

Learn QuickBooks 2019



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Chapter 1 – Course Introduction

Video: Welcome and Overview

Cindy: Hi there. Thank you for joining me. My name is Cindy McGuckin and I'm going to help walk you through this series of QuickBooks videos. I wanted to take a few moments and let you know a little bit about myself and also what to expect as you go through this series of courses.

I've been teaching QuickBooks for quite a number of years now, maybe 15-16 years and I absolutely love QuickBooks. It works great for all kinds of small businesses. So if you've never used QuickBooks before this is a great starting point and if you have used it before hopefully you'll get some tips, tricks, easier ways to do things, and also see what's new in the 2019 version.

I'm going to start at the very beginning and not assume you know anything, so that way you'll be able to start as if you were loading your QuickBooks for the first time here at your office. If you want to go ahead and set yours up as you're going through these videos with me, great, go ahead and do that.

I also want you to get a pen and paper so you can take notes at different sections. And as we're going through if you have any questions for us or anything you'd like to let us know please feel free to go ahead and just let us know those things and also watch the videos as many times as you need.

Why don't we go ahead and get started now and let's talk a little bit about the different versions of QuickBooks that are available when you go to make your purchase.

Video: QuickBooks Versions

Cindy: Let's talk a little bit about the different versions of QuickBooks that you're going to see when you go to make your purchase. There is a desktop version of QuickBooks and there's an online version of QuickBooks. I want to talk a little bit about both but let's start with the desktop version.

The first thing I want to make you aware of is there is a U.S. edition and a Canadian edition. If you happen to have the U.S. edition and you create a company file in that edition and later you want to go to the Canadian edition you will not be able to open your company file. The company file has to be created in the edition of QuickBooks that you're actually using. I just wanted you to know that because it does come up from time to time and people wonder why they can't open their file and that's why.

You're going to see that every year in September Intuit comes out with a new version of QuickBooks. Currently they're on the 2019 version. They only support three versions back. Right now they're supporting 19, 18, 17. If you happen to have a prior version it's still going to work. It's just Intuit won't actually support it. For example, if you were using the payroll service through QuickBooks you'll find that you won't get any of the payroll updates when they come out. Or if they make a minor change to the version you have you're not going to get those updates. You don't have to run out every single year and buy the latest edition but at least every third year you're going to want to do that.

The next thing you want to know is there's different varieties out there and I want you to be aware of those. Let's flip over to the Intuit website for a moment so I can show those to you and talk a little bit about each one of those.

You're going to see that Intuit has a version called QuickBooks Pro, which is plenty for most small business owners getting started. There's also a Premier edition and an Enterprise edition. And for each of these you can see the price that's currently listed. You probably want to do some research and see if you can get the price down a little bit online. Also, just know that they do have a 30 day free trial each year when they come out with a new edition. So that's helpful as well if you want to try it to see if you like it before you make this purchase.

Let me tell you a little bit about QuickBooks Pro.

In QuickBooks Pro you're going to have the ability to do everything you need to as far as accounting is concerned for your small business. One of the things you'll find is there's different lists in QuickBooks. One of those lists, for example, would be a list of customers, maybe a list of items or vendors you do business with. Each of those lists will hold 14,500 items. If you need more than that you'll want to upgrade to the Premier edition which holds over a million items in those different lists.

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Also you're going to have the Enterprise edition and this one is designed for businesses that have maybe 25-30 users. That way they can all access the company file at the same time. So if you're a small business owner you really don't need this. You might want to start with the Pro and later you can upgrade to the Premier edition.

When you start looking at the Premier edition you're going to see that there is an edition for construction, there's an edition for real estate. There's all kinds of editions. What Intuit does is they will actually pre-setup some of the lists for you. For example, they might set up a list of items or a list of your chart of accounts and they'll charge you a little bit more money for setting up those lists. You probably will end up editing or deleting a lot of that list anyway. It's just as easy to go with the Pro version and set the list up from scratch by yourself. And just so you'll know, this is the edition we will be using here through these videos.

Let me scroll down a little bit and let's compare some of the different options you're going to see in each one of these.

You'll notice here the QuickBooks Pro, for example, it's going to have all of your invoicing, your reporting, your estimating, all of that stuff. And you can see as far as reports go you've got a lot of reports. There's over a hundred of these in here. When you move up to the Premier edition you'll see there's over 150 industry specific reports.

Going down the list here the things that you're not going to have in the Pro will be things like forecasting. You're not going to have things like if you need to use the barcode scanning for mobile, for example, or any of these other features that you see right here.

I'm going to go ahead and go back here and let's look at some of the options for the online edition of QuickBooks.

The online edition is a monthly fee. The neat thing about working online is that you're going to be able to access your company file from anywhere in the whole wide world, as long as you have internet access. You'll have to make a decision on which one of these subscriptions you'd like to purchase.

Typically most people will start with the Essentials. If you start with the Simple Start you're just not going to have enough room to put your data in. What I mean by that is let's say you have a list of customers. It's only going to allow you 50. What if you need more than that? You'll need to upgrade to Essentials. And this one here is just not enough for anyone. I would suggest starting with Essentials and then if you need to go to the Plus you can always upgrade.

Some of the advantages that the Plus will have is you'll have the ability to work with products in here. Or if you have inventory and you'd like to track that you'll have to upgrade to the Plus edition here. But like I said, this is a monthly fee you'll have to pay for and it's up to you which one you'd like to use.

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I just wanted you to be aware of those different options you have when you're going out to purchase QuickBooks. What we're going to do now is move over to the next video and talk about some of the new features that are in the QuickBooks 2019.

Video: What's New in QuickBooks 2019

Cindy: Hey. Thanks for coming on back. We're almost through with module one. We're down to section three now and I want to talk to you about some of the new features on the frontend in QuickBooks 2019. You'll notice when you first look at the home screen nothing has really changed but some of the stuff when we dive in you'll see it's a little bit easier for you to use. Let me go ahead and flip over to QuickBooks and I'll show you some of those changes.

Let's start with the Enter Bills feature. What you'll notice in QuickBooks is that there is a flowchart on your home screen which tells you what to do. If you've entered a bill the next thing you want to do is pay your bills this way. If you do this you'll go through and check off the bills that you're going to pay and when you're done you will see there's a check in the register and it will actually tell QuickBooks that you've paid those bills.

What used to happen is when people get ready to pay their bills they would come over here to this Write Checks feature and just write a check. Later I would get a phone call and they would say, "I'm looking at some reports and I know I've paid all these bills but they're still showing as unpaid." And I'll look and the reason for that is because they didn't associate the check with the bill. Let me show you what happens now if you do this.

I'm going to click on Write Checks and I'm going to write a check for C.U. Electric and look how it pops up and says you have unpaid bills with this vendor. And it gives me a choice to go ahead and go to the Pay Bills window, which is the way it should have been done, or to just write a check because it might have nothing to do with that particular bill. I'm going to say Go To Bill Payments, I'm going to check off whichever ones I'm going to pay and then I'll just pay selected bills. When I'm done I can actually put something in the check number field and click OK and then that particular bill or bills are already paid. I can tell QuickBooks I'm finished by hitting Done and now that's going to work out perfectly the way it should.

Okay something new that has to do with invoicing. Invoices now have a status tracker. Let me show you what I'm talking about. If I go over to Create Invoices and let me go just find one. I want to find Pretell Real Estate. I know they've got a good one to show you. Pretell Real Estate and I'll in and look for number 1078, open it up. Okay, right here where it says See History this is new. If I click on this and I scroll to the bottom I'm going to see the history of this invoice. The invoice was created on 11/20. You can see they gave me a, it looks like some money, maybe a deposit on this. It looks like that money was deposited into the bank. It looks like they paid again and I made another deposit there.

You can also see up here that this was never sent to them or never viewed. So maybe it was just printed and handed to them. But it was paid and it was deposited. So that shows you the history that way. And before you could kind of see a history. You would actually have to go to Reports

up here and look at the Transaction History. And you could see the same information. It just looks a little bit nicer now with this See History option.

So that's another thing I wanted to show you that's actually changed. Let me go ahead and Save & Close at the bottom here.

Another thing this change has to do with Inventory Reports. I want to go ahead and pull up the Items & Services for a moment and look at a couple of the items in here.

If an item is inactive, meaning it will not show up in this list unless you check the box at the bottom that says Include Inactive. And now you'll see the ones with the little X to the left. Those are the ones that are marked inactive.

Right now if you show an inventory valuation summary report, and I just had this pulled up already, but what I wanted to show you is that if you have inactive items if this is checked right here you will see them on this report. If you uncheck this you will not. You'll notice that right now my total is \$1,024.6. If I click Show Inactive Inventory Items now it goes up by two because screen door is now on the list. And that's just something new I wanted you to see.

One thing that is kind of weird about this is if you don't have this checked and then you happen to check it you won't really know which items weren't on the list to begin with. You'd have to go back and just look through them to figure that out. So that's another thing that's changed. Let me go back to Home.

Something else that's changed is working with your IIF files. If you do a lot of exporting information from one file and importing into another you can now go and look at your errors and fix them. In order to do this you would go up to File, you'd go to Utilities, and then you would go to Import, and you would go to IIF Files. Now QuickBooks has to close all the windows to do this but this is a new window right here. You would actually import your IIF files, and I don't actually have one to do right now but if you have an error then what would happen, a window would pop up and say, would you like to see the errors and then fix them and try to reimport the information, and you could do that. I'm going to Cancel that and go back to Home for a moment.

And that's a few of the new things that have changed. You might decide that these little things aren't enough for you to upgrade to the 2019 version but they are kind of nice little features that will help you out if you need them.

That's going to go ahead and wrap up module one. Why don't we go ahead and go into module two and we'll get started setting up your company file.

Chapter 2 – Getting Started

Video: Setting Up Your Company File

Cindy: Now we get to talk a little bit about getting started in QuickBooks 2019. And the first thing I want to do is go ahead and start setting up your company file. Each file in QuickBooks is called a Company. You can have as many companies as you'd like in QuickBooks. Neither one knows what's in the other so it's a great way if you need to have multiple company files and they have different types of information in them you can keep them all right here but you do have to go through the setup process as a one-time thing. Let me go ahead and show you what your options are when you're setting up your company file.

This is the screen you're going to see when you first load QuickBooks. You also need to make sure that when you close your company file you're on this screen as well. And we'll see that a little bit later.

The way this works is if you had previously opened a company file it would be listed here and you could double click and just go right into that particular file. You could also select it and click on Open over on the right. The Edit List option is just a way of if you've got multiple items on this list and you'd like to actually delete them from the list you can actually do that.

Your options down here at the bottom are to Create a New Company, which is what we'll need to do here in a moment. You can also Open or Restore an Existing Company. Now this Open is the same thing as if you were here and you double clicked or went to Open here. But I do want to tell you about the restore option.

One of the things we'll be talking about later on in this particular series of videos is the fact that you want to make backup copies of your data file just in case something happens. Well if you ever needed to use one of those you would be doing what they call restoring that backup file. And this is where you would go to restore it. It would ask you which file is it you're trying to restore and where would you like to restore it to.

Also notice there are a couple of sample files here. If you click this down arrow you'll see a whole list of these. And if you want to see how to do something or you're not sure if you set something up right go ahead and use one of the sample files that QuickBooks provides here and you'll see exactly how to do things the correct way. We are going to be using a sample product based business a little bit later but for now we're going to actually start and create a new company right here. And this will actually launch us into what we call the Easy Step Interview.

Let's go ahead and stop the video here and go ahead and go into the next one and I'll show you how to get started here using this Easy Step Interview.

Video: Using Easy Step Interview – Part I

Cindy: We were just talking about setting up our company file and I told you that the first thing we need to do is go ahead and go through what's called the Easy Step Interview, which allows us to go ahead and set up our company file. This is going to be a one-time thing we have to do for each company file that we set up. It'll take a couple of minutes to do it but it's really better to do this because in the end you've got a lot more set up than if you'd skip the whole interview process. Let's go ahead and flip over and we'll get started with the Easy Step Interview.

The way you're going to access the Easy Step Interview is by clicking this button here that says Create a New Company. You can actually set this up a couple of ways. You can choose the Start Setup option. This is the quick way to do it. What will happen is it will ask you a few questions and then it will set up your company file but you'll still have a lot more to do and if you don't have any direction and know what to do you'll kind of be lost there. I suggest that you come down here where it says Other Options and choose this bottom one, the Advanced Setup. It takes a little bit longer but it's worth it in the long run.

While we're here let me just mention that you can also convert data from other software packages like Quicken, for example. Or if you're using some other accounting type package you might want to bring that data in by using this option.

I'm going to go ahead and click on the Advanced Setup and this will start the Easy Step Interview.

You'll notice on this first screen here that you really only have to put in one thing and that's the company name, but you want to fill out as much of this as possible because this is where it's going to pull information onto some of your correspondence. So if you're going to send out invoices, for example, you'll want your street address, city, state, and zip on here.

Let me go ahead and put in a company name here and we're just going to call this ASC Services. We'll drop down and it's going to pull in that same name for the legal name. You don't need to change it unless the legal happens to be different. And then it will ask for the tax ID number.

A couple of things just to note. There are a lot of fields in QuickBooks where it will ask for information like credit card numbers, bank account numbers, tax ID numbers, and most of the time you don't need to fill those fields in. They're more informational for you. There are certain things that you will have to fill in and that is the tax ID when you're going to use the QuickBooks payroll service. It will need that. But if you're not using it then you really don't need that tax ID. The other thing you might need it for is if you do a 1099 or you process W-2's through your QuickBooks. But other than that you really don't need it and you can always come back and put it in if it requires it a little bit later.

I'm going to go ahead and put a street address in. We'll say it's 123 Oak Street. This is in Braintree, MA and we'll just drop this down and pick MA from the list here. And the zip there is going to be 02184. You can go ahead and put your phone number in if you wanted. And also if you had a fax you could plug that in as well. You would want to have your email address and your website on any correspondence that you might send out. You do have the ability to come back into the Easy Step Interview and edit anything you've entered at this point.

I'm going to go ahead click Next and here it asked us to select your industry. When you look down the list you'll see there's accounting, there's automotive, there's if you're a religious organization, if you happen to have a hair salon. Maybe you don't have a particular type of business but you want to pick a generic product or service based business you can pick those down here. There is no wrong answer here so don't get hung up on this screen. Just pick something that's close to what you do.

The reason it's asking you this is because it's going to try to set up a generic chart of accounts for you and we'll see that when we get to the end here shortly.

I'll just say I'm a generic product-based business and I'll click Next.

This screen asks how is your company organized? Are you a sole proprietor? Are you an LLC? Here's another screen not to get hung up on. Here's a question. Do you do your own taxes at the end of the year for the business? Most of us the answer is no, we have an accountant that does it for us, which is the way it should be done, and in that case we're going to pick Other or None. You do not have to worry about this unless you happen to be doing your own taxes and you're using some other software like TurboTax, for example. Then it would need to know which line to pull the items into on the tax form. If you pick one of these what's going to happen is when you get on various screens in QuickBooks it's going to have an extra field and that field will say something to the effect of "which line on the tax form would you like to pull this item into" and you're going to get all hung up on that because you don't know because you're not an accountant. Avoid all of that by picking Other or None and then we'll go ahead and click Next.

Here we have to pick the first month of our fiscal year. This will default to January. So unless you need to change that to something else you can just leave it. And then click Next and it will ask you to set up your administrator password.

Now I do want to spend a little bit of time talking about this briefly.

What happens right now if you do not set up a password and you go ahead and set up your whole company file, you will close your company at the end of the day and tomorrow you'll open it back up and you're ready to work. If you set up a password when you open the company file you will first have to put in the username and password to get into your company file. And that is what you want to do. This is extremely highly suggested. You will actually end up setting up a

username and password for each person that's going to be using your company file. You are the administrator because you're setting up the company file.

I'm going to leave this blank for now and we're going to go in a little bit later and talk about users in a later module here, but in real life you'd probably go ahead and set this up now.

Let me go ahead and click Next and it says Create Your Company File. What you'll notice happens on this screen is it's asking you to name your company and it usually pulls in whatever name you actually gave it way back on that first screen in the interview, but you can change that to any name you'd like. Also make sure you're saving it in a location where you can find it if you need to. I'm going to go ahead and hit Save at the bottom and now it's actually creating your new company file. You'll notice that as it's setting up you're going to start seeing for example your company name will show up in the title bar like you see there. Also in a moment you're going to see on the left what we call your icon bar showing up. And then you'll see that when it's done it looks just like this.

I could get out of it if I'd like at this point but again it's got some more questions to ask me so I'm going to continue with the easy step interview. This is actually the customization part of it. I'm going to click Next at the bottom and the first thing it asks me is what do you sell. You have a choice of telling QuickBooks that you sell services only, products only, or both products and services. You can pick any of these. If you're not really sure if you're going to sell products in the future you can always come in and change all of these options. I'm going to go ahead and say both products and services and I'm going to click Next.

Here it asks me if I charge sales tax. This is just turning the feature on. It's not setting up sales tax or anything at this point. You're just turning options on or off as you go through this interview.

Here it asks me if I'd like to create estimates in QuickBooks. Here's a great example of an estimate. If I'd like to have my kitchen remodeled I'm going to ask for a quote or an estimate from the contractor. And that's exactly what this is for. I'm going to say Yes and click Next and now it asks me about using statements in QuickBooks.

Basically a statement is sent out the end of the month typically. It's not something you have to do. If you had ten businesses maybe three would do this. But it just gives each customer a list of everything that happened that month. It'll also show them what they owe and it's a gentle reminder to them to go ahead and pay you. I'm going to go ahead and say Yes there and click Next.

This question asks about using progress invoicing. I find this very strange that they actually put this question here because here's what this means. If you estimate jobs do you want to progressively invoice based on that estimate you've created. So for example, would I like to pull

20% that estimate and create an actual invoice so I can get paid from my customer? If you do estimates you will want to do progress invoicing.

I'm going to go ahead and click Next and now it asks about managing the bills that I owe. A lot of people will actually go to the mailbox, get the bills, and they'll put them on their desk in a stack and when it's time to pay bills they'll just flip through and pick out the ones they want to pay. Your QuickBooks would work that way but it's designed so that you can put all of the bills in here and then you can run reports and see who you owe, how old some of these bills are, and that sort of thing. It is to your advantage to go ahead and put the bills that you owe in QuickBooks.

I'm going to go ahead and click Next at the bottom and now it asks me about tracking inventory in QuickBooks. True inventory means that I sell widgets. I'd like QuickBooks to track the fact that I have 100 widgets in the back and when I get down to 10 it can pop up and say you need to order some more. That's true inventory.

You're going to hear another term used in QuickBooks often called Noninventory. That's a way of tracking physical items that maybe you purchase or that you sell but you don't really care to know that you have six in the backroom. That's what noninventory is.

I'm going to go ahead and stop the video at this point and let you go over to part two and we'll continue over there. I will see you shortly.

Video: Using Easy Step Interview – Part 2

Cindy: Hey there. Welcome back. This is part two of Using the Easy Step Interview. Make sure you've watched part one before you continue here with part two.

We just go through talking a little bit about what inventory is in QuickBooks and remember there's also a term called Noninventory and I explained to you that that means that those might be physical products that you want to track how many you bought or how many you sold but you don't really need to track how many you have sitting in the backroom. That's why they call that Noninventory.

I'm going to click Next at the bottom and now it asks me about tracking time in QuickBooks. There are two ways to use this particular feature. The first way is let's say you're in a business where you actually invoice your customers by the time you spend either speaking with them on the phone or doing a project or work for them. You could actually turn on the timer in QuickBooks and record that time and then you can turn around and invoice your customer for that.

The other way to track time would be to use it for your job costing purposes. You could actually take and track the time that your employees spend working on a particular project, maybe you need subcontractors or even yourself if it's doing something like blueprints or something like that. So there's a couple different ways you can use the time feature in QuickBooks. I would go ahead and turn this on and then go ahead and click Next.

This question asks do you have employees and I find this question a little misleading because if you notice up here it says, "Do you have employees? Yes or No." And then it asks if you have W-2 employees and 1099 contractors. 1099 contractors have absolutely nothing to do with payroll. This option shouldn't even be on this screen. The way your 1099 contractors are set up is they are considered vendors in QuickBooks. They become part of your accounts payable. The only reason this question is here is to turn the options on or off for the payroll if you decide you want to use that a little bit later. I'm going to go ahead right now and just say Yes just to have it on and if you do choose Yes you will know to choose the top option, We have W-2 employees. And then click Next.

Now we're getting into the last parts of the Easy Step Interview and this one asks about using accounts in QuickBooks. Just go ahead and click Next there and it will ask you to select a start date to start tracking your finances. Now your choices are you can start from the beginning of your fiscal year or you can choose today's date or whatever date you happen to type in here. What I usually tell people is think about this. If you bought QuickBooks in let's just say February, March and you've decided you want to go back to the beginning of your fiscal year which might be January then that's probably a good option at that point. If it's November you want to go ahead and decide do you want to go all the way back to the beginning of the year or

would you like to go ahead and start with your last bank statement that you got. Just remember that you're only going to have as much data for reporting purposes as whatever you plug into QuickBooks. I'll just pick the beginning of the fiscal year and click Next.

This is the list of the chart of accounts that QuickBooks decided works great for your business. And this is based on how you answered all these previous questions. Now if you're not familiar with the Chart of Accounts we're going to spend some time on this a little bit later, but I want you to look down this list and notice the ones that have a checkmark are the ones that are turned on. And if you don't have a checkmark there and you want to use one of those you can certainly check or uncheck those particular options. If you're not sure what to do just leave it the way it is now and hit Next and then we're going to talk about it like I said in a later module and I'll show you what you need to set up.

Right now we're finished with the Easy Step Interview. We're going to choose the Go To Setup option and that will take us to our desktop screen in QuickBooks.

Now that's really all there is to using the Easy Step Interview. Remember I said that you can change anything in there. You just can't go back to the actual interview itself. You have to do it through some of the preferences and we're going to be talking about those a little bit as well.

Well that's going to wrap up the Easy Step Interview. Let's go ahead and go over in to the next section and talk a little bit about the My Company Overview options.

Video: My Company Overview

Cindy: Hey, welcome back. We are working in module two and at this point we're all the way down to section three. I wanted to take a moment and just go over a little feature called My Company. We just completed the actual Easy Step Interview where we were able to put in the company name, company address, those types of things. There will be times when you need to change that information and I'd like to show you where to go to actually do that.

This is what we call your Home screen in QuickBooks. If you happen to have just completed the Easy Step Interview you might have a popup window here that will allow you to put in your customers, your products. It might allow you to put in your bank account information. We're going to do all that a little bit later, but you'll notice in the bottom right of that window is a little button that says Start Working. And if you want to click on that it will go away and then you can head on up to Company on the menu here.

I'm going to click on this option that says My Company and you'll notice that this is where your address, your phone number, your fax, email, website, all that lives. If you want to change any of this go ahead and head up to the Edit button which looks like a little pencil here and then you'll be able to type in any of these fields.

Something that might be very helpful to do is actually take this phone number right here and copy it and put it up in this address line. And the reason for that is because when you go ahead and send out forms, like an invoice, it's going to pull this address block but it won't pull the phone number because it considers that a separate field. Now you can go in and customize that template and actually add it but let's add it now so we don't have to worry about that later.

I'm just going to right click and copy this phone number. And what I'll do is come up in the address block, come down a line, and then I'll just paste in the phone number that way. And of course I could I add the fax, email, and website here too. When I click OK it's going to say that I didn't update the legal address. What it's talking about is the legal address is over here and QuickBooks puts in the same thing you see here in the legal information option here. If you want it to upgrade that you can go ahead and say Yes or no and then you can see that it will save the information that you just put in there.

While I'm here let me tell you a few other things about this particular window. Down here these are all some services that Intuit can provide. And if you ever wanted to look at some of these, for example you might be interested in their merchant services account, you might want to order checks from Intuit, and remember you don't have to order them from Intuit. You can order them anywhere you like.

There's also a few other things here you may be interested in. Over on the right as well you're going to see your product information. And if you haven't activated your account go ahead and do that now because what'll happen is if you don't activate it within a certain amount of time

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then it'll actually lock you out and you'll have to call Intuit. So make sure you activate your account.

That's all you need to know about that My Company option there. I'm going to go ahead and hit the X and close out of it and that'll put me back on my Home screen.

That's it for the My Company Overview. Let's head on over to the next video and talk about identifying the components of the QuickBooks environment.

Video: Identifying the Components of the QB Environment

Cindy: Hey there. Welcome back. I thought I would take a few minutes and just take you on a quick tour of the QuickBooks environment, basically what the Home screen looks like and how to work your way around the screen. This section is called Identifying the Components of the QuickBooks Environment.

The first thing you'll see at the very top of your screen is your title bar and that's where it has the name of your company right here, also which version of QuickBooks you're using and what screen you happen to be on. Currently you're on what we call the Home screen.

The next thing you're going to notice is your menu bar. And that's where you see File, Edit, View, all the way across. A couple things that I just want to point out real quick. If you click on the Edit option I want you to notice the Find option. You're going to use the Find option all the time because you're going to be looking for something, whether it's a customer name, maybe an invoice number, did you pay this particular bill, there's always something you're going to be looking for. You can use the Find and the Search options to look for those things.

Also notice the Preferences, which we're going to be doing over in module three, but that's where all the options are, a lot of those things we talked about in the Easy Step Interview.

You're going to see also there is an option that says List. All the lists that are in QuickBooks will be here, like your Chart of Accounts, your customers, you're going to see your memorize transaction list. All of that stuff is going to be in this screen. It makes it a little bit easier sometimes if you can just find the list of those things.

You're going to see an option here that says Company. There's one for Customers, Vendors, Employees, and Banking, all the way across.

The next thing I want to point out here on the left is what we call your Icon Bar. You would just click on the different options to get to those particular things that you might want to look at or change. However, what if you don't like it here on the left? I personally think it takes up room on the screen. You can click this arrow and collapse the pane as they call it and then use the arrow again to pull it back out. But here's another option you may want to turn on.

If I go to the menu where it says View and click on Top Icon Bar now it's moved those options to the top of the screen instead of the left. And then I can go ahead and maximize this window and it will fill up the screen.

Now the other thing you will definitely want to turn on, I do not know how people work without this, is what we call the Open Windows List. If you go back and click View on the menu you'll see it on the left here. And this is the Open Windows List. What it does is every time you open a window you'll see it here. That way if you don't want to close the current window you can just

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click on a window you'd like to work in. If you do want to close one, let's say I want to close this Bill Tracker I opened, all I have to do is go to the top of that window and click the X. Don't click the X up here because that'll close QuickBooks. Close this X right here and then that will close that particular window.

The next thing I want to point out is the fact that you're on the Home page and you're going to spend most of your time on this Home page but let me just show you the Insights.

Basically if you know what a dashboard is that's what Insights basically are. If you actually had your information already set up you'd be able to see all on one screen what your profit and loss look like, you'd be able to see if you had any income, if you have any expenses, that type of thing. It's just a quick look at what your books look like. A little bit later when we get some data in here we'll take a peek back at this. For now we'll go back to the Home page.

Let's take a peek at how this Home page is actually set up. You can see it's divided into five sections. This first section right here where it says Vendors, this is your accounts payable section. If you're not familiar with that term this has to do with the bills that you get in the mail that you have to pay. This is where you're going to set up those bills and pay those bills. And we'll look at some other options as well.

This is going to be your accounts receivable portion. This is where you're going to handle any invoices or customers make payments, things having to do with customers will be in this section.

And this section down here will have to do with time and your payroll.

Over here you have a company section. These are options that don't have to do specifically with customers or vendors but they have to do with the company file itself. Like this Chart of Accounts, for example. Get really, really, really familiar with this Chart of Accounts because this is the most important part of QuickBooks. We'll be spending some time on that a little bit later as well. So just remember where that is.

And also notice there is a banking section. These are options that have to do with banking, like recording deposits or opening your check register.

That's your five different sections. Now let's go back and look at these buttons here.

Do you see where it says Vendors, Customers right here, Employees right here? These are what we call Centers. This would be the Vendor Center, the Customer Center, and the Employee Center. And basically what a center is, if I click Vendors for example, it's going to take me into a list of all of my vendors. And if I had these populated they would show up. I would see the vendor name, any transactions for that vendor.

I'm going to go ahead and close that window and you would have the same thing if you looked at Customers or Employees.

There are always more than one way to get to some of these options. We just talked about the Vendor Center being right here but another way I could get to it is to go right here and click on Vendors. The same thing with Customers. I could click here and go back and click Customers. That's two ways to get to some of the same options. And as matter of fact you know of another way, going to List. We saw Customers right here, Customers here, and also Customers and Vendors right here. So just know there's more than one way to get to some of the different options.

Way over on the right hand side you've got a couple of options. The first one is your Account Balances. Once we get your checking account set up, your savings, your credit card, all those things that would run a balance you will see those listed here. And a quick way to go one of those registers would be to double click on Checking, for example. If you don't want to see this you just hit this little arrow that points up and that will hide or show that portion of the window.

This right here, these are all things that Intuit can sell you. If you'd like to run your payroll through them you can. If you'd like to set merchant credit cards through Intuit you can. You can order checks and tax forms. Or you can use T sheets to track the time you and your employees spend on a particular job. These are all sales. You do have to pay for them. None of them are free. But just know they're available if you'd like to use them. Again, if you don't want to see that use the arrow and just hide that part of the window.

Now let's talk for just a minute about the Backup Status option here. We are going to talk later on in these videos about how to backup your company file. If you're using the desktop version of QuickBooks you will want to do this on a regular basis because if something happens to your data you need something to restore it from. You can actually do that manually or you can have Intuit do it for you. They actually have this feature called Intuit Data Protect that you can sign up with and it's not free. You do have to pay a monthly fee for it but they will go ahead and just back it up for you. That would just be your option.

So those are your options that you have over on the right hand side of your screen here.

The other thing is if you happen to see these yellow boxes around, those just show up when there's new features. You can just X out of them if you'd like and then it'll tell you that if you want to turn them back on you can go up to Help here and look at the new features that way.

That's a quick overview of how the Home screen works. You're going to spend a lot of time on this screen so get really, really familiar with it.

We've got one more section in this particular module and that is Converting QuickBooks Desktop Data to the Online Version. I'll show you how to do that if you'll flip on over to section five.

Video: Converting QuickBooks Desktop to Online Version

Cindy: Well this section is going to wrap up module two. I wanted to talk to you briefly about how to take your data that you've saved in your desktop version of QuickBooks and upload it to the online version if you decide that you'd like to try that for a while. Let me flip on over and I'll show you how to upload that data.

This is actually a very simple process. All you have to do is go to File on your menu, come down to Utilities, and then find the option that says Copy Company File for QuickBooks Online.

QuickBooks will need to close all of the open windows before it exports your data. Just go ahead and click OK here and then it brings you up to this window that says Save Exported Company File To. You can actually choose your company here if you'd like or you can go down and change the file name, but you want to save it as something that you can recognize when you go into the online version. That way you can pick it from your desktop or wherever you happen to have saved it.

I will tell you one thing, you can take your data from the desktop to the online version and upload it but you can't go the other way. So just make sure that you know that.

The other thing is don't use both versions at the same time because you won't have the same data.

That's really all there is to this. I'm going to hit Cancel at the bottom and then I'm going to pull up my Home screen and that's really all we need to do in module two.

What I really want to do now is take some time and go ahead into module three where we're going to customize the QuickBooks environment. I will see you shortly.

Chapter 3 – Customizing the QuickBooks 2019 Environment

Video: Preferences – Part 1

Cindy: We're actually starting now on module three and this is the module where we're going to talk a little bit about customizing the QuickBooks environment. You want to go through and look at all the preferences before you get started because there are some things you're going to want to turn on or off to make QuickBooks a little bit easier for you as you're getting things set up. The other thing is I mentioned to you when we went through the Easy Step Interview that you could go back and change every one of those answers you put in there. Most of those answers are going to be in the Preferences. So I want to take a few minutes, go through all the preferences with you. We obviously won't have time to hit them all because there's so many, but we'll hit the high points and if there's some you want to come back and look at later you can certainly feel free to do that. Let's go ahead and flip over now and I'll show you how to get to the Preferences in QuickBooks.

All the preferences are located under the Edit option on the menu. And you'll see Preferences at the very bottom of the list here.

The way this screen works is you have these options on the left and typically when you come in it's on the General option automatically. And each one of these will have a tab that says My Preferences and also one that says Company Preferences. You'll want to look under both when you're looking for your options.

I want to start at the very top with the one that says Accounting and just go through a couple of things with you. And I'm going to start on the Company Preferences tab.

There's actually three things here that would be of interest to you and let's go ahead and start with this first one. It says Use Account Numbers. I'm going to Cancel this for a moment. What we're going to do a little bit later in this particular module is we're going to go through the Chart of Accounts and get all that set up. And if you remember I told you that the Chart of Account is the most important thing in QuickBooks. It's located right here on your Home screen. Let me show you what it currently looks like and then I'll turn that option on and show you what it looks like then.

Right now your Chart of Accounts is set up by type and you can see when the type is the same for these then they'll be alphabetical. For example, if you look down here where these expense accounts are starting right here you'll notice they are alphabetical here. Some people like to use general ledger numbers. You'll notice there aren't any right now but we're going to turn those on.

I'm going to go back to the Preferences. Again they're under Edit, Preferences. I'm under the Accounting option on the left and I'm going to choose the Company Preferences tab. Right here

is a checkbox that says Use Account Numbers. I'll check that and click OK. And now you'll see you have general ledger numbers. This is just an option. You don't have to use them. Like I said, if you'd rather not then they're going to be set up alphabetical by type.

Let me go back in here and go back to Preferences. On this same screen there's another option that says Use Class Tracking for Transactions. Let me explain what this function does.

This will allow you to actually take each transaction and segment it by a different list. Now here's what I mean by that. Right now you can run reports on the company as a whole. You can see if you're making money, losing money, all the numbers in all your different accounts. But what if you need to break your business down even further? For example, maybe you have different departments in your organization and you need to run a profit and loss per department or maybe you have two locations and you'd like to run a profit and loss for each location. That could be your class list.

If you turn this feature on what will happen is each transaction will have an extra field and there will be a dropdown for you to pick the class. The class can be any list you'd like to set up. Like I said, it could be locations, it could be departments, whatever you'd like that list to be. And then you could run reports based on those. Not every business will use this feature but it is a great little feature if you need it.

The other thing I want to mention on this screen is down here you have an option to close the books. If you're not familiar with this term this is what happens when you close the books. Typically in accounting you close the books at the end of every month and then you'll close them at the end of the year. Let's say you've closed the books through the end of July and you happen to be looking prior to July and you see an entry you've put in twice. You can't just go delete that entry. What you need to do is make an offsetting entry in the current period. And that's the correct way to do your accounting.

QuickBooks does not close the books for you. It doesn't warn you. You have to know to come to this screen. You would set a date and a password for that closing. And then what would happen is if you tried to make a change prior to that it would actually pop up and warn you.

All right let's go look down the list at some others here. Let's go down to the General option. And when you make some of these changes it will ask you if you'd like to save them.

I'm going to go back and click the My Preferences tab here and remember this is the one that pops up automatically when you first come into the Preferences option. Everyone will want to check this box right here. Pressing Enter moves between the fields. If you've used QuickBooks before one of the things you'll find is when you start typing in a form, let's say you happen to be in an invoice, for example, and you hit the Enter key thinking you're going to move to the next field you actually save and close that transaction and it'll really confuse you if you don't know

what you're looking for. In this case you'll notice that I can press Enter now or the Tab key to move between the fields.

There's a lot of little options here. Like do you want it to beep when you record a transaction, things like that. You might want to turn off your popup messages for products and services that Intuit wants to try to sell you.

I would also choose this one here, Automatically recall last transaction for this name. What this does is let's say that you write a check and you make it payable to your electric company and you fill all the information in on the check. The next time you write you check and you pull in that same name it'll prepopulate the whole check with the last entry and then you can change anything that you need. It's really a great time saver and it keeps your accounting consistent that way.

The other thing is you probably want to Use today's date as default. That means that on every transaction you'll have the current date but you can change it if you need to. The only time that I like to use this one is if I happen to be going back several months, maybe doing a whole year's worth at a time. It's a little bit easier if I have the last entered date on those transactions. But I'm going to put it back on Use today's date as default.

Moving along on the left here I'm going to go down to Items & Inventory and I'll save my changes. I'm going to click the Company Preferences tab this time. If you remember in the Easy Step Interview one of the questions was Do you want to track inventory, yes or no. If you say Yes these will be checked already and they will actually show up in your Home screen. Let me show you what I'm talking about. I'm going to cancel this for just a moment and then we'll come back.

Let me flip back to my Home screen. Now you'll notice in the Vendor section here there's only an Enter Bills and a Pay Bills option. There's no options there for purchase orders or receiving inventory. Let me go ahead and change that option. Again I'm going to Edit, Preferences, Items & Inventory, the Company Preferences tab, and I'm going to check these. Now when I click OK QuickBooks will close all the windows to change this particular preference. Now you'll notice I have options for purchase orders, receiving inventory, and entering bills against inventory.

Let me go back to Preferences again. Jobs & Estimates is the next one on the list. Again I'll choose the Company Preferences tab. If you happen to work with jobs and construction is a prime example, then you'll want to track somewhere in QuickBooks that certain jobs might be pending, they might be in progress, those types of things. And you might have different terminology for those jobs and here's where you can change that.

If you remember in the Easy Step Interview it did ask us if we want to create estimates. Here's those options right here. You could say Yes or No. It also asked if we wanted to do the progress invoicing. And again here are those options.

Let's take a look at Payments over here next. There's one option here that I just want you to be aware of and that is I'm under the Company Preferences tab, that's this option here, Use undeposited funds as default deposit to account. Now this may not make sense right now but it will later on when we talk about receiving payments from customers. If we have this turned on all of the payment money will automatically go into the Chart of Accounts in this account called Undeposited Funds. If we uncheck this we'll be able to choose the account we'd like to put the money into. We will be coming back to this so you can see the difference when we get to the section where we talk about working with customer payments.

Also be aware that you have this option here where your customers can actually pay you online through Intuit. Intuit has a service that's very much like PayPal where if you want customers to be able to click a button on an invoice you send them and then actually pay you that way you would have to go and actually set that feature up.

The next thing is Payroll & Employees over here on the left. One of the questions it asked us in the Easy Step Interview was, Do you want to use the payroll feature, yes or no. Here I can turn on full payroll options, I can choose no payroll or you can see some of the other options down here. If you want to see the employees listed by first name, by last name, there's just a lot of different options here.

Let's go ahead and stop this video at this particular point and what I want to do is come into part two and we will continue talking about some of these preferences.

Video: Preferences – Part 2

Cindy: We are still talking about the Preferences in QuickBooks. This is actually part two of the first section, which is Preferences.

Let's go ahead and look at the Reminders next. I'm under the Company Preferences tab and what you see here is a list of things that QuickBooks will remind you that you have to take care of. You can show the summary, the list or say Don't remind me. The summary basically means instead of listing out each individual check to print, for example, it will say Checks to print and it will say you have five and tell you the total amount of those checks. If you say Show the list you will see each one individually.

Some of these you'll also notice that you can be reminded of X amount of days ahead of time and you can change that number.

What's a little different here is unlike other programs where you actually have a popup that tells you that something is due on a particular date and time this won't pop up. What will happen is when you open your company file on that date and time you said to remind you you're going to have a window that pops up that just kind of lists all of these things in there.

The next thing down are your reports and graphs. We're going to be looking at a lot of reports a little bit later on, but one thing I wanted you to notice is that your reports are automatically shown on an accrual basis. And if you don't know what that means, it basically means that it will show income as soon as you create an invoice, for example, whether it's paid or not. And it will show your expenses when you put the bill in as an expense already occurring even though you may not have actually paid that bill. We'll talk more about that when we get to the actual section where we're looking at reports.

Sales & Customers is the next one down. You'll notice that if you're under the My Preferences tab there's a couple things that you can have QuickBooks talk to you about. For example, you have a feature called Time/Cost in QuickBooks. What that basically means is that if you incur expenses that you need to be reimbursed for you can actually have QuickBooks popup and remind you of those expenses when you're on an invoice putting in a customer name and job, for example. And we'll see how that works when we start talking about invoicing.

Now I'm going to skip a couple down here. I'm going to go down to Send Forms real quick. I'm on the Send Forms option now and you notice I'm under the Company Preferences tab. One of the features you'll find in QuickBooks is that you have the ability to email a form to a customer, a vendor, etcetera. For example, I might create an invoice for a customer and instead of sticking it in the mail I might actually just click a button to send them an email and it will be attached. This is the generic what I call coversheet that goes with it. You can see they've got a basic one here and I can edit that one if I'd like. And you'll see that it pulls in from certain fields in QuickBooks, the person's first and last name. You can kind of see what's here and you can edit

this, like I said. You can also go in and add your own templates and create your own if you want to do that.

All the way down to Time & Expenses. That's the last one I want to mention to you.

Remember in the Easy Step Interview when it asked, Would you like to track the time in QuickBooks? You could say Yes or No here. And also set the first day of your work week.

You'll see also down here that if you have some expenses you can mark them as billable automatically or you can have it track reimbursed expenses as income.

That's really all of your options there that I wanted to go over with you. There's a lot of them we skipped over. Make sure that when you've gone through these that you go back through them and see if there's any you missed that you might like to go ahead and turn on. Some of these you may not be able to turn on or off until after you start using QuickBooks and you realize that you need or don't need them.

I'm going to go ahead and click OK now and I'm back to the Home screen.

That wraps up the Preferences part of this particular module.

The next thing we're going to talk about is how to work with the users.

Video: Working with Users

Cindy: You have the ability in QuickBooks to actually set up users. And what that actually means is when you open the company file it will ask you to put in your username and your password before it will allow you in. And you want to do this for various reasons. One of the best reasons is that you're able to track down errors a little more easily if you know which user was logged in and what the user was actually working on when the error happened. There is a report that we'll see a little bit later you can use called the Audit Trail which will show you those types of transactions. You are the administrator so you are the user right now and you can actually set up, edit, delete users. Let me go in and show you a little bit about how to work with users.

Another example of why you may want to go ahead and set up users. Let's say that you've hired someone to come in and pay the bills. You can actually limit their access to other areas of your data file.

Let me go ahead and logout so I can show you how you know that you do not have users currently set up and no one's logged in.

I'm going to go ahead and click on File and you see this option that says Close Company. If you were logged in it would say Close Company/Logoff. You should always at the end of the day go ahead and log out of your company file and in the morning go ahead and log in. And every user would do the same thing. You just double click on your company file and it's going to go ahead and open that file for you. And notice it's not going to ask you for username and password.

Let me go ahead and show you how to work with the users, and remember that only the admin can add, edit or delete users. That option is going to be under Company on the menu. If you come down you'll see an option that says Setup Users & Passwords. Then you'll see Setup Users. This is your user list. Here you would see all the users that have been set up and if they're logged on or not. Currently Admin is the only one. Now if you notice it says they're logged on but the reason we didn't see the logoff on the menu earlier is because we didn't actually set up a password for the admin. If you remember when we went through the Easy Step Interview that was one of the questions. It went ahead and set up the user but it did not set up a password.

Let's go ahead and set up a new user and we're going to say that this user will be coming in once a week to pay the bills. We're going to click on Add a User, then we'll put in the users name and we'll make up a password for the user. Now remember that a good password is always anything that is 8-12 characters. You want a combination of letters, numbers, special characters. Maybe you want a phrase. Anything that will help you remember your password. I'm just going to use two letters for now and click Next.

The first thing it asks us is Do you want Carol, the new user, to have access to all areas of QuickBooks, selected areas, or notice you can also give your external accountant their own

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access to QuickBooks. If you do this they will not have access to sensitive customer data such as credit card numbers, social security numbers, anything like that. We're going to say Selected areas of QuickBooks and say Next.

Now it's going to walk through each area of QuickBooks and ask you the same questions. Do you want to give them no access, full or selective? The first one is sales and accounts receivable. We're going to say no access to that. Purchases and accounts payable we'll give Carol full access because this is what we've hired Carol to do. We'll click Next. Now I'm not going to give Carol any more access but notice the different areas that it asks about. Checking and credit cards, inventory, time tracking, payroll. Sensitive accounting activities. Those are things like if you're set up to do online banking journal entries in QuickBooks, transfer money back and forth between checking and savings. Those are things that Carol will not have the ability to do. I'll click Next. And also she won't have the ability to look at those reports that go with those sensitive financial activities.

This one asks about changing or deleting transactions. I'd probably leave this where it defaults. The top one is saying in the areas that Carol has access to would you like her to be able to change or delete transactions? This one is asking if you've actually closed the books would you like Carol to be able to change or delete transactions? And the answer would be No to that.

When I click Next this is summary of how we answered each of the questions here in this little interview. I'll go ahead and click Finish and now you'll see that Carol is on the list. Now Carol is still logged in, the Admin is. Let me show you how this is going to work.

I'm going to hit Close here and I'm going to go ahead and logoff again. I'm going to File on the menu, Close Company/Logoff. There it is. Carol comes to work the next day. She's going to double click on the company file to open it. Now you notice that it asks for a username and password. It's always going to have the username of the last person that was logged in. You're just going to drag across whatever is there and put in Carol and the password there and then click OK. And you'll see now that Carol is in QuickBooks. You might notice that you have your icon bar on the left and didn't we move it to the top? Some other things that are going to be options in QuickBooks may be different as well and that's because when you set up preferences they're per user.

Now this is the New Feature tour. We're going to close this and now you're going to see that Carol is actually logged in. Now remember that we gave Carol access to actually enter bills. So she's going to be able to click here and enter a bill if she wants to. But what she won't be able to do is get into other areas of QuickBooks. Let's say, for example, she wants to click on Create Invoices. If you notice it pops up and tells Carol that she needs Sales and Accounts Receivable permission to perform this action. Ask the administrator to give her permission. That's how that whole process works.

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I'm going to go ahead and log back off and log back in as Admin. And that's really all there is to that.

Remember that if a new employee comes to work you want to make sure you set up their own individual username and password. I'll just put Admin over the username and we did not have a password for Admin so what we need to do is actually go in and Edit the Admin to add a password. I'm going to go ahead and click OK here and now you can see that I'm back in and I'm logged in as Admin.

That's all you have to know about working with users.

What I'd like to do now is start on the most important part of QuickBooks as far as the setup and that's going to be the Chart of Accounts. Let's go ahead and go over to section three and we'll look at part one, Working with the Chart of Accounts.

Video: Chart of Accounts – Part 1

Cindy: Welcome back. We're working in module three and we're down now to section three where we're going to talk about the Chart of Accounts. There are two parts to this particular section so make sure you watch both parts. It's very, very important.

The most important thing about QuickBooks is the Chart of Accounts. If your accounting is not set up correctly then you're going to get reports that aren't accurate and you're going to wonder why. I want to go through each of these with you, talk to you a little bit about the ones that you have to set up, and make sure they're set up correctly so that you have a good start when you actually start working with your QuickBooks.

The Chart of Accounts is the most important part of QuickBooks and remember I told you that you will find an icon for it right here on your Home screen.

Now if you don't know what the Chart of Accounts is, basically every single thing in QuickBooks relates back to something on this list. Every time you spend money you're going to have to tell QuickBooks what that money was for. Did you buy a meal for someone for the business? Did you buy some office supplies? Maybe you had to get a license or a permit. When you received money was it from a sale for the business? Maybe it was something being reimbursed to you. Every single thing in QuickBooks will relate back to this so it's so important that you have it set up correctly.

Let's go down this list and we're going to look at the different types that you see over in this column here. And I'm going to show you the ones that you'll need to set up and how to set up some of these correctly so that you don't have problems later on down the road.

The first type I'd like to talk to you about are what they call Bank Accounts. A bank account would be a checking account, a savings account, a money market account, any kind of banking type account that you might have. Right now if you wanted to actually make a deposit you have no bank account to put the money into.

Let's go ahead and set one up so you'll see how this works.

I'm going to right click and choose the New option from the list. And by the way that's the exact same thing as coming to the very bottom left hand side of your screen where you see this button that says Account. And if you click there you'll see the same options: New, Edit, Delete, and Make Inactive. New is obviously for a new account like we're creating. I can always edit one, meaning the name of the account or other information. And deleting. You can delete an account if you've never used it. But if you have used it once you cannot delete it. If you've got an account that you'd like to just hide from the list, maybe it's an old bank account that you don't use anymore, you can just make it inactive. The numbers will still pull onto reports. They just won't be in this list when you're using to pick an item.

I'm going to go ahead and right click and choose New and the first thing it asks is what type of account is this. This is a bank account. And I just mentioned that bank accounts were one of these types of accounts right here. Let me also mention if you accept PayPal or Square, Bitcoin, any of those other types of monies, those are all set up as bank accounts as well because they're just online bank accounts. That's all they are.

Your business may also have a little petty cash drawer and maybe you want to track the money in and out. You could set that up as a bank account.

The other one that you might want to consider is if you're a small business owner and you spend cash for business-type items then you may want to set up an account in here the same way and call it Cash Expenditures and just put all those cash receipts in there. It'll always run a negative but it's just there to track those particular types of items.

I'm going to make sure I've clicked on Bank over here and I'm going to hit Continue. If you picked the wrong type on the previous screen you'll see you get another chance to pick the correct type up here. Here's where you can name your account. I'm just going to say Checking but you could call it the name of your bank. If you've got two accounts at the same bank you might call one Operating Account, one Payroll Account. It really doesn't matter, but every checking account gets set up separately.

This is not a subaccount of another. We'll talk about subaccounts a little bit later.

I could put in a description if I wanted to. That is totally optional. I do not need the bank account or the routing number for any reason.

I will need an opening balance though. If you do not put an opening balance it will assume zero.

Now let's talk about where you get this number from. You need to decide on your start date. Are you starting at the beginning of your fiscal year or are you starting with the last bank statement that you have? Either way you're going to get out that bank statement and it's beginning number is the number you're going to plug in here.

I'm going to go ahead and plug in the ending balance. Let's say it was \$2,569.36. And I'm going to go ahead and plug in an ending date. And since I'm starting at the beginning of my fiscal year I'm going to go all the way back to January 1. Now it says Statement End Date. You could put in December 31 which would technically be the statement end date but January 1 would have the same beginning number. I'm going to go ahead and click OK and now you can see the opening balance right here.

Now if you didn't know what it was or you couldn't find your statement you can always plug in a penny and go back and change it later.

Kind of a neat little feature right here is QuickBooks will remind you when you get down to a certain check number that you plug in over here to order checks. And that would be if you order checks from them or anywhere. What will happen is it'll pop up and say Time to order checks and then you just go ahead and order them wherever you'd like to.

You're going to see in QuickBooks everywhere Save & Close, Save & New, and Cancel. Save & Close means save the screen that I'm on and then close it and I'll see the screen behind it. Save & New actually means save the screen I'm on and take me to a new blank one just like this. I'm going to hit Save & Close and if your transaction is over 90 days old it will pop up and just warn you. If this becomes a real pain you can go into the Preferences and turn it off and it shows you right here where to do that. I'm going to go ahead and say Yes and then it'll show me my checking account in the background here. Now this message will pop up often. It's just letting you know that you might be able to do online banking and associate it with this particular account. I'm going to go ahead and say No right here and that'll close that window and now you'll see my checking account with a balance of \$2,569.36.

If I wanted to open that register and I'm in this window I can double click on Checking and it'll pop up and there is my register. And you can see my opening balance here that I just plugged in.

Alright let me go ahead and close that.

Let me go ahead and set up a savings account. I'm going to do the same exact thing. Right click and New. It will be a bank account. I'm going to hit Continue and this time I'm just going to call it Savings and I'm going to say the opening balance is \$5,000. Notice I'm not putting any dollar signs, I'm not putting in commas. And this time I will type the date instead of actually picking it from the dropdown. I'm going to click OK and Save & Close and again it will prompt me to let me know that my transaction is more than 90 days in the past. I'll go ahead and say Yes and save it there and say No to the set up the banking fees. And there it is. You'll see I have a checking and a savings account.

The next type of accounts I'd like to mention are your asset accounts. You'll see there are a couple here all ready set up. They have Furniture & Equipment and Accumulated Depreciation. Just to tell you what an asset is, an asset makes your company more valuable. You're going to have things like chairs, desks, lamps, vehicles. You might have buildings, equipment. Those types of things are what we call fixed assets because you plan to keep those long-term. A liquid asset is something that you plan to actually sell and get rid of, like inventory is a great example. I might be worth a lot more because I have all this inventory in the backroom but my goal is to sell it and get it out the door.

Typically when you set up asset accounts you're going to set up big buckets. That means you're not going to have one for each vehicle that you own. You're going to have one for vehicles, for example. Or you'll notice in their case they have Furniture & Equipment, which would actually account for all the furniture in the building. That type of thing.

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This is where your accountant will be very helpful to you because you may not know which ones to set up. And he or she can help you come up with a value of the asset at the particular time that you set it up.

The other thing to know is QuickBooks does not do depreciation. You would actually want to set up an account like they did for accumulated depreciation but the accountant will help you figure out what those numbers are. So if you think about your vehicles that depreciate over time, at the end of the year you'll get with the accountant and he'll help you plug the numbers in.

The next one you see on the list here says Accounts Payable. You do not have to set up the Accounts Payable account. That will be set up automatically as soon as you actually create a bill. I don't know if you remember earlier but I clicked on the Enter Bills option when we set up Carol as a user and that prompted QuickBooks to set up this account for me.

The number that you see in this account over here should always be the total of all the bills that you've entered in QuickBooks that you owe. Once they're paid they will come out of this account.

Now notice there is another account very similar that you don't see on the list and that's Accounts Receivable. Accounts Receivable is created as soon as you enter an invoice to get paid. You will see QuickBooks set that up for you and again the total you would see in that account would be the amount of all the invoices that have not been paid. So that would be what you owe as far as invoices.

Let's go ahead and stop the video right here and I want you to go over to part two and let's keep talking about setting up this Chart of Accounts.

Video: Chart of Accounts – Part 2

Cindy: Welcome back. We're working in module three where we're talking about customizing the QuickBooks environment. We've just completed section three where we started talking about setting up your Chart of Accounts. That was part one. This is part two. Let's go ahead and continue down the list.

I want to talk to you a little bit about your liabilities. A liability is something you owe. You may have a car payment, you may have a mortgage on a building. It could also be something as simple like a line of credit that you have. Each one of these should be set up separately so that you can track the balance you owe on each one.

I want you to notice one quick thing before I show you how to set these up. You've got this account called Opening Balance Equity right here. And notice it has a positive number in it right now. That's because so far we've only set up a few bank accounts and those are positive numbers. When you have a loan that's a negative number, it's something you owe, and that's going to affect the opening balance equity. So we'll look at that once we get our loan set up.

In accounting you're going to hear two different terms. There are short-term liabilities and long-term liabilities. QuickBooks calls them Other Current and Long-term. Your Other Current or short-term liabilities are things you're going to pay off in like 12 or 13 months. Whereas the long-term liability would be the five year car note, the 30 year mortgage, those types of things.

I'm going to go ahead and set up an automobile payment just to show you how it works. I'm going to right click and choose the New option. And for the type notice they have Loan as an option. I want you to notice that if you choose this option you are assuming a short-term liability. If you want the long-term option you have to come down here and drop the list down and pick it from here.

I'm going to go ahead and hit Continue here. Again if I picked the wrong type on the previous screen I get a chance to go back and change it from this dropdown right here.

Let's go ahead and name this. I'm going to call this Auto Payment. Remember that if you have multiple auto payments then you're going to want to make sure that you do something like maybe put the first few letters of the account number at the end of it, maybe you have different names for these. But name those something so you'll know what each one represents.

This would not be a subaccount of anything else. And description and account number are totally optional. You will need an opening balance. You're going to get this from your actual statement of the month you're starting your company file. If you're starting in January, for example, you want to find out how much you owed on the car as of January start date. We'll say we had \$14,000 as of the start date of our company file. Once you click OK and then you hit Save & Close you'll notice that when you go ahead and tell it that your transaction is more than 90 days

in the past what you're going to notice is now you have an Auto Payment set up, it is a long-term liability, and you owe \$14,000 on that particular vehicle.

Now notice the opening balance equity I was just mentioning. Now you can see this is a negative number because our positive number is less than our negative, what we owe. Each time you make a payment to that particular automobile you need to put it to this account. What I see often is people will make an expense account down here and they'll call it Automobile Payment but you have no idea of knowing where you are on the process, how much you have left to pay, that sort of thing. All of your liabilities should show up this way and that way you can see what you owe on that particular vehicle.

Now you might notice something that didn't happen. It didn't ask you anywhere what were the term in months for the loan, what was the interest rate. That's because there is a whole different feature in QuickBooks called the Loan Manager that we'll talk about in a later module where you can set all of that up. This basically just allows you to have an account where you can actually put those payments and track it that way.

The next thing you're going to notice when you go down the list is that there aren't any credit card accounts. I want to show you how to set up a credit card account.

I'm going to right click and choose New. And if you'll notice Credit Card is on the list. I'm going to go ahead and hit Continue and now you'll notice that you can set up your credit card. I'm going to call this one Visa. Again you can call it anything you'd like. Description and credit card number are totally optional but you do want an opening balance. You're going to pull out your statement for the month that you're starting your company file and plug in whatever that ending balance happen to be on your credit card at that time. I'm going to go ahead and click OK and hit Save & Close and now you'll notice that we have a credit card account set up.

Now let me go ahead and close this bank feed option real quick. And here is your credit card account right back here.

I want to give you a little scenario on credit cards and why they should be set up this way.

What I see often is that people will receive their credit card statements in the mail and they will put them in as a bill, which is not the right way to do this but let me tell you what happens if you do this. If you put in as a bill then you're going to have to get onto the bottom of the bill and tell QuickBooks how much of the charges were for gas and how much were for meals and how much were for these other expense accounts that you have down here. Your total will have to match the exact total of the bill. You're fine at this point. But what if you only make a partial payment towards that? Then what QuickBooks will think is that you will owe that partial amount that was left over plus whatever is charged next month on the statement. And there will be no way to break those expenses down at the bottom and have them match equally. It's a big snowball that just never works and it's not the correct way to do things. The correct way is to set up your

account like we did here and every time there is a charge for that particular account then what's going to happen is when I go back to the Home screen you're going to notice right here it says Enter Credit Card Charges. That's where you put each charge. You actually went to Office Depot and you purchased office supplies. That way all of the charges get put to the correct accounts. And by the way, if you don't have at least one credit card set up you will not see this button here at all. All right let me go back.

When you make a payment to the credit card you always put it to this account.

The next thing I want to mention going down the list would be your equity accounts. Often what you'll see with small business owners is that they take draws from the business, that's their way of paying themselves. We call that an owner draw. Sometimes it's called a shareholder distribution. Also sometimes a small business owner will put money into the business. We call that an owner contribution. Sometimes we'll call it owner capital. And that's what equity would be.

You also see Income Accounts here. And income is just when you make a sale for the business. You need some way for QuickBooks to track those sales so that you can pay taxes and know how much your sales were for the year. You can have one of these or you can have as many as you need.

Underneath that you'll have your Cost of Goods Sold. If you have to purchase a particular product or materials to make a product to sell in your business that's called a Cost of Goods Sold.

The next type I want to talk to you about are your expense accounts, you'll see from here down. And there are quite a few of these but you will end up adding a lot on your own that aren't on the list already. For example, if you notice going down this list you've got automobile, bank service charges, insurance, you've got office supplies. You don't have office expenses. You don't have general liability insurance. So those might be some things you would add.

When you see fuel right here you'll notice this is a subaccount of automobile. General liability insurance might be a subaccount of insurance expense. Let me show you how to add a subaccount.

I'm just going to right click and choose New. The subaccount has to be the same type as the main account. So I'm going to choose Expense and hit Continue. Now I'm going to give my account a name. I'm just calling it General Liability and it is a subaccount of in this case Insurance Expense. I'm going to hit Save & Close and now you see it looks like it's indented underneath. And you can add as many of these as you like.

Something else you may want to do. If you notice they have utilities and they have telephone expense as a subaccount. Many times telephone expense is set up as its own account and you will

want to move it underneath utilities. The way you would do that is you would just right click on it and choose Edit. And in that case you would go ahead and check Subaccount of Utilities and that would put it underneath Utilities like you see here. You can add as many of these as you want and you can add as many levels as you want as well.

The last one I want to point is Ask my accountant. If you don't know where to put something just stick it under Ask my accountant and later you can go figure out where to move it to.

That's a quick overview of how to use the Chart of Accounts. We're going to see this quite often as we go back through our videos here.

Let's go ahead and wrap this particular section up and we've got one more section, that's section four, where we want to look at the different sample files that QuickBooks has.

Video: QuickBooks Sample File

Cindy: We are down to the last section in module three. We're going to talk real quick about some of the sample files that QuickBooks has available for you. Depending on which version of QuickBooks you have you might have seven or eight sample files or you might have just a couple, but you'll all have a few and. These are great files to go look at when you don't know how to set something up or how something should be done because they're always done the right way in the sample files. Let's go ahead and take a peek at a couple of these.

In order to access the sample files you'll need to make sure you're logged out of your current company file and you're on this screen. Here's where you'll see the Open Sample File option. If you click the down arrow to the right you're going to see all the sample files that are available in your version of QuickBooks. I have a product based business and a service based business. I'm just going to open the product based business here. This happens to be a construction company called Rock Castle Construction. Even if you don't have a construction company you can still open this up and see how things were done and that's the same way you would do them in your particular company file.

If you notice in this particular case that they're going to set today's date at December the 15th of 2023. I'll just click OK and that will let me into the sample file.

Let's go ahead and take a peek first at the Chart of Accounts just to see what a real one will look like. And this is going to be very similar to what yours will look like once you get it set up. If you notice they have the general ledger numbers turned on over here on the left and remember you do that in the Preferences. If you notice they've got the different types that we talked about. Here are the bank accounts. And this little squiggly line that you see just means that particular account is set up to do online banking.

Here you'll see their accounts receivable account. It looks like they're owed \$93,000. They've got some assets like we talked about. Here's their accounts payable. It looks like they owe about \$26,000 in payables. They have a couple of credit cards set up like we talked about. And look at all of these different liabilities they have set up. You'll notice that payroll liabilities are set up as other current because those are things that you have to pay back in a short-term. If you actually deduct taxes from the employees paycheck you have to turn around and send those back to the government or whatever entity they go to.

Looking down this list you'll notice they have a utility truck, a pickup truck, they have a couple of just regular loans like for office furniture. Equity. We talked about equity a little bit. We talked about when an owner puts equity into the business that's called capital stock or owner equity as a contribution. Shareholder distributions in this case is when the owner takes money out of the business. You might call that an owner draw.

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Here's several income accounts they have. They've got some cost of goods accounts. And look at their expense account list. If you remember I told you this would be the largest grouping that you would see. Look at all the subaccounts for automobile. They have fuel, insurance, repairs, and maintenance, all the way down the list. At the very bottom of the list you'll notice they have some other miscellaneous accounts as well.

And one thing to note about the Chart of Accounts, remember that you're not going to set them all up right away. You're going to find some you want to add as you're going along and add them that way.

That's really all I wanted to show you about the sample file. We are going to be using this one actually as we go through the rest of our exercises. So why don't you go ahead and go back through these videos if you need to, but if not we're going to move on to module four and talk a little bit about working with customers and jobs.

Chapter 4 – Working with Customers & Jobs

Video: Working with Customers and Jobs – Part 1

Cindy: Welcome back. We are now starting in module four where we're going to talk about working with customers and jobs. This will be the module where we start talking about your accounts receivable.

You have the ability in QuickBooks to track each customer that you do different jobs for but you can also track the jobs individually as well. So if you wanted to track them separately or all together as one customer you can do that. Let's go ahead and get started here with section one where I show you how to set up some of those customers and jobs and then there will be a second part to this. Make sure you watch both parts.

The first thing you'll need to do is enter your customer name and their information in the Customer Center. The way you're going to get to the Customer Center is from your Home screen you're going to click Customers right here. Remember you could also get to the same place by clicking Customers up here on your icon bar or go into the menu where it says Customers and accessing the Customer Center this way.

This is a list of all of your existing customers right here and you'll notice they're set up alphabetically by last name. That is not something QuickBooks does automatically. It's something you will have to remember to do when you create your customer. It doesn't matter how you set this list up but just do it in an order that's good for you so you can find those customers when you go to look for them.

When you're looking at this list if you need to make this column a little bit wider you can actually pull this line that separates the column just like you would an Excel spreadsheet and that way you can see the full name. This column here shows you the balance that's owed per customer and also per job. This last column is where you would have an attachment if you had set one up. You would actually double click there and that would actually open up this screen where you could go and get a file that's in your computer by clicking here or you can scan something right here or you can drag and drop something that you might have on your desktop or in Outlook or something right into this window here. Whatever you do when you click Done it will be attached there and that way you can double click in the future and go open that up without having to leave QuickBooks to do that.

Notice I'm looking at the active customers currently. If I pull this list down I can also look at the full customer list. If you're looking at the full customer list you'll notice there's this area on the left here that's kind of blank. And if you scroll down you might see an X there. If I click next to a customer name and you see an X that means that customer is now inactive. What that means is that when you're in QuickBooks working and you pull down a list of the customers this customer

will not show up on the list because they're inactive. However they can always be activated again just by clicking the same X to activate them. And also if you're actually wanting to use them somewhere else in QuickBooks and you just type their name in it'll ask you would you like to activate them at that particular time as well.

Let me go ahead and pick Active Customers again. You'll notice also the customer clicked on the information you see on the right side of the screen has to do with that customer or that particular job if you're clicked on a job. Here you see the customer information like their name and their address, if they have phone numbers that you've recorded and email address. You'll see all that right here.

There's also some quick reports you can run related to this customer over here on the right. These are just links and you would click and run that particular report.

Here is where you would actually attach a file. It's the exact same thing I showed you a moment ago as far as double clicking over on the left here.

And then this is how you would edit that customer information. You would just click the little pencil icon, make your changes, and then click OK at the bottom and those changes would then be reflected on this window.

A neat little thing that you might notice as well is there's a map and some directions here. Now if you notice I can put my mouse on this line that separates the two parts of this window and drag straight down. That'll give me a little more room. If I click the Map option it's actually going to open Google Maps and give you a map to that particular address. Really cool little feature there.

At the bottom of the window you'll notice there are several different tabs and the first one is the Transactions tab. These would be any transactions that occurred for that particular customer job that you're clicked on. if you wanted to go to one of those particular transactions you just double click on it and it'll take you right to that transaction. This is a great way if you wanted to search for something instead of having to search all through QuickBooks and using the Find feature, if you can get to this window and pull up your customer transactions you can just double click and go right to it.

Currently I'm looking at all the transactions. Notice that I can filter this list by looking at just invoices or just credit memos if I wanted to. I can also come over here and filter by date if I like. So currently I'm showing the fiscal year but I could choose to look at anything that happened last week, last month. You get the idea.

At the bottom of this list you'll notice an option that says Manage Transactions. Here I could go ahead and create any of these transactions for my particular customer but chances are you're not going to be on this screen when you want to actually create one of these transactions. These are actually on the Home screen.

Also notice I can run some reports down here if I want to. This would let me view this list in a report format.

The next tab over is my Contacts tab. These would be any contacts that I have dealings with associated with my customer. It could be the actual customer himself, it could be the person that works in the front office, the partner. All you would have to do is come down to the Manage Contacts and add a new contact.

When you add a new contact it's going to ask you information like the job title, the person's first name, their last name, and you'll see there are some fields where you can plug in phone numbers, email addresses, etcetera. And also are they a primary contact, a secondary or an additional contact right up at the top here? Once you fill that in you would just Save & Close and that information would show up just like you see right here as a contact.

Now if I wanted to open this contact I'd double click on it and that would be like editing the contact and I could Save & Close it or just look at the information if that's all I needed.

The next tab over are your To Do's. To Do's are things you have to take care of related to this particular customer. You might have to make a phone call, it could be you need to set up a meeting, you need to create an email and send it. These are To Do's right here. And you can also see the status of your To Do's. Are they done? Are they still active? Or are they inactive? And also you can look at these by date if you'd like to.

Let's set up a To Do so you can see how this works. I'm going to come to the bottom where it says Manage To Do's and create a new To Do. Here's where I specify what type of To Do this happens to be. And also where I set the priority. Is it high priority, low or medium? It will assume it's with the customer that you're clicked on but you can always change that to a vendor, a lead or an employee if you want. You would need to set a due date for that To Do. And if you wanted to put a time in here you have to check this little box and then the time becomes available. Then all you do is put the details of your To Do down here on the Detail section. We'll say Set up meeting with Aaron. I'm going to go ahead and click OK and now you'll see that To Do shows up down here at the bottom. Now once I've completed that To Do I would want to go ahead and double click where it says Done and then this will pop up and then I can change the status to Done and it will look like this with a checkmark there.

The next tab over are your Notes. Your notes would be any notes you want to keep related to this particular customer. All you would do is come to the bottom where it says Manage Notes and add a new note. You can put anything you want here in the Notes section. There is a date and time stamp option you can click on and you see it just added the date and time there. And then I can write my note whatever it might be. You can turn your note into a To Do and it would show up under the To Do tab as well. Notice you could also print that if you wanted to. I'm going to click OK and you would see any notes you had set up right here.

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Now the last tab is your Sent Emails. One of the features you have in QuickBooks is the ability to email any form to your customer. A form might be an invoice, for example. Once you actually send that out it will be tracked right here so that you could see a list of these any time you wanted to.

Let's go ahead and do this. I'd like to set up a new customer and show you all of the things that you're going to have to tell it when you set up that new customer. Let's go ahead and flip over to part two of module four. That will be Working with Customers and Jobs Part 2.

Video: Working with Customers and Jobs – Part 2

Cindy: We just got through talking a little bit about the Customer Center and how to go through the Customer Center and look at the screen itself and get some information. What I'd like to do now is take you in and actually set up a customer and a job for that customer so you can see how this whole process works. We'll be going back to the Customer Center to complete this exercise.

The way you're going to enter a new customer in QuickBooks is to come up to this option here where it says New Customer & Job. If you click the arrow that points down here you can choose new customer from the dropdown list.

The first thing you want to do is plug in the new customers name. And if you remember we talked about our list being last name, comma, first name. Right? You'll want to make sure you type it in the exact same way to keep the list consistent. QuickBooks is not going to sort by last name for you. You're going to have to type it in like this.

The next thing you'll see is the opening balance. This is designed for if the start date of your company was January the 1st of your fiscal year and Tom Allen owed you \$1,000 you would plug in \$1,000 as the opening balance. Your customers account would be correct, however you wouldn't be able to go back and look and see that that was actually three different invoices that totaled \$1,000. I personally don't put anything in here and I will go enter those three invoices separately once I've completed setting up the new customer.

The next thing you'll notice is you're on the Address Info tab and here you can put in things like the company name, the customer's name, the job title, phone, fax. You can kind of see all these fields here. I'm going to go ahead and plug in a company name for Mr. Allen. We're going to say it's Allen Enterprises and then I'm going to put in Mr. Tom Allen. Now a common question at this point is if I had his name already up here why do I need to put it here? The reason is because in a later module we're going to talk about doing mail merges with Microsoft Word. These are the fields that we'll pull his name from. It will not pull from this. This name is only to go in this list so it's important that you fill this information in as much as possible. You can also change any of these fields that you see. If you wanted the label to be different you can do that. And you'll also notice that as you're typing it's prepopulating some of this address detail information for you. You would want to go down here and actually set it up the way you'd like it to be. This is what it's going to pull when you're creating correspondence for Mr. Tom Allen. So you may do something like this and then you can go ahead and fill in the rest of his address information.

You really don't need this unless you're in a business where you have invoices that go to one address and the customer asks you ship the items to another address. If that's the case you can copy this over and then change this information or leave it if you need to.

Let's go on to the next tab which are the Payment Settings.

Here if you have account numbers for you customers you can plug that information in here. You can specify the payment terms. You may have some customers that you give them net 15 and others you give net 30. You can specify the delivery method. Does this customer like things emailed, mailed to them or neither? Do they also have a preferred payment method? Do they usually pay you with cash or do they usually use their Visa card?

You can also store the customer's credit card information right here. Now you would use this for customers who actually purchase from you on a regular basis so you don't keep having to ask for that information again. Even though this is a neat feature I personally would never use this because you're liable if someone gets into your computer and gets this information regarding your customers. If you need to keep this information just keep it somewhere else and just not here in QuickBooks.

You can set a credit limit for your customer. The way that would work is if your customer credit limit was \$2,000 and they purchase something that takes them over that credit limit it will pop up and tell you that and still let you sell them something else.

You can also set price levels for your customers. As an example I'll just click Add New, but what if you decided that all your commercial customers would get a 10% discount automatically. You might name this price level Commercial Customers and then you might say the price level will decrease by 10% and that's all you'd have to do. You would click OK. And now QuickBooks would know that this is a commercial customer and they automatically will get 10%.

Now you also can let your customers pay you online. You would have to set up your information with Intuit and that's done in the Preferences. But what would happen is if you've set it up already then you would be able to send your invoice to your customer via email, they could click a button and pay you right then and there.

The next tab over I want to talk about are your sales tax settings. If you collect sales tax from your customers there are some settings you'll want to put here in this window. For example, are they actually a taxable customer or not? Think about this. If it's a nonprofit organization they may have applied to be tax exempt and that's when you'd pick nontaxable.

Also the tax item. You're going to have to tell QuickBooks which tax item to charge this customer and we'll talk more about that when we get to the module where we talk about sales tax.

And then you have a resale number field. If I sell chairs in my store and this customer also sells chairs they could have applied to the state for a resale certificate. And if that's the case they wouldn't pay sales tax when they purchase chairs from me. I could keep their resale number here just in case I ever needed it for whatever reason.

A few more things here under the Additional Info tab. You can have different types of customers and you would create this list. You'll see in this case they have commercial customers and residential customers. If you have sales reps that work in your organization you can create a list of your sales reps and that way you'd know which rep works with which customers.

And then also here you have these custom fields. You create whichever fields you might need in this section. The way you would do that is you would go down here to Define Fields, you would actually type the name of the field you want to create on the next line and then check off if you want to see that field when you're working with customers, vendors and/or employees so that you don't have to set it up three different times. And that's how these were created right here.

One more tab is the Job Info. And let me just say if you're creating a customer you're not going to put job info here because these are for jobs themselves. Let me go ahead and click OK and then we're going to set up a job so you can see how that works.

Now if you notice over here I've got my new customer Tom Allen. You'll notice that it did not put Tom Allen in alphabetical order. What I can do is click this heading, the word Name here, and that will resort the list and now you'll see he's in the list alphabetical by last name.

Now let me show you how to set up a job for Tom Allen. We'll set up a kitchen remodel. Make sure you're clicked on your customer, go to the New Customer & Job tab button and this time choose Add Job. I'm going to put in my job name which is Kitchen Remodel and you'll notice that it really has all the other information in here. So unless something happens to be different I don't really have to change anything. The only thing I might choose to do is put in information about the job. I might have a description for my job, different types of jobs in the list, maybe the job status. Is it pending? Is it awarded, in progress? A start and end date for the job. And that's where all that job info would come in. And that's really all you do. I'm going to click OK and now you'll see a job called Kitchen Remodel underneath my customer Tom Allen. And that's how you set up customers and jobs.

Now what we're going to do is when we start talking about estimates in this next section I'm going to show you how you can add a customer and job on the fly so that you don't always have to come back into this Customer Center. Let's go ahead and wrap up this section and let's go to section two and talk about working with estimates.

Video: Estimates – Part 1

Cindy: Now that you know how to set up customers and jobs over in the Customer Center let's start talking a little bit about creating estimates so that you can start getting some work and getting it set up in QuickBooks. This is going to be module four, section two and this is part one of Estimates.

This is your Accounts Receivable section where we're going to start and you'll notice the first thing on the list is the estimates option. An estimate is like a quote for a job. If I wanted to have my kitchen remodeled I'm going to ask the contractor for a quote or an estimate on how much it's going to cost. You'll notice that estimates are on the same line as this option that says Purchase Orders. Both are non-posting. What that means is if I create this estimate and this customer never calls to say do the job it doesn't affect my books in any way. I'd have to run specific estimate reports to see what happens to be on that list. If you don't do estimates in your job then start with Create Invoices right here once you're ready to invoice your customer. You may not even see Estimates on the screen here and that would be because if you told it in the Easy Step Interview when you set up the company that you don't create estimates it wouldn't even be here.

I'm going to click on Estimates and this is your Estimate screen right here. The first thing it asks you to do is to pick a customer and a job from the list. You can either start typing the last few characters of the person's name or you can drop the list down like this and choose your customer and your job.

Just a little something to remember all throughout QuickBooks. Always, always, always if you're using the job feature click on the Job and not the customer. If you don't what will happen is you'll run reports and it will say Other and you'll go, "What does that mean?" I do recognize that all of you don't use jobs as well so if you're not using them then it's not an issue for you. Notice I'm clicking Tom Allen's Kitchen Remodel and now I've pulled that in and if there was any summary information or any previous transactions to see they would be listed over here in this area. If you don't want to see this area over here just hide it with this Hide History little arrow and that way you have more room to work on your screen.

Now something else I wanted to show you that I mentioned in the last section of module three. When we were setting up customers and jobs I told you that you have the ability to set these up on the fly. And here's what I mean by this. let's say that Tom Allen has asked me to give him an estimate for a sunroom. If you notice I don't have sunroom set up at all but I can do it right here. Now I could click Add New but here's the quick easy way. Choose the customer and put a colon at the end of the name. Then you're going to type in the name of the job. And if you notice you're going to type it exactly like you see here, customer, colon, job and that's what I've done here. When you're finished you have to leave the field. Hit the Tab key on your keyboard and it will say Sunroom is not in the list. Would you like to set it up? Here I get an option to do a quick

add, which is what I want to do in this case, just add it to the list, or if it was a new customer all together I could just set it up and go set all that information up. Now let me just say if it's a new customer you can't add both levels at the same time. You have to add the customer first and set it up, then you can go back in and add the job. I'm going to quick add in this case and now if I look at the dropdown you can see I have Sunroom and Kitchen Remodel on the list for Tom Allen.

The next thing you'll see on the list is the option that says Class. Remember I told you when we were going through the preferences that you have the ability to add a field called Class to any of your forms. This Class option would allow you to break your business down into smaller sections. So for example, if you have multiple locations this could be that location list and you could choose from the list. If you're not using the Class feature you wouldn't even worry about that.

This is the template that I'm currently using to create my estimate. In a later module we're going to talk about customizing your templates or creating new ones because you may not like how this one is set up, but for now we're going to use the custom estimate template that you see here.

This is the date of the transaction. It's going to pull the current date right now but you can choose any date you'd like from this list.

The next thing you'll notice is the Estimate Number. Now just to tell you something that happens in QuickBooks. There are a lot of things that are numbered. Checks are numbered, estimates are numbered, invoices, and some other things. They're all going to start with number one. You probably want to change that to some other number. That way the customer doesn't know they're the very first customer. Whatever number you choose the next one will be numbered sequentially, unless you decide to change it.

Here you're going to see the name and address that's prepopulated from when we set up the customer. If you decide that this happens to be the incorrect information or you'd like to change it when you're finished with this entire estimate and you Save & Close at the bottom it's going to ask you if you want to change it permanently in their record. So that's an easy way of changing that without having to go all the way back to the customer and set it up again.

Now the next thing you're going to notice down here, you have to click your mouse to see this dropdown arrow under Item. An item might be an inventory part, it could be what we call noninventory. There are different types of items that you can sell your customers. And we'll be going through those when we go through the section where we talk about items. But for now let's go ahead and use what they have on the list.

Let's choose Framing. You'll notice when I choose framing it prepopulates a description in this case and a cost. You can actually type over the description and type anything you want. This will word wrap as long as you need it to as well. I'm going to hit the Tab key and go over to the

quantity and I'm going to say that we're going to estimate ten of these for our customer. And then also the cost.

Notice he brought in \$55 and that would be for one of these. If I wanted for a one time cost to put in \$50 I could certainly do that and it doesn't change it in the permanent record. It's just on this particular estimate.

Notice it skipped over the unit of measurement. Let me just tell you what that is real quick.

A unit of measurement is when you want to sell something by the foot, by the yard, by the case you could have a dropdown prepopulated and choose it from the list. It has to be turned on and set up in the item and this obviously is not and that's why it skipped right over it.

You'll notice the next thing is the amount, which you can't change. It actually calculates the cost times the quantity to give you the amount and then puts you over in the markup field. An item can be marked up a dollar amount or a percentage. I'm going to show you one of each. In this case I'll say 30%. You have to put the percent sign there or it won't know it's a percentage. And when I tab through notice how it changed the total for me automatically. The last column that you see which says Tax, this has to do with sales tax. Meaning is this item taxable or not. Typically a service is not and a physical item is.

I'm going to go ahead and hit Tab one more time. We're going to add one more item to this list and this time it will be a physical part. We're going to put in a wood door and I'll just pick exterior from the list. Let's put two of these on this estimate. And you'll notice this time it has a markup already. I'm going to delete that but let me tell you why it had a markup. You'll see when we set up our items that if we tell QuickBooks that on average we have a certain price we buy it for and on average we have a certain price we sell it for then it will calculate that markup for us. I'm just going to mark this up \$1,000. Notice when you put in dollars you don't put the dollar sign, you don't put the commas. And if it's just 0.00 you don't need to put that in either. But notice again it just calculated all the way across.

Now I can keep adding as many items as I want to this list. This is not the last line down here. This will go on pretty much forever. So if you have a lot of line items don't worry about running out of space.

I wanted you to notice at the very bottom it has the subtotal, the total of the markup, it has any sales tax, and it has a total down here.

Let's go ahead and see what this would look like right now if I was going to actually send this out.

We're going to be talking in the second part of this particular section about all these options here but one of these is a Print option and you can preview this. And this is what it will look like if I preview it. Notice it's very plain. It does have your customer name and it does have your

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customer address. It says it's an estimate. The customer does not see the item name. So when you're creating items you can name those anything you want. And they also don't see the markup. But this is what it will look like currently.

I'm going to hit Close and let's go ahead and stop the video here and go into the second part of invoicing from estimates, part two.

Video: Estimates – Part 2

Cindy: Now that you've seen how to actually set up an estimate. Let's go ahead and talk about some of the things that you see on the estimate window that you're going to see on other windows as well.

Let's take a peek at the tabs you have running across the top of your window here. Most of what you're going to use on a regular basis will be under the first tab that says Main. And a lot of these options you're going to see when you get into other windows that are similar, like invoices.

The first thing you'll notice are these arrows that go left or right. And these are going to allow you to search through the estimates going left or right. You can actually search for any estimate you like but remember that in QuickBooks everything is in date order. So hitting the left arrow may not give you the actual previous one that you think it does. If you're searching and you can't find what you're looking for use this Find option right here that will allow you to put in some criteria, like the customer and job name for example, maybe a date range, an estimate number, or an amount of money. Obviously you'd have to know that information in order to type it in, but then you could hit this Find feature right here and it would search through the estimates for the one you're looking for.

The next option says New. And this is actually going to save the estimate you're currently in and put you on a new blank estimate. It's the exact same thing as if you came to the bottom here and clicked on this button that says Save & New.

The next thing you see is the Save button. You can save this as an estimate or as a PDF file, which is very handy if you plan to email this out to someone and you don't want them to make any changes to it.

Here's where you would delete the estimate if you wanted to. Notice you could also create a copy. Basically if you had to create another one similar to this the easiest thing to do would be to create a copy and then make the few changes that you need to make.

Let me mention the Memorize as well and we're going to do this in a later module, but if you have transactions that happen on a regular basis instead of typing them every single month you can actually have it memorize it and then you can actually make a copy come in automatically by double clicking on the memorization. And I'll show you how that works a little bit later.

You also have the ability to mark invoices and estimates as inactive. Basically that means that they don't show up on reports. It's almost like they're not there. They're hidden so to speak. And when you want to activate them again you can just click the button and then they show up in reports again.

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Here's your print option. I showed you previously what this would look like if you previewed it, but I want you to notice also that you can go ahead and use this to print your estimate right here or to create an envelope. This will do a mail merge with Microsoft Word and the envelope will actually come up already addressed, ready to go to Mr. Tom Allen. And there's your option to save it as a PDF as well.

Here's your email option. You have the option to email this directly to your customer if you like. When you email this you're going to have a chance to put a little memo on the cover sheet as I call it and then you'll be able just to send this right over.

The option that says Batch here. What that means is that let's say you've got to send two or three of these. You can check the box here that says Email Later for each one that you do. And when you're ready to email them you email the batch and it will send all of those over at once.

You can attach a file to this. Some examples might be maybe you got some bills in or some quotes from one of your vendors and you just want to attach it here. It doesn't necessarily go over to the customer if you email it. It's just really more for you so you don't have to get out of QuickBooks and go look and find that file.

You can also go ahead and invoice your customer from here, but chances are that you're not going to be on this window when you're ready to create an invoice, but you could if you wanted to.

Now let me just mention the Start Project. Intuit actually sells another software package called Maven Link. It actually is a partner to QuickBooks but it's more of the customer side of things. If you wanted to check it out you could click on Start Project and it would take you in and give you a 30 day free trial.

The next tab over is your Formatting tab. You already know how to preview this estimate. These three here we're going to talk about when we get to the module where we talk about customizing your forms. That would actually allow you to customize the look of this estimate.

Here's your spellcheck. Remember to always run your spellcheck. You want to look professional and not have misspelled words when you're sending out estimates for jobs.

Here's a quick way to insert a line. It's going to go above the one you're clicked on. Here's a way to delete the line you're clicked on or to copy the line you're clicked on.

And here's more options that have to do with customizing this particular estimate template.

The third tab over is your Send/Ship. These options here have to do with actually doing mail merges with Microsoft Word. We'll do those in a later module.

And then there's the Reports option here. I want you to notice a couple of these and they all have to do with estimates. One of them I want you to pay particular attention to is this Transaction

History. Now we don't have a history right now but if we had already created an invoice based on this and maybe received a payment that would create a history we could go look at.

Your reports are your estimates by job, item estimates versus actuals, and your item price list. Like I said, most of the options you'll use on a regular basis are under the Main tab.

Now if you look down at the bottom left you'll notice there's a place for a customer message. QuickBooks has some preformatted ones already set up. If you like one of these you can go ahead and just choose it, but you can also create your own by clicking on Add New. Underneath that you'll see a place for a memo and you can say anything you want in this little memo field. And also a place where it says Customer Tax Code. This has to do with sales tax. If your customer is subject to sales tax you would want to say Tax, if not you could say nontaxable sales.

Also over here you're going to have the subtotal, the markup, you're going to have the tax if there was any, and the total.

Your options below that will be to Save & Close this, which means it's going to save this estimate and close it and you'll be on whatever window was behind this. You could save this and create a new one or revert. Revert basically means to clear everything out back to when you last saved it.

I'm going to go ahead and hit Save & Close and now you'll see I'm back on the previous screen. If I wanted to go ahead and open this estimate again notice I'm in the Customer Center. I'm going to click on my customer, find my estimate, double click, and I'll be right inside that particular window.

That's pretty much how estimates work. After you've finished estimating a job for a customer the customer is going to call you and ask you to do the work and that's where the invoicing comes in because you will want to get paid for your work. Let's move over into section three and we'll talk about invoicing.

Video: Invoicing from Estimates – Part 1

Cindy: Hey there. Welcome back. We are in module four where we're talking about working with customers and jobs. We're all the way down now to section three, Invoicing from Estimates, and this is part one. There are two parts to this.

You've got those estimates that you've created and they're just sitting there. The customer actually asked you to do the work and now you want to get paid. In order to get paid you'll need to send an invoice to your customer and that's where this section comes in. Let's go ahead and get started and talk about how to create invoices from estimates.

One of the things we talked about in section two when we were talking about creating the estimate is the fact that if you're actually on the estimate you can create an invoice right here. But remember I told you that you're probably not going to be on this screen when you're ready to invoice your customer. Let me go ahead and close this estimate and I'll show you how to create that invoice.

I'm going to head over to the Home screen. If you're following the flowchart on the Home screen you'll notice you've already estimated the job so the next thing in this flowchart is Create Invoices. At this point this will be considered accounts receivable as soon as you save this.

Notice this screen looks very similar to the estimates. The first thing it asks you is to pull in your customer and your job. And in this case it was Tom Allen Sunroom. Now what should happen is you have an estimate already set up is you should see this window that says Available Estimates. These would be any estimates you've created that you have not yet pulled the entire thing into an invoice. If you've already invoiced everything then this will not pop up for this particular customer and job.

If this doesn't pop up for some reason and you think it should some things to look for. You want to make sure that this name here is the exact name of the estimate you created. If this just said Tom Allen but the estimate said Tom Allen Sunroom that would not be an exact match and then it wouldn't pull this window up.

The other thing that happens very often is because you can flip back and forth between the windows when you have the open window list open a lot of times you don't Save & Close your estimate and then that would cause it to not show up as well. So just kind of know if this window doesn't show up you'll figure out why.

I'm going to choose the particular estimate that I want to pull from and I'm going to click OK. If you remember when we set up our company file one of the things it asked us would you like to do progress invoicing. I explained to you that that basically meant if you have an estimate you can pull in a portion of that estimate until you've actually invoiced everything.

Here is your progress invoicing window and you get a few choices here. Notice the first one says Create an invoice for the entire estimate. You can also create one for a percentage of the entire estimate. You would just put in whatever percentage you wanted. And the bottom one lets you create an invoice for selected items or for different percentages of each item. I want to just show you this one for a moment and then I'll come back and we'll pull in 30%. But if I choose this bottom one and click OK what this shows me is each of the items that I have on my estimate and I can choose to put in a quantity for each one. So I may say something like three of these and one of these. Or I could come over in the percentage column and say that I want to invoice for 10% of that and 30% of that. However you want to do it's certainly okay.

I'm going to go ahead and cancel that for a moment and just so you'll know when you do cancel it keeps the customer and job here. You have to actually go clear the form down at the bottom, then you can pull your customer and job back in again like this. Here's my available estimate window again. I'm going to choose my estimate and then click OK. And what I really want to do this time is just create an estimate for 30% of the entire estimate. I'm going to click OK and now you'll see that it's brought in 30%.

What I want to do now is if I wanted to add something to this I could, maybe like a shipping charge or some kind of miscellaneous charge. All I'd have to do is on the next available line just go down and find whatever it is that I want to add to this. Now let's say in this particular case that we want to go ahead and add a delivery charge. I'm going to add one of these at \$25 and this will not affect the estimate at all. You can always go in and add miscellaneous items like that.

A couple of things to notice. If you look at the bottom left, again you have a place for a customer message. These would be some that are prepopulated by QuickBooks. You could add your own if you wanted by choosing Add New. There's also a place for a memo, just like we saw with the estimates. And also your customer tax code, whether they should be charged sales tax or not.

Here it tells you the amount of the sales tax, the total, if there were any payments already applied to this particular invoice, and the balance due.

Back up here you have the date of the particular invoice. Let's say that this one is dated December the 29th, it has your invoice number, and remember I told you that this will start with number one so you will want to change your invoice number to some number and then the next one will be numbered sequentially. You've also got a place for the terms and the due date of that particular invoice.

Let's go back up here and look at your tabs again. We talked about the fact that most everything that you would want to do on a regular basis is under the Main tab. You will see that you can search through your invoices. If you're looking for a particular one you can use your arrows that go to the next or previous. You could use your Find option like we talked about again with estimates.

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The next one over is your New option. You're going to be able to save this invoice and create a new one if you'd like. You can also save this as an invoice or as a PDF. And here's where you want to delete your invoice or notice you can just void it if you prefer to leave it in here and just have it with a zero balance.

Here you can make another copy of this invoice. Again you would do that if you needed two invoices and you want to make a slight change on one. You can also memorize an invoice or mark it as pending. Remember if you mark it as pending it's still in QuickBooks. It doesn't delete it but it doesn't really show up on reports and things like that until you're ready for it too. You would have to come back here and activate it.

You can print this. Notice you can preview. I want to show you what this invoice is going to look like. It's going to be very plain at the moment. Let me zoom in here. And you can see that it has the company name and the address. It says Invoice here on the right. There's the date of the invoice and the invoice number, your bill to, ship to. You can see the project name is what they're currently calling this field. Later when we talk about customizing we can change that to say Job Name. And then you'll notice also all of the items that you're invoicing for and at the bottom you've got your subtotal, sales tax, total, payments and credits and balance due. And again we'll want to customize that.

I'm going to hit Close and I'm going to pull down Print again real quick because I want to show you here's where you can print the invoice or print the batch. In order to print the batch you would need to have several created and then choose the option to print later. When you're ready to print the batch you choose Batch and it knows which ones to print. Notice you could also print a packing slip, a shipping label, or an envelope right from here or save it as a PDF. So you've got a lot of options there under the Print.

Let me go ahead and stop the video right here and let's go ahead and look over at part two and we'll keep going and I'll show you what all these button mean.

Video: Invoicing from Estimates – Part 2

Cindy: We are working in module four and we're all the way down to section three now where we're talking about invoicing from estimates. We've already talked about how to actually create that invoice. Let's go ahead and finish talking about some of the options you have that are on the screen when you're actually invoicing your customers.

Let's go ahead and keep going through these buttons on the Main tab. We're all the way over to attach a file. If you have any files related to this particular invoice that you just want to keep attached you can do that here. Again, you would do that because you don't want to leave QuickBooks to go search for them at some point.

Here's a couple of new buttons you have not seen. The first one is Add Time/Cost. Let me tell you a little bit about this and then we'll actually look at it more in depth in a later module.

You're going to have a lot of expenses you incur related to this particular invoice you're creating. As you're creating those expenses, whether you use the credit card, you write a check, the debit card, it really doesn't matter how the expense is created but there will be a field there where you can put in the customer and the job. If you have done that then you have the ability to pull those into this particular invoice whenever you're ready to invoice your customer to get reimbursed. It's a great little feature if you have those type of expenses.

The next one is Apply Credits. If you have already created a credit memo you can come here and apply that credit memo to this invoice.

Progress will basically just show you the progression from the estimate to the invoice, how far you've gotten in that whole progressive cycle there.

You can receive a payment. If the customer gives you a down payment, for example, you can receive it here. But chances are you're not going to be on this window when you're ready to receive a payment.

You can create a batch. Let's say there were three different customers who were going to pay this invoice. Maybe they were each going to pay a third of it. You can actually take this one invoice and it will create one and send it to multiple customers. That's a pretty neat feature if you need it.

Also there's your refund or credit option. If you're going to actually create a credit memo or you're going to refund a customer for something this would be how to do it.

Let's go to the Formatting tab and see if there's anything new there. And all of this is the exact same as we saw when we were working with our estimates. These are going to allow you to customize the invoice template. There's your spellcheck, insert a line, delete a line, and copy a line. And again this has to do with customizing your template.

Under the tab Send/Ship here's something new. Let's say that you actually ship physical items. You can actually schedule your FedEx, your UPS, or your United States Postal Service right from here. What's really cool is if I went ahead and said ship FedEx package it would take me right to the FedEx website so I don't have to get out of QuickBooks, go over there and login and all I would have to do is just login from this screen and I'd be ready to ship my package.

These two here have to do with mail merges with Microsoft Word.

Your last tab has your reports. Again the important one I want you to be aware of is the transaction history because this is going to let you see the actual estimate that started the whole thing, how many invoices have been created, any payments towards this invoice, all the way through.

Here are your reports that have to do with invoicing. You've got one where you can view the open invoices. Those are ones that have not yet been paid. You can look at your sales by customer detail and also your average days to pay.

That's going to be your options as far as creating invoices this way. I'm going to go ahead and hit Save & Close at the bottom and now you'll see that we're back in our Customer Center. You can see here that we have an invoice and an estimate for our customer.

Now what I'd like to do is go ahead and invoice my customer for the remaining amounts that were on that estimate. I'm just going to repeat the same process basically. I'm going back to Create Invoices. I'm going to pull in my customer and my job. I'm going to choose the estimate that I want to pull from and something that might confuse you is sometimes people are looking for this amount to be a little different. They think it should have decreased by the amount of the first invoice but it doesn't. This is always the amount of the original estimate. I'm going to go ahead and click OK and I want you to notice that this time the first one is a little bit different. Notice it asks me if I'd like to create an invoice for the remaining amounts of the estimate. I could do another percentage or I could select Items or different percentages of each item. I'll go ahead and choose the first one this time and pull in the remaining amounts and click OK. And now you can see that my quantity has brought in anything that hasn't yet been invoiced.

Again if I wanted to add that delivery charge I could certainly do that. I'll add another one at \$25. And then you are familiar with everything around the screen already so we won't go back through that. But that's how you're going to invoice for whatever was left.

What I want to do now is that's all you need to know about creating invoices from estimates. Let's go ahead and look at section four and I'll show you how to invoice your customers for products and services when you don't have an estimate.

Video: Invoicing Customers for Products and Services

Cindy: Welcome back. We are working in module four and we're all the way down to section four now where I want to show you briefly how to invoice a customer for products and services, especially when you don't have an estimate you'd like to attach to that invoice. It could be for the same customer or for a different customer. Let me show you how that's done.

All you have to do is go straight to Create Invoices. You can skip the estimates. When you click on Create Invoices you're going to pull in your customer name and the customer job. If you pull in your customer name and the customer job and it does pop up with the window that says there's available estimates and let's say you don't want to invoice for something from the estimate, maybe it's something totally different, just cancel out of that window and you'll be back on this screen.

Now all I have to do is fill everything in. Let's say that I'm going to charge for blueprints and I want to have a quantity of two of these at \$500 each. And let's say on the next line down that I pick Blueprint Changes and I go ahead and put description in there and I'll just do one of these and we'll just charge \$50 for that. And I could keep on going. And that's really all I have to do.

I just want to make sure that everything else is the exact way I want it. maybe if I want the date changed or I want a particular customer message at the bottom I just go ahead and fill all that in.

Once I'm done I'm just going to Save & Close. And if I go back to my Customer Center you're going to see that now I have an estimate, the two invoices I did earlier, and the new invoice I just created. And that's pretty easy. That's all there is to invoicing your customer for products and services that are not related to estimates.

Hopefully what'll happen next is you'll get paid. Why don't we go ahead and go over to section five and I'll show you how to receive those payments once they come in the door.

Video: Receiving Payments

Cindy: All right. We are still working in module four and we're all the way down now to section five, Receiving Payments. This is the fun stuff, when we actually get paid.

What I want to show you now is how to actually tell QuickBooks that you've received the payment for an invoice. And it doesn't matter how the customer pays you you're going to enter the payment the same exact way. Let's go ahead and flip over to QuickBooks and I'll show you how to receive those payments.

We've already estimated a job, we've created a couple of invoices based on that estimate and an additional one and now we're going to go ahead and tell QuickBooks that we've been paid for some of this. I'm going to click on Receive Payments.

No matter how the customer pays you this is how you want to enter the payment. The first thing it asks you is who is the customer and the job you're receiving the payment for. You'll notice as soon as you pull in that information that it lists a couple things for you. Here's the total that the customer owes you right over here. It also lists each invoice that has not been fully paid, even if there is a penny left it will list that invoice here. You'll see the original amount, you'll see the amount due, and once you start applying the payments you'll see how much of that was applied over in this column.

I'm going to go back to the payment amount and type in how much the customer paid me. I'm going to say they paid \$4,099.75. I wanted to show you what happens if you're over or under. You'll notice right down here it tells me I have an underpayment of \$0.04. I have a couple of choices. I can leave it on their account and hope they'll pay me later or I can write off the extra amount. I'm going to leave it in their account for now so I could show you later how to just go and do a credit memo for that.

Back up at the top I'm going to put in the date I received the payment and notice now there's a field for the check number. Now what you'll notice here is this is where you tell QuickBooks how the customer paid you. And depending on which of these options you've chosen this field will be different. If I choose Cash notice it says Reference Number. If I choose Check I can plug in a check number. If I choose Debit or Credit it pulls up this Enter Credit Card Information window. Now just so you'll know you can't actually run their card through unless you have the Intuit Merchant Services account. So there's really no point in picking this. It's really just for you to know how they paid.

Also they could have paid with electronic check. And there's some options under the More. They've got Barter already set up and they have Mastercard, but you could add some new payments methods. For example, if you take PayPal you may want to plug that in. It could be that you take Square. It could be that you choose any of these other options here.

I'm going to go ahead and pick the payment type Other and click OK and now you'll see that that's in my list any time I'd like to use it.

The reason this Enter Card Information popped up when I chose PayPal is because PayPal actually has a debit card that you can get if you have a business account. And you can just use that just like any other debit card.

I'm going to cancel there. And you'll notice also that it went ahead and checked all three invoices. It assumed I was paying all the first one, the balance of my payment went on the second one and the balance went on the third one. You want to be really careful with that because sometimes a customer may have said something like, "I want to pay half on this one and half on this one." Or maybe they said put so much on each one of these. What you want to do is if they've specified an amount you just come over here and type that amount towards that particular invoice.

Let's look at some of our options up on our tabs across the top. I'm on the Main tab and you know a lot of these already. Here are your Find options. There's your New option which would actually save this payment and put me on a new blank one. I can delete this payment. I might choose to print it or I might choose to email it to my customer. I can attach a file. I can also look up a customer/invoice. Now in saying that let me just mention that let's say I was down here on this one and I wanted to look at it. I can double click and open it right from here. If you make a change to this and Save & Close then that will automatically be reflected back here.

The next thing is to unapply your payments. That basically just unchecks them all and you can go back and manually check them and make sure you have the correct payment amount over on the right column.

You can apply discounts and credits. Also if you had already saved this you could record a bounced check if that happened to be what happens in this situation. You can also add credit card processing. This is where you would sign up for QuickBooks merchant services so that you can process credit cards with them.

You've got your reports. Remember the important one I want you to notice is the transaction history. Once we actually save this I can click this button and go back and see the invoices that this paid and all the way back to the estimate.

I've also got a journal, a transaction journal is what they call it. and it basically shows me a timeline of actually everything that happened and when it happened.

I've also got some options to process a payment receipt. Basically if I needed a printable receipt that I could give my customer I can go ahead and print it out from here. And then I have some reports I can look at. I can look at open invoices. Those are ones that haven't been paid. I can look at a customer balance detail, sales by item detail, and an item price list.

I have one quick question for you. Once we Save & Close down at the bottom where do you think this payment goes? Well let me show you real quick. I'm going to flip to Home and I want to pull up this Chart of Accounts. There is an account in the Chart of Accounts here called Undeposited Funds. You can see it right here. And you can see there is \$2,440 in there currently. This is an account where all the money goes and sits once you receive the payment, but this money has not yet been taken to the bank. Meaning it's not in a deposit anywhere. One of the ways to keep a good check on yourself is if you've deposited all the money this should say zero.

I'm going to go back to Receive Payments for just a moment and I'm going to hit Save & Close and show you that that is going to go up by the amount of the payment that I just received. And you can see it's gone up to \$6,539.75 now.

I want to show you something that I briefly mentioned to you when we were looking at the preferences. I'm going to go back to Edit Preferences for a moment. One of the preferences that you have is when you click on the Payments on the left and you go to Company Preferences tab you've got this one here that says Use undeposited funds as default deposit to account. That's why that money went into that account automatically. I'm going to uncheck that and show you something. I'm going to click OK and it's going to tell me it has to close all the windows to change this preference. That's okay.

Now what I want to do now is I'm going to go back to click Home and I'm going to maximize my window here. Now I want to go back to Receive Payments but I'm going to go to that same payment that I had a few minutes ago. I can click Receive Payments and try to hit my Back button and see if that takes me there but an easier way is to go to my Customer Center, I'll go ahead and click on my customer and then I'll look for my payment in the list. If you notice I don't see it and that's because I'm looking at just this fiscal year. I'm going to go ahead and say All from the top of the list and then you'll see the payment because I had actually changed the date to the next fiscal year. But I'll double click and open it. And there's my payment.

I want you to notice now that I have this option to tell QuickBooks where I'd like to deposit the money to. That way instead of it automatically going into undeposited funds I could skip a step and put it directly into my checking account if I'd like.

Now let me give you a word of caution. This option here works great if it's the only amount of money that's going to be in this deposit. But let's say this was actually two checks from two different customers. Then I would not want to pick this. I would want to put them both in undeposited funds and then I could take the next step, which is to actually create a deposit.

What I want to do now is go ahead and take you over into section six and that's where we're going to talk about creating these deposits. Let me go ahead and Save & Close and then we'll go over there.

Video: Creating Deposits

Cindy: Once you've actually gone through and received your payments you'll at some point want to take those payments and pull them into a deposit and that's what I want to show you how to do now in QuickBooks.

If you remember the last thing we did was receive payments. We did not make a deposit yet. So this money is actually sitting in that account called Undeposited Funds. Let's go back and look at that for a second.

I'm going to the Chart of Accounts and I'm going to choose Undeposited Funds and you can see there's \$6,539.75 sitting in that account. Now what we want to do is take the money out of that account and put it in our checkbook. And the way we're going to do that is we're going to follow the flowchart all the way to the end to the Record Deposits.

Now before I click on that I want to mention something that I see very often and that is people will get to this point where they've received the payment. So in QuickBooks the invoices show as paid. But remember that money sitting in undeposited funds. The tendency is to go over here to your checkbook register, which I'm going to open real quick, and I'm going to choose my checking account. And what happens is people want to type that deposit in on the next available line here at the bottom. Let me tell you why that's wrong on so many levels. Number one, yes, I could put that deposit here and the balance would be correct but I did not move the money out of undeposited funds. That way as I keep receiving payments then the money is going to grow and grow and grow. So that's the first problem. The second problem is would you know which account in your Chart of Accounts to put this to? The tendency is for people to pick an income account. That's going to be wrong because you will be doubling your income. QuickBooks actually decided at the moment you made the invoice that it was income. The other thing is sometimes people want to put this to Accounts Receivable. You've already been there and done that as well. So neither answer is correct. It will never be correct if you type it in here. You want to let things dump into the register often and this is a prime example.

I'm going back to the Home screen and let's go ahead and record deposits. And also that number three that you see, that indicates that there are three payments sitting in Undeposited Funds waiting to be pulled over.

This is the money sitting in Undeposited Funds. You can see there's a couple that were here already for the exercise and then you can see the one we did for Tom Allen. All you're going to do is check off the ones you're going to put in this deposit. Now remember you want the deposits in QuickBooks to match deposits that actually happened at the bank. So if the first one was on deposit by itself you do that one individually and then you come back and do the other two. But I'll go ahead and check them all and click OK. And now you can see it's pulled in all three of those payments.

What you don't want to do is change this account. This is where the money actually is coming from. It's coming from Undeposited Funds. Do not try to change that. You do want to make sure you're depositing this to the correct bank account. You've got the correct date of your deposit. And if you needed to add something to this you could. Let's say you wanted to add a rebate check you received from Staples. You would add that and choose the account Office Supplies. Maybe it is the fact that you as a small business owner want to contribute some money to the business. The account in that case would be Owner Contribution or Shareholder Contribution, whatever you call that account. Just make sure that it's not always income. Just depends on what it is you're depositing.

You'll notice at the bottom that if you are sole proprietor you might want to keep \$20. That would be cash back goes to and you could pick the account that you want that to go to. There's a memo line and also the \$20 would go right there and then it would subtract it from this amount right here.

If you notice you can also come up here and search through your deposits. You could save the deposit. You could print this. And I want to show you the two options you have for printing. You could print a deposit slip or what they call a deposit summary.

You could also go back and see the payments. This is where we checked off those three payments. And also if you wanted to attach something to it. If you wanted to attach a file you could, or go back and look at the history of this particular deposit.

I'm going to make note of the total amount of the deposit. It says \$6,539.75. I'm going to Save & Close and two things have now happened. Number one, if we go back and look at the Chart of Accounts notice Undeposited Funds is now zero. And that is the proper way to handle that whole line right there.

The other thing I wanted to show you is that if I go look in the checkbook register again I now have a deposit down here for \$6,539.75. The reason it says Split is because there is more than one transaction on that particular deposit. The blue line also means it's just postdated. That's all that means.

And that's really all you have to do to actually make your deposits.

Well that's going to wrap up this particular video. There's a couple of other things I want to talk to you about in this module. The next one being I want to show you how to create credit memos and we'll get rid of that \$0.04 that was our underpayment.

Video: Creating Credit Memos

Cindy: Welcome back. We are working in module four and we're all the way down to section seven where I'm going to show you how to create credit memos.

You would use a credit memo any time you wanted to do something like, for example, someone returned something and they want to keep a credit on their account. It could be like in our example our customer owed us a little bit of money and we're going to go ahead and write that off. There's various reasons for creating credit memos. So let me show you how that's done in QuickBooks.

Whether you're going to actually issue a refund to a customer who's already paid in full or issue a credit memo that stays on their account you're going to do it the exact same way. You're going to use this Refunds & Credits button here.

Before we do this though I want to look at a quick report having to do with accounts receivable so that you can see that we do have monies sitting on our customer's account that we're going to want to credit in this particular exercise.

I'm going to go up to Reports on the menu and I'm going to come down to Customers & Receivables and I want to look at Open Invoices. Now we're going to look at all the reports later on in module eleven but right now this would be any invoices that have not been paid and I wanted to show you before we go on and do our credit memo that we do have these open invoices here. Now the one I want to show you is if you remember back in section five we talked about receiving payments. Our customer shorted us \$0.04 and so we should have an invoice where it says the customer owes \$0.04. The reason we don't see anything here for Tom Allen is because this is only anything open as of December the 15th. If I go up and change my date to maybe the end of the month, for example, and then click to refresh the report now you'll see there's Tom Allen and here's the one invoice where he owes us \$0.04. We're getting ready to create a credit memo and you will see that disappear once we do that.

Let me flip back to the Home screen and I'll show you how to actually create that credit memo.

You're going to go here where it says Refunds & Credits and click, then you're going to pull in your customer and your job. Now at this point a lot of people think that it's going to pop up with that invoice where the customer owes \$0.04 so we can check it off. But that's not the case because it doesn't know what we're trying to credit. So we'll see that window in a little bit.

You're going to go ahead and make sure you have everything correct around the screen here. You want to change your date. Let's say that I'm going to credit this on January the 15th. Remember I also told you as far as the credit memo numbers that anything that's numbered in QuickBooks will start with number one, but you want to change it to some other number and

then it will number sequentially. But here's the important part. We're going to go down to the item and decide what it is we'd like to credit.

Now I want you to think about this. If you are refunding a customer for a physical inventory part, let's just say a chair for example. When you actually created the invoice to sell the chair QuickBooks took that chair out of your inventory. If the person is returning the chair then you'll want to put it back in your inventory. That means you need to pick that same chair from this list. That's really, really important as far as keeping inventory straight.

In this case all we're going to do is just write off some bad debt, which was the \$0.04 we talked about. Now they had bad debt already set up in this list as other charge. We're going to be looking at items a little bit later in module six and I'll show you how they set this up, but for now we're going to ahead and choose it. We're going to say quantity of one and we want to credit off \$0.04. It's really important as well that where this tax column is it says Nontaxable because if it was set on Tax then you would be actually crediting them more than \$0.04. And that's really all I want to do in this particular case.

Now let's see if there's anything new up here on our tabs. We've got our Next and Previous and our Find like we're familiar with. We've got our New option. You're already familiar with Save and Delete. You're familiar with Create a Copy and Memorize, so nothing new there. Mark as Pending. You can print this if you need to for some reason. Let me go ahead and preview and just show you currently what it's going to look like. Notice it says Credit Memo right here. And it does have all of the information that we had put on the credit memo. I'm going to go ahead and close that.

You also have the ability to email this, like we've talked about. You can attach a file. And let me talk about these two here in a second.

Over under the formatting tab you do have the ability to customize what the credit memo template looks like and that's what these are going to allow you to do, as well as this one. There's your spellcheck. You know how to insert a line, delete a line, and copy a line at this point as well. And then there are some reports that you might run as far as credit memos are concerned.

Let's go back to the main tab and I want to mention these two. The top one says Use credit to give a refund. That's the one you would click on if you wanted to go ahead and zero out the invoice and give them a refund. Notice the bottom one is where you would go to use a credit to apply it to an invoice, which is what we're going to do. But let's say you never saw those and you went ahead and said Save & Close down at the bottom. It's going to pop up and ask you, "Do you want to keep this as a credit on their account, give them a refund or apply it to an invoice?" I'm going to choose Apply it to an invoice and click OK and here's where any invoices that are open appear. If it sees an exact match like it does here it will automatically check it off. So make sure you've got the correct one chosen.

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All you have to do is click Done at this point and it is now completely zeroed out. If I go back and pull up my Open Invoices again you're going to see that Tom Allen is nowhere on this list because his invoice is totally paid. And that's what I wanted to show you as far as credit memos and refunds.

Let's go ahead and move over into section eight and I will show you how to create statements at the end of the month to send out to your customers.

Video: Creating Statements

Cindy: We're all the way down to section eight now and I wanted to talk to you a little bit about creating statements for your customers in QuickBooks. Statements basically go out at the end of the month and it's just a gentle reminder for your customer of everything that happened that month and if they owe you some money then they would see that listed as well. Not all businesses will send out statements. It's really an optional thing, but it is really a good little practice to get into, especially if your customer owes you money.

Let me go ahead and show you how to create statements for your customers.

You can send out your statements at any time during the month, but typically they're sent at the end of the month. You're going to go right here where it says Statements to get into the statement options.

Now like I just mentioned typically these are sent at the end of the month, so let's go ahead and make this the statement date of December 31st and we'll make the statement period from the beginning of December through the end of December. That way you get the whole month's worth of information in there. Notice if you'd rather you can just send out a statement that has all the open transactions as of the statement date using this option.

You do have some options when selecting your customers. Typically you'll want to send one to all of your customers but it could be that you have certain ones you want to send to. If that's the case you click multiple customers and you choose and you just go down the list and pick the ones you'd like. You can also just send to one customer where you choose your customer from the list.

You have an option also to send to customers of a particular type. So that means if you wanted to send to just the residential customers you could in this particular case or if they have a preferred send method, like email or mail, you could pick from this list. But like I said, typically you'll send to all, possibly multiple or occasionally you'll just pick one customer to send to. We'll go ahead in this case and send it to Tom Allen and his sunroom.

Now over here you're going to have some options as far as the template itself is concerned. You have the ability to customize what the template looks like and that's where you go right here where it says Customize to do that. You can send one per customer or one per job.

There's also some options here as far as would you like to send a statement to your customers by zip code? Would you like to actually print the due date on your transactions? And also you've got some options for things like if the customer doesn't owe you anything do you still want to send them a statement or maybe if they owe you less than \$5.00 do you still want to send one? And that's what those options allow you to do over here.

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You can also assess finance charges. What will happen here is you'd first have to set up the preferences in QuickBooks so it knows at what rate and how you want these finance charges assessed. But if that is set up and you click here it will recognize anyone who is overdue and it will create a separate invoice which has just the finance charge on it.

But I want to go over here and just preview Tom Allen's and see what it looks like.

You can see that the statement says Statement in the top right and it's got all of the company information. It also has the amount due right here and it's going to list in the body of the statement the balance from the last month, then anything that was invoiced, anything that was paid, if there was a credit memo, basically anything that happened that month. And at the bottom you'll be able to see how much of that is current in the 1 to 30 day category and so on and so forth, all the way across.

I'm going to go ahead and hit Close and that's really all there is to sending statements.

Let's go ahead and wrap up module four and talk about the Income Tracker.

Video: Income Tracker

Cindy: Before we wrap up module four let's talk a little bit about the Income Tracker that QuickBooks has.

There is a place in QuickBooks where you can go and see all of your invoices that are open all in one place. And that way if you wanted to do some batch actions like maybe email all of them or maybe accept payments from several of them on the same screen you'll be able to do that. It's just really a view is all it is.

Let me go ahead and flip over there and I'll show you how the Income Tracker works.

There's not going to be an option on your Home screen for the Income Tracker, therefore you're going to have to go up to your icon bar and choose it this way. So here you'll see the Income Tracker.

You'll see that the Income Tracker will list all of your invoices or estimates that are open. That's because those will be considered income to your business. You've got several different ways of viewing this window. First of all you can look at just the estimates if you'd like to see those and then do something specific with those. You might look at all your time and expenses. We'll be talking about time and expenses in a later module. You can look at all of the open invoices. These are the ones that are not yet paid. You can look at any that are overdue and also any for the last 30 days.

Whenever you're looking at any of these categories you're going to be able to go and choose if you want to see all of these or if you want to see a specific customer. There's just endless ways to kind of look at this list. Now if you wanted to show everyone again what you're going to do is come all the way back over here where it says Clear or Show All and that gives you the original list you had when you first came in.

Something else you can do is what if you don't want to see one of these categories up here? You can click this little gear on the top right and uncheck or check the ones that you'd like to see or not see in this list. So you can see if I uncheck the Time & Expenses and click OK then I've narrowed my list a little bit. I don't even see that up here.

Basically what you're going to do is go down the list and check off any of the customers that you'd like to do something with. At the bottom of the list you'll see it says Batch Actions and you can click the down arrow and here you can batch email them or you can go ahead and look at the batch of invoices if you want.

Now something else you can do is if you've received a lot of payments today, for example, instead of going to the Home screen and going through the Payments window you might come to this Action column over here and choose to receive a payment for that customer, print this row,

or email this row. And you can do that for any of these. They're going to have the same options there.

Now at the very bottom next to the Batch Actions you can also manage the transactions. So for example if you're here and you'd like to receive payments for all of these you can do it this way as well instead of doing it one at a time over here. So there's a lot of different things you can do here in this Income Tracker.

That's really all I want to tell you about the Income Tracker and that's going to wrap up module four.

What I want to do now is let's go ahead and close this and go back to the Home screen. We're going to start module five where we're going to talk about working with vendors.

Chapter 5 – Working with Vendors

Video: Working with Vendors

Cindy: We are all the way down now to module five and in this module we're going to talk about working with vendors.

We spent a lot of time in module four talking about working with customers and that was your accounts receivable part of QuickBooks. Now I want to talk a little bit about the accounts payable part of QuickBooks. This would be where you track all the bills that you owe, where you pay the bills, so if you have credit memos from vendors, things like that. So we're going to go ahead and start off section one and I'm going to show you how to set up and work with your vendors.

A vendor is a business or a person that you buy from on a regular basis when you're purchasing things for your business. And the first thing you'll need to know how to do is to go ahead and set up those vendors so that you can use them when you're doing different things in QuickBooks.

We're now going to be looking at this section here and we're going to start with the Vendor Center, which you're going to get to right here. Remember you can also access it this way or if you go up to Vendors on your menu you can get to the Vendor Center this way.

This is going to be a list of all of the vendors in alphabetical order. You'll notice with vendors you don't have any levels underneath a level, like we saw with customers and jobs. They're all on a straight level like this. Again, they're going to be in alphabetical order. So if you want them in a certain place you're going to have to type the name in that way so it shows up where you want it in this list.

You'll notice that you also have a column for the balance that you owe that vendor and a column where you can attach a file. Maybe they sent a bill to you, which would be an invoice on their end and you want to actually have a copy of that you can attach that file here. If you click on a particular vendor you're going to see the information about the vendor, like their name, any terms they have, their address, phone, fax, their email, all the same stuff you would have seen when we talked about the customers.

You have the ability here to attach a file. You can also edit that vendor information right here.

There's also some quick reports over here. So if you wanted to run those you could.

Down here at the bottom you're going to have your transactions, just like we saw with the customers. Transaction types that you will see with vendors will be bills, bill payment checks and occasionally you'll see credit memos in here. If you want to look at one of these you just double click and open it up and you go right to that particular transaction.

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You've also got your Contacts tab here. These would be any contacts you deal with at that particular vendor's location. Maybe it's the partner of that company, it could be the assistant in the office. Who knows? You can also set them up.

Here's your To Do's like we talked about. If you have something specific you need to take care of related to that vendor you would be able to come down here to the bottom where it says Manage To Do's and create a new To Do.

You can set up any notes for that vendor here. You would just come to the bottom where it says Manage Notes and choose Add New and then you could type those notes in.

And also you can track any sent emails to that particular vendor.

So everything on this side is exactly how it was with the customers. You're just looking at vendors this time.

Let's go ahead and set up a new vendor so you can see the information that you would have to tell QuickBooks when creating that new vendor. If you'll notice right here it says Add New Vendor. You can also add multiple vendors. I'll show you that in a second but let's add one at a time right now.

The first thing you want to do is put in the name of the vendor. Remember the vendor can be a person or a business. Underneath that you'll see a field for the opening balance. This is designed to put in the balance you owed this vendor as of the start date of your company file. I don't like to do this because then I just have a number and I don't know that that's a combination of multiple bills. I'll go ahead and put those bills in that I owed as of the start date of my company file instead of the actual opening balance.

You'll notice now we're on the Address Info tab and I'm going to plug in the name of the company again. And I may also have a particular person that I'm dealing with there and I want to plug their name in as well. I can plug in their job title, phone, fax, email, you see the website, any of the fields here you'd like to plug information in for.

Down under the address details I'm going to go ahead and type in Attention Bob Chambers in this case and then I'm going to put in the actual billing address that they would like things mailed to.

Now let me show you what's going to happen if you don't fill in all of the information. Notice that I didn't put in the zip code. If I go ahead and try to go to the next tab it's going to pop up and show me the Edit Address Information window. And you can see that it wants the zip code. I'll put a zip code here and then I'll click OK and now it will let me go on to the next tab.

Under the Payment Settings this is where I'm going to put in my account number with that particular vendor if I happen to have one. I can put in the terms that that particular vendor has

given me. I can also put in here how they'd like their name printed on checks if I'm actually mailing them a check. If they've given me a credit limit I can set that here. And I can also set a billing rate level. Now what this means is that if the particular vendor is going to bill me by the hourly rate I can put that in here or if they have a flat rate that they charge me for different services I can plug that in here because it might be different depending on what service they happen to be doing for me. I'm going to go ahead and Cancel that.

The tab that's next is your Tax Settings and this is an important tab I want you to make note of. Remember I told you way back in the beginning that if you have subcontractors they have nothing to do with payroll, absolutely nothing. They're considered vendors in QuickBooks. This is how would set them up. You would have to put in their tax ID number and also check that their eligible for a 1099. You would want to make sure that your subcontractor sends you a bill to pay. They are actually someone you are hiring to do a job so you need to have them send you a bill in case you get audited.

The next tab down is your Account Settings. You can set it up so that when you write a check to this particular vendor that three fields populate automatically from the Chart of Accounts. You don't have to set this up but you can put in one to three of these to automatically be there when you create a bill.

And the last tab is your Additional Info. You might have different vendor types that you want to set up. You might have custom fields you want to set up for vendors. And again you would do that by going down to Define Fields and either checking off the ones you already have that you'd like to see for vendors or creating a new one on the next line down.

I'm going to go ahead and cancel that and click OK and now you're going to see my new vendor in the list, Pelican Building Materials right down here.

Now I do want to show you how to add multiple vendors at the same time. If I click on this option here you're going to see that it's going to pop up and it's going to show me all of my vendors. And what I can do is if I have a new one I can go to the very bottom of the list and I can actually type them in.

That's pretty much all there is to working with vendors. I'm going to go ahead and close this window.

Let's go ahead and talk a little bit now about once you have the vendors set up you're going to want to start entering bills. So let's go ahead and do that over in section two.

Video: Entering Bills

Cindy: Welcome back. We are working in module five now where we're talking about working with vendors. This is section two, Entering Bills.

A lot of people actually take their bills and they just stack them on their desk and when Friday comes they just go through the stack and decide which bills they'd like to pay. That's not wrong as far as QuickBooks is concerned, but the ideal way to handle this is to go ahead and put all of your bills that you know you're going to owe in QuickBooks and that way you can run reports and see who you owe, how much is over 30 days, etcetera. So let me show you how to go ahead and enter your bills in QuickBooks.

The way you're going to enter bills in QuickBooks is you're going to choose this Enter Bills option right here from your Home screen. The first thing that QuickBooks wants to know is this a bill or did your vendor issue you a credit. The next thing it asks you is who is your vendor. I can start typing the first few characters or I can pull from the list and pick my vendor from the dropdown. You'll notice that once you've actually put in your vendor name it will populate the address for you. And also if the terms were set up in the vendor set up then it would pull those as well.

You'll notice with the terms that over here you have the date of the bill and you have the bill due date. This due date right now will be 30 days automatically from this date. If I happen to change this to net 15 for some reason then the two become 15 days apart. I'm going to go ahead and put it back on net 30. And let's talk for a minute about the date.

This is the date that actually appears on the bill. This is not the date you decided to put it in QuickBooks or you decided to go to the mailbox. It's the date that's actually on that bill, because you want the due dates to actually be accurate. Now if you happen to look at your bill and it says that this bill is due on the 15th, for example, you want to make sure that that is correct.

The reference number field is there for you to put in the bill number and then you have a place to put in the total amount that's due. You also have a place to put the memo right here. That could be your account number or anything you'd like to say about this particular bill.

You have a tab for the expenses and a tab for items. And when you're pulling from the dropdown list here you want to make sure the two tabs equal the total amount due to the penny or it will not let you save it. You don't have to pick from both tabs. You could pick everything from one tab if you'd like. The Expenses tab is your Chart of Accounts. If this was something like the electric bill, for example, then this would all go to utilities all the way down at the bottom here, and it would probably have to do with your electricity. But let's say in this case it is job materials. So we'll go back up to our cost of goods sold and we'll find job materials. And let's say that \$100 of this is job materials. You do have a place for the memo and this has to do with this particular line. And then notice over here you have a place to put in the customer and

the job. If you were doing job costing at your business you will want to choose this as often as possible to make sure that your job costing is correct.

The other thing I want you to notice, there is a little checkbox and if this is checked that means this is billable. What that means is if you remember when we looked at invoices there was an option there to pull in any expenses that we wanted to pull into the invoice and turn around and invoice the customer for. This would be one of those expenses it remembers and we would be able to pull in.

If you're using the class feature make sure you choose the correct class.

Now I could keep adding additional lines from the Expenses tab but let's say the rest of this happens to be under the Items tab. And remember the items, this is where we picked on the estimates. We had chosen framing and we had chosen exterior wood door. Let's just say that in this particular case we want to go ahead and make the other \$25 framing. Then we could choose one of these. We could say the cost was \$25 if we wanted to type over this. We would choose the customer and the job, as long as it pertains to this, and then if we don't want it to be billable we can uncheck that. And I'll go ahead and make sure I choose my class again. That's pretty much how you fill out a bill.

Now let's see if there is anything on our tabs up here that you need to be aware of. A lot of this you already know so we won't look through those again. But you haven't seen Select PO yet. We're going to be working with purchase orders over in module six and this would be a way that you could go in and actually select a purchase order or a different one if you had pulled one in originally. You can enter the time.

You can also work with the splits. And the splits basically means in this case we have some of the money split between the Expenses tab and some split between the Items tab. I can clear that and start over. And I could also have it recalculate everything for me.

The last button that you see here is the Pay Bills button. If I'm ready to actually pay this bill I could click there, but chances are I'm not going to be on this screen when I'm ready to pay this bill.

Under the Reports tab there's a few things you need to know. These are going to be a lot of your reports that pertain to bills. For example, get familiar with the unpaid bills detail because these are the ones that are not paid. Also get familiar with the transaction history. At some point I may want to look at this bill and go and see where the payment is that this bill was paid with. There might be some other things I want to see in that history.

And that's pretty much all there is as far as bills are concerned.

I'm going to go ahead and Save & Close. And if you have changed any of the terms, for example, like I did earlier. I changed this to net 15 and then back to 30. It recognizes that and it's

asking me would I like to change these permanently in their record. I'll go ahead and just say Yes for now and now that particular bill has been entered.

Now let me go and pull up that same report again that shows the unpaid bill so that you can see that this has been entered. I'm just going to do it a different way. I'm going to go up to Reports on the menu. I'm going down to Vendors & Payables and you'll notice here is Unpaid Bills Detail.

Now what's going to show up here are all the bills that have not been paid, even if there's a penny left. If you happen to think there should be one here you don't see it always check your dates. This goes through December 15th. If I had dated the one we did for December 20th, for example, it would not show up on the list until I changed that date.

That's really all there is to working with bills. I want to go ahead and go over to section three now and show you how to pay those bills.

Video: Paying Bills

Cindy: Welcome back. We are working in module five where we're talking about working with vendors. We are all the way down now to section three, Paying Bills. I want to go through and show you once you've entered the bills in QuickBooks that you owe how do you go through and properly pay bills in QuickBooks? Let's flip over and I'll show you how.

We're currently looking at the Unpaid Bills Detail report. And if you look down this list you'll see here's Pelican Building Materials. This is the bill we just entered for \$125. Once we pay this it's going to disappear from this report because it will no longer be unpaid.

I'm going back to the Home screen. I want you to follow the flowchart when you do this. We've entered the bill and now I want you to come over to Pay Bills. Now before I click on that I want to mention something that I see quite often. Often what happens is when people are ready to pay a bill they would just go down and either write a check or put it in their check register. What happens when you do that is you're leaving the bill unpaid as far as QuickBooks is concerned. It won't know there's any association between the bill you entered and the check you're writing. You want to make sure you follow the flowchart all the way through and pay your bills right here. Once you're finished on this screen it will dump it into the register for you. Let me show you how this works.

This is a list of all the bills that you still owe, even if you owe a penny. There are different ways to look at this list. Right now I'm showing all of the bills but notice I could look at only the ones due before a certain date, if that's what I wanted. I could also filter these. I might be looking for just bills from Cal Gas & Electric, for example. It could be also that I'd like to sort these and I don't want to sort them by vendor. Maybe I want to sort them by the discount used or by the due date. Usually vendor is the best way to sort them though because then they're alphabetical by vendor.

Basically what you're going to do is go down the list and check off any of the bills you'd like to pay. Here's the Pelican Building Materials. Notice when I check it off it assumes if I go all the way over to the right I'm paying the entire \$125. If you're not paying that amount then you type in the amount you are going to pay and it will remember the rest. Let's say I'm going to pay \$100 on it in this particular case. If you had multiple bills you were going to pay you can check them all at the same time and then go down to the bottom where it says Pay Selected Bills. But let's do them one at a time so you can see how this works.

One place in QuickBooks you cannot go to something if you see it on the screen is in this case. For example, I cannot double click Pelican Building Materials and go to that bill. That's why they have this Go To Bill option right here, which would take me to that bill and I can make any changes I wanted and then Save & Close at the bottom.

The next thing you'll notice is a place where you can set the discount. If you've decided that the terms in this particular case are 2% 10 net 30, for example, then you can come in here and type the amount of the discount you're going to take and which account you set up in the Chart of Accounts to track those discounts.

Here is where I would set any credits. If I had entered a credit memo then I could go ahead and choose Set Credits and what would happen is if there were any credits available for this vendor that I'm clicked on they would be in this list and I could check off the one I'd like to apply that particular credit to.

Underneath that you have the Payment Date. I'm going to say that this one is January the 12th. The payment method. Am I paying this with a check, credit card or online bank pay? I also have the ability to choose To be printed, meaning that I'm going to go ahead and pay several of these and put the checks in the printer and print them all at once or I can choose Assign check number, which is the one you would do if it was electronically drafted or you don't want to go through the whole print process later.

This is the bank account the money is going to come out of, so make sure you have the correct account. And that's really all you do.

I'm going to click on Pay Selected Bills and if I had chosen this Assign Check Number option it gives me a chance to put something in that check number field. Now I don't have to, but it could be that I put in the word Debit, for example. It will hold whatever you'd like to put in there. And then you click OK and now it says that that particular bill is paid. Do you want to pay more bills or are you done? I'll just say Done for now and that particular bill is paid.

Now a couple of things I want to show you. I'm going to go back to the Unpaid Bills Detail report and I want you to notice if we look at Pelican Building Materials that there's only \$25 that hasn't been paid yet. Once I pay that it will disappear from this particular report.

The other thing I want to show you is the checkbook. If I go back to the Home screen we have the ability to go to the check register over here. If I open the check register I'm going to see that check that we just wrote right here and you'll see it says Pelican Building Materials and \$100. If it says Bill Payment right here that means you did it the right way. You had a bill and you went through the Pay Bills feature. If it just said Check right here then that's how you would know you did not do it correctly and it didn't have an association between the payment that you made and the bill.

We're going to be talking about the register a little bit later so I'll tell you more about that, but right now let's go back to the Home screen. We've got one more thing to talk about and that is the credit memos. I want to show you how to go ahead and create one and then how to actually apply it to that bill.

Video: Credit Memos

Cindy: We are getting ready to wrap up module five where we've been talking about working with vendors. Before we wrap up this particular module we need to talk a little bit about how to handle credit memos that your vendors will issue. This has come to be section four. I want to show you how to create those credit memos in QuickBooks and apply them to your bills and that way you can show exactly how much you owe or if that bill is paid in full. Let's flip over to QuickBooks and I'll show you how to handle credit memos.

If you remember we still owe Pelican Building Materials \$25. Let me pull up the Unpaid Bills Detail report and you'll see it right here. Pelican has issued us a credit memo for that so we're going to enter it and then apply it to this particular bill so that we don't owe them anything for this bill.

The way you're going to create the credit memo is go back to the Home screen, use your Enter Bills option, but this time choose the Credit option. The first thing it asks is who is our vendor. We're going to pick Pelican Building Materials. We need to put in the date of the credit that we were issued, a reference number, which would be on that credit, and then the amount of the credit. I can actually break up that credit between the Expenses and Items tab again if I wanted to, but this time what we're doing is we're going to enter the credit for the framing. We had one of these and it was \$25. Make sure you put in the customer and the job and also make sure if you're using the class feature that you pick the class that you'd like this to go to. I'm going to hit Save & Close at the bottom and now that credit memo has been entered.

Now let's take a peek at the Unpaid Bills Detail report again. I want to show you that you're only seeing the \$25 that we owe on that bill and that's because of our date. Remember I said in any report if you know something should be here and you don't see it check your date. I'm going to go ahead and change this to January 31 and now if I look at Pelican Building Materials I see a credit and a bill.

Now this is still not finished because if these were applied to each other they would not be on this report at all. Let's go through and apply this credit to this bill.

The way to do that is back under the Home screen you want to go back to Pay Bills. If we go down and find Pelican Building Materials you'll see the \$25 we owe and also you'll see down here it says there is one credit and it's for \$25. In order to match these two together you're going to hit Set Credits and if it saw an exact match it would check it automatically, like it does here. So all you have to do is make sure it's checked and hit Done and then that is it. You can go ahead and pay selected bills or cancel out of it because it's already done at this particular time.

Right here it's asking if there's something else we want to pay, and obviously we're done so we're going to hit Done. And let's go back and check out the Unpaid Bills Detail report again.

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We should not see Pelican Building Materials and we do not anywhere. That's how I know that it's paid.

That's all there is to Working with Vendors. I'm going to go ahead and close this because we are going to now go over into module six and we're going to change focus and talk a little bit about working with items and inventory. I will see you shortly.

Chapter 6 – Working with Items & Inventory

Video: Working with Items – Part 1

Cindy: We have made it all the way down now to module six. In this particular module we're going to talk a little bit about how to work with the items feature in QuickBooks and how to work with the inventory feature in QuickBooks. We are going to start with section one, which is Working with Items. There is a part two. Make sure you watch both of these so that you can totally understand how items work. Let's go ahead and get started and I will show you how to work with items and inventory.

If you remember in the very beginning when we entered our estimate we had actually worked with the list of items where we had picked some framing and we had also picked an exterior wood door. That's the list I want to talk to you about.

Here's where your items and services are located right here. Sometimes you purchase items and sometimes you actually sell items. And that's where this list is set up. Let me talk to you about the different types of items you can have and then we'll go through and set a few of these up so you can see how these work.

You'll notice that the first type are what we call service items right here. And think of a service as some service you provide. Framing is a service you provide. It's not a physical part. Below that you're going to see that there are actual inventory parts. If you remember we had actually put a wooden door, an exterior wood door on our estimate that we created. Inventory parts actually have a total over in this column here. You will always know how many you actually have on hand. Any time you actually put a wood door on an invoice this number will decrease because you're selling it. If I happen to purchase these wood doors this number will increase because I'm buying them. And that's how that works. That's an inventory part.

Below that you have noninventory. Noninventory is physical items that you might buy or sell but you don't care to track how many you have in the backroom. Think about nails. Do you want to count that you have 1,601 nails in the backroom? Probably not. Or think about it this way. Maybe you have rental property and you'd like to be able to run a report at any time to see how many refrigerators you had to purchase for these properties. You don't really keep those as inventory. You just need to track how many you have.

You're going to see below the noninventory type that you'll have what we call Other Charges. You'll have bad debt. You're going to have a delivery charge. You've seen a few of these already. Below that you're going to have what we call subtotals. Subtotals are a great way to actually segment parts of your invoice. For example, let's say you put in four or five different line items and you want to subtotal them. You would just add this subtotal right here as line six and it will automatically subtotal anything above it. You can keep entering some more items

below that subtotal and then subtotal as often as you want. So it's a great way to keep sections of items together on one invoice.

Below that you're going to have groups, and let me give you an example of a group. Let's say that you build houses and you have three different house plans. You might have groups called House Plan A, B, or C. In each one of those you might have a hundred different items from this list that are part of that particular group. You can set up the group so these are prepopulated when you pull them onto an invoice and you can edit it at any time if you like. It's a big time saver when you need that.

You're also going to have a type called Discount. If you wanted to actually enter several items on your invoice and then enter a discount below it you could use this one. And you can also use the prepayment or this payment option that you see here as well and you could use those if someone paid you and you wanted to put that payment on the actual invoice itself. Now I personally don't like to do that because I like to put the entire invoice in and then enter the payment as a separate payment so that you can see the original amounts of both. But you do have the option to do that.

Below that you're going to see sales tax items and then you're going to see a sales tax group at the very bottom. So when we get to the module where we talk about sales tax you'll see how those work. But those are the different types of items that your inventory or your items you're setting up can be.

I want to go through now and just look at a few of these and show you how to set them up and what types of things you'll need to tell it. And something else I just want you to pay particular attention to. If you notice in this account most everything here, not all, point back to an income account. And that's what you want to do. Let me go ahead and show you a few so you can see how this works. And we'll look at framing as an example because you're familiar with this.

Now since framing is already here I'm going to double click to edit it. I could right click to edit it this way, or if it was a brand new item I could click New. I'll go ahead and edit. You can see that when you're creating an item the first thing you have to do is tell it what type of item this is. One of the very few things in QuickBooks you cannot change is notice right now I cannot change this from Service to Inventory as an example. If I decided I had set it up as the wrong type I would want to make it inactive or delete it, if I could, and then I would go back and set it up the correct way.

You'll notice the first thing I have to do is tell QuickBooks the name of the item. And when you're naming your items you can name them anything you want because remember that your customer is not going to see what you've named the item. They're actually going to see what you have in this description field right here.

This is not a subitem of another but let me give you an example of what a subitem would be. I'm going to flip back to the item listing for a second. If you notice cabinets, for example. That's a main item. Cabinet poles is a subitem of cabinets. That's how that would work. Alright.

I could also set a unit of measurement. Here's what this means. If this is something you sell by the foot, by the yard, by the case you could go ahead and hit Add New and create a list where you could pick from the dropdown. So when you're actually entering framing on an invoice and you come to the unit of measurement column you could pick Hourly, for example, and it would know that this is something you do by the hour.

Here you have a description. You can see here they have Framing labor but I can make this description as long or short as I need it to be.

The rate. This is what I charge for one of these. If you have a particular item that you charge something different every single time just leave this on zero and then every time you invoice you can actually type that in.

Right here it says Tax Code and you can choose taxable sales or non. This has to do with sales tax. When we talk about sales tax you'll find that some items are taxable or not and so are some customers as well. And this is where you would tell if this item is subject to sales tax or not.

And then the most important thing in this entire window is going to be right here, this account. Remember how I showed you a second ago that most everything points back to an income account? Here's a prime example right here. This means when I put framing on an invoice that means I will be selling it to my customer and it will be income to my business. If you start running reports and they just don't look right it could be because you picked the wrong type of account on this screen here. So that's really, really important.

I'm going to go ahead and click OK and that was framing.

What I'd like to do now is go ahead and stop the video because I want to show you how to set up an inventory part. So let's go ahead and flip over to the second part of Working with Items.

Video: Working with Items – Part 2

Cindy: We are working in module six and we're currently talking about how to work with items. We've already looked at part one where we went ahead and looked at a service type item. I want to take some time now and talk to you a little bit about some of the other types of items that you're going to find in QuickBooks.

I want to create a new item. It's going to be a screen door and it's going to be an inventory part. All I have to do is anywhere in the list I'm going to right click and choose the New option. The first thing it asks is what type of item is this. Let's say this is an inventory part. And then we're going to actually put the name of our item right here. Now when you're naming your item you can name it anything you want to because remember that your customer will not see whatever you name your item. They're actually going to see the description.

The next field is your subitem of. So if screen door was a subitem of another item I would check the box and then pick the item that it's a subitem of. In this case it's just a regular item.

There is a place to put the manufacturers part number. And this is really just for you so that you have it on hand when you go to order the item.

If this is sold by the foot, by the yard, by the case you could set up a unit of measurement. You would just choose Add New and set that up.

Now here's what's a little different in this case. Anything you see under the Purchase Information on this area, this is when you buy the item. And over here this is when you sell the item. You'll notice the first thing it asks is for a description on purchase transactions. I'm just going to put screen door, but this could really say anything you want it to say. It's generally going to say a description based on what your vendors description is. This description over here is when you sell it. They can be the same or different.

On average what do you pay for this? If it's totally different every single time just leave it on zero. The sales price is what do you actually sell this for? And again if you sell it for something totally different every single time just leave it on zero.

The cost of goods account, do not change this because that is the account that this goes into when you purchase it. You can set up a preferred vendor if you'd like as well. We'll say Pelican Building Materials.

And back over on the sales information side, is this item subject to sales tax when you sell it? And the next thing is which account would you like this to point back to? Now here's something to notice. This says Income. That means pick an income account here. We'll just say in this case that it goes back to materials income.

Do not get hung up on the cost and the sales price. Nothing actually happens at this point as far as the numbers go. You're only going to see numbers pull onto reports when you actually purchase these or actually sell these. This is just really for ease of use for you so that you can pull these in and have it prepopulate automatically for you.

Down at the bottom you'll see the asset account. When you actually have screen doors in the backroom they're considered an asset to your business. You don't want to change the account that populates here automatically. Just leave it right where it is and then you can set a minimum reorder point and a maximum reorder point. This means when you get down to what number, maybe two, do you want to pop up and tell you that you need to purchase some more. And then the flip side of that is you don't want to get too many in the backroom so you might say a max of ten. So if you get ten then it warns you so that you don't buy any more.

Then we're going to tell QuickBooks how many we currently have in the backroom. That would be on hand. We'll just say there's two. And you'll notice it's taken the cost of \$100 times number two and given you a total value. And that's as of today's date.

And that's all you have to do for inventory parts. I'm going to click OK and let's see if ours is in the list. Here's our screen door and you can see that there are two of those right now in the back.

There's a few more on this list that I want to talk to you about. Let's go down to where the other charges are. One of them that we saw a little bit earlier was this one called Bad Debt. It's an Other charge. These are miscellaneous type things. I want to double click on this one to show you how to set this one up.

Make sure that when you set this up the type is an Other charge. This one is named Bad Debt and they have a description, Bad debt or write off amount. Now there's not going to be a percentage or an amount here because it's going to be different every single time. And it's not going to be subject to sales tax.

Now here's the key to the whole thing working. You need to set up an expense account called Bad Debt to put this to. So even though the item name is the same as the account name that's okay because they're in two different lists and it'll work just fine. That's how you're going to set up the bad debt.

The other thing I wanted to show you is the subtotal that I mentioned down near the bottom. If I double click on Subtotal make sure the type is Subtotal. That's the key to this whole thing working. And you can see the only other things you have to fill in are the item name and the description.

We're going to be talking about groups and about sales tax in a later module so I'll hold on that, but that gives you an idea of how items are set up and how they are used.

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Let's go ahead and wrap up this video and we're now going to go into section two and talk a little bit about working with purchase orders.

Video: Creating Purchase Orders

Cindy: Welcome back. We are working in module six right now and we're talking about working with items and inventory. We're all the way down to section two now where we're going to talk about creating purchase orders.

Typically if you have a business where you buy a lot of physical products you will use the purchase order option because that way you can track any orders that you've placed to make sure they've come in. A purchase order is basically just your order for a purchase of something. And I want to show you how that works in QuickBooks.

In section one we created a new inventory part called a screen door. And if you remember we actually said we have two of these on hand. What I'd like to do is order five more of these and I'm going to do that using a purchase order.

I'm going back to the Home screen and here's where you'll see the purchase order option. Let me just mention that if you don't see Purchase Orders on your list it's because when you went through the Easy Step Interview you told QuickBooks you did not track inventory. Now you can turn these back on by going through the Preferences and telling QuickBooks you do track inventory and then this would show up.

Purchase Orders are on the same line as Estimates. They are non-posting. That means that if you order five of these and they never come in the door it doesn't affect your books in any way. It's just a way of you tracking the orders that you've placed to see which ones have come in.

I'm going to click on Purchase Orders. The first thing it asks you is who is your vendor? Let's say that it's Pelican Building Materials. If you're using the class feature you'll want to choose the correct class. And if you want Pelican Building Materials to ship this directly to your customer and your job you can choose it from here. If you just want them to ship it to your office then just leave that blank.

This is the template we're going to use for purchase orders. This is the date I'm placing the purchase order. And then there's the PO number. Remember that all of your purchase orders will start with number one when you first start your company file, so you might want to change that number to something else.

Here's your vendor information. And again if you're shipping it to someone specific then you can choose that option here. Other than that it's going to have your company name and address.

Underneath Item here this is where we want to pick the screen doors. You'll see it's pulled in the description. And we decided we're going to order five of these. We've told QuickBooks we'd pay \$100 when we purchase them but let's say they're on sale this week for \$80. That's why I'm going to put the rate of \$80 in there. And if I'm ordering some of these for a specific customer

and job then I would choose it from the list. But if I'm just ordering these to have them in the back of my office to use in the future then I just don't put anything there. And that's all I have to do to create the purchase order.

Let's go up and look at our main tab and see what's new. We've got our Find options here. You know how to use most of these already. We've got your print options, your email, attach a file. Here's something you haven't seen yet, Create Item Receipt. What we're going to do over in section three is receive the items and that would create an item receipt that we could go look at. But chances are you're not going to be on this screen when you're ready to do that.

Under the Formatting tab you have your options if you want to change the template. You've also got the options for your spellcheck, inserting, deleting, and copying lines. And then you have your reports.

Here's your transaction history again. Remember to get really familiar with that because if you ever want to track the history of this purchase order you can do it with this option here. And then you'll see all the reports related to purchase orders. Open purchase orders are ones that you have not received the items from. This is one you'll want to run regularly just to make sure you've received everything you've ordered. And that's really all that you have to do.

I'm going to hit Save & Close and now that purchase order is in QuickBooks.

Now I've not received the items yet. So if I go back to the items list and look at it you'll see there's still two screen doors. All we did was place an order. The next thing you'll do is receive those items and that's where it goes into your actual inventory.

Let's go ahead and wrap this up and then let's go over into section three and I'll show you how to receive these items.

Video: Receiving Items

Cindy: We are working in module six and we're talking about items and inventory in this particular module. We've already gone through setting up some new items, creating purchase orders. Now we need to talk about how to receive those items into inventory.

Notice again that we have two screen doors in inventory. As soon as we go through and receive these items we should end up with seven.

I'm going back to the Home screen and you'll notice after you create a purchase order what happens is they get shipped to your office and this is where you receive your inventory. Now there's a down arrow because this can go one of two ways. You can actually receive your inventory and a bill comes at the same time or you can receive the inventory and they put a packing slip in there, which is usually the case. So we'll go that route.

This is what we call an item receipt. The first thing you want to do is pick your vendor from the list. This is Pelican Building Materials. And if there are open purchase orders it will tell you. And it asks, "Do you want to receive against one of these orders?" Yes. This is a list of all the open purchase orders from Pelican Building Materials. We're going to select the one we'd like to receive against and click OK. And what you'll notice is that it pulled in all five of your screen doors and all the information that we had on the purchase order.

I want to go back up and look at some of the options here. The item receipt date. This is going to be the date you actually receive the items. If there's a reference number on that packing slip you may want to note that. And then the total. And typically the total is going to be the same. It doesn't include any shipping or anything like that. That's all over on the bill that you received for this.

You'll notice since these were items that they're on the Items tab and it's pulled in all five. But what if they only shipped four and one was back ordered? Then all you would do is put four in here like this and it would remember the other one. And when that one came in you'd repeat the same process. I'll go back and change that to five. We'll say they all came in.

There's nothing really new on your tabs at the top. The only one I want to mention is the Select PO. What if you pulled everything in but you had chosen the wrong PO? You can go back and uncheck it and then check the correct one and click OK.

You can also clear your splits if they were split. And then if you wanted to recalculate for some reason you could do that. There's also reports for your item receipts. You can see these are the same reports we were looking at when we were creating our purchase orders.

That's all you have to do. I'm going to click Save & Close and let's see how many we actually have in our item list now. We should have seven and we do. There's seven. So that is one way

that items get into your inventory. Other ways would be that you actually purchase them and you would put that purchase on the Items tab and then anything on the Items tab would get pulled into your inventory like this.

That's all there is to receiving items. Let's go ahead and talk now about creating the bill for those items that you just received.

Video: Creating Bills for Items

Cindy: We are working in module six where we're talking about items and inventory. We're now down to section four where we're going to talk about creating bills for items.

Once you've received the items that you've ordered you will get a bill that you'll have to pay. And we can go in and have it pull all the items that are actually on the item receipt into that bill. Let me show you how this works.

We've already created a purchase order for five of the screen doors. We did receive them and we saw that they were in our items list so they're in our inventory and now we need to enter a bill against the inventory. Now you could go straight here and enter the bill but try to get in the habit of following the flowchart here. So we're going to enter bills against inventory.

The first thing it asks us is to pull in our vendor, Pelican Building Materials, and any item receipts that you have not yet pulled into a bill will show up here. You're just going to choose the one you'd like to pull in and click OK. And if you notice now you're on a bill and it's pulled everything in. Now the only difference in this bill and an item receipt is that this bill is probably going to have a different date and it's probably going to have shipping or some of those other charges on it as well. I'm going to go ahead and change the date and let's say that they sent the bill on December 31st and let's say that the bill is for \$425 and then it's due in 30 days. Now let's say that the \$25 is a shipping or delivery charge. We've got the screen doors at \$400. That delivery charge is actually an expense to the business so what we're going to do is come over here and we're going to look for that in the list. In this case it would be Freight & Delivery. We need to put in the fact that it's \$25. And if we want this to go to a particular customer or job we're going to choose it from the list. Remember again though if you just ordered these items and they're for your inventory in the backroom this really wouldn't apply to a customer and a job.

If we look up in our tabs at the top we go to the Main tab, we have all of the same buttons except we have one new one and that's Pay the Bill. You could pay it from here but chances are you're not going to be on this screen when you're ready to pay the bill. You would just go back to your Home screen and pay it.

Let's go ahead and Save & Close and if this transaction is linked to others, which it always is in a case like this, this was linked to the actual purchase order originally, which was linked to the item receipt, but we're going to go ahead and say Yes and then that completes that whole process right here.

So now we've got a bill. If we went and looked at our Unpaid Bills Detail here we should see a bill from Pelican Building Materials and we do at the bottom right here and it's \$425. Let me pull that up. There you go, \$425.

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So the next thing we'll do is go over into section five and we will pay for those items.

Video: Paying for Items

Cindy: Okay we're almost done with module six. We're down to section five now. We've already actually created a purchase order, we received some items, we actually created a bill, and now we have to go pay for those items.

In order to pay for these items we're just going to follow the flowchart. We go from Purchase Orders to Receive Inventory, we entered a bill, and if you notice it goes this way now over to Pay Bills.

This is exactly like we talked about when we looked at paying bills over in module five. All we're going to do is go down the list and find our Pelican Building Materials. If I don't want to pay the full amount I would type in the amount I am going to pay, but in this case I'll pay the full amount. I'm going to change the date of my payment. I'm going to pay it in January. I'm going to write a check and I'm going to pay it out of my checking account. Now I'm just going to click on Pay Selected Bills and it gives me a place to put in the check number. I'm going to put in the word Debit and I'm going to click OK. And now it says we're done. Would you like to pay more bills? I'm done so I'm going to click Done and that's it.

Let me go look in the checkbook and see if it's in here. I'm going over to the check register. I'm going to open the checking account. And now you'll see there's my second payment to Pelican Building Materials for \$425, and that is a bill payment. That's all you have to do.

We've got one more section in this particular module and that is Manually Adjusting Items.

Video: Manually Adjusting Items

Cindy: Okay we're on the last section of module six. We've been talking about working with items and inventory. The only thing we have left to talk about is how do you adjust your manual inventory when you go in the backroom when you count and it's different from what QuickBooks says. There is a place you can go in and manually adjust that so that it stays correct. Let me show you how this works.

In order to manually change your inventory you have to go back to the items list where you see the actual inventory. And if you remember when we set up our screen doors that we actually have seven of these now. And let's say that we go in the back and count and we really have eight. Let's adjust that.

Now you have a lot of options down at the bottom of your screen. For example, under the Item here's where you can create a new one, duplicate one. A lot of these when you right click you see the exact same items. If you go to the Activities button you'll see a lot of things like here you can enter sales receipts, change prices, things like that, but look at the bottom one, Adjust Quantity/Value on Hand. And by the way you can also get to that by right clicking and adjusting the quantity or value on hand.

The first thing we want to do is tell QuickBooks are we adjusting the quantity, the total value, or both. We're going to say the quantity in this case. We're going to choose an adjustment date. We'll say January 31st. And also there should be an account set up for this and if there's not one then you would want to set one up. You would actually just call it Inventory Adjustments. And when it asks you what type you can go ahead and set it up as a cost of goods sold and just go ahead and Save & Close.

You can set a reference number. It's going to start with number one but you can change that to any number you'd like. If this is related to a customer or job you can choose that. And if you're using the class feature you'll want to choose that.

Now all we're going to do here is under the Items we're going to pick the screen door. And notice it pulls in the fact that we have seven on hand. We're going to put in the fact that we really have eight in the backroom and it knows the difference is one and it will adjust it. Now I want you to notice at the bottom it has a total value of the adjustment as well. And also the number of items that it is setting up as adjustments. Over on the left you can set a memo. And that's really all you have to do. I'm going to click Save & Close at the bottom and I want you to notice now if I go look at those screen doors that I should actually have eight of them. Here's the screen doors and there's eight. And that's all you have to do to manually adjust your inventory.

Well that's going to wrap up module six. You should know all about how to set up your items now. We need to move on to another topic. We're going to move to module seven and talk about the banking activities in QuickBooks.

Chapter 7 – Working with QuickBooks Registers

Video: Working with Registers

Cindy: Hey there. Welcome back. We are now in module seven and in this particular module we are going to talk about some of the different banking activities that QuickBooks has available. In the first module we're going to talk about working with the registers. A register would be like your checkbook register, for example. You're going to see there are several different types of registers and I wanted to go through each one with you and show you a little bit about how they work and what kind of information you can get when you're looking at a register.

You'll probably spend most of your time looking at your checkbook register. I wanted to show you a couple of different ways from the Home screen that you can get to the register. One is if you look over here where it says Account Balances and you see the checking here you can double click and go right to your checkbook register that way. Now another way you can do this from the Home screen is if you notice right here it says Check Register. If you click here then it will ask you to select an account. And you do have a dropdown and you can see that you have a couple of different bank accounts here. You could select the one you want and click OK and then you're in the checkbook register this way.

There are more registers than just the checking account register and I wanted to go show those to you. You're going to have to get to those through the Chart of Accounts. So let me go ahead and open this and then we'll see our checking, our savings, and our petty cash register right there at the top. Now if you notice when you're looking at the Chart of Accounts all of the ones that have a balance right here they all have a register you can go look at. You'll notice if I scroll down this list and I get down here to where you see the income accounts, all the way down, there are no balances there. That means that if I double click these I'll actually get a report, whereas if I double click any of these where I see a balance total I'll get a register. For example, let's say that I opened this one that says Vehicles. When I open it here's the vehicles register. And all of these can be closed with the X at the top.

I'm going to open the checking account register and let's just look at how these are set up and some different ways you can view the register and get some different information.

When you're looking at the register here you'll notice it looks very similar to the one that you would actually have in your desk. There is going to be a place for the date. There's a field for the check number, and that field can hold anything you want to put in the field. You can leave it blank, you can write the word Debit, if you like check numbers that's fine.

The next thing is your payee. If you're writing a check who would that check be made payable to. You're going to see the payment amount here. And if it happens to be a deposit you'll see that amount here and then of course the balance, the running balance in your register here.

The second line is going to be your Chart of Accounts. And you also have a place for a memo line right over here.

Now if you'd rather see this in what they call a one line fashion I want to show you a different view, a different way you can look at this register. All the way down in the bottom left of your screen you'll see one line and there's a checkbox. And now you'll notice that everything is on one line. It's the same fields, just on one line. You can always go uncheck that to take it off if you don't like that.

The other thing is notice this list is sorted by date right now and that's probably how you want the list sorted. But notice that I have some options. I could sort these by amount. I could sort the transactions by the cleared status. You can just see the different ways you can sort the list here.

Also I want you to notice on each transaction right in this area it tells you what type of transaction this is. If we go up near the top you're going to see that there are some options you can use to search for things in the register. For example, the Go To. Let's say you're looking for a particular payee. You could actually put that payees name right here and search Back or Next. Back means wherever you're clicked you will go up in the list. Next means wherever you're clicked you'll go down in the list when you're searching. I might choose to search by the number instead or an amount, just depending on what information I do know before I choose to search.

This register can be printed. You can specify the date range you'd like. And also if you wanted to print the splits. The splits basically means that if that transaction is split amongst more than one account or more than one line item on the account you would see those details as well.

You can edit the transaction you're clicked on. If you make a change to this transaction and Save & Close at the bottom then the changes will be reflected in the register as soon as you see it. If you don't want to click Edit Transaction you can actually double click right in this area where it says Bill Payment, for example, and that's another way to pull it up and edit that transaction.

The next thing you'll see is what they call a Quick Report. If you notice I'm on Daigle Lighting and if I run a quick report then what I'm seeing is all of the checks in the register for Daigle Lighting. So it's just a quick report on that particular vendor.

I also can download the transactions. And we're going to talk about that over in section two in just a moment.

Now a few other things I just want to make note of. You'll notice there's a column here that has a checkmark, and some of these are checked and some are not. As a matter of fact let me scroll up the list here so you can see this. You see how these have a checkmark? Those are transactions that have already been reconciled. What you do not want to do is uncheck one that's already checked or check where there's a blank space right now. Either one of those can throw out your reconciliation. So just make sure you don't check or uncheck those.

One very important thing to know about the register. You've already seen that things dump into the register automatically. Let me go back and show you what I'm talking about. If you remember on the Home screen one of the things we did was we entered bills and we went to pay bills. At that point it dumped the check we wrote into the register. So there was no need to go to the register and actually add that check.

The other side is when we talked about our customers. We actually had gone through and created invoices, received payments, and then we recorded the deposit here. Again there was no reason to go into the register and add that deposit because QuickBooks did it for us at this particular point.

There are some things that you will have to manually put in the register. For example, what if you go to the ATM? You'll need to enter that information. What if you just used the debit card for lunch somewhere? You'll need to enter that type of information. So I'd say a good 70% of the time you're going to stay out of the register, but then you will have that 30% where you have to type.

Now when you're ready to type in the register all you want to do is go to the very bottom. There will be a blank one available. And you will just type your information all the way across.

The other thing is if you were on the Home screen and you went over to the Write Checks feature, whenever you click Save & Close on this window then it's automatically in the register as a transaction.

The last thing I'll just mention real quick is when we use the term Checks in QuickBooks a check would be anything that came out of the bank account. If you think about this when you're looking at the register money can only go in or out. The way it comes out could be electronically withdrawn. It could be that you used a debit card, an ATM. It really doesn't matter how the money came out of the account. It's considered a check in QuickBooks and you would enter it all the exact same way. The only way to denote the difference is maybe you put something in this particular field right here. Maybe the word ATM like we've discussed or the word Debit.

So that's a quick overview of how the registers work. I'm going to go ahead and close this particular one and I want to talk to you over in section two a little bit about downloading transactions from the bank into your registers.

Video: Downloading Transactions

Cindy: We are working in module seven right now where we're talking about the different banking activities that QuickBooks has available. We've talked about working with the registers a little bit. I want to talk to you now a little bit about downloading your transactions from your bank's website. This may or may not be a good idea, depending on how many options in QuickBooks you're actually using. Let me take a few minutes and tell you why I say that and then I'll show you how to download transactions, if that's what you choose to do for your business.

Before I show you how to go in and actually download your transactions let's talk about why I said it may or may not be a good idea. I want you to think about something. When you download from the bank all you're doing is downloading the checks or the deposits into your actual checkbook register right here. That means that the register would be correct, but think about this. Let's say you have invoiced a customer and you receive a payment. If you've already made that deposit, which you should have if you're following the flowchart, then you don't want to download that deposit a second time, because then it would be in there twice. That's scenario number one.

Here's scenario number two. Let's say you did create an invoice and you did receive a payment and you stopped there. You never put that deposit in your checkbook. What would happen is your checkbook would be correct when you download it but you would never take that money out of undeposited funds because you didn't complete the whole cycle here. How about bills? Let's say you've entered a bill and then let's say that you paid it. That means that check is already in the register. Why do you want to put it in twice? So you have to be very careful when you're downloading from the bank because you don't want to download everything. And then also you're going to see that sometimes it doesn't have the right accounts and then you have to figure things out. So it could be more trouble than it's worth, but that's up to you.

I usually say go ahead and do about a weeks' worth or maybe a couple days if you had a lot of transactions, but don't try to do a whole years' worth at once because if it's screwed up then the whole thing is screwed up and you're going to have a really hard time fixing it. But let me show you where to go if you'd like to download your transactions.

There's a couple of ways you can do this. Number one, if you're in the check register you're going to be able to download from there. You'll actually see a button here that says Download Transactions. The other thing is that if you go to your bank's website you can download into QuickBooks. It's probably suggested that you do it from within QuickBooks because you're going to see there's going to be a little holding window and you'll be able to pick and choose what you'd like to pull over if you do it this way. I'm going to click on Download Transactions.

When you download transactions you're going to see on the left all of the bank accounts that you've initially hooked up to work with the download feature. There is an initial process you'll have to go through where you log in to that particular bank account and then QuickBooks recognizes it for future reference.

You do have the ability to download your credit cards as well. Not just checking accounts. This could be checking, savings, and credit cards.

You'll want to click on the account that you're trying to download from. It will give you the current balance that's in the bank and it will give you your current balance in QuickBooks. You're going to come over here and click Transaction List and it's going to download anything since your last download. So if you've already downloaded something you can't download it again.

What you're going to see here are all the transactions that have not yet been pulled into QuickBooks. You can go down the list and check off the ones you'd like to pull over. Notice that you will have to check things like the payee name. There's not going to be one for most of your transactions so you'll have to go figure out what this check was for and put in the payee. You'll have to put in the account, which account this would go to. You'll have to put in the class. And then you do have some actions over on the right. You can quick add this particular one once you get all that information in. You might have some bills that you want to mark as paid. There's just several different things you can do here.

Let me mention the Match to existing. What that means is that if it recognizes you already have a transaction in the register for the exact same amount it will allow you to match to an existing transaction in this window. It may not always be the correct one so you'll always want to investigate just to make sure. But once you check those off then you have the ability down at the bottom where you see Batch Actions to go ahead and add or approve all the checked ones and that will put it over in QuickBooks.

You would choose to ignore ones that might already be in QuickBooks or ones you don't want to pull over. And that's how the whole download process works. You can always get out of this and finish it later if you want. Anything you'd already pulled into this window would stay here so you wouldn't have to download it again, but that's how that would work.

All you need to do when you're finished is close the bank feeds and then you'll be good to go until the next time.

So just pay attention to those things I said. Make sure you only download a couple days at a time just to make sure it's going to work for you. And if it doesn't then you'll know that you need to enter these by hand.

Well that's how downloading is going to work. I'm going to have you go over now to section three where we're going to talk about creating entries and writing manual checks in QuickBooks.

Video: Creating Entries and Writing Checks

Cindy: Okay we're working in module seven which is the module about QuickBooks banking activities and we're all the way down to section three, Creating Entries and Writing Checks. There will be times when you just use your debit card for something or you go to the bank and use the ATM. Those are entries that you just need to put directly in the register or you can use the Write Checks window to create those entries. Let me show you how to do one of each so you'll see how this works.

There will be those times when you just use your debit card to make a straight purchase or you go to the ATM and those are things that you'll want to type directly into your register. Now you can either use the Write Checks window and when you Save & Close it will be in the register. Or you can go into the register and put it in that way and it will show up as a check. So they end up in the same place either way. Let's use the check register and we'll go ahead and enter a transaction so you can see how this works.

The blank transaction is going to be on the bottom of the list. The first thing it asks you to do is change the date of the transaction. Then you can put in whatever you like in the check number field. You can leave it blank if you'd like. The next thing is the payee. Let's say this is McNally's and you spent \$33.58 on meals. This is where you pick the Chart of Accounts from your list and you also have a place to put a memo if you'd like to. All you have to do at this point is just go ahead and record the transaction and it will be in your list. Now when you look at this list it's in alphabetical order. So you'd have to go up and find this. I dated mine for the 15th and I see it right here. It says McNally's and it's got my \$33.58.

Now if I go back to the Write Checks window, let me just show you something. Here's the Write Checks. And you can see initially there are a lot more fields you can put information in, but what I'd like to do is look for that same transaction just to show you what it looks like in a check format.

Now I could hit the Back button and keep looking for it but I want to go ahead and use Find and I'm going to put McNally's in as the payee and see what it comes up with. And there it is. So you can see that when I typed it in the register and hit Save & Close it immediately appears as a check.

I'm going to hit Save & New and go ahead and put in a check and then you'll see how it appears in the register as well.

Let me go ahead and take out the check number there and I'll just say I went to the ATM. And in this case I got \$60. Now sometimes when people are putting in ATM transactions they don't put anything in the paid to the order of. You could just put in your bank if you wanted to. The key is what is the transaction for down at the bottom? I'm going to take out these blank lines by hitting Control-Delete and I'm going to pick one of the accounts from my Chart of Accounts. Let's say I go down the list and I decide that I'd like to use this money for office supplies. I can actually start typing it in the list or I can go down the list and pick it. Make sure if the supplies to a customer or a job that you actually choose that. And if you're using the class feature make sure

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you use the class option. I'm going to hit Save & Close and now it's going to be in the register. If I head back to the register and look for it I'm going to see it in here. And remember it's going to say ATM over in the check number field and there it is. So they end up in the same place no matter how you actually enter them. You will get more fields available to type in if you use the Write Checks window.

And that's really all there is to creating your entries and writing checks.

Let's go ahead and go now over to section four and we'll talk a little bit about bank transfers.

Video: Bank Transfers

Cindy: We are working in module seven and we're talking about the different banking activities that are available in QuickBooks. We're all the way down now to section four and this is the section where I want to show you how to do bank transfers. A bank transfer means that you transfer money from savings into the checking account or vice versa. Any time you need to move money from one account to another you can use the bank transfer option to do that. Let me show you how it works in QuickBooks.

You can go into your check register and type your transfer on the next available line but the easiest way to do this is to use the bank transfer option. You'll find that under Banking on the menu, Transfer Funds.

The first thing you'll want to do is pick a date for your transfer. And if you're using the class feature make sure you pick the correct class. All you have to tell QuickBooks is which account you're moving the money from and which account you're moving the money into. The next thing you want to do is tell QuickBooks how much you're going to move. I'm going to move \$5,000. And that's really all you have to do. I'm going to hit Save & Close and it will pop up with a message basically telling me that since I don't have this little box checked the transfer is only going to happen in QuickBooks and that's fine. I'm going to click OK and let's go look at it.

I'm going to look in my checking account and I'm going to scroll down near the bottom. I changed the date on purpose so we could find it easily and there it is. You can see that I'm in the checking account and the money is coming out of the savings. If I was typing it in the register I would type it this exact same way. That is really all you have to do to create a transfer.

Well we've got one more thing to cover in this module and that's going to be reconciling. Let's head on over to section five and I will show you how to reconcile your checkbook.

Video: Reconciling

Cindy: We are all the way down to the last section in module seven. We've been talking about different activities as far as banking that QuickBooks has. But now I want to talk to you about reconciling. How do you make sure that what you have in QuickBooks matches what the bank has? And that's the importance. At least reconcile your checkbook if you don't reconcile anything else. Let me show you how the reconcile feature is done in QuickBooks.

Keep in mind that the purpose for reconciling is to make sure that your books match what the bank says. There will be times when you've made a mistake and there will be times when the bank may have made a mistake and you want to make sure that you're keeping up with that. Also we're going to be reconciling our checking account but you're going to see that you can reconcile your credit cards, your loans. You'll see the whole list of things you can reconcile.

Once you get your statement at the end of the month you'll want to come here and click the Reconcile option on your desktop.

The first thing it asks you to do is pick the account you'd like to reconcile and this is what I was just saying about all the different types of accounts you could reconcile. We're going to reconcile our checking.

The next thing is the statement date. You'll want to make sure this date matches the date that you have on the bank statement you're looking at. If it's off by a few days just go ahead and change it so they match.

The next thing you'll see is the beginning balance. That number should be on your bank statement. If you balanced last month last month's ending number should be this month's beginning number. If you know you balanced last month but this month this number is different you can go down here to this Locate Discrepancies and run a report that will show you everything you changed since you last reconciled. You may have to end up adding some things you deleted back in or making a few changes before you get back to this number.

You do have to type in the ending balance. And that will come from your bank statement. In this case let's say it's \$137,400.74. If you have any service charges you would enter those here. If you had any interest you would enter that here. The account for your service charges will be Bank Service Charges. If you have any interest you should have an account that will say Interest Income and you would put that in there. Make sure you're also using the class feature and using the correct item from the list.

I'm going to hit Continue and the next thing you're going to see is a list of everything that has not cleared. On the left will be any checks or payments or things that came out of the bank account. On the right will be any deposits or credits to the bank account. The idea is that you look on your bank statement and if you see it there check it off. If you don't see it don't check it because it may clear next month. But keep your eye out for things that are really old. If this happens to be December and you've got something hanging out here from July of last year you need to investigate and figure out why.

If you happen to be here and you'd like to open one of these transactions just double click on it and you'll go right to that transaction. If it happens to be the wrong amount, for example, just make the change and save it at the bottom. And when you come back into the reconcile window it will be changed.

I'm going to go ahead and check off all the deposits except the bottom one. Now it doesn't matter if you do deposits first or checks, just do one or the other and get in your own little groove for doing this. I've checked off all my deposits. And if you notice at the bottom left it tells me that I have 15 deposits that total this amount of money. This should match what your bank statement says. If it does and later you're out of balance you know it's not on this side.

Now you're going to do the same thing over here on the side with the checks. You're just going to go down the list and check off everything that cleared. And what you'll want to make sure that you do is if you're out of balance go back and see exactly what you may have checked or unchecked that would throw you out.

Now here's how you know you're out of balance. If you look at the bottom right hand corner you'll see the difference in this case is \$710.00. So obviously a few of these have not yet cleared. When I go back and look I'll see that this one did not clear and this one did not clear. Now that I've done that if I check at the bottom again my difference is now zero. That's how I know that I am reconciled or balanced.

When you're done make sure you click Reconcile Now and it's going to pop up and tell you "Congratulations you're balanced" and it gives you a choice to print a few of these reports. You do not have to print them but if you ever had to rebuild your company file for some reason you would sure be glad you had some of these. I want to show you what they look like so I'll choose Both and Display.

This one here is what we call the Reconciliation Summary. And I'm going to close this little message here. And you'll notice that it just tells me that I had 13 checks and payments that cleared and they totaled this amount of money. I had 15 deposits. If I close this one I'll see the other report in the background, which is my reconciliation detail. And this shows every single transaction that made up my total checks and payments. And that's all there is to reconciling.

Now when I go back and look in the checkbook register what you're going to notice is that the ones that you just checked off will now have a checkmark here in the register. So I told you earlier do not uncheck those or don't put a checkmark in this column here where there's not one currently because each of those could throw out your reconciliation.

That's all there is to reconciling and that's all I want to tell you about different banking activities in QuickBooks.

We're going to move over to module eight now and talk about working with loans.

Chapter 8 – Working with Loans

Video: Setting Up Loans

Cindy: We have made it all the way down to module eight now and we're going to talk in this module a little bit about working with loans.

I want to go through and show you how to properly set up a loan because if you don't set it up correctly then you'll have no idea what the balance is left to pay on that loan. I'm going to show you how to set those up, then I'm going to show you how to create your loan payments. Once we're done with that we'll go in and look at the loan manager that QuickBooks has. But for now let's go ahead and get into setting up loans. This is section one.

Remember in accounting there are two types of loans. There are the short-term or the other current as QuickBooks calls them and you'll see several of those over here. These are the ones that are paid off in 12-13 months. You also have the long-term liabilities. These are the ones that are long-term. Five years, 30 years, that sort of thing. You'll want to make sure you set up each loan separately in QuickBooks so that you can track where each payment is going and how much you owe on each of the loans.

If you notice here they've got several vehicle loans. And we're going to set up another one just to show you how this works.

All you need to do is right click anywhere and choose the New option. Remember if you choose Loan here it's assuming a short-term. If you know you're wanting the long-term loan you want to come down here and choose Long-term Liability from this list. Then you'll want to hit Continue.

You'll want to go ahead and type in your general ledger number if you have one and then you want to put in the name of the loan. We're going to call ours Loan – Vehicles (car). We're just trying to keep it consistent with the way they did things, but you can name your loan anything you want to call it. You can put it in description if you want. You can put the account number but it's not required. What you really do need though is the opening balance. This would be how much you owed on the loan as of the start date of your company file. Let's say it was \$9,105.37 and then we'll go ahead and put in today's date. I'm going to click OK and then Save & Close. And now you'll see I have a new loan and I owe \$9,501.37 on that particular loan.

Now any time you make a payment you want to put the payment towards this particular loan. I want you to notice that it didn't ask you anywhere how much was the interest rate, how many months did you take out the loan for. It didn't ask you any of that stuff. All we're doing at this point is just setting up the loan in the Chart of Accounts. Later we'll go into the Loan Manager and I'll show you where you put all of that information in.

Let's go ahead and go over into section two and I'll show you how to make payments towards these loans.

Video: Creating Loan Payments

Cindy: Now that you know how to actually set up the loan in the Chart of Accounts let's talk about how you would make a payment towards those loans.

I want to go ahead and open up the register for the loan that we just created. I want you to see that there is one transaction in the register already and that is the transaction for the opening balance. When we make a payment we could come in here and actually type the payment in, but there's two other scenarios that might work a little bit better.

One, if you're just going to make the payment you might want to consider using the Write Checks feature in QuickBooks and that's because you'll have a little more flexibility over entering additional information. Maybe you want to split some out between principle and some by interest. The other thing you could have done was some people will enter them as a bill and then pay it later. And that way they always have it in their list so they know how much they owe each month.

Let's start over with the Write Checks feature and we'll put in our first payment.

The first thing you want to do is make sure you have the correct bank account chosen from the dropdown list and then in the number field you can put in anything you want to indicate the type of payment that this is. I'm going to say the first payment is in January and then I'll plug in the name of the bank that we're making the payment to, which is Great Statewide Bank. We'll say that the monthly payment is \$500 and then we have a memo field where we can type anything we want.

Now down at the bottom what you want to do is make sure that the principle amount goes back to that loan we set up and the interest goes to an account called Loan Interest. If you don't know the principle and the interest breakdown just go ahead and put it all to the actual loan itself, to the principle, and then later you can come and break it down. But if you do know it's nice to put it in now.

Let's say that \$200 went to the principle and we'll say that \$300 went to the interest. Let's go ahead and Save & Close and then we'll go look at our Chart of Accounts and see what it looks like.

Back in the Chart of Accounts I'm going to open up our register again for the loan and now you'll see the check that we wrote right there. You'll notice it says Split because this transaction was split amongst two different accounts, principle and interest. And notice only \$200 of our \$500 is in this particular register because that's all that went to the loan. The rest of it actually went over to the interest.

That's a quick overview of how you're going to put in the checks that you write for these loans. What I'd like to do now is take you over into the Loan Manager because this is really where you're going to be able to set up all the information about the loans and have it spit out the correct amount for the principle and interest for you.

Video: Loan Manager

Cindy: We're working in module eight where we're talking about loans and we're all the way down to section three where we're going to look at the Loan Manager.

QuickBooks has a little feature called the Loan Manager that you wouldn't even know was here if you didn't look through the menu to find it. There's no icon for it on the Home screen. The Loan Manager allows you to go in and put in all of the information about the loan and when you're ready to make a payment you can go through the Loan Manager and it will spit out a check with the correct amount for the principle and interest. Let me show you how the Loan Manager works.

The reason I had you set up your account in the Chart of Accounts like this first is because I wanted you to be aware that you have to have this set up before you go into the Loan Manager because it's going to ask us in there which account we're wanting to use.

Here's how you get to the Loan Manager.

You're going to go up to Banking on the menu and then you'll see the Loan Manager. When the Loan Manager appears it's going to ask us several questions about the loan. It's going to ask us what the principle rate is, the term in months. You'll want to have all that on hand so that you can plug it in.

The way this works is if you had any loans already set up you would see them in this list. Obviously we don't so we'll be adding a loan.

The first thing it asks us is the account name. This is my Chart of Accounts and this is the loan that we set up right here. That's why it was important to have that set up first. It'll pull in the current balance and the next thing it wants to know is who is the lender. In our case it's Great Statewide Bank.

The next thing it asks for is the origination date. We're going to say it was in November. And then it's going to ask for the original amount of the loan. We're going to say \$15,000. The term in months. Notice my term could be in weeks or years if I choose to put that in there.

Next, what is the date of the next payment? So if you think about this, we made a payment in January. Our next one is actually going to be in February.

We have to put in the payment amount. This would be the full amount, principle plus interest. And the next payment number would actually be payment number two. We're going to pay for this monthly. And then it asks us, does this loan have an escrow payment? If it does then we could fill out the escrow payment amount, an account that we would have already set up in QuickBooks. And notice it also will alert you ten days before a payment is due if you want it to.

I'm going to hit Next at the bottom and now it's going to ask me what the interest rate is. We're going to say it's 4.5% and it's compounded monthly but it could be compounded by exact days.

I need to have the payment account, meaning when I make a payment which account does the money come out of. The interest expense account. That's going to be the expense account where the interest gets plugged into. And then if you have any late charges or any kind of additional fees those would be set up to go under Bank Service Charges.

Now I'm going to hit Finish and you'll see our loan is in the list.

You have some options over on the right. We already know how to add a loan. We're going to set up a payment in a minute, but what if you need to edit the loan details? So you could click right here and this will take you right back into the edit loan option and you would make your changes and click OK. You can also remove a loan if you pay for it and it's paid in full and you just don't want it in here for whatever reason.

The tabs down at the bottom. You have a Summary tab that just gives you some general information you have plugged in.

Here is the neat thing. Here is the payment schedule. So you can see when you look at each one of these the date of the next payment, how much is principle, how much is interest, all the way across.

Now what's really neat about this is you can print this out, but you've also got these what if scenarios. What if you're trying to change your monthly payment amount? What would the loan look like? I could go in and plug in \$400 a month instead and calculate it with all the same variables and then it would tell me my exact total interest, my total payments, everything I would need to know if this particular scenario was true. That's really cool how that works. I'll click Cancel in this case.

But let's say I'm ready to make that next loan payment. I'm going to come into the Loan Manager. All I'm going to do is choose Setup Payment. It will ask me if this is a regular payment or am I making an extra payment. It already has the principle and interest split up for me. Now if I decide these are different for some reason notice I can change those numbers. Also if there is a fee, like a late fee for example, I could plug that in here as well.

And the last thing is the payment method. Do I want to write a check and pay for it now or enter a bill and pay it later? We'll write a check and click OK and now you're going to see the actual check appear. You'll notice it's filled in totally. You'll want to double check it. Maybe you don't want the check number in there, maybe you have a different date. Obviously you might have one in March. But you can see it's got my \$500 and it's got my principle and my interest and that's all I need to do is Save & Close when I'm ready to make that payment.

And that's how that's going to work. It's a great little feature that you don't know exists unless you happen to be looking for it.

I'm going to hit Close and now we're back to our Chart of Accounts.

Well that's all I needed to talk to you about as far as working with loans. We're going to go now over into module nine and we're going to talk a little bit about working with credit cards your company uses to buy items for the business.

Chapter 9 – Working with Credit Cards

Video: Setting Up Credit Card Accounts

Cindy: Well we've made it all the way down to module nine now and in this particular module I want to talk to you about working with credit cards. And we're talking about credit cards that your company uses to purchase items for the business. This has nothing to do with customers paying you with credit cards when you invoice them. This is all about the business purchasing items with the credit card.

In order to do this the correct way you need to have your credit card accounts set up in your Chart of Accounts and then we'll talk about how to enter those transactions in those particular accounts.

What you want to do in QuickBooks is go ahead and set up each credit card as a separate account in the Chart of Accounts. Let me go ahead and flip over here. They have a few just to show you how this looks.

If you notice here they have a QuickBooks credit card and a Cal Oil credit card. The reason you want to set these up this way is because you want to be able to see at any time what the balance you owe is on that credit card.

Let me tell you a couple of things I see people do that are wrong in QuickBooks. Often I will see people go ahead and put each transaction that they've charged in as an expense account. Number one, you don't want to do that because you don't know how much you owe on the credit card and these credit cards are actually liabilities to your business in a way because you owe them.

The other thing I see people do is they will actually get their Visa statement in the mail and they will actually put it in as a bill. You don't want to do that because here's what happens. Let's say you have a credit card statement and it says you owe a total of \$1,000. And you go over to QuickBooks and you enter it as a bill, just like we've seen. What would end up happening is you would put \$1,000 right here and then you would come down here and break out all your expenses so that they total \$1,000. Now at this point you would be okay, but here's where the problem comes in. Let's say that you only pay \$700 towards this, meaning that you owe \$300. Next month when your statement comes in you would enter a second bill and it's going to say that you owe \$300 plus whatever you charged that month. So let's just say it said you owed \$600 total. Here's where you get in trouble because QuickBooks will think you owe the \$600 plus the \$300 from this first bill. Then the other problem is you wouldn't be able to break out all the expenses because \$300 of those you broke out on the first bill. And it just becomes a snowball that grows and grows and grows and will never go away and is not the right way to do this. So do not enter these as bills at this point.

Here's the correct way to work with credit cards.

On your Home screen you'll notice that you have an Enter Credit Card Charges button. And this is where you'll enter all the individual charges. Now we're going to do that in the next section but I want to go back up and talk to you about how to set up those credit card accounts.

Let me go back to the Chart of Accounts and we're going to set up a Visa card.

I'm just going to right click anywhere and choose the New option. Credit card is one of your choices. And I'm going to hit Continue. Here's where I'm going to name the account. I can name this anything I want. If I wanted to say Credit Card, if I wanted to say Operating Card, Visa, it does not matter. You would put in your general ledger number if you had one. Here's a place for the description, which is totally optional. You do not need the credit card number, but you will need an opening balance. What you need to do is get out your credit card statement for the month when you're beginning your company file and put in the ending balance from that previous month, or the beginning balance from the current month. Either way it'll be the same number. And let's just say it was \$1,000. And I'm just going to say as of my start date and I'm just going to say that my start date is January 1st of 2023. I'm going to click OK and I'm going to Save & Close. Now when you set this up it will ask you if you want to set up your online services. We are going to talk about that a little bit later. We're not going to do that right now. I'm going to go ahead and just say No and now you'll see your Visa card here and you have a balance of \$1,000.

Now when you make the payment for the Visa card this is the account you put it to right here. This number will go up or down based on any checks you've written to make payments or the expenses that will come out of that account.

That's how you're going to set up your credit cards.

What we're going to do now is go over into the second section of this particular module and talk about how to enter those credit card charges individually and they'll show up in this balance.

Video: Entering Credit Card Transactions

Cindy: Once you have your credit card account set up in the Chart of Accounts then you can start entering all the charges and/or credits that would show up on your credit card statement. I want to show you where to go and how to actually add those transactions. And then after we're done with that we'll talk about how to reconcile those in the next section.

If you're in the Chart of Accounts you'll see your credit card in the list and you can double click on it to get to that particular register. You can type your transactions on the next available line in the register but you probably want to do it out on the Home screen, the correct way. That way you have more fields of information you can fill in.

When you're on the Home screen if you go over to the banking section you will see a button that says Enter Credit Card Charges and this is where you'll put each individual charge or if you return something as a transaction. If you don't see this button at all, just a blank space here, that means that you don't have at least one credit card account set up in the Chart of Accounts and you would need to go and do that first.

I'm going to go ahead and enter a couple of these so you can see how this works.

The first thing you'll see is that it asks you which credit card are you using. So make sure you have the correct one chosen from the list. You can see also that this can be a purchase or it can be a refund, something you returned, so make sure the correct one of those is chosen as well.

The first thing it asks you about this transaction is who did you purchase this from. We're going to say office supply store. If the office supply store was not on the list it would have popped up and asked me if I wanted to add them to the list and I could have done that at this point. I'm going to put in the date of the transaction. There is a place for a reference number and then the total of that transaction. I can also put in a memo if I'd like. At the bottom I can break up my transaction between the Expenses tab and the Items tab if I need to. We'll say in this case that office supplies was \$100 and we'll say the rest of it was for postage. Notice I can put a memo next to each one of these. There's also a place for the customer and the job. So if this pertains to a particular job that you're working on make sure you choose this so that your job costing will be correct. Also if this is something you intend to get reimbursed for you'll want to choose the customer and the job as well and make sure it says Billable right over here. And also make sure you have the correct class chosen for each one of these. All you have to do now is say Save & New and we'll put in a second one.

Now this time we'll say that we went out to lunch and let's say that we went to a restaurant called McNally's. And I have a chance to quick add this because it's not on the list or set it up. Now because I actually have a capital letter there I'm going to go ahead and set it up, but notice because it's not in the list that it asks me is McNally's a vendor, a customer, an employee, or an other. They would be a vendor because you buy from them on a regular basis. Now I can fix my small A there and just click OK and now they're in the list for good.

The next thing is the date of my transaction, then the amount that I'm spending, and in this case we're going to say this is for meals. This is for legitimate business expense. Because meals is not in my account list I have a choice to set it up. It would be an expense to my business and I'll hit Continue here. I don't need to change anything on this screen other than add an account number and I'll just hit Save & Close and that one is in there for good now.

I'm going to add one more. So I'll hit Save & New. Let's say that we're going to go ahead and take back some of those office supplies we bought. So we'll go back and put in the office supply store. Oh, and make sure it's a refund or credit up here. That's the key. We'll put in the date that we returned everything and then we'll put in the amount that we returned. Let's say it was \$40. The next thing is which account are we going to put this back to and let's say it was \$40 worth of office supplies. You'll want to make sure that if you're intending to use this for job costing purposes again that you pick the correct customer and job and also if you're using the class feature make sure you pick the correct class.

Let's go and look at some of the options under our tabs at the top and see if there's anything new. We do have our Find. We've talked about a lot of these already. You do have the ability to download your credit card charges. Also you can clear your splits if you've got splits down here and also you can recalculate. Nothing really new on this screen too much.

If we're looking at the reports make sure you're familiar with your transaction history because that's how you're going to see the history of this particular refund. And there's also a couple of reports. There's an expense by vendor detail and a previous reconciliation report you can look at as well. And that's really all there is to creating the refund or the credit. I'm going to go ahead and hit Save & Close at the bottom.

Let's go ahead and go over to section three now and I'll show you how to reconcile the credit card accounts and how to make a payment.

Video: Reconciling Credit Cards and Making Payments

Cindy: We are working in module nine and we're talking about working with credit cards. We've already talked about how to set up those credit card accounts in the Chart of Accounts, we learned how to enter the credit card transactions, and now we need to talk about how to reconcile those credit card statements when they come in the mail and how to make a payment on the credit card.

Once you have your credit card statement you'll want to go ahead and reconcile it just like we did back in module seven when we reconciled our checking account.

From the Home screen I'm going to choose Reconcile and then it's going to ask which account would I like to reconcile. I'm going to choose my credit card. You'll want to go ahead and double check the statement date, make sure it matches what's on your statement. If it doesn't just go ahead and change it here. And also make sure you're beginning balance matches. If you balanced last month then this month this should be the same number. If it's not for some reason just go ahead and get out and figure out what you did wrong and then come back in and continue reconciling.

You will need to type in your ending balance. That will come from your statement. You'll also need to put in your finance charges. Some people actually put their finance charges in as a separate transaction and that's certainly okay. Just don't put it in both places or you will have doubled that number.

The account you'll want to choose is going to be finance charges. If you notice they've got this set up in a really good way. They have a main account as an expense account called Interest Expense and underneath it are two subaccounts for finance charges and loan interest. This would be your finance charge. Also make sure you have the correct class chosen if you're using the class feature.

I'm going to hit Continue and now I'm going to see a list of all my transactions that are on this statement. I'm going to check them off if they're on the statement. If you see something not on the statement it might clear next month, but keep an eye out for things that maybe you've duplicated or that never show up and then you can go ahead and fix those.

The way you know you're balanced is if your difference in the bottom right is zero.

I'm going to go ahead and click Reconcile Now and it's going to pop up and ask me if I'd like to go ahead and make a payment now. Would I like to write a check or enter a bill and pay it later? It's okay to enter the bill this way because at this point all the expenses have gone to the correct accounts based on the fact that you put them in individually.

We're going to go ahead and write a check now and click OK. And it's going to pop up and ask me I want to print any of the reconciliation reports. I do have the option, just like we talked about before, to do the summary or the detail or both. I'll just go ahead and hit Close now and here's my check in the background waiting for me to okay it.

I'm going to go ahead and put in whatever I want in the number field. If I happen to pay it with my debit card or maybe it was electronically withdrawn I could go ahead and choose that option. Also you're going to need a vendor, a pay to the order of, or a payee as it's called. I'm going to put Visa. Sometimes people get confused with this Visa and this Visa. But remember these are two different lists. This is a list of your vendors and this is a list of your Chart of Accounts. If this confuses you you might have a different name for your vendor. It's totally up to you.

Now it assumed I was paying everything that was due but I'm not. I'm only going to pay \$700. So I'm going to type that in and then make sure it's changed down here as well. It won't remember the balance here so you're not going to have that situation I talked about earlier where you have that snowball effect.

All I'm going to do now is hit Save & Close and now that is complete.

I want to go back and look in the Chart of Accounts and look at my credit card register. I'm going to double click and open it. And now you see all of the transactions. You can see here are the three that we actually set up and then you'll see the payment as well right up here.

Now if you notice I've made the payment before my transactions occurred. So I'm going to go ahead and edit that payment and I'm going to date it for January the 12th. And now if I Save & Close that payment should move down in the register where it belongs. And you can see it has.

That's a quick way to work with your credit cards.

You want to go ahead and make sure you have the credit card account set up, enter the charges separately, and also go ahead and make your credit card payment.

Let's go ahead and move now over into module ten where we're going to talk about customizing our forms.

Chapter 10 – Customizing Forms

Video: Form Customization – Part 1

Cindy: Well we've made it all the way down to module ten and we're going to talk in this module about customizing forms.

If you remember we talked a little bit way back about the fact that you have multiple types of forms in QuickBooks. An invoice is an example, a purchase order is an example. And each one of these has a list of different templates you can use when you're creating one of those different transactions. You might not like the templates that are there or you might want to customize some of those and that's where this comes in to play. Let's go ahead and talk about customizing your forms. This will be part one. Make sure to watch part two as well so that you can see everything there is to know about customizing forms.

Let me take a moment and just show you exactly what we're talking about when we're talking about the fact that we want to customize your templates. I'm going to use the Create Invoices as an example here. When we were going through the invoices in an earlier module one of the things we talked about was the fact that you had these templates on this dropdown list here. You can choose whichever template you like on each invoice but what if there's one you don't really like that much or maybe you need one tweaked. You can do that by either editing one that's here or creating a brand new template. And that's what we're getting ready to talk about.

Now before we actually do this let me show you where all the templates in QuickBooks basically live. If you go up to List on your menu you'll see Templates down near the bottom. This is a list of all the templates that are in QuickBooks. You'll see there are several different invoice templates, there are credit memo templates, statements, estimates. You can see the list here. If you just right click anywhere in this list here's your New option if you want to create a new one. However you're probably not going to be here when you're ready to create one so we're going to go to it a different way. Here's a way to edit the one you're clicked on. You can delete a template. And remember if you've ever used it you can't delete it, but you can make it inactive to hide it from the list.

Now a couple of them I want to point out, the import and export option. I can take the one that I'm clicked on and export it if I'd like. If I click Export it will ask me to save my file and then I'll be able to go into Word or Excel and actually import it and then make any changes I want that way.

Also notice the option that says Download Templates. Intuit has a whole lot of these actually on their website right here that you can download for free. You can see they're set up on the left by the type of template that they are. If I click Invoice, for example, you'll see there are several here that I can choose. All you have to do if there's one you think you like, go ahead and hit the Download option and it will download it into that same list we just saw over in that blank invoice. That's a really nice little feature there. And this one here is really kind of neat.

Unfortunately you can't really see them very well unless you actually download them. I'm going to go ahead and exit that so that we can continue.

Let's go ahead and get out of this list and I'll show you where to go when you're ready to customize a template.

I'm on a blank invoice here and notice I'm under the Formatting tab. And here are the buttons you're going to use right here. This Download Template is where we just were a second ago and I showed you how to download those different ones that are on the Intuit website. Let's start with Manage Templates.

These are the ones that you saw on the dropdown list a few moments ago and you have the ability to actually edit one of these or if there's a brand new one you want to create you can select one and make a copy. I'll make a copy of the Rock Castle Invoice. When you do that notice it says Copy of Rock Castle Invoice here and here's the template name over here. You just rename this to whatever you'd like to call it. I'm going to call mine My Invoice and you'll be able to see the changes that you make over in the Preview area as you go through this.

Now this is really the only thing you can do on this screen. The next thing you want to do is click OK at the bottom and now you're in what we call the basic customization window. The changes that you'll make here are more global. Let's start at the top.

If you go to Manage Templates you're going to see you're right back to this window. I'll go ahead and click OK again. The next thing is you might have a logo that you want to use. All you have to do is click on Use Logo and as soon as I do you'll notice it takes me into My Computer so I can look for that particular logo I'd like to use. I'll go into my libraries, I'll look at my pictures and I'll look at the sample pictures that come in Windows and choose one of these. Let's choose these penguins. It will always pop up with this warning message that says QuickBooks will now copy your image into and it tells you the path where it's going to copy that image. You just say OK there and now you'll see your image appears in the Preview area. Now we can move it. We just can't do it on this screen.

The next thing you want to do is select a color scheme. Black is probably the best but just to show you some of these others, let's say you choose maroon and you apply the color scheme. You can see that all your text is maroon colored, the lines around your boxes are maroon colored. I'm going to go back, put this on black, and apply the color scheme.

The next thing you can do is change the font. These are the four things you can change the font for. You've got your title, which is this word Invoice up here, your company name and address, which is right here, and then the labels. The labels are the word Bill To, the word Ship To, the labels for each of your fields. For each of these you can go into the Change Font and you'll be able to change the actual font itself, you'll be able to change the color, the size, anything you see in this window you'll be able to change.

The next thing you'll see are several options that you can check or uncheck as far as would you like to see them on the screen or not. You do want company name and address but notice some things that are not checked. For example, the phone number. There's no phone number over here

and I'd probably like it to appear right below my city, state and zip. Watch what happens if I check phone number. It actually applied that field down here at the bottom where I do not want it. Now I could move it but I want to show you a quick way to actually put it right underneath your city, state and zip up here. I'll uncheck that and click on Update Information. This is the address block that it was pulling from. If I copy this phone number right here then I have the ability to come back up here and place it right below my city, state and zip. I could also put the word Telephone if I want in front of this, whatever I wanted it to say. And then all I have to do is click OK and it will say you did not update your legal address. That would be over here under this tab. If you want to go back and do that you can, if not you can just say No, and then you'll see that your phone number is right underneath your address block here.

Also notice you can have the past due stamp appear. If you have an invoice that's overdue it'll have a big Past Due on it. You may want that. And also it will print the status stamp. Let's say this is paid, then it will print Paid across it. If you voided this out for some reason it'll say Void across it. So you probably do want that as well.

The next thing you want to do is go down to the bottom where it says Additional Customization. So this screen was more of global changes. Additional customization lets you drill down a little bit deeper.

The first thing you'll notice is you're on the Header tab. And all of these things that you see here you can choose whether to see them on the screen, whether or not to print them, and then you can change the wording related to each one of these. Let's go down the list so you'll know what you're looking at.

The first thing is the default title. And that's this word Invoice right here. You'll notice that I do see it on the screen. I'm probably going to want to print it. And just to do something a little different I'll put it all in caps. You'll see that as soon as I tab through that field it shows me a preview of it right over here.

The next thing is the date. And that's going to be the date right here. Let's put Invoice Date and then what we're going to see is when we tab through it it now says Invoice Date. Now you'll notice some of this is cut off because the field is not quite large enough. We will fix that in a little while when we go into the Layout Designer.

The next thing is the invoice number, which appears right over here. Then you have your Bill To and that's going to be this right here. Notice underneath it is a Ship To. That's going to be this. Let's say you don't ship anything. You might want to uncheck those. Underneath that you have the purchase order number. If you use purchase orders you'll probably want to check the box. And you will start seeing this message pop up that says Overlapping Fields. What you want to do for now is hit Continue just to get past that and this is what they're talking about right here. Do you see how these fields overlap some others? Again, when we get to the Layout Designer we'll go ahead and fix all that.

The next thing you'll see is SO number, which is a shipping order number. Then you have your terms. And then you have your due date. Below that it says Rep. If you have sales reps in your organization then you may want to track which sales rep works with this customer.

You also have the account number. Do you notice you cannot check account number to see it on the screen? However you can check the account number if you'd like to print it. Remember the account number was set up in the customer setup. So you would have to go back there to turn it on if you want to use it.

You next have ship date, ship via, and freight on board. Those have to do with shipping. If you're not shipping anything you wouldn't want those turned on.

And then you have Project/Job. Notice you can't check to see it on the screen. However you will always see it right back here from this dropdown. It's just not on the actual invoice itself right here. You can choose to print it. Now you may not call these projects. You may call it job name.

The next thing you'll notice is there is an Other field and this could be for anything at all that you wanted to be able to type in that field. You would just go ahead and turn that on if you wanted to show and/or print this.

The last three say contract number, birthday and spouse's name. I don't know if you remember where those came from but when we were setting up the customer or the vendor you could create your own fields. That's where these come from. If you need more fields than what you see here you can go over there and actually create those and then come back and they will be in this list.

That's a quick way to go through the Header options here. I want to next go over to the Column options and let's go ahead and stop the video here and I want you to go over to part two and we will continue this.

Video: Form Customization – Part 2

Cindy: Okay welcome back. We are on part two of Creating Reports. I wanted to go ahead and continue where we left off and talk about the customization of your different templates in QuickBooks.

We just finished up with the Header tab. Now let's look at the Columns tab.

When you go down the list you can again choose if you'd like to see each of these options on the screen and/or choose to print them, but you can also show the order from left to right you'd like the columns to appear in. Let's go down the list and look at this.

We could choose to have the service date if we'd like. We could also choose to have the item print. Now I want you to notice that item will always be on the screen because you have to see it here in order to choose an item. But you do not have to print it. And I probably wouldn't. If you remember me telling you when we talked about items that when you set up items you can name them anything you want because you're the only one that will see them. Your customer will see the description, however. They've got manufacturer's part number, they've got quantity, unit of measurement, rate amount, and you can see the list down here.

Now a couple of things I want to tell you. This quantity field right here, this is a calculating field. So if you have a situation where you need to say quantity ordered and then quantity shipped this needs to be the quantity shipped field. You would come down to the other down here and make this quantity ordered. That way this one will calculate for you. Let's say you don't want the unit of measurement and rate is always at the end and the amount is the very end. So you always have the rate and then the amount. You can't change that. Amount is always the last one. So it looks like now we're going to have the item, which is not going to print, the description, the quantity, the rate, and the amount.

Now let's go over to the Progress columns. This is pretty much the same. It has to do with estimating jobs. If you want to know how much has already been estimated and you want to show all that on an invoice you could go down and do the same thing here.

Then you have the Footer tab. Now I want you to notice down at the bottom this is what's in the footer now. They've got the subtotal, they have sales tax, the total, payments and credits, and balance due. That is way too many fields to have at the bottom. Of your template. I would probably do something like this. So first of all customer message is going to go right in here and that's going to be things like "Have a nice day", "Thank you for your business". I would probably take off subtotal. I would take off sales tax. Now sales tax will always print up here underneath the last line item. So you're not telling QuickBooks you don't want to see the sales tax. You're just not going to show it down here. Payments and credits and then balance due. So typically this is what you'll see on a generic invoice in QuickBooks. Now every now and then you may have a customer that says, "Can you send me an invoice that shows me the balance due on an invoice" if they have been making payments, for example. And if that's the case then you would do something like this where you have the total, the payments, and then the balance due. We'll leave it like that.

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The last tab is Print. Here you can choose some printer settings. If you want to get to these options you have to check Use specified printer settings below. But here you could have your orientation portrait or landscape, you could tell QuickBooks you want two copies automatically, and if you have a different size paper you can set that up as well.

It's going to print page numbers on any forms that have more than two pages. And you probably want the trailing zeros. That's basically if something cost \$54 it'll actually put the point-zero-zero in there for you.

And that's really all you have to do for the additional customization options.

What I'd like to do now is take this even further and go into the Layout Designer and show you how to actually make these columns look the way you'd like them to look, move the picture, and make it just look like you would want it to look in your business.

Video: Layout Designer – Part 1

Cindy: Okay welcome back. We are working in module ten and we're customizing forms in this particular module. We're all the way down now to section two. This is the Layout Designer and this is part one of the Layout Designer. We talked a little bit about customizing your forms as far as telling QuickBooks which columns you'd like to see, which order, if there's some extra fields but now what we need to do is make it look nice. Let's go ahead and flip over to QuickBooks and I will show you how the Layout Designer works.

I want to go ahead and start back on the Home screen just in case you got out of the options where you were customizing your template there. We're going to go back and click on Create Invoices again. Make sure you're under the Formatting tab and choose Manage Templates. Make sure you're clicked on the one you just created or the one you're trying to edit and then click OK.

We went through this earlier where we were actually using our logo and we were able to change the font for all these options over here. So let's go ahead and look at additional customization, which is where we were just a few minutes ago over in section one. Now we can go down to the Layout Designer.

This is what the Layout Designer looks like. You can't make this screen any bigger so I'll just pull it over a little bit so you can see it. Basically it has a couple of things on here I want you to be really familiar with. And if you're familiar with working with any kind of graphics type software then a lot of this you'll all ready know how to do. But if you notice you have a blue line around the edges of your page. That's your margin. If you decide you'd like to change that margin, if you look in the bottom left of this window it says Margins, and you can actually go in and type in the actual margins that you'd like here.

The other thing I want you to notice is that you have these blue dots all over your screen. Those are your grids. You can change the spacing between your grids if you'd like. Grids actually help you line up your objects. Down at the bottom where it says Grid you can actually change it from a 16th of an inch where it currently is to maybe an 8th of an inch as an example. You might not want to see it at all or you might want to check or uncheck the snap to grid option. What that means is if I take one of these boxes back here which is actually called a placeholder and I move it close to a grid it will snap to the closest one. And that helps you line up your objects.

When you look at these boxes back here these are what we call placeholders. A placeholder can actually have text in it, it can have a picture in it like this. Any time you have a placeholder and you'd like to change the size of your object you can grab these control handles as they're called around the edges, see the little boxes, and when you put your mouse on it you'll get a double black arrow and that let's you change the size of your object. If you want to move the object just click right in the middle of it and move it wherever you'd like it to be.

Sometimes when you're moving objects around and you want to get them very close together it's kind of hard with your mouse so one thing you can do, if you notice the little space there, is you can actually use your up and down arrows on your keyboard or your left and right arrows to get things lined up a little bit nicer.

Some other things to notice. When you're looking at these different placeholders here some of these have a gray box around them like these and some have a black darker box around them. Those are your borders. The darker ones do print. The grayer ones are just there to show you the outline of your object.

The other thing is at the bottom of your screen you'll see a checkbox that says Show Envelope Window. And when you check that you'll notice these green windows that appear here. I call those windows because what happens is if you fold this invoice and put it in a window envelope that's where the window is. So it's really going to help you line these up perfectly.

I'm going to go back and uncheck that.

Let's talk a little bit about some of your properties. When you click on an object you'll notice you can change the properties here. If you select more than one object and you would do that by holding down the Shift key, notice you can't access the properties. That's kind of a pain because in most graphics programs you can select more than one object and change everything at once. But here we can do it and then we'll be able to copy it. And I'll show you how to do that in a little bit.

I'm going to select my title. I'm going to the Properties option and now you'll see I can change the text, the border or the background. Let's start with the text. The text within my object I can left align it, right align it, center it, or indent the first line of text. It looks best on the left so I'll leave it there for now. You'll notice I can also change the font options down at the bottom. If I'd like to change the actual font itself I can do that. If I'd like to actually change this to bold or italics I could do that. I can change the size. Also I can change the color down here. If you wanted to put a strikethrough effect here you could. You can see it puts a line through your text. You could underline it if that's what you wanted to do.

I'm going to click OK and then OK again so you can see what it looks like.

Now you'll notice that Rock Castle and the word Construction is missing at the end of this. That's because my object is not wide enough. I'm going to grab this right control handle and drag over to the right a little bit. And I'll just move this picture out of the way. But as soon as I have enough room here you'll see I can see all of my text now.

I'm going back to Properties and the next thing you'll see is the border options. This particular placeholder does not have a border around it. I'm going to add one. Top, bottom, left, and right in this case. I can also have rounded corners instead of square corners. I'll just choose large. I'll change the color and I'll also go in and change the pattern and the thickness. Instead of a straight line I might want dots, dashes or a double line. And I might want this to be thick. Now let's click OK and see what it looks like.

Here's a great example of needing to actually change the height of my object up and down so I can see my title a little bit better. In order to do that it looks like have to select a couple of these and move them out of the way. And then the next thing I'll want to do is take this and move it down a little bit so that I can actually change the height of my title. And you can see it right there.

One more thing. Let me go back into the Properties and look at the background. This is going to be your fill or the color in the background of your object. I'll just choose this color and click OK and now you'll see that I actually have a very nice looking title to go on my invoice.

Now what if you wanted this Bill To here or this Ship To here to look just like your title does as far as the formatting? You can actually copy the formatting. If you've ever used the Format Painter option in Microsoft Word or in Excel this looks very similar to that. I'm going to select where I'd like to copy my formatting from and then you'll notice this Copy Format option. Notice my mouse now looks like a paintbrush. If I click in the Bill To placeholder notice it has the exact same formatting. See that? You have to go back and actually click End Format to turn it off.

Now if you want to undo you've got several undo's you can use over here. And notice there's redo as well.

I'm going to move this picture up a little bit and talk to you a little bit about some things you can add.

The first thing you can add is a textbox. Now let me show you what a textbox actually looks like. Let's say in here I wanted to say 2018 Company of the Year. All I have to do is type it in there and then I have the same options that I can change for the text, the border, and the background. I'm going to go ahead and click OK here and notice where it put my textbox. I'll just move it up underneath this picture.

Now if you notice this is getting pretty busy here. Let's say I don't want to use the Ship To because I don't ship anything. Notice that I just held down the Shift key to select them both and now I can use the Remove option right up here. Now that that's removed I can do a couple things. Maybe I want to change the size of this a little bit, maybe I'd like to move this a little bit, change the size of it. Let's say we want to put it right down here. And let's say that we want to move our textbox underneath it there. If I wanted to take that border off of my textbox I'd just go back to Properties, take the border options off, and then when I click OK it just looks like some generic text sitting out there. I'll just make this the same size as that just to make it look a little bit nicer.

A few more things we're going to be able to add. If you go back to Add you can add a data field. These would be any fields in QuickBooks that are not currently in this particular template you're looking at. Any of these at all you can select them and click OK. You can see where it put account number. I'll just move this and stick it right up here so that this can be one of my fields I work with a little bit later.

Another thing you can add is an image. If you had another picture you wanted to add here you can just come in and find that image on your computer and add that.

You can also copy any of these. If you wanted to copy this picture you could certainly do this. Or if you wanted to remove it you saw earlier you could remove it using this option here.

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Let's go ahead and stop the video here and go on over to part two and we'll finish talking about these options for the Layout Designer.

Video: Layout Designer – Part 2

Cindy: Hey. Let's go ahead and finish talking about the Layout Designer. I wanted to go ahead and show you the rest of the options you have available when you're working in this particular window.

The next options I wanted to talk to you about are these ones that say Make Same and you've got height, width, and size. Notice they're grayed out right now because I don't have at least two objects selected. These options will let you take multiple objects and make them the same height, which is up and down, width which is across, or the size which is both. Let me give you a really example of how this would work.

I'm going to go ahead and just move this over out of the way for a minute. And let's say that I want to take these and these and if you notice they're not the same width but I'd like them all to be the same width. What I'm going to do first is select all four of these objects. A quick way to select them is to do something called drawing a net. All you do is put your mouse out to the side somewhere and hold it down the whole time and drag a box around them. When you let go they'll all be selected. Now you'll notice these are available. I'm going to choose the width option and now if you notice they're all the same width. Now I'm going to take these and just move them over just a little bit and maybe up a little bit on my screen so it looks a little bit nicer. But that's how you use those height, width, and size options.

Now let me go ahead and move this over a little bit so it doesn't look quite so funny here and I'll try to line these up.

The next thing you'll see is that you have the ability to center horizontally. Now what that means is if I wanted to center this picture on my page horizontally I could. I would select it and choose that option, but you can see in this case it looks a little funny so I'm going to go ahead and undo and put it back where it was.

Your last options that you have up here are to zoom in or out. You can see you can zoom in if you want. And that's as far as it'll let you zoom in. And you can zoom back out if you'd like.

Let's go look at some things down at the bottom portion of the screen.

Obviously these right here you would actually select them and move them around, make them the same size, whatever you'd like to do with those. So this will take a little bit of working with. But when you get down here I wanted to show you that the description column is the widest column here. If you actually printed this out you would see that you have a lot of extra room in these columns. One of the things you can do is you can place your mouse on this line that goes up and down between your columns and move those, very similar to the way you would move an Excel spreadsheet. That way if you needed to have a lot more room in your description area you've got it.

The other thing you'll notice is if you look at quantity, for example, the one is way over to the right. You may want to center that. You have the ability to go to your Properties and actually

choose the Center option and click OK. And now you'll see that that one is in the center of the column. And I'd probably do that with all of these.

Down at the bottom you have your message area and then you have subtotal, sales tax, total, payments and credits, and balance due. You would actually end up working with these if you wanted to take out sales tax, for example, or if you wanted to take out the payments and credits you would just delete those and then move these boxes around the way you want them to look.

That's pretty much where your options are for the Layout Designer. It is going to take a little bit of time to get in here and work with these. You will click OK several times and go and look at it and realize you need to make some changes. But once you get it looking good then you are good to go.

I'm going to go ahead and click OK here and show you what it looks like if I have to use it. Let me go ahead and click OK here all the way back out.

Now I'm going to go back to a previous invoice and I'm going to come over to the template option and choose my invoice. Now I'm going to go up to the Print and preview this so you can see what it's going to look like. And there it is. So you can see I would need to move some things over because it does need a little bit of tweaking, but you want yours to stand out so go ahead and make any changes you want, add pictures, and then that's all you need to do.

Well that's going to wrap up module ten here. Why don't we go ahead and move over to module eleven and we'll start talking a little bit about working with the different reports that are in QuickBooks.

Chapter 11 - Reports

Video: Quick Reports

Cindy: Hi. We are down now on module eleven and this is the module where we're going to really dive in to all the reports in QuickBooks. This is section one Quick Reports. And what I want to do is take you over into QuickBooks and show you how to run some super quick reports when you only want to see a report on one account or one customer or one vendor. Let's flip over to QuickBooks and see how this works.

One of the great things about QuickBooks is there are so many reports in here that it's hard to say that you can't find what you're looking for. A lot of times they have what are called quick reports. Those would be reports on a specific customer only or maybe in the Chart of Accounts just one of the accounts. Let me just show you a couple of them, and you've seen some already.

I'm going to the Customer Center and what you'll notice when it pops up is over on the right you have these reports. Now let me go up and find our customer we were working with, which is Tom Allen. When you run a quick report if you're clicked on the customer the report will show all of the jobs broken up underneath the customer. If you run it just on the job itself it'll only show it for that job.

I'm going to over here and run a quick report on Tom Allen. And you'll see that it shows a couple of the estimates and invoices we did for the sunroom. If you're over looking at any report and you don't see everything you think should be here always check your dates. Notice this one is only for a two week period. I'm going to go ahead from this dropdown where it says Dates and just choose All. And now you'll see everything we did for Tom Allen and his sunroom. The kitchen is not on this list because we didn't do anything for the kitchen remodel job. That's one example of a quick report. Let me show you another one.

I want to go over to the Chart of Accounts. On any of these I can run a quick report. Now keep in mind that if I go down to some of the accounts where you don't see a balance, which would be pretty much from here down, all I have to do here is double click to run a report on these. Let's just say that I take this one here that says Insurance and double click. This is a quick report and you can see it's broken down by the different subaccounts that were underneath Insurance. Now if it's one of the accounts that has a balance like you see up here you can still run a quick report. You just have to right click to do it. Let's say it's the Visa card that we set up. I'm just going to right click and if you notice the very bottom option says Quick Report. And now I have a quick report on Visa.

Those are some examples of quick reports in QuickBooks. What I want to do now is go ahead and take you over to Creating Reports. We'll look at part one and we'll look at all the reports that are in QuickBooks and I'll show you a little bit about what's here and how they work.

Video: Creating Reports – Part 1

Cindy: Welcome back. We are working in module eleven and in this module we're talking about reports.

We've already looked at the Quick Reports that QuickBooks has. I really want to dive now into all the reporting features that are available in QuickBooks. This will be part one. There is a part two to this so make sure you watch both parts so you can see all there is to know about working with reports.

There are a couple of different ways to look at the reports in QuickBooks. One is to go to Reports on the menu and another way would be to use the Reports option right here on your icon bar to get to what we call the Report Center. You can get to the same reports either way. It's just a matter of preference, which way you'd like to use them, but let me show you how they correlate.

From here down you're going to see different categories of reports and you'll see when you point to a particular category that these are the reports in that category. These categories are the exact same categories that you see over here. You'll see there's Company & Financial, Customers & Receivables, and you'll see those here.

If I wanted to get to the reports over this way then I click over here on Company & Financial and these are the reports that I would have seen on the dropdown over there.

A couple things you can do with reports if you're in the Report Center. When you're looking at a report and you want to run it all you have to do is click Run right here to display the report. If you wanted to display certain dates on the report then you can use the Dates option right here where you have a dropdown you can pick from. Or you can choose the From and the To options and actually put in the dates you'd like to choose.

You can also mark a report as your fav. If you click on Fav, for example, that's a report you want to run on a regular basis and you would actually find those reports under your Favorites tab right here. And you'll see the Profit & Loss we were just looking at.

The next thing I want to show you is you have a Memorize tab and these are the reports that you've already memorized in QuickBooks. Memorized reports are ones you've saved and you want to be able to pull them up quickly in the future. We're actually going to look at some memorized reports over in section four. And you're familiar with favorites already and recent. Recent are the reports you've recently run in case you wanted to go back to one it's there just for easy reference.

The last tab says Contributed. Intuit users have the ability to edit different reports and actually share them with the Intuit community. You can see if you look at these that a lot of these were created by Intuit but when you scroll down the list you'll see several that were created by other users. You'll see, for example, when you come down here that you've got one by who knows who this one is, here's one from Rory. And you can see for each one of these the popularity. It'll

show how many downloads and the average rating if there's been any reviews for these you can come up and read them, like this one has some reviews.

Let's go through the menu and just look at some of these reports so you'll know what's available in QuickBooks.

Let's start with Company & Financial because this has two of the most important reports in QuickBooks. One being the Profit & Loss Standard and the other one we'll look at is the Balance Sheet Standard. I'm going to click on the Profit & Loss and show you how this works.

A Profit & Loss is designed to tell you if your company has made money or lost money. If you think about the Chart of Accounts and the different types of accounts the only types that show up on the Profit & Loss are income accounts, cost of goods sold, and at the bottom you'll see your expense accounts. The way this works is QuickBooks will take all of your income accounts, add them up, and give you a total income right here. Then it will look at all the cost of goods and give you a total cost of goods right here and subtract those from your income to show you the total gross profit right here. Below that are all the expense accounts. There's a total of all your expense accounts down there at the bottom. And at the very bottom of the list it will say Net Income, meaning have you made money or lost money. That's why we call this the most important report in QuickBooks.

Now if you're looking at these numbers and you think, "Oh these are awfully low" or doesn't look right always, always, always check your dates in every report. Notice this one goes from December 1 to 15. I'm going to change the dates over here and I'll just say this fiscal year to date and you can see now that really changes the numbers a lot. So always check your dates.

The other thing you want to be aware of is that your reports in QuickBooks are run on an accrual basis automatically. And you can see that right here. Let me tell you what this means. Accrual means basically that when you look at these income accounts there are invoices in here that aren't paid yet. So as soon as you enter an invoice it shows it as income to your business. When you look at any of your expense accounts or your cost of goods those will be showed as expenses even if you haven't paid them yet. That's what accrual means. When you flip to cash that means only invoices that have been paid and it'll only show any bills or expenses that you've already paid. Let me show you how big the difference can be. If you look at this one, for example, the total income right here is \$449,493.89. Let me go ahead and show you what it looks like with the cash basis and you can see it went to \$379,000.00. That's a really big difference. Most of the time when you're doing your taxes you want to show this on a cash basis, but get with your accountant on this because this where he or she will tell you exactly what they want and how they want these reports run.

Let me show you what the balance sheet looks like. I'm going back to Reports, Company & Financial, and let's look at the Balance Sheet Standard. Remember the Profit & Loss shows the income, cost of goods, and expenses. The Balance Sheet shows all the other accounts in the Chart of Accounts and the balances in those accounts. Think about here's your checking account and there's the balance. Look at your accounts receivable. There's the balance. Here's your undeposited funds, here's your assets. Down at the bottom you're going to have all your

liabilities. That means all your loans. Think about if you go to the bank to get a loan. Yes, they'll want to know how much profit you're making but they also want to know what the balances are in your accounts receivable, for example, so they know if money is coming in the door. Or maybe your payables so they can see if you owe a lot of money. These two reports are going to be very, very valuable.

Now when I go back and look at these I want you to notice that a lot of your reports will have a standard and a detail. You'll see that for the P&L and also for the Balance Sheet down here. The standard shows you each account and then the balance in those accounts whereas the detail will show you every single transaction that made up that account. So that can be a very long report.

I want you to notice you run a Profit & Loss year to date comparison or a previous year comparison. I'll show you this one. This one shows me my current year, my previous year, the dollar change, and the percent change. This is really a good one to run if you're looking at budgeting. All right.

You're also going to be able to run a Profit & Loss by job. So if you're working with a job feature you can see it for each job you're working on. And you can run one by class if you're using the class feature. If you are using the class feature there may be some transactions you didn't put to a class and that's what this unclassified report will show you.

I can look at income by customer, expenses by vendor, and also an income and expense graph. Let me show you what the graph looks like.

If you're really into graphs and charts Microsoft Excel is the place to do that but there are a few things in here that are very helpful. You'll always see this column chart here at the top and a pie chart down here at the bottom. If you notice you're currently looking at this by account and at the bottom if you'll notice you're looking at this by expense. It could be that I want to see this by customer and maybe my income by customer. So you can see there's a couple different ways you can look at these graphs. I can also look at it by class if I wanted to.

That's pretty much the extent of looking at these reports. You can drill down and get a report on the particular place that you're clicked, but I'm going to go ahead and close that and show you a few of these other reports.

Back under Company & Financial we did have some more balance sheet reports if you wanted to look at those. There's a balance sheet previous year comparison. And if you're into cashflow statements you can see a few down here.

I'm going to go ahead and stop the video at this point so that we can move over into part two and I can show you the rest of the reports.

Video: Creating Reports – Part 2

Cindy: Hey, welcome back. We're still working in module eleven and in this module we are going through and talking about reports. We've been talking about how to create reports in part one of this section. Let's go ahead and continue talking about how to create reports and this is section two, part two.

Let's go back to Reports and keep going down the list. I want to go to Customers & Receivables.

There's a couple on this list that I really want you to be aware of. One of them is the Open Invoices. This is going to be a list of all of your customers that owe you money. Even if they owe you a penny they will show up on this list. If you happen to think something should be on this list and you don't see it check your dates. This is as of December 15th. If you know you did something in December why don't you change it to the last day of the month and then click in the report to refresh it.

When you look down this list there's something I want you to be aware of. If you happen to see a customer who has an invoice for let's say \$100 and right below it is a payment for \$100 and then it says their total they owe you is zero then you need to check that out because what that means is they still have an open invoice for \$100 and some miscellaneous payment that happens to match but they're not applied. Those are the kind of things you don't want to see on this report.

The other one that I want you to be particularly aware of with customers is the Customer Balance Detail report. This is going to show the customers entire history with you. You can see if you've invoiced them, if they've made a payment, maybe you gave them a credit memo. You can just see the list and this is a great one to look at when the customer calls and wants to know if you've received my payment.

There were a few others with customers that I just wanted you to be aware of. You do have an AR Summary report. They call this an AR Aging Summary report because you can see for each customer any invoices they have due and if they're in the 1-30 day category overdue, 31-60, all the way across.

Some other ones that have to do with customers in this list. There is a collections report you can run. There's an average days to pay. There's also an accounts receivable graph you can look at or if you're working with the job costing you can see any that haven't been billed yet. There's also a basic customer phone, customer contact, and an item price list right down here.

The next category over is your Sales. You'll be able to see all of your sales by customer, by item, by sales rep, and also you can see sales by ship to address. There's a graph at the bottom you can look at as well. And notice each of these you can run a summary or a detail.

Jobs Time & Mileage. There's several here you'll want to be aware of.

If you're working with jobs and you've been really keeping track of the job feature then you're going to see that you can run a profitability summary, you can see estimate versus actual. Let me pull that one because that's a great one to look at.

If you estimate jobs you'll be able to see the total of the estimate, the actual cost so far, the dollar difference, the estimated revenue, and the actual revenue and then the difference over here as well. This is a really, really good one, like I said, if you happen to use the estimates and then you turn those into invoices.

Going back to Reports now. You're going to see again under Jobs Time & Mileage that we have some item reports. If you want to see if an item is profitable or not you can run that report. You've seen a profit and loss by job already. Here's some estimate reports by job. If you want to see open purchase orders by job you can. And we haven't yet talked about time and vehicle mileage but this is where those reports would be.

The next one we see on the list is Vendors & Payables. This is all of your accounts payable reports. If you wanted to see your AP Aging Summary, I'll show you what that looks like. These are all the bills you've entered and if they happen to be overdue you can show if they're in the 1-30 day category, 31-60 and so forth.

You can also go back and see your vendor balance summary and your vendor balance detail. Vendor balance detail is a really good one to look at when you want to see everything that happened with your particular vendor. All the bills that were sent to you, if you paid them, all the way down the list. Maybe they issued a credit memo.

Another one that you're going to see related to that is going to be your unpaid bills. Your unpaid bills detail report shows up right here and this shows all the bills you've entered that you have not yet paid. Even if there's a penny left you're going to see it on this report.

Another one to look at under your Vendors & Payables is going to be an Accounts Payable Graph. This is what your Accounts Payable Graph looks like. You'll notice you have your basic column chart at the top and your pie chart at the bottom. And you really don't get too many options with this other than if you wanted to change your dates in the top left corner you could do that.

Going back to Reports again. Let's see if there's anything left under Vendors & Payables. Yes. Your 1099 report is right here. If you ever want to print your 1099s and then go through and look at the reports you can see the summary or the detail here. And when we talk about sales tax in module twelve here's some of the sales tax reports you'll be able to run.

The next category are your purchases. You can see everything you bought by vendor, by item, and here's your purchase order reports. If you wanted to know which ones are still open you can run that report. If you want to see some more detail you can run that, or also by job.

You've got some inventory reports. If you work with inventory and you need to track how many you have in the backroom you can come down here and run this physical inventory worksheet. This is a really good one to run because you can actually print this out, go in the backroom, and write down the physical count. And when you're done you can come back and adjust your inventory.

Okay back to reports. The next one is Employees & Payroll. We haven't done anything with payroll yet but when we do these will be all your payroll reports. Then you have your banking reports. Some people like to run a deposit detail. This would show all of your deposits you've made and the detail about the transactions on that particular deposit.

The next one is going to be under Banking again, a missing checks report. This one is kind of interesting because you would think that it would list all the check numbers that are missing. But what it really does is it actually lists all the checks and if something is missing it'll say Missing Checks here. This could be a really long report.

Going back to Reports again. I'm going to go back down to Banking and just mention there is a reconciliation discrepancy report here or a previous reconciliation report if you want to run those.

The next one is Accountant & Taxes. And there is an important one here I want you to be aware of. Do you remember way back in the beginning when I talked to you a little bit about setting up the users? I mentioned that you have the ability to look at a report and see which user was logged in when a change was made to a transaction. This is the report that's going to show you that. That is the Audit Trail. You'll be able to look at this report and see who was logged in, you can see if something was deleted, you can see the latest one if something was changed. This is just a great report to run if you need to see which user was logged in when maybe a mistake was made or something is missing, that sort of thing.

We only have a couple more here. If you go down and look at Accountant & Taxes there was the Audit Trail. There's also a couple more to just be aware of. If you wanted to run a transaction list by date you can do that. You also have some income tax preparation reports down here at the bottom.

I want to mention the Budgets. Here's your budget overview and your budget actual. We're going to be looking at budgets in a later module but when you're ready to run those reports you'll see them here. And then the last one is the list. These are lists of everything in QuickBooks, whether it's items, whether you want to look at a customer phone list, a vendor phone list. You can kind of see what's on this list right here.

And that gives you a quick overview of what kinds of reports are the generic ones here in QuickBooks. I want you to notice that you can run some advanced reports, that you can create, you can also customize some of the reports that are here, and then also we keep talking a little bit about the contributed reports and you'll see some of those here.

Well that gives you a quick overview of how those reports look. We're going to go ahead and go into section three now and I'll show you how to take some of these generic reports and actually customize them to work a little bit better for you.

Video: Customizing Reports

Cindy: Now that you know how to actually go through and look at all the reports that are in here there will be a few that you will want to tweak a little bit. And that's where the customizing comes in to play. You're going to be able to customize these reports so that you can show certain customers or it might be that there's certain columns you want to see. Let me just show you all the customization options you can do when you're working with your reports.

When you're looking at any report you'll see there are different columns of information available. There might be some columns that you don't want or maybe there are some columns that aren't here that you want to add. So let me show you how to work with those.

Let's say, for example, that you want this account column but it's not wide enough. Notice you can put your mouse on the line that separates the column headings and drag to the right a little bit and that would allow you to make that column a little bit wider. If you decide you don't need a column all you have to do is drag that same line all the way back the left and hide that column. Notice also if I put my mouse on top of the headings I can rearrange these. If, for example, I wanted to put this class feature way over here all I have to do is drag it and then you'll see it's right next to the name in this particular case.

Let me show you how to go and add a column that's not here that you might want. Notice in the top left it says Customize Report and the first tab here is your Display tab. There are some options here for changing the dates, which you already know you can change right back here, and some sorting options. You probably want to leave it where it is by default but I wanted to show you the columns here.

The columns that have a checkmark next to them are the ones that are currently being shown. If there's a particular one that you'd like to add, for example, you just go down the list and find that column and put a checkmark next to it. If there happens to be one that is checked that you don't want then you can go ahead and uncheck it. And then when you click OK you will see any changes you've made. You can see my memo column is right here now. If I wanted to move that I could just move it wherever I wanted to to rearrange the columns.

I'm going back to Customize Report again and this time let's look at the Filters tab. When you tell QuickBooks you want to filter something what you're saying is here's what I want to see and I want you to hide everything else. You have the ability to filter by any of these that you see here on the left. Let's say that I'm trying to show just my one customer Tom Allen and no one else from the list. That would be a name. I could choose Name, come to the dropdown and pick Tom Allen from the list. Then when I click OK he's the only one on the list.

Back to Customize Report again. I can add additional filters to this if I'd like. If I decided that I wanted Tom Allen and just any payments I could go through the list and I can pick the transaction type or whatever other information it is that I would want to see here and I would click OK to add it to the list.

The next tab over is the Header/Footer. That is this information right here. You can see the company name is here. It says Customer Balance Detail and it says All Transactions. Let's say I want the report title to be my customer name. I'll say Tom Allen. And if you don't want to see something you just uncheck the box like this. This is the date prepared and that's going to be the date that you see right up here and the time prepared is right here. You can see it's also going to print the header on pages after the first page. You can uncheck that if you don't want to. It will still print it on page one but it won't print it on the other pages.

Now the footer information goes in the bottom and currently we'll have the page number. There's different formats you can choose for the page number if you want one of these other ones. You can have an extra footer line. You might say something like Presented by with your name. And also it's going to print the footer on page one. If you don't want it on page one you just uncheck the box.

Over here is the Page Layout Alignment and they're talking about the header portion. And you probably want to leave it on standard but you could say left and then everything is on the left and the date and time are on the right. You might say right, which is reversed, and then you might say centered and everything is centered. Like I said, standard is probably the best way to keep it.

The last tab over is Fonts & Numbers. You have the ability for any of these options on the left here to go in and change the font. With negative numbers right now they show with a minus sign in front. You may show them in parentheses or with a trailing minus, meaning the minus is on this side, and you might show that in bright red as well. I'll do parentheses in bright red. And negative numbers you can show them all divided by 1,000 or without cents. Let me click OK and see what we have so far. And you can see all of the payments or credits are now red in parentheses.

Let's go back up here to Comment on Report. I don't know if you saw this but what actually happened just now is it made a copy of this particular report and what'll happen is once we finish with our comments we'll have to save it up here. If you notice, next to each one of these items you'll see a little bubble. And if you want to put a comment in one of these you just click that little bubble and then it'll have a one here corresponding with the one down here, meaning it's the first comment. And this is where you type in whatever your comment happens to be. Let's say I say that "This is to clear account" and then I'm going to hit Save over on the right and now you'll see there's a one. When I'm finished I'm going to hit Save up on the top here and I can name this commented report anything I want to call it. I'll just leave it as Tom Allen right now and click OK. And this is telling me I've successfully commented on the report. What's going to happen is now I can close this, you'll see the original back here, notice no comments. The way you open a commented report is you go up to Reports on the menu and you'll see Commented Reports. And here's a list of all of those. You just double click the one you'd like to look at. And there's the one we just did.

Okay. The next thing I want to do is let's go ahead and talk real quick about sharing your template.

I mentioned that if you happened to be part of the Intuit community that you can actually go in and share any of these templates with other users in the community. Anything you think would be beneficial to help someone else you could certainly use. And it's good to look through those as well and see which ones might benefit you.

We're going to talk about memorizing over in section four, but I'll just tell you real quick that a memorized report is basically one that you've changed and you've saved. Right now if I close this report and open it back up it'll open right back up to the customer balance detail the way it was originally.

I can print this. You'll notice you can print this as a report or as a PDF. I can also email it. I'll have the same options. I can send it as a report as an Excel file or as a PDF.

Let's talk about Excel for a minute. I've got two options here. I can create a new worksheet or update an existing. If you create a new worksheet you will get a choice to actually send this over to Excel and you can put it in a new workbook or in an existing workbook. You can also update an existing one. That means if I've sent this over once and now we've made some changes in QuickBooks that would affect the report I would update an existing one I had saved. I could also replace one or create a CSV file. I'll create a new one in a new workbook and I'll hit Export down here at the bottom. And now you'll see that Excel has popped up and here's my report. All I'd have to do is save it if I wanted to keep it. Let me go ahead and close that.

You also have an option to hide the header or show the header. And then Refresh just means there's a change that's been made that affects the report. And remember that if you click inside the report anywhere that's another way to refresh the report.

Well that gives you a good idea of how to customize your reports. I want to go now over into section four and show you how to actually go through and memorize those reports.

Video: Memorizing Reports

Cindy: We are actually in module eleven and we're talking about reports. We're all the way down to section four where I want to show you how to memorize a report. A memorized report is basically a report you've taken out of QuickBooks and you've customized it to make it an individual report that works for you. And then you can actually save it and they call that memorizing. And I want to show you how to do that and then how to go back and look at those memorized reports.

I want to start by taking you to Reports on the menu and showing you under the Memorize Reports where this list of reports will be.

First of all if I look at the Memorized Report list these are all the memorized reports in QuickBooks. Notice they're underneath different categories. Now if I close this list and go back to Reports and back to Memorized Reports here are the categories that you just saw. And these are the reports in those categories. You cannot change these categories. If you do not put a report in a category it will just start listing them right down here and it becomes a big mess because nothing is organized. It's to your advantage to actually go ahead and organize them into a category.

Let's go ahead and create a report and we'll put it in one of those categories. I want to actually create a Customer Balance Detail report. That's under Customers & Receivables, Customer Balance Detail.

What I want to do on this report is just single out Tom Allen. I'll go ahead and customize a report. I'll use the Filters option. Look under the filter for the name of Tom Allen. I'll also go to Header and Footer and I'll put Tom Allen in the report title. And then I'll go over to Fonts & Numbers and we'll show the payments in bright red. Let's see what that looks like. Perfect. That's exactly what I wanted.

If I happen to close this report I will lose all of this that I just customized. I would like to save this and I'm going to do that by memorizing.

The way you memorize a report is you click right here on Memorize. The first thing it asks you to do is give your report a name. I'm going to leave Tom Allen. And I'll save it in a memorized group called Customers.

I just want you to make note of this option. If you remember when we were talking about the Report Center and I showed you that there's a tab where you can actually look at other reports that people who joined the Intuit community have created and shared. Well you could share yours as well by checking this box.

I'm going to click OK and now that report is memorized. You cannot tell anywhere on the screen that this is memorized but let's go and check out our reports on the menu to see. If we look under Memorized Reports, let's go to Customers, and there is Tom Allen. So Tom Allen's report is definitely memorized.

Now let's take this one step further. Instead of me having to go to the menu and make three or four clicks there wouldn't it be nice if I could add a button here that says Tom Allen and I click and I pull up this report? Well that is a feature that QuickBooks has. You can use this for any window, not necessarily just reports. If you have the window open that you'd like to make a button for all you do is go up to the View option, notice it now says Add Tom Allen to the icon bar. All I have to do is choose the label, that would be the words that go underneath the button, and a description if I'd like and then I can pick a picture. Once I do that I click OK and now I should have a button for Tom Allen and I do right here.

Let's go ahead and close this and see if it works. I'm going to click Tom Allen and there's my report.

Now one more thing. If you don't want the button at the end you can actually move it around on that icon bar. If you go back to View you do have an option to customize the icon bar. Here you'll see Tom Allen. I can grab the diamond to the left and drag it up wherever I'd like it in the list. If there's something on the list you don't want all you have to do is select it and choose Delete. And notice also you've got these spaces in here. You can actually add what's called a separator between groups of buttons. For example, if you can see there's one right here and there's one right here. That means anything in between those two is a grouping that they think belongs together. And that's really all you have to do. Go ahead and click OK and now that's how you memorize reports.

Well we're going to wrap up module eleven now, which is the reporting module, and let's move over to module twelve and talk about working with sales tax.

Chapter 12 – Working with Sales Tax

Video: Working with Sales Tax – Part 1

Cindy: We have made it all the way down to module twelve and in this particular module I want to talk to you a little bit about how sales tax works.

Typically if you sell physical items in your store you will want to charge sales tax to your customers on those particular items. If it's a service you provide you do not usually charge sales tax. And a good way to think about it is if you purchase the item and you paid sales tax then you would want to charge your customer for that.

The way sales tax works is you always charge the tax for the county in which you delivered the physical items. If you have a storefront and people come to you then you just charge the tax in that particular county. But like I said, if you ship out the items and you ship them all over your state you would need to know for each place that you ship the items what that county's sales tax happens to be. Typically there is a flat rate that everyone pays in the state and then each county the voters vote on the additional taxes. Sometimes those taxes are used for buses, sometimes they're used for road work. Every county is different. You would need to go to your Department of Revenue website and they'll probably have listed there somewhere what the tax rate is per county. Now you could charge the same rate to your customers and you could put it in QuickBooks that way but you really need to break down the taxes individually in QuickBooks so that when you get ready to pay them you know how much to pay and which entity to pay them to and which taxes you're paying for. You're going to be asked all that when you go to actually pay the taxes.

I want to show you in QuickBooks how to go through and set all that up so that QuickBooks will run reports for you and tell you all that information and make life a lot easier for you.

Let me go ahead and start off by showing you where a sales tax would show up when you're actually invoicing a customer. I'm going to create invoices and then what you're going to notice is in the bottom of the screen there there's going to be a place where it asks you which sales tax rate does this particular customer get charged. And that's going to be right down here.

We've got a couple set up for the practice exercise and what I want you to see is that there are sales tax items and those are the individual items I told you that make up the one sales tax rate. Then there's a sales tax group. If you notice you can only put one thing in this field. So the way QuickBooks works is you create all the individual items and then you put them in this group and the group is the one you actually use when you're invoicing your customers. You're going to see as well that we won't have to pick it every time because we can set it up in the customer setup so that QuickBooks knows which tax rate they get charged and it pulls it automatically.

Let me go ahead and close this. I want to show you where the sales tax items are set up.

If you go to Items & Services and you scroll to the bottom of this list you will see all of your sales tax items and your sales tax groups if you have any already set up. And these are the ones we just saw on the dropdown a few moments ago.

You'll notice that the account they go back to is Sales Tax Payable. What that means is that when we go ahead and set up the items we're going to have to forward this money to our state Department of Revenue. So I'll show you how to set that up as well.

The first thing I want to show you how to do is set up a sales tax item. I'm going to start by actually setting up the flat rate that every county in your state would pay. To set up any new item you right click and you choose New. One of your choices on the list where it says Type will be a sales tax item or notice a sales tax group. If you do not see these on your list it means that when you set up your company file you told QuickBooks that you do not charge sales tax. You can actually go turn these back on if you go back to your Preferences and turn on the sales tax option. You're always going to start with sales tax items.

I'm going to set up the state tax because that's like I said the one that everyone in the state would pay. And typically it's somewhere around like 6% or 8%. And I'll go ahead and just set this one up at 6%. Now the description here I don't ever really change that. You don't need to because it's never going to pull the individual sales tax item onto an invoice anyway. So I just leave sales tax for all of these. The tax rate is always a percentage. And then you're going to have to put in the agency or the vendor that you collect this from. Now in some states you set up all these individual taxes and you mail it just to the Department of Revenue and they distribute it. Other places you send it to those different agencies directly. You would need to check with your state to find out how that works in your state.

For the tax agency I'm going to put in the Department of Revenue and then I'm going to go ahead and click OK. And I'll quick add the Department of Revenue since they're not on the vendor list yet. Now you'll see down here your state tax. And notice over here it says it's 6%.

Now let's go ahead and set up a couple of others. I'll go ahead and right click and New. This time I'm going to say it's a sales tax item and I'm going to call this one Local Option. Just because two counties have a name that's the same for their sales tax does not mean that they charge the same rate. So just kind of know that. Let's just say this one is 1% and it's going to go to our Department of Revenue again. And I'll set up one more. And in this particular case I will call it Capital Education. That's another one that's often used in different states. Let's say this one is 1% and it goes to our Department of Revenue again. And I'll click OK. And now you can see I've got all three of those set up. So I've got my 6% for the state, there's Local Option at 1% and the Capital Education at 1%. Now I can see I misspelled this so I'm going to right click and Edit. That's how you'd edit the name of any item. And I'm going to go ahead and fix that and click OK.

Now let me show you how to create a sales tax group. All you have to do is right click anywhere and choose the New option because this is a new group. I can name the group anything I want. I'll just call it in this case Sales Tax. Remember if you have different counties though you'll want to have different names for these.

Here's where you choose the items that go in your group. I'm going to choose Capital Education. It's 1%. On the next line down I'm going to click and I'm going to choose my Local Option and on the next line down after that I'll choose my state tax. And now I've got my 8%. I'll go ahead and click OK and now that's ready to use.

The next thing you have to look at with sales tax is your items can be taxable or not. I mentioned that if you have a service you provide it's nontaxable. And if you have a physical part that you want to sell then it is taxable. Let me give you an example. Let's say I open up labor. I'll just right click and Edit. And you'll notice that right here it says this is a nontaxable item. So even if the customer pays sales tax they will not pay sales tax on labor. Now let's look at another one, a physical part. We'll come down to an inventory part. If I right click on the door frame and look at it then you'll notice this particular one is taxable. Again if it's a physical part you probably do charge sales tax on it. And then I'll click OK.

You're going to have to go through all of your items and tell QuickBooks whether they are taxable or not.

Now the third thing you need to know is that certain customers will be nontaxable. It could be that it's a nonprofit organization. When you look at your customer list you're going to see in the customer setup there's a place where it says is the customer taxable or not. If I go ahead and double click on Sherry Smith down here then you'll see sales tax settings on the left and here's where it says is the customer taxable or not. If they are taxable which item do they get charged tax on? Remember when you're picking your item to pick the group and not the individual items because you want to be able to pull the full tax on to the group. And here it is right down here. And the field that says Resell Number, what this is, is if I sell chairs and then Sherry also sells chairs in her store she can apply to the state for a resell certificate. That means that she does not have to pay sales tax when she buys that chair from me. I would want to keep that resell number on file just in case I get audited.

I'll go ahead and click OK and those are the three things you have to know as far as sales tax is concerned. You have to tell it which taxes to set up, you're going to have to tell it if a customer is taxable or not, and also is an item taxable or not.

Now this does not go back to any prior invoices and charge sales tax. It's only from here on out.

Let me go ahead and close some of these windows and we're going to go ahead and go over into part two and talk a little bit about how to actually invoice your customers and use the sales tax option.

Video: Working with Sales Tax – Part 2

Cindy: We're working in module twelve and we're talking about sales tax. We're on part two now.

You've already gone through and set up your actual taxes themselves, you've already told QuickBooks which customers are taxable or not, and you've also told QuickBooks which items are taxable or not. Now you can start actually invoicing your customers and charging sales tax. I want to show you how to go through and do that correctly and then we're going to talk about how you go through and actually pay those taxes in QuickBooks.

I want to go ahead and go back to my customer that we set up, Tom Allen, and make sure Tom has sales tax attached to his particular account. Let me scroll it to the top of the list here. Here's Tom Allen. I'm going to right click and Edit. And on the tab that says Sales Tax Settings we're going to see that he is taxable. And I want to go ahead and change this to the group that we created so you can see it called Sales Tax. Now I'm going to click OK.

Now remember I said that it does not go back retroactively to any of the prior invoices. It's only anything you create from now on. I'm going to create an invoice for Tom Allen. You're going to see that as soon as we chose his name from the list and we'll go ahead and use the sunroom as the job. I'm not going to pull in any billable cost. So I'll just go ahead and X out of that. But the first thing I want you to notice is it already has the group down here that we put over in his customer setup. So I don't have to change that. You could though if you realized this was wrong or something like that, but it automatically will pull it.

Let's go ahead and pick a couple of items here. I want to pick Blueprints and I want you to notice that I'm going to charge him for two of these and let's say they were \$100 apiece. But notice they're nontaxable because this is a nontaxable item. Now let's say on the next line down that we go ahead and charge him for something that is taxable. How about let's go ahead and pick an appliance and let's just say it is a stove. And we'll say one of these at \$500 and notice that item is taxable. So what you'll notice is that at the bottom here next to Sales Tax it tells me how much tax that I've charged for that particular customer. That's all I have to do. I'm going to click Save & Close.

Now it doesn't matter if you've received the payment yet or made the deposit. As long as you have an invoice in here the sales tax will be showing as money that you will owe to your state. So you would go through the whole month and you would add all that up.

Now sales tax is due by the 20th of the following month. Typically what they'll do is charge you a little penalty if you pay it after the 20th. If you have a company where you don't charge that much sales tax you might be able to talk to your state and get it set up where you can pay it quarterly, but just go ahead and know that if you pay it monthly you'll be good.

The way this is going to work is once it's time to actually pay the sales tax this is what you're going to do. I want you to notice that on your Home screen you have a button right here that says Manage Sales Tax. There's several things you can do here, one being setting up your sales tax

preference. Remember I told you if you didn't see the sales tax item or the group on the dropdown then you would have to go through the preferences to turn it on and they've just got another way for you to do that here.

You've also got some reports. And this one here is the one you want. The Sales Tax Liability report. Think about this. Remember if sales tax is due by the 20th of the following month that means that you're going to be looking at the rate for an entire month. My invoice was dated 12/15. That means I need to be looking at anything from December 1 through December 31 and then when I click down in here you'll see it pop up.

Now typically you're just going to see this portion right here in the middle. This is the one we just set up. So just ignore these. They're in here already for the practice exercise. But when you look across you'll see it tells you the total sales and it's going to tell you how much is the total for Local Option, how much for Capital Education, how much is for the state. It also tells you how much is taxable and how much is nontaxable in these two columns. The rate for each of these, how much tax was collected, and then the sales tax payable as of in this case December 31st. This is the column you want to look at right here, the Tax Collected, because that's what you're going to forward to the state. You don't want to forward more than you actually collected. You might pay a little bit less because you might get a discount for paying it a little bit early. But don't pay attention to this column. It's the column that says Tax Collected.

Most states now make you go online to actually pay these taxes. And when you go online it will ask you how much did you charge for Capital Education. It'll say, "How much did you charge for Local Option?" And it'll actually be asking you for the taxable sales number over here. Then what'll it ask for is how much for the state as a whole. And sometimes depending on what the program is that the state is using they may figure some of this out for you. When you're finished remember look for this number or a little bit less because typically you will get a little discount if you pay on time. And that's how you know what numbers to plug in when you go to actually forward your sales tax.

Now let me go back to the Manage Sales Tax window. After you've gone ahead and forwarded it to the state you'll want to pay your sales tax in QuickBooks. And you will do that by clicking right here, Pay Sales Tax.

What you want to do is make sure you have it coming out of the correct bank account. The check date, we'll just say we were paying this January 3rd. And the taxes that I would show would be through December 31. And then you'll see them pop up down here. You'll want to put in whatever you want in the check number field here and then you'll just go through and check off all the ones that you're going to pay. And you can see it equals my \$40. Now if I'm getting a little discount then I'll want to change these to \$4.98 or whatever it happens to be. And that's all you have to do. When I click OK it's now going to be in the register.

I'm going to flip back to Home and go look and see if it's in there. And you're going to see that it will be set up as a Sales Tax payment. I'm going to go ahead and do a Find for this. I'll use the Go To option. I'm going to search for a payee and I'm going to say the Department of Revenue and let's see what it comes up with. There it is right there. And you'll see that it is a tax payment

and it says Split because there are multiple different line items on that particular payment. And you can see it's \$40 right there. That's how that will get into your checking account.

Now one more thing I want to show you. I'm going to go back to the Chart of Accounts for a second. When you're looking in the Chart of Accounts you will have an account that says Sales Tax Payable and it will actually be an other current liability. You can see that right there. Any time you collect tax on an invoice it will show up here as a balance. And then when you pay it it'll deduct it from that amount.

So that's a little bit about how sales tax works. You want to make sure, like I said, that you have it set up correctly and that way it'll be much easier when you go to actually pay your sales tax.

That's all I've got for sales tax right now. Let's move over to module thirteen and talk a little bit about how payroll works in QuickBooks.

Chapter 13 - Payroll

Video: Overview of Using the QuickBooks Pro Payroll Service

Cindy: We are just starting module thirteen and this is the module where we're going to discuss how payroll works in QuickBooks. What I want to do in this first section is go ahead and give you a quick overview of the QuickBooks payroll service. It is not free. You do have to pay for it. I want to show you what some of the options are and then you can decide which level of service that you would like. Let's flip over to QuickBooks and I will show you real quick some of the different options you have for working with payroll.

The first thing I wanted to point out is that your payroll options are right down here at the bottom. But if you don't see any icons here it's because you told it when you set up your company file that you do not do payroll. To turn it back on you would go back to Edit Preferences and there's a whole section on Payroll & Employees here. Make sure you're under the Company Preferences and make sure you have Full Payroll selected. That way what'll happen is when you click OK all these icons will populate for you.

You still can't actually do your payroll though until you purchase a payroll service. Payroll in QuickBooks is just like hiring any other payroll service. You're going to find that you have to pay them. Each of them will do different things, depending on which service you pay for. Let me go ahead and show you real quick from the Intuit website the different services they provide and then you can decide which one you want before you start actually doing your payroll.

This is a list of the three payroll products they currently have. You can see there's a basic, an enhanced, and a full service. And you can see the prices currently. And these tend to change from time to time. Notice that the first two you can try for free and the other one you have to contact them and then they'll give you some pricing. And that's because it does everything for you and it handles a lot of different employees. But let's talk about basic for a moment.

The basic one is pretty basic. If you only have a couple of employees this may be the one that you want to go for. Basically what'll happen is when it's time to run payroll you'll actually go into QuickBooks, you'll tell the computer that the employee worked 40 hours and it will spit out the deductions for you. It'll also let you write checks to pay your employees or to do direct deposit. You get free customer support. And that's pretty much all you get for that. If you don't sign up with any payroll service what'll happen is your tax tables will not be right. That's why you want to make sure you've signed up with at least one of these. But notice even with the basic it does not do your W-2s at the end of the year, you're still filing your own tax forms.

If you look at the enhanced, if you've got a few more employees I'd say like four, five, six maybe you may want to use this one. You'll notice in addition to what it does for the basic it'll also file the W-2s at the end of the year and do your payroll tax forms.

The full service is the one that does everything for you. The thing about this one is that you are not in control of each individual employee's paycheck. Here's what I mean by that. With these two what'll happen is once you've done your payroll you'll see in your register a paycheck for

each employee. With this one what will happen is once payday occurs you can go in and download into your checkbook register three things. You'll have one check for their fee, one check for the net of the employee's payroll, and one for the net of the taxes. Now you can always go back to reports and see the individual breakdown but that's how it will show up in the register. You decide whichever one you'd like.

Why don't we go ahead and go back over to QuickBooks and I will show you how to start setting up your payroll items so that after that you can start paying your employees.

Video: Working with Payroll Items

Cindy: Now that you've had a quick overview of how the QuickBooks payroll service works and you've decided which subscription you'd like to purchase now you can go ahead and start setting up your payroll items.

Payroll items are things you add to or deduct from an employee's paycheck. You can't really set up the employee and add those items if you don't have the items already set up. That's why we start with the payroll items. Let me show you how to set up payroll items in QuickBooks.

There's not an option on your Home screen to set up payroll items. You'll need to go through the menu to do this. You're going up to Employees and near the bottom you'll see Manage Payroll Items. Notice there are two choices here. You can Add a New Payroll Item or View or Edit the Payroll Item List.

I wanted to view the list because I want to show you the different types of payroll items that you can set up. And the first type you'll notice are what we call yearly salary ones. If someone is salaried you can set up their yearly salary. If they get any sick time for that, vacation time. And then there is the regular employees. They might get a regular hourly wage, they might get an overtime wage, sick and vacation wage. If you give them a bonus you can set that up. Sometimes you have additions to their check. In this case they have a mileage reimbursement. It could be you give you them a cellphone reimbursement or some other type of reimbursement. Then there is the deductions. They've got health insurance but what if you deduct life insurance. Anything else that you would deduct would actually fall under the type deduction. You do have your company contribution, which QuickBooks will set up for you. All the federal tax stuff will be set up for you automatically. And in the process of setting this up it will ask you which state and then it will set up the state ones for you automatically as well. When you go ahead and set up a new item one of the things you have to tell it is which type is this.

We're going to set up a couple of them because there are several different ways you can do this. Let's go ahead and talk about setting up child support as an example of a deduction.

I'm going to right click and choose New. You can choose to set one up using the Easy Setup or the Custom Setup. Let's start with the Easy Setup.

The first thing it wants to know is is this item you're setting up a compensation, an insurance benefit, a retirement benefit? Is it paid time off, like sick time or vacation time? Some other addition or some other deduction? This would be an other deduction and I'll click Next. What's going to happen when this appears here in a moment, it's going to ask me a couple of questions about this particular deduction. And the first thing it asks is, is this a wage garnishment. An example of this would be if it was something that the IRS asks you to withhold out of their paychecks. This is not union dues. It's not a donation to charity so the only other thing it could be is a miscellaneous deduction. And click Next.

Now it's going to ask you who was the payee. This would be when you actually collect the employee's child support and you have to forward it who would you forward it to? Let's say the

city of Charlotte. The next thing it'll ask you is, "Do you have a particular account number with the city of Charlotte?" And if you do you could plug that in there. Do you have a particular payment frequency? Do you have to pay this every week? And if you do what day of the week do you pay it on? Do you pay it every month? And if you do what day of the month would you pay it? Do you pay it quarterly, annually or I don't need a regular schedule for this? I'll pick the bottom one. That's all it asks you to do. You'll notice when I hit Finish it's going to go ahead and set up this deduction. Notice it never asks me what the name of the deduction. So what happens is it puts it in as a miscellaneous deduction like this. If you wanted this to be child support you'd have to right click and Edit this and go in and put in the name of this particular deduction. Then you would click Next and you would go in and fill in any of the other information here it asks. I'm going to go ahead and go to the end real quick because we are going to go through this, but I wanted to show you this one once I have it set up and now you can see it's a particular deduction.

The thing about child support is you may have lots of different entities, depending on where the employee happens to live or the employee has to pay that particular payment. So you may end up setting up several of these.

Let's set up dental insurance and I'll show you how to do any deduction using the Custom Setup. Let's go ahead and click Next and you've seen this. It asks what type of payroll item is this. I'm going to say it's a deduction and I'm going to give this deduction a name. I'm going to call this Dental Insurance. I'm going to click Next, enter the agency to which you pay. I'm going to say this goes to Blue Cross. And if there was a number that identified me to that agency I would plug that in.

Now let's talk about the liability account. Remember that because you actually deduct this from an employee's paycheck you will have to forward it. That makes it a liability to your business. It is a short-term liability. There is one already set up here called Payroll Liabilities but if you look at what they have they've got subaccounts underneath for each one of these. What I would probably do is I would probably go ahead and put a colon at the end of Liabilities and put in Dental Insurance. If you already had this up beforehand it would make it a lot easier. You wouldn't have to set it up here. Because I'm setting it up it's going to ask me what type of deduction is this and I'm going to tell it it's an other current liability. And all I'm going to do is click Save & Close at the bottom and now when I look at this list you will see Dental Insurance is on the list. I could go back later and edit it and plug in my general ledger account number, but let's go ahead and click Next and now it asks what type of tax tracking is this.

If you notice what happens with tax tracking is the type that it determines how it appears on tax forms when you do these. Here's your choices. Is it a compensation? Is it a dependent care FSA? Is it a fringe benefit, a moving expense? And really it's none of these in this case. You can actually go to the bottom of the list and look at the rest of these, but if it's none you just leave it on None and click Next.

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Based on the tax tracking that we chose in the previous screen QuickBooks assumes that it's not subject to any of these. But if it was you could check any of these and then it would know which taxes are affected by this payroll item. I'm going to click Next.

How is this particular one calculated? Is it calculated based on quantity? Is it calculated based on the hours or neither? This would be neither. Is it calculated on gross or net? And then the last thing is, is there a default rate? This means does every employee have to pay 25%? Does every employee have to pay \$100? And if it's different every time you leave it on zero and then you can change it on the employee setup.

If this particular item has an upper limit, meaning that when you get towards the end of the year and you've reached \$600 let's say you shouldn't deduct anymore then that's what you would put here. I'm going to go ahead and hit Finish and now this particular one is set up.

It's going to ask me about a payment schedule. Just to tell you what this is, if you have a lot of employees that are paid monthly let's say and then another group that's paid biweekly you can set up a schedule for those different payroll groups. This is asking do you want to set up one for this payroll item. I'm going to go ahead and just click OK there and then we'll talk about payroll schedules in just a little bit. But you can see now I've got my health insurance set up there and you can see all of the information about it.

That's how you set up payroll items. You'll have quite a few of those to set up initially but once you get them set up then when you go over into the next section and we talk about setting up employees you can set up the payroll items that go with those employees.

Let's go ahead and flip over to section three and I'll show you how to work with the employees.

Video: Working with Employees

Cindy: Now that you know how to set up your payroll items you can go ahead and start working with your employees. You'll need to set up those employees and as you do that you're going to tell QuickBooks which of the payroll items apply to that particular employee. Let's go ahead and flip over to QuickBooks and I'll show you how to go ahead and work with those employees.

The employees are set up in the Employee Center. You're going to click right here where it says Employees to get there.

What you're going to see is the Employee Center is set up just like the Customer Center and the Vendor Center are. The look is the exact same, you have a list over here of all the employees, they're in alphabetical order. The employee you're clicked on you're going to see information about that employee here. There are some reports you can run about this particular employee. And also at the bottom any transactions you have for this employee will be reflected under the Transactions tab. You've got your same To Do's. If there's something you have to take care of related to this particular employee you can right click and create a To Do. You've got a place for any notes. And if you've got any sent email it will be tracked under this tab.

I want to go ahead and take a moment and look at the information you'd have to set up when you're setting up an employee. We'll use Dan Miller as an example. I'm just going to double click Dan Miller which throws me in the edit mode.

The first thing you'll notice is you're looking at the Personal tab and there's information here you can set up for his name, how does he want his checks printed, his social security number, his gender, date of birth, marital status, is this employee a U.S. citizen and the ethnicity. On the right is this person disabled? If they are you can check Yes or No. And put in a description of their disability. Same thing with the I-9 form. Do you have one on file for them? Yes or No? And when does their work authorization expire? And if they're military you can put in Yes or No they are or not and then the status Active or Reserve.

The second tab is our Address & Contact Info and this is pretty self-explanatory. This is where you want to put in their address, their city, state, and zip. You've got fields for their email address, their phone number, fax, and emergency contact info down here.

The Additional Info tab is next. If you give your employees account numbers you have a place to plug that in. And then you should be familiar with these fields because these are the ones that you create. Remember if you'd like to create some additional ones go down to Define Fields and type in that new field you want to create.

Under the Payroll Info tab. Remember I mentioned the payroll schedules. I told you that if you have a group of employees paid monthly and maybe another group paid biweekly you can set those two up as schedules and when you go to actually do payroll it will know which schedule each person belongs in. You can pick that payroll schedule you've created from the dropdown. It will know their frequency based on the payroll schedule. Also if you're using the class feature this might go to a particular class.

Now down here where the earnings are, you can see that this particular employee is salaried and this is his yearly salary. You don't want to put in his paycheck salary. You want to put in his yearly salary. You can say this employee is a regular employee and he gets regular pay of so much an hour and so on and so forth. These are where the additions, deductions, and company contributions come in. There's the health insurance. Remember we set up dental insurance? Well if you need to deduct it you would choose it from this list and you would put in how much you're actually deducting per pay period. If it was child support you would have picked the same thing and put in how much you're deducting per pay period.

The next thing I want you to look at is over here it says Taxes. This is where you're going to tell QuickBooks as far as federal what the filing status is, how many allowances the employee claims, and if they claim any extra withholding. Notice they are subject to all four of these: Medicare, Social Security, Advanced Earned Income Credit, and Federal Unemployment, which is company paid.

For the State tab you can specify the state the employee worked in and the state the subject to withholding. The SUI is State Unemployment Insurance, which is totally company paid. And SDI is State Disability Insurance. Down here you can specify how many allowances and the filing status. If there's any extra withholding you can put it in here. And depending on the state there might be some miscellaneous estimated deductions that may belong in this field.

The Other tab is designed for miscellaneous type deductions that some states may have. California has an employee training tax and you can see that's in here as well. I'm going to click OK and now that will be set up.

Let me talk about sick and vacation for just a moment. If you give your employees sick and vacation time you're going to want to track how much you've given them and how much they've taken. This is where you put in all the availability. You'll notice all of this is for sick time and this is vacation. It has the exact same questions.

The first thing is how many hours were available as of this date? How many have been used? Does the employee accrue this at the beginning of the year, every paycheck or every hour on the paycheck? And how many hours did they accrue? Is there a maximum they can accrue? Do you want to reset these hours every new year? And if so is there a maximum that they can carry over? You can set when the year begins and also begin accrue and sick time on what date. Same exact questions, like I said, for vacation down here at the bottom.

This is how it's going to know how to accrue the time per employee. As far as taking the time that's actually done on their paycheck. So when we talk about paying employees in section four we'll look at that. I'm going to click OK.

Two more tabs on the left. You've got Employment Info. This is going to be the employment dates, the beginning and ending date of their employment. If there a particular adjusted service date? Is there a release date? Here's the Employment Details. Are they a regular employee, an

officer, or an owner? Are they full or part-time? Are they exempt? Are they a key employee? There's some job details over on the right. So if you wanted to put in the title of their job, who their supervisor is, the department they're in, and description of their job then you can certainly set that up.

There's a tab that says Leave of Absence. So if they are going to take a leave of absence you can set the dates for that and when they are expected to return and the actual return. And then some details about the leave. You can also say over here if the leave is paid, Yes or No.

One more tab and that's the Termination tab. You want to put in the last day they worked, the last day of their benefits, and their release date. Here's some details about their termination down here. And also if they get any severance pay over here you can specify Yes or No.

One more tab and that's the Workers Comp tab. If you have an assigned workers comp code you can plug it in here and then that can be used whenever workman's comp comes into play.

That's what you have to tell it when you're actually setting up an employee. I'm going to click OK. The way you would set up a new employee is to click on New Employee from the list up here and you would set it up just like you would when we talked about setting up customers or vendors.

That's what you have to do when you're actually setting up an employee. Now that you know how to set up payroll items and employees let's talk about actually paying these employees when payday comes.

Video: Paying Employees

Cindy: We are working in module thirteen and we've talked a little bit already about how to set up payroll items, we've talked about how to set up those employees. Now you should be good to go when it's time to actually run payroll. Let's talk about going through and actually paying those employees.

When you get ready to run payroll all you need to do is click here where it says Pay Employees and it's going to pop up and ask you a couple of quick things before it actually spits out the checks for you.

The first thing you'll notice up here is that this is where you would see a list of any scheduled payrolls that you have and it would let you know if they're coming up or overdue. You can see in this case they have one that's a biweekly payroll schedule and it's overdue. If I wanted to pay all of these people all I would do is select it and start scheduled payroll. If I don't have any payroll schedules and I'd like to set one up then I would come down here where it says Payroll Schedules and create a new one. When you create a new payroll schedule it's going to ask you what would you like to name the schedule, how often will you pay the employees on the schedule, what is the pay period end date, and what date should appear on the paychecks in this pay period. Once you set all that up you can click OK and it would show up in this list. Obviously if you only have a couple of employees in your organization you really don't need to set this up. This is really for if you have a lot of employees and they have different pay dates. If you're not using the schedules then all you'd need to do is start an unscheduled payroll.

This is a list of all the employees and basically what's going to happen is you're going to end up checking off the ones that you're going to pay. Now let's go over to the top before we do that and look at these options.

The first one is when is the pay period end date? And when is the check date? The next thing is to make sure you have the correct bank account chosen that the money is going to be coming out of. You can also print your paychecks on check stock or you can handwrite an assigned check number, whichever one works for you.

The next thing you want to do is go down the list and check off each employee that's going to get paid. What you're seeing next to each employee is the last time they were paid these were their regular hours. Remember day in day in a salary. If they had any overtime you would see it here, sick or vacation. And then over here you'll see the total hours. If you wanted to look at each person's actual paycheck what it's going to look like these are all three different links. I can click on Dan Miller and this is what Dan's paycheck is going to look like. You can see that it's got his rate right here. We don't need to plug in hours because he's salaried. It could be that you want to associate his salary with a particular customer or job. If that's the case just pick it from the list over here. You can see his sick/vacation availability or if he's accrued any you can see

that as well. Here's all the payroll items that are either added to or deducted from his paycheck. You can see any company paid portions down here. And then this is the employee paid portion. Here's his salary and everything that's deducted out of his check and you can see the net check amount at the bottom.

All you have to do is Save & Close that and that's Dan Miller. Now let's look at Elizabeth Mason for a moment because she's an hourly person.

The last time she was paid she had 80 hours of regular pay. But let's say this time for some reason she has 80 hours plus she has 5 hours of overtime. Again, I can associate those with a particular customer or job if I wanted to do that. If she took any sick time you can specify that here. Or if she took any vacation time you can specify it there. Here's her other payroll items. It looks like she has health insurance deducted. There's the company paid portion and the employee paid portion over on this side. And you can see her net check as well. All I'm going to do is Save & Close here and then you can see now she's got 80 hours of regular and 5 hours of overtime right here. And I would do the same thing for Gregg Schneider.

Once I've looked at all of those all I'm going to do is hit Continue at the bottom and here it just gives me a list of each employee, what their gross pay is, their taxes, their deductions. You can see all the way across. Now all I have to do is create paychecks. Once you do this these checks are in the checkbook register. You'll see here that it asks me if I want to print the paychecks or print the paystubs. I do want to show you what a paystub looks like. I'll just go ahead and preview these. It's just printed on a regular piece of paper and you'll notice that the stub looks just like any other paystub. It'll have each employee's information, it'll have what they started out with, their gross, all the deductions, and then their net pay.

I'm going to go ahead and close that and close this as well. And now once I close this window everything is in the register and if I wanted to go look at it I could. Let me go ahead and click Home for a moment. I'm going to go over to the right and go to the Check Register. And then when I look in the checkbook I'm going to see if those three paychecks are in there and, yes, they are. You can see them right here. There's Dan Miller, there's Elizabeth, and there's Gregg. That's all you have to do. And notice they say Paycheck right here.

I'm going to go back to the Home screen and we've got one more thing we need to talk about before we leave this module and that's actually paying your payroll taxes.

Video: Paying Payroll Taxes

Cindy: We finally made it down to the last section of module thirteen and we've been talking about payroll in this particular module. The last thing you have to do after you pay your employees is pay all those payroll taxes you deducted from their paycheck. Remember that anything you deducted from their check, whether it's the taxes, it's uniforms, you're going to have to forward to the appropriate entity so you want to make sure that you go ahead and do that as quickly as possible. Those are what we call your payroll liabilities. Let's go ahead and switch over to QuickBooks and we'll talk about how you actually pay those.

When you get ready to pay your liabilities just come to this button right here and it's going to show you everything that you need to forward and it's going to go ahead and tell you who to forward it to, when the due date is, and everything you need to know.

What you'll notice at the top of this window is you're now in the area where it says Pay Taxes & Other Liabilities. This is everything that's due, when it's due, you can see the status, the payment, the method, the period, everything about this.

Let's say that you want to pay your health insurance. You're going to click next to Health Insurance and if you want to view the actual check you're going to click right here. Notice it does tell you how much you owe but I'm going to click View or Pay and it's going to have it all filled out in the check form for me. I will need to fill out who I'm making the check payable to right here. And let's say it's Blue Cross. And it has the amount. If I'm not going to pay that amount I'm going to type here what I am going to pay. It's already got everything set up to the correct account or the correct payable liability, whichever one applies. And then this is all you have to do. When you hit Save & Close it's actually going to be in the register and it's deducted from this list right here. Pretty easy to do.

You'll also see a payroll liability payment summary that appears. Right here if you wanted to go ahead and print that check you could select it and at the bottom you can print checks. You can also print the summary. And that's really all you have to do when it comes to printing your payroll liabilities.

I do want to show you that on the bottom part of this screen it has the payroll history, so you can see when you paid some of these different liabilities. There's also some other things at the bottom you might be interested related to payroll. There's some PDFs that are quick guides to payroll. There's also some other activities like if you wanted to adjust your liabilities and then some reports down here you can run as well.

That's pretty much all you need to know about running your payroll. You need to make sure it's setup correctly, then you're going to pay your employees and then pay your taxes and that's all you need to do until the next pay period.

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Well that's going to wrap up module thirteen. Let's go over to module fourteen and I'll talk to you a little bit about the Lead Center.

Chapter 14 – The Lead Center

Video: Working with Leads

Cindy: Okay we've made it down to module fourteen and in this particular module we're going to talk about the Lead Center.

There's only one section in this module and this section is called Working with Leads. I want to show you how you can take potential customers and keep them in QuickBooks and track the different activities you have with them. And then when they become a customer you can actually pull them over into the customer list automatically and that way you don't have to type them in the list. It's pretty neat how this Lead Center works so let's flip over to QuickBooks and I will show you how to use the Lead Center.

There is no icon on the Home screen to get to the Lead Center. You have to actually use the menu at the top. You're going to click on Company and then you'll see Lead Center.

You have the ability to add one lead at a time by using the New Lead option or to import multiple leads at the same time. Possibly they're in an Excel spreadsheet already, that sort of thing. If you do have a list you're able to actually look at a lead contact list, a lead status list, and you can look at converted leads.

I'm going to go ahead and put in a new lead. We'll say the new lead is Sherry Smith and I can tell QuickBooks if her status is Hot, Warm, or Cold. And then you'll see a Company tab and a Contacts tab. Under the Company tab I can go in and put all of the company information in that I'd like. Like the name, address, phone number, etcetera. I'm going to say Smith & Smith Company. I can put in the phone number, the website, the email, additional email. And then you'll see there's a place for locations at the bottom. If this particular company has two different locations I can specify those. I'm going to put in the first location as the Main Street location. And what I can do is come down to the bottom and plug in that information.

You'll notice that if I have a second location I can click Add Another Location. We'll say this is the Mount Pleasant location. When I'm done I'm going to click OK and then you're going to see under the Locations tab each of those locations that you just created. If you want to edit that you would come over and click Edit and that would put you back in this window.

Under the Contacts tab I can go in and put in all of the contacts that are associated with Smith & Smith Company. It assumes the first one is my primary contact and I would just go through and put all the information in. And then I could add another contact if I'd like. I'll go ahead and put in Sherry's name and then I'll click OK. And now if I look under the Contacts tab here is Sherry Smith. She's my primary contact.

You'll notice I can also put in To Do's for this particular lead. If you go to the bottom you'll see a To Do option and if you click the down arrow you'll see a New To Do. I can specify whether it's a phone call, a fax, an email, a meeting, an appointment, or a task, the priority, the due date, and any details. And once I have filled all that in I can click OK and then I will have a new To Do.

I also have a tab where I can put in any notes related to this particular lead. I would click on Add Notes over here on the right to actually add that new note.

Now if this particular lead becomes a customer at some point all I have to do is actually send them over to the customer list. If you're in the lead you'll notice right up here this is the Convert this lead to a customer. And it says, are you sure you want to do this because once you do this and you take them out of the Lead Center you cannot move them back in. I'm going to go ahead and say Yes and then we'll go over and look at the Customer Center and you can see that Sherry Smith is right there. Any of the contact information, To Do's, notes, etcetera you had set up would be in here as well. And that's really all you have to do to work with the Lead Center.

I'm going to go ahead and close this window and let's move over to module fifteen now and talk a little bit about working with mail merges.

Chapter 15 – Mail Merges

Video: Creating a Mail Merge

Cindy: We are working in module fifteen now and in this module we're going to talk about mail merges. Now if you've done mail merges in Microsoft Word before then you'll be very familiar with this because this is a Word feature, but QuickBooks does have the ability to work with Word in order to create these main documents you would need for a mail merge. I'm going to go ahead and go through what a mail merge is to start with just so you'll be really familiar with it and then we'll talk about how to use this in QuickBooks.

Let me just explain what a mail merge actually is. If you have some sort of letter, for example, that you send out to customers on a regular basis would you want to type that letter every single time or would you like QuickBooks to actually pull everyone who met the criteria to be pulled into the letter and then merge it all together for you? That's an example of what a mail merge is. A good example, it would be a collection letter that you send out every Friday. You want QuickBooks to actually pull all the people who meet the criteria into this letter you already have set up which is called a main document. And that's what I want to start with here.

There are three parts to a mail merge. You have what's called a main document. That would be the letter itself. That would be the collection letter, for example. A main document can be a letter, it could be an envelope. After you've actually created the letters you might want to print envelopes with each person's name and address on them to send out. It could be a label. It could be that you want to peel off a sticky label with each individual person's name and address on it. If you're doing this in Word your main documents can also be emails and they can be what's called a directory, which is a listing over and over and over of the same information. Like a name, address, phone number type of list.

Once you have your main document set up then you have to have a data source. That's going to be the information that pulls into the main document. Each person's name, their address, how much they owe you, when their invoice is due, those types of things.

Once you get those two set up then you just merge the two together and you end up with a merged document. Now what makes it easy in QuickBooks is they have a lot of these letters already set up for you. You'll be able to use the ones they have or create your own to put in the list. The data is already in QuickBooks so it's just a matter of telling QuickBooks which data you want and then merging them is super simple. And that's what I want to show you how to do. Let me flip over to QuickBooks and I will show you how the mail merge feature works.

You'll have to go through the menu to access the mail merge feature. If you go up to the top and click on Company, down near the bottom you will see Prepare Letters with Envelopes. You'll notice they have collection letters, they've got customer letters, vendor, employee, and letters to

other names. And you can also customize the letter templates. Let's just start with one they currently have and then in section two we'll look at customizing these. We'll use a collection letter.

Now QuickBooks will always give you this message the first time you do this. So it's basically saying that it has to copy all of these letters into QuickBooks. You just hit Copy, it takes just a minute, and now it's done. You won't have to do that again.

It's going to ask you a few questions, starting with the recipients. It asks you would you like to send a letter to all of your customers or jobs that are active, inactive or both? Would you like to create a letter for each customer or each job? And you can also tell QuickBooks that you want to send a letter to anyone who's 1-30 days past due, 31-60. You can see over here even one day or more. I'm going to click Next and now it gives me a list of the people who meet that criteria. If I'm looking at this list and I say, "You know I know Brian's already paid me" I can uncheck that and it won't merge Brian, but we'll leave it for now. I'm going to click Next and it asks me would I like to create a formal collection, a friendly collection, or a harsh collection. Let's do a harsh. It's not very harsh. I'm going to click Next and then it asks you to put in your name and your title. I'm going to click Next and now it's creating the letter. So now it has to open Microsoft Word and it's actually doing that number three, which is the merged document.

Here's the merged document it just created. What you'll notice is that it's got your company name and address, the date, but I want you to notice that each one of these has the individual customer's name and address and the invoices they owe for. You should end up with one page per record. What that means is if you have two people that have overdue invoices there will be two letters. Let's scroll down and see if we see Glen Lew and we do. There he is.

And that's an example of a merged document. You do not have to save these even though you can if you want to. If this was just totally screwed up you can always close it and go back and redo it.

Now when you go back it's also going to give you a chance to print the letter or the envelope. And if you wanted to do those you would just click Next. If it was an envelope it'll ask you which size and you would just click OK. Here's the envelope ready to go. If you wanted to change some of your envelope options you would just choose a different option and click OK and then you could put your envelope in the printer and just print it out. That's all you have to do.

I'm going to cancel that because I don't want to save this and I'll go ahead and close Word. And now you'll see I'm back to QuickBooks. All I have to do now is hit Finish and it's done until the next time.

Why don't we go ahead and take a peek now over at looking at some of those mail merge main documents and I'll show you how to actually go in and edit some of those or add your own.

Video: Mail Merge Main Documents

Cindy: We're rounding out module fifteen now and this is section two, Mail Merge Main Documents. Now that you know how a mail merge works and you've gone through and created one let's talk a little bit about the mail merge main documents that are already in QuickBooks.

You have the ability to edit those and then save them or you can create your own. Let me show you a little bit about how to work with the mail merge main documents.

Let's go ahead and go back to the menu and click on Company and then go down to Prepare Letters with Envelopes. These are all the categories of templates that you could use and we had actually used a collection letter a few moments ago when we actually did our mail merge. Let's go down this time to the Customize Letter Templates option and see what our choices are.

The first thing we can do is create a brand new letter template from scratch. If we don't have one then we can just go ahead and set one up here. We may already have one in Microsoft Word and we want to convert it to a QuickBooks letter template. We can view or edit the existing ones or organize them. You may have some that you want to get rid of. You might have some you want to rename, just kind of move them around so they'd make more sense to you. Let's go ahead and view or edit existing letter templates and I'll click Next at the bottom.

There are many different types of letter templates. You're familiar with the collection ones because we used the harsh collection earlier. But notice there are customer templates and they have quite a few of these. You'll notice there are invoice ones, estimates, there are some for vendors, employees, and other names as well. Let's use the collection and we'll use the harsh collection and we'll click Next. And now what's happening is it's opening Microsoft Word and it's going to open that particular main document.

Here's the actual main document for the harsh collection. The difference in the main document and a merged document is the main document is the actual letter that gets used over and over. It doesn't have any information in it. It just has mail merge fields from QuickBooks. So you can see, for example, there's Dear Mr. or Mrs. and it'll pull last name and so on and so forth. I want to show you how to edit this.

Let's say for example you don't want to say Dear Mr. or Mrs., you'd rather say Dear first name. All you have to do is drag across those and delete them and then you can insert the first name merge field. Where you find those is if you look up at Word under the tab that says Add-Ins you're going to see Customer Toolbars right here. And these are the QuickBooks fields. Notice these are the ones that have to do with your company and that's where it pulled this information. These are the ones that have to do with customers and vendors in QuickBooks. In this case we happen to be looking for first name. Notice also there are collection info fields here. You can see the one overdue invoices that's used here. That's going to be one from over here. So you pull in as many of these as you like.

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One of the things that makes a mail merge main document seem a little more personal is the use of some of the more personal fields in QuickBooks. For example, unless we hear from you, comma. Let's put in that first name merge field again. And then you'll notice what happens is that the person will think that this letter was sent directly to them.

All you have to do when you get this set up is go ahead and make sure you've saved it and then the next time you open it up it'll have these merge fields in it. That's all you have to do.

I'm going to go ahead and close that and you'll be back in QuickBooks and then all you have to do now is if you want to use that template you can go ahead and use it now or you can go ahead and just Cancel out of that since you've already saved it. And that's really all there is to working with your main documents in QuickBooks.

Well that's going to wrap up module fifteen. Why don't we go to module sixteen and talk about working with budgets?

Chapter 16 - Budgets

Video: Creating a Budget

Cindy: We are all the way down now to module sixteen, which is the module about budgets. This is section one and I want to show you in section one how you can go in and create a budget in QuickBooks. You're going to see that you're going to be able to put in a new budget where you type in all of the numbers for each one of your accounts or you can base your budget on last years profit and loss or balance sheet. Let me go and show you where the budget option is and then how you can create your own budget.

This is another one of those options where you're not going to have an icon on your Home screen. You'll need to go through your menu. You're going to the menu and you're going to click on Company, you will see Planning & Budgeting and then you'll see Setup Budgets.

The first thing you're going to see is the current budget and you can see in this case it's the 2023 through 2024 Profit & Loss by account. If you want to create a new budget all you have to do is come over here where it says Create New Budget. You're going to specify the year and the type you want for the new budget. So it's got the next year already in here and you can set up one for the Profit & Loss or the Balance Sheet. We'll go ahead and set up a Profit & Loss and click Next.

You have the ability if you wanted to add some additional criteria like a customer and job or a class to this but you probably just want to use the no additional criteria so you can get a budget for the whole entire company. I'm going to click Next and here's where it asks if I'd like to create a budget from scratch. this means I will type in all the amounts for every account, or create the budget from the previous years actual data. Now think about it. If it's your first budget then you will have to create one from scratch, but after that you can base it on the last years data and then change the numbers that you want to change. I'm going to go ahead and say Finish and it's going to show me the new budget that I actually just created.

When you look down the list you'll see this is your Profit & Loss and this is all of your accounts. You'll see the annual total next to each one of these and then you'll see the totals for each month. Notice you can't type where the annual total is. That is an automatic calculation done from each month. You would need to go in and change the months if you want the annual to change.

A couple of things you can do. You can change these one at a time. You'll notice that in January it has \$1,000 for this design income but there's nothing for the next few months. And then over in August there's \$2,400. You might decide that you want the same exact amount all the way across. If that's the case this is what you do. I'll put in \$2,000 in January and make sure you're clicked back in January where the \$2,000 is and you'll notice at the very bottom left of your screen it says Copy Across. And if you do that it's filled in \$2,000 for each month. That's a

quick way if you know it's going to be the same throughout all of the months. If you know one month might be different then go ahead and do this and then change that one month. And you would go all the way down the list and do this with every one of these.

You can also down at the bottom adjust your row amounts. So again the row you're in you're going to be able to say start with the first month or currently selected month, meaning the one you're clicked in, and you might increase each one by a percentage. Let's say that you want to increase each one by 10%. You could also decrease each one if you'd like. I'm going to click OK and notice now each month has changed by 10%. So that's a quick way that you can go in and work with each of these line items.

When you're finished you're going to want to hit Save at the bottom and then make sure you click OK and that will take you out of the budget feature. If I go back in and go to Company again, Planning & Budgeting, Setup Budgets, you'll see that now I'm looking at the fiscal year 2024 Profit & Loss by account and this is the one we just saved. That's how easy it is to set up a budget in QuickBooks.

What I'd like to do now is once you have a budget setup you will want to look at some reports for those budgets from time to time to see where you are. Let's go ahead and go over into the second section here and I'll show you some of those budget reports.

Video: Budget Reports

Cindy: We've made it all the way down to module sixteen and we're talking in this module about budgets. We learned how to create a budget over in section one. Now that you know how to create your own budgets you can go in and look at some of the budget reports that will help you determine if you need to increase or decrease in certain areas or if you're on track. Let's go ahead and talk a little bit about those different budget reports.

Let's go ahead and use the reports on the menu this time. We're going to go up here and click on Reports and we'll come down to where it says Budgets. You've got four different ones available in here and let's start with a Budget Overview.

When you run the Budget Overview report it's going to say select the budget to use when generating the report and you want a Profit & Loss because you created a Profit & Loss budget. We'll click Next. It asks us if we want to look at this by the month and we'll go ahead and say Next. And then it says Finish.

Now when we pull up this report what you're going to see is that it's going to have each month of your budget all the way across and then you can see the amounts that you had set for each one of these categories. Notice you're also looking at this on accrual basis. You could look at this on a cash basis if you'd rather. And the other thing to just kind of notice about this is you have some filter options available. If I click on Show Filters you're going to see that right now I'm looking at all the income and expense accounts and that's pretty much what's on a Profit & Loss. And also I can look at this by date. Currently it's got a custom date of January through December of 2024. And just like any report you can go up and actually change the dates to show the fiscal year, everything, the fiscal quarter. There's just all kinds of date options here.

Also if you come over where it says Show Columns you're showing it by the month right now. But look how you can also see it by the quarter if you prefer or you can see it by the half month, the two week period, the year, any way you'd like to look at this particular report.

Let me go ahead and close this one and let's look at the next one. I'm going back to Reports, I'm going back to Budgets, and now I'm going to look at a Budget vs. Actual. And this is going to be a great report. I want to look at it by fiscal year 2024 and I'll see it by month and then I'll click Finish. And in this particular report we're going to be able to see each month of our budget and we're going to see what the dollar amount is that we're over or under and the percentage. Isn't that really cool that you're going to be able to see where you are at any given point throughout your budget? That one is going to be very, very helpful for you to let you know when you create the next budget what the numbers should be.

I'm going to close that one and let's go back to Reports. We're going to look at Budgets again and let's look at a Profit & Loss Budget Performance report.

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We're going to choose the same options and when this particular one pops up I want you to notice that it's actually showing you December of 2024 and here's the budget amount and then notice it shows the January through December as a total and then the total year to date budget and then the annual budget over here. So it's the same information just showed a little bit differently. But it's very handy to kind of see it like this.

Alright let me close that one and there's one more. I'm going back to Reports, Budgets, and then we're going to look at a graph this time, a Budget vs. Actual Graph.

When you look at this particular graph you're going to see that some of the months are under the line, meaning that they're either zero or there's a negative number there, and then some are above the line. And you can see each month here that way.

You're also going to see down here the difference. So this one up here is your actual by month and this one here is going to be your budget difference. And you'll see January through December of 2023. So you can see that you've got some great reports to help you out with all of your budgets that you've set up.

Well that's all I wanted to show you about budgets. I'm going to go ahead and close this out and let's go over into module seventeen and we're going to look at some odd and end other little features that QuickBooks has.

Chapter 17 – Other QuickBooks Features

Video: Searching in QuickBooks

Cindy: Well we're all the way down now to module seventeen and in this particular module I want to talk to you about some of the other features that QuickBooks has that are really handy when you need them.

We're going to start now in section one and talk a little bit about searching in QuickBooks. You're always going to be looking for something, whether it's an amount of money, maybe it's a customer invoice. There are different ways to look for the different things that you need in QuickBooks. Let's go ahead and flip over and I will show you how to use some of these different search features.

Let's go ahead and start off with a generic search field that QuickBooks has right here on your Home screen. If you look in the upper right hand corner you will see a blank box that you can type anything in you'd like, whether it's a name, an amount of money. I'm going to put in Smith and you can hit the Enter key or come over here and click on this magnifying glass and it's going to search all of QuickBooks for anything pertaining to the word Smith. I'm going to go ahead and maximize the window so you can see it a little bit better here.

The first thing you'll see is that there were 12 results that ended up being transactions and three that ended up being customers. If you notice here these are all the transactions that have the word Smith somewhere in there. If I open up this one, for example, you don't see Smith currently on the screen but if I open that up you're going to find that Smith is right here in the customer and job field.

The next thing you'll notice is that it said there were three customers that have the word Smith. I'm going to click Customers and there are the three with the word Smith.

When you're looking for an amount of money you can enter that right here. If you leave this on Exactly it would have to find anything for exactly that amount of money. Let's say we're looking for \$25. I'll just hit Go and you can see there were no search results for \$25. But what if I came in and said anything greater than \$25 and click on Go? And now you'll see a lot of different things will appear because there's a lot of things greater than \$25.

You could also look for a particular date range if you like. You would just type in the start date and the end date and then you'd search from there and you'd be looking for anything in that date range.

That's how that particular search box is going to work. Let me go ahead and close it and show you some other ways to search in QuickBooks.

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If you go up to Edit on your menu you will see a Find and a Search option right here. I'm going to start with Find. And you'll notice when it appears you have a Simple tab and an Advanced tab. And you can use either one of these. The Simple tab lets you look for different transaction types. If I wanted to look for any bills, for example, and I could keep narrowing the search a little bit by adding a vendor name, maybe a date range, a reference number, an amount. And basically what will happen is once you go ahead and put in your criteria you'll come way over to the right and click on Find and anything in QuickBooks that met that criteria will appear down here in the bottom.

Let's go ahead and reset this and look at the Advanced tab.

The Advanced tab gives you a little bit more flexibility because you've got different filters you can apply. If you were looking for a particular name, for example, you could come down and find the word Name in the list and a name could be a vendor, a customer, any name in QuickBooks. Let's say I'm looking for anything for Tom Allen. I would go over and hit the Find button on the right and now I see everything for Tom Allen. Now you can add additional filters to the list if you want.

The other thing you can do is if you have this list you can come over here where it says Go To and you can actually go to that particular transaction that you're clicked on. You could have also double clicked to go to that transaction.

You can also put this in a report format if you like. You can see now it's just a report on Tom Allen.

The last thing you have the ability to do is export this list and you have the ability to export it over to Excel if you would like. It will ask you would you like to put this in a new worksheet, an existing worksheet, or in a new workbook. You can update an existing worksheet and basically what this would do is if you have already sent this over once and now the data in QuickBooks has changed you can update that existing one or replace it. You could also create a CSV file with this if you prefer. It's really that easy to search in QuickBooks.

Why don't we go ahead now and go over to section two and talk a little bit about reminders and alerts?

Video: Reminders and Alerts

Cindy: QuickBooks does have a feature where it will remind you of certain things and also alert you when that date and time come so that you have to take care of these particular items. I want to go in and show you in the Preferences how to make sure all this is turned on and then I'll show you how to use those reminders and alerts.

The first thing you want to do is go up to your Preferences under Edit on the menu and make sure that your Reminders window is actually turned on. I'm going to click on Reminders here on the left and you'll see under the My Preferences tab there's a checkbox, Show Reminders list when opening the company file. That means that when I close the company file, open it back up I'm going to have a white window that appears that will give me some reminders and the information it's going to show me is under the Company Preferences tab.

You can see when you look down the list here checks to print, there's paychecks, if you want it to show you overdue invoices, bills you have to pay, you can see the list there. It will remind you about all of these.

The thing about this column where it says Show Summary, that means it's only going to show you a total of those checks to print or it will show you have three checks to print. And what you might want to do is see the whole list instead of just a summary. And that's where this column comes in. Instead of just saying there are three checks to print it's going to show each one of those checks.

You can also go over to the Don't remind me column and tell QuickBooks not to remind you of certain things that you don't necessarily need to be reminded of.

You'll notice also for each of these that you can go through and specify how many dates ahead of time you would like QuickBooks to remind you. For example, if you said tell me about the checks I need to print but tell me five days before the check date, that way you're not waiting until that day to print those.

I'm going to go ahead and click OK and I want to show you what this looks like.

I'm going to close the company file. I'll click on File, Close Company. I'm going to open the company file back up. I'm going to click OK here. And now you'll see that I see my Home screen but now the Reminders window has popped up here.

You'll see that it does tell me things that I have to take care of. I have three To Do notes. You can see those listed right there. I actually have inventory to reorder. You'll see one right there. If I have any purchase orders to print you'll see those.

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Now I'm going to go over here to this plus sign and what that's going to do is let me add a To Do right from here. It might be something that I forgot to set up a To Do for and I've remembered to do it and I can set it up right here.

Also you'll see the little gear in the top right hand corner. That takes you back to the Preferences if you wanted to change one of these options here that we just talked about.

That's really all there is to the reminders. It's a great little feature if you decide you need to be reminded about things.

Let's go ahead now and go over into section three and talk a little bit about using the QuickBooks Calendar.

Video: Using the QuickBooks Calendar

Cindy: QuickBooks has a built-in calendar feature that you can use. You can actually use the calendar to see if you have any bills that are due that particular day, maybe you have some invoices, some To Do's, anything that would happen around a particular date and time you can look at on the calendar. Let me go ahead and show you how the QuickBooks Calendar works.

To get to the Calendar option in QuickBooks you just want to be on the Home screen and if you notice over in this Company grouping that there's a Calendar option right here.

You'll notice that you're looking at the current month but you have the ability to change that by using these arrow keys that go left or right. Any time you want to go back to today you just click Today and it'll take you back to that particular date. The day that you're clicked on actually will be colored in green like you see here. And you'll also see next to the word Entered in this case it says 50. That means there are 50 transactions entered on this particular date. When you look down here at the bottom you'll see there are six bills as an example. You will see that there are 15 bill payments. And if I scroll down the list you'll see there were some checks, some credit card charges. You'll see all the actual transactions that were entered today.

If I look at this one, for example, there's only one transaction entered. Or this one has seven. If you don't want to see each individual transaction you can click the arrow that points down and you will see just that heading and then you'll see the number of the transactions at the end that pertain to that particular heading.

Back up at the top I can look at this in a monthly view, which is what I'm looking at right now. Next to that is the weekly view. And then next to that is the daily view. And again I can see the transactions entered on each of those dates. I can also go over and select a particular date if that's what I wanted to do and still see it in this view that I've chosen. Let me go back to the monthly view.

The other thing you're going to notice is over on the right side of the screen you're going to be able to see anything that's coming up in the next seven days up in this section and anything that's past due 60 days in this section. If you don't want to see this use the arrow right here to collapse and then you can see just the calendar.

If you're on a particular day and you'd like to enter a To Do all you have to do is choose this Add To Do option right here and enter whatever that particular To Do is. Once you've entered it and you click OK it will show up on the calendar on the particular date you were clicked on or if you had changed the date in the To Do it would show up on that date.

That's really all there is to working with the calendar that QuickBooks has.

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Let's go ahead and wrap up this section and let's move on to section four and talk a little bit about how to memorize transactions in QuickBooks.

Video: Memorizing Transactions

Cindy: We are all the way down in module seventeen and I want to talk to you in section four here a little bit about memorizing transactions. We've seen this button a lot in various windows that we've been in and basically memorizing a transaction is basically taking a transaction that happens on a regular basis and having QuickBooks memorize it so that you don't have to enter it manually every single time. A good example might be a car payment that's deducted automatically from your bank account at the same time every month. Let me go through and show you how to memorize transactions in QuickBooks.

There are lots of different types transactions in QuickBooks that can be memorized. I just mentioned earlier a car payment which is a great example. Another good example would be let's say you have rental property. You could create invoices every month for your tenants. Now you wouldn't necessarily send these out but you need them in QuickBooks so that you know who's paid, who hasn't paid, if they're over 30 days, that sort of thing. And that's something you wouldn't want to have to manually enter every single month so you could memorize those invoices.

Let me take a minute and show you where all the memorized transactions kind of live in QuickBooks and then we'll go through and create one.

If you go up to your menu and click on List, down near the bottom you'll see Memorize Transaction List. Here you'll see three different ones that have already been set up. You can see the name of the transaction, what type of transaction it is, the source account, the amount of the transaction, the frequency, does it automatically enter in QuickBooks, and when is the next date that it happens. Now this is just the list of the memorizations. So at any time you can right click and actually delete one of these if you're clicked on it like this. You can edit one. And you can also work with a group. An example of a group might be let's say you have four or five different car payments and they're all deducted at the same time every single month. You could actually set them all up as separate transactions and then group them into a group called Car Payments.

Let's go ahead and go back to the Home screen and we're actually going to set one up so you can see how this works. Let's go over to the Write Checks window and we'll set up a car payment.

The first thing you'll want to do is make sure you have the correct bank account chosen from the list here and then you'll want to fill in your check. I'm going to go ahead and just put EFT here for the number and I'm going to put in the date of the transaction. I'll put in the payee. We'll say Bank of Any City. And then the total amount of the payment. I might fill in a memo and then I'll come down to the expenses here and fill in how much is principle and how much is interest. So we'll say it's \$150 there and \$350 here.

You want to make sure the entire check is filled out the way you want it because when it memorizes it it's going to memorize it this exact way. Here's where you go to memorize. Right

here on your Main tab you'll see this Memorize button. When you click on it it asks you to give your memorization a name. You'll notice that it pulled in my Bank of Any City but I'm going to call it Car Payment. I can have QuickBooks add it to my reminders list. I might say don't remind me or automate the entry. That's probably the best thing in a case like this. It's just automatically there.

Notice I can't add to a group because I don't have any groups set up to even select. How often does this happen? We're going to say it happens monthly. And the next date, now this one happens on 12/31. That means the next one is January 31. Number remaining. If you knew you only had six payments left then it would not enter the seventh one. But if you have a lot of them left and you don't want to bother to count them just go ahead and leave this blank. Days in advance to enter. I'd probably leave this on zero, but in the example of the invoices that go out to tenants I'd probably put this in five days ahead of time just so that if someone pays you early you have something to apply it to. I'm going to click OK and now it's memorized. There is nothing on this screen that tells you that. Okay? I'm going to Save & Close and then we'll go back to our list and we'll look and see if it's in the list. And it is. You can see it right here.

Now one thing that might be very beneficial to you if you're entering lets say like a years' worth of these. One thing you can do is you can come up here and double click on your car payment and you'll notice it's automatically dated for the next month. If that's what you wanted all you do is Save & Close and go ahead and do the next one. That'll save you a lot of time doing it that way.

That's how your memorize transactions are going to work.

What I want to do now is have you flip over to section five and we'll talk about importing lists into new company files.

Video: Importing Lists into a New Company File

Cindy: We're working in module seventeen and we're all the way down now to section five, Importing Lists into New Company Files. One of the things that will happen to you is you will work in your company file for several years and then it's going to get where you have a lot of duplicate information, things that are wrong, and you just need to start a new company file fresh in the new year. Instead of actually retyping all of your lists, like your Chart of Accounts, your customers, your vendors, your items, you can actually export them from your old company and import them into the new company. When you do that you don't lose any of the information in the old company. It's still there. And the information in the new company will all come over with zero balances. So it's a great time to delete things you want to get rid of, merge items, things like that. It's very easy to do. I'm going to show you how to export from the old one and import into your new one.

What we want to do is click on File on the menu, come down to Utilities, Export, and you want to export List to IIF Files. These are the different types of lists that are in QuickBooks. You want to check off the ones that you'd like to export and then click OK. You do want to give your file a name. I would just call it something like Export, for example, something that you can just find real quick. I'd probably put it on my desktop and then hit Save. Now it says my data has been exported successfully.

I can now close this company file. So I'll just go to File and close the company and then the next thing we'll do is go ahead and create our new company. All we're going to do is click here, create a new company. This time I want you to do something a little differently. If you remember way back in the beginning when we first started our company file I told you to go through this Advanced Setup here that takes you into the Easy Step Interview. I don't want to do it this time. I want to use Start Setup. I'll show you why here in a second.

If it asks you to enter your email address you can just skip that. Let's put the business name in. We'll say the new business is CSM. And then here's the key to the entire thing is picking your industry. What I want you to do is come over here where it says Help me choose and in this list of industries on the left I want you to choose Other or None and then click OK. Let me tell you why we're doing this.

If you had gone through the Easy Step Interview based on how you answered all the questions it would have created a generic Chart of Accounts for you. That's one of the lists that we just exported and we want to import into the new company. If you have anything in the list in the new company when you set it up you can't import that list from the old company.

I'm going to go ahead and choose my business type. I'll just Other or None and I'll say Create the company. Now it's going to take just a second to create it but once we get the new company created we're going to go ahead and then try to import that list.

Any windows that pop up like this if you want to just click Start Working or just X out of them that's okay. Now let's go look at some of these lists before we get started. Let's look at the customers. You're going to see there are no customers, which is good. Let's go look at our vendors. You should see there's no vendors. And that's good. And let's look at our Chart of Accounts for a second. Now one thing I will tell you, in the Chart of Accounts there are a few that it sets up automatically and it has to have these. So these are okay, but if you see anything else then you might have a problem.

So here's what I want to do. I'm going to go ahead and just close that. I want to go back to File, I want to go to Utilities, Import, and we're going to import IIF Files. QuickBooks does have to close all the windows to import it. That's okay. And we're going to look for that export list that we put on our desktop earlier. I'll just go down to my desktop, I'll make sure I pick Export and I'll click Open at the bottom. And now it's going to be importing my IIF file. Now actually QuickBooks has imported all of this information. Let's go back and see if we have this. Let's go to our Home screen. We'll check on our customers. And there you see all of your customers. Let's go see if our Chart of Accounts is here. I'm going to click on my Chart of Accounts and there's my list. So you can see that QuickBooks actually imported all of my lists for me.

That's all there is to importing your existing list from another company into a new company.

Let's go ahead and go now over to section six and we'll talk about vehicle mileage.

Video: Vehicle Mileage

Cindy: Welcome back. We are working in module seventeen and we're talking in this module about the other QuickBooks features. We're all the way down to section six now and I want to show you how QuickBooks tracks vehicle mileage. You're going to want to tell QuickBooks which vehicle you were driving, the start and end date of your trip, and also the mileage for that particular trip. I want to show you where this is because you wouldn't know unless you were actually looking for it where to find this particular feature.

You're going to find the vehicle mileage option on the menu under Company and it will say down near the bottom Enter Vehicle Mileage.

The first thing you'll want to do is tell QuickBooks which vehicle it is that you were driving and then put the start and end date of your trip. You can type in the odometer start if you want and you can also put in the odometer end and what will happen is it will actually tell you the total miles. If this particular trip was pertaining to a particular customer and job you can specify that from the dropdown list. If it's related to a particular item you'll want to actually pick that from the item list. If you're using the class feature you'll want to use that from that particular list. And notice there's a place now for any notes you might want to put in regarding this particular trip.

Now some other things you'll want to do is up at the top there's your Next and Previous. You know how to get back and forth. There's your spellcheck. Here's where you set up the vehicle list. If you need to actually add a vehicle to this list just right click and choose New and then you'll be able to add the vehicle right here and a description, if you need to.

The other thing you can do in this list is edit a vehicle or delete a vehicle. Remember if you've ever used a vehicle even once you won't be able to delete it. You'll have to make it inactive from your list.

When I go back you'll notice the other option is to work with the mileage rates. You have the ability to come in here and find out what the IRS standard mileage rates are at the particular time that you're entering this and then you can go and set the effective date and what the rate happens to be. You can also delete one of these entries if you have an old rate in here and that sort of thing. I'm going to close that.

And then you have some mileage reports right here. Notice you can run a mileage by vehicle summary or detail and you could do a mileage by job summary or detail. And that's how the mileage is going to work.

I'm going to hit Save & Close and now I want to move over into section seven and talk about how to backup company files.

Video: Backing Up Company Files

Cindy: It's going to be very, very, very important if you're using the desktop version of QuickBooks to back up your company files. And the reason is because what's going to happen is if you come in one day and your data file won't open or it's corrupt you need some backup to go to to get to that particular data file. One of the things people ask me often is, "How do I know when to back up and how many backups should I have? And where should I back up?" Well first of all don't back up onto your computer's hard drive. That defeats the whole purpose. If the computer goes down you need a backup that's not on your computer that you can go get. The second thing is just come up with some system that works for you. If you want to do it every Friday that works great. The other thing is if you did a lot of work in one day you may want to back up that one day. Just always think about if you had to go back and use that backup how far back would you want to go and reenter all that data? I would actually keep this information on a flash drive or external hard drive or maybe in the Cloud somewhere, which is where everything is going now. Just keep it somewhere other than your computer. Let me go ahead and show you how to go in and backup those company files.

You're going to go up to File on your menu and then you'll see an option that says Backup Company. You're going to have several options here and you'll notice the first one is to create a local backup and that's the one I want you to think about choosing.

When you choose a local backup you can actually tell QuickBooks would you like to have an online backup and that's one that QuickBooks will do it for you automatically but there is a fee for it. It's similar to like Carbonite where they'll back up your computer for a fee every month. The local backup is where you decide if you want to put it on a flash drive or a CD or external hard drive, that sort of thing. So I'd pick the local backup and then click Next.

Here is where you browse and tell QuickBooks where to actually save the backup file. This is where you pick your flash drive and so forth. Right now we'll also add the date and time of the backup to the file name and that's a good thing. You want to leave that. And it will limit the number of backup copies in this folder to three. You don't need more than three of these. I would however have more than one because if the latest one didn't work you could always go to the one right before that. But there's no need to have 15 of these sitting around.

Also when you close your company file every fourth time right now, and you can change this, but it's going to tell you, "Hey, you need to backup your company file." Even if you just backed it up and you closed QuickBooks if it's the fourth time it will ask you that.

The other thing you can do is if you want to have QuickBooks verify the data is okay and it's not corrupted when you save it you can pick one of these options here. You probably want to do the complete verification because that way it looks at everything.

Now let me cancel that and I want to go back and show you a couple of other things.

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I'm going back to File and I'm going back to this option that says Create a Copy. There's several options here you'll want to know about. Here's another way to get to the backup copy. But I want to show you what a portable company file is.

If you intend to email your file to someone then you might want to make the file as small as possible. You can create a compact version of it. And that way you can email it if you need to move it, temporarily, from one computer to another. It makes life a lot easier. The only thing you need to know about this is that there have been reports from time to time about losing some of the data when you do that. Now I personally have not had any problems with it but just know that.

The third thing is I want you to know that you can create an accountant's copy. If you have an accountant you can actually create this accountant's copy and send it to your accountant and that way your accountant can work in QuickBooks and you can keep working in yours and then when the accountant has made some adjustments to it he can send it back to you and then you can actually merge those two together. That's a nice little feature if your accountant needs to have it.

That's really all I wanted to show you about backing up your company files. Just make sure you do it on a regular basis because you'll be really glad when you do need it that you have those backups.

Let's go ahead and go to section eight now and talk a little bit about the QuickBooks PC to MAC conversion.

Video: QuickBooks PC to MAC or Online Conversion

Cindy: You may decide at some point that you actually started QuickBooks on a PC and now you'd like to actually take that company file and move it to a MAC. In order for that to actually work you would have to have two things. You would have to have a MAC version of QuickBooks already loaded on that computer and then you'd have to take the PC version and convert the data file to a MAC version in order to load it on that machine. Something else that you might decide to do is go from the desktop version of QuickBooks to the online version. Either of those options you'll need to actually convert the data file to either MAC or online versions and I want to show you where to go and how to do that.

You're going to find those options under the File menu and then down to Utilities and then you'll see Copy Company File for QuickBooks for MAC or Copy Company File for QuickBooks Online. I'm going to choose the MAC version and basically what it's going to tell me is it thinks I'm working on the PC version and it says it looks like QuickBooks for Windows might be a better fit for your company. Well obviously it would be because I'm on a PC. I'm going to go ahead and say Yes because it asks if I want to continue. And it also says that it has to close all of the windows in QuickBooks in order to make this conversion. I'm going to click OK there and you'll see it's closing all the windows.

Now all you need to do is make sure you tell QuickBooks where you want to save the file and then give it a name down here at the bottom. And then you would go ahead and save it. And that's really all you need to do.

When you go over into the MAC version you'll just do what's called a Restore option and restore that company file there.

That's all there is to it.

Let's go ahead and move over into the last section here in module seventeen and that section is section nine, the Canadian Version of QuickBooks.

Video: Canadian Version

Cindy: Okay we're going to wrap up this particular module with section nine. I want to talk to you for just a minute about the Canadian version of QuickBooks.

It's very important that you recognize that if you actually have a Canadian version of QuickBooks and you have a data file you've already set up you cannot transfer that to the U.S. version. You have to actually have the right data file in the right version of QuickBooks.

The other thing is that in the U.S. version we have sales tax that we deal with. Well in the Canadian version they actually deal with the VAT tax. So that's another thing that'd be a little different there between the two. But just know that you can't take the data files back and forth. You would actually have to buy the U.S. version if you wanted to use the U.S. data file or the Canadian version if you wanted to use the Canadian data file.

That's going to wrap up this particular module.

We've only got one more little video to look at and that's basically the wrap up in module eighteen. So why don't you head on over there and let me just close and tell you a little bit about what I want you to do and then we will be done.

Chapter 18 – Course Conclusion

Video: Conclusion

Cindy: Hey it's Cindy again. I wanted to take a few minutes in this conclusion and just kind of wrap things up here. We spent a lot of time in the first several modules going through some setup and that's very, very important because you want to make sure your QuickBooks files is set up correctly before you get started. Trust me it would make life a lot easier for you. Your reports would be more accurate, you'll actually have a lot less work to do because things will be set up already and you can get going.

If you have any questions on anything we talked about in these videos feel free to shoot us an email and let us know. We'll be more than happy to get back with you and go back over something if you don't understand it or if you have questions, that sort of thing.

I look forward to working with you next year when QuickBooks 2020 comes out. In the mean time have a great day and thank you for watching these videos.