts Receivable and Income.

Description: This report communicates your company's total sales for each customer. This is a great tool for determining which customers generate the most revenue.

13. Sales by Customer Type Detail

Accounts involved: Accounts Receivable and Income.

Description: This report communicates your company's total sales for each customer organized by type, including transactions that contribute to each total.

14. Sales by Product/Service Detail

Accounts involved: Income, Inventory Asset, and Cost of Goods Sold.

Description: This report communicates your company's sales and transactions for each item on your company's Product/Service list, including the date, transaction type, quantity, rate, amount, and total.

15. Sales by Product/Service Summary

Accounts involved: Income, Inventory Asset, and Cost of Goods Sold.

Description: This report communicates your company's sales for each item on your company's Product/Service list, including quantity, amount, % of sales, and average price.

16. Time Activities by Customer Detail

Accounts involved: Income.

Description: This report communicates the time activities your company's employees provided to each customer.

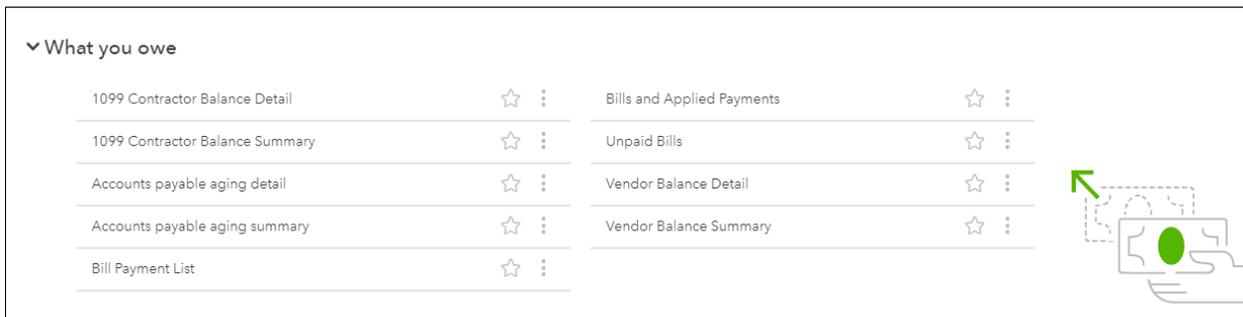
17. Transaction List by Customer

Accounts involved: Income.

Description: This report communicates transactions grouped by customer name. This allows you to see all activity related to each customer.

What You Owe

The What You Owe section contains reports concerning accounts payable, vendor and contractor balances, and bills. These reports help management see what money is owed and still unpaid.



The What You Owe reports include:

1. 1099 Contractor Balance Detail

Accounts involved: Accounts Payable.

Description: This report communicates a list of all the bills that total the amount your company owes each contractor.

2. 1099 Contractor Balance Summary

Accounts involved: Accounts Payable.

Description: This report communicates the total amount that your company owes each contractor.

3. Accounts payable aging detail

Accounts involved: Accounts Payable.

Description: This report communicates all unpaid bills for the current period, the last 30 days, the last 60 days, and 90+ days. The outstanding invoices are grouped by number of days past due.

4. Accounts payable aging summary

Accounts involved: Accounts Payable.

Description: This report communicates the totals of unpaid bills for the current period, the last 30 days, the last 60 days, and 90+ days. Does not show individual bills.

5. Bill Payment List

Accounts involved: Accounts Payable.

Description: This report communicates a list of the bills you paid during the specified date range.

6. Bills and Applied Payments

Accounts involved: Accounts Payable.

Description: This report communicates the payments that you have made and their related bills. This report can be used to troubleshoot unexpected A/P balances or audit how payments were applied to ensure it matches the vendor's record.

7. Unpaid Bills

Accounts involved: Accounts Payable.

Description: This report communicates your company's unpaid bills, including due dates and days past due. This can be a great tool for assisting you in paying bills on time.

8. Vendor Balance Detail

Accounts involved: Accounts Payable.

Description: This report communicates the total amount that your company owes each vendor, including all applicable bills that make up each total. This can help you identify unapplied payments.

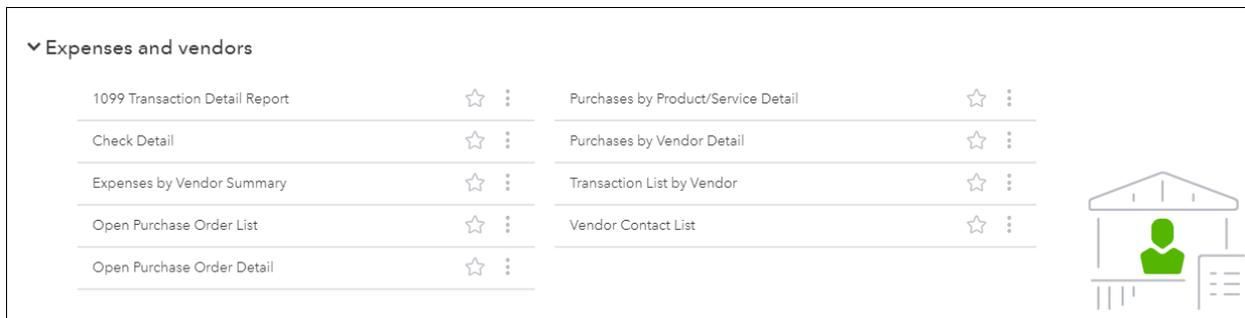
9. Vendor Balance Summary

Accounts involved: Accounts Payable.

Description: This report communicates the total amount that your company owes each vendor.

Expenses and Vendors

The Expenses and Vendors section contains reports concerning your company's vendors and their information, general purchases and expenses, purchase orders, and more. These reports help management view your company's total expenses and vendor information.



The Expenses and Vendors reports include:

1. 1099 Transaction Detail Report

Accounts involved: Income and Expense.

Description: This report communicates the transactions and total for each contractor, as well as their account number and tax ID. This report is useful when preparing and filing 1099 forms.

2. Check Detail

Accounts involved: Expense.

Description: This report communicates information regarding each check that is been issued, including date, payee, and amount.

3. Expenses by Vendor Summary

Accounts involved: Expense.

Description: This report communicates your company's total expenses for each vendor.

4. Open Purchase Order List

Accounts involved: No specific accounts are applicable.

Description: This report communicates a list of your company's open purchase orders by vendor, including the original amount of each purchase order.

5. Open Purchase Order Detail

Accounts involved: No specific accounts are applicable.

Description: This report communicates your company’s open purchase orders by item and/or account, including the total, received, and balance quantities and amounts.

6. Purchases by Product/Service Detail

Accounts involved: Expenses, Inventory Asset, and Cost of Goods Sold.

Description: This report communicates your company’s purchases grouped by Product or service.

7. Purchases by Vendor Detail

Accounts involved: Expenses, Inventory Asset, and Cost of Goods Sold.

Description: This report communicates your company’s individual purchases and totals for each vendor.

8. Transaction List by Vendor

Accounts involved: Expenses, Accounts Payable.

Description: This report communicates your company’s transactions grouped by Vendor.

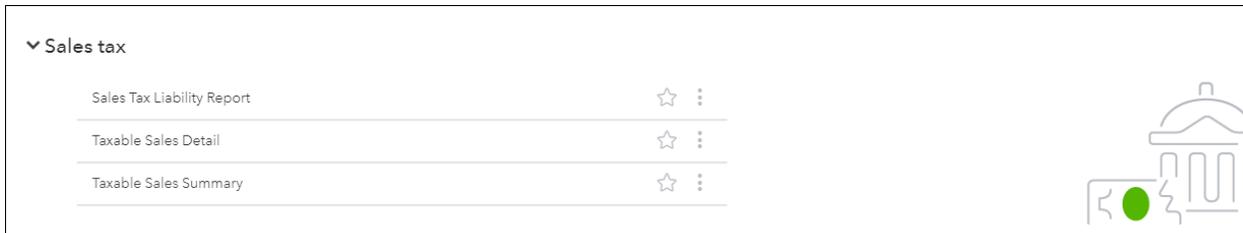
9. Vendor Contact List

Accounts involved: No specific accounts are applicable.

Description: This report communicates a list of your company’s vendors and their contact information, including company name, phone number, email, mailing address, and account number.

Sales Tax

The Sales Tax section contains reports concerning sales tax and sales tax liabilities.



The Sales Tax reports include:

1. Sales Tax Liability Report

Accounts involved: Liabilities

Description: This report communicates the sales tax you have collected and what you currently owe your company’s tax agencies.

2. Taxable Sales Detail

Accounts involved: Liabilities

Description: Your total sales of products and services that are taxable, including the date, transaction type, customer, quantity, rate, amount, and balance.

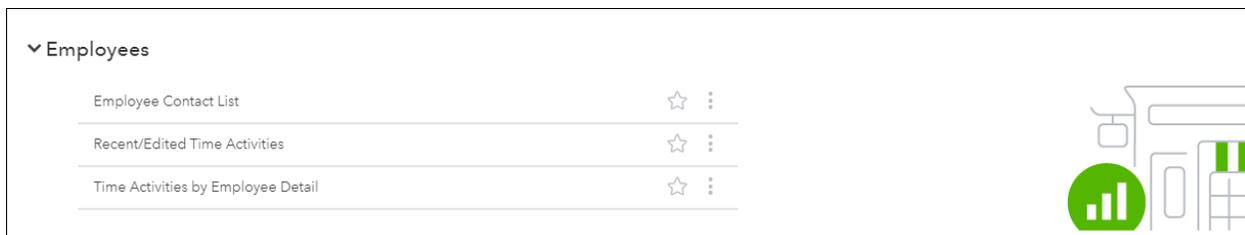
3. Taxable Sales Summary

Accounts involved: Liabilities

Description: Your total sales of products and services that are taxable.

Employees

The Employees section contains reports concerning your company's employees and their time.



The Employees reports include:

1. Employee Contact List

Accounts involved: No specific accounts are applicable.

Description: This report communicates a list of employees and their contact information, including phone number and email.

2. Recent/Edited Time Activities

Accounts involved: No specific accounts are applicable.

Description: This report communicates anytime activities that your company's employees have entered or edited recently.

3. Time Activities by Employee Detail

Accounts involved: No specific accounts are applicable.

Description: This report communicates the time activities each employee entered, including hourly rate and duration.

For My Accountant

The For My Accountant section contains reports that are most relevant to aspects of accounting. This is where the General Ledger and Journal are located. Some of the reports in this category are also listed in previous categories.

▼ For my accountant	
Account List	☆ ⋮
Balance Sheet Comparison	☆ ⋮
Balance Sheet	☆ ⋮
General Ledger	☆ ⋮
Journal	☆ ⋮
Profit and Loss Comparison	☆ ⋮
Profit and Loss	☆ ⋮
Recent Automatic Transactions	☆ ⋮
Recent Transactions	☆ ⋮
Reconciliation Reports	☆
Recurring Template List	☆ ⋮
Statement of Cash Flows	☆ ⋮
Transaction Detail by Account	☆ ⋮
Transaction List by Date	☆ ⋮
Transaction List with Splits	☆ ⋮
Trial Balance	☆ ⋮



The For My Accountant reports include:

1. Account List

Accounts involved: All accounts.

Description: This report communicates the name, type, and balance for each account listed in your company's Chart of Accounts.

2. Balance Sheet Comparison

Accounts involved: Assets, Liabilities and Equity.

Description: This report communicates your company's assets, liabilities, and equity compared to last year.

3. Balance Sheet

Accounts involved: Assets, Liabilities and Equity.

Description: This report communicates your company's assets, liabilities, and equity without detailed transactions.

4. General Ledger

Accounts involved: All accounts.

Description: This report communicates the beginning balance, transactions, and total for each account in your company's Chart of Accounts.

5. Journal

Accounts involved: All accounts.

Description: This report communicates debits and credits for each transaction by date over a specified period of time.

6. Profit and Loss Comparison

Accounts involved: Income and Expense.

Description: This report communicates your company's income, expenses, and net income compared to last year.

7. Profit and Loss

Accounts involved: Income and Expense.

Description: This report communicates your company's income, expenses, and net income. This is also known as an income statement.

8. Recent Automatic Transactions

Accounts involved: All accounts.

Description: This report communicates any automatic transactions, such as recurring payments, from the last 4 days. While 4 days is the default date range, the date range can be changed.

9. Recent Transactions

Accounts involved: All accounts.

Description: This report communicates any transactions from the last 4 days. While 4 days is the default date range, the date range can be changed.

10. Reconciliation Reports

Accounts involved: Asset (including Bank), Liabilities (including Credit Card), and Equity.

Description: This report communicates a list of your company's reconciliations, with links to reports for individual reconciliations.

11. Recurring Template List

Accounts involved: All accounts.

Description: This report communicates a list of your company's recurring transaction templates by type (scheduled, reminder, and unscheduled).

12. Statement of Cash Flows

Accounts involved: All accounts.

Description: This report communicates the cash generated by your company's business, cash spent, and cash in or out from operating, financing, and investment activities.

13. Transaction Detail by Account

Accounts involved: All accounts.

Description: This report communicates your company's transactions and totals for each account in your company's Chart of Accounts.

14. Transaction List by Date

Accounts involved: All accounts.

Description: This report communicates a list of your company's transactions by date.

15. Transaction List with Splits

Accounts involved: All accounts.

Description: This report communicates a list of your company's transactions with split lines. This is the format for double-entry accounting.

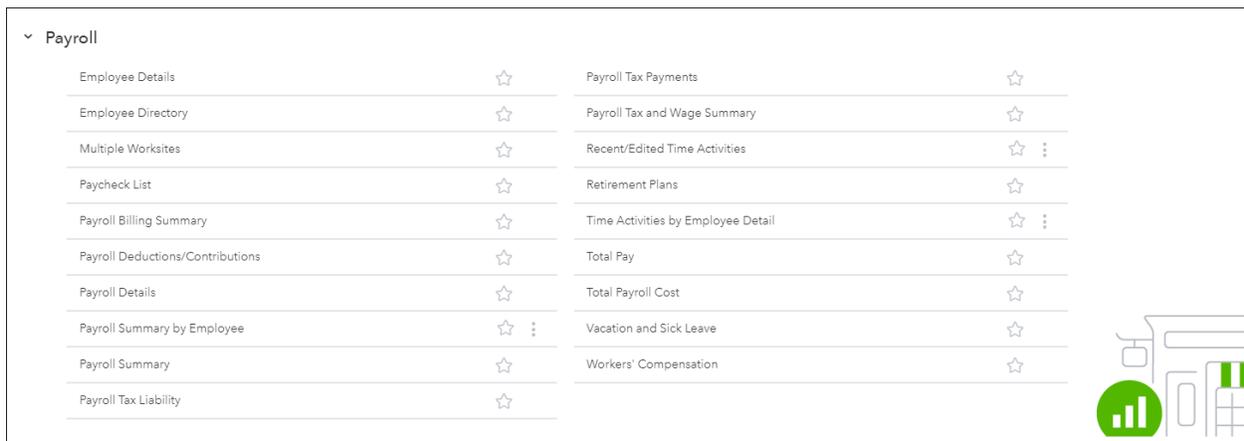
16. Trial Balance

Accounts involved: All chart of accounts.

Description: This report communicates the debit and credit balances of each account from your company's Chart of Accounts at a specific period of time.

Payroll

The Payroll section contains reports that relate to payroll, such as employee information and time.



Payroll	
Employee Details ☆	Payroll Tax Payments ☆
Employee Directory ☆	Payroll Tax and Wage Summary ☆
Multiple Worksites ☆	Recent/Edited Time Activities ☆ ⋮
Paycheck List ☆	Retirement Plans ☆
Payroll Billing Summary ☆	Time Activities by Employee Detail ☆ ⋮
Payroll Deductions/Contributions ☆	Total Pay ☆
Payroll Details ☆	Total Payroll Cost ☆
Payroll Summary by Employee ☆ ⋮	Vacation and Sick Leave ☆
Payroll Summary ☆	Workers' Compensation ☆
Payroll Tax Liability ☆	

The Payroll reports include:

1. Employee Details

Accounts involved: No specific accounts are applicable.

Description: This report shows a snapshot of each employee, including pay rate, deductions, and tax withholding.

2. Employee Directory

Accounts involved: No specific accounts are applicable.

Description: This report communicates a list of employees and their contact information, including phone number and email.

3. Multiple Worksites

Accounts involved: No specific accounts are applicable.

Description: This report provides information you can use to complete your Multiple Worksites Report (if required by your state).

4. Paycheck List

Accounts involved: No specific accounts are applicable.

Description: This report communicates a list of your company's paychecks and allows you to change check numbers, print pay stubs, and more.

5. Payroll Billing Summary

Accounts involved: Expense.

Description: This report shows charges for your QuickBooks Online Payroll subscription.

6. Payroll Deductions/Contributions

Accounts involved: Payroll Expense.

Description: This report communicates your total employee deductions and company contributions.

7. Payroll Details

Accounts involved: Payroll Expense and Liabilities.

Description: This report communicates the paychecks you have created, including the amount, taxes, and deductions.

8. Payroll Summary by Employee

Accounts involved: Payroll Expense and Liabilities.

Description: This report communicates employee wages, deductions, and tax info, totaled by employee or period.

9. Payroll Summary

Accounts involved: Payroll Expense and Liabilities.

Description: This report communicates the paychecks you have created, including total wages, taxes, and deductions.

10. Payroll Tax Liability

Accounts involved: Liabilities.

Description: This report communicates how much payroll tax you need to pay and how much you have already paid.

11. Payroll Tax Payments

Accounts involved: Expense and Liability.

Description: This report communicates the payroll tax payments you have made.

12. Payroll Tax and Wage Summary

Accounts involved: Liabilities.

Description: This report communicates total and taxable wages that are subject to federal and state withholding.

13. Recent/Edited Time Activities

Accounts involved: No specific accounts are applicable.

Description: This report communicates anytime activities that your company's employees have entered or edited recently.

14. Retirement Plans

Accounts involved: Payroll Expense.

Description: This report communicates employee and company contributions to your retirement plans.

15. Time Activities by Employee Detail

Accounts involved: No specific accounts are applicable.

Description: This report communicates the time activities each employee entered, including hourly rate and duration.

16. Total Pay

Accounts involved: No specific accounts are applicable.

Description: This report communicates each employee's total pay by type (salary, hourly, etc.).

17. Total Payroll Cost

Accounts involved: Payroll Expense and Liabilities.

Description: This report communicates all costs associated with paying your employees, including total pay, net pay, deductions, and taxes.

18. Vacation and Sick Leave

Accounts involved: No specific accounts are applicable.

Description: This report communicates vacation time and sick leave your employees used so far and how much they have left.

19. Workers' Compensation

Accounts involved: Payroll Expense.

Description: This report communicates wages paid for each Workers' Compensation class, to be used to prepare forms for state agencies or insurance companies.

Custom Reports

The Custom reports tab shows a list of customized reports. QuickBooks offers many customization options for reports; however, some reports have more customization options than others. Customization allows you to change the data shown in a report to display only what is most relevant to management.

To view Custom reports:

1. From the left menu, select Reports.
2. Select the Custom reports tab.

As stated, most reports have their own customization options, however, many options are shared.

Report Customization Categories

Report customization categories include:

1. General customization options,
2. Rows/Columns customization options,
3. Filter customization options, and
4. Header/Footer customization options.

General Customization Options

The General customization options include:

1. Accounting method

Function: Accounting method allows you to select the accounting method between Cash or Accrual, which changes the way data is displayed. This does not change your company's QuickBooks accounting method but allows you to change how your company's report is viewed.

2. Negative number

Function: Negative number allows you to determine how negative numbers are displayed. Open the drop-down menu and select Show in red if desired.

3. Number format

Function: Number format provides options for how numbers are displayed. Select the checkbox for the desired Number format options.

4. Report period

Function: Report period allows you to specify the period of time for the data that will be displayed on the report. Open the drop-down menu to select various options, then specify the dates by entering them in the appropriate fields. You select All Dates to display data from the time you started your company's QuickBooks company to date.

5. Tax Agency

Function: Tax Agency allows you to select a specific tax agency to display on the report or display all tax agencies you work with. Open the drop-down menu and select a tax agency.

Rows/Columns Customization Options

The Rows/Columns customization options include:

1. Columns

Function: Columns allow you to include additional information columns, as opposed to showing totals only. Open the drop-down menu and choose a selection.

2. Group by

Function: Group by allows you to group data by specified criteria. This can be changed by opening the drop-down menu and making selection.

3. Period Comparison

Function: Period comparison allows you to select which period to compare data to, and the format that the data is displayed. Using the checkboxes, select Previous period, Previous year, or Year-to-date, then select if you want to compare the \$ change or % change. You also add a "% of" items to include by selecting the appropriate checkboxes.

4. Select and reorder columns

Function: Select and reorder columns allows you to determine which rows or columns are displayed, as well as the order that they are shown. Select the checkboxes next to the items you want to be displayed, then select and hold the Dotted box icon next to each item and drag it up or down to change the order. Any options that are not selected will be shown below the list. Select an item below to add or re-add it to the list.

5. Show non-zero or active only

Function: Show non-zero or active only allows you to determine which rows and columns will be displayed. This lets you exclude rows/columns with zero amounts or only show active rows/columns.

Aging Customization Options

The Aging customization options include:

1. Aging method

Function: Aging method allows you to select the data displayed between Current and Report date.

2. Days per aging period

Function: Days per aging period allows you to dictate the number of days in each aging period. The default is 30, meaning it will show overdue balances for 1-30 days, 31-60 days, 61-90 days, and 91 and over.

3. Min. Days Past Due

Function: Min. Days Past Due allows you to specify a minimum number of days past due. Enter in the appropriate field.

4. Number of periods

Function: Number of periods allow you to change the number of periods displayed. The default is 4, meaning it will show overdue balances for four periods of time.

Filter Customization Options

The Filter customization options include:

1. 1099 Box

Function: 1099 Box allows you to display data only for different box items on the 1099 form. Select the checkbox next to 1099 Box, then open the drop-down menu to select which box number you want to be displayed.

2. Account

Function: Account allows you to display data for different accounts. Select the checkbox next to Account, then open the drop-down menu to select "All" of a specific type of account or scroll down further to select the checkboxes next to the accounts to include.

3. Amount

Function: Amount allows you to display data for a specific transaction based on the amount. Select the checkbox next to Amount, then enter the amount for the transaction that you want the data displayed for.

4. A/R Paid or A/P Paid

Function: A/R Paid or A/P Paid allows you to change which accounts receivable or accounts payable data is displayed. Select the checkbox next to A/R Paid or A/P Paid, then open the drop-down menu and select All, Paid, or Unpaid.

5. Billable

Function: Billable allows you to display data based on whether an activity was billable. Select the checkbox next to Billable, then open the drop-down menu and select All, Billable, or Non-Billable.

6. Check Printed

Function: Check Printed allows you to display data only for checks that are Printed or To be printed. Select the checkbox next to Check Printed, then open the drop-down menu and select Printed or To be printed.

7. Cleared

Function: Cleared allows you to display data only for transactions that are Cleared, Uncleared, or Reconciled. Select the checkbox next to Cleared, then open the drop-down menu and select Cleared, Uncleared, or Reconciled.

8. Created Date

Function: Created Date allows you to display data for a time period based on when the transaction was created. Select the checkbox next to Created Date, then open the drop-down menu and select the date range you want to show on the report.

9. Crew #

Function: Crew # allows you to display data for a specific employee or crew member based on their Crew #, if you use crew #'s. Select the checkbox next to Crew #, then enter the crew # of the employee that you want the data displayed for.

10. Customer

Function: Customer allows you to display data for only specified customers. Select the checkbox next to Customer, then open the drop-down menu and select the customer(s) that you want to show on the report.

11. Customer Taxable

Function: Customer taxable allows you to display data for only customers that are Taxable or Non-Taxable. Select the checkbox next to Customer Taxable, then open the drop-down menu and select Taxable or Non-Taxable.

12. Deleted

Function: Deleted allows you to display data for items you have deleted. Select the checkbox next to Deleted, then open the drop-down menu and select all, Deleted, or Not Deleted.

13. Distribution Account

Function: Distribution Account allows you to display data for different account types. Open the drop-down menu to select "All" of a specific type of account or scroll down further to select the checkboxes next to the accounts to include. The distribution account is typically the account(s) specified on the bottom of a form.

14. Due Date

Function: Due Date allows you to display data to include only specific due dates. Select the checkbox next to Due Date, then open the drop-down menu and select which due dates you want to show on the report.

15. Employee

Function: Employee allows you to display data for only specified employees. Select the checkbox next to Employee, then open the drop-down menu and select the employee(s) that you want to show on the report.

16. End Date

Function: End Date allows you to display data for a time period based on when the recurring transaction's end date was specified. Select the checkbox next to End Date, then open the drop-down menu and select the date range you want to show on the report.

17. Estimate Status

Function: Allows you to display only estimates based on their status, such as Pending, Accepted, Rejected, etc. Select the checkbox next to Estimate Status, then open the drop-down menu and select Pending, Accepted, or Rejected.

18. Expiration Date

Function: Estimate Status allows you to display data for a time period based on when the transaction (typically estimates) expired. Select the checkbox next to Expiration Date, then open the drop-down menu and select the date range you want to show on the report.

19. Hired Date

Function: Hired Date allows you to display employee data for a time period based on when the employee was hired. Select the checkbox next to Hired Date, then open the drop-down menu and select the date range you want to show on the report.

20. Last Modified Date

Function: Last Modified Date allows you to display data for a time period based on when the transaction was last modified. Select the checkbox next to Last Modified Date, then open the drop-down menu and select the date range you want to show on the report.

21. Location

Function: Location allows you to display data for only specified locations. Select the checkbox next to Location, then open the drop-down menu and select the location(s) that you want to show on the report. This option is only available if Location tracking is enabled.

22. Memo

Function: Memo allows you to display data for a specific transaction based on its memo information. Select the checkbox next to Memo, then enter the memo information from the transaction that you want the data displayed for.

23. Name

Function: Name allows you to display data for only specified customers, vendors, and employees based on the name. Select the checkbox next to Name, then open the drop-down menu and select the names of those you want data displayed for.

24. Num

Function: Num allows you to display data for a specific transaction based on the transaction number. Select the checkbox next to Num, then enter the transaction number for the transaction that you want the data displayed for.

25. Payment Method

Function: Payment Method allows you to display data for only specified payment methods. Select the checkbox next to Payment Method, then open the drop-down menu and select the payment method(s) that you want to show on the report.

26. Product/Service

Function: Product/Service allows you to display data for only specified products/services. Select the checkbox next to Product/Service, then open the drop-down menu and select the product(s) or service(s) that you want to show on the report.

27. Product/Service Taxable

Function: Product/Service Taxable allows you to display data for only products/services that are Taxable or Non-Taxable. Select the checkbox next to Product/Service Taxable, then open the drop-down menu and select Taxable or Non-Taxable.

28. Released Date

Function: Released Date allows you to display employee data for a time period based on when the employee was released. Select the checkbox next to Released Date, then open the drop-down menu and select the date range you want to show on the report.

29. Sales Printed

Function: Sales Printed allows you to display data only for sales that are Printed or To be printed. Select the checkbox next to Sales Printed, then open the drop-down menu and select Printed or To be printed.

30. Sales Rep

Function: Sales Rep allows you to display data for a specific sales representative. Select the checkbox next to Sales Rep, then enter the name of the sales rep you want the data displayed for.

31. Sent

Function: Sent allows you to display data only for transactions that are Sent or To be sent. Select the checkbox next to Sent, then open the drop-down menu and select Sent or To be sent.

32. Ship Via

Function: Ship Via allows you to display data based on Ship Via information. Select the checkbox next to Ship Via, then enter the ship via information that you want the data displayed for.

33. Template Name

Function: Template Name allows you to display data for a specific template based on the template name. Select the checkbox next to Template Name, then enter the name of the template that you want the data displayed for.

34. Terms

Function: Terms allow you to display data for only specified terms. Select the checkbox next to Terms, then open the drop-down menu and select the terms that you want to show on the report.

35. Transaction Type

Function: Type allows you to display data for only specified types of transactions. Select the checkbox next to Transaction Type, then open the drop-down menu and select the transaction type(s) that you want to show on the report.

36. Type of Contractors

Function: Type of Contractors allow you to display data for only specific types of contractors. Select the checkbox next to Type of Contractors, then open the drop-down menu and select the contractor type that you want to show on the report.

37. Vendor

Function: Vendor allows you to display data for only specified vendors. Select the checkbox next to Vendor, then open the drop-down menu and select the vendor(s) that you want to show on the report.

Header/Footer Customization Options

The Header/Footer customization options include:

1. Alignment

Function: Alignment allows you to determine where the header and footer are positioned in the report. Open the drop-down menu and select Left, Center, or Right.

2. Footer

Function: Footer allows you to change or edit the information displayed at the bottom of the report page. Select the checkbox next to the items you want to appear in the footer.

3. Header

Function: Header allows you to change or edit the information displayed at the top of the report page. Select the checkbox next to the items you want to appear in the header, then edit the text if desired. This is where you change the name of the report by editing the Report title.

Customizing Reports

When you customize a QuickBooks report, you make changes to the information displayed on an existing report using the features listed above. Customizing reports allow you to format a specific report to determine what data is displayed and how it is displayed, based on the information management determines is relevant for that report.

Depending on which report you have open, several basic customization options will be available, such as the following:

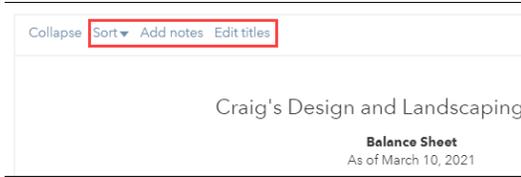
The screenshot shows the 'Balance Sheet Report' customization interface. A red box highlights the 'Report period' section, which includes a dropdown menu for 'This Year-to-date', two date input fields (01/01/2020 and 06/16/2020), and a 'to' label. Below this, there are four sections: 'Display columns by' with a dropdown set to 'Total Only'; 'Show non-zero or active only' with a dropdown set to 'Active rows/active columns'; 'Compare another period' with a dropdown set to 'Select period'; and 'Accounting method' with radio buttons for 'Cash' and 'Accrual' (selected). A 'Run report' button is located to the right of these options.

- Report period – Allows you to determine the date range of data displayed. Open the drop-down and make selection or enter dates in the appropriate fields.
- Display columns – Allows you to add or change display columns. Open the drop-down and make selection.
- Show non-zero or active only – Allows you to display rows and columns by Active, All, or Non-zero. Open the drop-down and make selection.
- Compare another period – Allows you to compare the Report period entered previously with another period or periods, as well as compare by percent of row or column. Select the checkboxes next to the desired options. Select Reorder columns to rearrange the order by which the columns are displayed.
- Accounting method – Allows you to display the results as Cash or Accrual.
- Aging method – Allows you to display results as current or as of the report date.
- Days per aging period – Allows you to determine the number of days per aging period, with the default being 30. You can change this by entering the desired number.
- Number of periods – Allows you to determine the number of periods, with the default being 4. You can change this by entering the desired number.
- Rows/Columns – Allows you to group rows and/or columns by a specified category. Open the drop-down and make selection.

- **Min. Days Past Due.** – Allows you to enter a minimum number of days past due to display.

After making any changes, select Run report to display the customized report.

Certain reports also have in-report customization options, such as the following:

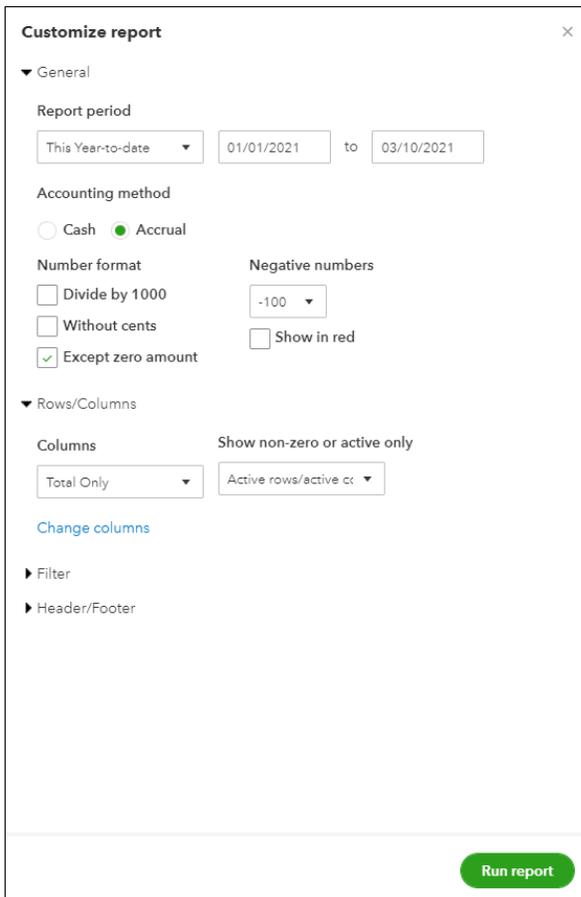


- **Sort** – Allows you to sort the data (ex. ascending or descending).
- **Add notes** – Allows you to enter notes, which are then displayed at the bottom of the report.
- **Edit titles** – Allows you to replace the default titles used in reports of that type. For example, you could replace the title Income with Revenue. After selecting Edit Titles, enter the desired label for each title, then select Save.

To create a customized report:

1. With a report open, select Customize.

The Customize report section will then appear.



2. Change the settings in the Customize Report section.
You expand customization categories by selecting them.
3. Select Run Report.
4. Select Save customization to save the customized report.
5. Enter a name for the custom report.
6. (Optional) Select a group you want to add the report to or select Add new group to create a new group.

Grouping reports will allow you to keep them organized on the Custom reports tab. Groups also allow you to email multiple reports at once. This is discussed in more detail in *Preparing and Distributing Relevant Reports*.
7. Select which users you would like to share the report with from the drop-down menu. When you share a report, it allows other users in your company to view the custom report from the Custom reports tab.
8. Select Save. The custom report will then show on the Custom reports tab.

Management Reports

The Management reports tab contains compilation reports relevant to management personnel. These reports focus on the big picture standing of the company, including the Company Overview, Sales Performance, and Expenses Performance reports.

When you run one of these reports, it will be conveniently formatted as a professional report, ready to be printed or distributed accordingly. Before running a report, you select the Report Period by opening the drop-down menu on the table and selecting the available options. After you open a report, you print the report by selecting Print.

To view Management reports:

1. From the left menu, select Reports.
2. Select the Management reports tab.

Management Reports includes:

1. Company Overview,
2. Sales Performance,
3. Expenses Performance, and
4. Editing and Customizing Management Reports.

Company Overview

The Company Overview report includes two reports, the Profit and Loss and Balance Sheet reports. Combining these two reports provides management with an awareness of some aspects of the financial standing of your company.

Sales Performance

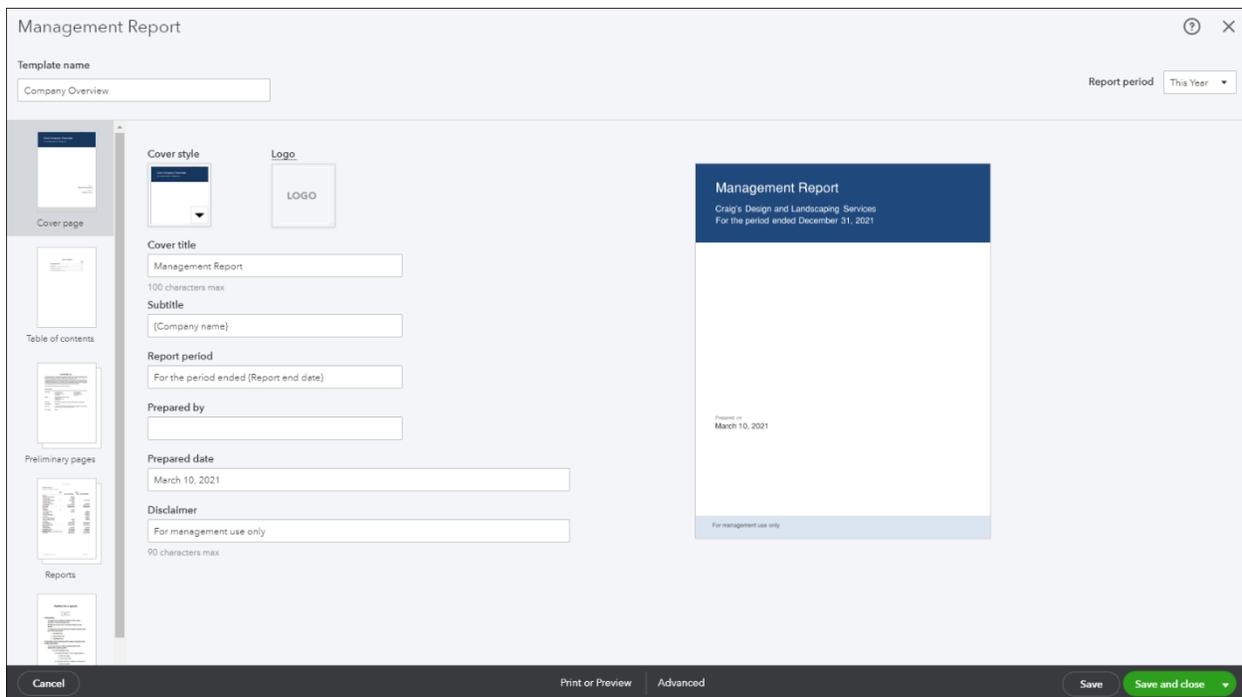
Sales Performance includes three reports, the Profit and Loss, A/R Aging Detail, and Sales by Customer Summary reports. Combining these reports provides management with an awareness of the sales performance of the company, including current sales and outstanding customer balances.

Expenses Performance

Expenses Performance includes three reports, the Profit and Loss, A/P Aging Detail, and Expenses by Vendor Summary reports. Combining these reports provides the viewer with an awareness of the company's expenses, including current expenses and money still owed.

Editing and Customizing Management Reports

Editing or customizing your company's Management reports allows you to change how they are displayed. You modify the style, report title, contents and more.



The screenshot shows a web-based interface for customizing a Management Report. The window title is "Management Report" with a help icon and a close button. The "Template name" field contains "Company Overview" and the "Report period" is set to "This Year". On the left, a vertical sidebar lists report sections: Cover page, Table of contents, Preliminary pages, and Reports. The main area contains several form fields: "Cover style" (a dropdown menu), "Logo" (a placeholder box labeled "LOGO"), "Cover title" (text input: "Management Report", 100 characters max), "Subtitle" (text input: "[Company name]"), "Report period" (text input: "For the period ended (Report end date)"), "Prepared by" (text input), "Prepared date" (text input: "March 10, 2021"), and "Disclaimer" (text input: "For management use only", 90 characters max). A preview window on the right shows a sample report cover with a blue header, the title "Management Report", the company name "Craig's Design and Landscaping Services", the period "For the period ended December 31, 2021", and the date "Prepared by: March 10, 2021". At the bottom, there are buttons for "Cancel", "Print or Preview", "Advanced", "Save", and "Save and close".

We customize the Management Report based on what we believe is the most relevant financial information for the company's specific type of business.

Preparing and Distributing Relevant Reports

Your responsibility is to generate and communicate timely, relevant, and reliable financial information to internal (owner, manager, and employee) and external (bank, vendor, and tax agency) users.

Preparing and communicating financial information enables internal users to make better business decisions and enables the company to comply with external user requirements and regulations.

The types of reports you run and who you distribute them to differs from company to company. However, the way you distribute QuickBooks reports is the same. You email or print your QuickBooks reports, but we recommend you distribute them through email.

Preparing and Distributing Relevant Reports includes:

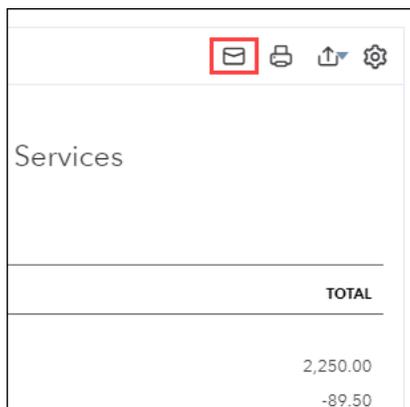
1. Emailing Reports,
2. Scheduled Reports,
3. Report Groups, and
4. Sending Management Reports.

Emailing Reports

The most efficient way to distribute reports is through email.

To email a report:

1. Select Run report to generate the report.
2. Select the Email icon at the top right of the report page.



3. Review the report and select Email.
4. Enter the recipient's email address (To), carbon copy (Cc) recipient's email address, Subject, email contents (Body), and report title (Report).
5. Select Send.

Scheduled Reports

QuickBooks has a feature that allows you to run and email reports automatically on a recurring schedule. This feature is convenient for daily, weekly, monthly, quarterly, and annual reports. The feature can also be used for custom reports.

To set a report schedule:

1. From the left menu Select Reports, then select Custom reports.
2. Locate the custom report and select Edit from the Action column.

The Custom Report edit page opens.

The screenshot shows the 'Custom Report' edit interface. At the top, the 'Report Name' is 'Profit and Loss QTD'. Below it, there are dropdown menus for 'Add this report to group' and 'Share with', both currently set to 'None'. A red box labeled '3' highlights the 'Set email schedule' toggle switch, which is currently turned 'ON'. Below this is the 'SET RECURRENCE' section, highlighted with a red box and labeled '4'. It includes a 'Repeats' dropdown set to 'Daily', an 'Every' field set to '1' day(s), a 'Next Date' of '03/10/2021', and an 'End' dropdown set to 'None'. The 'End Date' field is empty. Below that is the 'EMAIL INFORMATION' section, highlighted with a red box and labeled '5'. It contains a 'To:' field with the placeholder 'Email (Separate emails with a comma)', a 'Cc:' field, a subject line 'Financial reports for Craig's Design and Landscaping Services', and a body of text: 'Hello, Attached is the set of financial reports for Craig's Design and Landscaping Services. Regards, Craig Carlson'. At the bottom left of this section is a checkbox labeled 'Attach the report as an Excel file'. At the bottom of the form, there are three buttons: 'Cancel', 'Save', and 'Save and close', with the 'Save and close' button highlighted by a red box and labeled '6'.

3. Select the Set email schedule toggle switch to On.
4. Complete the Set Recurrence window to determine the schedule.
5. Enter the recipient's email address (To), carbon copy (Cc) recipient's email address.

You edit the Subject and email contents (Body) and attach the report as an Excel file.

6. Select Save and close.

Report Groups

Using groups is the best way to keep your company's reports organized on the Custom reports tab. You also create schedules for your company's groups, allowing you to send multiple reports to the same recipient. One option to add a custom report to a group is to do so when saving it as a customized report. Otherwise, you group reports from the Custom reports tab.

To add a report to a group:

1. Select Reports from the left menu, then Custom reports.
2. Locate the report you want to group and select Edit from the Action column.
3. Under Add this report to a group, open the drop-down menu and select an existing group or add a new one.
4. Select Save and close.

Once a report is added to a group, you will note on the Custom reports page that it is organized under that group. You then create a schedule for the group the same way you do for individual reports, allowing you to send a collection of reports together on a recurring basis.

Sending Management Reports

Another common way to send multiple reports together is by using Management Reports. A management report is a compilation of reports, organized with a cover page and areas for notes to the user, making it a great format for reporting information. Once you customize your company's management reports you email them.

To email management reports:

1. Select Reports from the left menu, then select Management reports.
2. Locate the report and open the drop-down menu in the Action column and select Send.
3. Enter the recipient's email address (To), carbon copy (Cc) recipient's email address.
You edit the Subject, email contents (Body), and Filename.
4. Select Send email.

QuickBooks Report Email Schedule

Daily and weekly reports are generally for the bookkeeper or personnel who use a report's information, such as accounts receivable or accounts payable personnel. These reports are usually not grouped or included in management reports but are generated and emailed individually.

Monthly, quarterly, and annual reports are generally for the owners and managers who use a report's information, such as the sales or purchases manager. Therefore, management reports should be emailed to the owners and Cc'd to the responsible manager.

The following daily, weekly, monthly, quarterly, and annual report schedules are used by most companies. However, the types of QuickBooks reports you generate and communicate may vary depending on the company.

QuickBooks Report Email Schedule includes:

1. Daily Reports,

2. Weekly Reports,
3. Monthly Reports,
4. Quarterly Reports, and
5. Annual Reports.

Daily Reports

Daily reports should be generated each business day.

Note: As part of your QuickBooks set up, your accountant will customize, group, and schedule your daily reports.

The daily reports include the following three sections:

1. Cash Flow,
2. Sales, and
3. Expense.

Cash Flow Reports

Cash Flow reports include one report:

1. Statement of Cash Flows (Report period: Yesterday).

Sales Reports

Sales reports include four reports:

1. Sales by Customer Detail (Report period: Yesterday),
2. Sales by Product/Service Detail (Report period: Yesterday),
3. Accounts Receivable Aging Detail (Report period: Yesterday), and
4. Collections (Report period: Yesterday).

Expense Reports

Expense reports include three reports:

1. Purchases by Vendor Detail (Report period: Yesterday),
2. Purchases by Product/Service Detail (Report period: Yesterday), and
3. Accounts Payable Aging Detail (Report period: Today).

Weekly Reports

The Weekly Management Report should be scheduled to email to owners and managers on Monday or the first business day of each week.

Note: As part of your QuickBooks set up, your accountant will customize, group, and schedule your Weekly Management Report.

The Weekly Management Report includes the following five sections:

1. Financial Position,
2. Profitability,
3. Cash Flow,
4. Sales, and
5. Expense.

Financial Position Reports

Financial condition reports include three reports:

1. Balance Sheet (Report period: Last Week; Compare another period: % of Column),
2. Balance Sheet Comparison (Report period: Last Week; Compare another period: Previous Period, \$ change and % change), and
3. Balance Sheet Comparison (Report period: Last Week; Compare another period: Previous Year, \$ change and % change).

Profitability Reports

Profitability reports include three reports:

1. Profit and Loss as % of total income (Report period: Last Week),
2. Profit and Loss Comparison (Report period: Last Week; Compare another period: Previous Period, \$ change and % change), and
3. Profit and Loss Comparison (Report period: Last Week; Compare another period: Previous Year, \$ change and % change).

Cash Flow Reports

Cash Flow reports include one report:

1. Statement of Cash Flows (Report period: Last Week).

Sales Reports

Sales reports include six reports:

1. Sales by Customer Summary (Report period: Last Week; Compare another period: % of Column),

2. Sales by Customer Summary (Report period: Last Week; Compare another period: Previous Period, \$ change and % change),
3. Sales by Customer Summary (Report period: Last Week; Compare another period: Previous Year, \$ change and % change),
4. Sales by Product/Service Summary (Report period: Last Week),
5. Accounts Receivable Aging Summary (Report period: Last Week), and
6. Collections (Report period: Last Week).

Expense Reports

Expense reports include four reports:

1. Expenses by Vendor Summary (Report period: Last Week; Compare another period: % of Column),
2. Expenses by Vendor Summary (Report period: Last Week; Compare another period: Previous Period, \$ change and % change),
3. Expenses by Vendor Summary (Report period: Last Week; Compare another period: Previous Year, \$ change and % change), and
4. Accounts Payable Aging Summary (Report period: Last Week).

Monthly Reports

The Monthly Management Report should be scheduled to email to owners and managers each month after you reconcile your last month's bank and credit card accounts.

Note: As part of your QuickBooks set up, your accountant will customize, group, and schedule your Monthly Management Report.

The Monthly Management Report includes the following six sections:

1. Financial Position,
2. Profitability,
3. Cash Flow,
4. Sales,
5. Expense, and

Financial Position Reports

Financial condition reports include three reports:

1. Balance Sheet (Report period: Last Month; Compare another period: % of Column),

2. Balance Sheet Comparison (Report period: Last Month; Compare another period: Previous Period, \$ change and % change), and
3. Balance Sheet Comparison (Report period: Last Month; Compare another period: Previous Year, \$ change and % change).

Profitability Reports

Profitability reports include six reports:

1. Profit and Loss as % of total income (Report period: Last Month),
2. Profit and Loss Comparison (Report period: Last Month; Compare another period: Previous Period, \$ change and % change),
3. Profit and Loss Comparison (Report period: Last Month; Compare another period: Previous Year, \$ change and % change),
4. Profit and Loss as % of total income (Report period: This Year-to-last-month),
5. Profit and Loss Comparison (Report period: This Year-to-last-month; Compare another period: Previous Year, \$ change and % change), and
6. Profit and Loss by Month (Report period: This Year-to-last-month; Compare another period: % of Income).

Cash Flow Reports

Cash Flow reports include two reports:

1. Statement of Cash Flows (Report period: Last Month) and
2. Statement of Cash Flows (Report period: This Year-to-last-month).

Sales Reports

Sales reports include nine reports:

1. Sales by Customer Summary (Report period: Last Month; Compare another period: % of Column),
2. Sales by Customer Summary (Report period: Last Month; Compare another period: Previous Period, \$ change and % change),
3. Sales by Customer Summary (Report period: Last Month; Compare another period: Previous Year, \$ change and % change),
4. Sales by Customer Summary (Report period: This Year-to-last-month; Compare another period: % of Column),
5. Sales by Customer Summary (Report period: This Year-to-last-month; Compare another period: Previous Year, \$ change and % change),
6. Sales by Product/Service Summary (Report period: Last Month),

7. Sales by Product/Service Summary (Report period: This Year-to-last-month),
8. Accounts Receivable Aging Summary (Report period: Last Month), and
9. Collections (Report period: Last Month).

Expense Reports

Expense reports include five reports:

1. Expenses by Vendor Summary (Report period: Last Month; Compare another period: % of Column),
2. Expenses by Vendor Summary (Report period: Last Month; Compare another period: Previous Period, \$ change and % change),
3. Expenses by Vendor Summary (Report period: This Year-to-last-month; Compare another period: Previous Year, \$ change and % change),
4. Expenses by Vendor Summary (Report period: This Year-to-last-month; Compare another period: % of Column), and
5. Accounts Payable Aging Summary (Report period: Last Month).

Quarterly Reports

The Quarterly Management Report should be scheduled to email to owners and managers each quarter after you reconcile your last month's bank and credit card accounts. These reports are generated in April, July, October, and January if your company has a calendar year-end (December 31, 20XX).

Note: As part of your QuickBooks set up, your accountant will customize, group, and schedule your Quarterly Management Report.

The Quarterly Management Report includes the following six sections:

1. Financial Position,
2. Profitability,
3. Cash Flow,
4. Sales,
5. Expense, and

Financial Position Reports

Financial condition reports include three reports:

1. Balance Sheet (Report period: Last Quarter; Compare another period: % of Column),
2. Balance Sheet Comparison (Report period: Last Quarter; Compare another period: Previous Period, \$ change and % change), and

3. Balance Sheet Comparison (Report period: Last Quarter; Compare another period: Previous Year, \$ change and % change).

Profitability Reports

Profitability reports include four reports:

1. Profit and Loss as % of total income (Report period: Last Quarter),
2. Profit and Loss Comparison (Report period: Last Quarter; Compare another period: Previous Period, \$ change and % change),
3. Profit and Loss Comparison (Report period: Last Quarter; Compare another period: Previous Year, \$ change and % change), and
4. Quarterly Profit and Loss Summary (Report period: This Year-to-last-month; Compare another period: % of Income).

Cash Flow Reports

Cash Flow reports include two reports:

1. Statement of Cash Flows (Report period: Last Quarter) and
2. Statement of Cash Flows (Report period: This Year-to-last-month).

Sales Reports

Sales reports include four reports:

1. Sales by Customer Summary (Report period: Last Quarter; Compare another period: % of Column),
2. Sales by Customer Summary (Report period: Last Quarter; Compare another period: Previous Period, \$ change and % change),
3. Sales by Customer Summary (Report period: Last Quarter; Compare another period: Previous Year, \$ change and % change), and
4. Sales by Product/Service Summary (Report period: Last Quarter).

Expense Reports

Expense reports include three reports:

1. Expenses by Vendor Summary (Report period: Last Quarter; Compare another period: % of Column),
2. Expenses by Vendor Summary (Report period: Last Quarter; Compare another period: Previous Period, \$ change and % change), and
3. Expenses by Vendor Summary (Report period: Last Quarter; Compare another period: Previous Year, \$ change and % change).

Annual (Year-end) Reports

The Annual Management Report should be scheduled to email to owners and managers each year after you reconcile your last month's bank and credit card accounts. This report is generated in January if your company has a calendar year-end (December 31, 20XX).

Note: As part of your QuickBooks set up, your accountant will customize, group, and schedule your Annual Management Report.

The Annual Management Report includes the following six sections:

1. Financial Position,
2. Profitability,
3. Cash Flow,
4. Sales,
5. Expense, and

Financial Position Reports

Financial condition reports include two reports:

1. Balance Sheet (Report period: Last Year; Compare another period: % of Column) and
2. Balance Sheet Comparison (Report period: Last Year; Compare another period: Previous Year, \$ change and % change).

Profitability Reports

Profitability reports include two reports:

1. Profit and Loss as % of total income (Report period: Last Year) and
2. Profit and Loss Comparison (Report period: Last Year; Compare another period: Previous Year, \$ change and % change).

Cash Flow Reports

Cash Flow reports include one report:

1. Statement of Cash Flows (Report period: Last Year).

Sales Reports

Sales reports include three reports:

1. Sales by Customer Summary (Report period: Last Year; Compare another period: % of Column),
2. Sales by Customer Summary (Report period: Last Year; Compare another period: Previous Year, \$ change and % change), and
3. Sales by Product/Service Summary (Report period: Last Year).

Expense Reports

Expense reports include two reports:

1. Expenses by Vendor Summary (Report period: Last Year; Compare another period: % of Column) and
2. Expenses by Vendor Summary (Report period: Last Year; Compare another period: Previous Year, \$ change and % change).

Other Reporting Features

Other Reporting Features includes:

1. Business Snapshot,
2. Dashboard,
3. Vendors Page,
4. Sales Overview page, and
5. All Sales.

Business Snapshot

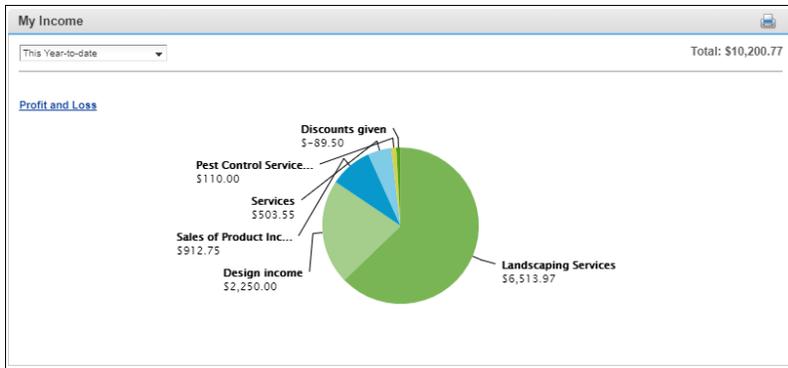
The Business Snapshot contains tiles that display snapshots of your company's income and expenses, income and expense comparisons, accounts receivable, and accounts payable using visual aids such as pie charts and bar graphs.

Due to the nature of the report, the report cannot be included in the management reports.

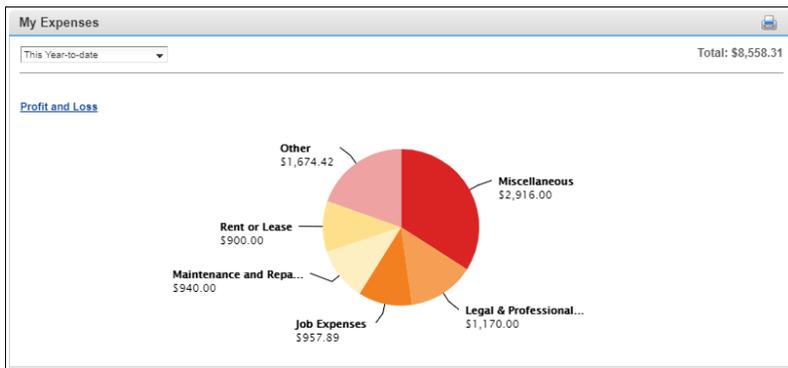
To view the Business Snapshot report:

1. From the left menu, select Reports.
2. Select the Standard tab.
3. In the Business Overview section, select Business Snapshot.

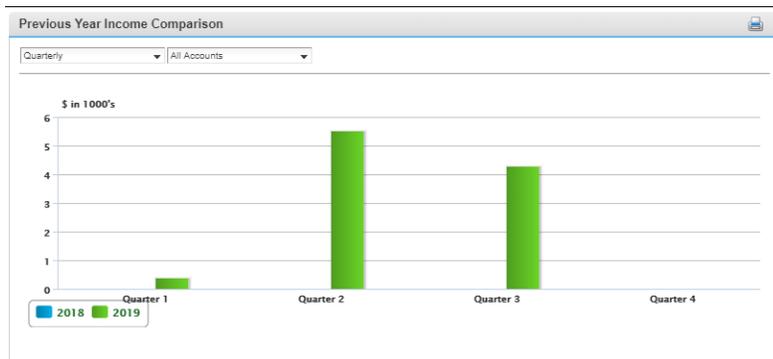
The My Income tile displays your company's income for a given period. You change the reporting period by selecting the period down arrow and the period you want to display. The total income for the report period is in the upper right of the graph. To see the income percentages for that period, hover your cursor over the slices of the pie chart. To view the Profit and Loss statement for that period, select the Profit and Loss link.



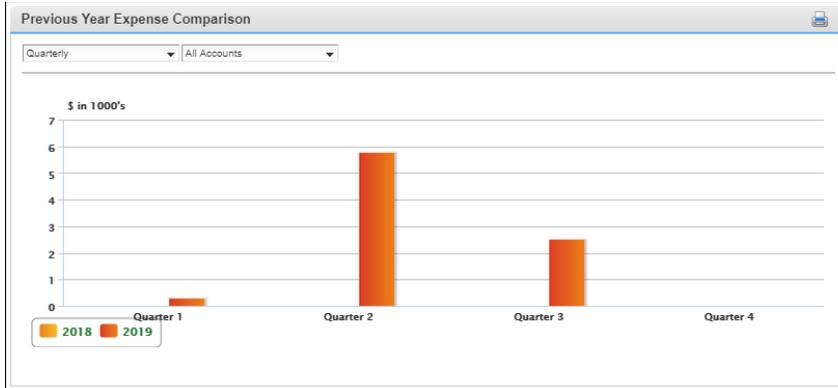
The My Expenses tile displays your company's expenses for a given period. You change the reporting period by selecting the period down arrow and the period you want to display. The total expenses for the report period are in the upper right of the graph. To see the expense percentages for that period, hover your cursor over the slices of the pie chart. To view the Profit and Loss statement for that period, select the Profit and Loss link.



The Previous Year Income Comparison displays your company's previous year's income in comparison to the current year. You change the reporting period and income accounts by selecting the period and accounts down arrows and the period and accounts you want to display. To see the income amount for that period, hover your cursor over the bars on the graph.



The Previous Year Expense Comparison displays your company's previous year's expense in comparison to the current year. You change the reporting period and expense accounts by selecting the period and accounts down arrows and the period and accounts you want to display. To see the expense amount for that period, hover your cursor over the bars on the graph.



The Who Owes Me tile displays a list of customers with outstanding balances in descending order by balance due. The total amount the company is owed for the report period is in the upper right of the tile.

Who Owes Me		Total: \$5,281.52
Customer		(\$)Amount Due
Paulsen Medical Supplies		954.75
Geeta Kalapatapu		629.10
Freeman Sporting Goods		562.50
Freeman Sporting Goods:0969 Ocean View Road		477.50
John Melton		450.00
Travis Waldron		414.72
Weiskopf Consulting		375.00
Sonnenschein Family Store		362.07
Mark Cho		314.28
Shara Barnett		274.50
Shara Barnett Barnett Design		274.50
Amy's Bird Sanctuary		239.00
Red Rock Diner		226.00

The Whom I Owe tile displays a list of vendors with outstanding balances in descending order by balance due. The total amount the company owes for the report period is in the upper right of the tile.

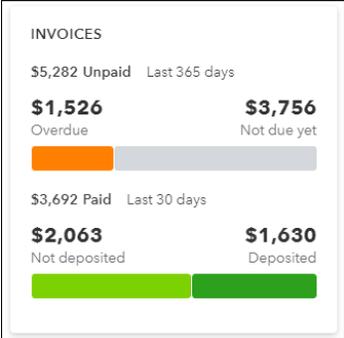
Whom I owe		Total: \$1,602.67
Vendor		(\$)Amount Due
Diego's Road Warrior Bodyshop		755.00
Robertson & Associates		315.00
Brosnahan Insurance Agency		241.23
Norton Lumber and Building Materials		205.00
PG&E		86.44

Dashboard

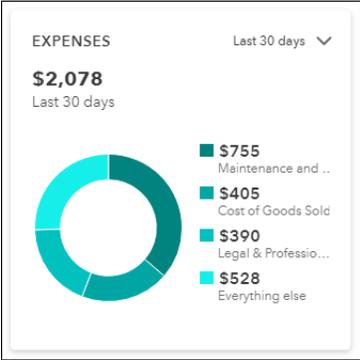
The Business overview tab of the Dashboard contains tiles that display snapshots of your company's operating performance. The tiles communicate information regarding your invoices, expenses, profit or loss, sales, and bank accounts.

To view the Business overview tab, select Dashboard from the left menu, then select Business overview.

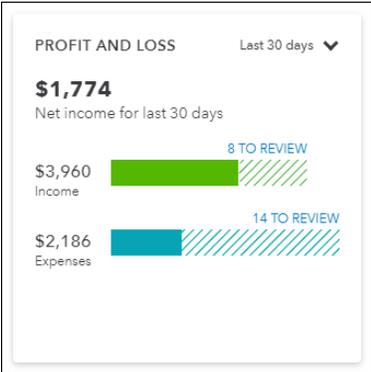
The Invoices tile displays the amount of your company’s unpaid invoices and the amount overdue and not due yet. The tile also includes the amount paid in the last 30 days and how much of that amount is not deposited or deposited. When you select the tile, you are directed to the Invoices page.



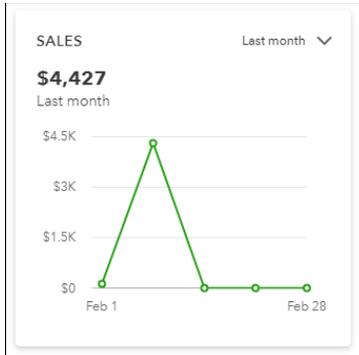
The Expenses tile displays your company’s total expenses over a given period categorized by the largest three expense account amounts and “Everything else” during the period. You change the reporting period by selecting the down arrow and the period you want to display. When you select Expenses, you are directed to the Expenses page. When you select the tile, you are directed to the expenses Transaction Report for the given period. If you select specific segments of the pie graph, you are directed to the expenses Transaction Report for that expense.



The Profit and Loss tile displays your company’s net and total income and expenses over a given period. You change the reporting period by selecting the down arrow and the period you want to display. When you select the tile, you are directed to the Profit and Loss report.



The Sales tile displays a point-to-point line graph to show your company's sales over a given period. To change the report period, select the down arrow and the period you want to display. The total sales for the report period are in the upper left of the graph. To see the sales amount for that period, hover your cursor over any point on the graph.



The Bank accounts tile displays your company's online connected bank and credit card accounts and shows their current balances and the number of transactions that need to be reviewed in your account. If you have Checking or Credit Cards parent accounts and checking and credit card subaccounts, the Checking and Credit Cards parent sections display the total balance of the subaccounts and the subaccount sections display the balance for the subaccount. When you select the Checking or Credit Cards parent account sections, you are directed to the Checking or Credit Cards from the Bank Register page. When you select the subaccounts, you are directed to the accounts For Review tab.

You connect online bank and credit card accounts by selecting Connect accounts. You view an account register for any connected account by selecting the Go to registers down arrow and account. You change the order of the accounts by selecting the Pencil icon and dragging each account.

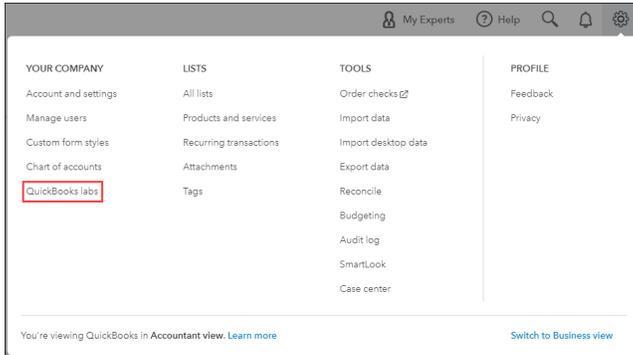
BANK ACCOUNTS ✎	
Checking	25 to review
Bank balance	-\$3,621.93 Updated
In QuickBooks	\$1,201.00 moments ago
Savings	1 to review
Bank balance	\$200.00 Updated
In QuickBooks	\$800.00 moments ago
Mastercard	7 to review
Bank balance	\$304.96 Updated
In QuickBooks	\$157.72 moments ago
Visa	
In QuickBooks	\$0

[Connect accounts](#) Go to registers ▾

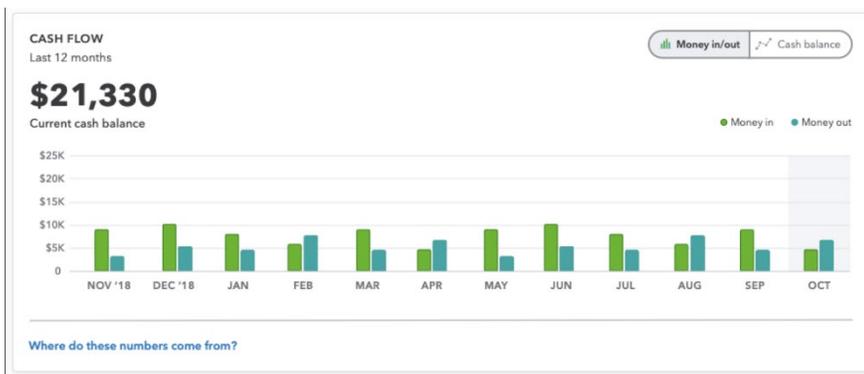
The dashboard can also show a Cash Flow widget, which displays useful information regarding your cash balances and your money in/out.

To enable the Dashboard Cash Flow widget:

1. Select the Gear icon at the top, then select QuickBooks Labs.



2. Under Cash Flow Dashboard Widget, select the radio button to On, then select Done.
3. Select Dashboard from the left menu, then select Business overview to view the Cash Flow widget.



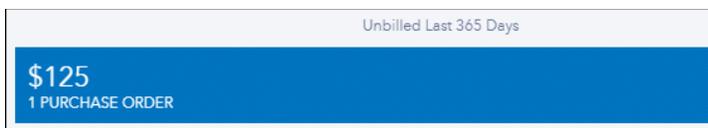
Vendors Page

The Vendors page displays a ribbon that shows unpaid and paid bills. If Purchase Orders is turned on in Account and Settings, the ribbon also displays unbilled purchase orders.

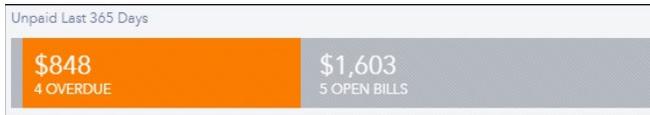
To view the Vendors page:

1. From the left menu, select Expenses and
2. Select Vendors.

Unbilled Purchase Orders displays the total amount and number of unbilled purchase orders over the last 365 days. When you select the tile, a list of open purchase orders displays.



Unpaid Bills displays the total amount and number of overdue and open bills unpaid in the last 365 days. When you select the Overdue (left) side of the tile, a list of overdue bills displays. When you select the Open Bill (right) side of the tile, a list of open bills displays.



Paid Bills displays the total amount and number of paid bills in the last 30 days. When you select the tile, a list of vendors displays.



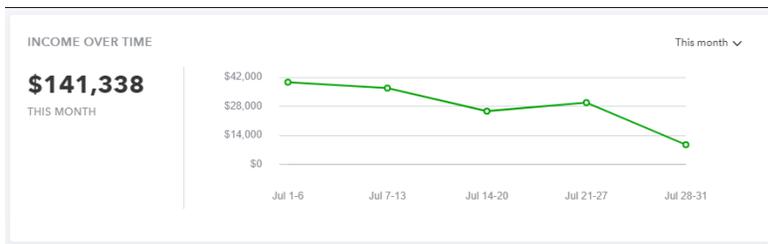
Sales Overview Page

The Sales Overview page contains tiles that display snapshots of your company’s sales and receipts. The tiles communicate information regarding your income over time, invoices, and deposits.

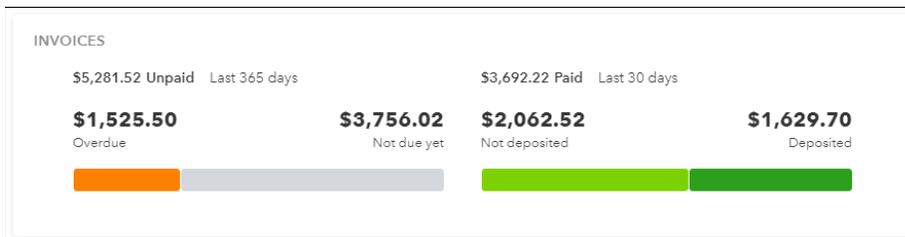
To view the Sales Overview page:

1. From the left menu, select Sales and
2. Select Overview.

The Income Over Time tile displays a point-to-point line graph to show your company’s sales over a given period. To change the report period, select the down arrow and the period you want to display. The total income for the report period is in the upper left of the graph. To see the sales amount for that period, hover your cursor over any point on the graph.



The Invoices tile displays the amount of your company’s unpaid invoices, the amount overdue and not due yet, and the amount not deposited and deposited. When you select the tile, you are directed to the Invoices page.



The Deposits tile displays the current day's deposit, the expected deposit date, and the number of processed transactions. When you select the tile, you are directed to the Deposits page.



All Sales

The All Sales page displays a ribbon that shows unbilled activity, unpaid invoices, and paid invoices.

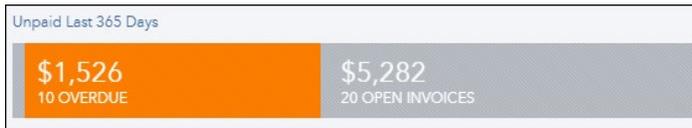
To view the All Sales page:

1. From the left menu, select Sales and
2. Select All Sales.

The Unbilled Activity tile displays your company's total estimate and unbilled (uninvoiced) activity amounts and number of estimates and unbilled activity over the last 365 days. When you select the Estimate (left) side of the tile, a list of open estimates displays. When you select the Unbilled Activity (right) side of the tile, a list of unsent invoices displays.



The Unpaid Invoices tile displays the amount and number of your company's overdue and open invoices. When you select the Overdue (left) side of the tile, a list of overdue invoices displays. When you select the Open Invoices (right) side of the tile, a list of open invoices displays.



The Paid Invoices tile displays the amount and number of your company's invoices paid in the last 30 days. When you select the tile, a list of invoices paid in the last 30 days displays.



APPENDIX BOOKKEEPING TASKS SCHEDULES

[Schedule of Bookkeeping Tasks Tasks](#)

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Bookkeeping Tasks Schedules

The following pages contain schedules for the bookkeeper to follow containing the major bookkeeping tasks discussed throughout the guide. We recommend you print the schedules to use as checklists.

The schedules are as follows:

- Daily Tasks
- Weekly Tasks
- Monthly Tasks
- Quarterly Tasks
- Annual Tasks
- Tasks as They Occur

Daily Tasks

Processing Bank and Credit Card Accounts

- Import and Review Bank and Credit Card Transactions
 - Step 1: Manually update your accounts
 - Step 2: Review your imported bank and credit card transactions
 - Step 3: Review transactions after you've matched or added them
- Record Bank Deposits (end of business day)

Processing Sales and Receipts

- Record any advanced payment and cash sales (sales receipts)
- Record any sales on account (sending invoices)
- Receive any invoice payments paid with a check or over-the-phone payment

Processing Purchases and Payments

- Record any advanced payment and cash purchases (expenses)
- Record any purchases on account

Communicating Business Performance

- Prepare and send cash flow reports
 - Statement of Cash Flows (Report period: Yesterday)
- Prepare and send sales reports
 - Sales by Customer Detail (Report period: Yesterday)
 - Sales by Product/Service Detail (Report period: Yesterday)
 - Accounts Receivable Aging Detail (Report period: Yesterday)
 - Collections (Report period: Yesterday)
- Prepare and send expense reports
 - Purchases by Vendor Detail (Report period: Yesterday)
 - Purchases by Product/Service Detail (Report period: Yesterday)
 - Accounts Payable Aging Detail (Report period: Today)

Weekly Tasks

Processing Purchases and Payments

- Pay bills every Friday (while following the rule *Pay as late as possible, but within terms*)

Communicating Business Performance

- Prepare and send Weekly Management Report

Monthly Tasks

Processing Bank and Credit Card Transactions

- Reconcile all QuickBooks connected bank and credit card accounts
 - Step 1: Open your bank or credit card statement
 - Step 2: Set up the reconciliation
 - Step 3: Reconcile the account

Communicating Business Performance

- Prepare and send Monthly Management Report

Quarterly Tasks

Communicating Business Performance

- Prepare and send Quarterly Management Report

Annual Tasks

Communicating Business Performance

- Prepare and send Annual Management Report

Tasks As They Occur

Processing Bank and Credit Card Accounts

- Create bank rules as new transactions occur to automate banking
- Upload receipts on the Receipts tab for expenses not paid for with a QuickBooks connected bank or credit card account
- Record manual bank deposits for vendor refund checks

Processing Purchases and Payments

- Record checks
 - Step 1: Record the check
 - Step 2: Print the check
- Record vendor credits and vendor refunds
- Add/edit vendors and vendor information

Processing Sales and Receipts

- Record credit memos and sales refunds
- Add/edit customer and customer information