

Learn QuickBooks Pro 2020



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Module 1 – Intro

Video: Welcome and Overview

Cindy: Hi there. Welcome to QuickBooks Pro 2020. My name is Cindy McGuckin and I'm going to be here to help walk you through this series of videos. I wanted to go ahead and film this welcome video real quick just to make sure that you knew what to expect as you go through this series. I've actually been teaching QuickBooks for about 20 years now and I find QuickBooks to be a really user friendly software program. I want to make it really easy for you as you go through these so I'm going to go ahead and break these down in very simple terms.

I'm going to start at the very beginning. I'm not going to assume you know anything. And that way you'll have a good foundation as you move through to the next video. Make sure you watch these in order so that it will make sense. And if you've been using QuickBooks for a while and you just want to see some of the new features you can go ahead and skip over to section four if you have a PC or section five if you happen to have a MAC.

Once we get through the module one, which is the intro module, we'll actually go into module two and actually get started setting up your company file. Go ahead and make sure you have pen and paper so you can take some notes, and like I said watch these in order and if you have questions as you go along feel free to shoot us an email and let us know and we'll get right back to you.

Let's go ahead and jump right in to section two and I want to talk to you a little bit about the desktop version versus the online version.

Video: QB Desktop vs. Online Version

Cindy: Intuit offers both a desktop version of QuickBooks and an online version. I wanted to take a few moments and tell you a little bit about each one. That way you can make an informed decision when you get ready to decide which one you'd like to use. Let's start with the desktop version.

Every year in September they come out with the next version. Usually it's the first or second week in September. Currently they're on the 2020 version. They only support three versions back. Right now they're supporting 2019 and 2018. That means if you have a previous version it will still work but you won't get any of the updates, maybe they have a patch that they want to send out, maybe you're signed up with the Intuit payroll service, you wouldn't get updates. So you want to think about at least upgrading to the current version every third year.

They do make a MAC version as well. There's also a U.S. version and a Canadian version of QuickBooks. We're going to be using the desktop U.S. version for these videos.

Now let's take a minute and talk about the online version. This is subscription based. That means that you will have to sign up for a monthly subscription and pay that fee every month. And they've got several different ones you can choose from. The advantage to having the online subscription is that you can access your QuickBooks file from anywhere in the whole wide world. If you happen to have a virtual assistant then they could have a login, you could access it when you go on vacation. It's really a nice little feature in that respect.

If you don't need that I always suggest you go back to the desktop version because it's a lot more user friendly, it's got a lot more options than the online version has. But I do want to take you to the Intuit website where you can compare some of the subscription pricing and see what's available. Give me just a second and I'll pull it up.

This is a comparison of all of the online subscription services that they have to offer. If you want to see this screen just do a quick Google search. You can type in the Search box QuickBooks Online Comparisons and this will be one of the links that you can choose.

I want to go ahead and talk to you a little bit about each one of these. That way you'll know what each one has to offer. And notice that you can try any of these for free for the first 30 days. You may want to start there. But these are the monthly prices they have right now and you'll notice they're all 50% off for the first three months. So that price is going to increase.

Let's start with the Simple Start. This is designed for the person who's just starting their business. You really don't have a lot of expenses yet or you don't have a lot of customers yet, that sort of thing. You can see that it allows you to have one user that can log in. It will track your income and expenses, your mileage. You can go ahead and invoice customers once you start getting some new customers. You can actually run some really basic reports. You can

actually do sales tax, 1099 contractors, but some things you can't do that I feel are really important and one of them is managing your bills. The bills are the things that you have to pay monthly that may come in the mail or they may be automatic payments but they're still bills that you owe and you need a way to track those. I suggest you at least move up to the next one called Essentials where you can manage your bills and track your time.

Now you'll notice that this one does not do inventory. If inventory is something you need then you'll need to move up to the Plus subscription, which is the most popular one. And you can see here that it includes your inventory and you can track what they call Job or Project Profitability.

You'll notice that the last one, the Advanced one, this is actually designed to do everything in QuickBooks and the one thing I want to point out for all of these is you'll notice this one allows you have up to 25 users. That means there are 25 people that can have their own username and password and actually login. Whereas this one allows you up to five, this one up to three, and this one up to one. Most people don't need more than three to five. I do actually suggest most people start with this one and then upgrade later if you need to.

The other thing I wanted to mention is you do have this full service Live Bookkeeping over here and you can see it says it starts at \$235 a month. This is really a great feature for someone who wants to be out in the field or needs to be on the road and they need someone else do their books for them. This is just like hiring a bookkeeper.

The neat thing about this is that both you and this bookkeeper can actually talk live and you can also both be in your company file at the same time while you're discussing what's going on with your books.

Those are going to be your options right there for signing up for one of the different subscriptions for the QuickBooks online.

One other thing I wanted to mention is if you currently have the desktop version and you wanted to actually take your data and move it up to the online version you can do that fairly easily. However, if you decide you'd like to go the other way, maybe you start with the online version and you really don't like it and you want to go back to the desktop version Intuit will have to get involved and they'll have to actually go ahead and back up your file for you and then they'll help you actually restore it back to your desktop version.

That's pretty much all I wanted to tell you about the two different versions of QuickBooks, the desktop and online. I do want to move into section three and talk to you about the different versions of the desktop version of QuickBooks because there's several different choices you'll have when you go to make your purchase. Let's go ahead and flip over to section three.

Video: Desktop Versions Explained

Cindy: There are several different versions of QuickBooks desktop and I want to go through a broad level of all three of these just to give you a little bit of information so that when you're out to make your purchase then you'll know which one works best for your company. Let me just head over to Intuit's website. I want to show you a QuickBooks desktop comparison and we'll go through some of the options.

If you've decided you want to go with the desktop version of QuickBooks you need to know that there are three basic tiers of levels for the desktop version. If you go to QuickBooks.Intuit.com/desktop then you can see this same screen right here and it will help you make your decision a little bit easier, but let me give you a little bit of information about each one.

The Pro version is typically where most small business owners start and it is the version we're going to be using throughout this set of videos. You can have up to three users in a company file in the Pro version.

When you go up to the Premier version you can have up to five users and the Premier edition actually has some industry specific tools as well. And what that means is that they actually sell different versions of the Premier. For example, there is a contractors edition, there is a real estate edition. And that means they will set up a lot of the lists based on that type of business. Now you can set up your own list with the Pro and use it for those particular industries but Premier has a lot of it already set up.

When you get to the Enterprise edition you're going to be able to set up up to 30 users and this is the one that has the most power right here. If you're just starting out though you're not going to want to start with Enterprise. It's way too expensive. You would start with the Pro and upgrade if you need to.

But I want to show you that there are a lot of features that they all have. For example, they all have the ability to track income and expenses, you can do invoicing, run reports, send estimates, track your sales tax, manage bills, and track your time. Let's see what else is down here. You can also track your inventory, you have list limits and you can pay your 1099 contractors. And that's really all the stuff that the average small business owner would need anyway, but let's look at some of the other options that you only find in the Premier and Enterprise and that's the forecasting, which allows you to basically look at how your business is doing now and forecast how it might do in the coming months or years. You also have industry specific features. If you happen to purchase the real estate edition then you would already have some of the features specific to real estate built into it. You only have these last features available in the Enterprise edition. That's your mobile inventory barcode scanning, you have access to the QuickBooks

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priority circle which is a group of other users and support available for Enterprise users, you have the advanced pick pack and ship option and you can have up to 30 users as we talked about.

Go ahead and check out this site. Again it's QuickBooks.Intuit.com/desktop. And check this out before you go out and make your purchase just to make sure you're getting the one that will work best for you.

Let's go ahead now and go over into section four and we're going to talk about some of the new features in the PC version of the QuickBooks 2020.

Video: QB 2020 New Features Overview – PC Version

Cindy: QuickBooks 2020 had several new features for the PC version and the MAC version this year. I wanted to go ahead and talk to you about the changes for the PC version and over in section five we can talk about the MAC version changes as well. Let me go ahead and show you the six new changes. I'm going to give you a quick overview and then I will actually take you into QuickBooks and we'll look at each one of these.

Of the six changes none of these are really earth shattering but let's go ahead and go through these quickly.

The company file search is new. If you happen to open QuickBooks and you'd like to see a particular company file that's not on the list you can actually search from within QuickBooks now and go find that company file. I'll show you how that works.

The second thing is we now have automated customer payment reminders. You can actually send reminders to customers who owe you money and it's really not automated because you still do have to go in and actually tell QuickBooks which customers you'd like to send it to, but it is a little bit nicer that you have that feature now.

The next thing is that in your emails you can actually now add a customer PO to the subject line. I'll go through and show you how to do that because that's very helpful when you have customers that work with purchase orders.

You now can also collapse your columns in your job and class reports. Job and class reports are typically really long from left to right, so it's a really nice feature that you can go in and collapse those columns.

You also can look at the payroll status for a direct deposit. You're going to be able to see, for example, if the payroll has been processed yet, if the money has been sent to the bank, or if your money has been sent to the employee.

And the last thing I want to mention is the ability to combine multiple emails for single customers and jobs, employees, or vendors all at one time so you don't have to send multiple emails.

Let's go ahead and flip over to QuickBooks and I will show you how these things work.

You've opened QuickBooks and you'd like to open a company file that's not on this list here. You could go ahead and use the Open option and search your computer but you now you have an option called Find a Company File that will look through QuickBooks and then search your computer for it. All you have to do is type the name of the company file you'd like here and then go ahead and hit the Find option and you'll see that it has found that file for you. Notice that it tells you all the information like the date it was modified, the location. All you have to do is click

on it and then you can choose Open. And by the way, if you wanted to look on a flash drive, for example, or some removable type of media or on the network you can choose those options over here. I'm going to go ahead and hit Open and it's going to open my new company file. And that's really all there is to that.

The next new feature in QuickBooks is the ability to have automated payment reminders sent out to your customers. These are not really automated because you still have to go in and tell QuickBooks to actually send them but I want to show you where the feature is and give you an idea of how it works. We're going to go in depth into this particular option over in module four, section six. The option happens to be under Customers on the menu, then you'll want to come down to Payment Reminders. There are three things you have to set up, starting with the mailing list. This is just a list of all of the customers that you have predetermined are going to get an overdue invoice notice when they're 30 days overdue or one day overdue in this case. You would have to create those lists and that's what I'm going to show you how to do when we get to module four.

The next part of this, going back to Customers and back to Payment Reminders is to schedule those payment reminders. And this is for you. You can actually set it up so that if anyone is over one day due, and that's based on that list I just showed you, then it will remind you and show you a list of all of those customers. The same thing with the 30 day ones.

The last part of it is actually going in and telling QuickBooks that you're ready to send those reminders via email. That's going to be the Review & Send Payment Reminders option. This is a list of the three customers that met my criteria. In this case it looks like they are one day past due, but you can see over here that it has the person I'm clicked on, it has their email address, their invoice that's overdue, and then it has a little body for the particular email. And all you have to do is go in and edit it as a one time thing if you would like to. You'll notice if I click on the second one over here that the invoice changes and also the email address changes because it reflects the particular customer you're sending it to. And then you would just say Send Now and that's how those work. Like I said, we'll go in depth in that over in module four, section six.

QuickBooks will now pull the purchase order number if you have one set up on your invoice. It'll actually pull it into the subject line if you're going to email this to your customer. If I come up here and click Email and I Email Invoice you'll notice that right here it shows me the PO number. Now it won't automatically do it unless you've set this up in the Preferences first. I'm going to Cancel and just show you quickly where to go to do that.

You're going to click on the Edit option from the menu, come down to Preferences, you'll choose Send Forms on the left and make sure you're on the Company Preferences tab. Now in here typically you will see the basic invoice already set up. It will not let you edit that one. That means you'll have to create your own and you'll do that by adding a template. You'll notice that when I click Add Template it pulled in all of the information from the basic one so I don't have

to type it over but I could if I wanted to edit any of this information. But I wanted you to notice the subject line currently does not have the PO number. I'm just going to put a little space in there and then come down here where it says Insert Field and I'm going to choose the customer PO number and that's all you have to do. Just hit Save and now I'm going to go ahead and click OK. When I go look at the email now you'll notice that it actually has a field for the PO number there. And like I said, it will pull it if you've got it right over here. And then all you do is send it out.

Collapsing your columns and rows in your reports is now really easy to do. I'm looking at a profit and loss by job and in a report like this it's very long from left to right. If you notice here's Mike Baalak and Mike has two jobs and then there's the total for Mike Baalak. All I have to do is come up to this new option that says Collapse Columns at the top and now I've collapsed all of my columns and you'll see I only see the total for Mike Baalak and all of his jobs. If I wanted to expand these I'd go back and expand the columns.

There are a couple of new things as far as payroll is concerned. The first one is if you have QuickBooks 2020 and a brand new subscription for payroll then the employees will be able to go in themselves and actually fill out their payroll information, like their name and their address and their withholdings and so forth. If you have an existing subscription they're going to be rolling this out over time so you may not have it as soon as you get QuickBooks 2020. Make sure when you open QuickBooks and it asks you to update it that you do that in order to get some of these changes.

Let me go ahead and go real quick up to the Employees you'll see the Payroll Setup. This is where you'll be able to go and send your employee an email asking them to go ahead and set up their profile.

The other thing you'll be able to do is if you have automatic deposit set up there's going to be a place where you can go in and check to see that that money has actually gone through. A lot of times when you pay employees through direct deposit you don't know if there was a problem or if they actually got their money. So this is a great feature they've added to the QuickBooks 2020.

This last little feature is kind of nice. Basically what it allows you to do is if you're going to email any form, like an invoice, an estimate, then you have the ability to combine all the ones that go to the same customer or vendor into one email, where before you had to send them separately. The way you do this is go up to File on your menu and if I go down to Send Forms it's going to give me a list of all of the in this case invoices that I've checked the little box on the invoice that I'd like to email them later. There are several different customers in this list. Notice at the bottom this little option to combine forms to recipient in one email and you'll see now that it's actually separated these and it will send one email to each of these customers. The only thing you need to know about this is that if you've got it set up where you can receive an automatic payment from your customer then that feature does not work if you send this out.

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Notice also at the bottom that it's going to take a minute to send these emails once you hit Send Now. So just know that you won't be able to use QuickBooks for just a couple of minutes till they're all sent. And that's all there is to the Send Forms option right here.

Those are some of the changes, like I said, that are in the new QuickBooks 2020. These are across all the versions so no matter if you have QuickBooks Pro, if you have Premier, if you happen to have the Accountant version or the Enterprise version these are all the ones that are standard across the board.

The one thing I want to say as well is for the Canadian version some of these options may not be in there so just kind of know that.

Now that you've had a chance to see the new features that are in the PC version let's go ahead and head over to module five and talk a little bit about some of the new features that the MAC version has this year.

Video: QB 2020 New Features Overview – MAC Version

Cindy: Intuit did come out with a MAC version this year and they did have some enhancements to the software. I wanted to go ahead and go over a few of those with you just to give you an idea of some of the new features that are in the MAC version 2020.

The first enhancement I'd like to talk about is the dark mode user interface. If you're a MAC user and you've been using the Mojavi operating system 10.14 or anything newer then you've probably discovered there is a theme called the Dark Theme that most people are absolutely in love with. What it basically does is shifts nearly all of your onscreen visual elements to dark grays and blacks and many MAC users actually upgraded their operating system just to get this dark theme. Well you're going to like the fact now that Intuit has totally redesigned their support for this dark mode. It allows customization of your viewing mode within your QuickBooks Pro for MAC. Go ahead and try it out. If you're not familiar with how to get to the dark mode and turn it on this is all you have to do.

Go to your Apple mode, go to System Preferences, go to General, you'll see Appearances, and that's where you're going to find the Dark Mode. It's going to allow you a lot of customization of your viewing mode within QuickBooks Pro for your MAC.

Intuit has really spent some time modernizing the reporting features in QuickBooks. You're going to find that they're a lot more customizable now, they're a lot more easy to navigate. And one of the things they've done is they've actually added a sidebar to your reports for searching. You're going to see it show up on the same screen as your report on the righthand side and you're going to be able to easily go in there and look for something, if you want to make a change to something, it's going to have real time reporting, and those updates show up automatically. You're really going to like the new modernization they've done with all the reporting.

The Company Snapshot feature has really been enhanced as well. What the Company Snapshot allows you to do is see in one central location your most critical business data. And they've enhanced this by offering some new customizable data ranges, they have new layouts, new widgets. You're going to be able to configure the information you want and have it show up exactly the way you want it to and that way you don't have to run lots of different reports to get some of the information you could see on this one screen in the company snapshot.

You've also got a feature in QuickBooks for MAC where you can search through your attachments for different things you might be looking for. And they've really improved that search feature a lot. You'll want to make sure you try that out because you're going to be able to find things much easier than you used to be able to.

One of the things that most QuickBooks users don't really know how to handle is a bounced check and they've actually enhanced the bounced check processing feature now in QuickBooks

for MAC. What happens now is you're going to have peace of mind because you're going to know how to handle those bounced checks correctly and with ease. It also avoids you having to contact your accountant to take care of that for you. They're just going to walk you through that whole bounced check processing and then you'll see how to enter it in QuickBooks the correct way.

Another new feature is the ability to use the iPhone scanner. It allows you to upload text and searchable images to QuickBooks with your iPhone camera. And what this is going to do is save you a lot of time and money because you can quickly scan through some of your key documents and you can search for some text that might be in some photographed bills, you might have some receipts or invoices you had taken pictures of, purchase orders, tax forms, and you'll be able to actually search through those images a lot more quickly now that you can actually upload those with your iPhone camera.

Another new feature that you see both in the PC and the MAC version is the Company File search. When you're actually opening a company file if you don't see it on that initial screen then you have to go to the Open option and search your computer for that file. And sometimes it's hard if you have filed your QuickBooks files all over the place in your computer. With that company file search it will search your computer for all of your QuickBooks files, give them to you in a list, and that way you can search that list for the one you might be looking for. That's a really, really handy feature when you're looking for different QuickBooks files.

The last one I want to mention is the automated payment reminders that is both in the PC and the MAC version this year. What it allows you to do is easily set reminders for customers that they have invoices that are due. And what that does for you is it allows you to get paid faster. It also reduces time you have to spend following up with customers. They also have very flexible customized reminders that you can send for specific customers. And this is really going to help you out a lot and increase the cash flow in your business.

Those are some of the new features that Intuit has come out with the MAC version this year.

That's going to ahead and wrap up module one. Let's go ahead and go over into module two and we're going to talk about getting started setting up your company file.

Module 2 – Getting Started

Video: Setting Up Your Company File

Cindy: The first thing you'll need to do when you're working with QuickBooks is go ahead and set up what's called your Company File. Each file that you set up in QuickBooks is called a Company. You can have as many companies as you would like. For example, a lot of times I see small business owners that will actually have a company file set up for their actual company and they'll have a separate one set up for their personal information. It might be that you're a bookkeeper and you'd like to have a separate file for each of your customers. Any way you'd like to set it up you can have as many company files in QuickBooks as you would like. They do not talk to each other so don't worry about mixing information. And you can only have one company file at any given time.

The first thing you have to do is set up that company file and that's what I want to do with you here in this first section. Let's go ahead and flip over to QuickBooks and I will show you how to go ahead and get that company file set up.

When you first open QuickBooks you're going to see this screen that says No Company Open. If you actually had previously opened some company files you would see them listed here. If you didn't see one that you know is in your computer and you'd like to open it you can open it a couple of ways. You can go to Open here or you can use this Open or Restore option right here which will allow you to search your computer for that particular file. The Restore option just basically means that if you had a backup copy you needed to restore to QuickBooks for some reason you could get to it through this option here.

You also can find a company file over here, and this is a new feature in the 2020 version. You would actually just type in the name of your company file you were searching for here and then choose Open and it would search for you and it would find it in this list and you could double click on it.

Notice it will search your local drives, meaning your hard drive on your computer for example, it would actually search any removeable media, which would be if you had a flash drive, for example, or if you're on a network and you want to search there you can do that. I'm just going to hit Cancel right now and that's going to take me back to the No Company Open window.

You also have these sample files right here that we'll talk about a little bit later. These are basically a product based business and a service based business. If you don't know how to set something up or you're not really sure if what you did is correct open one of these sample files and see how they did it.

Because this is the very first time we're going to have to go through a process of creating our new company file and that's this option right here. Once I click on this it's going to take me into

the Easy Step Interview and the first thing it asks you is do you want to set up your business and you can use the Start Setup option here or you can go down here to Other Options and choose to actually do the advanced setup. I'm going to stop right here because I want to go into section two where we actually start going through this Easy Step Interview as it's called. As a matter of fact I'll click on the Advanced Setup and that'll launch me into the Easy Step Interview.

Video: Using the Easy Step Interview – Part 1

Cindy: We saw in section one of this module, which is module two Getting Started, how to actually get started setting up your company file. Now we have to go through what's called the Easy Step Interview and go ahead and fill out all the information QuickBooks would need to get your company file mostly set up.

We're going to be going through this interview and it's going to take a few moments, but you want to make sure that you have a couple things handy. You want to make sure that you have information about your company, like the company name, address, you might need to use the company federal ID if you happen to have one. So just have those things handy so that we can answer these questions as we go through this interview.

There is a part two to this particular section so make sure you watch both parts so that you have a whole interview section down pat.

The Easy Step Interview will take you a few minutes to go through so don't be in a rush, but you'll be glad you did it when you're done because you'll have all the information filled in.

You'll notice on this first screen here that it's asking you to put information about your company. This is basic information like the company name, the company address, things like that. The tax ID number is not really necessary. The only reason you would actually need it would be if you happen to use the Intuit payroll service. They're going to ask you to have that in here so that you can use it for payroll, but other than that you're not really going to need this.

Let's say this company we're working with is ABC Plumbing. I'm going to go ahead and put in their address which is Coatesville. Make sure I spelled that right. And this is going to be in Pennsylvania. We'll go down and pick PA. And then the zip here will be 19320.

You can also put in a phone number and a fax, an email and a web address. You will want to fill those in because when you go to send correspondence to either customers or vendors, for example, QuickBooks will pull this information.

I'm going to click Next at the bottom and the next screen asks me to select my industry. Now you'll notice there are many different industries in here. There's automotive, there's construction, if you go down the list you'll see there's a nonprofit. Pick one that's close to what you do. It does not have to be exact and there's really no wrong answer here. At the very bottom of the list if you're still not sure what to do there's a General Product or Surface-based business and you can choose one of those. I'll just choose the General Product based business and click Next.

This screen asks how's your company organized. Now don't get hung up on this screen. As a matter of fact if you have an accountant that does your taxes, and I always suggest that with a

business you never do your own taxes, I want you to pick Other or None. The only reason this option is here is because a lot of times a business may decide to use a software program like Turbo Tax, for example, to do their taxes. And if that's the case then Turbo Tax has to look at QuickBooks and pull information on to certain lines on the tax form. That's why it asks you how's your company organized.

Now here's the thing. If you choose one of these options every screen that you go to will have an extra question which will ask you which line on the tax form do you want to pull this on to and you're not going to know because you're not an accountant. If you just don't have that option in here you won't have to worry about it so I suggest everyone choose Other or None and click Next.

Now it asks me to select the first month of my fiscal year. I'm going to leave it on January, but of course if yours is different you can change that.

I'm going to hit Next one more time and it's going to talk to me about setting up the administrative password. I do want to spend a little time on this because it's very important that you set up usernames and passwords for each person that's using your QuickBooks company file. QuickBooks doesn't make you do this. It's just highly suggested.

What this means is that when you open your company file each time the user will have to put in their username and their password. Right now it's asking you about setting up the administrator password, which would be yourself since you're setting up the company file. I'm going to go ahead and put a password in here. And remember that a good password will be any combination of letters, numbers, special characters. It is case sensitive so you want to remember this password. We'll talk in a later module more about setting up passwords.

I'm going to click Next at the bottom and now it says Create Your Company File. This is like the save screen. You want to go ahead and actually choose a place to save your company file and once you do you'll notice it'll start creating your company file in the background here. You'll start seeing your icons appear over here and it'll have your company name at the top like you see ABC Plumbing now and that sort of thing. Give it just a couple seconds and it will be done.

Once your company file has been created that means that if you get out of this at any time by hitting this Leave you can come back in and set up your options again. You can't get back into the Easy Step Interview but I'm going to show you as we go along how you would go in and change all these options. But let's go ahead and continue customizing this for your business.

I'm going to click Next and the first thing it asks is what do you sell. Your choices are services, products or both. Again there's no wrong answer here. If currently you sell services but maybe you add products later on you can always go and turn those options on. If you're not sure you can just hit Both right here and that way you'll have all of the options on your Home screen. And

really all you're doing when you answer these questions is turning on the options on your Home screen.

As we go through here if you have different screens than I do it's because of how you answered the previous questions. So there's nothing wrong with it. Just kind of hold tight till I get to where you are or vice versa.

I'm going to hit Next at the bottom and because I said I sell products it asks me would I like to charge sales tax. We'll talk about sales tax in a later module as well but I'll just say Yes and turn it on for now. And now it's asking would I like to create estimates in QuickBooks.

Think of estimates as quotes for a job. Construction is a great example because they estimate jobs. If you're using this feature you go ahead and say Yes and the next thing asks if I'd like to use statements in QuickBooks. This if you use statements will actually send a statement at the end of every month and it's basically a summary of everything that happened during the month. It will have at the top how much the customer owed you from the prior month, then it will list any payments or any invoices and then what the customer owes you now. I'm going to go ahead and leave this on Yes and click on Next.

This next screen asks about using progress invoicing. Now if I were setting up QuickBooks I would have put this question right behind the estimate question because here's what this means. If you estimate jobs or customers then you have the ability to pull information from those estimates into an actual invoice so that you can get paid. You can actually invoice your customer progressively. You might invoice them for certain items that were on the estimate, you might invoice them for a percentage of the estimate, and when you're finished then QuickBooks will know and it will not ask you again if you want to invoice any more from that estimate because it's all been pulled in.

If you were estimating jobs you will want to use progress invoicing. I'm going to click Next and now it asks about managing the bills that I owe.

Bills come in the mail that have to be paid. A lot of people will have a little basket on their desk and when the bills are ready to be paid they'll just go through and pick out the ones that they want to write a check for. You should put all of your bills in QuickBooks and that way you can run reports at any time to see who you owe, how much money you owe, if it's over 30 days, things like that. Think about too if you're going to the bank to get a loan for your business they're going to want to see if you have any accounts payable is the term, or any bills that you owe. So make sure you put any bills or any expenses for the company that are coming up in QuickBooks so that you have accurate reporting.

I'm going to click Next and now it asks me about tracking inventory in QuickBooks.

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I want to go ahead and stop the video right here because there is a second part and we'll just pick up where we left off, right here. I'll see you shortly over in part two.

Video: Using the Easy Step Interview – Part 2

Cindy: We are working on going through the Easy Step Interview to go ahead and set up our company file. Let's go ahead and keep on going. This is part two of section two, Using the Easy Step Interview.

Okay when we left off we were on this screen where QuickBooks is asking if we want to track inventory.

Now let me just tell you a little bit about what the word Inventory means. If you sell physical products in your store, for example, and you track the fact that you have six in the backroom and you'd like QuickBooks to let you know that you have two left so you can order some more that's an example of true inventory. Sometimes businesses sell products but they don't track how many they have in the back. They might just order a few as the customers request them. That's what we consider noninventory, when you don't want to track how many you have. All you have to do here if you want to track inventory is just say Yes and then click Next.

This screen asks about tracking time in QuickBooks and there are a couple of ways you can use the time feature.

One of the ways is if you do job costing in your business and a common question is what is job costing and how do I actually do this? Well job costing basically means that if you work on different jobs or projects you want to know all of the costs involved in working on that particular project or job. And part of that is the time that you or your employees or subcontractors might spend working on that job or project. You can track that time in QuickBooks.

The second way you can use it is let's say you're in a business where you bill your customers by the time you spent. Maybe like an attorney, for example, he might track all the time during the month when he talks to you on the phone and then at the end of the month he might send you an invoice or a bill from that.

So there's a couple of different ways you can use that time tracking. I suggest that you do turn that on.

The next questions says, Do you have employees? Now I find this question very misleading right here. Employees are people that you actually give a paycheck to and you deduct taxes from them. If you have subcontractors that work for you they are not employees. They have nothing to do with payroll, absolutely nothing. They're considered vendors in QuickBooks. The way this should be handled is they should always send you a bill and you pay that bill. Do not try to use subcontractors as employees to save on taxes because at some point you will get in trouble for doing that. You need to either have employees or have 1099 contractors that work for you. They're considered 1099 contractors if they dictate their own schedule. If you dictate their schedule, where they have to be, what time then they need to be set up on payroll.

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I would go ahead and say Yes here and you can check whichever ones you want. Right now we're just turning on an icon so that we can do payroll or if we have 1099 contractors in the future we can pay them.

I'm going to click next and it asks about using accounts in QuickBooks. I'll click Next once more and now it asks about selecting a date to start tracking the finances. You get to decide which date you'd like to start with in QuickBooks. It just have to have a date to start with. You can actually start with the beginning of your fiscal year or you can use today's date or set a particular date that you'd like to start with. If you're just getting into QuickBooks towards the end of the year and you're really wanted to start fresh next year then you don't really need to go back to the beginning of the current fiscal year. However, if you said to me that you would like to put all of 2019 in here, for example, then I would go back to the beginning of the fiscal year and enter everything that happened. That is really your choice what date you want to start with.

I would actually try to make that date correspond with that bank statement. So if you decided, for example, that today you bought QuickBooks, and let's just say that it is November of 2019, I would try to go back to maybe the first or whatever date your bank statement cut off and make them correlate that way. You can still enter something prior to that date or after that date. It just needs a date to start with.

Now what we see here is our income and expense accounts. What you'll see is a list of what is called the Chart of Accounts. The Chart of Accounts basically is a listing of all the buckets that you'd like your money to go into. So for example, when you look at this list, if you're going down the list and you say to yourself, "You know I have a lot of charitable contributions" you can click on that to turn that one on. Or maybe you don't have a lot of computer and internet expense, you can turn that one off.

I usually suggest you just leave what it pulls up automatically and then we're actually going to get into the Chart of Accounts over in module three in section three and spend more time on it there.

I'm going to click Next and it's going to say Congratulations you've completed the Easy Step Interview. Now at this point I would say that 80-85% of your company information is set up. We still have a little bit more but let's go ahead and hit Go to Setup here and then what you're going to see is a few little screens pop up that will give you some suggestions or like in this case, this is what they call a desktop usage and analytics study. I'm just going to hit Continue past that. If you see this screen it's asking you first of all would you like to add the people you do business with. Do you want to add your customers now, your vendors now? Do you want to add your products and services that you sell? And also do you want to add your bank accounts? Let's just go ahead and say Start Working. We're going to set those up as we go along. You could have also clicked the X in the top right of that particular window.

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And you'll also get a new feature tour that will appear if you're new to QuickBooks. Now these are nice to go through if you want to go through and see some of the new features, but if you don't want to just click the X in the top right hand corner and that will close that window for you.

You'll notice that you will get these yellow helpful hints that appear around your screen. You can turn those off if you want. You'll notice they will just fade automatically if you don't do anything with them.

And this is what we call your Home screen right here. Now we're going to spend time in a little bit going through this Home screen. Let's go ahead now and go over to section three and I'm going to take you into a feature called My Company and give you a quick overview of how it works.

Video: My Company Overview

Cindy: There is a feature in QuickBooks called My Company. Basically what it is is when we went through the Easy Step Interview and set up our company file, if you remember the very first screen asked us to put in information about the company like the address, if we had a federal tax ID number, website, email, things like that. Well what if we misspelled it or we forgot to put some of that information in? This is where we're going to go to actually edit that information. This little section is called My Company.

Let me flip over to QuickBooks and I'll show you real quick how to get into the My Company feature.

All you have to do to get to the My Company feature is go up to the menu at the very top of your screen and click on Company and then you'll see My Company. In here this is all the information that you use when you went through the Easy Step Interview to set up your company file. Let's say that I misspelled Coatesville, for example right here. All I have to do to edit that information is come over to this little pencil and then I can edit anything I see on the screen there. So I'm going to take out that E. And if I wanted to edit that phone number I could certainly do that. I can go ahead and add it right here. And of course I can add fax, email and website here as well.

You'll notice on the left hand side that I'm currently on the Contact Info. If I click on Legal Information it brought in the same information that I had used to set up the company with. And if the legal information happens to be different, maybe the company is owned by some sort of organization, I could fill out all of that information right here. And obviously I would want to edit Coatesville again and make sure I spell it correctly.

The next tab down on the left is your company ID information. If you remember it asked us to put in our federal ID number and we decided not to do that, but if I wanted I could here. And if I wanted to put in the social security number I could here. Maybe I'm not incorporated and that's what I'm using. You'll find there are a lot of places in QuickBooks where it asks for some what I call personal information and if you don't have to have it I wouldn't put it in here.

Next on the left is Report Information. This is the information on the first month of your fiscal year, your tax year, if you have a particular income tax form you use. And remember here I told you to leave it on other or none unless you happen to be using another software package that works with QuickBooks for tax purposes.

And the last option on the left is your Payroll tax form identification. If you have a particular person that is preparing and signing your payroll tax forms you might want to put their contact information in here, their title and they're phone number.

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And that's really all you have to do to change that information about your company. I'm going to click OK and see what else is here on the screen.

Now a couple of other things you'll notice is your version of QuickBooks. You'll notice it's right over here and it's going to have your license number and all of that information. You're also going to see a lot of services that QuickBooks can offer as ancillary services to QuickBooks. For example, when you decide to do payroll if you decide to use the Intuit payroll service it is not free. You do have to pay for it. Here's where you can turn it on. You might also want to buy from Intuit the merchant services account that they have so that you can accept credit cards through QuickBooks. You might want to order checks. And they also had some additional things you could purchase as well. And all of that is in the My Company information here.

All you have to do when you're finished is go to the top of that window and click the X and that will put you back on what we call the Home screen. And that's really all there is to the option called My Company in QuickBooks.

Let's go ahead now and jump over to section four and talk about identifying the components of the QuickBooks environment.

Video: Identifying the Components of the QuickBooks Environment

Cindy: We're currently working in module two and this is the module called Getting Started. We're in section four now and I want to take a few moments and talk to you a little bit about identifying the components of the QuickBooks environment. Basically what I mean by that is I'd like to go over the screen itself with you, get you familiar with terminology, maybe how you can change some things so they work better for you, and that's all we want to do here is just kind of get you familiar with things.

Let me go ahead and flip over to QuickBooks and I will get started talking to you about the Home screen.

Let's go ahead and start at the top and work our way down.

The first thing I want you to notice is that your company name is right here in your title bar at the top. It also tells you the version of QuickBooks you're using and which screen you happen to be on. In this case your Home screen. This is what we call your Home screen right here.

The next thing you'll notice is a Menu bar. And you're probably familiar with using these in other programs. There's a few things here that I want you to get familiar with. First of all under the Edit option there's a Find here that we're going to use when we're searching for anything, and we'll get to that a little bit later. Also there's some preferences we're going to be looking at over in module three.

A lot of these options that you see up here you can also see on your Home screen. For example, when it says Vendors right here it also says Vendors right here. That's a quick way to get to what we call the Vendor Center. Or also if it says Customers here, here's the Customers Center. That's another way to get to customers. So you'll have multiple ways to get to the same place.

On the left hand side of your screen here you have what we call your Icon bar. And as you click on the different options here you will open the different windows. Some people prefer this to be across the top of their screen and you have an option to change that if you like. The way you change that is you go to View on your menu and choose Top Icon Bar and now you'll see it's up here at the top. It's really just a matter of personal preference. I prefer this myself because I feel like I have more room to work on the screen from left to right when that is on.

Now something else that I'm not sure how people work without this but there's something called the Open Windows List that you can turn on. If I go up to View and choose the first option, Open Windows List, then this will appear on the left. Now what this does is every single time I click on an icon on my Home screen, let's say I click Create Invoices, I've now opened a window that will allow me to actually put an invoice in. If I don't want to close it for whatever reason I can just come over here and go back to Home and open something else or do whatever I need to do and when I'm ready I can go back to Create Invoices. When I'm ready to close this window all I

have to do is use the X that's in the top right corner of that window to close it and now you can see that I only have Home over here under the Open Windows.

You also have here your Home page which you're on now and also your Insights. Let me just mention the Insights real quick.

The Insights tab is going to allow you to see what some people call a dashboard. It's a quick overview of what's going on with your company file. Now obviously we have no data in here yet but if we did we could see a quick profit and loss right here, we could see information about our income down here, we could see information about our expenses over here, and there's a little donut graph it looks like over here. Once we get some information in later on we'll go back and look at this. I'm going to flip back to the Home page.

Now let's talk a little bit about how the Home page is actually set up. There are actually five sections. The first section that you see here where it says Vendors, this is account payable. If you're not familiar with that term anything having to do with the bills that you pay that come in the mail, this is where you're going to work with that. You can see here you can enter your bills and you can pay bills. If you work with a purchase order system this is where you could enter purchase orders, receive your inventory, and then a bill would come in the mail for that.

This is your Accounts Receivable section down here and this probably where you'll spend the majority of your time. Accounts Receivable has to do with customers. Customers are people or businesses that buy from you, whereas when we talk about Vendors up here, these are people or businesses you buy from. That's a good way to remember that.

This has your entire flowchart as far as customers are concerned. You'll notice sometimes you estimate jobs, sometimes you invoice customers, that's how you're going to get paid, then they pay you and obviously at some point the money goes in the bank.

The next section down here has to do with your payroll. You'll notice that if you had gone through the Easy Step Interview and said Yes, I want to use the payroll service, this would have populated some icons for payroll. Since I did not tell it that the only one I have is the Enter Time option.

The next section over here where it says Company, these are things that have to do with the file itself, not necessarily specific customers or specific vendors.

This Chart of Accounts is the most important thing in QuickBooks right here. Get really, really, really familiar with that. We'll be talking about it in a later module. But all of the money that flows in or out of QuickBooks will go into one of these accounts in the Chart of Accounts.

The Items and Services, these are things that you would sell your customer or sometimes you purchase them as well. We'll have a list of those. And there's some other things here that you may or may not use, like the Time Tracking, for example, or the Inventory Activities or Ordering

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Checks and Tax Forms. Really those are ancillary things that you may or may not use. And then we'll talk about the Calendar in a later module as well.

The last little section here is your banking section. All of these items that you see here have to do with something that happens at the bank. You make deposits, you write checks, you have a checkbook register, you reconcile your checking account or your credit cards.

So again you have five sections. You have your Vendor section which is accounts payable, Customers, which is accounts receivable, your Payroll, Company, and then Banking.

Now on the right there's a couple of things. First of all this section that says Account Balances. Once we get some accounts set up for you, like your checking account, savings, etcetera you would see them in the list with the balance. And one of the ways you can go to that particular account is to double click on it right from this list. These are all things that Intuit can sell you. you can turn on payroll, accept credit cards, order checks from them, or activate T-sheets which is time sheets. If you don't want to see this just hit this little arrow on the right and that will hide it for you.

And there's one more thing I'll mention and that is your backup status. We haven't really talked about backing up yet but if you have the desktop version of QuickBooks you will want to back it up and that way if you ever need to use that backup for some reason you would have it. And there's a couple of ways you can do it. You can actually do it manually where you actually put in a flash drive, a CD, some other form of media where you can save it to. The other option is for a fee, this is not free, Intuit will back it up for you. And so you'll just see right here it says your data has not been backed up. It may have just been backed up so don't always rely on that to tell you. Again, if you don't want to see this just use this little arrow to kind of hide that and get it out of your way.

And that gives you a quick overview of how the Home screen is set up.

One more quick thing. If you happen to navigate somewhere in QuickBooks, let's just say I clicked Receive Payments here, and I don't know how to get back to Home, maybe you didn't have your Open Windows List here, you'll notice the very first icon says Home and that's always going to take me back to my Home screen. That's a real quick way of actually looking at the Home screen.

What I want to do now is take you over into section five and we're going to talk a little bit in section five about how to upload your data from the desktop version to the QuickBooks online, if you decide to move to the online version.

Video: Converting QB Desktop Data to the Online Version

Cindy: This is the last section of module two, Getting Started, and before we leave this module I wanted to take a moment and talk to you a little bit about how to convert your QuickBooks desktop data to the online version. You may decide at some point you need to access your QuickBooks file remotely and that might be a reason for going with the online version. It's a pretty simple process to do so let me show you how this works.

Make sure you have your QuickBooks desktop file open. It doesn't matter which window you happen to be looking at. All you have to do is go up to File on your menu, come down to Utilities, Copy Company File for QuickBooks Online. It's going to tell you that before it can export your data it has to close all of the windows. It will ask you if you want to continue. You just click OK there and now you're going to save this. You decide where you'd like to save it. You just hit Save at the bottom and then it's going to convert your data for you.

Now what you have to do is go ahead and set up your subscription online. And once you get it set up in there you can go in and you can actually import this particular file. So you can see that it's a super simple process to do.

If you decide that you don't like the online version once you start working with it you can't go the other way. You can't download it back to your desktop version. You would get in touch with Intuit at that point and then they would go in and back up your file for you and they would help you actually put it back into your desktop version.

That's going to wrap up module two, which was Getting Started module. I want to take you now over to module three where we're going to talk a lot about different ways to customize the QuickBooks environment.

Module 3 – Customizing the QB Environment

Video: Preferences – Part 1

Cindy: We're just getting started now with module three which is the module where we're going to talk about customizing the QuickBooks environment.

One of the first things you'll want to do is go through the Preferences in QuickBooks and set some of the different Preferences so that they work best for your company file. And I want to take a few moments and go through all of those options with you so you'll know which options are the ones that you'll want to change. Let's go ahead and flip over to QuickBooks and I'll show you how to get to the Preferences.

What you want to do is go ahead and go up to Edit on your menu and come down to Preferences at the bottom of the list.

The way the Preferences window works is you'll notice there are different groupings of options over on the left and typically when you come in it's already on the General grouping. For each of these groupings you'll want to check the options that under the My Preferences tab and also the Company Preferences tab. Let's start at the very top where it says Accounting and I'll click on the My Preferences tab and you'll see there are no options here. So now I click on the Company Preferences tab so that we can look at a couple of these.

I want to talk to you about this very first one that says Use Account Numbers. Now let me just cancel this for a moment. I want to show you currently what your Chart of Accounts looks like. This is the most important thing in QuickBooks right here. It's called the Chart of Accounts. We're going to talk more about this over in section three. Right now you'll notice that it's just a list of your accounts and if you notice they're in alphabetical order over here by whatever type they happen to be. For example, if you look at the Expense accounts you'll notice now these are in alphabetical order. If I go back to the Preferences where we just were, remember Edit on the menu, Preferences, I'm under the Accounting grouping on the left and I want to choose the Company Preferences tab. If I check Use Account Numbers and just click OK here notice now your Chart of Accounts has what we call General Ledger Numbers here on the left. So now they're sorted by type but instead of alphabetical they're actually numerical, right over here. That's the difference. And these are just options. You can turn these on or off. I'm going to go back to the Preferences, same place we just were. That's going to be up to you if you want to use those account numbers.

The next option I want to point out is the option to use the Class tracking for transactions. Let me just give you a quick overview of how this would work.

Right now you can actually run reports on the company as a whole. If you want to run a Profit and Loss for example to see how much money you made or lost you can do that. If you want to

break your company down into smaller sections to run a Profit and Loss let's say you can do that as well. As an example, let's say that you have a business that has five different locations. You can actually turn on this class list and every transaction you create will have a dropdown where you can pick one of the different locations that that transaction is for. If you do that consistently you can run a report on the entire company but you can also run that same report per location. We call that the Class Tracking. So it's very good for options like locations or any way you want to break down your company, maybe by departments. You'll be able to use it for that as well.

The last thing I want to point out on this screen is this option that says Date and password down here at the bottom. One of the things that you will find is that accountants and bookkeepers will actually close the books at the end of every month and then they'll close the books at the end of the year. Here's what this means.

Let's say you've closed the books through the end of October. It is now November. You can't make a change before October 31st. So you won't be able to make a change in the closed period. If you see something you need to change the correct way to change it is to make an offsetting entry in the current period. Let me give you an example.

What if you actually see that there is a bill that you've entered twice and you'd like to delete one. Since it's in a closed period you won't be able to do that but you can make a credit memo in the current period to offset that second one that you originally wanted to delete. That's how it works when we talk about closing the books.

If you did decide to close the books you would click here to set a date through which you wanted to close your books and also you would set a password. QuickBooks will not make you close your books. It's not even going to ask you. You just need to know this feature is here and go here and close them whenever you're ready to do that.

Let me go down a few on the left here to the grouping that says General. And notice when you make some of these changes it will ask you if you'd like to save it. I'm going to say Yes. And this time I'm going to start with the My Preferences tab.

There are a few options here that you'll definitely want to turn on, starting with the very first one, Pressing Enter to move between the fields. Currently if you don't have this checked what will happen is you will start typing in a form, let's say you're typing in an invoice for example, and you hit the Enter key thinking you're going to move on to the next field. What it'll actually do is save and close that invoice and then you won't realize it and you'll enter a second one. If you check this box what will happen is you can use the Enter key or the Tab key at any time to move back and forth between your fields.

There are a lot of other little options here. For example, would you like it to beep when it records a transaction? Would you like to turn off popup messages for products and services? I do want you to notice this one here, Automatically recall last transaction for this name. What this means

is let's say that you write a check to pay your electric bill. You're going to fill out the Pay to the Order of, you're going to put in the amount, you might put some things in the memo, you'll have your account number somewhere, you're going to pick the correct account that this would go to in the Chart of Accounts. There's quite a few things that are going to be on that check. Wouldn't it be nice the next time you pay to the order or and used the same vendor name that it prepopulates the latest check for you and you just go ahead and change the amount of money. That would keep your accounting consistent and a lot less typing for you.

The other thing is you might want to check this option, Use today's date as default. And basically what that means is that any transactions that you create will have today's date on them and you can change them if you need to.

All right, going down the list. Let's look at Items & Inventory and I will go ahead and save my changes. In this case I'm going to need to click on Company Preferences. If you actually went through the Easy Step Interview and you said I do not track inventory then this will not be checked. Let's say that you want to now track inventory, then you can come in and make sure this is checked. The other thing is if you see that you do not have the Purchase Order option on your Home screen it's again because this is not checked.

Going down to the next one on the left, Jobs & Estimates. If you are doing job costing in QuickBooks which basically means that every transaction you create you're going to choose which job it applies to, then you might want to look at some of these options. Here you have different words that mean pending, awarded, in progress, and you may have different terminology for these. So notice that you can go down the list and you can actually change these to whatever your terminology happens to be. Here's where it asks Do you create estimates? If you said in the Easy Step Interview that you do but maybe you forgot to do the progress invoicing, notice here you can turn them both on or both off.

Back on the left here going down to Payments. There are a couple of things here I'd like to point out. I want to just make you aware of this one for a little bit later. This one says Use undeposited funds as default deposit to account. What that means is once we start entering invoices and then we receive payments it will actually put that payment in our Chart of Accounts in an account call Undeposited Funds. You may not want that. Later on when we talk in another module about working with payments I will show you how this works if you come in and uncheck this.

You can also set up online payments. You have the ability in QuickBooks to actually email an invoice over to your customers. If you want the customer to be able to click on that invoice and pay you right there with a credit card or using the bank transfer option then you can check this right here. You would have to go and set these up previously with Intuit.

There's also some options for payment reminders at the bottom. And when we talk about payment reminders we're talking about for customers. Do you want to send payment reminders to your customers, yes or no? And if QuickBooks desktop is open it will prompt you at in this

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case 10 a.m. but you can set that at whatever time you'd like to go ahead and do that. You'll notice that if QuickBooks is not open you'll still see the prompt whenever you open it the next time.

I want to go ahead and stop the video right here and have you go on over into the Preferences – Part 2. I will see you shortly.

Video: Preferences – Part 2

Cindy: Welcome back. We are working in module three and we are on section one where we're talking about the preferences. We've already completed part one. This is going to be part two. We're just going to continue where we left off talking about the different options in QuickBooks.

When we left off we were talking about the options under the Payments on the left and we talked about the fact that if you're receiving payments from a customer then it's going to automatically use the Undeposited Funds as the default deposit to account. We will actually change that when we get to the section where we talk about receiving payments. Let's go ahead and move over to Payroll & Employees on the left.

When you went through the Easy Step Interview one of the questions was do you want to use the payroll feature yes or no, and if you had said no you wouldn't have even one single icon on your Home screen in QuickBooks to set it up if you changed your mind. You would need to come in here and choose Full Payroll in order to see that icon. While you're in here there would be some preferences for payroll that you could use. You could go ahead and look at some options for paystubs, workers comp, and sick and vacation. There's some checkboxes right here about recalling some different options that are on previous paychecks and then down at the bottom if you want to sort your list of employees by first name or last name you could change that option.

One thing to keep in mind is payroll is not free in QuickBooks. You do have to pay for it. We'll be talking about that later when we get to the module about payroll.

Let's go ahead and talk about Reminders over on the left.

These are things that you can have QuickBooks remind you that you have to take care of. It might be you have checks to print, it might be you have some overdue invoices, there might be some To Do's you had created. You can have QuickBooks show you those in a summary or a list. A summary basically means if you had six checks to print then it would actually just give you a total of those six checks. If you chose the List option then it would show you each of the checks individually. Also for some of these you can have it remind you earlier than the actual due date if you want. And you can see you can put in the number of days right here for that.

You're going to find that the Reminders don't just automatically pop up on your screen to remind you that you have to take care of these things. The only time you see the reminders is when you first open the company file. There will be a white window there that lists all of these things. You won't see it again once you close that window. The other thing is under the tab that says My Preferences here you have to have this checked because if you don't you will not see the Reminders window at all.

Let's move down to Reports & Graphs. There are some Reports in here that you can actually run through QuickBooks. And if there are some reports that you need to modify the options of before

opening then you can check the box here and it'll prompt you for things like that. There's also some options under the Company Preferences that you'll want to know about. One of them is when you run reports in QuickBooks they're automatically on an accrual basis. You may want to run them on a cash basis. Now you can change that on each report but you can also just change it right here so they're automatically on that cash basis. You'll see some other options as far as aging reports. You can age from the due date or the transaction date. You might want reports to show items by the name only versus the name and description. You can see some of those options right here.

Moving down to Sales & Customers on the left. Let's see if there's any options under the My Preferences tab. And one of the things you'll see is that there is an option in QuickBooks called Time/Cost. And what that allows you to do is if you incur any expenses that you need to turn around and invoice a customer for then you can actually pull those onto an invoice. QuickBooks will remember those and pull them for you. You can have it prompt you automatically to add those when you pull in a specific customer or job or you can have it just ask you what you'd like to do.

Back under the Company Preferences there's going to be a couple of things here you might want to know about. First of all if you have a particular shipping method that you use then you can actually have that pull in automatically if you like to use Federal Express, for example. If you're not shipping anything none of this will apply to you.

Down to Sales Tax on the left, and I'm going to save this change. One of the questions in the Easy Step Interview was Do you charge sales tax, yes or no? Let's say that you had said no originally and now you've changed your mind, then you can come here and say yes. It's also going to ask you here to set up your most common sales tax item. Now you'll actually have to get out of the Preferences window to do this and that will be done back under here under Items & Services. You'll set up that common sales tax and then you can come in and choose it from this particular list. We'll get into that a little bit later when we talk about sales tax.

You can also go ahead and tell QuickBooks that most of your items are taxable or maybe they're not and you can choose your terminology for those. And there's a couple of other options about paying sales tax. If you pay it monthly, quarterly, or annually then you can set that up here as well.

Going down the list I'm going to skip down to Send Forms. I mentioned to you that you have the ability in QuickBooks to actually send invoices, purchase orders, things like that through email right from within QuickBooks. If you do there's going to be a generic what I call a coversheet that goes with it and it's this one here for invoices called Basic Invoice. I'll just go ahead and hit Edit down here so you can see what it looks like. You can see that it says Dear and it has the first name, your invoice number, your transaction is attached, you can see this. You can change this to say whatever you would like. You can also create your own if you don't want to use the basic

one. I'll just go ahead and Cancel that for now and here's where you would add a new one if you wanted to create your own. And this is for invoices. You do have email templates for statements, purchase orders, etcetera.

Almost done here. I'm going to scroll down a little bit on the left. I want to mention the Spelling because you do have Spellcheck available. If you're under the My Preferences tab you can check or uncheck this Always check spelling before printing. That is a really great feature. You do want to have your spelling checked when you're sending out invoices or correspondence but it can be a pain sometimes if you don't like that.

The last one at the bottom is your Time & Expenses. You'll want to go to the Company Preferences. And this is where we talked a little bit in the Easy Step Interview about the time tracking. You could turn that option on or off. You could also specify the first day of your work week. And then down at the bottom you have some invoicing options. For example, if you wanted to track all your reimbursed expenses as income, things like that, you can go ahead and set those options.

There are a ton of other preferences in this window. You'll want to take time and look at some of these. And some of these you won't even recognize until you've been using QuickBooks for a while, but I just wanted you to see some of the more important ones and I want you to make sure you know how to get to this. And remember you get to this window by going up here to Edit and coming down to Preferences at the bottom of the list.

I'm going to go ahead and click OK now and our options are set. You might see some new icons that have appeared on your Home screen. Like for example, the Payroll right here. And those are because you've turned those options on or off in the Preferences.

Well that's going to go ahead and wrap up this section on Preferences. Let's go ahead and go over to section two and I'll talk to you a little bit about working with the users in QuickBooks.

Video: Working with Users

Cindy: We are working in module three where we're talking about different ways to customize the QuickBooks environment. We've gone through the Preferences. That was actually section one. And now we're on section two, Working with Users.

Right now if you open the company file you would just see QuickBooks. You'd be able to start working right away. If you set up users, as soon as you open the company file you will have to type in your username and your password in order to access the company file information. It is to your advantage to set up users for each person that will be using your company file. You do have the ability to actually track any changes that each user makes. That is one reason to set these up, because you can look at a report called the Audit Trail and just see what the transaction used to be, what it is now. It's a really good way of tracking down errors. Another really good reason for setting up the users would be if you have employees helping you because then you can limit their access to certain areas in QuickBooks. Only the administrator can add, edit or delete a user. Let's go ahead and flip over to QuickBooks and I will show you how to go ahead and start working with users.

As I mentioned, only the administrator can add, edit or delete a user. You would have to be logged in as administrator to do this. You would need to go up to your menu and click on Company and then you'll see an option that says Set Up Users and Passwords and then you'll see Set Up Users.

By default you can have up to five users in QuickBooks. If you need additional users you do have the ability to purchase them. You will currently that the administrator is logged on and you'll see over on the right is the Add, Edit or Delete user option.

Let's go ahead and add a user and we will say that we have hired a person to come in and help us pay the bills. I'll show you as we go through here how you're able to limit their access to certain areas of QuickBooks.

Let's say we go ahead and put in our new users name and we'll say it's Carol and we're going to give Carol a password. Now a couple of things about passwords. You want to make sure that no one else has the same password and make sure that you as the administrator know what the password actually is in case Carol happens to leave the company and you want to go ahead and log in as Carol or that sort of thing. I'm going to ahead and click Next and now it asks me what do you want this user to have access to. All areas of QuickBooks, selected areas, or notice there's an option also for an external accountant. What this option means is if you have an accountant you'd like to use your QuickBooks you can give them their own username and password and that way they don't have access to certain things in here, such as sensitive customer data, if you have credit card numbers, things like that in here. I'm going to choose Selected areas of QuickBooks and click Next.

Now what's going to happen is it's going to walk through a series of screens and for each of these it's going to ask me does this user have access to everything in QuickBooks, which would be full access, no access or selective. The first area it asks about is Sales and Accounts Receivable and we're going to say no access to that. That would be anything having to do with invoicing customers. The next area it asks about is Purchases and Accounts Payable. Now this is what we hired this person to do. We hired this person to come in and help pay the bills so we'll give them full access. Now I'm not going to give access to any more areas but just notice it asks about checking in credit cards, it asks about inventory, time tracking, payroll, sensitive accounting activities. These are things like in QuickBooks should this person be able to transfer funds between let's say checking and savings? Should they be able to do journal entries? Those are things that we consider sensitive accounting activities and we're going to say no. The next screen asks about the financial reports that go with those sensitive activities that we just mentioned so we'll leave that on no access as well.

And then it asks about changing or deleting transactions. I would leave this where it defaults. The first one asks in the area that the person has access to should they be able to delete or change a transaction? Absolutely. What if our employee actually entered a bill twice and they'd like to delete one of them? This question asks about should the employee or user also have the ability to change or delete transactions before the closing date? If you remember us talking about using QuickBooks to close the books at the end of the month, what this is saying is would you want this user to have the ability to go in prior to those close periods and make those changes and we are going to say no.

This is a synopsis of the areas it asks about and have we answered each of those questions. I'm going to hit Finish and now you'll see that Carol is one of my users.

Let me show you how this is going to work. I'm going to go ahead and close this window and I'm going to logout of this company file. Every time you're finished for the day you should always log out. Go up to File on your menu and now you'll see this option says Close Company/Log Off.

This is the screen you should see every day when you come in. You're going to double click on your company file and this time what you're going to notice is it's going to ask you to put in the username and password. Now it has the username of the person that was last logged in. You're just going to type over that and then you're going to put in the actual password and then click OK.

One of the first things that you might notice is that you have your icon bar on the left and that's because all of the options are set per user. You might also be saying to yourself, "Well I thought we limited Carol's access just to the Accounts Payable section?" Here's what happens if Carol clicks on an icon that she does not have access to. Let's say Create Invoices, for example. It will pop up with a warning saying that you need Sales and Accounts Receivable permission to

perform this action. She will have to ask her administrator to give her permission to get into those areas. That's how this is going to work.

Let me go ahead and log back off and we'll log back in as admin again. We're going to close Company and log off. And by the way, it will ask you every fourth time that you get out of QuickBooks if you would like to back up your company file. Even if you just backed it up it will ask you that. Right now I'm going to say no. We'll talk about backing up in a later module.

Let me go ahead and double click on our company again and this time we're going to log back in as admin. Notice it still says Carol so I'm going to type in Admin and we did not set up a password when we went through the Easy Step Interview but in real life make sure you set up that password.

As the administrator since you're responsible for the users you want to make sure that you go ahead and delete any users that have left your company. Maybe you have a new employee and they've replaced Carol. Do not give them the same username and password. Make sure you delete that user and then you go ahead and set up the new user like we talked about. If you needed to change the username or a password you could always edit the user. And notice a couple of other things. You can set the closing date from here if you were going to use that option to close the books.

And that's pretty much what you need to know about how the users work right here. When we get into the reports in a later module I'll show you that audit trail. I'm going to go ahead and hit Close and that's all we need to talk about as far as users are concerned.

Let's go ahead now and move over into lesson three and we're going to spend a good bit of time talking about the Chart of Accounts.

Video: Chart of Accounts – Part 1

Cindy: The Chart of Accounts is the most important part of QuickBooks. Basically it's a listing of everywhere that the money could flow in your QuickBooks file. For example, any time you spend money what did you spend that money for? Was it for meals? Was it for gas for the car? If you received money was it income for the business? Those are what we call different items on the Chart of Accounts and we're going to spend a good bit of time on this because like I said, this is the most important part. If your items are not set up correctly on this list your reports will not be accurate and you won't know why.

There are two parts to this. Make sure you watch both part one and two before you move on to the next section.

Like I mentioned, the Chart of Accounts is the most important part of QuickBooks, therefore you will want to know how to get to it whenever you need to. It's right here on your Home screen and it says Chart of Accounts.

Every single thing in QuickBooks will flow back through one of these choices. When you look at this list you'll notice there are different types of items on this list and currently they're set up alphabetical per type. For example, when you look at the Expense Accounts you'll see over here they're alphabetical. We did talk about in section one working with the Preferences and I told you there was a preference where if you wanted to turn on the general ledger numbers you could do that.

There's going to be quite a few items you will want to add to this list and what I want to do with you is go through all the different types over here and then we'll talk about the ones you need to add. You'll get most of them added pretty much the first time you sit down but you will find others that you'll need to add as you go along.

Let's go ahead and start with the first type which are Bank Accounts and you'll notice there are no bank accounts over here. We're going to have to actually set these up.

Now the easiest way to add an account is to right click and choose the New option from this list. I want to also just point out that on the very bottom left of your screen you'll see an option that says Account and by clicking the arrow next to Account there's the same options right there you would get by right clicking. New will obviously set up a new account for you. Here's where you would edit an existing one or delete one. One of the things you need to know about any list in QuickBooks, if you've ever used an item from that list even one time you're not able to delete it. That's because those numbers would actually pull into reports. Think about if you had a bank account that you used for a while and then you closed that bank account. You might not need the name to show up on the list anymore, you can hide it by making it inactive but you can't delete it because those numbers actually are required for reporting purposes.

Let's go ahead and create a checking account. I'm going to go ahead and click New and the first thing it asks is what type of account is this. Now we're going to be going through all of these. Right now we're talking about bank accounts. You'll notice when you choose an option on the left it gives you some examples of what a bank account would be over here on the right. A bank account would obviously be checking, savings, money market, petty cash, like you see here but let me add some to the list. If you're using PayPal, Square, Venmo, any of those other types of payment options you would want to add each of those as a bank account. That's all they are is they're bank accounts. Even Bitcoin.

The other thing that you'll want to add is if you have any cash expenditures that flow through your business you'll want to have an account to put those in and the only way you can do that is to create a bank account for those. Just a little FYI if you do that then your bank account will always show a negative for that particular account and that's okay. It's showing the expenses that ran through the company that were actually paid for with cash. Right now we're going to set up our checking account.

If you picked the wrong type on the previous screen they give you a second chance to go in and change that type. When you name your account you can name it anything you want. If you want to call it Checking you can do that. If you want to call it Payroll, another one called Operating, you might call one First Federal, another one Heritage Trust. It really doesn't matter what you call them as long as you know what they represent. And you will want a separate bank account for every real lift bank account that you have.

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

Here's some things that are optional, a description. If you wanted to put in here that this was the operating account you could certainly do that so that if someone was on this screen they would know what checking represented. You do not need your bank account number or your routing number. These are more informational for you. I would not put any of this in here. You really don't need it. You would however need an opening balance.

I'm going to click on Enter Opening Balance and then it's going to ask me to put in the statement ending balance and the statement ending date. You have to decide when you want to start your company file. If you've decided you want to start at the beginning of your fiscal year and let's just say that's January, you'll want to get out January's bank statement and put in whatever its opening balance is. Remember that December's ending and January's beginning are the same number. If you decided you're going to start with the current month just remember that your reports are only as accurate as all the date you put in but you could start with your current month. Just make sure you know the opening balance for that particular month. Now if you're setting this up and you really don't know the balance right now you can always plug in zero and go back and change it later. I'm going to go ahead and plug in \$5,000. And when you type money in QuickBooks don't type the dollar sign, don't type the commas. It will stick all that in for you.

and I'm going to go ahead and put in a statement ending and I'm going to say that I'm starting at the beginning of the year. So I'll just go back and pick January 1, or remember I told you that December 31 is the exact same number, and I'm going to click OK. And now you'll see it shows me my opening balance as of in this case 12/31/2018.

Down here if you still write a lot of checks then you might want QuickBooks to pop up and remind you when you get to a certain check number to order some more checks. You can plug that in. And just a little FYI. If you're still writing checks you do not need to buy checks from Intuit. You can buy them anywhere you want. They do try to sell them to you and that's what this option is here for.

You're going to notice in QuickBooks a lot of screens will say Save & Close and Save & New. Save & Close means close what I've got here and save it and I'll be on the screen that was underneath this. the Save & New option means save this and keep me on the same screen because I have another bank account I'd like to enter. I'm going to go ahead and hit Save & Close just to show you what we've done and because I dated this more than 90 days in the past it's basically warning me about that. And if this is pain then you can go ahead into the Preferences like you see here and turn that option off. I'm going to go ahead and say Yes that I'd like to go ahead and save it and it will ask you from time to time if you'd like to set up your bank feeds. We're going to say no. Basically what this is asking is do you want to download from the bank automatically. We're going to talk about that in a later module. For now I'm just going to say no.

I want you to notice now there is a new bank account at the very top of the list. Bank accounts typically show up at the very top. And you can see that it has a balance of \$5,000. And something just to notice. You don't really have to know this but in accounting there's always a debit for something and a credit on the other side of the transaction and this is what you're seeing here that there is one side is the checking account and the other side of that entry is called Opening Balance Equity.

Let's go ahead and set up another. I'm going to set up a savings account and I'm going to say that we have \$20,000. I'll just right click and choose the New option. I'm going to say this is a bank account. I'm going to click Continue. I'm going to name this Savings. Remember you can name it anything you want. And all I'm going to do is put in the opening balance of \$20,000. I'm going to date it for 12/31/2018 and click OK and I'm just going to Save & Close. I'm going to go ahead and tell it yes it's okay because I know that's over 90 days old and I don't want to download from the bank right now. And here you'll see my checking account for \$5,000 and my savings has a balance of \$20,000 and opening balance equity has \$25,000.

Let's go ahead and talk about some of these other accounts that you'll want to set up and I want to just mention the Assets just for a moment.

An asset is something that makes your business more valuable. If you have chairs, desks, maybe the business owns some vehicles, equipment, those are all assets to the business and you will want to set up these asset accounts to track those. A couple of terms that you'll want to get used to, when we talk about assets you have some assets that are fixed, we call those fixed assets, and you'll also have some that are more liquid. Think about if you're a business where you have inventory in the backroom. You are worth more because of that inventory but your goal is to sell it and get it out the door. QuickBooks calls those Other Current Assets. When you set these up you want to have big buckets, and what I mean by that is you don't want to have one for every single asset that you own because the list would be way too long. You want to have one called Vehicles, for example, another one called Equipment. Any time you have a lot of assets you could group together create an account or a big bucket as I call it and then you can put those assets in there. This is the one place where your accountant will be most helpful to you because you're not going to know what numbers to plug in here. You're going to get with the accountant, he or she will help you figure out the value of your vehicles, the value of your assets at a particular time. Also if there's any depreciation or appreciation the accountant will help you figure that out as well. And just a little FYI, QuickBooks does not do depreciation and that's because there's so many different ways to do it. That's where your accountant again will come in helpful and help you plug in those numbers. You do want to set the accounts up because if you go to get a loan for the bank, for example, they're going to want to know does the company have any assets and you want to be able to show those to the bank. And there's other reasons as well for setting up your assets but just know that this is the one place where the accountant would be most helpful.

I want to go ahead and stop the video right here and go ahead and have you go over to part two so that we can continue talking about setting up your Chart of Accounts.

Video: Chart of Accounts – Part 2

Cindy: We have a lot more to talk about as far as the Chart of Accounts is concerned. This is part two. Make sure you've watched part one before you watch part two but let's go ahead and continue going through our Chart of Accounts.

The next type that I want to talk to you about are your liabilities. A liability is something you owe. Some things you owe are considered short term. For example, if you collect payroll taxes or you collect sales tax those are short term because you have to turn around and send those to the state or whatever entity the money belongs to. We call those short term liabilities, something you're going to pay off in 12-13 months. A long term liability would be more like a car loan for example because you might have a five year car note. When you set up your liabilities you're going to tell QuickBooks if it's short term or long term and the terminology they use for short term is Other Current, like you see here. Notice they set up the payroll and the sales tax liabilities automatically and that's because in the Easy Step Interview you told it that you turned on the payroll and that you actually do sales tax. Any others you would have to add.

Let's go ahead and set up a car payment real quick so I can show you how to set up a liability that's more long term. I'm just going to right click and choose the New option. One of the things that might be a little confusing is this. When you set up a short term liability you're going to choose the Loan option right here. However, if it's a long term liability, meaning it's over 12 months, 13 months go ahead and use the option from this dropdown and it will say long term liability. I'm going to go ahead and hit Continue.

I can name the account anything I want. Sometimes people will put the actual bank and they'll put the last couple digits of the account number, sometimes they'll put the name of the vehicle. I'm going to say Car Payment. And then you'll notice down here there's a place for your opening balance. What you'll want to put here is as of the start date of your company file, not today, what was the balance you owed on the loan, not when you took out the loan but as of the actual start date. Let's say I owed \$12,000 and let's say again that that was 12/31/2018. And I'll just click OK and I'll go ahead and Save & Close so you can see what it looks like.

You'll now see that you have a car payment. It is a long term liability and I owe \$12,000. Now something to notice, the opening balance equity went down because any time you owe something that's a minus, whereas the bank account was a plus. So if you ever see a negative number then don't worry about it. That's an accurate picture of your books.

Did you notice that it didn't ask me anywhere what is the interest rate, the term in months, any of that? And that's because when you put in the loan you're just setting up the account itself, you're not setting up any of the terms of the loan. We're actually going to be talking more about that in module eight, specifically in section three we'll be talking about setting up what we call the loan through the Loan Manager in QuickBooks.

The other thing I want to mention at this point is when you make a car payment always put the principle amount to this loan because you want to see this go down. This is an accurate picture of what the loan balance should be. Do not set up your car payment as an expense to the business. It is not an expense. It is a liability.

Any other loans you have you would set up the same way. It could be that you took out a loan to start the business from the bank. It could be that you borrowed money from your personal to start the business. If you expect to pay yourself back then go ahead and set up a loan for that.

The next thing I want to talk about that you do not see here are credit card accounts. If you have credit cards that your business uses to buy items for the business you'll want to set up these credit card accounts. All I'm going to do is right click and choose New, you'll notice one of your choices is Credit Card and then I'm going to click OK. Again you can name your credit card anything you want. If you want to call it Capital One, if you want to call it Visa, Amex, it really doesn't matter. You're just put in your credit card account. And you do want to have an opening balance again. Remember the opening balance is going to be from the start date of your company file, get out that statement and whatever the opening balance is go ahead and plug that in. Again remember the previous month's ending and that month's beginning are the same exact number. I'm going to go ahead and say it was \$3,500 and I'm going to put in my date of 12/31/2018 here and click OK. I'm going to go ahead and Save & Close and you'll see now that when you see the credit card the balance that you see over on the right is going to be the actual balance on the credit card. When you make a payment towards this Amex card you want to make sure you put it to this account. Do not start breaking it out by how much is gas and how much is going to be food and that sort of thing because we're going to do that in a different place in QuickBooks. This is just where the payments go right here.

The next thing I want to talk about are your equity accounts and you'll see there are a couple of them right here.

If you think about equity the word Equity means equal. If you take money from the business and move it to personal or you take personal money and move it to the business those are both equal. You didn't make money or lose money. That's called Owner Equity. Let me give you an example of how I often see owner equity set up.

Sometimes you'll see the terminology Shareholder Equity. That's money you put into the business. Or sometimes you'll see Shareholder Distributions. That's money you took out of the business. Another way that I'll see it set up is owner and then they'll have subaccounts underneath for contributions and distributions. Again, that's just a way of an owner showing that they took money out of the business or putting money into the business. And you can set it up however you'd like to.

I'm going to right click and choose New and I'll just set it up this way because I see this often. What I'm going to see here is the word Owner as equity account. And then I'll go ahead and say

Save & New and I'm going to say Contributions, this is when you put money into the business, and this will be a subaccount of Owner. And I'll do one more. I'll say Distributions, this is when you take money out of the business. This again will be a subaccount of Owner. And now I'll go ahead and Save & Close so you can see what this looks like. And this is what subaccounts look like underneath, but you can see that they're all considered equity. So if you put money into the business it's considered an owner contribution, if you take money out it's an owner distribution. Sometimes that is called a Draw, an Owner Draw.

The next type I want to mention to you are income accounts. You'll see there are a couple of them here. Income is when you actually make a sale for your business and money comes in. That's considered income. You can have one and just use it for everything or you can break it out into multiple income accounts if you would like.

The next section is the cost of goods sold. Any time that you have to buy a product or a service to make a product or service selling your business that's called a Cost of Goods Sold. Often you'll see subcontractor expenses under here, job materials, things like that. And you'll notice that on a Profit & Loss they will be actually subtracted from your income at the top.

The largest grouping that we're going to talk about here are your expense accounts and this is when you spend money what did you spend the money for. You can see there's advertising, there's automobile, we've got bank service charges. You can kind of see the list going down here.

Let's talk for a moment about subaccounts, using them with expense accounts. Automobile is a good example because if I want to know how much I spent this year on gas I really can't tell if I lump it all under automobile expenses so you might want to consider making a subaccount underneath. I would just right click and choose New. The subaccount has to be the same type as the main account, so it's an expense and then I'll just hit Continue, and I'm going to call this one Fuel and it will be a subaccount of Automobile. And this is how it will look. See how it's underneath it and it's indented a little bit?

Some others you might want to consider having subaccounts underneath, insurance. You might have different types of insurance, like liability, workman's comp, things like that. You can add multiple ones underneath there. You'll notice that you have professional fees typically as subaccounts under there. I will see one for the attorney and one for the accountant. You'll notice there are utilities down here. You'll want to add subaccounts below that. You'll want to add your water, electric, telephone, things like that.

And notice also there's one called Ask My Accountant at the very bottom. If you just don't know where to stick something stick it in this account called Ask My Accountant and later you can go back and move it.

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This gives you a quick overview of how the Chart of Accounts is set up. Like I said, a lot of this you will get set up when you first sit down and start working on it but you might find some six months later that you need to add. You can always go back and do that or make some of these subaccounts of others, that sort of thing.

We're going to be referring back to the Chart of Accounts often as we go through the rest of the videos but for now let's go ahead and wrap up part two of the Chart of Accounts.

Why don't we go ahead and head over now to section four and I'll talk to you just for a few minutes about some of the QuickBooks sample files that you might want to look at when you're setting up your Chart of Accounts to make sure that you do yours the correct way.

Video: QB Sample Files

Cindy: There are several different sample files within QuickBooks that you may want to open just to look at and see how they did something or if you're looking to set something up yourself in your own file maybe you want to look in there and see how they did it. I want to show you where those sample files are and what type of files and what you can see by looking at those files.

The way you're going to get to the sample files in QuickBooks is right here it says Open a sample file and there's an arrow to the right. You're going to have at least one product-based business and one service-based business. You might have several others, depending on the version of QuickBooks that you have. I'm going to go ahead and start the service-based business and just open it up.

This is a company called Larry's Landscaping Services and I want to go ahead and show you what the Chart of Accounts looks like in this particular one. When you're working with one of the sample files you'll notice that today's date is December 15, 2024. I'll just click OK there and it's going to go ahead and pull up Larry's Landscaping.

Now let me go ahead and open the Chart of Accounts here so that you can see what it actually looks like and let me scroll to the very top here. You'll notice it's very similar to what we did, it just has a lot more items in the list. We've got several different bank accounts here. And by the way, the ones with the lightning bolt mean they are set up automatic download from the bank. We've got our current assets and fixed assets, credit cards, liabilities, and there's a couple here we didn't mention before. We didn't mention the accounts receivable. All that is, is when you create an invoice that creates what's called Accounts Receivable. It's money that customers owe you. This account will automatically be created once you create your first invoice.

The flipside of that is you'll see there's one here called Accounts Payable. These are all the bills you've entered that you haven't yet paid. Once you create your first bill you'll see that will populate there and then you'll have some accounts payable.

Looking down this list here you can see there's several different equity accounts like we had talked about. Here's their owner equity. They set theirs up very similar to the way I set ours up. And you've got owner's equity and there's owner contributions and owner draws. There's several income accounts below. They've got one Cost of Goods sold and then the rest are expense accounts. And you'll notice with a lot of these expense accounts they have subaccounts below. Notice how they set up automobile. We had done Fuel as a subaccount but they've also got Insurance, Licenses & Fees, and Maintenance & Repairs. They've got Insurance down here. Some people put auto insurance under Insurance. That's certainly okay. It's just where would you like to see it on a report? And you can see all of these other ones all the way down the list.

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Let's go ahead and close this one and I want to take a peek at the other sample file. I'll just go up to File and say Close Company and the other one is a construction company, so it's going to have more of the inventory in it and it's going to have a lot of things that a product-based business would actually have. Today's date is December 15, 2024 and this is Rock Castle Construction.

I'm going to go ahead and pull up their Chart of Accounts and you'll see it's very similar to Larry's Landscaping but it's going to have quite a few additional accounts that we didn't see previously. We're going to actually be using this for the rest of our videos and that way you'll get a really good feel for how this Chart of Accounts is set up.

Let's go ahead and go over into the last section in this module, section five. I want to show you a new feature in the 2020 version called the Company File Search.

Video: Company File Search

Cindy: Okay let's go ahead and wrap up module three. We've been talking about customizing the QuickBooks environment and the last thing I want to talk to you about is the Company File Search option which is new in the QuickBooks 2020 version. It's not a big deal. It's just a way of searching for a file that you may not see initially on the screen when you go to open a file.

If your company file is closed you're going to notice that the last few company files you had opened would be in this list right here. You could double click and just open them. If you were looking for one that was not on this list you could go over here to Open and search your computer. But they've got a new feature now in the 2020 version where you can actually have QuickBooks pull all the QuickBooks files and then you can search through those. It makes life a lot easier when you have your company files all over the place in your computer. I'm going to click on Find a Company File.

What it's doing now is scanning QuickBooks and it's going to pull up all the company files that it can find. And what's going to happen is once they all pop up here then we're going to be able to search for one through this list. While it's scanning notice it's scanning my local drive on my computer but I could have it look through any removable media such as a flash drive. Or I can have it look through a network that I might have.

Once it's finished scanning you can type in the name of the company file that you happen to be looking for and go ahead and hit Search over on the right and there's your company file right there. All you have to do is select it and hit Open and that's going to open your company file.

That's really all there is to working with the new feature, the Company File Search.

This is going to wrap up module three where we've been talking about customizing the QuickBooks environment. We're going to head over now to module four and start talking a little bit about working with customers and jobs.

Module 4 – Working with Customers & Jobs

Video: Working with Customers & Jobs – Part 1

Cindy: We are now down to module four. In this particular module we're going to talk a lot about working with customers and jobs. This is what Accounts Receivable, anything having to do with customers who are people or businesses that buy from you. you have the ability to track those customers in QuickBooks. And also if you have multiple jobs that you do for a particular customer you can track that as well and I'm going to show you how to set all of that up here in this first section, Working with Customers & Jobs – Part 1. There is a part 2. Make sure you watch both parts before you go on. Let's go ahead and flip over to QuickBooks and I'll show you how to set up customers.

The way I'm going to get to a list of my customers is I'm going to go to what's called the Customer Center. Now there are a couple of different ways I can access the Customer Center. This is the easiest way right here from the Home screen, but I did want you to notice that you have an icon that says Customers on your icon bar. And also if you go to the menu you can click on the Customer Center that way. Any of these three options are going to take you to the same exact place.

What you see here is a list of all of your active customers. You'll notice that currently they're alphabetical by last name. QuickBooks is not going to do that automatically for you but it will sort by the first character that you type in. That means that if you type last name, first name when you're setting them up they'll all be alphabetical order by last name. Sometimes a customer is a business. That's okay. It's still going to be alphabetical by the first letter in that name for that business.

These that look like they're indented like this, those are jobs for that customer. If your business does not use the job feature that's okay. You don't have to set them up.

You'll notice that I can see the balance the customer owes me as a total and also the balance the customer owes per job.

This column over here is where you can add an attachment. Let's say you had a Word doc or someone emailed you a particular file that you wanted to attach to this, you saw that I just double clicked right here and that brought up this Attachments window. I can now search my computer. If I had already saved the file once I could go grab it that way, I could scan it in right from here, or I could go to the document center and pull it in that way. I might also have a file that's in Outlook and I can just drag and drop it here, maybe it's on my desktop I drag and drop it, or if there's other folders I can drag and drop them here as well. All of those are ways that I can actually attach that file. When I'm finished I'll just hit Done and I would see a little paperclip right over here indicating there was an attachment.

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There's also a paperclip here and that's the same exact thing. It's just another way to add an attachment to this customer.

When I'm clicked on this customer you'll notice that I can come right up to the top here, it says Active Customers, and I can pull the list down and look at the list a couple of different ways. I might just want to see the customers that have an open balance right now, maybe anyone with overdue invoices, or almost overdue invoices. I can also look at the whole list by going to All Customers at the top. Any list in QuickBooks you have the ability to take items from that list and make them inactive temporarily. That way you won't see them when you're in other areas of QuickBooks and looking at the dropdown list.

Let's just say that I wanted to go ahead and make Babcock's Music Shop inactive. If you notice there's an X here and I just click and that makes it inactive. When I go back now and look at my active customers you'll notice it's not on the list. If I wanted to make it active again I just go back and I click the X and it will ask me, Do you want to activate the subs as well, I would say Yes and now it's active again. And I'll be able to do that with the Chart of Accounts or with items, any list in QuickBooks.

You'll notice that whichever customer you're clicked on you're going to see information on the right about that customer. I can see the customer's name, their account number, the terms, their billing address. Notice if I need to see more information up there I can drag this window down a little bit. I can also see their phone number and there's a link to their email. This would actually send them email right from here. It's a live hyperlink. I also have the ability to edit this information and pin a note here if I'd like. I'll show you how to do that here in just a moment.

Here's several reports for this customer. These are called Quick Reports. Even though the first one says Quick Reports they're all considered quick reports in QuickBooks. There's an open balance report, I can show estimates for this customer, and a customer snapshot.

Now way back over here if I wanted to get a map to this particular address or directions I can do this. This will actually use the Google Maps function. It'll just go online and pull it up automatically for you.

The bottom part of the screen has five different tabs. The first tab shows all the transactions for that particular customer. You'll notice when you look down the list there's payments, estimates, invoices and they're actually sorted in order by date. You can see the little arrow points down next to date right there. That's how I know that. I can choose to sort by number just by clicking the heading there or go back and sort date again if I wanted to sort it either ascending or descending. I can also filter this by looking at just invoices if I wanted or just credit memos. I can use any of these options to create a filter. I can filter by date as well. You'll see over here where it says Date. I might look at anything that happened this fiscal year, maybe last fiscal year, but I can also filter by date.

The neat thing about working in this is that I can double click on any of these transactions to go to that particular transaction. If I wanted to see this invoice I just double click on it and it's going to bring the invoice up. If I wanted to look at it and then close it I could. I could make a change and close it, whatever I wanted to do with this. I'm going to go ahead and close it. I'll just hit Save & Close at the bottom of the screen and now I'm back to my customer center.

This is a quick way to access the customer transactions. There's other ways to do it in QuickBooks but I find this to be the easiest way.

At the bottom of this window it says Manage Transactions and there's a dropdown arrow. There are several different things you can do from here. You might go ahead and create any of these entries. You'll also notice that at the top of your screen where it says New Transactions this is the same list. These options are all on the Home screen. Chances are you're not going to be here when you want to create invoices, for example. So that option is there if you wanted to use it but chances are you're not going to use it from this window.

The next tab over are your contacts. These are contacts that have to do with this particular customer you have selected. It might be that this is the person in the office that you speak with, it might be one of the owners. All you have to do to add a contact is come to the very bottom, you'll see Manage Contacts, here you can choose Add New, Edit Selected or Delete. If I click Add New you'll notice that you can go in and put in the person's title, their first and last name, and then if you want to put in their work phone, fax, mobile, any of these fields you'll be able to do that. You can also specify if this is an additional contact, a primary contact, or a secondary contact. And I'm going to cancel this but you see that you can have a lot of different contacts here related to this particular customer if that's what you need to do.

The next tab over are your To Do's. To Do's are things that you have to take care of related to this particular customer and/or job. You can see here that a To Do can be a phone call, a fax, an email, a meeting, an appointment, or a task. The way you create a new To Do is you come to the bottom where it says Manage To Do's and you create a new one. I'm going to go ahead and add one here so you can see what happens when you create a To Do. Here's where you choose what type of To Do this is and let's say you have to set a meeting. You can choose the priority. Is it high, low or medium? It's going to assume it's with this customer and job but you could change that if you need to. And there's also a due date that you can set here. If you have a particular time that day you can also set that here as well. Now all you're going to do at the bottom is type in the details. Set up meeting with Kristy about new job. Down here it says the status is active. You'll see if it's already been completed you can change the status to done or you can make it inactive but I'm going to leave it on active and click OK. And now you're going to see that that To Do shows up in this list. What's going to happen is once this To Do has been completed I can double click where it says Done, which will bring the Edit To Do window up and I can change the status to say Done and then click OK. And now you'll see there's a checkmark there indicating that To

Do has been done. These To Do's will also show up on the calendar function that we'll talk about in a later module.

Notice there's also reports down here, there were for each of these tabs. if you wanted to run some reports on To Do's in this case.

The next tab over says Notes. This is where you can keep notes on different conversations you might have with your customer, maybe you actually do something you want to track a note for you can do that. And you can go to the Manage Notes at the bottom to add a new note. When you add a note it's going to be the next one in the list. If there's a particular one you'd like to pin, that means you want to keep it right here so that you can see it every time you click on that customer, you can actually do that by making sure you have the little pin right here.

The last tab are your sent emails. It used to be that if you wanted to send emails to this customer it didn't track those emails. You could send things through QuickBooks, like an invoice, you could email it over for example, but you had no way to track your sent email and now you do. You can also go on to the bottom and manage your emails here. You can see that if you had some you could remove different ones if you wanted to but they will automatically show up there once you actually email those particular transactions.

I want to go ahead and stop the video right here. There is a part two to this. we've got a few more things we want to look at. I'm going to have you go ahead and go over to the second part, Working with Customers & Jobs – Part 2.

Video: Working with Customers & Jobs – Part 2

Cindy: We've got a lot more to talk about when it comes to working with customers and jobs. This is part two. Let's go ahead and flip over to QuickBooks and we're going to go ahead and add a new customer.

The way we're going to add a new customer is we're going to the very top left where it says New Customer & Job. If we click the dropdown we can add a new customer.

The first thing it asks you is to put in the customer's name. Remember we're going to stay consistent with how the list is set up so I'm going to do last name, comma, first name and this will be Tom Allen. There is a place to put in the opening balance. The way this field is designed is as of the start date of your company file how money did this customer owe you? You could put in that total here and then put in that date. I personally don't like to do that because even though my accounting would be correct I don't have a way of going back and seeing that that was actually three different invoices that I had invoiced my customer for that was for a total of \$1,000. I personally like to go back and put each invoice he still owed me for in and that way I can see everything going on when I look at a report.

The next thing is the address info. You're going to be able to put in the company name. If Tom Allen had a company you could plug that in here. You could also go ahead and put his full name back in these fields here. Now a very common question is if I've got his name up here why do I need to put it back here? One of the things we'll talk about towards the end of all these videos is the fact that you can do mail merges with Microsoft Word. It will actually pull from these fields here, not from here. This is just for this list. So that means you'll want to go ahead and make sure that you have all of the fields filled in with the information that you might need if you're ever going to be pulling some of this information. You can see you can put in his job title, phone, fax, email, website, and any of these fields you see here can represent any of these. So you just change it to the one you want it to represent.

You'll notice that as you start typing his company name that it pulls that down here. So you're going to want to go in and edit this information. This is the actual billing information that we'll pull on to any correspondence you send out. Make sure this information is the way you want it. You can always come back in here and edit this if you need to.

If you actually have an instance where you might have a customer say I want you to send the invoice to one place but send the physical items to another address over here you can actually change all of this, but typically you just want this part here.

The next tab on the left are your payment settings. A lot of these fields are just informational for you. For example, if you give your customers account numbers you have a place to plug that in here. You might want to give different customers different repayment terms. You'll see there's net 30 on the list, net 60, net 15, there's due upon receipt. There's also 1% and 2% to net 30. Just

to tell you what these mean, let's just use 2% to net 30. This means the customer's invoice will be due in 30 days but if he pays you in 10 days he can take 2% off of the total of the invoice. It's a way of getting your customers to pay you a little bit early.

Does this customer have a preferred delivery method? Do they like things emailed or mailed to them? Is there a preferred payment method as well? Do they typically pay you with Mastercard or cash? And this doesn't mean that every time they pay you this way, it just means that they usually pay you this way. There is a place to put in your customer's credit card information if they buy from you on a regular basis. That way you don't have to keep asking for that information. I personally would never in a million years put any of this in here. It's just safe for you to save this somewhere else if you need to keep it. A lot of companies still don't keep this information anywhere. They just ask for it again every time the customer makes a purchase.

On the right you can set a credit limit. What would happen is if you tried to invoice your customer for more than they owed and it exceeded the credit limit it would pop up and just say to you this customer has exceeded the credit limit, would you still like to sell them something. And you can also set a price level. A lot of times what happens is if this is a commercial customer you give them a different price than maybe a residential customer.

You can also set up the online payments, and I mentioned this when we were going through the Preferences. If you've already set it up with Intuit then you can actually email this invoice over to the customer and then when they get it they can just click a button and pay you with a credit card or bank transfer right from there.

Back to the left the next tab over says Sales Tax Settings. When we talk about sales tax there's a couple things that come into play and one of them is when you're actually charging tax do you charge it to this customer, yes or no? You might have a customer who is a nonprofit organization where they are tax exempt, whereas another customer might have to pay sales tax. If they do pay sales tax which sales tax item or group do you charge them? And then if they have a resale number you can plug that in. Basically what that means is let's say that I sell chairs in my store and my customer comes to me and buys chairs to put in his store to sell. He could have applied to the state for a resale exemption for sales tax and if he has that resale number I can plug it in here just in case I ever need it for some reason.

The next tab on the left is Additional Info. You can track things like the customer type. Notice they're tracking commercial and residential customers. This would be whatever list you wanted to create. You can see you can add new. If you have sales reps in your organization you can add those. That way you can track which rep works with which customers. And on the right you'll see a couple of fields that say Contract Number, Birthday and Spouse's Name. Now these fields are not here automatically. You add those. What you do is you go down to Define Fields, you type in the name of the field that you want to create and check off if you want to see that field for

customers, vendors and/or employees so that you don't have to set it up three different times. Then you can actually add information into those fields.

The last tab on the left is Job Info. Now in this case we're just setting up a customer but if we were setting up a job we could put in information like the description of the job, the type of job, maybe the status of the job, a start date, projected end date, and an actual end date.

That's the information you need to set up when you're setting up a customer. I'm going to click OK and you'll now see your customer in the list. Now you'll notice that it put Tom Allen at the very top of the list, not alphabetical. All I have to do is click the word Name at the top of the column there and that will re-sort the list.

Now let me show you real quick how to add a job for Tom Allen. As long as I'm clicked on Tom Allen I can go back up here where it says New Customer & Job and add a job. I'm going to call this job Kitchen Remodel. You'll notice that it pulled in all of the information from my customer. Unless I need to change any of that all I have to do is click OK and now you'll see there's a job for Tom Allen.

I wanted to also mention when you go back to the New Customer & Job option here you can add multiple customers and jobs. If you actually have some of this information already in Excel and you've got it set up with the same columns that you see here you can actually copy and paste this information. If you wanted to set up a new customer and job in here you can go down to the very bottom, type on the last line and then it will update this for you. And this is just a little time saving tip that it's giving you but that's another thing you can do if you want to add a lot of customers and jobs at the same time. I'm going to go ahead and close that. And that's a quick way to work with your customers and your jobs.

I want to go ahead now and start talking a little bit about working with estimates. We're going to head over to section two and we'll be talking about setting up estimates and using these customers and jobs that we just created.

Video: Estimates – Part 1

Cindy: We're working in module four where we're talking about customer and jobs. We've already looked at section one where I showed you how to set up customers and jobs. Now we're going to start using some of that information and we're going to start using them by creating estimates. A prime example of an estimate is in a construction company they will give you a quote or an estimate on what a job is potentially going to cost, and this is a great feature because you can actually take those estimates and turn them into invoices and get paid and then put the money in the bank further down the line. Not all companies use the estimate feature. If you don't use this feature then you can skip this and go straight to invoicing, but this is the first part of creating estimates. There is a part two to this. Make sure you watch both parts so that you get a full view of how estimates work. Let's flip over to QuickBooks and we'll create our first estimate.

You'll notice here that we are still in our customer center and I want to leave it open. I'm just going to use the Open Windows list here and click back on Home.

We're getting ready now to talk about the entire accounts receivable section, which is all of this right here in the middle of your Home screen. If you notice the first one here says Estimates. Before I click on that I want to point out one quick thing. You'll notice that purchase orders and estimates are on the same line. And the reason for that is because these are both considered non-posting. You can actually create an estimate all day long but if a customer never asks you to do the work and you never do anything with the estimate it just sits there and it doesn't affect your books really in any way. You would have to run specific estimate reports to see what's going on with those estimates. Like I mentioned also if your company doesn't use the estimate feature then you would just start with the invoice feature right here.

I'm going to go ahead and click on Estimates so that we can start creating our first estimate.

I'm going to go ahead and maximize the screen here and the first thing I want to mention is you have this area on the right and you'll see this with invoices as well. If you pull in a particular customer from here, which we're going to do in a second, you will see some information about that customer and job here. You'll see a summary, some recent transactions, some notes. If you don't want to see this just use this arrow to hide the history and if you want to show it again for any reason you can pull it back up, but that will give you more room to work on on your screen.

The first thing it asks you at the top is who is your customer and your job. From the dropdown list I can pick my customer and my job. And one thing to remember is if you use the Job feature always click on the job and not the customer. If you click on the customer what will happen is later when you start running reports you will see Other and you won't know what this is. Always click the job. Notice if I click Kitchen Remodel now it says my customer and job is Tom Allen's Kitchen Remodel.

Now something really cool that you can do in QuickBooks is I would like to add a second job to Tom Allen. So instead of a kitchen remodel I've decided to do an estimate for a sunroom. Now I don't have to go back to the customer center and set all this up. I can do it right from here. What I'm going to do is go ahead and just remove Kitchen Remodel and I have to have the colon at the end of Tom Allen. I'm going to go ahead and put in Sunroom and now I've got Allen, comma, Tom, colon, Sunroom. And if you forget that it shows you right here, Customer, colon, Job.

Now once I leave the field by hitting the Tab or the Enter key it's going to tell me Sunroom is not on the list and asks me if I would like to add it. I can do a quick add, which just puts it in this list, or I can go and do a full setup where I put in all that information about the customer address and all that stuff we went through earlier. Typically with a job just quick add it. Now if I look at my list I've got two jobs for Tom Allen.

The next thing I'm going to see is the Class list. Remember I told you that classes allow you to break up your company into smaller sections for reporting purposes. You don't have to use this feature but if you do you want to use it consistently so that your reports are accurate. Let's say in this case that it's going to be a remodel and then notice over here is the template that's being used currently for the estimate. Now I can change the templates for each individual estimate if I want to. I'm going to leave it right now on the one that's there. We will talk about templates in a later module and I'll show you how to create new ones or to edit some existing ones.

The next thing you see is the date of the transaction. You can put any date you want here. It does not have to be the date that pulls in. Remember it's going to pull the current date automatically if you've changed that option in the Preferences that we talked about.

The next thing is the estimate number. It's numbering it sequentially. All items in QuickBooks that are numbered start with the number one. Checks, for example, invoices, in this case estimates. It will number the next one sequentially unless you happen to change it. You can make this number anything you want. You could even use the letters in the alphabet if you'd like and it will number the next one sequentially.

This is the name and address that we had typed in for our customer. If you happen to be here and you say, "You know he's really at P.O. 125", you can change it here and what will happen is when you're totally finished and you save this it will go ahead and pop up and ask you if you'd like to save it permanently in their record.

The next thing I want to point out down here is where it says Item. You have to actually click there to see this dropdown menu. Now we're going to talk about items in a later module because items are things that you actually sell your customer or sometimes you buy items, but these are the line items that would actually go on this estimate. When you're looking at this list sometimes items can be services you provide. If I scroll down the list sometimes they can be actual inventory parts, they can be what we call noninventory, they can be assets, you can kind of see

the list here. We'll go through later when we talk about items and really look at this, but right now let's just pick a couple of them from the list.

I'm going to pick Framing and you'll notice that it brought in the description, Framing Labor. I can type over this all day long if I wanted to and this will also word wrap if I have a lot to say.

I'm going to put in the quantity. We're going to say there's ten of these and the cost it brought it in is \$55 because that was set up in the actual item. Now let's say for whatever reason I'm going to sell these to him for \$50, maybe it's a new customer and I'm trying to get his business, and I wanted to just mention the unit of measurement that it skipped over. You'll notice it's not available right now. When you set up an item if you set up the unit of measurement that means that you can say this is something I sell by the foot, the yard, the case, and this would be a dropdown list where you could pick that from the list.

Now we're over in the markup column and I just wanted to show you that you can mark an item up a dollar amount or a percentage. I'm going to go ahead and say 30% of this one. Notice I typed the percent sign in. And if I tab through it it will do the calculation for me automatically.

The last column here where it says Non, that means that this customer charges sales tax. That means that I charge sales tax but this particular item is not subject to sales tax. Typically if it's a service you provide it's not, but a physical item it is.

I want to put one more item in here that is a physical part because I want to show you how to mark something up a dollar amount as well. I'm going to go ahead and there are some wooden doors in here and I'll go ahead and pick the exterior wooden door. And I'm going to say a quantity of two of these and I'll just leave the price it pulled in.

Now if you notice this time the markup is a negative number and it's a percentage automatically. I'm going to type over that but the reason it pulled that is because when the item was set up they put in the setup that typically they have a particular price they buy it for and a particular price they sell it for and that way it figured out the markup. But I'm just going to mark it up \$1,000. Notice I'm not putting the percent sign this time, just the 1,000 and it will calculate for me.

I can put in as many line items as I like. This is not the bottom of it. It will keep going on forever.

That's a quick way to go ahead and set up a basic estimate. What I'd like to do now is go ahead and talk to you a little bit about some of the things that you see at the top here. And in order to do that I'd like to stop the video here and go ahead and go into the Estimates – Part 2 to finish this up. I'll see you shortly.

Video: Estimates – Part 2

Cindy: Welcome back. We're in module four, Working with Customers & Jobs. We've been talking about estimates and I want to go ahead and continue where we left off. This is actually part two of working with estimates. Let's go ahead and flip to QuickBooks and we'll keep going.

Now that you know how to enter your line items in your estimate let's talk about the options at the top of the screen. You'll notice there are several different tabs and we'll start with the main tab.

The first option that you're going to see here has to do with finding estimates. You're going to find that everything in QuickBooks is in date order. Let's say you were looking for a particular estimate and you couldn't find it. You could use your arrows that take you left or right to look for the next or previous estimate. If you can't find it that way use this Find option right here, which lets you put in some criteria so you can search a little bit easier. If you knew the customer and job you could plug that, if maybe you had a particular date range you knew you created it you might look that way, you could look for estimate number or amount. This is only going to look for estimates. It's not going to look in all of QuickBooks for a date range or an amount of money. It's just for estimates. I'll go ahead and cancel that one.

The next option is to create a new estimate, which would actually save the one you're on as well. And if you look at the very bottom right hand side of your screen you'll notice there's an option that says Save & New. That's the exact same option.

The next one over is an option where you can save your work. If this is taking you awhile and you just want to make sure you don't lose it you can hit the Save option. But I want to show you that you can also save this as a PDF. Maybe you need to send it to someone and you need it in that PDF format you can do that.

The next one says Delete. This is how you would delete this entire transaction.

You can also create a copy. What if your customer asked you to create two estimates and maybe one had a little something that was different? Instead of redoing the whole thing just make a copy and then make those few changes.

The next one is the option to memorize this. We're going to be talking about this in a later module but basically what it allows you to do is memorize this so that you can pull it up again at any time.

You can also mark a transaction as inactive. Basically what that does is QuickBooks is going to keep a record of all of your estimates but if you don't want this one to show up in reports and things like that you can mark it as inactive and then when you're ready you can activate it again.

Moving over to the right the next one is Print. This is where you would go to print this estimate or to preview this. and I want to show you what it's going to look like if you preview it. Right now it's very plain. You would want to come in and customize this if you're going to send a lot of estimates out. Notice I can click to zoom in a little bit. But you'll see that it has your company name and address, it has the name of the customer and their address, you're going to see it says Estimate, it's got some information on the right, the name of the project or the job, and then you'll see a description, quantity, unit of measurement, cost, and total. The first thing I want to point out is it does not show the name of the item, which is typically the first column. That's because your customer is going to see the description of the item but you can name your items anything you want. That's more for internal use. Notice also they don't see the markup. So that column is hidden as well. At the bottom they see subtotal, sales tax and total. And of course you can customize this to look any way you like. I'm going to go ahead and hit Close at the top and that'll take me back to my estimate.

You can also under Print save this as a PDF again. And you can also do a mail merge with Microsoft Word where you can actually create an envelope. If I click on that and make sure I have the correct envelope size chosen and then clicked OK it's going to do that mail merge. You have to have Microsoft Word in your computer in order to be able to do this. You'll see it popped up Word down here at the bottom. I can click on it and actually pull up the envelope options. And then if I don't need to change those I hit Cancel and there's my envelope right there that I can print. I'm going to go ahead and save No right now because I don't actually want to print that.

The next thing you can do is you can actually email this estimate to your customer. You can see right here you can email the estimate or the batch and I want to tell you what the batch is. Right here is a checkbox that says Email later. If I set up several different estimates for this customer and I check each one of these then when I'm ready I can email the batch over and it will email all the ones that have Email later checked.

I can also attach a file. If I want to attach a file all I have to do is hit Attach File and you see that option before where you can go through and choose a file on your computer or if you wanted to pull one over that's in Outlook, any way you'd like to attach you can.

You can also create an invoice straight from here. Now chances are you're not going to be on this screen when you're ready to do that but you can if you want to. And let me just mention the Start Project. Intuit sells a product called Mavenlink which is more like a project management type software. They do give you a free 30 day free trial. So if you wanted to try it you could click here and it would walk you through setting it up. It is not free, like I said. You do have to purchase it after that 30 days.

Let's go over to the next tab which says Formatting. We're going to be talking about these templates I mentioned earlier right here in a later module but this is where you would go to

actually work with those templates if you want to customize them. Here's your spellcheck. You also can insert a line, delete a line or copy a line. Whichever line you're clicked on is the one you insert a line above it, you can delete or copy. And this has more to do with customizing your template.

The tab that says Send/Ship, this is where you can do some of the mail merge options with Microsoft Word. And then you have some reports that are related specifically to estimates here. You can run a quick report, you can do a transaction history, estimate by job, estimate versus actual, or an item price list. And that's going to give you most of your options there. Most of the time you'll stay under the main tab.

A couple of other things I want to mention if you look at the bottom of your screen. You can actually see the subtotal, there's the markup, if there was any sales tax and then the total at the very bottom. Over on the left you can also add a customer message. You may say something like "Please sign and date this proposal", you might say something like "Thank you for your business", there's different options there. And also a little place for a memo that the customer will not see, that is just for you to see, and then also the customer tax code.

And that's pretty much what you're going to see on an estimate.

I'm going to go ahead and hit Save & Close at the bottom here and because I changed Tom Allen's P.O. Box earlier it's asking me would I like to change this permanently in his record. I'll just say Yes and now that has changed.

That's how you're going to go through and actually set up estimates for customers and jobs.

Once you've created the estimate you're going to sit back and when the customer says do the work you'll want to go through and create an invoice and that's where we're going to start with the next video. I'm going to have you go ahead and go over to section three, Invoicing from Estimates, and we'll look at how all this invoicing works.

Video: Invoicing from Estimates – Part 1

Cindy: Now that you've actually got your estimates set up in QuickBooks if the customer calls and says go ahead and start the work you're going to want to get paid for some of the work you've done and you're going to be able to create invoices directly from those estimates that you've already created. I want to show you how to go ahead and create an invoice directly from estimates. There are two parts to this video so make sure you watch both parts so that you understand the full concept of how this works.

Once you're ready to create that invoice go ahead and follow the flow chart and click on Create Invoices. You'll notice that the invoice screen looks almost identical to the Estimates screen with a few exceptions. The first thing I'm going to do is come over to the right and go ahead and hide the history so that I have more room to work on. And then I'm going to pull in my customer and my job. Remember this is the Sunroom that we're working on for Tom Allen.

Now this window here is going to appear and this is the Available Estimates window. What it's doing is listing all of the estimates for Tom Allen Sunroom that we've not invoiced everything from. Even if there's a penny left it's going to show up on this list. I'm going to choose the one I'd like to pull in and click OK.

Now the next thing it's going to ask me is do you want to pull in an invoice for the entire estimate, a 100% of it, maybe you want to create an invoice for a percentage of the entire estimate, or you can pull in selected items or different percentages. Let me just show you the bottom one and then I'm going to go back and make it 30%. I'll just choose the bottom one and click OK. These are the items that are on the estimate and you have the ability to say I want to pull in two of these and one of these, or you might pull in a certain percentage of each one. There's just all kinds of ways you can pull in whatever it is you want to pull from that estimate onto this invoice. I'm going to cancel that though and just to show you this because it still has Tom Allen Sunroom here and I cancelled. I need to go to the bottom and hit Clear, then I can pull it in again. I'm going to choose Tom Allen Sunroom, choose the estimate I'd like to pull from and then I'm going to pick the middle one and just put in 30. Now it knows 30%. You can type it or not here. It doesn't matter. I'm just going to click OK and now you'll see it's pulled in 30% of my estimate. When you look over at the quantity you'll see it pulled three of the framing and it pulled 0.6 of the wood door.

If you wanted to add something to this, maybe a shipping charge or a delivery charge, let's see if they have one in the list that we can use. If I go down the list and look at this I believe that they do have one close to the bottom here. And they actually have a delivery charge. And I want to charge them just \$25. I'll just say quantity of one and the rate is \$25. You can add as many line items as you want to this. This does not affect the estimate in any way.

Now a couple things I just want you to notice. First of all a lot of this you'll be very familiar with from working with the estimates. We talked a little bit about the main tab, how you have a Find feature here. If I'm looking for a particular invoice and I can't find it I can use the arrows to search next or previous and I can also use the Find feature to go through and put in some criteria that I might know in order to help me find that particular invoice.

New is the same thing as Save & New down here at the bottom. I've also got my Save option where I can save this as a PDF if I want or just save this so that I don't lose my work. I can delete this invoice, create a copy, I can also memorize it. We also talked a little bit about mark as pending. Remember that if I want to keep this invoice in here but maybe I'm not quite ready for it to show up on my reports for whatever reason I can mark it as pending and come back later and then take that option off.

I can print this. Let me go ahead and show a preview of what this is going to look like. And you can see right now that it's very basic. You can see that I have my company name and address, I've got the word Invoice at the top, there's a place of the bill to and the ship to. Obviously if we're not shipping anything we can go take this out. We'll talk about customizing this in a later module. And then you can see it has all the information at the bottom. The sales tax, if there were any payments already made and a balance due at the bottom. I'm going to go ahead and close that.

I can also choose to print this later or email this later. We talked earlier about email later means that if you have several different ones you've created you can send them all as a batch. Well you can do the same thing with printing. If you actually create several invoices and you want to print them all at the same time you can choose the Print Later option right up here.

You can attach a file to this. maybe you have something from your vendor that you want to attach. You'd be able to do that.

And I want to talk real quick about Add Time/Cost and what this means. If you have any expenses that you had incurred related to this particular customer and you want to at some point pull those all in and invoice the customer you can do that. Now we don't have any in here currently but let me just pull up this screen so you can see what it looks like.

I'm going to be able to keep track of any time I incurred, any expenses, any mileage, or any items. If I wanted to pull in anything that was under any of these tabs I'd just check it off and click OK and it will actually pull it into this window and that way I don't have to write this in my little book and remember it and come type it in. It's a real big pain to do that. So this is a great little feature if you have expenses that you need to turn around and invoice your customer for to get reimbursed.

You can also apply any credits. If you'd already created a credit memo towards this invoice this is a place where you can go to apply those credits. And let me just mention the progress. We

don't really have too much of a progress to look at right now but if we had actually already invoiced several of these from that estimate, if we had actually received a payment, maybe made a deposit then we can actually kind of track that.

You could receive payment right from here. Chances are at this point though you don't have a payment. And even if you do you might not be on this screen when you're ready to actually receive payments so you can do that from the Home screen as well.

You can also create a batch. If there are multiple customers that are going to all chip in and pay this one invoice then you can actually choose to create a batch option and it will send an invoice to multiple customers and then they can each pay their part.

You can also create a refund or a credit at this point for this particular invoice.

Let's go up and look at some of the options under the Formatting tab. One of the things we're able to do is we're able to come over to the templates that you see right here and we're able to customize these or create a new one. And this is where we would go to work on some of those options. Here's your Spellcheck. Here's where you can insert a line, delete a line or copy a line. And then here's some more of the customize options for your template.

Now under the Send/Ship there's a couple of new things here. If you have to ship physical items to your customer or to a job site or somewhere then that means that you're going to have to go and schedule a pickup with FedEx, UPS or the United States Postal Service. Typically you would get out of QuickBooks and go to the internet and pull up your account with any of these but you don't have to do that. You can do it right from here. Notice I can go ahead and schedule my FedEx pickup, I can go ahead for the UPS and schedule the UPS pickup or for the Postal Service as well. It's going to basically take you to the FedEx website, you sign in and then you'll be able to take care of all of these options. That's a pretty cool feature you can do from within QuickBooks.

We do have some more mail merge options right over here. And then the last one, these are some reports that have to do with this particular invoice. You'll notice there's a quick report you can run, you can look at a transaction history or a journal. The transaction history is actually going to list all the transactions so you can see any payments have been made towards this, you can see if it's linked to anything. And then when you look at the transaction journal here it's going to show basically the same information just in a timeline fashion.

You can view any open invoices, look at your sales by customer detail and also average days to pay summary.

That's going to give you a quick overview of how the invoicing works right here. What I want to do is go ahead and stop the video here. We're going to go to part two and we're going to

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continue pulling everything off of that estimate into some invoicing and then we can look at some reports having to do with that a little bit later.

Video: Invoicing from Estimates – Part 2

Cindy: We just created an invoice from our estimate and what we need to do now is go ahead and finish invoicing everything from that estimate and then look at a couple of reports that have to do with invoicing. Let's go ahead and flip back over to QuickBooks and we'll continue talking about invoicing from estimates. This is part two.

Now that we've completed the first invoice let's go ahead and hit Save & New at the bottom and I want to go ahead and invoice the customer for the remaining amounts that were left on the estimate. The process would be that the customer has okayed the job, everything is good, we've completed it. Let's go ahead and pull in Tom Allen Sunroom again. It's going to pull up the available estimates. We're going to choose the estimate that we're going to pull from. We're going to click OK and this time you'll notice in the Progress Invoice window that the first one is a little bit different. Notice it says create an invoice for the remaining amounts of the estimate. We could also invoice for another 30% if we wanted to or selected items. We're going to go ahead and invoice for the remaining amounts and click OK. You'll notice now it brought in everything that was left on that estimate that we had not yet pulled into an invoice.

I'm going to go ahead and add a delivery charge to this as well. We're going to say that it's a quantity of one at \$25 and that's all I want to add to that particular invoice.

You're familiar with everything up here so I'm not going to go through all that again. I'm just going to hit Save & Close at the bottom and now we have invoiced everything. If we happen to create another invoice and pull in the same customer and job it will not pull up that available estimate window again because there's nothing left to pull in.

This window happened to be underneath so this is our customer center and I wanted to show you that if you're clicked on your customer and in this case we're on the sunroom here's the estimate we created and there are both invoices we created. If I wanted to open any of these up I could just double click on them and go right to that particular transaction.

There are a couple of reports that I want you to be familiar with that have to do with customers. If you go to the menu and click on Reports, we're going to be looking at all these different reports in a later module but right now I want you to look at the Customers & Receivables category and then in there we're going to pull up the Open Invoices.

Open means these have not yet been paid. This is the report you would want to pull on Fridays when you're looking to make some collection calls. When you're looking down this list a couple things. Here's Tom Allen Sunroom. You'll see the two invoices that we just created. But a couple things just to be aware of when you're looking at the open invoice report.

Let's say that you see something like an invoice for \$100 and then below it it said payment of \$100 and the balance is zero. That would actually be wrong or I should say it shouldn't show up

on this report. That just means that there are some payment that's not attached to that invoice. If they were then they wouldn't show up on this report. You also might see just a payment by itself occasionally. That could be legitimate. Maybe a customer paid you ahead of time, but just make sure that there shouldn't be an invoice in there to attach that payment to.

There's one other report I want you to look at. When I go back to Reports, back to Customers & Receivables, there is a Customer Balance Detail report. And this is the one that shows the customer's entire history. Here is our Tom Allen Sunroom again, but I want you to look at Kristy Abercrombie. She has three different jobs and notice they're separated but they show up under her name. You can see there's a couple of invoices, a payment, down here there's a check, there's a credit memo. So that's the entire history of the customer.

Now let's go ahead and go back to Home for a moment. And now we've completed the estimates and we've created two invoices and now we're going to sit back and wait to get paid. And that's the fun part, when we start getting money coming in the door.

What I'd like to do now is go ahead and wrap up this particular video on invoicing from estimates. This was part two. We need to go ahead now and talk about invoicing customers for products and services and then we'll talk about receiving payments from customers.

Video: Invoicing Customers for Products and Services

Cindy: We are all the way down now in module four to section four where I'm going to talk to you briefly about invoicing customers for products and services. This is really very similar to what we just went through, except we won't be pulling any information from an estimate. Let's go ahead and flip over to QuickBooks and create a real quick invoice to show you how this works.

If I want to just create an invoice and not pull from an estimate I'm just going to start with Create Invoices right here and I'm going to pull in a customer and a job. I'm going to go ahead and pull in Tom's Sunroom again and let's just say this is something that has nothing to do with that estimate we created. Now even if there was an estimate there and it asked us if we wanted to pull from that estimate we don't have to. We can go ahead and just get out of that window and invoice for anything we like.

I'm just going to come down here and we're going to invoice him for some blueprints. We'll just say a quantity of two of these at \$500 each and then that makes \$1,000, which is nontaxable. And that's really all I have to do here.

You're familiar with everything else here. I'm going to go ahead and add a customer message down at the bottom. And then I'll go ahead and Save & Close. And I want to make sure this shows up on our reports. If you notice the open invoices is still here and it says Refresh Needed. That basically means that when I click there it's going to go ahead and update the report for me and you can see now that there are three invoices there for the sunroom.

And that's really all there is to actually invoicing when you're not pulling from an estimate. It's not too much different from what we did the first time.

Let's go ahead and wrap this one up and let's move over to section five where we're going to talk about receiving customer payments.

Video: Receiving Customer Payments

Cindy: Now we get to the really fun stuff where we actually talk a little bit about receiving customer payments. It's always great when we have money coming in the door. And I want to show you how to actually go ahead and do this the right way in QuickBooks so that you zero out your invoice and then we'll talk after receiving customer payments about how you put the money in the bank. Let's go ahead and flip over to QuickBooks and we'll talk about receiving customer payments.

When you receive a payment from a customer you're going to want to go ahead and enter it here where it says Receive Payments. The first thing it asks you in this window is who did you receive the money from and I'm going to pick Tom Allen Sunroom. And you'll notice that once I do that a couple things happen. First of all it prepopulates all of the invoices that are still open for Tom down here at the bottom of the window. Also it tells me the total that the customer owes right up here.

What I'm going to do is plug in the amount of money that the customer paid. Let's say that Tom paid \$924.93. As soon as I do that you'll notice that down at the bottom it checks off the very first one. It assumes all of the money was to pay the first one. If there was any remaining money it would be applied to the second one and so on and so forth. And you want to be really careful there because what if the customer had said they wanted to apply that money to the second one. Or maybe they said they want to pay half on one and half on the other. You can actually check off the ones the customer is paying and then way over to the right here you can type in the amount of money they're paying towards that invoice. If you don't pay particular attention to that what'll happen is further down the line you and the customer will be having a meeting because you won't have the same set of books on both sides. So pay a lot of attention to that.

The next thing you'll notice is you have to put in the date of the payment. Let's say that it was on the 23rd of December. And then the next thing is how did the customer pay you? You'll notice currently it says Reference Number. If I chose Cash it'll say Reference Number. If I choose check it'll Check Number. If I choose Credit or Debit you're going to see this pop up. You do not need to enter this information unless you've signed up with the Intuit merchant services because what happens is if you type the card number in then it will run their card. But if you're not signed up with the Intuit merchant services then this does you no good. Just X out of that and it'll still stay on the debit or credit option so that you will know how the customer paid. You can choose the e-check option. Over here you've got different payment methods. You'll see there's Mastercard, Barter and PayPal. Make sure that you actually choose Barter if someone does barter this and that way you can actually zero the invoice.

The other thing is what if you need to add a new payment method? You would just click Add New Payment Method, type in the name of that payment method. Let's say it's Square in this case. And then we'll go ahead and choose a payment type. In this case we'll say Other and click

OK and now what you'll notice is that Square is on the list forever so that I can choose it for future payments.

A couple of other things just to be aware of. Up at the top you have a couple of tabs again and under the main tab you'll know what a lot of these are already. Here's your Find option right here. We can search through all the customer payments for specific ones we might be looking for. Here's a way to create a new customer payment. Remember it's going to save this one and create a new blank one for you. Here's a way to delete that payment. And then you can print. You do have the ability to print the payment and just to show you what it's going to look like I'll preview this. And it's just basically what they call a payment receipt and it looks like this. All right I'm going to hit Close at the top, get out of that.

You can also email that same payment if you wanted to. You can also attach a file. We've talked about that. And then you can also look up a customer and an invoice if you wanted to. Now the open ones are here but what if the one the customer said that they're wanting to pay is not on this list. It might be that they've already paid it or you applied it incorrectly and you can go and search for a customer invoice this way and just see what's going on.

You can also un-apply a payment. That basically just unchecks whatever was checked down here. And I'll go ahead and check it back again.

You might also apply a discount or a credit. A lot of times a customer might have terms of something like 2% ten net 30. You would give a customer those terms if you want to get the customer to pay you a little bit earlier than they normally would. In that case you probably gave them a small discount for doing that and here's where you could go and apply that discount or that credit.

You may have a situation where a customer has a returned check. Their check bounced and you need to record that. All you have to do is record it right here and it'll set everything up the right way for you.

Obviously here is where Intuit can sell you the credit card processing if you want it to go check out all the features of those options.

Under the Reports tab there's several different reports you can run and you can see those here. And then also under the Payments tab that's where they have that credit card processing again if you wanted to check that out.

I do have a question for you though. Where is this payment going to go once I hit Save & Close at the bottom? Well let me show you where it's going to go.

I'm going to go back to the Chart of Accounts for just a moment because I wanted to show you this account right here called Undeposited Funds.

If you look all the way to the right there's a balance of \$3,364.93 in that account. This is all of the payments you've received that you have not yet put in the bank. A good way to keep a check on yourself is if you know that everything has been deposited but yet this has money in it then you need to figure out what happened.

I'm going to go back to the Receive Payment window. So the question is where does the payment go and the money is going to go into Undeposited Funds.

Now I want to just show you something. I'm going to go ahead and hit Save & Close at the bottom and I'm going to save my transaction. I want to flip back over to a couple of these reports. So I'm going to go to Open Invoices. You'll see now there's only two that are there. And if I flip back to the Customer Balance Detail report you'll see there are the three invoices and the payment that we just received.

Now let's talk about something that we actually saw when we were in the Preferences. I'm going to go back up to Edit Preferences for a moment and when we looked at the Payments option on the left, Company Preferences I had mentioned this option right here, Use Undeposited Funds as default deposit to account. If I uncheck that and click OK I want to show you what happens when you're on the Receive Payment window.

I'm going to go back to Home and I'm going to go back and pull up my Customer Center. That's the easiest way to get back to that payment. This is Tom Allen Sunroom and I'm going to double click on that payment we received.

This is a little bit different now. Now I get a choice of where I'd like to deposit the money. Notice Undeposited Funds is still on the list but so are my bank accounts. If I knew this was the only payment that was going to be in this deposit I could skip the next step we're going to talk about and just put it directly in the checking account and I'm done. But that's not going to work if you have more than one payment in a single deposit. You want to make sure that your bank statement matches QuickBooks. If you have more than one payment that's in a single deposit you still want to put each one in Undeposited Funds and then when we go to the next step where we talk about making our deposits that's where you're going to see those two be pulled into a single deposit. That's going to be the difference right there. If this confuses you don't even worry about it. Just put everything in Undeposited Funds.

I'm going to go ahead and hit Save & Close and if I've made a change I'll save it. And I want to show you one more quick thing.

If I open up the invoice that we just paid you're going to notice that it actually says that it was paid and it gives you the date that it was paid right here. Even if there's one penny left it will not say Paid on this particular invoice. But this one is paid in full. I'm going to hit Save & Close at the bottom and that's how you actually receive payments.

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I want to go ahead now and flip over to the next section and show you how to make deposits.

Video: Making Deposits

Cindy: Now that we've actually gone through and received some payments from our customers we can go ahead and make a deposit. I want to go through this section which is section six and talk to you about how to take that money that you've received for customer payments and actually put it into a deposit and actually have that show up in your checkbook register. Let's flip over to QuickBooks and I will show you how to make a deposit.

When you're ready to actually make a deposit what you'll want to do is actually follow your flowchart all the way to the Record Deposits option right here. You'll notice the little three that you see, indicates there are three sets of monies that are sitting Undeposited Funds right now waiting to be pulled into a deposit.

Now before I click on that I just want to talk for a moment about something that I see often that will cause you problems. A lot of times people will get to the step where they receive the payments over here and when they go to make a deposit they'll actually go to the checkbook register and type it in. Here's the problem with that.

Number one, if you do that the money sits in Undeposited Funds at this point and it just grows and grows and grows and you want that to be zero every single time you've actually deposited all of the money you've received. That's the first thing. The next thing is if you go to the Check Register and you just try to type this in what's going to happen is you're going to type and the first thing it will ask you for here is a payee. If you had several different customers that had paid you you obviously couldn't put all three on that one line. That's not such a big deal. What would happen next is you would go over here where it says Deposit and put in the total, but here's where the real problem is going to come in right here where you have to pick something from the Chart of Accounts. Most of the time what I see people do is they will pick one of their income accounts right here and you don't want to do that because now you're doubling that income. QuickBooks decided this was income at the time that you created the actual invoice itself. Here you will be doubling it if you tell it it's income again. The other thing I see people do is they will also sometimes pick the Accounts Receivable account, which is right here, and that's wrong because you've already been there, done that. It was Accounts Receivable when you created the invoice. There is no correct way to enter it in this window. You need to actually follow the flowchart all the way on the Home screen and choose the Record Deposits option right here.

This is a listing right here of all of the monies that you've collected that you haven't yet deposited. A couple of ways you can view this window. You'll notice right now I'm looking at all the types of monies I've received. I could look at just the debit card transactions or maybe just the cash and checks but typically I leave that on all types. You can also sort this list by payment method, by name, amount, whichever one of these you want to sort it by. Again I usually just leave that on payment method. There's really no reason for me to have to change that.

When you go down this list you'll want to check off the ones that are going in this particular deposit. If you're going to have two of these and have a single deposit in the bank for \$2,440 like you see here then after you check those two off you click OK and later you come back in and check this one off. Just make sure that your deposit total matches what actually was deposited into the bank. That way it's easier to go ahead and reconcile. You'll have a hard time if you put these in one at a time.

I'm going to go ahead and check all three in this case and click OK. And you'll see that it populated all three of these into my deposit here.

A couple of quick things. First of all make sure you're depositing to the correct bank account. Often when someone says to me "I know I made that deposit" they've put it in the wrong account. The other thing is make sure you have the correct date for your deposit and then it will put the word Deposit here automatically in the memo. You can change that if you need to say something particular.

When you're looking down here at the three items that it brought in do not change this account right here because this is where the money actually came from. When we received the payment it went into Undeposited Funds. Now we're pulling it out of Undeposited Funds so that we can actually save this in a moment and it will be in our checkbook.

You do have the ability to put a memo in here for each of these lines if you'd like to do that. You'll see there's a place for the check number if you forgot to put one in on the Receive Payment window or now maybe you want to put something else in that field you can. You have your class field here and then of course the amount over here.

You can also add something to this. If you happen, for example, to have a little bit of cash you wanted to throw in there then go ahead and put in whichever one of these customers you would want to use or if it's just cash that you yourself put in here, you really don't have to put anything in that particular field. You do have to fill in the From Account field though. That's mandatory. Think about if you as the business owner put money into the business then it's considered an owner contribution and that's the one you'd want to pick here. What if it's something like a rebate? Then you would go ahead and put it to the account that you used when you actually purchased the item to begin with. For example, if you purchased a new printer and let's say from the dropdown list you have picked an expense account, maybe Office Expenses, then use that same account here so that it zeros it out. You can put as many items as you want here.

A couple things down at the bottom. You'll notice that it says Cashback goes to. As a business you cannot get cashback when you go to the bank to make a deposit. But as a sole proprietor with a personal account you could. You would just pick the particular account that you want the cashback to go to. You would have the memo if you had one and the amount that you wanted to keep and then it would deduct it from this total over here.

Now a couple of quick things at the top I just want to point out. I want to point out that you have the ability to use your Next or Previous buttons to look through your deposits if you happen to be looking for a particular one. You could save this. You could also print this. And I want to show you the two versions that you would be able to print. Here's a deposit slip. I'll just go ahead and preview that for you. And you can see it looks just like this. However I think the one you're going to want to use is going to be the Deposit Summary. And this is what the Deposit Summary looks like right here. You can actually just attach that and send it to the bank if you want, or keep it for your records.

The other thing I want to mention is if when you were in that first window where you checked off the payments you wanted to pull in and let's say you checked off the wrong ones, go ahead and hit this Payments option right here and if you had some in there you could go and check off some that you didn't automatically pull in. I pulled all three in and that's why I have this window here. So I'll go ahead and cancel that.

You can also look at a history for this deposit. This will actually show you all of the payments right here that are going to be in this deposit. And if you wanted to actually go to one of these you could actually just go directly to it and then you could edit this payment or if you wanted to just look at it and close it you could do that as well.

And the last thing is you have the ability to attach a file to this. This could be any file at all that you feel pertains to this deposit.

Notice the total because we're going to see this in the register in the moment. The total is \$3,364.93. I'm going to go ahead and Save & Close and that actually completes that whole line all the way across.

Now let's go and look in the Register and see if we see that deposit. And you'll see there it is right there at the bottom.

Now the reason you see the blue line is because anything below it is postdated. Remember for the practice file it thinks today is December the 15th. Notice a couple of other things. It says Split. That's because there were three different transactions on that deposit. And then also notice the fact that there is no payee. Again that's because there were three different payees and it couldn't put them all in that one line right there.

And that's really all you need to know. That's how your deposits are going to work. Just remember, like I said, don't type them in here. You want to actually follow the flowchart all the way to the very end so that everything goes to the correct accounts.

That's how you're going to make deposits in QuickBooks. Let's go ahead now and go over into section seven and talk a little bit about how to create credit memos.

Video: Creating Credit Memos

Cindy: We are all the way down now to section seven of module four and in this particular section I want to talk to you a little bit about creating credit memos. There are times when a customer may actually return an item that they've purchased and you need to either credit their account or possibly give them a refund. Sometimes you might want to create a credit memo just to sit on the customer's account for future use. It's going to work the same way no matter what the end result is. Let me go ahead and show you how to go to QuickBooks and set up those credit memos.

Whenever you need to create a credit memo or refund a customer you're going to choose this option here that says Refunds & Credits.

The first thing you'll want to do is go ahead and choose the customer and the job that you want to create the credit memo for, make sure you always click the job, and also choose the correct class. There are also different templates for credit memos. We're going to talk in a later module about how to create new templates for invoices, credit memos, any kind of form and that's where we'll look at customizing that or creating a new one.

You want to go ahead and choose the date of the credit memo. I'll just make it January the 7th. And also you'll notice that with credit memos it's just like any other form in QuickBooks that has numbers. It will always start with number one and number sequentially. If you don't like this particular number you can type whatever number you want and the next one will be numbered the next number when you get around to creating that credit memo.

It should have brought in the customer information here and now let's go down and talk about the items.

I'm going to click on the first line there and drop down my items list. Think about it this way. If a customer returns a wooden door and you had actually sold them that wood door originally and it took it out of inventory, if they bring it back you want to put it back into your inventory and that's why you would pick the exact same item that they bought to begin with. Now in this case they're returning the wood door and we can type any description we want right here. If we want to put in Return or anything we want that's certainly okay. We're going to put in the quantity. And then let's go ahead and put in the rate of \$540 and notice that it's also going to return the sales tax. And you want to make sure it does that because if you charge sales tax to begin with make sure that the customer gets their sales tax back as well and that'll keep that side of things going correctly.

You can also just create a credit memo that sits on their account. So let's say that they didn't want to return the wood door. They just wanted to have a credit because maybe you had told them that they were only going to be charged for five hours of framing but yet you charged them for ten hours. There's many different scenarios here. Just remember if it's inventory that you

sold you want to put it back in the inventory, if not you can just pick any of these other items on the list.

A couple things down at the bottom. You'll notice this is the tax rate that's going to be returned. And it also shows you the remaining credit memo amount down here at the bottom.

On the left you have the ability to add a customer message. You've also got a place for a memo and it does have the customer tax code at the bottom.

Back up at the top I don't think any of this is new but here's your Find options we've talked about several times now. Here's your New option if you wanted to save this credit memo and create a new one. Here's your Save option where you can actually save this credit memo or refund or save it as a PDF if you prefer. Here's where you can delete this, create a copy. We can memorize it, mark it as pending or any of these other things that we've already talked about.

Now here's a couple things that are new that are pertinent just to credit memos. We can actually use this credit to give our customer a refund. If the customer has paid in full then you would want to give them a refund. You could also use this credit to apply to an invoice.

Let me go ahead and show you if you give them a refund what the screen looks like here. Notice it pops up and says Issue a refund. It's got a refund is due to, so it has our customer and job. It has the refund amount. It has the date. And over here it's assuming you want to refund them with a check but I could refund them with cash or if I want to put it back on their credit card, you can see any of those choices. And it does give you the ending balance in your bank account at this particular moment so you'll know that you have enough money to refund it. And then you can see it has a memo down here and that's pretty much all you need to do.

Now what would happen here is if I left this on check and I click OK this is actually going to put a transaction in the checkbook register. I'm going to go ahead and click OK and notice it says Refunded right here. And I'm going to Save & Close and let's go into the check register and see what it looks like.

I'm going to use my checking and now what you want to do is look for that particular transaction. Now what we want to do is look on December the 15th here and we're going to go ahead and look all the way down this list and see if we see our refund and there it is right there. It's for Tom Allen Sunroom and it's already deducted it from the register. And notice the account that it shows, Accounts Receivable. Don't change that. That's where it should automatically be. Now if you had a check number that you wanted to put here you can just type over that To Print and put whatever check number you wanted to and just make sure record it when you're done.

And that's pretty much how that's going to work. Now let me just go back and show you one more thing. I'm going to go back to Home. If when I went to Refunds & Credits I had filled out

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this entire screen and I did not choose one of these what would happen is when I went down to Save & Close at the bottom it would automatically pop up and ask me which one of these I wanted to use. It would actually have one additional choice on the list. It would ask me if I wanted to leave this credit memo on their account for future use.

And that's pretty much all you need to do when you're creating a credit memo.

I'm going to go ahead and close this window and go back to the Home screen.

The next thing I want to talk to you about is over in section eight, how to create customer statements.

Video: Creating Customer Statements

Cindy: We've made it all the way down to section eight where we're going to talk about creating customer statements. Some businesses like to send a statement to their customers at the end of the month. A statement basically lets the customer know that they started the month owing X amount of money, then it'll show all the transactions that happened during the current month and then it'll tell the customer what they owe at the very bottom.

Statements are really easy to create in QuickBooks. It's an option. You don't have to do this but it is a nice, gentle reminder to your customer that they owe you money, or sometimes it might be just to show the customer that they've paid up. Let me go ahead and show you how to create statements in QuickBooks.

To create a statement in QuickBooks you're going to use the Statements button right here.

Typically when you send a statement you want to date it for the last day of the month and that way you capture all the transactions from the beginning of that month to the end of that month. We're just going to go ahead and change all this to December 1 through December 31 and then you'll notice the statement date is the end of the month.

You do have a couple of choices here for customers, for example. You can choose all the customers, you can send a statement to multiple. If you choose multiple it let's you choose the ones you'd like to send. You can also send this to one customer in particular. You can just pick that one customer from the list. You can choose customers of a particular type. When you set up your customers you might have had residential or commercial customers and you can choose whichever ones you want there. Or only people who have a preferred send method. Let's go ahead and choose All Customers.

Now over on the right these are some template options at the top. There are different templates available for statements and you can choose the one that's here customize and create your own. You can choose to send a statement to each customer or to each customer and a separate one for each job.

There's a couple of checkboxes here that you might want to look at. It might be that you want to send statements to only customers in a particular zip code. It could be down here that you don't want to send customers that have a zero balance a statement or maybe if they owe you less than a dollar or if they didn't have any activity. You can kind of see the list right there.

All you have to do when you're finished checking off all of these options is just hit the Preview real quick just to make sure that it looks okay. And then this is what a statement actually looks like. Let's see if I can zoom in a little more here.

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You can see that this is for Tom Allen and it has the balance forward at the end of November, which was zero, and then you can see all of the invoices for his sunroom. There was a check and then also a payment there. And you can see at the bottom how much Tom owes. Now it also tells you how much the customer owes for each of these categories, 1 to 30 days, 31 to 60, 61 to 90. You can kind of see that.

And that's all a statement is. You just print this out and send those to your customer.

Once you're done you just hit Close and you don't have to do this again until the next month. And that's how statements work.

Let's go ahead and go over to the last section in this module and talk a little bit about how the income tracker works before we wrap up module four.

Video: Income Tracker

Cindy: We're down on the last section of module four now and this is going to be section nine. I want to show you real quick how the Income Tracker works in QuickBooks. When you're talking about customers you have the ability to see a screen that lists all of your customers and their open transactions, overdue transactions, things like that on one screen, and then you can actually go in and maybe receive payments or something similar with multiple customers again all on one screen. Let me flip over to QuickBooks and I'll show you how to get to the Income Tracker and I'll show you how it also works.

In order to access the Income Tracker you're going to have to use the menu. I'm going to go up to the menu and click on Customers and then you'll notice Income Tracker right here.

The first thing I want you to notice when you're looking at this list is that you can see at the top a total for all of your estimates that you still have outstanding. You're going to be able to see a total of anything you have as far as time and expenses, open invoices, if you have any overdue and any that were paid in the last 30 days.

Now you can customize these options a little bit by coming up to the little gear icon that you see. And if you don't want to see Estimates, for example, or you don't want to see Time & Expenses you can uncheck those. I'll uncheck Estimates and click OK and now notice that's not on the list here. Again to turn that back on I would just do the same thing and go back and check Estimates.

Looking down the list you'll see it's a list of your customers, you'll see the type of transaction and you can just see all the information about the transaction all the way across.

A couple things you're going to be able to do, if you notice I'm on an invoice currently and if I go all the way over here where it says Action I can go down and receive a payment, print that row or email that row. A really good way to use this screen is if you received a lot of payments today you can actually just go down and click on all the ones that you need to go ahead and use the Receive Payment option for and then it takes you right to that payment window and it's a quick way just to put a whole bunch of them in all at once.

If you happen to be on an estimate as an example down here your options will be a tad different. You'll be able to convert it to an invoice, mark it as inactive, print the row, or email the row. So depending on what type of transaction it is you're going to have different choices.

The other thing you can do is you can do some batch actions like you see down here at the bottom. Whichever customers you have selected, and you can go down the list and check or uncheck different ones here, but you can actually create invoices for all of these as a batch or send a batch email. That's really a better example.

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Also where it says Manage Transactions here you're going to be able to go in for each of these and create an estimate, an invoice, any of those options that you see as well.

So it's just a way of seeing all of your transactions in one window and that way if you wanted to go through and quickly just receive payments or one of those features we saw it's a little easier to do when you see everything in one window very similar to an Excel spreadsheet. And that's all the Income Tracker is. You can actually close it with the X at the top and that takes you back to the Home screen in this particular case.

Well that's going to go ahead and wrap up module four where we've been talking about working with customers and jobs. Take a few moments and make sure you're okay with everything and then I want you to head over to module five and we're going to talk about working with vendors.

Module 5 – Working with Vendors

Video: Working with Vendors

Cindy: We are now going to start talking a little bit about working with vendors, which is the accounts payable side of QuickBooks. This is module five, Working with Vendors, and we're on section one where I want to start off just talking to you a little bit about how to set up your vendors and how to actually see what's going on with your Vendor Center. Let's go ahead and flip over to QuickBooks and we'll start talking about vendors.

We're going to be talking in this module about working with this section right here of QuickBooks which is your accounts payable. Remember this section has to do with bills that come in the mail that you have to pay.

The first thing you'll want to do is set up your vendors and vendors are people or businesses that buy from you. You have a Vendor Center which you can access right here and it's going to look just like the Customer Center except it holds vendor information.

Looking down the list here on the left you'll see all of your vendors in alphabetical order and you'll notice with vendors you don't have any items that are indented under any of these. They're all just going to be on one straight line like you see here. You can see the balance that you owe the vendor and also you can attach a file that might have something to do with the vendor over here.

I'm currently looking at all of the active vendors. I can see this right here. I could click this down arrow and look at all of the vendors, maybe just ones with an open balance or go in and do some custom filtering if I want to see certain items from the list.

One of the things that happens often is that people do not put all of their bills in QuickBooks and therefore all of their vendors are not in here. And what happens is when you go to do some different things like a budget in QuickBooks or you want to run reports and see who you owe it's not really going to be accurate if you haven't put all the bills in here. So make sure you do that and then that will prepopulate all of your vendors as well.

When you're clicked on a particular vendor you will see the information about the vendor, like their address, their phone number, things like that. You also have a couple of quick reports for vendors. You can see those right over here. There's also one for an open balance.

Let's look at your tabs down at the bottom. These are just like the tabs that we saw when we were looking at customers. The first thing you'll notice is you have a tab that shows you all the transactions for that vendor. In this case for Bayshore Water we can see there are several different checks we've written. And if we want to go to one we just double click on that check

and then we can either just look at this and close it or we can make a change to it and then save it. Let me go ahead and close that.

You've also got a tab that says Contacts. If there's a particular contact at your vendor's company that you would like to keep track of you can track this here. Remember to enter a contact you go down here where it says Manage Contacts and you'll choose Add New.

You also have To Do's. And we had talked about these when we talked about customers. And we had talked about these previously. Remember that To Do's are things you have to take care of related to this vendor. It could be that you have to make a phone call, set up a meeting, those types of things.

You've also got a place to track all your notes whenever you have a conversation with your vendor. You can keep track of all that here. And also if you send your vendor any emails through QuickBooks you will see those listed here as well.

Let's talk now about setting up a new vendor. All you have to do is come right up here where it says New Vendor and choose the New Vendor option.

The first thing you'll want to do is give your vendor a name and let's just go ahead and call this one Tim's Specialties. There is a place for the opening balance. This would be if you owed your vendor any money as of the start date of your company file. You could plug in that balance. What I like to do is leave this blank and not put anything here and go back and actually in all of the bills that I owed my vendor as of the start date of my company file.

The first tab that you'll see here is the address info. This is where you can plug in information like the name of the company. You can put in the full name of the vendor. Let's say that the company name is Tim's Specialties. We'll just plug that in here. And we'll say that it is Tim Smith. You can go down and put in Tim's job title. Maybe he's the owner of the company. You can put in the phone number, the fax, the email. And if you want any of these fields to represent something different go ahead and choose it from the dropdown list like you see here.

You're going to end up with Tim's Specialties address info right here. So that way if you're sending correspondence out then you'll be able to pull in that address. And let's go ahead and populate this. We'll just say it's 124 River Street Savannah, Georgia and we'll just leave the zip.

The next thing is the Payment Settings over on the left. Now if you notice I didn't put in the zip code and it recognized that and so it pops up the Edit Address Information and gives me a chance to put the zip in. If I don't know it or I don't want to put it in right now I can just click OK and get past that.

I'm on the Payment Settings tab and here I can put in my account number with the vendor if I happen to have one. I can put in any terms I have with that vendor. When I print a check for that vendor what name would Tim like to appear on his checks. I can set a credit limit for that

vendor. What that would do is if I put in a bill and I exceed my credit limit it will pop up and say “Would you still like to buy something?” And also there can be different billing rates that possibly the vendor set up. If I do certain work with this vendor they might charge me one fee and if I do something else they might charge me a different fee.

The next thing on the left is your Tax Settings. One of the things I mentioned to you way back in the beginning when we went through the Easy Step Interview was the fact that there was a question that said, “Do you do payroll?” and in there one of the checkboxes was that you have 1099 contractors. I had said to you at that time that 1099 contractors have absolutely nothing to do with payroll. They are actually set up as vendors and here’s where you would set that up. You would put in your vendor’s tax ID number and then if they’re eligible for 1099 you would just check the box. This is how QuickBooks knows when it needs to print 1099s at the end of the year who gets a 1099.

The next tab over are your account settings. If you wanted whenever you put in a check as an example or a bill for it to prepopulate three accounts from your Chart of Accounts you could do that. Other than that it’s just going to pull the previous one.

And the last thing is the Additional Info tab. You might have different vendor types that you want to track and we also talked when we were setting up customers about the fact that you can come over to this section and choose your Define Fields and set up any fields you would want to appear for customers, vendors and/or employees.

I’m going to go ahead and click OK here and let’s see if our new vendor is in the list. If you remember with customers that it put the new one at the top of the list. Here it’s going to go ahead and put them in alphabetical order. I just kind of clicked on the word Name there to sort it and you’ll see there’s Tim’s Specialties right here and now I can go ahead and add another one if I needed to do that.

Now one other quick thing you can do. When I go back to the New Vendor option if I have several vendors to add I can just add multiple vendors all on one screen. I don’t have to add them one at a time.

All you have to do is go to the bottom of this list here and there is a blank one where you can start typing in the new vendor. You could also if you have Excel spreadsheet with your vendors already set up and you have the columns set up the way you see here you can just copy and paste them all and it’s done. When you’re finished you just hit Save Changes at the bottom and then all of those new vendors will be in the vendor list.

And that’s really all there is to working with your vendors.

Let’s go ahead now and go over to section two and talk a little bit about entering bills.

Video: Entering Bills

Cindy: We are working in module five and we're talking in this module about working with vendors. We're all the way on section two now. We've already talked about how to set up the vendors. Now that you have a vendor set up you can go ahead and start entering some bills. Remember that bills come in the mail that you have to pay. You can run reports on bills to see who you owe, if it's over 30 days, that sort of thing. Let's go ahead and flip over to QuickBooks and talk a little bit about how to enter those bills.

There are a couple of things I wanted to tell you about bills. If you actually work with the purchase order system and you actually receive items into your inventory then you would actually use the flowchart going in this direction and it would eventually take you to this Enter Bills right here. This is the same screen. It's just if you use this one it's like entering an electric bill or something like that where you didn't use the purchase order system. I'm going to go ahead and click on Enter Bills.

The first thing you'll want to know about the bill screen is just like with your invoicing and your estimates you can come over here and hide the history if you want and that way you have more room on your screen to work.

The first thing you'll want to notice up here is the fact that it defaults to the fact that this is a bill but it could be a credit. Sometimes your vendor may send you a credit for something and you'll see it says Credit when you choose that option. I'll go back and choose Bill and then it asks you who is your vendor. When we look down this list we're going to go ahead and say that it's Cal Gas & Electric and they've sent us the electric bill. You'll notice it prepopulates the address for us and if we had the terms already set up then it would populate that for us as well. If you get in here and you decide the terms are different just go ahead and change them to what they should be.

You do have a place for the discount date as well. Sometimes a vendor will give you terms of for example 2% ten net 30. And that means that the bill is due in 30 days but if you pay it in 10 days you can take 2% off. And this is where that 10 day date would appear.

This is the date right here that's actually printed on the bill. You want to actually use that date, not the date that you decided to open the mail or decided to sit down and put it in QuickBooks. It needs to be the date that's actually on the bill. And the reason for that is because the due date down here is the really important date for pulling reports and things like that. You want to make sure that date is correct. In this case it should be 30 days from this date to this date. Now if you happen to be looking at the bill and it just says it's due on the 15th of January, for example, just change that. Remember this is the important date right here.

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Back up to the reference number, if you think about it this is an invoice on the vendor's end and it's a bill on your end. Their bill number is what you would plug in here. That way when you mail them a check or you have a payment it knows which bill to associate it with.

And then you're going to put in the amount, \$252.79. Now if you've changed the terms for Cal Gas & Electric then when you go to save it it's going to ask you would you like to save these. I'm going to go ahead and hit Cancel for a moment and finish filling out the rest of this.

You'll notice down at the bottom you have an Expenses tab and an Items tab. The Expenses tab will list your Chart of Accounts. And in this case it happens to be utilities, gas and electric. And it pulled this because they've entered Cal Gas & Electric before and so it's just pulling the information from the previous one.

You can actually break this down into multiple line items if you need to do that for some reason. You can also break this down between expenses and items if you need to do that. Both tabs have to total this to the penny or it will not let you save it.

If you're using the Job feature you will want to come over and choose the customer and the job that this might relate to. Now if this is just for the office you really don't have to pick a customer and a job but if you want to keep your job costing consistent and this does pertain to a customer and job make sure you fill it in right here. And also if you're using the class feature you'll want to use that right there.

Let's head up to the top of our screen and see what we've got.

First of all here's the Find feature. Remember that if you use the arrows it will take you to the previous or the next bill. And remember in QuickBooks everything is in date order. And if you can't find it using those arrows just click your Find option here and you'll be able to search by vendor or by amount or any of the criteria that you might already know.

Here's where you're going to create a new bill. Remember that's going to save this one and it's going to put you on a new blank bill so that you can fill out another one. That's the same thing as Save & New down at the bottom.

Here's where you're going to be able to delete this bill. You can also create a copy. If this is something that happens every single month and maybe it happens at pretty much the same time and just the amount changes, just like it would be for an electric bill, you could go ahead and create a copy of this and then change the amount you need to for the next one and that's all you'd have to do.

You could also memorize this. And memorize basically means that if I don't want to have to remember to put this bill in QuickBooks every month QuickBooks can do it for me automatically and then I'll just change the amount as I need to.

You can also come in and print this. And just to show you what this would look like, and yes I'm going to say I've changed my terms over here but if I print this basically it looks just like this where it says Bill at the top and it says Expenses right here and you can see that the total of the bill is \$252.79. I'm going to close that.

You can attach a file. If you happen to have maybe a purchase order or some file that you'd like to attach to this for easy access you can certainly do that here. If you were using the Purchase Order system it could be that you want to go in and select the particular purchase order that this bill applies to. You could also enter some time here that might be related to this bill in some way. You could clear the split. What that basically means is if you have more than one line item down here, for example, that's called a split or if you had some of this under the Expenses and some of it under the Items that would be a split as well and you could clear those.

You could also have QuickBooks recalculate. If the numbers aren't matching up you can have it recalculate for you. And you can choose to pay the bill. Now chances are you're not going to be on this screen when you want to pay this bill but you could if you were already here.

The next tab over are the Reports that have to do with your bills. You can see that you can run a quick report or transaction history on this particular bill. You could also run a transaction journal which would just show you a timeline of basically where the bill was put in, maybe if you'd paid the bill already you could see those things. You can look at an item listing, open purchase orders, a vendor balance detail, unpaid bills detail, and purchase orders by vendor detail.

And that's really all you have to do when you're entering a bill. You just fill this out and hit Save & Close at the bottom and now that bill is in here.

If I go back to the Vendor Center on the left and I find Cal Gas & Electric and click on it you will see that the bill that we entered is now in here and the next thing we need to do is go ahead and pay that bill.

So let's go ahead and head over to section three and we'll talk a little bit about paying your bills.

Video: Paying Bills

Cindy: Okay we've been talking about working with vendors here in module five. We're all the way down to section three now and I want to talk to you about paying your bills. We've already gone through and entered the bills. Now all we have to do is check off the ones that we want to pay. It's a pretty simple process so I'm going to flip over to QuickBooks and I will show you where you go to pay your bills.

Once you've entered the bill over here you want to go straight across and follow the flowchart to the Pay Bills option here.

Before I click on that I just want to mention something. What you don't want to do is enter a bill here and then come down and either write a check or put it in the check register. And the reason for that is because it doesn't know there's any association between this check you're writing and this Enter Bills feature here. If you follow the flowchart and go over to the Pay Bills here then it will actually put that check in the register for you once you've completed this step. I'm going to click on Pay Bills.

You're looking at a list of all of the bills that you owe money on, even if you owe a penny. And currently you can see that they're sorted by vendor and that's probably the best way to do this because then all of CU Electric is together, Cal Gas & Electric is together and so forth. But notice you could sort these by the due date, if you want to look at them by the amount due, things like that you can sort that way. You can also filter this list. If you just wanted to see all of the bills for Cal Gas & Electric you can choose it and notice how it hides everything else on the list. If you're wanting to see all of these make sure you go and choose All Vendors from the top of the list and then you'll see they come back.

Also notice that I'm showing all of the bills like I mentioned but I might only want to look at ones due before a certain date and I can choose that date right here.

I'm going to go ahead and pay Cal Gas & Electric and there's actually two. There's the one that we did and let's say we had another one in here already that we wanted to pay as well. All you do is you check off the bills that you want to pay and it will assume you're paying all of that bill. Now if you're just paying a portion just come over here and type in whatever you are paying. It will remember the balance and then you'll see it for the next time.

Down at the bottom here, the first thing you'll see is there's an option that says Go to Bill. One of the few places in QuickBooks that you can't double click on a transaction to go to it is right here in this Bills window so you'll need to make sure the one you're actually clicked on is the one you want to go to.

The next thing you can do is you can set your discount. If you had terms of 2% ten net 30, for example, then you can go ahead and pull this up and type in the amount of the discount you're

going to take. And also the account that would be associated with that. You might need to set one up. You would call it Discounts Taken. All right I'm going to cancel that.

Also if you had a credit memo that you hadn't applied yet to an invoice you would just select the invoice you wanted to apply it to, choose Set Credits, and it would list any credits available in the list here and you would check off the one you want and you would just say Done.

The next thing you have is the Payment Date. I'll just say it's December 31st. The method, are you going to pay for this with a check or a credit card or are you hooked up for online banking? And the next thing is do you want the check number field to say To be Printed and that way you can print a batch of these if you need to or would you like to go ahead and assign a check number yourself? I'm going to show you what happens if you choose that one. And then make sure you have the correct account chosen here that you'd like to go ahead and write that check from and say Pay selected bills. Notice that it brought up my check. It's one check for both of the bills. I'll be able to type anything I want in that check number field. You just want to be consistent with whatever it is that you're typing here and that way you could find things when you're looking for them in a list. I'm going to click OK and that bill is now paid. This is actually asking me if I want to pay more bills or am I done? I'm just going to say Done.

I mentioned to you that once you go through the Pay Bills window it would be in the register. Let's go ahead and head over to the Check Register and check it out. And there's Cal Gas & Electric right there at the bottom.

Now something else I want to mention to you. Often what happens is people will say to me "I know that I paid a specific bill but it still shows up as being unpaid when I run a report." And here's how you can tell what happened. If you notice some of these just say Check and then some of these say Bill Payment. If I did this the correct way, meaning if I entered the bill and went through the flowchart to pay bills then what it would look like in the register is right here where it says Bill Payment. That's the correct way to do it. If I just saw somewhere it said Check that tells me that there was no association between that bill and this check that someone wrote. And so what they would have to do is delete this check and go put it in the correct way and then that bill would not appear on their unpaid bills report anymore.

And that's really all there is to paying your bills. Just make sure you enter bills and pay bills and then you are done.

We've got one more thing in this particular module we need to cover and that is working with credit memos. Let's head on over to section four.

Video: Credit Memos

Cindy: We're on the last section in module five. We've been talking about working with vendors. I want to go ahead and talk to you in this section about how to enter the credit memos that your vendors may send you to apply towards a bill or upcoming bills. This is section four, Credit Memos.

To enter a credit memo that a vendor has sent you use the Enter Bills window and all you're going to do is you're going to check the option that says Credit and then put in the vendor name. Let's say this is Cal Telephone and we're going to put in the date of the credit memo. I'll go ahead and change this to the 24th. You would fill in the reference number if there was one. And then put in the amount of the credit memo. We're going to say it's \$25. I'm going to actually choose the expense account this would go to as well. In this case it's going to be utilities and then we'll choose telephone underneath. And remember if this does apply to a customer or a job you'll want to choose that here and also choose the class if you're using the class list.

Now I'm going to go ahead and Save & Close and I'll show you how to apply that credit memo.

I'm going to follow my flowchart over to the Pay Bills window and when I get in here I'm going to check off Cal Telephone. Now if there were multiple ones for call telephone you would check the one that you want to apply the credit memo to.

Down at the bottom of my screen I have the ability to set credits and you'll see that it tells me I have a \$25 credit available. I'm going to click on that Set Credits button and notice here is the credit memo for \$25 and it's already checked. If I wanted to use a different one on the list I would uncheck this one and check the correct one. And I'm just going to click Done. And you'll notice now that it's \$66.94 and that \$25 has already been applied. And that's all you have to do to actually set up the credit memos and apply them to your bills.

I'm going to go ahead and Pay Selected Bills at the bottom just to get out of that window and if I wanted to pay it I would go ahead and put in the check number or the word Debit. If not I can cancel that and then just cancel this window down at the bottom. That does not cancel the credit memo where it was applied. And that's all you have to do to work with credit memos.

That's going to wrap up module five where we've been talking about working with vendors. Let's go ahead now and move over to module six where we're going to talk about working with items and inventory.

Module 6 – Working with Items & Inventory

Video: Working with Items – Part 1

Cindy: We're starting on module six now and this is where I want to talk to you a little bit about working with items and inventory. Items are things that you sell to your customer or sometimes you purchase items. If you remember back when we created our estimates we actually pulled in two items on to that estimate. We pulled in framing, which was a service we provide and we also pulled in an exterior wood door, which is an inventory part. I want to go through in this particular section, section one, and talk to you about how to go ahead and set up those items. We're actually going to have two parts to this particular section so make sure you watch both parts and we will talk about setting those items up and get them set up correctly. Let's go ahead and flip over to QuickBooks and get started with our items.

The way you're going to get to the items and services list is right over here on your Home screen you'll have an icon that says Items & Services. This is a list of all the items and services that your company currently has set up and I want to show you how this list is sorted. You'll notice that these are set up by type and if the type is the same, like you'll see all the service items in here, then all the service items are alphabetical. And that would be true for each of the different types. If you happen to come in here and your list is not sorted by type it could be that you've clicked on one of these other headings and you've re-sorted it by that column. I'm going to go back and click Type to sort it again.

Now let's talk about the different types of items that we can have. Some of your items you provide are services. Think about when you have labor, if you have repairs, these all have to do with subcontractor services. These are all services that the company provides.

The next type that you see are what we call inventory parts. True inventory means that I sell chairs and I have six in the backroom. I'd like QuickBooks to pop up and tell me I have two left so that I can order some more. And that's true inventory when you want to keep a count on how many you've ordered, how many you have, and how many have gone out the door. You can see in this list that with inventory items only it will show you the total quantity that you currently have on hand over in this list and you'll also see the price, meaning the total for the all of the ones you have. And I'll show you a little bit why some of these have a zero over in the price.

The next type if you go down the list is an inventory assembly. Sometimes you have to actually purchase several different parts to make a main part and we call that an inventory assembly.

Now below that you have noninventory parts. These are physical parts that you buy or sell in your business but you don't care to check how many you have in the backroom. When you look at this if you think about lumber, for example, there's lots of different types of lumber. Like they

have trim. They don't really count that they have ten in the backroom but they do want to know at some point how many they've had to purchase and you can run reports to see that.

Below the noninventory you have your other charges and you can see these are just like miscellaneous type charges like they have a freight reimbursement, they've got delivery charges, they've got a permit charge, things like that.

Then you have what we call subtotals. Subtotals are really great because what they allow you to do is put in several items and then the next line you can choose this subtotal option for example and it will subtotal anything above where you're clicked. Now if you've got more than one subtotal it will only subtotal the ones right above you and if it sees a subtotal up above it stops there. So it's not going to subtotal the entire list.

A group. Construction is a prime example of using the group here because what would happen is let's say there are several different house plans. There are many different items that go into each one of those plans. And if you had to estimate those or put them on an invoice you would be there forever pulling all those individual items in. What you can do is create a group, give it a name, and then tell it which items go in the group. That way the next time you want to use this option you just pull in the name of the group and it prepopulates all the items for you. And of course you can make any changes that you like.

There are discount items. If you'd like to be able to put a discount on your invoice, for example, you could add that as your last line and it will do the calculation for you.

You can also add payments or prepayments to your invoices. I don't like to do this because let's say that you had an invoice for \$1,000 and a customer paid you \$200 up front and you put it all on the invoice. What that means is the actual amount that the customer owes on the invoice is \$800. And if you looked in a report all you would see is an invoice for \$800. You wouldn't see anywhere that \$200 they'd already paid. I personally prefer to put the entire invoice for \$1,000 in, then receive the payment and that way I can see that the balance when I'm looking at a report is \$800.

Below that we have several different sales tax items and sales tax groups. We're going to be talking about sales tax in a later module and I'll show you how that works.

Some of you may end up having six or seven items. Some of you may have thousands. It really just depends on your business. I want to take a few moments now and show you exactly what you need to set up when you're setting up an item.

The quick way to set up any new item is just to right click and I want to show you that there's your New option, your Edit if you wanted to edit one. You can duplicate an item if there's one that you need to create that's very similar to another one. There's also your Delete option and then you can add or edit multiple items all at once. Remember that you can't delete an item that

you've used at least once in QuickBooks. That's because those numbers need to pull in to your reports. If you need to delete an item make sure that you go ahead and create a new one correctly and then move all of the corresponding entries to the new item. Then you can delete this one. Or actually it's a little bit easier just to make it inactive.

I'm going to go ahead and open one that's already here. We're familiar with framing so I'll just right click and Edit that one. The first thing you would have to tell QuickBooks if it was a new item is what type of item is it and this is a service. One of the very few things in QuickBooks you can't change is notice it won't allow me to change this from service to maybe inventory, for example. If I needed to change this I would create a new one and make this one inactive.

The first thing we have to put in is the name of the item, which is Framing in this case. It's not a subitem of another but let me show you what a subitem would look like. I'll flip back to the item list for a second.

If you notice this one is called Subs and underneath it they have carpet, drywall, duct work. These are subitems of Subs.

The next thing you're going to see is the unit of measurement. If you remember I told you that there might be some items you sell by the foot, the yard, the case. You can go in and actually set that up here so that you can choose those from the dropdown list when you're on an estimate or an invoice.

Description. This is what the customer will see. You're going to go ahead and put in whatever description you want to prepopulate. If it's something that will be different every single time then just don't put anything in there at all and you can edit it on the actual invoice itself, or the estimate.

Over here is the rate, how much you charge for one of these. If this rate is different every single time you use it then you might want to just put this on zero and change it when you're on that estimate or invoice.

Tax code means for sales tax purposes is this item subject to sales tax, yes or no? And then the most important thing here. When I actually put this item on an invoice which account will it go back to? And in this case it goes to labor income. Now you're going to see that most of the time, not always but most of the time you want this to point back to an income account.

I'm going to go ahead and click OK on that one. I just wanted to show you what it actually looks like when you're setting up an item.

Now what we're going to do is go ahead and create a brand new item. And I'm going to go ahead and stop the video right here and I want you to flip over to part two where I go through and set up an item with you.

Video: Working with Items – Part 2

Cindy: We've already started looking at how to work with items. We actually looked at framing. What I want to do now is go ahead and set up a brand new item with you and show you exactly what you need to put in when you're actually setting up an inventory part. Let's go ahead and flip over to QuickBooks and we'll keep talking about working with items. This is section one, part two.

The easiest way to create a new item is to right click and choose the New option. The first thing we have to tell QuickBooks is what type of item will this new one be. Remember framing was a service we provided. Now we're going to look at inventory parts.

I want to actually call this one a Screen Door. It is not going to be a subitem of another but if it was I would check the box and choose the item it's a subitem of. I also have a field to put in the manufacturer's part number. This is really just informational for you. That way you have that part number handy when you're ready to order some more of these.

We talked about the unit of measurement. Remember if this is something I sell by the yard, the foot, the case I can add a new item to this list.

The way the inventory part screen is set up is you'll notice that on the left hand side here is the information related to the purchasing. And this is the information related to when you sell that particular item. Let's start with the description. I'm going to call this Screen Door. If when you purchase this from your vendor they have some other wording or maybe the part number is part of the description you can type all of that in here. If you just hit the Tab key it'll bring that same description over to the right. Now this is the description you want to put in for customers. So this is what will pull when you're on an invoice or an estimate and you type in Screen Door. These can be the same or different.

On the left is the cost. If you have an average cost that you pay for this you can go ahead and plug it in right here. It does not mean the last time you purchased it it was \$175. It just means on average what do you normally pay for this? If it's really all over the board you can just leave that on zero.

You do want to make sure you leave this on Cost of Goods Sold because you remember this is a product I have to buy to sell a product in my business. So it stays in this account called Cost of Goods Sold. And if you have a preferred vendor you can always pick that vendor from the list here. You can always type in the new vendor if you don't have the one you want on the list here.

Over on the right the sales price. On average what do you sell this screen door for? It doesn't mean that every time you sell it for \$225. It's just that this will prepopulate when you create an estimate or an invoice.

For sales tax purposes is this item subject to sales tax, yes or no? Typically a service you provide is not but a physical item is. Therefore I'm going to choose taxable sales. And the next thing is which account would you like this to go back to? We're going to pick in this particular case Materials Income. Remember it needs to go to an income account. It says that right there. Do not pick a different type on this particular dropdown.

At the very bottom because this is inventory you want to keep this inventory asset account right here because any time you have inventory in the back room it is an asset to your business. You are worth more because you have that inventory. You can set a minimum and a maximum reorder point. A minimum means when you get down to let's just say two you want QuickBooks to pop up and tell you to order some more. A maximum means you don't want to get over a certain amount because you don't want to have too many in the back room. So you can set that as well and it will pop up and let you know.

How many do you currently have on hand? Let's say you have three. It will go ahead and calculate that total value for you. Notice it is calculating three times your cost right over here. And of course the next thing is your as of date.

That's really all you need to set up when you're setting up an inventory part. I'm going to go ahead and click OK and let's see what it looks like in our list.

Here's our screen door. Notice we have three of these on hand and the price, \$225 is what we charge for these.

I want to point out something that I mentioned to you a little bit earlier. If you look over at the column that says Account right here, remember I said to you that most of the time your items will point back to an income account. Not always but most of the time. If I scroll to the top of this list and look you'll notice going down this list these all represent income accounts. It's not until I get way down here where they're talking about freight and delivery, in this case it's one that's reimbursable then they have some other accounts. But like I said, most of the time you want these to point back to an income account. And that's one of the things that when I'm working sometimes with customers of my own that they will say to me that my inventory is not right, the numbers are not right and most of the time when I look back these accounts are just all over the board. So make sure that you have most of these set up to an income account.

There's a few things on the bottom I just want to mention to you real quick. First of all, under this item you'll see there's a dropdown list. And these are the same options that we could do when we right clicked earlier. Notice there is a Find option here and I wanted to point out that this is where you can find this item in transactions in QuickBooks. But if you're just looking for an item in this list you can look for it right up here. You can type in any part of the name that you might know. And if you don't know the name you can look at maybe a preferred vendor or if you have a part number and you don't know what it goes to you can look it up that way.

I want to also point out that you have several reports you can run that have to do with your items. And also where it says Excel here, you can actually import items you might already have in Excel or if you want to paste from Excel. And basically what that would mean is if you already have an Excel spreadsheet somewhere you can go ahead and pull in all those items provided that your spreadsheet is set up with these headings as your column headings at the top.

And that's really all you need to know. I'm going to go ahead and close that.

That's going to go ahead and wrap up section one where we've been talking about working with items. Let's move on now to section two and I'll show you how to create purchase orders.

Video: Creating Purchase Orders

Cindy: You have the ability to create purchase orders in QuickBooks. Basically a purchase order is a record of an order you've placed. Usually it's for a product that you've ordered. Think about the screen doors that we set up back in section one. If I wanted to order some more of these I could give them my purchase order number and then they would actually fill that order and then ship it to me. Purchase orders are just a way of tracking your different orders. And they're really handy if you order a lot of items. That way you can kind of keep track of what's come in and what hasn't. Let me go ahead and show you how to go ahead and create a purchase order.

Before we create our purchase order I'm going to flip over to the Item list and see how many screen doors we currently have. It looks like we have three and we're going to order four more. So we'll see that number change.

Back on the Home screen there is an icon here for Purchase Orders. Before I click on that let me just mention something that I talked to you about way back when we created our estimates. Anything on this line right here is considered non posting. I can place a purchase order all day long for four more of these screen doors but they may never come in. That's why this is considered non posting. Once they do come in that's when you start seeing those numbers show up in your reports. You'd have to run specific purchase order reports to see what's open, if you've got purchase orders that are closed, meaning you've received all the items from them. Maybe some of these have a door or two left. You can run reports to see that. I'm going to click on Purchase Orders.

The first thing it asks me is who is my vendor. I'm going to pick Perry Windows & Doors. I'll choose the class Remodel and if I want Perry to ship these and drop them off at my customer site I can choose that customer and job. If not I'll just leave that blank. This is the template we're currently using for this purchase order. We will see in a later module we can customize this one or we can add a new one.

I'm going to click down where it says Item here and dropdown the list and choose Screen Door. You'll see it prepopulated the description and the rate because that's what we set up when we set up this item. If I wanted to add something to this description or type over it I can do so all day long. How many are we wanting to order? That's the quantity. We're going to say four. And let's say that we're buying four because they're on sale. Let's say that they're going to be \$125. If I'm buying these for a specific customer or job I can choose it from the list here. This is a little different from up here where it says Drop Ship because this is where I want Perry to ship the items. This is just saying am I buying this for a particular customer or job. You'll notice that it calculated four times my rate to give me the \$500 for the amount. And that's all I want to do.

Let's look at a couple of the options around the top here. Notice we're under the main tab and let's see if there's anything that's different. I think you're familiar with most of these by now.

We've got your Find option if you want to search through your purchase orders. Here's your New option. Remember this would save this one and create a new one. I could go ahead and just save this now. This can also be saved as a PDF in case I want to maybe go into Outlook and attach it as a file. Here's where I delete it. I can also create a copy or memorize this. Over here is where I'm going to print this. Let's preview it and see what it looks like right now.

You'll notice it's very simple. It has my company name and address on the left. It says it's a purchase order. And you can see it's got the vendor name, it's going to be shipped to my company address, and then you'll see down at the bottom I have the item, the description, the quantity, the rate, and the amount. Let's go ahead and close that at the top.

Under the Formatting tab, this is where we're going to be able to customize some of the purchase order templates, run our spellcheck, we can insert a line, delete a line and copy a line. This has more options here for customizing the template as well.

The last tab says Reports and I want you to make particular note of the Open Purchase Orders right here. Open Purchase Orders are purchase orders you've created but you haven't received everything on those purchase orders. You'll want to run that frequently and make sure you've gotten all that you ordered.

You can see these by job, you can look at them by item, and you can also see an item list and any purchases you made by vendor.

Over here is the date of the particular purchase order. I'm going to date this for the 19th. And remember I told you that anything that's numbered in QuickBooks starts with number one and will number sequentially. If you needed to change that number you can change it to anything you like.

That's pretty much all there is to creating a purchase order. I'm going to go ahead and Save & Close this one at the bottom and let's look back at the item list for a second because I want to show you that there are still three because all we've done is place an order. We have not actually received them yet. That's what we're going to do over in section three. I'm going to show you how to receive those items and when we do this quantity will increase by four.

Video: Receiving Items

Cindy: Once we've placed a purchase order for some items then the next step is those items will actually be shipped to us by the vendor and we'll need to go through QuickBooks and receive them. That's how those items will get into our inventory. Let me show you how to go through the Receive Items window and actually receive the item so that you can see your inventory actually go up.

Before we actually receive our items I wanted you to notice that if we're looking in our inventory list we will see that we have three of the screen doors. We've ordered four more and they've just come in so we're going to receive them into our inventory.

Back on the Home screen we're following the flowchart. The next thing after Purchase Orders is Receive Inventory. You'll notice there's a down arrow because this can actually happen one of two ways. The vendor can actually ship the items and include the bill in the packaging with the items. But more than likely it's going to go the bottom way where the vendor will ship the items and you'll get a packing slip along with your items and later a bill will come to you in the mail or email or however they send it. We're going to choose the bottom option.

This is what's called an Item Receipt and the first thing it wants to know is who is our vendor. This is Perry Windows & Doors. It will pop and say Open purchase orders exist for this vendor and ask if we want to receive against one of these. An open purchase order means that there are still items we haven't received. We're going to say yes.

You'll want to choose whichever purchase order you want to receive the items against. In this case it was the one dated 12/19 and we're going to click OK. And now you'll see that it has actually prepopulated this Items tab with those four screen doors. If your vendor had shipped three and one was on backorder all you would do is change this quantity to three. That would leave one still open on that purchase order and when it came in you would receive it the same way.

I'm going back up here to the date. Let's say we received the items on the 24th. If there was a reference number that you wanted to put in here you could. And the total is \$500. There is no tax or shipping or anything on this because this is not the bill. This is just a receipt showing we received the items that we actually told it we wanted.

Up at the top here there's not too many things that are new. I did want to mention that if you picked the wrong purchase order before you came into the Item Receipt here you could go back to Select Purchase Order and change it to the correct one. You also have the ability here if you wanted to enter some time. Remember that job costing involves time that you or your employees spend working on a project or a job for a customer. Part of that time might be receiving these items. It might take a little bit of time to open the box and check them out and actually put them in your inventory in the back room.

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The Clear Splits option would just basically delete everything here. And then we can have it recalculate if we needed to.

Under the Reports tab you have a few reports you want to make sure you're aware of. Here's your item listing, your open purchase order detail, vendor balance detail and your unpaid bills detail. You might want to look at those. You've also got your purchases by vendor detail here as well.

That's really all there is to actually receiving your items. I'm going to Save & Close at the bottom and let's go check out our inventory now. We should have seven. Under the item list and we do. We have seven screen doors now. And that's one of the ways that your items get into inventory.

Let me go ahead and go back to the Home screen now and I want to talk to you a little bit about creating bills for those items over in section four.

Video: Creating Bills for Items

Cindy: Once you've received your items, in this case the screen doors that we ordered, we're going to get a bill at some point that we'll have to pay. I want to go ahead and show you how to enter that bill and how to actually tell QuickBooks that you're creating a bill based on that item receipt that you entered. Let's flip over to QuickBooks and I'll show you how to create a bill for items.

If we're following the flowchart the next thing on the flowchart says Enter Bills Against Inventory. Let me just mention that if you went straight to this Enter Bills here, which would be okay, as soon as you put in that the vendor's name is Perry Windows & Doors it would pop up and say would you like to receive against one of your item receipts. So either way would work but let's follow the flowchart.

The first thing it asks me for this item receipt is who is my vendor and it's Perry Windows & Doors. I'm going to select the item receipt I'd like to pull in and click OK. And now you'll see that I have a bill and it prepopulated with all that information from that item receipt. Because this is a bill we're going to have to change the date. We'll say we received this on January the 15th. We're going to plug in the reference number. Remember on the vendor side it is an invoice. On your side it is a bill. And we're going to say it's \$525 because they actually charged us for freight and delivery as well. Always check your due date. Make sure that that is accurate. You want your reports to be accurate when you run reports to see how much you owe. Here's where you have your terms. If those are not correct you can change that. You can also plug in a discount date if you have terms that are one of these two and they give you a small discount. There's a place for a memo and you'll see that it prepopulated everything on this Items tab. There's really nothing you have to change there other than if these go to a particular customer and job you could pick it from this list. On the Expenses tab this is where I'm going to choose the freight and delivery of \$25. And again if it's for a particular customer and job I'll want to choose that from the dropdown list. And I also want to be careful that I'm always using my class list so that my reports are accurate when I pull them up.

Let's see if there is anything new up on your tabs here at the top. We're on the main tab and most of this you're already familiar with. I will mention this. If you need to select a different purchase order, maybe you pulled in the wrong one, you can go here and you can actually look at any of those P.O.'s. Also remember that some of the time spent on processing this bill is part of your job costing. So if you wanted to add that you could. You could also clear your splits down here. Your split is where you have \$500 on one tab and \$25 on another. And notice the last tab says you can pay the bill. We're not at a point where we're ready to pay the bill yet but I could if I was on this screen.

There are some reports that you'll want to make sure you look at. You can run a transaction history if you want to follow this bill all the way back. You can also look at some of these others

over here. There's an item listing, an open purchase order detail, vendor balance detail, unpaid bills detail, and purchases by vendor detail. We're going to be looking at a lot of these reports in a later module but these are the ones related to this particular bill.'

All I'm going to do is go ahead and Save & Close and this bill is now in my Accounts Payable. And by the way because this one was linked to an item receipt, which was linked to a purchase order it will always bring you this, give you this message saying that it's linked to other transactions. Are you sure you want to change it? Yes. And that's all you have to do to enter your bills against your inventory.

Let's go ahead now and move over into section five and I will talk to you about paying for those items.

Video: Paying for Items

Cindy: Now that we've ordered four more of the screen doors we are going to have to go ahead and pay for them. we did get the bill and now it's time to pay for these. It's very easy. Let me go ahead and flip over to QuickBooks and I'll show you how to pay for those items.

You're actually going to pay this bill the same way that you paid any other bills you had entered in QuickBooks. You're just going to follow the flowchart to the very end where it says Pay Bills.

In this case we're trying to pay Perry Windows & Doors and you'll see there's quite a few bills here but I'll go ahead and check off the one that we created for \$525. If I wanted to go to that bill and look at it I could do that down here at the bottom. Remember that you can't double click here. I'm going to change the date of my payment. I'm going to say it's January the 20th. I'm going to pay with a check and I'll assign a check number here. All I have to do now is hit Pay Selected Bills. I'm going to actually put in the word Debit since I used the debit card to pay for this and click OK. And now that I've paid that it's going to ask me if I have some more bills I'd like to pay or am I done and I'm just going to say I'm done and now that whole process has been completed. You have gone from a purchase order, you've received your items which went into inventory, we received a bill and we entered that, and then we paid the bill. Now that process is totally complete.

Let's go ahead and look at one more thing in this module over in section six. I want to show you how to manually adjust your inventory.

Video: Manually Adjusting Inventory

Cindy: We're on the last section of module six now. We've been talking about how to work with items and inventory in this particular module. In this particular section I want to talk to you a little bit about how to adjust your inventory manually. And what I mean by that is inventory just gets off. That's just how it happens. And you're going to have to come into QuickBooks and adjust your inventory from time to time. You can adjust the quantity on hand and/or the value. Let me just show you where you've got to do that and we will do a quick one and then we'll be done with module six.

Let's go ahead and flip over to our item list and remember those screen doors. We actually have seven that we've purchased. Let's say that some time has gone by now and we realize that we went in the back to count and we really only have six. We'd like to go ahead and adjust our inventory.

The easiest thing to do is just right click and you'll be able to come down to this option here that says Adjust Quantity or Value on Hand.

The first thing it asks you is the adjustment type. Is this going to be an adjustment for the quantity, the value or the quantity and the total value? We're going to say the quantity. The adjustment date. We'll pick January the 23rd. And then the adjustment account. And what you're going to want to do is if you don't already have an account set up create one called Inventory Adjustments and when you set it up it's going to default to a cost of goods sold, which is what you want. You don't need to fill out anything else here. Just go ahead and hit Save & Close and now you're going to put a reference number over on the right. Remember I told you that anything that's numbered starts with a number one but you could actually put any number you'd like and it will number the next one sequentially. If this is related to a particular customer and job you would want to choose that from the list and also if it's related to a particular class you want to choose that from the list as well.

I'm going to click underneath where it says Item here and I'm going to go ahead and type in my screen door. Notice it tells me that I have seven on hand but I want to say that my new quantity is six. Notice when I tab through it it knows the difference already. It's going to subtract one so I end up with six.

There is a place at the bottom to put a memo if you'd like. And other than that you're just going to go ahead and click Save & Close at the bottom. And notice now I have six. And that's how you manually adjust your inventory.

I'm going to flip back to the Home screen. Now this wraps up module six where we've talked about how to work with your items and inventory. Let's go ahead and flip over to module seven talk a little bit about working with QuickBooks registers.

Module 7 – Working with QuickBooks Registers

Video: Working with Registers

Cindy: We are starting on module seven now. This is the module where I want to talk to you about working with QuickBooks registers. You're going to find that you have a register for a lot of different items in your Chart of Accounts. For example, you have a checking register, you're going to have a register for your loans, for your credit cards. I want to go through and talk to you a little bit about how things get into those registers, we're going to talk a little bit in section two about downloading, and then we're going to do some bank transfers and reconciling towards the end of this module. This is section one though and I want to talk to you in this section about how to actually start working with those registers.

When we think of a register we typically think of a checkbook register but there are many different registers in QuickBooks that you could work with. Let's just start for a moment talking about how do you open the checkbook register. There are multiple ways to do this. On the Home screen what you can do is come over here where you see these account balances. If I double click on checking from here that will open the checkbook register. All right. Let me close that. Another way to open it from the Home screen is you'll notice right here in this banking section it says Check Register. If I click there it will ask me to select the account and I could pick any of these but right now I'm doing checking. I'll click OK and now again I'm in the checkbook register. Now let's look at another way we can get into the checkbook register.

Remember that Chart of Accounts we've been talking about? Well let's open that back up and double click on checking from here and again I'm in the checkbook register. So there you see three ways to access the checking account.

Let me close this again. When you're looking at the Chart of Accounts you'll notice that a lot of these accounts have a balance over on the right hand side here and any of these that have a balance you can double click on to look at the register. For example, if I double click on Cal Oil Credit Card I will see a register. When I scroll down and look at these you'll notice that the accounts that have a balance total they stop right after Equity. So from Income down you'll notice none of these have a balance total. What that means is that if I double click on any of these I actually will get a report on that particular account. If it has a balance you get a register, from Income down you'll get a report.

I'm going to go back up and click on Checking and we're going to examine what the checkbook register looks like here.

This looks very similar to a register that you might have in your desk. You'll notice that for any of these there is a place to put the date, then there's a place for the check number or whatever you'd like to put in that field. This could say ATM, it could say Debit. Then there's a place for

the vendor name. Then over here you'll see the payment amount. If it's a deposit you'll see the deposit in this column and then there's a running balance all the way down.

On the second line of the transaction you'll see this is where you pick the account from the Chart of Accounts that this particular check should go to. If you ever see Split like you see quite a few of these that means that transaction was broken out amongst more than one account. You'll also notice there's a place for a memo and you can say anything you want in that memo line.

Going down to the bottom of this list you'll notice that there is a blue line here. That blue line just means anything below it is postdated. When the 31st comes then that line will move and then it will probably move right down here and then when the 20th of January comes that will move all the way down.

A couple of other things to notice. You can see the type of transaction that each of these is right here. So you can see many of these are paychecks. This one is a tax payment. This one here just says Check versus Bill Payment here. The ones that say Bill Payment that tells me that they entered a bill and they went through to pay the bill the correct way, they followed the flowchart. The one that says Check means they just wrote a check for something.

When I look down at the bottom of the list you'll see that there is a button that says Splits. And what that does is when you're clicked on a particular transaction and you choose Splits down here it opens up this window so that if you wanted to split this check up into multiple accounts from the Chart of Accounts you could do that. Once you chose your options you would just go to Close over on the right and then it would say Split right here like this one does.

If you'd like to see this in a one line fashion instead of two lines you'll see there's a checkbox at the bottom left of your screen and you'll see that it's just one line now and it goes all the way across. It's really just a matter of how you would like to see this.

You can also see that it's sorted by date, type and number/reference, which is probably the way you want to leave it, but notice I could sort this by amount, by date, you can see these other choices here.

The other thing I'll mention is if you notice this column where there's nothing but there's a checkmark at the top, let me scroll up a little bit so that you can see that some of these actually have checkmarks, like this. These are transactions that have already been reconciled. Do not check this or do not put a check in a blank one because that will actually screw up your reconciliation that we're going to be doing at the end of this particular module. Just make sure that you don't change this column at all.

If I go to the top of the screen you'll see an option that says Go To. If you're searching your register for something you have the ability to search through different fields and search for something specific. So if you're searching through the payee and name field you can look

through all the names. If you're searching for a particular number you can type that number in, a memo you can type in a memo and the amount you can put in the amount. Wherever you're clicked it's going to search down when you choose Next and Back will search up. If you get to the bottom of the register and you haven't found what you're looking for then go ahead and hit Next again and it will flip up to the top and keep going down that way.

You do have the ability to print your register. You can actually specify a date range and if you want to see the splits detail you can as well. That just means these ones that say Split it's going to show you each of the counts that make that up.

When you're clicked on a transaction you can edit that transaction. If you make a change to that transaction and you save it that change is effective immediately. If you're clicked on one that has a vendor name you can run a quick report and you can see now that I've run a report on the Bank of Any City.

And that's pretty much how the register is going to work. Let me go ahead and close that and I want to go ahead and open a credit card just to show you real quick. I'm going to double click on the credit card. In this register you'll notice that anything you charge is over in this column, any payments you've made are in this column, and then it will have a running balance.

Let's look at one more register. Let's look at a loan. We're going to look at one of the vehicle loans. Let's use the van. We'll double click on that one. In here what you'll see is each time there was a bill or a payment you will see it listed over on the increase side or over on the decrease side.

And that's pretty much how the registers are going to work. What I want to do now is take you over into section two and I'm going to talk to you a little bit about downloading your transactions into the checkbook register or into the credit card register.

Video: Downloading Transactions

Cindy: One of the things you have the ability to do in QuickBooks is to download your transactions from the bank. Now this can be a good thing or a bad thing and I want to go through and show you how it works and then some of the issues you may run into when you're actually downloading. You're going to be able to do this from QuickBooks or from the bank's website, either one. If you do it from within QuickBooks you're going to have a little window that pops up that will allow you to check off whichever transactions you want to pull over into QuickBooks, into the register. If you do it from the bank's website typically you don't have that little window and it just throws everything into the register and if you've really screwed it up then you're just kind of out of luck. I suggest you always make a backup copy of your company file before you start downloading any transactions, especially if you do it directly from the bank's website. That way if it's all screwed up then you haven't lost your original data. Let's go ahead and flip over to QuickBooks and I'm going to show you where to go to download those transactions.

If you're in the register and you'd like to download your transactions you can do that using the Download Transactions right here. Before we do that I want to point out some of the things that you might run across that might actually hurt you when you're downloading your transactions. Let me flip back to the Home screen for a moment.

When you download from the bank you're basically just downloading all the transactions into the register. The problem with that is if you happen to be using the estimates, the invoicing, the receive payments the way you should what's going to happen is you might actually enter some items twice that you didn't mean to. For example, let's take a deposit. Let's say you had \$1,000 deposit that showed up in the checkbook register and it was for an invoice that you got paid for. If you originally had gone through the Create Invoices and received the payment that means at this point the money is sitting in Undeposited Funds. If you had actually followed all the way across the money is already in the register. You would not want to download that again because then you would have doubled it.

Another thing is if you just download straight from the bank and you have that \$1,000 deposit it has no idea it was a payment you received for a particular invoice. If you hadn't done the receive payment, let's just say you just had the invoice in here then what would happen is that invoice would still show as not being paid when you would actually see the deposit already in the register.

Kind of the same thing with bills. Let's say that you saw a check that had already cleared your bank for a bill that you paid. Well if you had gone through the Enter Bills and then the Pay Bills it would have dumped into the register at this point. That means you're actually downloading it twice. So you want to be really careful when you're downloading from the bank because the

bank book can balance perfectly but that does not mean that everything else in QuickBooks is correct.

I'm going to go ahead and click on the Checking account over here on the left. In the checking account you have a button at the top here that says Download Transactions. You'll see here that they have a savings account set up, a checking, and a QuickBooks credit card set up. Now initially you will have to come up here to add an account and add each account that you'd like to hook up to online banking. What'll happen is you'll go through a one time process where you will actually put in your username and password for your bank account and then QuickBooks will sync with it.

Once you have your account set up any time you want to download you click on the account, in this case checking, and it'll tell you a little bit of information. For example, you'll see here at the top that it tells me the balance that's in the bank and also the balance that's in QuickBooks. These are not going to match all the time because you will have things in QuickBooks that haven't cleared yet, possibly checks.

I have six transactions waiting to be added to QuickBooks. Whenever I am ready to add them I'm going to click over here on Transaction List and it will show me all of those transactions. Now if you've already downloaded a transaction then it will not be in this list and you won't be able to download it again.

You'll notice that you can look at the status, you can change the type of transaction you want to look at, it's going to have a date range. But all you're going to do is put a checkmark next to the ones you'd like to download and make sure all of the information in that row is correct. You could see right now that I don't see for any of these checks any information other than the payment amount. So I would need to go in and find out who that check was written to and put in the payee. I'd have to put in the name of the account. And notice I don't have the splits option here either. I'm going to put in the class I'd like this to go to. And then once I've done all that for all three of these I can come down to the bottom and I can add or approve and this will actually send them over and put them in the checkbook register.

Now notice I can also ignore these. If there are ones that you know are already in QuickBooks you'll just ignore them here so that it won't keep asking you to download them to your bank account.

You can always hit Finish Later at the top if you're not finished and then you can wait for the next time or go back in and finish it whenever you're ready. And that's how the downloading actually works.

I will say that if you have a credit card this is a great way to download your transactions. Credit cards typically don't have any outstanding bills for example. There's not usually any outstanding invoices in QuickBooks that would affect credit cards. They're just usually things you're just

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charged and you need a quick way to get them into your register. And that's how your bank feeds are going to work.

Let me go ahead and close this and I'm going back to the Home screen and I want to go ahead and talk to you now a little bit about creating entries and writing checks over in section three.

Video: Creating Entries & Writing Checks

Cindy: There will be some entries that you will want to go ahead and enter by hand into the checkbook register. Those might be checks that you wrote that do not have a bill that they're paying or could be something like a debit card transaction or an ATM withdrawal. Let me go ahead and show you how to go ahead and set up those types of entries.

I'm going to go ahead and open the checking register. What I want to show you is at the very bottom of every register there is a blank space ready for you to type in the new transaction. The types of transactions you will type in here will be things like debit card transactions, if you went to the ATM, maybe you purchased something online, maybe something was withdrawn automatically. Maybe you wrote a check for something. Those are the types of things you need to type in here because they're not associated with a bill and you wouldn't need to go through the process of paying that bill to have it dump in here. Those are the types of transactions you would want to type in the register.

The first thing you want to put in is the date. Then you'll want to put something in the number type field. This can be your check number, it can be the word Debit, the word ATM, whatever little coding system you would like to use. The next field asks who is my payee, Perry Windows & Doors in this case. And I'm going to put in the amount of the transaction and you'll notice that it brought in an account from the Chart of Accounts for me automatically based on the last transaction that I typed for Perry Windows & Doors. I'm going to go ahead and change this to Job Materials and then you'll see there's a place for a memo, where you could put anything you'd like.

If this was all of the information that you needed you could go ahead and record this transaction. But I want to point out that you have this option called Splits right here that will open up this window. Therefore if you needed to put more information in here you could. Maybe you needed two different accounts, maybe you needed the customer and job. You'll notice when I choose the customer and job a little checkbox says Billable up here with a checkmark in it. Notice I can uncheck that if I'd like but just to tell you what this is. If you remember back when we created invoices I showed you that at the top there was a button that said Add Time/Cost. If you have this checked it assumes this is an expense you're incurring that you may want to turn around and invoice your customer for to get reimbursed. If you uncheck it then it will not show up in that Add Time/Cost window.

The last field here is the class. Make sure you choose the correct class and then click Close.

Once you have it in there all you have to do is hit Record at the bottom and now that particular transaction is recorded.

Let me just mention that any time you actually type something in the register what happens is it's going to open up in the form of a check. I wanted to show you if we look up and find Perry

Windows & Doors we'll find the one we just did and you'll see it right here. You'll notice it says Check. If I double click there it opens up into the form of a check. I could have just gone to a blank check from my Home screen and typed it in that way. I would go to the Write Checks window here and then I would type in my transaction. When I do save this it would end up being in the register. So it ends up being the same either way. You can type it in the register or you can type it in here.

I'm going to go ahead and close this window and that's really all I wanted to tell you about creating entries and writing checks. Why don't you head over to section four and we're going to talk in section four about bank transfers.

Video: Bank Transfers

Cindy: There are times in QuickBooks when you need to go ahead and enter a bank transfer that you made and I want to show you how to actually create that transfer. It's super easy to do. You can do it in the register or there's a whole feature for the bank transfer option. I'll show you where that is.

I'm going to show you a couple different ways to create a transfer. The first one is directly in, by typing it directly into the register. I'm in my checking account and I want to transfer \$5,000 from my checking to my savings. I'm going to click on the last available entry at the bottom. I'm going to make sure I have the correct date. If there's a check number I'm just going to delete that. I don't need a payee. And I'm going to put \$5,000 in the payment column and when I go to the next line this is my Chart of Accounts and this is where I want to pick Savings. If I want a memo I can put Transfer over here. And that's really all that I have to do. I just click Record and now you can see that my transfer has been recorded in my checking account. If I open the savings you're going to see it's recorded there as well. Let me flip over to the Chart of Accounts and show you that.

Here's my Savings. I'm going to open it up and there is the flipside of the entry right there.

Now let me mention that there is another way to do this and you wouldn't really know that this option was here unless you've been looking under the menu because there is no icon on your Home screen for this. If you go to Banking on your menu you will see a Transfer Funds option right here. All you have to do is pick the date of your transfer. If it relates to a particular class you would choose it from the dropdown. Here you would tell it which account to transfer from, which account to transfer into, and the amount, which would be \$5,000. And that's all you'd have to do. You would Save & Close and it would look exactly like the one that I just typed in. And that's really all there is to a bank transfer.

I'm going to go back to the Home screen and we have one more thing to talk about in this module and that is reconciling. Why don't you head over to section five and I will see you shortly.

Video: Reconciling

Cindy: One of the things that you'll want to make sure you do every single month is go ahead and reconcile your accounts. You might be familiar with the term balancing your checkbook, except that you can reconcile or balance more than just the checking account. I want to go through and show you how reconciling works in QuickBooks and then we're going to come back and wrap up module seven.

Reconciling is basically a process where you double check to make sure that your QuickBooks and the bank actually match. And the reason you want to do this is because you make mistakes and you want to be sure that you can go back and catch those and the bank also makes mistakes occasionally as well and you want to catch that so you can make sure everything matches.

When you get ready to reconcile you'll want to make sure you have your statement out and then you'll click on Reconcile.

The first thing it asks you to do is pick the account you'd like to reconcile. Most people think of reconciling their bank accounts and you should but you should also reconcile any of these other accounts that you see in this list. Make sure you at least do your bank accounts and your credit cards if you don't do anything else. You might make mistakes entering credit card charges as well and that's why you want to reconcile your credit cards.

The next thing you want to do is make sure that you have the correct statement date. Look on that bank statement and whatever the ending date is that's the date that you want to make sure appears here. You'll also notice the beginning balance is here automatically. Last months ending is this months beginning number. If you know you reconciled last month and you come in and this number is not correct you want to figure out what you did wrong. You can actually come down here where it says Locate Discrepancies and you can run a discrepancy report right here that will tell you if you deleted something you'd already reconciled or if you made a change to it. That way you can go and reenter those things or fix whatever you need to. When you're done you can close the report and restart the reconciliation.

The next thing it wants is the ending balance, and you're going to get that from your bank statement.

There's also a place for any service charges. This could be your \$8.00 a month to have the account, an NSF fee. You can add those together if you want. Some people will actually go ahead and put those separately in the register. That's okay. It's just you don't want to do it in both places.

If you have any interest you want to make sure that you use this account here, Interest Income. You'll probably need to set it up and it would be an other income type.

I'm also going to change these dates. You want to make sure they match the ending statement date. And then what you're going to do is hit Continue.

Anything that came out of the bank account shows up on the left side of your screen. Anything that went into the bank account shows up on the right side of your screen. What you're going to do is check off anything that's on the bank statement. If it's not on the bank statement don't check it off.

I did deposits first because there's fewer of them but it really doesn't matter as long as when you are finished you're reconciled.

Now let's say that all of these except this last one cleared. Typically if you have a bank that maybe has this 2 p.m. cutoff still you'll notice that the ones that happen at the very end of the month might clear next month. But keep an eye out for things that you know should have cleared. If it's December now and you see a transaction from July something is wrong and you need to figure out what's going on with that.

When you're finished checking these off I want you to notice that down at the very bottom it'll say that I have ten deposits and other credits and they total this amount of money. That should be the same number on your statement. If it's not then you can go and figure out what you checked or maybe you need to uncheck something here and fix it.

Over on the left same thing. You're going to go down the list and you're going to check off everything that cleared. And remember that checks don't clear every month. Sometimes people hold them, they get lost, all kinds of things happen. You're going to have your debit card transactions in here, all of your ATM transactions. I'm going to go ahead and check most of these here. Let's say that most all of these cleared. I'll just go all the way down close to the bottom here. And keep an eye out for things too that you know should have cleared but they haven't. Again what you want to do is look and see when you're finished it tells you how many checks and payments and the total of those that cleared.

Now what should happen when you're finished is you should look down here and the difference should be zero. If you notice, mine is not zero and that is because notice it's off \$712.56 and that's the same one right here that's not checked off. If I check that now I have a difference of zero.

What you don't want to do is if you're not balanced, meaning you don't have a difference of zero, don't hit this Reconcile Now at the bottom because you're not reconciled. You want to go and find your mistakes. Some people will look for a penny. It's up to you if you want to look for that penny. Other than that if you wanted to let QuickBooks adjust that for you you would hit Reconcile Now and then it would ask you if you wanted to adjust that entry. I'm going to click Reconcile Now and it's going to pop up and ask me I want to go ahead and print a couple

different reports here. You can see that there is a summary or a detail or both and I'll show you what they look like. I'll just hit Display here.

This one here is the reconciliation summary. I'm just going to close that message. And this basically tells me I had 71 items that cleared and there's the total, 11 deposits, and then it'll tell you the transactions that did not clear. If I close this one you're going to see an actual detail report, meaning that instead of seeing the lump sum you're going to see every single transaction that made up those numbers.

You don't have to print these but if you ever had to rebuild your file you would be really glad you did have them.

That's all you need to do as far as reconciling is concerned. You'll end up reconciling your credit cards pretty much the same way and that's really all there is to reconciling. Make sure when you do this you do them in order.

Let's go ahead now and move over into module eight and we're going to talk a little bit in module eight about working with loans.

Module 8 – Working with Loans

Video: Setting Up Loans

Cindy: If your company has loans that it pays back on a regular basis you'll want to make sure you have those loans set up correctly and that you know how to actually go ahead and create those loan payments in QuickBooks. We're going to start off here in section one with talking about setting up the loans so that we make sure they're set up the right way. That way you get accurate reports. Let's flip over to QuickBooks and I'll show you how to set up your loans the right way.

Let's head over to our Chart of Accounts and scroll down to where the liabilities are. Remember a loan is a liability because it's something you owe. Remember that you have two types of liabilities. You have short term liabilities. Those are things that you're going to pay off within 12 or 13 months. And then you have long term liabilities. Those are things like if you had a 30 year mortgage or if you had a car payment that went several years. And you can see they're listed here. Other Current is the same thing as short term. And then here's your long term liabilities here.

You'll notice they've got several vehicles they've set up as long term liabilities. What we want to do is if you're setting up a brand new loan you're just going to right click and choose the New option. If you choose this loan here that it assumes a short term. If you're looking for the long term liability you need to come down and choose Long term liability from this list and then hit Continue.

The next thing you'll want to do is go ahead and plug in your account number if you happen to be using that feature and then give your account a name. You can actually call it anything you want. Let's say that we just bought a car and it was a 2019 Chevy. If this was a subaccount of another then you could check the box and choose the account it's a subaccount of, but most of the time it's not in a case like this. There is a place for a description. Then there's a place to put the account number and that is totally optional. QuickBooks really doesn't need that. The tax line mapping, if you had told QuickBooks when you set up your company file that you are an S-Corp or an LLC then what would happen is it would ask you which tax line on the tax form do you want to pull this on to. You would also need to enter the opening balance. This opening balance is as of the start date of your company file. If you just purchased it and it is December right now then you would put in the amount of the loan. We are not putting in the amount we purchased the car for because that's different than the amount of the loan. This is the amount of the loan, the amount we're going to be paying back. Let's just say it was \$20,000 and we'll just put in as of December 1st. I'm going to click OK and then Save & Close and you'll now see there's a new loan in the list.

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Each time a payment is made you need to make sure the principle amount of that loan goes back to this account right here.

And that's a quick way just to set up the loans. Let's go ahead now and head over to section two and I will talk to you real quick about how to create a loan payment.

Video: Creating Loan Payments

Cindy: Now that you've set up your loan you want to go ahead and enter any payments that have been made towards the loan since the start date of your company file. I want to show you how to set up those loan payments the correct way. And I'm also going to show you how to divide up your payment between principle and interest. Let's flip over to QuickBooks and I'll show you how to make a payment on that loan.

When you get ready to make your payment use the Write Checks feature on your Home screen. That's the easiest way to do this.

The first thing it asks you is which bank account are you pulling the money from. We're going to pull it from our checking. The next thing you'll do is put something in the number field. I'm going to put EFT for Electronic Funds Transfer. Then we're going to plug in the date of the payment. Then we're going to put in Pay to the Order of. Let's say it's a new vendor. We'll say it's First Federal. What's going to happen as soon as I hit the Tab key it's going to ask me if I want to quick add First Federal to the vendor list or set them up. I'll just quick add them for now and then choose Vendor from the list.

Our payment is \$500 per month. We've also got a place to put a memo. I'm going to say December payment. And then what we're going to do down under the Expenses tab we're going to put in two different accounts. One for the principle and one for the interest.

Now what we're going to do for the principle is we're going to pick the liability account that we created for that Chevy. When we go down the list and look at this it's going to be this one right here and then we're going to plug in the amount of the principle, \$148.56 and the next line is where we're going to put the interest. I'm going to type in INT for interest expense and I want to show you from the dropdown how they set theirs up, and this is a really good way to do it. They have a main account called Interest Expense and underneath it as subaccounts they have Finance Charge and Loan Interest. This obviously would be loan interest and that amount is \$351.44. That's really all you need to set up when you set up that payment. If it's something a electronically withdrawn each month you might want to go ahead and memorize it.

The one thing I wanted you to notice about this is we had to manually plug in the amounts for our principle and our interest. QuickBooks does not automatically do that for you. However, we're going to be talking over in section three about the Loan Manager and that's a place where you can go and plug in all the details of your loan and then it will spit out checks for you telling you how much goes to principle and how much goes to interest. I'm going to go ahead and Save this and close it and let's go and look and see what's happened here.

I want to go look at my Chart of Accounts. I'm going to go down and find our loan and here it is right here. You can see that the amount has been decreased by the amount of our principle. And I'm going to double click to open that register and you can see the one transaction that has a

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payment here is the one that goes to our liability. So you can see that the principle goes to the loan and if you wanted to see the interest expense you would have to run a report on the loan interest account. And that's pretty much how you're going to set up the checks for your loans.

What I want to do now is let's go over into section three and I will show you how the Loan Manager works.

Video: Using the Loan Manager

Cindy: QuickBooks has a feature called the Loan Manager. Basically you can go into the Loan Manager and type in all the criteria related to your loan and when you're ready to make a loan payment then it will actually tell you what the principle and the interest should be and create a check for you that you can pull over into your QuickBooks register. I want to show you how to find the Loan Manager and then how to set it up. And that way when we get ready to actually make some payments towards the loan we don't have to guess what the principle and interest are.

The first thing you'll want to do is in the Chart of Accounts make sure that you have the loan that you'd like to pull into the Loan Manager already set up. We're going to pull in our 2019 Chevy. While we're here just notice the balance is \$19,851.44.

I'm going to go back to the Home screen and I want to point out that there is no icon on your Home screen for the Loan Manager. You have to access it through your menu. You're going to go up and click on Banking and then you'll see the Loan Manager.

What we're going to be doing here is adding a loan. If we had already added it you would see it in the list here. Let's go ahead and click on Add a Loan and we'll start putting in some of the criteria.

The first thing it asks is which loan are you pulling in and that's why I said you needed to have the loan already set up. Then it's going to ask who the lender is and in this case it is First Federal. The next thing it asks is the origination date of the loan and we're going to say it's 12/1/2024. What is the original amount and we're going to say that it is \$26,050.34. And then the term in months. We're going to say it's a 60 month loan. Notice that I could change this to years or weeks. Then I'm going to hit Next at the bottom and it's asking the due date of the next payment. Now I want you to remember something. We already have the December 31st payment in here, which would have been the first payment in this case. If you're going to put in the next payment, which is the correct way to do this, you'll need to go and delete the one you've already put in. We'll go ahead and say the next payment is on the 31st and that the payment plus the interest is going to be \$500 per month. And the next payment is going to be the first one. That way it'll keep all the numbering correct and it'll also put everything on the correct date.

The payment period is monthly. It could be weekly, biweekly. You can see the list there.

The next thing it asks is does this loan have an escrow payment. We're going to say no but if it did you would have to pick the escrow payment account that you'd already set up in the Chart of Accounts.

Here's your payment total. And then it says Alert me ten days before a payment is due. That's a nice little feature. And if you don't want it to do that you can uncheck the box.

I'm going to click Next at the bottom and now it's asking what the interest rate is. We're going to say it's 5.7%. It's compounded monthly, and the payment account, it's going to come out of our checking. That's what it's asking is what account are you going to make the payment from. The next one is interest expense account. It already has the loan interest account which is the correct one that we would want to choose. And also if you had any bank service charges those would be things like late fees. That's the account it would go to, Bank Service Charges. I'm going to go ahead and hit Finish and now you can see the loan is in the list.

What you're going to see next is down here you have a summary of your loan. See how it has our lender is First Federal, the origination date, all the information we put in. Then the next tab over is the payment schedule and this is where I told you that it would figure out the principle and interest for you for every month of your loan. Isn't this great?

The last tab is your contact info. If you had set up a contact name for someone at the bank then you could put all that in here. But let's talk a little bit over here about what to do next now that everything is set up.

What's going to happen is whenever you're ready to make that payment you want to come into this screen and choose Setup Payment. The first thing it asks you in this window is this a regular payment or is it an extra payment. And it already has the account name, the lender and the bank account. It already has the principle and interest split up already. If you decide that you want to go ahead and edit that you can change those numbers to whatever you need it to be. And also if there was a fee or a charge you could set it up over here. If you had the wrong payment number or you wanted to change that you could change that right over here.

The payment method option asks you do you want to write a check or enter a bill. I'm going to go ahead and say write a check and click OK and let me show you what happens here. Notice that the check is ready to go. It's all filled out. You just want to make a few changes. It could be that you want to change whatever is in that number field up at the top there. You might want to go ahead and change the date. And notice it's got your principle and your interest broken down for you at the bottom. Unless you need to make any other changes that's all you need to.

I'm going to go ahead and hit Save and it will say you've changed the original transaction. That's because I changed the date back here. And that's really all we have to do. I'm going to go ahead and close that and now you'll see when I go look at the payment schedule the next one is number two because number one has already been made.

Before we go look at it in the register let me just point out a few other things. Here's where you can edit the details of the loan. You can also remove the loan if you want. You can also come down here and run some what if scenarios. These are really nice because maybe if you want to pay this off ahead of time or you want to know if you pay \$600 a month what the calculations come out to be you can run those what if scenarios right in here.

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I'm going to go ahead and cancel that and if I wanted to print I could do that as well. But other than that I'm going to go ahead and close and that is done.

Let me go look in the checking account and we're going to see if our payment is in here. Remember we made it on the 31st and you can see there it is right there. And the reason it says Split is because that transaction has more than one account that the money is going to. And that's how the Loan Manager works.

Well this is going to wrap up module eight, Working with Loans. Let's go ahead and move over into module nine and talk a little bit about working with credit cards.

Module 9 – Working with Credit Cards

Video: Setting up Credit Card Accounts

Cindy: We are all the way down to module nine now and in this module I want to talk to you a little bit about how to work with credit cards. We're talking about credit cards that your company uses to purchase items for the business. We're not talking about accepting credit cards from customers for a payment. You would have to have a merchant services account to do that and that has nothing to do with actually setting up your credit card accounts here.

You want to make sure that each credit card that you have is set up separately in the Chart of Accounts. That way you can track each card and the balance you owe and what's been charged on each card. Let's go ahead and flip over to QuickBooks and I will show you how to get started setting up your credit card accounts.

I'm going to head over to the Chart of Accounts. If you remember when we discussed setting up your Chart of Accounts way back in the beginning we went through the different types of accounts you would want to set up and one of them we talked about are your credit card accounts. You can see there are two already set up here. When you have a credit card account set up you'll see the balance that you owe right over here in the Balance Total column. You also have a register for each one of these. If I double click on the QuickBooks credit card you'll see here this is every transaction that happened. Anything that was charged, any payments that were made. And so you'll see the charges here and the payments on this side and there's the balance right down here.

Every time you make a payment to the credit card it should always go to the credit card account. Now the charges themselves are going to be split up and they'll go into the accounts that they actually belong to and I'll show you how to do that when we get to section two but right now we're just talking about setting up the accounts.

I'm going to set up a Visa card. I'm just going to right click anywhere and choose the New option. I want to choose the type, Credit Card, and click Continue. If you had a number you would go ahead and plug that in and then you can name the account anything you want. I'm going to call this one Visa, but keep in mind if you had a couple of different Visa cards you might want to put the last four digits of each one next to the account name or maybe say Capital One or First Federal. It really doesn't matter what you call them as long as you know which credit card that is.

This is not a subaccount of another but a good example might be if you had an account but you had two different cards for the same account. You would set up the Visa first, then you would set up two new accounts representing each card and they would be subaccounts of Visa. You can put

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a description if you'd like and you can put the credit card number but QuickBooks doesn't need that so I would not put that in here.

If you've told QuickBooks in the beginning when you set up the company file that you were in S-Corp, an LLC, or one of those others then it will ask you for tax line mapping, which line do you want to pull this particular item onto. And then let's talk about entering the opening balance.

As of the start date of your company file you'll want to pull out that statement and see what the ending balance is. Let's say that it was \$1,400. And then whatever month that you're starting with you'll want to go ahead and make sure you've plugged in that statement ending date. And then you'll want to click OK and then Save & Close. I'm not going to set up the bank feeds right now, I'm going to click No, but I want you to notice now that I have a Visa card back here and I have a balance of \$1,400 that's owed on that particular card.

I want to go ahead and edit this and put in my account number I'd like to use for my general ledger number. I'm going to go ahead and hit Edit and it's going to be 20400. Now I'm going to Save & Close.

That's how easy it is to go ahead and set up those credit card accounts.

Let's go ahead and move over into section two and talk about entering your credit card transactions.

Video: Entering Credit Card Transactions

Cindy: Now that you've set up a couple of credit cards you'll want to start entering the transactions for each of those cards. You're going to be able to download those from the bank. That's probably the easiest way. But if you can't do that then you can go ahead and enter them by hand I want to show you how to do that and how each of the expenses gets to the correct expense account in the Chart of Accounts. Let's flip over to QuickBooks and we'll start entering some credit card transactions.

On your Home screen if you're looking in the banking section you will have a button that says Enter Credit Card Charges and this is where you will go to enter each charge separately.

I want to just make a real quick point that if you don't see a button here at all, it's just a white, blank area, that means you haven't set up even one credit card yet. Once you set up your first credit card, provided the type is credit card, then you will see this button appear and you can enter all of your charges.

I'm going to go ahead and click on Enter Credit Card Charges and we'll set up a couple of different ones so you can see how this works.

The very first thing you'll notice is it asks you which credit card are you using. Make sure you have the correct credit card. You also can tell QuickBooks that this is a purchase or a charge or a refund or a credit. We'll say this is a purchase. We're going to purchase this from Perry Windows & Doors and because Perry Windows & Doors has some open purchase orders it will ask you would you like to receive against one of these. We're going to say no in this case. We just went right into their store and we purchased something.

We're going to change the date. There's a place for a reference number, and you can also plug in the amount of the charge. You might have a memo and you can pop something in there if you'd like. And then you're going to go to the bottom and put your purchase under the Expenses tab or the Items tab or it could be a split. Let's just say in this particular case though this is going to be for our job expenses and we'll say it's for job materials. Remember if this is for a particular customer or job you want to make sure you choose the correct option over here. If it's billable, meaning that you want to turn around, get reimbursed from your customer for this, make sure you have the checkmark there. And also choose the right class.

I'm going to hit Save & New at the bottom and we're going to enter a second one.

Now let's say that we decided to go to our office supply store and we're going to head over to Staples. I'm going to go ahead and quick add Staples in the list. They would be a vendor because we do purchase from them. We can put in the date of that charge, the amount of the charge, and then again you want to break out your expenses. I'm going to say that office supplies was \$75

and we'll say the rest of this was for printing. Again, if you're keeping track of your job cost make sure you fill in the customer and the job and fill out the billable and the class fields as well.

Let's go ahead and Save & New and we're going to add one more. This time we're going to return some things to Staples so we'll choose the refund or credit option.

We're going to go ahead and put Staples in the list, we're going to choose the correct date, and then we're going to put in the amount that we're returning. Now it prepopulated the office supplies and printing and reproduction because we just used those two accounts. All we have to do this time is go ahead and put the \$40 that we're being credited for back to the correct account, in this case office supplies. That's all you have to do.

Now let's look up at the top and see if there's anything that you're not familiar with yet. You know how to Find, we've talked about the New option, the Save option, the Delete option. You're familiar with all of these. Here's where you can download your credit card charges. There's several ways to do it. We've already talked about a couple of them. This is just another way since you're already in this particular window. You can also run some reports back here having to do with expenses by vendor detail and also you can run a previous reconciliation. Don't forget there's always a transaction history and a transaction journal that you can look at at well.

I'm going to go ahead and click on Save & Close at the bottom and now we have three transactions we've entered. Let's flip back to the Chart of Accounts and just check it out. I'm going to open up the Visa account and look at the register. And here you will see the two items we charged and there's our return right there. And that's how your expenses are going to get into the correct accounts.

Why don't we go ahead now and go over to section three and we're going to talk about what happens at the end of the month when you need to reconcile your credit cards and make a payment towards the card.

Video: Reconciling Credit Cards & Making Payments

Cindy: Now that you know how to set up your credit card accounts and also have it enter the credit card charges you'll want to make sure that when your statement comes in the mail that you go ahead and reconcile it, just like we talked about when we talked about reconciling your credit cards. You're also going to be able to make a payment towards the credit card when you're finished reconciling. Let's flip over to QuickBooks and I will show you how to reconcile your credit cards.

Before we reconcile this let me just point out something that I see often that will really screw up your QuickBooks. Often when people receive their credit card statement in the mail they will go up to the Enter Bills and actually put this in as a bill. Let me tell you what happens when you do that. Let's say that the first statement you enter and you put it in as a bill it says you owe a total of \$1,000. What would happen at the bottom of that bill you would have to break out all the expenses and tell QuickBooks how much was gas and how much was meals, all the way down the list until you get \$1,000 worth of expenses. Let's say you make a payment towards that. You only pay \$300. That means you still owe \$700. The second month when that statement comes in the mail if you go to enter a second bill it's going to say that the balance you owe is the \$700 from the previous month plus whatever you charged. Let's say that the total is \$1,200. Well you're already in trouble because QuickBooks will think you owe \$700 plus \$1,200. Then on that bill you're going to have to find \$1,200 worth of expenses in order to make the top and bottom match and now you've just doubled a lot of your expenses. This is just a big snowball that never gets better. The only time it would ever work is if you paid the full, entire amount that's due on that statement every single month, no exceptions. It's still not the right way to do it but it would work. But the very first time you made a partial payment then it's not going to work for you anymore.

Let's go ahead and go over to the Reconcile option and pick the Visa account. We're going to make sure we have the correct statement date. In this case we'll say December 31. Notice there is my beginning balance and I'm going to type in the ending balance, \$1,629.64. Notice here's where you can put in any finance charges you have. You want to make sure when you do this that the account you choose is under interest expense, finance charges. I'm going to hit Continue and what you're going to see is anything you charged is on the left, anything you paid or any credits are on the right. And just like we did with our checking account your goal is to check off whatever happened to be on that statement.

Remember that once you've done one side or the other you'll probably want to come down to the bottom and check the payments and credits to see if they match what's on the statement. And check the charges and cash advances to see if they match as well. If both of those numbers are correct you should be balanced. Remember the way that you know that is over here where it says Difference. That should be zero. We are balanced. I'm going to go ahead and click on Reconcile Now.

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Here's what's a little different than when we reconciled the checking account. Here it asks me if I'd like to write a check for payment now or enter bill and pay it later. If you enter the bill for payment later this way everything will work out perfectly. You don't have to worry about the scenario I mentioned earlier.

I'm going to write a check for payment now and click OK. And you're going to see that it fills out the entire check for you.

Right here these are the reconciliation reports. You can print the summary reports, the detail or both if you want. If I close that you can see the check back here.

You'll want to double check this check because you'll want to put in your pay to the order of. Let's say that you are making this payment to Visa. Visa is not on my vendor list so I'm going to do a quick add and then click OK here. Do not get confused with this word Visa and this Visa here. This is a vendor name and this is an account in your Chart of Accounts. As long as everything else is correct all you have to do is go ahead and save this and then you can close it and you're ready for the next time.

Now let me just show you if I go back to reconcile the next month, let's say I picked Visa and I'll just put a penny in here right now just to have something there and click OK. What I wanted to show you is that payment that we just made will show up under the payments and credits over here for you to be able to check off. And that's really all there is to reconciling your credit cards and making payment.

This is going to wrap up module nine where we talked about working with credit cards. It's now time to move over to module ten and we're going to talk in module ten about working with forms.

Module 10 – Working with Forms

Video: Overview of Forms Templates

Cindy: We are getting ready to start module ten now. In this particular module we're going to look at working with forms. If you remember when we were working with invoices one of the options we had was to choose the template we'd like to use on that particular invoice. We saw the same thing when we were working with purchase orders. We could choose the template we'd like to use for each of the purchase orders. You're going to see lots of templates in QuickBooks. I want to take you in and show you where all the templates live and a few things you can do with those templates and then we'll jump over to section two when we're done and start customizing those templates.

I'm going to click on Create Invoices for a moment. I want to make sure that you know that this is the list that we are talking about customizing in this module. This is a list of the different templates I could use for invoices. Some of these came automatically when the program was loaded. Others you would create yourself and then you could choose whichever one you want when you're actually invoicing a customer.

Templates aren't just for invoices though. They're for any form. Let me go ahead and close this and I'm going to take you into the list of templates. You're going to find those on the menu under List and then if you come down to the bottom you'll see Templates.

This is a listing of all the templates that are in QuickBooks. They're listed alphabetical by type. You'll see the first type you have are your invoice templates. These are the same ones we just saw. You have credit memo templates, you can see sales receipts, statements, estimates, you can see the list here. You can do a lot with this list. If you wanted to add one you could. You can actually delete one. Let me just take you down to the bottom left of this screen where you see the word Templates and there's a dropdown arrow there and here's where the list of things you can do with your templates is located. You can see you can edit a template, delete one, you can also duplicate one. If there's one you need to create that's similar to one you already have why do all the work again when you can duplicate it and make those few changes?

You can also make your template inactive. If you've ever used one even one time you won't be able to delete it but you could make it inactive so that it doesn't keep showing up in the dropdown list.

I want to point out the import and export options as well. Sometimes people will say that they have a particular template they like already in Word or Excel for example. You can actually import those or export some that are here into Word or Excel if you like to do that. It will actually prompt you to save it as a file and then you can bring it in.

I want to also show you the Download Templates option. There are several different template forms that are not on the dropdowns currently that you could download. And these are from Intuit. You can see they're listed on the left by the type of form. For example, if it's an invoice then you've got these templates right here that you can download. Some of these you can show a little bit more like this one if you wanted to see a little bit more about what that one is about. It'll give you more of the text. But notice all of these you just download them and they show up in the dropdown list so that you can choose them.

I'm going to go ahead and close this one. That's really all I wanted to talk to you about as far as the overview of the forms templates goes. We're actually going to start customizing one of these over in section two. Why don't you head on over there and I will show you how to customize some of these forms.

Video: Customizing Forms – Part 1

Cindy: We are in module ten, Working with Forms, and we're getting ready to get started on section two, Customizing Forms. You're going to have a form like an invoice as an example that you want to actually add some fields that aren't there, maybe edit some of the columns, rearrange some. There's all kinds of things you can do to customize the look of your forms. There are two parts to this particular section. Make sure you watch both parts so that you get the full overview of how to customize your forms. Let's flip over to QuickBooks and we'll get started.

If you're in your list of templates you could right click and choose the New option to create a new template but it's a little bit easier if you're actually on the form you'd like to create a new template based on. Let's choose invoices today for our example.

This is a list of the templates that are currently invoice templates and typically when you see a dropdown list in QuickBooks they will have an Add New option at the top but they don't in this case. Here's where you'll need to go.

Make sure you're on the Formatting tab and you want to go to Manage Templates. This is that same list of templates that I just showed you. If you want to create a new template all you're going to go is select one that's close to a new one you want and choose Copy down at the bottom. What happens now is you can change the name over here to whatever you want to call your template. I'm just going to say My Invoice. When you're done you just click OK and now we can start customizing the new template we just created.

Now this screen has your basic customization options. The very first thing you'll notice is that if you need to go back into the Manage Templates window you can click on it and go back in here and do whatever you need to do. The next thing is you have the ability to add your logo. Your logo needs to be a file in your computer that you can go find. You'll notice if I check the box that it takes me directly into my computer to select an image. And I'm going to choose these penguins and click Open. You can see that it applied my image. I can move this or change the size of it. We'll do that a little bit later but you can see right now it just popped it in that invoice there.

The next thing is I can choose a color scheme. I think black is probably best but just notice if I pick maroon, for example, and apply that color scheme all the lines are maroon colored, the text. I'll go back and put it on black. And then I can change the font for these four items.

Title is this word Invoice right here. Company name and address is this right here and the labels that you see down here, that's going to be the bill to, ship to, the label for each of those fields. If I wanted to change the font for any of these make sure it's selected on the left and click Change Font. And here you can see that you can that you can change the font, you might want a bolder italic, different size, color, things like that.

The next thing you'll notice is there are some options down here that you can check if you'd like to see them. Notice company name and address are checked. That's why they're showing up right up here. But notice there's no phone number. I want to show you what happens if you choose one of these options. I'll pick phone number. And notice where it placed the phone number. Now I can move that and make it look decent but it's going to be a little bit of work. What I'd really like to do is put the phone number right up here underneath my city, state and zip. There is a way to do that.

I'm going to uncheck phone number and if you notice there's a button here that says Update Information. If I click on that I can come in here and type whatever I'd like and as long as it's in this box right here it's going to show up right back here. I'll go ahead and the phone number in. And then I'm going to click OK. Any time you update your contact information it will ask you if you want to update your legal address as well and that would be up to you. I'll just say no for now. And you can see that the telephone number is right back here. I had a little bit more space there so I could have added a website or an email address if I wanted.

You can choose to print a past due stamp on your invoices. And also the print status stamp. What that means is if the invoice is paid or if you wanted it to say Past Due like you saw here, those are called Status Stamps. That's going to be your generic basic customization options. Let's take this a little bit deeper and talk a little bit about additional customization right down here.

In this window you'll notice there are several tabs across the top. We'll start with the Header tab and go down the list.

The things that you see under the column that says Screen, that means they'll show up on your computer screen. The things that you see under Print mean they'll actually print. And then the wording over here can be changed to say anything you want. Let's start at the top with Default Title.

They've got the word Invoice in here but I'll make it all caps just to do something a little different. And then they have date and that's going to be this date right here, the date that you actually created the invoice. I'm going to say Invoice Date. Then there's the invoice number, which shows up right over here. Then we have Bill To and Ship To. This is the Bill To, this is the Ship To. If you don't ship anything just uncheck those boxes.

The next thing we see is the P.O. number. If you use purchase orders you'll want to check those boxes. You're going to notice that when you start checking and unchecking some of these boxes now that you're going to get this message that says you have overlapping fields. Just hit Continue. We'll change that later. But this is what an overlapping field is. It's just sitting on top of another one.

S.O. number has to do with a shipping order number. Then you have terms and then there's one for the due date. Rep would be if you have sales reps in your organization and you want to track

which sales rep worked with which customer. Then you have account number. Notice you can't change the option to show that on the screen. You can however choose to print it. if you remember we set up account numbers when we set up the customers and it would pull from that field. Then you have ship date, ship via and freight on board. Those have to do with shipping, all of those. And then they have project or job. Let's say that we call them jobs. Next you have a field called Other which you can use for anything you want. And then you have contract number, birthday and spouse's name. If you remember we set these fields up when we created a customer. We could create any fields we want and make them available for customers, vendors and/or employees. If you had set up ten of those you would see them all listed here.

The next tab over at the top are your columns. Now our columns are item, description, quantity, unit of measurement, all the way across. You have the ability to actually add some columns that may not be here, if you don't want to see a column, hide a column, you can rearrange the order of the columns, those types of things.

Going down the list if it says Screen, again it's going to show on your screen, if it says Print it's going to print out, and then order is from left to right, the order in which you want the columns.

Let's say that we want to move this around a little bit. Let's say we'd like to have quantity as our second column and description as our third column. Let's say I don't want unit of measurement and let's say that we're going to keep the rate but instead of rate we're going to say price. And then we've got the amount and the rest of these we're not going to be showing. Now amount is always the last column.

The other thing I want to mention is this quantity field right here is a calculating field. If you want to set up an invoice where you have a quantity shipped and a quantity ordered field what you would do is use this other one as a quantity ordered because it doesn't calculate that and use this one as the quantity shipped because that one will calculate.

The next tab over is your progress columns. These have to do with estimates. You would go through and do the same thing. And then you have the Footer tab.

On the Footer tab you will see the area for your customer message, which is this right down here. They have subtotal, sales tax, total, payments and credits and balance due. I think that is way too much information at the very bottom here. Some of the templates that I've seen that are popular, let's say you had an invoice and a customer had made some partial payments towards it. They may call and ask you to send them an invoice showing what they've paid and then balances due. And if that's the case what you want to do is take off subtotal and take off sales tax because sales tax is always going to print as the last line up here anyway. And you'll notice now if I leave it this way I've got the total, that's the original total, any payments the customer made and the balance due.

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Let's go ahead and stop this video right here and I'm going to have you go on to part two and we'll finish talking about all this customization.

Video: Customizing Forms – Part 2

Cindy: We're still working in module ten where we're talking about working with forms. We're on section two and we've already completed part one. I want to just take up where we left off here in part two. Let's flip over to QuickBooks and we'll keep going.

The next tab over is your Print tab. There were a few things I wanted to mention here. First of all notice how you can't access any of these options. That's because you have to select this option that says Use specified printer settings below for this invoice. If you do this now you can tell QuickBooks to print this portrait or landscape, you can say print two copies automatically and if you wanted a different paper size you could do that as well. Right now it's going to print page numbers on forms of more than two pages. That means that if you have four pages it's going to print page one, page two, page three, page four on each of those pages. You can also have QuickBooks print a trailing zero if you want. And that basically means that it'll add those extra zeros at the end so that everything aligns with the decimal point. And that's all the options that have to do with additional customization.

So far I want to click OK and see what we've got. It's not going to be perfect. We haven't gone into the next part, the Layout Designer yet but let's go ahead and print preview this and see what it looks like.

You can see that we've added our picture here, we've got our telephone number under the city, state and zip. We do have overlapping fields. We're going to have to change that. And obviously this looks funny down here but it is available now to use. If I click OK at the bottom and just OK all the way out for a minute, I want you to notice that if I create a new invoice now my invoice is available on the list to use.

Let's go ahead and stop the video here because that's all I want to talk about as far as customization. Let's go ahead and go over into the next section which is section three and we'll start talking about the Layout Designer.

Video: Layout Designer – Part 1

Cindy: In section we went through the customization options for your forms templates. A couple things we were able to do. We were able to actually rearrange the order of our columns, we were able to add some fields, we were able to turn some fields off that we didn't want to use, those types of things. Now that we've turned all of those options on or off we can go into the Layout Designer and actually move some of those fields around and make it look a lot nicer. This is section three, the Layout Designer. This is part one. There are two parts. Make sure you watch both parts and then we'll be wrapping up module ten once we're done.

The first thing you want to do before you go into the Layout Designer is make sure you have the template that you're wanting to work on up here. The next thing is go to the Formatting tab and we're going back to the Customize Data Layout screen and this is where we had left off in section two, because this is how you access the Layout Designer down at the bottom of the screen.

This is what we call the Layout Designer and if you're familiar with graphics programs a lot of this will be second nature to you but I want to go through a couple of quick things before we actually dive into this.

You have these boxes that you can click in around your screen that hold information. Sometimes they hold pictures, sometimes they hold text. These are actually called placeholders. Some people just refer to them in general as objects. All objects when you select them actually have these little boxes around the corners and these allow you to change the size of it or if you wanted to make it a little bit smaller, taller. You can do anything you want.

If you needed to select more than one object just hold down on your keyboard the Shift key and you'll notice that selects more than one object. That way if you needed to do something with multiple objects at the same time you could. Deselecting means clicking away from your object and now you'll see that nothing is selected.

If you want to move an object, let's say I want to move this picture, you just click in the middle of it and drag it wherever you'd like it to be. Now notice I'm going to select these two and then move them both over to the left like this to line them up.

Sometimes if you're trying to line up your objects the mouse might not get you exactly where you want to be. You can use your arrow keys on your keyboard to go left or right, up or down and sometimes that's easier just to line things up that way.

You'll notice that you see this blue dotted line around your page. That is your margin area. You can put something in the margin area but if you want to change the dimensions go to the bottom left of your screen where you see Margins and this will let you type in the exact dimensions that you'd like for each of your margins.

The next thing I want to point out at the bottom of your screen is the Grid option. You'll notice that you have all these little dots on your screen. Those dots are there to help you line up your objects. If you come down to the Grid option and click on it you can actually change the grid spacing. Maybe you'd like them an eighth of an inch apart instead. Also you can choose not to show the grid at all or notice the option for Snap to grid. Snap to grid basically means that when you move an object close to one of the dots it will snap to the closest one. I'm going to click OK and you can see the dots are a little more spaced out now.

The next thing is at the bottom of your screen there's a checkbox that says Show Envelope window. If you check that you'll notice these two boxes that appeared and these are where the window would be in a window envelope. If you actually fold your invoice then whatever is in that green part of the window is going to show up. This would be an instance of where I'd want to move this over like this so that it would be in the green part of the window there. I could do the same thing up here if I wanted. And if I don't want to see these at all I just uncheck the box.

You do have Undo right up here. If you make a mistake or you want to change something just go ahead and hit Undo as many times as you want and then you will get rid of whatever you did. There's Redo as well.

Let's go ahead and start with our title. I want to go through the options under Properties just so that you can see what's available here.

I'd like my title to stand out a little bit more. Maybe make it bigger, a different font, things like that. and that's where Properties comes in. You'll notice there are three tabs in the Properties window. There's Text, Border and Background. We'll start with Text.

Within the object the text can be left aligned, right aligned or centered and it looks best left aligned. If you had a lot of text in that box then you might indent the first line of your text. That's what this is for. Vertically up and down the text is lined up on the top of my object. I can choose to put it on the bottom or center. I could just change the color here but if I want to change the font options in general color is also in this option where it says Font. Here's where I can actually change my fonts. And depending on which font you actually choose you might only have a couple of options like this only has bold and bold oblique, whereas if I choose one of these other ones it might have regular, bold, italics. It just depends on which one you actually choose. Over here is the size. You can make this any size you'd like. Then you have your effects. You have strikethrough and underline if you need to use those for some reason. And then you have your font color. I'll go ahead and make this navy. I'm going to click OK and click OK once more just to look at it.

You can see that it's made my changes but the word Construction is not in my title anymore. and that's because my object needs to be a little bit wider. I'm going to click this control handle and drag and as soon as I get it where it's wide enough you'll see the word Construction pop in there. I'm going to click on Rock Castle Construction again and go back to Properties.

The next thing is the Border option. When you look at this you'll notice that a lot of these objects have dark borders around them but some of them, like Invoice and then right over here where the company address is those have a gray border. The gray ones will not print. They're just there to show you the outline of your object. If you want to turn borders on or off this is where you do it.

I'll go ahead and apply a border on all four sides of my title. My border can have rounded corners. I can make them small, medium or large. I can change the color of my border. I can also have a pattern. Instead of just a straight line my border can be dashed, dotted or you can see the double line. And then I can also change the thickness. I'm going to click OK just to show you what it looks like. Now obviously I need to move some things around but let's look at our title here. First let me just drag these down a little bit and I'm going to move this. And now if I change the size up and down of my object there you can see all of the options that we chose.

Now there's one more option in Properties and that is the Background option. That's going to be the fill or whatever you put in the background behind the text. I'm going to go ahead and put a color in here and click OK and now you'll see that I have changed what the title looks like.

If you've used any of the Microsoft Office products then you've probably used what we call the Format Painter tool. And what that allows you to do is copy your formatting from one place to another. Well they actually have a similar tool in the Layout Designer right here called Copy Format. Let's say that this Bill To right here I'd like to have the same formatting options. All I'm going to do is select where I want to copy the formatting from, click on Copy Format and then click inside where it says Bill To. And now I can make any changes I want. If I want that to be a little bit smaller or maybe I want the color a little bit different. I'm going to be able to do whatever I need to to make that look a little bit nicer.

Let's say we do this and I'll go back to Properties and I'm going to make this a lot smaller. Let's say that I make this size 14 and click OK. And now you can see it's a little bit smaller.

The next thing I want to talk to you about is the option here that says Add. There are several things you can add to your invoice template and the first one is a textbox. Now let me go ahead and do a couple things. I'm going to make this a little bit smaller like that and I'm going to move this guy right up here like this. And let's say that underneath this picture we wanted to say something like 2019 Company of the Year. That's where adding a textbox would come in. Notice it gave me a textbox and I'll type in what I want it to say, of the Year. And then I can change all of these options here that we've already talked about as far as the text, the border, the background. Let's just say I leave that and click OK and you'll notice here is the box that it put in for me. Now I'm going to move this and put it right underneath this picture and it does have a border. I'm going to go into the Properties and take that off. All I'm going to do is uncheck these and click OK. And now it just looks like some text that's sitting right underneath my picture there.

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The next thing you can add is a data field. If there's some field in QuickBooks that is not currently on this particular template you can go ahead and just click on it and add it. I'm going to add Contract Number and click OK and you'll see there's the field. Now I can move it wherever I want. Let's say I want to put it right over here and we'll fix it in a little bit so it looks nice, but that's how you would add a field that's not currently there.

The next thing you can add is an image. If you had forgotten to put your logo in or you wanted to go add a second image from somewhere you just select it from your computer and click Open at the bottom and that will add it and then you would see it show up.

Let's go ahead and stop the video here because we've got a little bit more we want to do. Let's go ahead and go over to part two of the Layout Designer.

Video: Layout Designer – Part 2

Cindy: We're in module ten and we've been working in section three where we've been going through the Layout Designer. We've already completed part one. Let's go ahead and pick up where we left off. This is section three, Layout Designer, part two.

I'm going to do a few things to make this look a little bit nicer. We've got some overlapping fields here. I'm going to go ahead and select the title and the field and drag it over a little bit like this. And another little selecting technique, if you have several that you'd like to select just place your mouse right up above them like this and pretend like you're drawing a big box around them. We call that drawing a net. And then you'll notice I can move all of these at once and then I can work with lining them up a little bit later. Here's two right here I'd like to move over a little bit. I might even decide that I'd like to change the size of these. You can see where you'd spend a good bit of time in here trying to get this exactly the way you want it.

I'm also going to do this because I want to show you in a second how to make these all the same width. And then I'll move the picture up a little bit and maybe move this up underneath the picture.

There are a couple of other things that I want to point out. First of all you can copy an object. Whichever object you have selected, if you just choose Copy now you'll notice that I have two of these. And to remove it I can either hit Remove or Delete on the keyboard to get rid of it.

I want to point out these, height, width and size. You can see they're not available right now. Because what these allow you to do is take more than one object that is selected and make them all the same height, width or size. Height is up and down, width is across and size is both. I'll do size. And now you can see these four are all the exact same size.

Another thing you can do is center something horizontally. If I want this picture to be centered horizontally on my page I'm just going to click that button and now that's the middle of the page. Now in this case it doesn't look quite so nice so I'll move it back but that's how you would center something on your page. We talked about Undo and Redo and then let's talk about zooming in and out. Remember you can zoom in if you want to see something a little bit better or out if you've already seen it.

A couple of other things that you'll want to do. In this area down here if you need more room for the description area notice how if I clicked once inside I selected that whole area. Now I can put my mouse on the line that separates each of these columns and make it as small or large as I need that area to be. I'll make Price a little bit smaller and Amount a little bit smaller, like that, and now I have a lot of room for the description. I would also come down here at the bottom and do something like this. I probably want to take all of these and move them up. And then I would want to make this line up with this.

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And there's lots of things you can do here to work with this. Just take your time. You're going to go in and out of this several times before you get it the exact way you want it. I'm going to go ahead and click OK at the bottom and we'll check it out real quick.

Notice when I'm on this additional customization window I can hit Print Preview. And if you really want to see what it's going to look like go ahead and get all the way out. I'm going to the main tab to hit my Back button. I just want to pick an invoice that has some data already in it. And I will change the template and then preview it. And that's what it's going to look like right now.

Obviously I'm going to go back in here and make some changes but that's how the Layout Designer is going to work.

Well that's going to wrap up module ten. We've talked all about working with forms. It's time now to move over to module eleven and talk about working with reports.

Module 11 – Reports

Video: Quick Reports

Cindy: We're just starting out in module eleven and in this module we are discussing all the reports that are in QuickBooks. This is section one and the first thing I want to go over with you are what they call Quick Reports. There are tons of these in QuickBooks. You've seen several of them already. I'm going to take you into a couple of different places so you can see where all the quick reports actually live and then you can run a few of those for yourself. Let's flip over to QuickBooks and we'll look at Quick Reports.

I want to take you into the Chart of Accounts to start with to show you how to run a quick report in here.

Any account that you happen to be clicked on all you have to do is right click and you'll notice that you can run a quick report at the bottom of that list. In this case it is a fixed asset called Vehicles. This is what an account quick report looks like. Now this one only had one transaction. Let's find another one. We'll go find an expense account.

Down here where the expense account is you can see that they have one called Automobile. Let's right click and run a quick report on automobile and you'll see there are tons of transactions. And because this one has subaccounts you'll notice that the subaccounts are broken out individually and then you also have a total for all of automobile.

Let me give you another idea of what a quick report would be. When we're looking at customers or vendors you'll notice that on the right hand side of the customer information these are quick reports. The first one says Quick Report but all of these are actually considered quick reports in QuickBooks. When I click Open Balance for example you're going to see this is the open balance for the customer that I happen to be clicked on. If I come up and run a quick report, the one that's called Quick Report. And again it's just for that one customer. The only difference is this time I'm showing all of the transactions for that particular customer.

Those are some examples of quick reports. Let me show you another place where you have quick reports.

Let's say that you were in the Create Invoices window. There's a Reports tab at the top and all of these are considered quick reports. If you wanted to run one of these, let's say the Open Invoices, you just click on it and now you've got your open invoice report.

Those are three ways to find quick reports in QuickBooks. What I want to do now is take you over to section two and I'm going to show you how the Report Center works before we start looking at all the reports that are in QuickBooks.

Video: Report Center

Cindy: We are in module eleven and we're talking about reports. I just went over some quick reports with you in section one and now in section two I want to talk to you a little bit about the Report Center. There are a couple of different ways to get to reports in QuickBooks. One is through the menu and the other one is through this Report Center and I just want to walk you through it real quick so you can decide if you'd like to go through the menu or use the Report Center. Let's flip over to QuickBooks and I will take you in and we'll start looking at these reports.

There are a couple of different ways to look at the reports in QuickBooks. One is through the menu right here. And the other way is to use the Report Center and you're going to find that on your icon bar. Right here you're going to see Reports.

This is the Report Center and you'll notice there are several different tabs across the top. Let's start with Standard. What I wanted to show you is that if you're looking at reports under the menu this list here where it says Company & Financial, Customers, all the way down to where it says List right here this is the exact same list right over here. That's why you can look at your reports either in the Report Center this way or you can look at it this way. You'll notice when I point to any category here, like Company & Financial I'll see these subreports in that category. And that's the same thing over here. If I click on Company & Financial these are all the subreports in that category.

For any of these reports you have an option to run the report. You can click here to run it. You can also see more information on that particular report and you can see a description down here at the bottom. The little heart is called Fav. If there's a particular report you run all the time you can click on Fav and then what'll happen is it's going to show up under this tab here that says Favorites. That way the next time you run it you don't need to go look for it again. You come to Favorites and click on it this way.

You also have Help down here if you wanted to learn more about this report. and also notice you can change your date range. So if you wanted to say show me the profit and loss for today, this week, last year, you can kind of see all the options there. Or set a particular date if you'd like to start and end with.

Let's go to the next tab that says Memorized. We're going to be talking about customizing reports over in section five. Those are basically generic reports you've run that you've made some changes to and you want to save. If you have memorized them they will show up in this list and you can run them quickly.

We just talked about Favorites. Let's talk about Recent for a moment. The most recent reports you've run will show up in this list. If I go back to Standard and just run one of these. Let's say I go to Customers & Receivables and I'll just run what they call and open invoice over here. Now

that I've opened that report, and I'm going to go ahead and close it, it will show up under Recent. So that way you can go back and see the ones you recently looked at.

Real quick let me tell you about Contributed. If you belong to the QuickBooks community then you can actually run some of these reports or create your own and share them with the rest of the Intuit QuickBooks community. You would have to have an account and already be signed in in order to share these. You'll notice when you look at these reports you can see who created it and a lot of these are created by Intuit but if I keep looking down this list, like here, you can see who created it. You can also see how popular that report is and how many downloads it has. And people can come in and review this report as well. And that way you can read them and see what people think.

And that's how the Report Center works. Like I said, you can use the Reports under the menu or the Report Center, either one and find whatever it is you happen to be looking for.

Let's go ahead now and go into section three and we'll start looking at some of these reports.

Video: Creating Reports – Part 1

Cindy: Welcome back. We are in module eleven where we're talking about reports and we're starting now on section three where we're going to take a few moments and look at all the reports that are in QuickBooks. This section is called Creating Reports – Part 1. Make sure you look at part two as well and that way you get a full view of all the reports that are available. Let's flip over to QuickBooks and we'll start looking at some of these reports.

Let's go up to our menu and we're going to start here where it says Company & Financial and just go down the list. I obviously can't show you every single report in here but I just wanted to take a few moments and give you some of the important ones. That way you'll know what to look for when you're wanting to run your reports.

The most important thing in QuickBooks is going to be the Profit & Loss Standard right here. I'm going to go ahead and run that because a Profit & Loss is a report you're going to run that's going to show you if you're making money or losing money.

In the Profit & Loss you only see three types of accounts. You see income accounts, then it will give you your total income, then you'll see your cost of goods sold, you'll see your total cost of goods sold, and your gross profit. Going down the list the rest of these are expense accounts. At the very bottom you'll see if you made or lost money.

Now when you're looking at any report always check your dates. If you notice this one is for a two week period but I'd really like to see the entire year. I can pull down my list where it says Dates and I can look at everything in QuickBooks, today, this year, this month. I'm going to use this fiscal year to date and now you'll see it reflects January 1 through December 15th.

The other thing to look for when you're running any report is the fact that all reports are automatically run on an accrual basis in QuickBooks. You could have changed the preference so they're run on a cash basis but if you haven't done that then you have to manually change it from accrual to cash. In case you're not familiar with these terms, accrual basically means as soon as you create an invoice in QuickBooks it counts it as income and it will show up in your numbers, even if it's not paid yet. As soon as you put a bill in it will show it as an expense, even if you haven't paid that bill. That's accrual. If you flip to cash it's only going to show invoices that are paid or bills you've already paid as well. Let me show you what the difference can be because it can be a lot.

If you look right now at the total income it's \$453,537.92. Let's change it to cash. Notice the report is refreshed immediately and now the total income is only \$376,387.40. That's a big difference. Most of the time you want to run your reports on a cash basis because if you think about it income tax time you don't want to pay taxes on money you haven't received yet. Obviously get this advice from your accountant but that's typically the way it's going to work.

Let me show you the second most important report in QuickBooks. I'm going back to Reports, Company & Financial and I'm going to run a Balance Sheet Standard. If you think about it the Profit & Loss showed you the income minus the cost of goods minus your expenses. The balance sheet shows the balances in all the other accounts in your Chart of Accounts. Notice here's the balance in your checking, balance in your savings, you've got undeposited funds. You'll see your accounts receivable, all your liabilities. If you scroll down and look you're going to see your credit cards, all of your loans, and that's what you see in the balance sheet. If you think about when you go to the bank to get a loan they are going to want to see your balance sheet and your profit and loss. That will tell them if you're business is making or losing money and how much money you might have outstanding, for example in accounts receivable. If you have payables how much you would be outstanding in payables, things like that. And they use all of those numbers to make a decision on giving you the loan.

Let me go ahead and look at a few more under Reports. Company & Financial. You'll notice a couple of these say Standard and Detail. Any time you see a standard they're just going to give you the account and the total amount in that account. If you look at one that says Detail at the end that's going to show you every single transaction that made up that number in that account. And that could be a really long report.

Some others that you'll want to run. A Profit & Loss Year to Date or Previous Year Comparison. Let me show you the previous year comparison.

If you notice this one will show me, this is the previous year, 2023. All of your accounts would show up on the profit and loss. Over here this is the same period for 2024 and it shows the accounts. Then you have the dollar changed and the percent changed. This is very helpful for you especially if you're trying to build a budget to see if you need to increase some of those numbers or decrease them. Let me close that one.

Back to Reports. I'm going to Company & Financial again. I want to point out the Profit & Loss by Job. We've spent a lot of time in these videos talking about customers and jobs and this is a way to see per job what the profit and loss actually is. You can see here's the job name up at the top here for each one of these and that's the P&L for each one. All right.

Back to the same place. You can see a profit and loss by class. I keep stressing that if you're using the class feature you want to use it all the time. But notice we've been using a lot of remodel but here's all the classes. And if you have any transactions that you did not put to a class it will be unclassified and this is a good way to run these reports and go to those transactions and see which ones you need to move to a class.

Okay let's see what else is up here. Same place. Notice you can run income by customer, you can look at expenses by vendor, and an income and expense graph. There's a balance sheet standard. We talked about that. There's a detailed one. There's one that's just a summary.

There's a previous year and you can see a statement of cashflows and a cashflow forecast down here at the bottom.

Let's take a peek at Customers & Receivables. There are a few here that you'll want to make sure you're aware of. Probably the Open Invoices and the Customer Balance Detail are the most popular. The Open Invoices is going to show you all of the customers that owe you money even if they owe you a penny. And if you think something should be on any report and you don't see it check your dates. This one is dated 12/15. If I had dated an invoice for 12/16 it wouldn't show up unless I changed that date.

The other one you'll probably want to look at for customers is going to be the Customer Balance Detail. And this one shows you each customer's history with you. you can see every time you invoiced them, they made a payment, maybe you issued a credit memo. You can see all of that right here.

Let's see what else is here for customers. You'll notice there is an Aging Summary. That's going to tell you which customers are in the 30-60 day category, the 60-90 day category. You can go down and see an accounts receivable graph, average days to pay. And notice you can also see a customer phone list, contact list, and/or a price list.

All right. Let's go ahead and stop the video right here and I'm going to have you go over to part two and let's continue looking at these reports.

Video: Creating Reports – Part 2

Cindy: We are in module eleven and we are talking about reports. We started talking about running quick reports in section one, in section two we looked at the Report Center and now we're on section three. We've gone through part one where we started looking at a good bit of the reports. Let's go ahead and keep going. I want to show you the rest of the reports. This is section three, part two.

Let's head back up to Reports. If we keep going down the list the next category I want you to look at are your sales. If you're really into sales in your company you can look at your sales by customer and you can see there's a summary or detail. You can look at your sales by item, by rep, or you can see a sales by ship to address, a sales graph or a pending sales.

Over under Jobs, Time & Mileage there's a few under here you'll want to know about. If you're actually doing a lot of job costing you'll see a lot of these will be very valuable reports to you because you'll want to see job profitability reports. You can see estimate versus actual. Those are really good if you do a lot of estimating of jobs. You can see an item profitability report, an item estimate versus actual and there's your profit and loss by job again.

Here's an estimate report. you can see estimates by job, unbilled cost by job, and open purchase orders by job. We haven't yet talked about time or vehicle mileage but here are the time reports and here are the vehicle mileage reports.

The next category are your Vendors & Payables. These are all the bills that you have to pay. If you want to run an unpaid bills detail that's probably going to be your most common report to see which bills you haven't paid yet. You could also run a vendor balance detail which shows your whole history with that vendor.

Here's some aging reports. I'll run an AP Aging Summary just to show you. Here's where I can see the bills and how much of those are in the current category, which ones are in the 1-30 day category and all the way across. All right. Let's head back up to Reports again.

There's also your 1099 reports, your sales tax liability report. When we talk about sales tax over in module twelve then you'll want to come here at the end of the month to run your sales tax liability report. And there's also a vendor phone and a vendor contact list right here.

Under Purchases you can look at your purchases by vendor, by item, and then there's three different reports that have to do with purchase orders right here.

If you're tracking inventory here are some of your inventory reports. You've got an inventory valuation summary or detail, an inventory stock status by item or vendor, and then I want to show you this physical inventory worksheet right here. One of the things we talked about is the fact that inventory just gets off and sometimes you'll want to go in the backroom and actually

count how many you have. This report shows you what QuickBooks says you have and then you can write down your physical count here and come back later on and adjust those numbers.

Next on the list is your Employees & Payroll. This is where all your payroll reports. When we look at payroll we'll see some of these. You've got some reports under Banking you'll be interested in. Some people like to run a deposit detail or a check detail. Here's also some of your reconciliation reports.

Accountant & Taxes. There's several different things here you'll be interested in. Some of you may want to run a trial balance. One thing I do want to point out is this audit trail that I mentioned way back in the beginning. This report actually will show you when a change is made to a transaction which user was logged in. It will show you if they deleted something, like right here, what it used to, what it is now. And like I said, this is a great way to track down errors.

A couple more here. Let's go back and look at the Budget. We're going to look at budgets a little bit later but you'll see here there are some budget reports you can run. One is a budget versus an actual, which is a really great way to see where you stand. And there's also a ton of different lists you can run right here. You can run lists by items, maybe a customer list, a vendor list. Those are your most common groupings right here.

We're going to be talking in the next section a little bit about customizing some of those reports and I'm going to show you how to collapse some columns and rows and things like that in some of these common reports. Let's go ahead and flip over to section four.

Video: Collapsing Columns/Rows in Job or Class Reports

Cindy: We are working in module eleven and we've been looking at all these options related to reports. We're getting ready to get into some customization. Before we do that I want to talk to you about a new feature called Collapsing Columns or Rows in Job or Class Reports. It's not a big deal but it's just a little thing that means a lot and I want to show you how that works. Let me flip over to QuickBooks. I'm going to pull up a Profit & Loss by Job to show you.

I'm going to head up to Reports on the menu and then I'm going to come down to the Jobs Time & Mileage and pull a Profit & Loss by Job.

The way this report is set up you see your profit and loss accounts on the left. So that means you're seeing income, cost of goods, and expenses. And across the top you're going to see every customer and every job for every customer. If you wanted to scroll back and forth and look through all the customers that's a lot of scrolling you have to do to get all the way to the end and then to come back.

Something we've been able to do for a while is collapse or expand our rows. And what that means is when I look at Construction Income as an account beneath it are several subaccounts. And currently I can see the total in each subaccount and then the total for the entire account. If I come over and click on this down arrow next to Construction Income now I've actually collapsed that particular account. I don't see the subaccounts but I do see the total for the entire account. If I wanted to expand and show them again I would click the arrow that points to the right and then I show all of the subaccounts again.

Even though that's a nice little feature it's a lot of work to go and collapse or expand each one of these. Now we have a way to have QuickBooks just do that for us. Right up here at the top you're going to see there's an option that says Collapse Rows. And if you look it collapsed every single row here so I'm only seeing the main accounts and not the subaccounts. Then I can go back and expand them all if I wanted to and see everything again.

The columns are where you see the customers and jobs. Pretty much the same thing, just the opposite direction. I can go up here and collapse the columns and now you'll see just the customer and not the jobs for the customer. And these are the totals for the entire customer. The plus sign indicates that if I want to expand just one customer only, let's say Tom Allen, I click the plus sign to the left and now I see each job for Tom Allen but not for the other customers. The minus sign allows me to collapse it and now I see just the customer again. If I wanted to expand all of the columns again I can just click on this button and now I see all of the customers again. You could have a combination of both where you collapse the rows and the columns and that way if you needed to print this out or just see some of the main numbers it'd be a lot easier to see. And that's a quick way to work with this new option where we can collapse columns and rows in jobs or class reports.

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Let's head on over to section five now and I want to talk to you a little bit about customizing your reports.

Video: Customizing Reports

Cindy: We are in module eleven and we've made it all the way down to section five now where I want to take a few moments and talk to you about how to customize your reports. We've looked through quite a few of them and you're going to find a few that are going to work great for you. You just need to make a few changes to it. Let's flip over to QuickBooks and start customizing.

Let's go up to Reports and I want to open a report called Customer Balance Detail. We're going to be able to customize this and the options that we look at are going to be available for pretty much every report in here. We're just going to use this one because it has a lot of different things we can change.

First of all let's start off with talking about these columns that you see in the report. If there's a column that you don't want to see, if you place your mouse on the header row at the top you'll notice that there's a little line that separates your different columns. You want to grab the one that's on the right of the column you're trying to hide and just drag it to the left like this, just like you would in Excel spreadsheet, and that hides that column.

If you have a column that's not wide enough grab that same line and drag it to the right a little bit and that'll make that column a little bit wider. You can also rearrange the columns. If you'd like this class column to be in front of number notice if I put my mouse right on the word Class right here it looks like a hand and I can click and drag it and change the order of my columns. That's a few things you can do from the report itself.

Let's go ahead now and look at some of the customize option right up here where it says Customize Report.

The first thing you're going to be able to do under this Display tab is change your dates, which you could do right back here as well. Notice this one defaulted to All. You would have the ability to choose from these options if you wanted to see everything for this fiscal year, for this week, you can see that. Or you can set a start and an end date.

Here is a list of the columns that you currently see. If they have a checkmark they're already on. Let's say there's one you want to see that's not on and I'll search for a column called Memo. And I'll check it and click OK. And now you'll notice I can see the memo column.

Let's go back to Customize Report. Also I want you to notice that this is sorted by default. Notice you can sort it by any of these other options here. And it's also sorted in ascending order, which is probably the best way to do it but you can sort them descending if you prefer.

Let's go over to the Filters tab. When we're looking at this report here let's say that the only customer we want to see is Tom Allen. We can actually use this Filters tab to actually hide

everyone else. What you want to do is find the field called Name and if you can't find it you can actually type in the Search box there and there comes the word Name. And here are all the names in QuickBooks, not just customers. You'll notice if you go down this list there are vendors, employees, you'll see there's also anyone who's in the other name list, but we're obviously looking for Tom Allen so we'll choose it and click OK. And notice now Tom Allen is the only customer in this list.

You can actually add to your filter if you wanted to also say just invoices for example. You can go and choose that and then narrow the list.

The next tab over is your Header & Footer tab. Here's your header right here. You'll notice it says Rock Castle Construction and the report title is currently Customer Balance Detail. Why don't we take that out and call it Tom Allen. The subtitle is All Transactions. We'll leave that. Notice that I'm currently showing the date prepared and the time prepared. That's right over here. If you don't want to see that you can just uncheck those.

There's a few footer options as well. you can show the page number and there's a couple different formats. There is a place for an extra footer line. You can type in anything you like there. And currently it's going to print the footer on the first page. Some people don't like that. They think that's kind of tacky, but if you wanted to leave that on you just leave it checked.

The last tab says Fonts & Numbers. For any of these options on the left you can change the font. As far as the numbers on your report are concerned normally you have a negative sign in front of any minus figures, which would be more like payments in this case. But notice I could show them in parentheses or with a trailing minus, meaning the minus is on the right. I'll do parentheses and in bright red and click OK. And now you can see all the payments stand out because they're in bright red with parentheses. And notice our header also now says Tom Allen.

That's all you're able to do under the Customize Report. Let's go ahead and talk about some of these other options. Let me show you how to comment on a report.

If you choose this button what happens is it makes a copy of your report and you'll notice that next to each one of these pieces of information is what we call a Call Out. If you want to make a note next to one of these you just click that call out and notice at the bottom of your screen a note section appears and you can type any notes you want. I'm going to say that "This is not the correct date. It should be 12/30/2024." When you're finished typing in your comment you want to hit Save over on the right hand side and now you'll notice there is a one that corresponds with number one down here. That's how you know which note goes to which piece of information. If you want to hide the comments you just hit these arrows down here and if you want to show the comments you hit the arrows that point up now and you'll see them again.

Notice at the top of your screen that if you want to keep this you're going to have to save it. I'm going to hit Save. You can name the report anything you want. It does bring in my title Tom

Allen in this case and I'm going to click OK. This message just tells me I successfully saved it. I'll just click OK past that.

While I'm here notice you can also print this. You can print it as a regular report or save it as a PDF. You can also email this and you can email as a report in a PDF format.

I want to show you where you go to actually look at any commented reports because when you close this remember this is a copy. I'm going to go back to this. If you want to read your commented reports you have to go to Reports on the menu, here's the Commented Reports. You just double click on your report and you'll see it right there. That's how you're going to open those up and read your commented reports.

All right I'm going to close that window and let's close this one as well.

The next thing you'll see is the option to share your template. We've been talking about this often as we've gone through QuickBooks. This is where you can join the Intuit community and share your report you've made changes to with others in the community.

Memorize is like Save. We're going to look at that over in section six when we get through with this section. Notice you can print this as a report or you can save it as a PDF. And again you can email this and send it as an Excel file or a PDF.

Let's talk about Excel for a moment because there might be times when you want to send your report over to Excel so that you can manipulate the data and not affect QuickBooks. Under the arrow next to Excel you can create a new worksheet or update an existing one you already have. I'm going to create a new worksheet. Now what it asks me is do I want to create a new worksheet in a new workbook or an existing one? I'm going to do it in a new workbook but notice the other choices, I can update an existing worksheet, replace one, or create a CSV file. I'm going to export and it's going to open Excel and my data is going to show up in Excel.

Here's Excel and you can see there is my entire report. It's already been exported. I can manipulate this data any way I'd like and it's not going to affect QuickBooks at this point. Let me go ahead and close this and I'm not going to keep that.

You can also hide your header or you can show the header. And let's talk about Refresh for a moment. If you make a change that would affect the report you can always hit the Refresh button to make sure the numbers are all up to date. Typically if you've got several windows open here and you flip back and forth like this when you come back to a report it's automatically refreshed for you.

That gives you a really quick overview of how to customize your reports. Now that we've done all this work to this report for Tom Allen we want to go ahead and memorize it. I want to show you how to do that so why don't you go on over to section six and we will get started memorizing Tom Allen's report.

Video: Memorizing Reports

Cindy: We're all the way down now to section six of module eleven. We've been talking about reports in this module. I want to wrap it up showing you how to memorize reports. We've gone through and customized the report to show just Tom Allen and I'd like to keep that so I'll go through the save process or memorize as it's called and then I'll show you how to pull it back up. Let's flip over to QuickBooks and we'll talk about memorizing Tom Allen's report.

I've customized the Customer Balance Detail report to show just Tom Allen's information. This has not been saved yet. If I close the report right now and open up the Customer Balance Detail report again then it's going to be back to the default settings and I lose all of the work that I did. That's why I probably want to memorize this.

Before I memorize it let me just show you once we get it memorized here's how we'll have to open it. We'll have to go up to Reports on the menu, look at Memorized Reports, and these are different groups that we can put our report in. We'll probably put our under Customers since he's a customer. If you don't put it in a group then it just shows up on the bottom of this list.

Here's how you memorize. Right up here I'm going to click Memorize and it brings in the name that I had at the top of the report, Tom Allen. I can change that if I want to. Here's where I choose to save it in a memorize report group. I'm going to choose Customers and here's the option to share this report template with others. We keep talking about using this share template option and that's what that would be. I'm going to click OK and now the report is memorized. There's nothing on the screen that tells me it's memorized. I'm just going to have to go under Reports and look for it.

Let me close this. And I want to show you that if I go back and open up the Customer Balance Detail Report again it's going to be back to the default settings. Let's go open our report for Tom Allen. I'm going to Reports, Memorized Reports, I'm going to look under Customers and there is Tom Allen right there. That's how you actually memorize a report.

Now let's take this one step further. Let's say that Tom Allen calls us on a regular basis and asks us to pull up his account. We can actually create a button and stick it on our icon bar right here so that when Tom calls we just push the button and his report shows up. Let me show you how to do this.

You can actually do this with any open window. It doesn't have to be a report. As long as the window is open all you have to do is click on the menu under View and notice right here it says Add Tom Allen to the icon bar. I'm going to choose that option. I can give it any label I want. The label is the words that are right underneath the icon there, I can pick any of these icons I would like, and then I click OK. And now you'll see it's been added to the very end of my icon bar.

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Now if you don't see yours when you add it if you have too many icons what'll happen is these arrows will show you any additional ones and they'll be listed down this way.

The next thing I want to do is since Tom calls me often I want to move him to the front of my icon list. If I go back to View notice I can customize the icon bar. I can actually go through here and delete any of these that I'll never use, like Feedback for example. I can choose delete over here. And any of these I can grab the diamond and move it up or down to change the order. I'm going to put it right after Home. And I have some other options here where I can show the icons and the text, just the icons only. Those are all just optional things. I'm going to click OK and now you'll notice the Tom Allen icon has moved. Now let's close the report and try it out.

Tom Allen calls us. I'm going to click his button. There's his report. it's as easy as it can be. And that's how you memorize a report.

Well that's going to wrap up module eleven. There was a lot of information in this module about reports. You want to make sure you go through and just find the ones that work for you.

Let's move now over into module twelve and we're going to talk about sales tax.

Module 12 – Sales Tax

Video: Working with Sales Tax – Part 1

Cindy: We are all the way down now on module twelve and in this module we're going to talk about sales tax. There's only one section in this module but there are two parts. Make sure you watch both parts because you'll need both parts to fully set up your sales tax properly.

There's a few things we're going to have to know. We're going to have to know which of our customers are taxable or not. It could be some of our customers are a nonprofit organization and they're tax exempt. We're also going to have to know which of our items are taxable and which ones are not. Typically a service you provide is not taxable but a physical item is. And the last thing we have to know is what are the tax rates for the different counties that we actually deliver our items to. I'm going to show you how to set all this up properly so that when it's time to pay your sales tax you can just run a report and know exactly what to pay. Let's go ahead and flip over to QuickBooks and we'll get started with working with sales tax.

Let me just start off by saying that all states don't charge sales tax. You'll want to check with your Department of Revenue for your state just to make sure that you do and also when those taxes would be due. Let's just do this as a general way that sales tax is set up in most states.

I'm going to go to Items & Services because this is where you actually set up those taxes. And if you go to the very bottom of the list you're going to see there are a couple of them already set up here. You'll notice that there is a sales tax item, there's actually several of these, and a sales tax group at the bottom. And the way this works is you want to collect all of the taxes that you should for each county. You're not going to collect one big rate because if you do that you're charging the customer correctly but when you go to pay your taxes and it asks you how much is local option and how much goes to the state you won't know those questions. You need to set each one up separately so that you can group them together later and that's what you would actually charge the customer is the total for the group. I'm going to show you how to set each one of these up and how to group them and that way you'll know how to do it the right way.

We're going to go ahead and set up a couple of these. I'm going to right click and choose the New option. If you notice on this dropdown for the type there is an option for a sales tax item and a sales tax group. If you don't see these two options it's because you told QuickBooks when you set up your company file that you do not charge sales tax. You can actually go into the Preferences and turn this feature on.

We're going to start off with a sales tax item. Typically no matter how many counties are in a state there's going to be a flat rate that all the counties pay and you'll want to set that one up first. I usually just call that State Sales Tax. You don't need to change the description. It brings it down automatically and then you can set the tax rate.

The next thing you want is the tax agency. That's basically the name of the vendor that you collect this for. I'm going to say the Department of Revenue and I'm going to click OK. If your Department of Revenue is not in the vendor list it will ask you if you want to quick add it or set it up. I'll quick add it. And now you'll be able to click OK and you'll see that the state sales tax is now on the list. Now all the counties are going to charge that. Here's where it gets a little different.

The other taxes, the little ones, these are ones that each county votes on. So these taxes could be different per county. They may even have the same name in two different counties and charge a different rate. You want to be able to go to your state's website and make sure you have the correct taxes that you're charging.

I'm going to go ahead and set up another one. This will be a sales tax item again and what I want to do this time is we're going to pretend that we have two different counties. County one and county two and we're going to name this Local Option County #1. And I'll copy that so I don't have to type that again. All right. Let's say the rate is 1% and we pay it to the same Department of Revenue. Now I'm going to set up another one and I'm going to call it County #2 this time. And let's say they only charge 0.5%. Department of Revenue. And I'm going to click OK. What you'll see here now is that you have two local options but they're for two different counties and they charge two different rates. Let's do one more. We're going to choose a new sales tax item and this time we're going to call our tax name Capital Education. We'll say that the rate for this is 1% and it goes to the Department of Revenue and I'll click OK. Now we've got all of our taxes set up. What we need to do now is create a sales tax group for each of these counties and then we can add the appropriate tax items that go in those groups.

Let me just show you something right now. If I went back to the Home screen and back to Create Invoices what you would notice is down at the bottom where it says Tax here are the ones I just set up but none of those are the correct total amount. That's why we're going to create a group so that we can choose the group here and it would include all of these individual taxes.

I'm going to right click and choose New. I'm going to choose a sales tax group this time and what I'm going to do is just call this County #1 and County #2. The description will come down automatically and now what we're going to do at the bottom is pick the tax items that belong in this particular group. All of the counties will pay the state tax but let's say County #1 pays this local option and they also pay this Capital Education. So their rate is 9%. Let's create another one. This will be County #2. All counties pay the state tax and this one is going to charge the local option for County #2 so their rate is 7.5%. And let's say that's the only two counties that we do business with.

The rule of thumb is if you sell physical items and you drop them off in different counties you're supposed to charge that county's sales tax. If you just have a storefront and people come to you you just charge the sales tax rate for the county that you're in.

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Now that those are set up we can move on and talk about our customers. Let me go ahead and go to the Home screen and let's go to our Customer Center for a moment because what we're going to have to do here is tell QuickBooks which tax each customer gets charged. Let's say that our first customer, Tom Allen, if we go down to the Sales Tax Settings tab he is taxable and we charge him County #1. The resale number certificate is designed for if you have someone who buys from you that has a resale certificate that means they don't have to pay sales tax when they buy from you and you can plug that number in there. I'm going to click OK and now that one is set up.

Now real quick I saw something I need to change. I'm going to go back to the item list and I saw that County #2 I didn't put the two there so I'm going to Edit that, put my two behind it and now that's all good. All right I'm going to go back to the Customer Center and we're going to pick another customer, Kristy Abercrombie, and she gets charged the County #2 tax and I'm going to click OK. Let's say that our third customer, Robert Allard here, we'll double click on him, he's tax exempt. So what we'll do is in his sales tax settings we'll actually select the code Nontaxable Sales and it doesn't matter which tax item because he's not going to pay the tax anyway but I'm going to click OK and now those three are set up.

Why don't we go ahead and stop the video right here and then we will continue with our sales tax over in the second part.

Video: Working with Sales Tax – Part 2

Cindy: Okay welcome back. This is part two of Working with Sales Tax. Let's keep going and we're going to continue talking about how to set up the sales tax the right way.

Now that we've gone ahead and set up all of our taxes, we've actually created a couple of groups and included some taxes. The second thing we did was we went to a couple of customers and we changed each one's taxrate. The last thing we have to do is look at our items because some items are taxable and some are not. Let me go over to the items list here. Typically if it's a service you provide you do not charge sales tax. So you'll see this one says nontaxable and this is removal. If it's a physical part you usually do charge sales tax. I'll open this screen door and yes it is taxable. So those are the three things you have to do as far as setting up the sales tax.

Now that we have our taxes set up let's go ahead and flip back to the Home screen and we're going to create a couple of different invoices.

I want to start with Tom Allen's Sunroom. And I'm not going to pull any outstanding cost in. I'm just going to click past that but I wanted you to notice number one he's in County #1 and it's going to charge 9%. So that is what's supposed to happen. I'm going to go ahead and invoice him for framing. I'll do ten of these. And notice that the item called Framing is nontaxable. Now let me go ahead and put in an exterior wood door and you'll see that that item is taxable. We'll just charge for two of those. So he's getting charged it looks like \$21.60 and that's only for the wood door. Let me go ahead and hit Save & New and we will do Kristy.

Kristy Abercrombie, her Family Room. I'm not going to pull in her billable cost. I want to charge her for that same exterior wood door and I want you to notice that yes it's charging tax on the door but it's only charging the 7.5% for County #2. So that means she's paying \$9.00 in tax there. One more, I'm going to Save & New.

We had actually decided that Robert Allard was nontaxable so no matter what we charge him for, that same wood door, he is not going to pay sales tax on this. I'll just click OK past that message. Notice that there's the rate, \$120. It's nontaxable even though he's in County #1, which is 9%. He's not going to pay tax because he is nontaxable. I'm going to go ahead and hit Save & Close and that's what you're going to do all month long.

Here is the process that normally happens. Sales tax is due by the 20th of the following month. After the month is over you're going to run a sales tax liability report that's going to show you all the taxes you collected so that you know the correct numbers when you go to pay these. You'll notice on your Home screen there is a button that says Manage Sales Tax. There are several different sales tax options in here but I want to point out the sales tax liability. It's a report that you run. And you want to make sure that you pick the correct date range so that you get all the taxes you collected in this report.

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Here are the ones we collected. These other ones at the top and at the bottom will not be in yours. Those are only here for this practice exercise. So you can see there's the Capital Education, the two local options and the state tax.

The way this works is when you go to pay your taxes, and most states now make you do this online, they will ask you what are your total sales, they will ask you what are your nontaxable and taxable sales, and they'll ask you for each of these local option taxes you set up, what were your total sales, nontaxable and taxable. When you're finished setting the whole thing up what should happen is you should be paying a little bit less than this tax collected. Don't look at the last column. The reason you're going to pay a little bit less is because most states will give you a small discount if you pay on time. If you don't pay on time it will figure out a penalty for you. You don't want to forward more than you collected.

Now there is a couple of exceptions to that and one of them is if you purchase items out of state and you use those items to make a product or to sell those in your store you're supposed to report those sales. And if you do that then you'll end up paying a little bit more, but this is kind of your guide right here as to about how much you should be paying.

The next thing I want to point out is if we go back to the Manage Sales Tax again what's going to happen is once you've actually taken care of what you need to with the state in QuickBooks here's how you're going to tell it to pay the tax. Right here it says Pay Sales Tax. You want to make sure you have the correct date. Remember sales tax is due by the 20th of the following month. You're going to go down the list and check off each one of these that you're paying and when you're finished you're going to click OK and then your check will actually be in the register. And that's all you have to do each month to take care of your sales tax.

I'm going to go ahead and close this and I'll close your sales tax liability report as well. Well that's going to wrap up module twelve, Sales Tax. Let's move over now to module thirteen and talk a little bit about how payroll works.

Module 13 – Payroll

Video: Overview of Using the QB Payroll Service

Cindy: Welcome back. We've made it all the way down to module thirteen and this is the module where we're going to discuss payroll. Over in this first section I want to give you a quick overview of using the payroll service that QuickBooks has. One thing that a lot of people don't realize is that it is not free. It's just like hiring any other payroll service. You need to shop around and see which one works best for your company. Let me go ahead and give you a quick rundown of the different plans that they have available and then that way you can see some of the pricing and what each one has to offer.

This is just a quick price comparison from the Intuit website. You'll notice that they're having a sale right now, 70% off. And they have three different payroll options available. You can start with the lower level, which is called the Core, the middle level is called Premium, and the higher level is called Elite. And they keep changing the names of these so if you come in here and you see different names it's still the same three plans. Let's look at the basic one first, the Core.

This is for the small business owner who maybe has one, possibly two employees. And it really only does a couple of things for you. Let me scroll to the bottom here and then I'll come back up because I want you to see that all of the plans have these options here. And pretty much what this Core plan does is it allows you to go in every payday and specify that the employee worked 40 hours, it will spit out the deductions for you. The calculations will be correct because it will be the most updated payroll tax tables that are available. They will also automate your tax forms for you. There's a portal available as well if you wanted to go in and see what's going on with your employees and their payroll you'd be able to do that.

The middle one called the Premium has a couple of additional features. One of them is if you notice they have same day direct deposit where the Core has next day direct deposit. Also you can grant users permission to go in and look at their data through the online portal. You can see there's HR support center and an expert setup review. They will actually look at what you've already done and let you know if it's set up correctly, where they don't do that over here. It's all left to you.

If you go to the Elite over here you'll see all of the things they have to offer and you can see that there is a personal HR advisor, there's elite onboarding done for you and that's where they'll do some things for you as far as getting things set up. But there's a lot of things that the Elite does that the Core does not. You really don't need to spend the money on the Premium or Elite if you're a very small business owner, but if you have more than a couple of employees you might consider going to the Premium. These two you're still in control of and what that means is that when you actually look in the register you still see the individual checks that were written, the direct deposits, etcetera where you don't see that with the Elite. What happens with the Elite is

after payday you download the transactions into your checkbook register and in the register you will see three transactions. There will be one for the total of the net checks, there will be one for the total of all the deposits, and another one for their fee. So it just depends on how much money you want to spend, how many employees you have, that sort of thing. This would be a good time to try it since they've got 70% off their payroll.

And the other thing is if I go to the top here you get a free 30 day trial for all of these. Just go to [QuickBooks.Intuit.com](https://www.quickbooks.intuit.com) and then make sure you look for Payroll when you get there.

And that's really all I wanted to tell you about how payroll works. You do need to sign up for the service before you can actually use the payroll feature.

Let's go ahead now into section two and we're going to start talking about working with payroll items.

Video: Payroll Setup

Cindy: Now that you're familiar with the difference subscriptions that the payroll service offers and you've decided one of those then you can go ahead and go into your company file and get ready to do what's called the Payroll Setup. You're going to want to have some things handy. I'm going to show you the list here in a minute but you're going to go through this little interview process and tell QuickBooks some criteria so that it can set up the QuickBooks payroll in your company file. Let's go ahead and go over to section two and go through the Payroll Setup real quick.

You're going to find that when you're looking at your Home screen you're probably not going to have these icons right here and that's because you don't see those until you actually go through the payroll setup. Here's how you get to the payroll setup.

Go through the menu and click Employees and come down near the bottom where you see Payroll Setup. What's going to happen is it's currently loading the tax tables and making sure everything is ready to go so that it can walk you through this little wizard. And you're going to be going down the list on the left and answering some of these questions. Before you get started I want to show you that there is a Payroll Setup Checklist that you will want to go ahead and print out so that you're ready to go when it asks you some of these questions. Let me go ahead and click on this and I'll show you what the Payroll Setup Checklist looks like.

This is the Payroll Setup Checklist and you'll see that it wants you to gather some information about your company to start with, like your bank account information, what type of benefits you're going to have, compensation. Then you're going to want to have some employee information handy. You want the employees W-4s, the pay rates, if they have sick and vacation hour balances, things like that. There's also some tax information that you'll want to have on hand. For example, your state unemployment insurance. You want to know the contribution rate, if you have a state agency ID number. And look at number four, the payroll history information. If you've already run payroll some this year then you might not be starting with the first quarter. You might be starting with the second, third, or fourth quarter of the year and if that's the case you want to have some of your payroll summary reports ready so that you can look at some of those numbers. But like I said this is a really good idea to go ahead and print this out and get all this information ready to go.

Once you get that ready you're going to want to hit Continue and this is going to walk you through the QuickBooks Payroll Setup. If you need to leave this at any time you can always hit Finish Later and all of your changes are still here. You'll be able to come back and finish setting it up.

I'm going to go ahead and close out of that and I want you to go ahead and go over to section three and let's start talking about working with payroll items.

Video: Working with Payroll Items

Cindy: Now that you've subscribed to one of the QuickBooks payroll service options and you've gone through the Payroll Setup we can now start talking a little bit about working with payroll items. Payroll items are items that you actually add to or deduct from an employee's paycheck. When you think of things like the payroll taxes, for example, those are things you deduct from their check. Maybe uniforms. Sometimes you add things to their check. You might give them a mileage reimbursement or a cellphone reimbursement. And all of those things need to be set up so that you can actually put them on different employee's records. Let's go ahead and flip over to QuickBooks and I'll show you how to work with those payroll items.

The way you get to the Payroll Items list is go up to the menu and click on Employees and then you'll come down and you'll see an option that says Manage Payroll Items. You can either add a new one or view or edit the existing ones, and let's just view or edit the payroll item list right now see the existing ones.

These are things you would add to or deduct from any employee's paycheck. Some of these will be automatically in this list because when you go through the payroll setup it will ask you what state are you in and based on some of that it will set up some of these items. There are others that you will have to add. For example, health insurance. That would be one you'd need to add. If you needed a mileage reimbursement you would have to add that.

I want to go through and show you how to add a payroll item and then you can walk through and add some on your own. We're going to add dental insurance. All I'm going to do is right click anywhere on my screen and choose the New option. You can use the Easy Setup or the Custom Setup. I suggest you use the Custom Setup because it goes through and allows you to set up all of the settings that you need for this particular item. I'm going to click on Next and the first thing it asks me is what type of payroll item is this. Is it a wage, an addition, a deduction from their check? You can kind of see the others. Some of these are taxes. This is actually going to be a deduction from their check. I'll click next.

The next thing it asks you to do is to enter a name for the deduction. This one is going to say Employee Dental Insurance Payable. You're only allowed so many characters. You'll notice that I wasn't able to put the L and the E in there. I'm going to go ahead and click Next and then it asks you to enter the name of the agency to which the liability is paid. Let's just say this is Blue Cross. If Blue Cross is not in the vendor list it will ask you to quick add it. And then you can go ahead and enter the number that identifies you with that agency.

The next thing is the liability account. This means when I actually collect dental insurance from my employee I'm going to have to pay it forward. If you notice from the Chart of Accounts how they set up all the payroll liabilities and underneath are all these subaccounts and ours is going to be underneath like we see health insurance down at the bottom. I'm just going to put a colon at

the very end here and then I'm going to type in Dental Insurance. All right. After I type that in I'm going to hit the Tab key to leave the field and it's going to tell me dental insurance is not in the account list and I'll go set it up.

It already knows it's an other current liability. It's a subaccount of payroll liabilities. We just need to put in the account number if we're using that feature and then Save & Close. And now let's go look and you'll see that dental insurance is on the list.

I'm going to click Next at the bottom and now it asks me about tax tracking type. Basically what this means is when payroll items appear on tax forms then the tax tracking type determines how it's going to look and where it's going to end up on that form. If you're not going to use tax tracking for this you just leave it on None and we wouldn't for dental insurance.

This question asks me if any of these taxes that you see here are affected by this payroll item and they are not so I'm going to click Next. How is this item calculated? Is it based on quantity, is it based on hours or neither? This would be neither. And is it based on gross or net? And we're going to go ahead and say it's on gross and we're going to click Next and now it will ask for the default rate and limit. This basically means if there's a flat rate you're going to charge everyone you would plug this in, but if it's a different rate for each person leave it on zero. There might also be a yearly limit, let's just say it was \$600, and that means that once you've collected that much for the year you wouldn't collect it again until the next year. It's also going to restart this every year. Now I'm going to hit Finish and it will ask you if you want to set up a schedule payment for this item. Now I'm going to tell you a little bit more about schedule payments over in section five, so for right now let's click OK and you will see there is your dental insurance and it is a deduction from their check. And that's how you're going to set up payroll items.

Let me go ahead and have you go over now to section four and we'll talk about working with employees.

Video: Working with Employees

Cindy: Now that we have our payroll items set up we can start setting up our employees. We needed to have those items set up first so that when we go to set up the employees we can pull those items into each employee's setup. Let's go ahead and flip over to QuickBooks and start working with our employees.

To see a list of your employees you can access them from the Home screen right here where it says Employees. This is your Employee Center.

The first thing you'll notice when you come in is that your Employee Center looks just like the Customer and the Vendor Center. So you'll be familiar with a lot of how this is set up already. On the left is a list of active employees. You'll notice they're listed alphabetical by first name. If you want to see all of the employees you choose All from this list and then notice that if any of them were inactive you would see an X to the left of their name. To make an employee inactive just click where the blank space is to the left of their name. That will put an X there. And if you want to make them active again you just click that X and that will take it off. I'll go back and look at active employees.

The employee that you're clicked on you're going to be able to see the employee information over here. This will be things like the employee's address, their city, state, zip, phone number. Over on the right if there were any notes for this employee and they were pinned you would see them right here. Also there would be some reports you could look at if you wanted to related to this employee right over in this section.

At the bottom you see your Transactions tab and these are all the transactions that happened related to this employee. Most of these will be paychecks. You might see a few every now and then like they have one here that's just a regular check. That's most likely a reimbursement of some sort.

The To Do's tab would allow you create a new To Do just by right clicking and choosing Create New. The Notes tab would allow you to create a new note just by right clicking and choosing Add Note that way. And then the Sent Email would give you a list of all of the emails sent to this employee through QuickBooks. Let's look at what we've got up at the top of our screen here.

I want to go over the New Employee option. You'll notice as we set this up we'll be going through the tabs on the left here. Right now we're on the tab that says Personal and this is where we're going to put in starting with the employee name. This employee will be Scott Walker. Notice that Scott Walker is filled in where it says Print on checks as. If Scott wants his checks printed with a different name or you want to edit the name a little bit you can do that. You have a place to put social security number, his gender, his date of birth, you've got marital status, U.S. citizen, and ethnicity.

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Over on the right if the employee is disabled you can say Yes or No here and then you have a place to put in a description of his disability. If you have an I9 form on file you can choose Yes or No from this list and specify when his work authorization expires. And if he's in the military you can say Yes or No here and tell QuickBooks what his status is.

The next tab on the left is Address and Contact and this is pretty self-explanatory. At the top is where you will have street address, city, state and zip. The middle section is where you can have contact info like a phone number, if he has a fax, a website, things like that. And remember that these fields can represent anything you'd like them to be. There's also a place at the bottom for two emergency contacts. You can go ahead and put in their name, their phone number and what relation they are to the employee.

The next tab on the left is Additional Info. If you give your employees their own ID numbers then you can plug it in here. You can also put in their birthday, the day of their last raise and their spouse's name. And if you need to add another field go down here where it says Define Fields and create your own.

The next tab is your Payroll Info and there's a few things here that I really want to point out. I mentioned a payroll schedule before and I want to tell you what a payroll schedule is. If you have a lot of employees at your organization you might have a group of them that are paid weekly and another group that are paid biweekly. If you create a payroll schedule and name them Weekly or Biweekly then when it's time to run payroll you can just specify that payroll schedule and QuickBooks will pay all of those people in that schedule automatically. You'll automatically see the pay frequency for biweekly when I choose it because it was setup when they setup the payroll schedule. Also if you're using the class feature make sure you choose the class that would go with this.

This section here has to do with the earnings. The first thing you'll see is it brought in an item called Regular Pay. If this employee is paid \$20 an hour that would be the regular pay. If they were a salaried employee like this you would put in their yearly rate. What if this person works a lot of overtime? Then you might go ahead and prepopulate this with the overtime rate item. And notice it automatically calculates that hourly rate. You could also go ahead and put in the sick time and the vacation and those types of things or you can wait and just add those on to the employee's actual paycheck.

Over on this side this is where all of those payroll items are that we talked about. If this employee frequently gets a mileage reimbursement you can plug that in and then put in whatever the rate is that you normally would pay. And let's say this person also had health insurance. You could go ahead and plug that in and then it would automatically show up when you go to create their paycheck.

Let's go up to the top and talk real quick about direct deposit. I just want to mention that this is where you could go and actually set this up with your bank. The next thing is taxes. This is

where I'm going to set the taxes for federal and state for my employee. Under the Federal tab it asks what is the filing status, how many allowances, is there any extra withholding, and is this employee subject to Medicare, social security, advanced earned income credit, and federal unemployment tax, which is company paid. The State tab, you have the ability to specify the state the employee worked in and the state the employee is subject to withholding in. Sometimes people will work in one state but they're subject to the withholding in another state. SUI is the State Unemployment Insurance which is company paid and SDI is the State Disability Insurance.

You can also specify right here how many allowances this person is claiming. Also if there was any extra withholding you could put down here how much you are withholding.

The next tab of Other and some states actually have miscellaneous type taxes as well. It looks like for California they have this Employee Training tax. I'm going to go ahead and click OK and that's how you set up the taxes portion of this.

Next is the sick and vacation. If you give your employees vacation time or sick time then you'll want to fill this information in so that when you actually deduct it from their paycheck it subtracts from this. The top part is for sick, the bottom part is for vacation and it's the exact same questions. The first question is how many hours were available as of today's date? How many hours were already used this year? Does this employee accrue their hours from the beginning of the year, every paycheck or every hour on the paycheck? How many hours were accrued at the beginning of the year? And what is the maximum number of hours they can accrue? Do you want to reset these hours each year? And if you do how many can they carry over, when does the year begin, and when do they begin accruing sick time? The same questions for the vacation. You just fill all that in and then you click OK.

And that's really what you need to know about setting up the payroll info. Let's go over to employment info. You're going to see there are three tabs, Employment, Leave of Absence and Termination. A lot of this again you can kind of figure out. There's employment dates, when did you hire the employee, when did you adjust their service date, when did they get released. Here's some employment details. Are they part-time, full time? Are they an officer of the company? Are they seasonal? And over here you can put in some details about their job.

Under the Leave of Absence tab if the employee has left and they've taken a leave of absence you can put in the start date, the expected return date and the actual return date. You can also put in details about their leave and then do they get paid when they're on leave yes or no. If you terminated this employee you can put in some termination dates here at the top, some information about the termination here, and then over here if it's a severance do they get severance pay yes or no.

One last tab on the left. There is the Workers Comp. If your employee falls under any of these workman comp codes you can select that one. If they're exempt choose Exempt from the list.

And that's what you need to set up any time you're setting up a new employee. I'm going to click OK there and you'll see Scott Walker is in the list.

There were a couple of other things at the top, the Manage Employee Information. You have the ability to add or edit a sales rep. It could be that you want to somehow attach a sales rep to this employee. You can also print their paychecks or their paystubs here or just a list of your employees and maybe their transactions. If you're using the Time feature, this employee's time might be related to a particular customer or job. If that's the case you can use the weekly timesheet and set those options or a single activity. You can also export this employee list, maybe their transactions or if you want to summarize the payroll data in Excel you can do that as well. And the last thing is we keep talking about doing the mail merges with Microsoft Word and they do actually have some letters already set up to merge for employees. And that's going to be your options as far as your employees are concerned.

That's going to wrap up section four, Working with Employees. Let's move over to section five now. I want to talk to you about actually paying your employees when it's time to do payroll.

Video: Paying Employees

Cindy: Now that you have everything set up paying the employees is actually a pretty easy process. We're going to go through and decide which employees to pay, we're going to double check that their pay looks correct and then we're just going to hit the Pay button. Let's flip over to QuickBooks and let's go ahead and run some payroll.

When it's time to run payroll you're going to come down here and click on Pay Employees. The first thing I want you to notice at the top of your screen is that if you have any payroll schedule set up it will let you know that it's time to actually start one of those scheduled payrolls. You would select that payroll and you would click over here on Start Scheduled Payroll. If you were going to set up a new payroll schedule this is where you would do that, edit one, or delete one. If you don't have a payroll schedule or you aren't using that feature you're just going to come over here and click on Start Unscheduled Payroll.

There's a little bit of information at the top that we'll want to fill out. I'm going to go ahead and choose my pay period ending date. Let's say it is on the 29th. We'll choose our check date. We want to make sure we have the correct bank account the money is coming out of, and notice it does tell us what the balance is. Next we can print paychecks on check stock or we can tell QuickBooks to handwrite and assign check numbers, whichever we're going to do.

Down at the bottom you'll see all of your employees and you're going to check off the ones that you plan to pay this period. What you're seeing over here where it says Regular Pay is the last time they were paid. Dan is a salaried employee and that's why you don't see anything there. And we just set up Scott Walker. If they had any overtime last time you would see it here, sick, vacation, salary, and then there's a total over to the right.

For each of these employees all you have to is click on their name and that's an actual link to preview their paycheck. You can go in and actually change the amount of hours if you need to. It could be that this time Elizabeth worked three hours of overtime as well. And if those hours apply to a particular job you want to choose it from the dropdown list.

Here's where their health insurance and other items are either deducted or added. If you were going to add a mileage reimbursement this time, for example, you would type it in here. If you're going to change the rate you just override that and put in the number of miles.

These are all the taxes that our company paid. These are all the deductions that come out of the employee's paycheck. You're going to be able to see here's their regular pay and then there's their overtime and then from there down you'll see a lot of these are deductions and some are actually additions, like the mileage to their check. You can edit any one of these if you wanted to. And when you're finished you're going to want to go ahead and Save & Close.

And do that with each one of these employees.

When you're ready go ahead and hit Continue at the bottom and now it's giving you a list again of each employee but you're going to see their gross pay, the total of the taxes, the total of the deductions, their net, then you'll see the employer taxes, contributions and total hours here. If all of this looks correct then you just click on Create Paychecks down at the bottom. You'll notice in this case we got a message telling me that at least one paycheck has a negative pay amount and that's because if you look at Scott Walker we didn't put in any hours for Scott but yet we took some deductions. So what we can do is we can go ahead and go to his check right here and we can plug in his hours. Now we can go ahead and Save & Close at the bottom and you can see all of that's changed. Now I can go ahead and Create Paychecks.

It's telling me that I have four handwritten checks that I need to go ahead and take care of. I can go ahead and print them right here if I want to. I can also print the paystubs. And by the way these are already in the checkbook register. I'm going to go ahead and show you what a stub looks like. I'm going to preview that and this is basically what their paystubs are going to look like.

What I want to do now is go ahead and close this and close out of everything all the way back and the next thing we have to do is actually go ahead and talk about paying our payroll taxes. Why don't you go ahead and flip over to section six and I'll show you how to go through QuickBooks to pay those liabilities.

Video: Paying Payroll Taxes

Cindy: We're going to wrap up module thirteen with this last section, which is section six, Paying Payroll Taxes. This is actually the last step in this whole payroll process because you've actually deducted taxes, you've deducted things like health insurance and you need to actually forward those things to the appropriate entities and that's what QuickBooks will tell us to do. It'll actually tell us when to do it and it'll actually help us by setting up all of the check for us and then we just edit it and send it on. Let me go ahead and flip over to QuickBooks and we'll look at how to take care of paying those liabilities.

Before we leave this screen here I just wanted to point out a couple of things. Here you're going to see your recent payrolls, you can always go over and click on any one of these if you want to go back and look at it. There's also some quick guides at the bottom if you need some help on payroll, some different tips maybe. You can see some of those at the bottom. Under Other Activities they've got some things like if you wanted to edit or void a check or maybe print your paychecks. You can go through that list. There's some reports. And then also QuickBooks can actually supply you with a check order or some labor law posters, those types of things. All of these are not free. You will have to pay for them.

To get to the Payroll Liabilities tab we're going to click right up here and this is where it has a list of all of the liabilities that we have not yet paid. Notice it gives us the due date, it'll give us the status, who the payment is payable to, the method, and the period that you'd be paying for along with the amount that's due.

Let's say there's one of these you want to pay. Let's just say it's this health insurance right here. If you click on that and come over here where you see the amount due and click on that then you're going to see here all of the paychecks that had health insurance on them and so all of this is what you're actually paying when you pay that money. Now once you've looked at that if you close it and you're ready to actually pay it you can click on View or Pay right down here and it's going to actually have your check ready to go. All you have to do is fill in things like pay to the order of. Let's say that I pay this health insurance to Blue Cross. And if I wanted to add a memo here I could do that. I can add a class. Anything I need to edit I'm going to go ahead and do that. Once I'm done I'm going to go ahead and hit Save & Close and that one is gone from the list because it's already been paid. You'll see it show up here in this Payroll Liability Summary report and if you wanted to print the summary you could at the bottom. You can go ahead and print that check as well. And if you don't want to do either one you can hit Close at the bottom and it's done until the next time. And that's really all I wanted to show you about paying your liabilities.

I do want to mention also if you need to file your forms over here that you can actually do that. You'd have to upgrade your payroll service and make sure you're paying for the subscription that includes that.

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Well that's going to wrap up module thirteen. We've been working with payroll.

It is now time to move over to module fourteen and we're going to change focus and talk a little bit about a feature QuickBooks has called the Lead Center.

Module 14 – The Lead Center

Video: Working with Leads

Cindy: We are now all the way down to module fourteen and in this module I want to talk to you about something called the Lead Center. QuickBooks has a really great way of dealing with leads. Leads are people or businesses you come in contact with that could possibly turn into a customer down the road. If you wanted to keep track of all that information you could and when they do become a customer and actually buy something from you you can just turn them into a customer automatically without having to retype all that information. Let me go ahead and flip over to QuickBooks and I will show you how the Lead Center actually works.

When you run across that new hot lead you'll definitely want to enter them in QuickBooks to keep track of them. You're not going to be able to do it from the Home screen. You have to access it through the menu. You're going to click on Company and then come down to the Lead Center.

The first thing you're going to notice is the Lead Center looks just like the Customer Center and the Vendor Center. You can look at the active leads, you can see all of the leads, if you have any that have been converted to customers already, you might look at the hot, warm or cold leads. We're going to go ahead and enter one so that you can see the information that it allows you to put in.

I'm going to click on New Lead and then you'll put in the person's name. I'm going to be consistent with the last name, comma, first name. Then it asks you the status. Is this a hot, warm or cold lead? Under the Company tab at the bottom you can put in information about John if he has a company. Let's say he works for ACS Supplies and you can put in his phone number. If he has a website, an email address or an additional email you can plug those in. These fields can represent any of the information you see here in this dropdown.

You can also go ahead and plug in some information about his address and the location. It could be that this location, and let's say it's West Ashley, is the main location and you can put down the actual address right here. If you wanted to add another location you would click on Add Another Location and you would go put in whatever location that one is.

Under the Contacts over here you can specify if John is a primary contact. And if he is you can see all of the information that you want to plug in down here. You can put in his job title, first and last name. If there's another contact that John wants you to deal with at his company you could put that information in here as well. Up here is where you say it's a primary contact or not. This is where you add another contact. You can have as many contacts in here as you would like. I'm going to click OK and now you'll see I have a lead that's hot and that is John Smith.

You do have the ability to import multiple leads up here at the top. If you have these in an Excel spreadsheet right now you can copy and paste them in. As long as you have your header set up the same way you see here then you won't have any problem just copying and pasting the entire list in. I'm going to cancel that.

Here's the information you set up about John Smith. There is one quick report you can run for your leads over here. You can edit your lead here and what this does is let you convert this lead to a customer. Now before we do that let's make sure we've got all our tabs covered down here at the bottom. Here's your To Do's. Just like with customers and vendors if you have something you need to do related to this particular lead just go ahead down to the bottom and click on To Do and set up a new to do.

You've got your Contacts tab, your Locations tab and if you notice this information here was pulled from when we actually set up the contact. The last tab is the Notes tab where if you want to add a note over on the right you can keep track of any conversations you have with this particular lead.

When it's time for the lead to become a customer all you're going to do is open this exact window right here and you're going to come over and say Convert this lead to a customer. And it will tell you that you can't undo this. Go ahead and say Yes and it's actually going to pull all of this information into the Customer Center. Notice here is John Smith, all of John Smith's information is here and he is now a customer in the list like every other customer. And that's a pretty neat way to keep track of all the leads you come across in your business.

That's really all I wanted to tell you about the Lead Center. That's going to wrap up module fourteen. Let's go ahead and move to module fifteen and talk a little bit about mail merges.

Module 15 – Mail Merges

Video: Creating a Mail Merge

Cindy: We've made it all the way down to module fifteen now and I want to talk to you in this module about creating mail merges. If you've done mail merges in Microsoft Word before then you're going to be very familiar with how this works. Basically a mail merge means that you have a main document somewhere that you want to merge with some data from different customers, different vendors, etcetera and spit out a mass mailing. We're going to flip over to the mail merge feature in QuickBooks and see how this works.

Any time you want to send out a mass mailing of any kind that's where a mail merge is going to be very helpful to you. Think about if you want to send collection letters every Friday to anyone who owes you money you'll be able to do that very quickly because the data is already in QuickBooks and you can merge it with one of the letter templates as they're called in QuickBooks.

Before we do this I want to pull up something I typed up in Word real quick because I wanted to show you how a mail merge actually works and make sure you understand it before we go in and do the one that's in QuickBooks. Let me go ahead and pull up that Word doc real quick.

All mail merges work the exact same way. There's going to be three parts. There's a main document. The main document can be a letter, think about collection letters when you send those out. The letter itself is the same. It's just the data from the customer is going to be pulled in. That's what's different. Then you have an envelope. Once you get those letters done you may want to mail them in an envelope or print a label. You're not going to be able to do the email and the directory options in QuickBooks. They're actually Word features. The next thing is the data source. You need to have some information to merge into the main document. The individual person's name, their invoice number, the amount of money they owe. Once you get the two set up you can merge them together and you end up with a merged document. Your merged document you can save it if you want to but you don't have to. Think about if you send a hundred collection letters then this merged document will have 100 pages and you're doing this every single Friday. It's really up to you if you want to save it.

The nice thing about QuickBooks is they have a lot of this stuff already set up for you. They've got all kinds of main documents. You can pick from theirs. You can edit theirs, you can pull in your own. Let's go ahead and flip back to QuickBooks and get started on that mail merge.

You're going to have to access the mail merge options from the Company option on the menu. And at the bottom you'll see Prepare Letters with Envelopes. They've got their letter templates as they're called grouped by collection letters, customer letters, vendor, employee, or letters to other names. We're going to do a collection letter and the first thing it asks you to do is choose

your recipients. Do you want to send a letter to active customers, inactive, or both? Do you want to create a letter for each customer or each job? And then you can decide if you want to send a letter to people who are one day or more overdue, 31 days or more overdue and you can see the list here. I'll put it on one day or more and click Next. And then it gives you a list of all of the customers that meet your criteria. If you happen to see one here that you don't want to send a letter to you can just uncheck them and it won't merge David in this case. Notice I can sort this list by customer or by amount over here.

I'm going to click Next and now it says do you want to send a formal collection, do you want to send a friendly collection or a harsh collection? I'm going to say a harsh collection and then click Next.

The last thing you want to do is put at the bottom of the letter the name and the title of the person that you actually want the customer to call when they have questions. I'm going to go ahead and put my name in there and no I don't want anyone to call me. And I'll say I am the owner and then I'm going to click Next. Now it's actually doing that number three. It's creating the merged document.

Now we're in a merged document. You'll notice that it has the name of the company at the top, it's got the date. Here's the first customer, Glen Lew and you can see there's Glen's invoice number, the date, the amount he owes. At the bottom of the letter you'll see it has my name. I'm the owner of Rock Castle Construction. And if you scroll down you'll see there's actually two letters because you get one page per record, meaning one page for each person that owes you money.

You can see that this is temporarily called Collections and it has the date. If you were going to save this just do a normal save like you would in Microsoft Word and then you'll have that forever. Now let me minimize that again.

The next thing it asks you here is do you need to print an envelope to go with this? If I click Next it's going to ask me which size envelope would I like and if I click OK it's doing another merge now with Word, except this time it's merging envelopes. And you can see right there it's asking me what size envelope I would like and back here is the actual envelope itself. All right. Let me go ahead and click OK there and I'm going to cancel that and not save it and I'm just going to finish over here and now that is done until the next time.

Now let's go back in here for a second because I want to point out that if we go back to Company and Prepare Letters with Envelopes you have an option to customize your letter templates and that's where I want to take you next because I want to make sure you know how to edit the ones they have, I want to make sure you know how to add your own, and that's where the real beauty of this actually comes in. I will see you shortly over in section two.

Video: Mail Merge Main Documents

Cindy: One of the things that we saw when we were creating our mail merge is that QuickBooks had several main documents already set up that we could just choose. I want to go in now and show you how to actually edit the ones that they already have set up or to create your own and pull those in. These are what we call Main Documents and in QuickBooks they're called Letter Templates. Let's go ahead and flip over and I will show you how to work with those main documents.

The first thing we want to do is head back up to Company on the menu and come down to Prepare Letters with Envelopes. This is where we were when we did the mail merge with a harsh collection letter. If you notice down at the bottom we have this option to Customize Letter Templates. Here it asks what would we like to do. We get an option to create a new letter template from scratch, convert an existing Word document to a letter template, we can View or edit existing letter templates, or we can organize these, you can go through and delete and rename them and that sort of thing. We're going to View or edit existing letter templates and click Next.

There are lots of different letter templates in QuickBooks. You can see they have them listed by the type. There's Collection and this is the one we had run earlier when we did the harsh collection. They have Customer letter templates available, you can see there's some for invoices, estimates, vendors, employees, or other names. We're going to go back to Collection and look at that harsh collection since we're familiar with it. I'm going to click Next and what's going to happen now is it's going to open Word but this time it's not going to do a mail merge. It's actually going to pull up that letter template. I'm going to go down to Word at the bottom here and pop it up and here is what a mail merge main document looks like. I'm going to make this a little smaller so you can see it.

You'll notice that this is the actual letter but instead of actual information like your company name and address it has merge fields. You'll see there's a merge field here for the date. Down here it says "Dear Mr. or Mrs. last name". What it's going to do is pull the information from QuickBooks in those fields when in this case those people have overdue invoices. You have the ability to come in here and edit this. You can make this say anything you want and then you can save it when you're done.

If you need to edit some of the merge fields, let's say for example you want to say Dear first name. All you would do is select the Mr. and Mrs. and delete it, do the same thing with the last name field, we'll get rid of that one, and what we'll do instead is if you notice there is a tab at the top that says Add-Ins. And right here where it says Custom Toolbars these are your fields from QuickBooks. You'll see these are the My Company fields, here are the ones related to customers and here are the ones related to collection info. What I want to do here though is put in the first name merge field. So now it will pull the person's first name. You can even go down in the

document and do something like this. Unless we hear from you, comma, and then pop in their first name again. This makes it sound really personal. And you can go through and add as many merge fields as you would like in this document. When you're finished you'll want to make sure you save it.

I'm going to go ahead and just minimize that for a moment and notice while we're here we also have an option to go ahead and use the template. This would be the same thing as actually doing that mail merge that we did in the first section.

I'm going to hit the Back button for a minute and I want to just look at a couple of other quick things. I wanted to look at the Organize, Edit, Letter Templates and click Next. And what happens here is if you're going down this list and you decide you don't like this harsh collection one anymore notice you can delete it. Or you want to rename it you can do that. You can duplicate it. If you want to move it up or down in this list then you can do that. So there's several things you can do with that. Let me hit the Back button again and let's look at Create a new letter template from scratch.

Basically what that's going to do is ask you what type of letter template are you trying to create. You give it a name and when you click Next it's going to open Word and you can type your letter in there. You would be inserting your merge fields as well.

There was one more option in there and that would be to convert an existing Word document to a letter template. It would just let you find that Word document you already have and then it would convert it for you. And that's really all there is to actually working with mail merge main documents. I'm going to hit Cancel and that's going to wrap up module fifteen.

What I want to do now is take you over into module sixteen and we'll start working on the budget feature that QuickBooks has.

Module 16 – Budgets

Video: Creating a Budget

Cindy: We are all the way down now to module sixteen and in this module we're going to talk about budgets. QuickBooks has a great little feature that will help you create a budget from scratch or you can actually use the last year's profit and loss or balance sheet to create a new budget. And I want to go in and show you how that works. It'll actually help you because you can run reports after you have your budgets created and see where you stand as far as the budget is concerned. Let's go ahead and flip over to QuickBooks and we're going to talk about creating a budget.

To access the budget feature you're going to the menu under Company, you'll come down to Planning & Budgeting and then Setup Budgets. When you first come in you're going to see the current profit and loss that is set up already and you'll notice that there's a dropdown here. So if you had additional ones you could pick them from the list as well. What I want to do is take you over to the Create New Budget option over on the right and then show you how to actually set up a new one.

The first thing that happens is you're going to specify the year you'd like to set up the new budget for. The current year is 2024. The new one defaults to the next year, 2025. You're going to be able to choose the budget type, Profit & Loss or a balance sheet. We're going to choose the Profit & Loss and click Next.

Right now we're not going to add any additional criteria but I could do one for each customer and job or each class. The last thing it asks me here is would I like to create a budget from scratch or I have to manually put in all of the totals for each of the accounts or would you like to pull the previous year's data? If it's the first time you've done this you're going to have to create one from scratch. It's a little bit easier after you've already done one because then you can just pull last year's data in and go through and make whatever changes you'd like to make. I'm going to create one from the previous year's data and hit Finish.

You'll notice now this is the new one. It says 2025 and here's your old one if you wanted to go to that one and look at it. Going down the list you can see it's pulled all of the same numbers from last year's data. When you look at the annual total next to each one of these accounts you can't change that. It's actually adding up each of the months, but you can go through each one of the months here and edit these as you see fit. Let's say for example you decided that all of the months for Design Income should have a budgeted number of \$1,000. I could type in each one of these and put \$1,000 but here's an easier way to do it. If you're clicked here where January already has \$1,000 notice at the very bottom left of your screen it says Copy Across. And if you click there notice it added \$1,000 to every month there.

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You can always go in, like I said, and manually just adjust these numbers to anything you'd like them to be. When you're finished you're just going to hit Save at the bottom and then click OK when you're done and that will take you back out.

And really that's all there is to creating a budget. Let's go ahead and go over into section two and I'm going to talk to you a little bit there about some of the different budgeted reports.

Video: Budget Reports

Cindy: Now that you've learned how to create a budget what you'll want to do is at various times throughout the year go in and look at some reports and see where you stand as far as the budget is concerned. You'll want to make sure that you're staying on track or you might want to make sure that you're not really off track and you need to go and revise your budget. Let's go ahead and flip over to QuickBooks and I will show you how to look at some of those budget reports.

Let's go back up to Reports on the menu and you'll see if you come down the list here you'll see Budgets. There's a couple different ones I want to just point out to you. One is called a Budget Overview. Let me pull that one so that you can see what that looks like. Basically what happens here is you're going to select the budget that you want to look at when you're generating the report, all the data. You're going to click Next. You can look at the account by month and we'll click Next, and then click Finish. And this is your Profit & Loss Budget Overview. This looks very similar to actually looking at the budget itself. What we're going to do now is look at a different one where you can see the actual versus the overview. That's going to show you a little bit more.

Let's go back to Reports, back to Budget, and they actually call it a Budget vs Actual. We're going to do the same thing. Make sure you pick the correct year that you're wanting to pull into the report. We're going to pull it by month and then finish the report.

Now if you look at this, notice here's January and here's all the numbers for January. Here's how much was budgeted, here's how much the dollar amount over budget is, and then here's the percent of budget. And you'll see that for each month. Here's February and you can see that same information, March. That's a really good one to run because then you can see per month where you might be right on target or where you might need to actually change something.

Let me close that one. Back to Reports, back to Budgets. There is a Profit & Loss Budget Performance report. We're going to pick the same options when we go through here. Now when you look at this one I want you to notice that what it shows you is December of 2025 and here's how much was budgeted and here's the whole year. So you can see your year to date budget and also what they call an annual budget. And that's another one just to make sure you look at from time to time to see if you're right on track.

There was one more I want to go pull up real quick. Under Reports, Budgets, a Budget vs Actual Graph. We've seen several graphs in QuickBooks and I just wanted you to look at this one because right now you're looking at P&L by accounts. You might look at it by accounts and jobs, maybe by account and classes. There's different ways to look at any of these actual graphs.

I'm going to go ahead and close that and that's really all you need to know about working with budgets.

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That's going to wrap up module sixteen. Let's head over to module seventeen and we'll look at some of the other QuickBooks features.

Module 17 – Other QuickBooks Features

Video: Automated Payment Reminders

Cindy: We've made it all the way down now to module seventeen and in this module I just wanted to talk about some of the other little features that QuickBooks has. A lot of these are little things that you might not use from day to day but they're very nice to have when you need them. I wanted to start off in section one talking about a new feature that QuickBooks has in the 2020 version and these are called Payment Reminders. We call them automated payment reminders because we will set up some lists in QuickBooks and QuickBooks will automatically remind us that these customers need to pay us. Let me flip over to QuickBooks and I will show you how the automated payment reminders works.

It's easy enough to make a sale for your business but when it comes to staying behind your customers and collecting money that's another story because it takes a lot of time out of your business. This is going to be a very helpful feature because what's going to happen is we're going to set up some lists in QuickBooks, we're going to set up some criteria for those lists and then QuickBooks will pop up and remind us when customers are overdue and we can automatically send them an email. Let me show you how this whole process works.

We're going to go up to Customers and then Payment Reminders.

The first thing we have to do is create a mailing list. In order to create a mailing list I'm going to click on New List and give my list a name. I want to call this list Regular Customers. These are customers that they pay me but not always on time and I want QuickBooks to remind me if they happen to have invoices that are over five days overdue. I'll go ahead and click Next and now I'm going to pick the customers that will go in this list, and I'll just pick these. And now I'm going to hit Save at the bottom and now I have a mailing list called Regular Customers. Let me set up another one.

Let's call this one Forgetful Customers and these will be customers that they always forget to pay me and I have to keep after them. I'm going to click Next and pick the people that belong in this group. Now if you happen to click on a customer that's part of another mailing list it will pop up and tell you and ask you if you want to move them to this mailing list. I'll just cancel and I'll go and pick a few other people and then I'll click Save here and now we have two mailing lists.

Over here for each one of these I can edit the list or delete the list. You can't delete the list if it's over in a payment reminder that we've already set up, which will be the next step we're going to do. I'm going to hit Close at the bottom and now those lists are set up.

Now let's go back to Customers and back to Payment Reminders. The second part of this is we have to schedule some payment reminders. Since we've never done this we're going to click Get

Started at the bottom and we're going to create our first new schedule. What we're going to tell QuickBooks to do is send a reminder to our regular customers and then we hit Add Reminder, this is where the reminder part comes in, and we're going to say send this reminder five days after the due date. You'll also notice that there is an email already set up for you down here with some merge fields in it. If you want to edit this you can edit it any way you'd like. Let's say that I don't want to say Dear first and last name. I just want to say Dear first name. I can delete that merge field, come down here and insert the first name. And then of course I can edit this any way I'd like and click OK at the bottom.

What if we send out those reminders for customers who are overdue more than five days and they still don't pay us? Let's add a second reminder. We'll send one at the 30 day mark and of course we would edit this a little bit and then click OK. And you can set as many reminders as you want for your regular customers.

I want to set a new schedule for my Forgetful Customers. And for these guys what I want to do is send them a reminder when they're one day overdue and then I'll click OK. And that's how your scheduling works for these payment reminders.

Now I'm going to hit Save at the bottom and here's how this is going to work. As soon as a customer that's in that regular list is five days overdue it's going to pop up and give me a list of everyone that's five days overdue. The email will be ready to go and all I have to do is double check everyone and go ahead and tell it to send the email. Now since we don't have any that are overdue let me show you what the window will look like.

I'm going back to Customers, back to Payment Reminders, and I'm going to Review & Send Payment Reminders. This is what that Reminders window looks like. And look we do have someone in here that's overdue. You'll notice in this case it happens to be Glen Lew and you can see this is already addressed to Glen. So all you have to do is Send Now and it will send Glen an email.

Now just so you'll know while it's sending these emails, which won't take long at all, but you can't really use QuickBooks until then so you might want to find something else to do. And that's all you have to do until the next time.

Like I said, that's a great little feature called Payment Reminders. Let's go ahead and move over into section two now and we'll talk about different ways to search in QuickBooks.

Video: Searching in QuickBooks

Cindy: We are working in module seventeen and in this module we are just looking at some of the other QuickBooks features. This is section two and I want to talk to you about searching in QuickBooks. There is always going to be something you're looking for, whether it's an amount of money, someone's name, and there's lots of different ways to search. I want to just go through a few of those with you and make sure you're comfortable and you know where to go if you need to look for something. Let's head on over to QuickBooks and I'll show you how to search.

There are lots of different ways to search for something in QuickBooks. You're always going to be looking for something, an amount of money, someone's name, an invoice number. They make it pretty easy no matter which screen you're on to search for something. Sometimes the search is just in that form you happen to be in. Other times the search will be for all of QuickBooks. Let me give you an example of some searches you've already seen.

When we click on Create Invoices you can see there's two arrows up here under the main tab and then there's the Find option. Those will allow you to search through the invoices for a particular invoice you might be looking for. If you can't find what you're looking for with the arrows use the Find option right below to type in some of this criteria and hopefully you can find what you're looking for. But again this is just for invoices. This wouldn't be searching all of QuickBooks. Let me cancel that.

Another thing you can do is if you're on the Home screen you're going to notice there's a Search option right up here on the top right of your screen. I'm going to go ahead and put in an amount of money, \$924.93, and I'm going to hit the Search option and let's see what it comes up with. Here's your Search window right here and if it didn't pull anything, sometimes you have to click the Search here again and now you'll see that it's pulled up two things. It pulled up an invoice and a payment. Hopefully one of those is what I'm looking for.

Now the other thing is notice that it's looking for results in all of these places, which is really all of QuickBooks. It's looking for an exact amount but I could be looking for an amount greater than what I typed in, less than that or a range, meaning between two numbers, and I can type those in there. I could also be looking for a specific date range.

Let me go ahead and close that and that's a nice way to search but it's still very limited.

Let me just show you another way that works out really, really well. If you went to Edit on the menu you would see a Find and a Search option here. I'm going to click on the Find option and you'll notice in here there's a Simple tab and an Advanced tab and you can use either one. The Simple tab will allow you to do things like look for a particular transaction type that you could choose from the list. You could look for a customer or a job, a date range, an invoice number or an amount. Once you put in your criteria you'd want to come over here to Find. I like to use the Advanced tab because I find that I have more flexibility over what I'm looking for. You'll notice

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that I can filter my list by any of these options here. You can see there's amount, there's birthdate, class, cleared, you can see all of those options. Let's say I'm looking for that same amount of money we typed in earlier and because I'm looking for an exact match I'm going to say Equals and that was \$924.93. I'm going to hit Find and let's see what comes up. There is the invoice and there is the payment. And you can also see the deposit that it went into.

Let's say that I want to look at this payment. Notice some of them are bold and some are not. Those are both sides of the entry. I'm going to just double click on the payment where it's bold and now I've gone into the actual payment and it was easy to find it that way. Let me go ahead and close that.

You also know that if you wanted to look through your Customer Centers you could do that, you could look at the Vendor Center, there's just a lot of different ways to actually search and find something in QuickBooks.

Let's go ahead now and wrap up section two and let's go ahead and go over to section three and talk about reminders and alerts.

Video: Reminders and Alerts

Cindy: We are all the way down now to section three of module seventeen, Reminders and Alerts. There are several different things that if you want QuickBooks to remind you that have to be taken care of you can actually turn on those reminders in a list and then when you open the QuickBooks file you can actually see them. I want to actually go over to the Reminders window in QuickBooks and show you how the reminders and alerts feature works.

If you remember back in module three in section one we had gone over the preferences. I'm going to go back to Edit, Preferences.

One of the preferences in here has to do with reminders. You would click Reminders on the left and then you would have two tabs you'd want to make sure you look at. The first one under My Preferences has an option that you can select to show the Reminders list when opening the company file. That's a good way to just see what your reminders will be for the day when you come in first thing in the morning and you open the company file.

Under the Company Preferences if you look down this list you can tell QuickBooks you'd like to see a summary or a list. Remember a summary shows just the total whereas the list will show each individual item. You can also tell QuickBooks not to remind you of some of these things.

Over here some of these you can have QuickBooks remind you several days ahead of time. That way you're not waiting till the day of before you have to take care of some of these different things it reminded you of.

I'm going to change a few of these options just to show you how this works and I'm going to click OK. I'm going to log out of the company file and then I'll come right back in and we should see the Reminders list just appear automatically.

Here's our Reminders list. I'm going to go ahead and maximize that so we can look at it. You'll notice that several of these have an expanded view. Those are the ones that you said you wanted to see the list on. The other ones are just going to show you that you have one message or one inventory to reorder. If you want to see the details for any of these just click the arrow to the right and it will actually open that up so you can see all the details.

A couple of other things you can do on the top right hand side of your screen, there's a plus sign. If you decide that right here you need to add a To Do you can do it and then when you click OK it will automatically show up in your Reminders back here.

The other thing is the gear that you see in the top right of your screen, that's going to open your Preferences. If you wanted to go and change any of these from here you could do that and just click OK when you're done and then those would show up in your Reminders list.

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I'm going to close this Reminders list because I want to show you that what if you happen to be working in QuickBooks and you want to see that Reminders list? Well there's a couple of ways you can get to it. One you'll see there's a button right here on your icon bar that says Reminders. The other way is you'll notice that right up here it has a little 14 in my case. It's says View Reminders. You can click there and that will actually pull up your Reminders list as well. That way you can make sure that you've taken care of everything you need to do for the day.

And that's how your reminders and alerts are going to work.

Let's go ahead now and go over into section four and I'll show you how to use the QuickBooks calendar.

Video: Using the QuickBooks Calendar

Cindy: QuickBooks has a Calendar feature built in that will actually show you different things that you need to know. For example, if you click on a specific date it will let you know if you have any To Do's that need to be taken care of or if you have any bills that are due that day. Let's go ahead and flip over to QuickBooks. I want to show you how that calendar works and some of the different ways you'll use it.

You can find the Calendar icon on your Home screen. If you look over to the right under the Company grouping you'll see Calendar.

When you open the Calendar you'll notice that it already has today's date selected and at the bottom of the screen you'll notice that it gives you some information. For example, it will show you all the bills that you've entered and then you'll see all the bill payments down at the bottom underneath that. If you scroll down you're going to be able to see things like if you have any checks that you need to print, if you have any credit card charges, things like that. And you'll notice there's other information about each of these transactions as well, like the status or the due date. You'll notice if I click on a different date, like the 17th there's only one transaction here and that's a transfer it looks like from checking to savings.

A couple of things about moving around in the calendar. You'll notice there's an arrow here that will take you to the next or previous month. If you wanted to go back to today you can just hit Today and you'll do back to December 15th in this case.

Also you've got several different ways to view this calendar. Currently you're looking at the monthly view but you do have the ability to look at the daily and the weekly view as well. Here's the daily and here's the weekly. You can also select a particular date if you'd like. I'm currently also showing all the transactions at the bottom of the screen on whichever date I'm clicked on but I can opt to show just To Do's for example or if I wanted to show any of these other things in the list I could as well. I'm going to go back to All Transactions.

At the bottom right hand side of the calendar portion of the window notice there's a little option to add a To Do. This is a quick way if you're on the calendar to go ahead and add something right now that you just thought of that you have to take care of.

Over on the right hand side you can see things like if you have any To Do's upcoming in the next seven days or if you have anything that's past due. Notice this is past 60 days and there's three transactions there.

And that gives you a quick overview of how the Calendar works. So as you add things to QuickBooks they actually show up on this calendar. Now nothing is going to pop up and remind you to do anything. You would have to set some reminders for that but this is a good little way to see what's happening on each date in the QuickBooks Calendar.

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I'm going to go ahead and close that and that wraps up the Calendar portion. I'm going to have you now go over to section five and I'm going to show you how to memorize transactions.

Video: Memorizing Transactions

Cindy: If you have transactions that occur on a regular basis, let's say a car payment for example is automatically deducted from your checking account the 30th of every month then you can go ahead and set those up so that they happen automatically and we call that memorizing. Sometimes you can have QuickBooks show you in the Reminders window that you have transactions to enter, other times it will automatically do it for you. Those are just options that you choose. Let's go ahead and flip over and I'll show you how to memorize transactions.

Most every screen that we've entered a transaction on you would see an option that says Memorize Transactions. For example, if you're in the invoices you have Memorize right here. An example of invoices that you could memorize would be let's say that you have rental property and you have tenants that pay you on a monthly basis for the rent. You don't actually want to send them an invoice every month but you need those in QuickBooks so that you can see who hasn't paid, how overdue the payment might be, things like that. You can have QuickBooks memorize those because they're the same every month and just have them automatically appear maybe five days early because sometimes tenants might pay you a few days early. That's a good example of memorizing an invoice.

Let's talk about memorizing a payment, maybe a car payment for example. I'll go to the Write Checks window and I'm actually going to add one and then we'll memorize it. Let's say that this is automatically deducted every month. I'll use my code EFT. I'll say this is deducted on the last day of the month. I'm going to say this is the Bank of Any City, my payment is \$500, and I'll say that \$153.68 is the principle and the rest of this is going to be the interest. I would want to make sure that everything is filled out the way you would like, meaning if you wanted a memo here you could put that in there. If any of these other options apply as well make sure that it's set up the exact way you want it to be when you memorize it.

Now that I have this set up I'm going to memorize it. I'm just going to click on the word Memorize up here and it's going to ask you to give your memorization a name. You can call this anything you want. Instead of the Bank of Any City I'm going to say Car Payment. I can have QuickBooks add it to my Reminders list, I can have QuickBooks not remind me at all, or automate the entry, meaning it just puts it in there automatically.

Notice I could add it to a group. In a few minutes when I show you where the memorized transactions live you'll see that you can actually add transactions to a group.

How often does this happen? Every day, every week? This happens monthly. If the one we're currently on is dated 12/31 let's make the next one January 31. Notice that I can specify how many are remaining and the reason I can't access these right now is because I've got Add to the Reminders list. If I say automate the entry then these become available.

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The way you would use the number remaining option is if you only had seven payments left you would want to plug that in. That way it wouldn't keep entering that transaction forever. It would just stop after that seventh one.

You can also specify if you want QuickBooks to enter this transaction five days ahead of time. Something like this I would probably leave it on zeroes so that it enters it on that date. I'm going to click OK and now this transaction is memorized. There is nothing on the screen that tells you this. I'm just going to go ahead and Save & Close and then I'll show you where to see the list of memorized transactions.

I'm going to go up to List on the menu and then you'll see Memorize Transaction List.

You can see there are several here for the exercise but there's also the car payment we just set up. Notice it tells us it's a check, it comes from the checking account, it's \$500 a month and it's on automatic, meaning it will automatically enter this. The next time that it will enter it is on January the 31st.

A little trick to help you if you're having to go back and enter like a whole year's worth as an example, if I already had one dated for let's just say it was January 31, 2024 and I wanted to enter the next one. If I just double click on Car Payment here's the next one. I just change the date, save it and now you'll see the next one happens on February 28th. So you can keep doing that ten or twelve times and that's a quick way to enter a whole bunch of them at once.

Now I mentioned you can actually add your transactions to a group. If you had a lot of car payments and they all came out of the bank account on the same date then you could set up a group called Car Payments, for example. If I right click you can choose the New Group option. Here's where you would name the group. The only thing about a group is that all of the actual things you memorize have to have the same options for the entire group. So if they happen to all be deducted on different dates throughout the month you wouldn't want to put them in a group, but that's how a group would work. If I just click OK right here you can see that there is a group now called Car Payment. See how the type is group? And now I can go in to, for example, the Car Payment if I right click and Edit the memorized transaction. I can now say add it to a group and then pick that group from the list if that's what I wanted to do.

And that's how your memorization is going to work. And that's how memorized transactions work. You can always come in here. If you've got one you want to delete you can right click and delete it.

I'm going to go ahead and close that window and now I want you to move over into section six and I will talk to you about importing lists into new company files.

Video: Importing Lists into New Company Files

Cindy: One of the things that will happen if you use your company file for a long period of time is that your company file will become slow when you try to open it because it just has so much data in it. The other thing is you're going to have a lot of junk in there and you'll want to clean it up. And there's a quick way to do that. You can actually take your list from your old company and import them into a new company that you create. If you're going to do this a good time to do it would be at the beginning of your fiscal year. Let's flip over to QuickBooks and I will show you to how import these lists into new company files.

The first thing you'll want to do is make sure you're in the old company file because we have to go into QuickBooks and tell it to actually export any list we want to move over. The way we're going to do that is we're going to click on File on the menu, we're going to Utilities, we want to Export List to IIF Files. This is a listing of all the lists that are in QuickBooks. You just check off whichever list you think you might want to send over to the new company file. Once you've done that if you just click OK it will ask you to give your file a name. Now you'll notice down at the bottom it says *.iif. Get rid of the star and just give your file some name. It's just a temporary name so it really doesn't matter what it's called. I usually name it Export and save it somewhere quick where I can access it. I'll just hit Save and it will pop up and tell me my data has been exported successfully.

Now I can create the new company file and there's a certain way you want to do this.

I'm going to close this file and when I go to create the new company file what I want to do is use this start setup option right here. We're not going to have to go through the whole Easy Step Interview like we did when we created our first file.

We only have to tell it a few things. The first thing it asks us is what do you want to name your new file? I'm going to call it My New Company. And here's the important thing right here. Where it says Select your industry I'm going to click Help me choose. If you remember when we did our first company and went through that Easy Step Interview I told you to pick one of these industries that's close to what you do. Well this time you want to pick Other or None. You don't want it to pull in all those different accounts into your Chart of Accounts. There's going to be four that it has to pull in but other than that we don't want anything else in here. We're going to click OK and one more thing. We're going to pick the business type, Other or None. You'd probably want to go in and fill out your address, your phone number, those types of things so that QuickBooks can pull that information. But I'm going to go ahead and click Create Company and it's going to start creating my new company file.

If you get the QuickBooks desktop setup here you can just close that and you can close the new feature tour as well. And let's go ahead and look at the Chart of Accounts because you're going to see that there's actually only four accounts and the rest we're going to be importing. Let's go

ahead and look at our customers for a second because that's another list we want to import. And you'll notice there are no customers. And the same thing would be for vendors and all the other lists I had checked.

Now let's go ahead and import. I'm going up to File, Utilities, I'm going to Import, and this time I'm going to import IIF Files, and QuickBooks has to close all the windows to do that. That's okay. And we're going to import IIF and pick our file. We go to the bottom of the list here. It was called Export. And I'm going to click Open and now it's going to import that IIF file. So all of those lists will be imported here as soon as this is finished.

Now I'm going to go back to my Home screen and let's see what we've actually got in here. Let's check out our Chart of Accounts over here and now you'll see that you have the whole list of Chart of Accounts. Isn't that great? What's really cool about this is now you can go in and actually remove any of these that you don't want. Let's say you don't use this particular credit card anymore. It's got a zero balance so go ahead and delete it. Let's look over at our customers.

If I look at my Customer Center here's all of my customers and they've all come in with a zero balance. If there's any in here that I haven't seen in five years, maybe I can go through and just clean up the list a little bit. But this is the great thing about actually importing your list. You save yourself a lot of time when you do that. And that's what I wanted to show you about importing lists into new company files.

Let's go now over into section seven and I will show you how the vehicle mileage option works in QuickBooks.

Video: Vehicle Mileage

Cindy: If you want to track your vehicle mileage when you're making trips related to your business then you're going to be able to do that in QuickBooks. Most people usually have a little book in their car and they jot down the beginning odometer mileage, the ending odometer mileage and then the number of miles. Also some information about the trip itself. We can do all that within QuickBooks so that we don't have to look for that little book every time we get in the car. Let's flip over to QuickBooks and I will show you where the vehicle mileage option is located.

In order to access the vehicle mileage option you're going up to the menu under company and then you're going to come down to Enter Vehicle Mileage.

The first thing it's going to ask you is to choose the vehicle that you want to track the mileage for. Notice you can add a new one to this list. You want to put in the trip start and end date, the odometer start and end, and also the total miles. If you don't know the odometer start and end you can plug in the mileage. You can also choose the customer and job over on this side. The reason you want to do that is because this will play into your job costing. You can choose your item and also the class. You can see there's a place for notes here as well.

The other thing you want to do is make sure that if this is going to be a billable transaction, meaning that you're going to turn around and invoice your customer for this at some point, make sure to check the billable box right here.

At the top of your screen here's your vehicle list. You can always right click and add a new vehicle to your list. You'll notice it asks you the name of the vehicle and there's a place for a description. You can also come in here and delete a vehicle you've already set up or if you wanted to come in and customize those columns you can do that as well.

You also have a place to put in the mileage rates. You would want to go online and make sure you have the current IRS standard mileage rates and then you can plug that in here so that it pulls the correct rates on your reports.

And the last thing are your mileage reports. You can see that you can run a summary or a detail for both your vehicle and the job. And that's really all you have to do. When you're finished you just Save & Close and then you can run reports and pull in all the vehicle mileage.

Let's go ahead now and wrap up this video and we're going to go over into section eight and I'm going to show you a little bit about combining emails.

Video: Combining Emails

Cindy: One of the new features in QuickBooks 2020 is the ability to combine emails. When you are actually working on an invoice as an example, you have a place where you can check off that you would like to email the customer later. And this will allow you to go ahead and combine all of those that you've put the checkmark in and email them all at once. Previous to this we had to do these one at a time. Let me show you how you do this and how this whole combining emails feature works.

I want to start by clicking on Create Invoices just to show you where that little checkbox is that I mentioned. When you've actually filled out an invoice you'll see there's a checkbox here that says Print Later. There's also an Email Later. Print Later would let you print everything all at once at a later time, whereas Email Later will let you email them all at once at a later time. We always had the ability to do this but you didn't have the ability to combine all the ones that go to the same customer, for example, into one email and now you can do that.

Let me go ahead and close this and I'll show you where that option is.

If you go up to File on your menu you'll see the Send Forms option close to the bottom there. These are all of the emails that you have ready to go. So they could be invoices, purchase orders, any kind of form where it actually had a checkbox to email later. If you want to combine all of the ones that go to the same customer or same vendor into one email you want to check this box right down here and now you can see all the ones for Kristy. You can see there's three things for Kristy. They're going to go together and you can see the rest of them there as well.

Your company email address needs to go right here. Your customer's email right here or vendor email address. Here's a list of all the attachments. There's your subject line and you can come in here and change this body to say anything you want. Make sure you check your spelling when you're done because you wouldn't want to look unprofessional with misspelled words. And that's really all you have to do. When you're ready you just hit Send Now and it's going to send each customer and vendor one email that has multiple transactions on it. And that's really all you have to know. I'm going to hit Close and that's going to wrap up combining emails. Let's go over into section nine and talk about backing up your company files.

Video: Backing Up Company Files

Cindy: One of the things you'll want to do in the desktop version of QuickBooks is make sure you back up your company files. What happens in the online version is everything is backed up automatically by Intuit in the Cloud. But that's not the case when you're actually working on your desktop. You would want to make sure you had a backup copy just in case you came in one day and your files were corrupt or something happened. You'd be really glad you had that. Let me show you how to back up your company files.

If you were working in the online version of QuickBooks you wouldn't have to back up your company file because Intuit would be doing it automatically for you. However in the desktop version they're not automatically doing it for you and you'll have to manually back up your file. You want to do this because you never know when something could happen. You could be fine one day and the next day you open your file and it's corrupt and you need to use that back up you've made. You'll be really glad you had it in a case like that.

What you want to do is go ahead and go up to File on your menu and then come down to where you see Back Up Company and you're going to want to Create a Local Back Up.

Intuit does sell a service where they will back up your company file for you. It is not free and if you wanted to learn more about that you could click right here and just find out. But we're going to do a local back up. That means we're going to be able to save our file to a network drive, a flash drive, a CD, somewhere other than your hard drive on your computer. That defeats the purpose if you put it there.

We're going to go ahead and click Next at the bottom. Here is where you would have to browse and tell QuickBooks where is that network file located, where is that USB drive located. The next thing you'll see here is that QuickBooks will automatically add the date and time of the back up to the file name. And you do want that so that you can distinguish what the latest one is and then go backwards. Also it's going to limit the number of back up copies to three and that's a good number because typically if you need one you'll go to the latest one and possibly the one before that. It's very rare you'd use the third one but it is a possibility.

Right down here QuickBooks will remind you to back up your company file every fourth time you close the file. Even if you just backed it up and it's the fourth time you close it it will pop up and ask you.

And the last thing is you want to leave this on Complete Verification. It's basically going to make sure that your data is okay before it does that back up for you.

That's all you would need to do. When you click OK it would actually start the back up. I'm going to hit Cancel here. The options right here just so you know are the exact same ones we just went into.

Now let me cancel that and I want to just talk to you about one other thing. When you go back to File there's also this option to Create a Company. You can create a back up copy from here but I want to point out these other two options, the Portable Company file. What that will do is if you need to email a copy let's say to your accountant you can't really email a really large QuickBooks file because those files are super huge but you could condense the file a little bit and create a portable company file. And usually you can email that and it's really not an issue.

The other one is if you want to make an Accountant's Copy you can do that. The reason this is really nice is because if you just gave your accountant the back up copy of your company file you couldn't do any work while the accountant is working because your changes wouldn't mesh. But if you have an accountant's copy your accountant can be working, make some changes, and when they send it back to you you can just mesh it with your QuickBooks company file and it works great that way.

That's really how the back up feature works in QuickBooks. Make sure you do your back ups. I can't stress that enough. I've seen it too many times where things happen and the customer did not have a back up copy.

Let's go ahead and move over into section ten and I want to talk to you a little bit about the QuickBooks PC to MAC or Online Conversion process.

Video: QuickBooks PC to MAC or Online Conversion

Cindy: If you're wanting to move your QuickBooks files to a MAC from your PC or if you've decided you want to try the online version for a while you'll want to actually convert your data that's on the PC into a MAC or an online format and I want to show you how to do that. It's really a very simple process.

If you're moving from a PC to a MAC you would need to make sure you have a MAC version of QuickBooks. You're not going to be able to take your PC version file and open it in the MAC version. What you need to do is in your PC go ahead and make a conversion copy and that will let you open it in your MAC. The other thing is if you're going to actually move your company file to the QuickBooks online you'll want to have a conversion file for that as well. Here's where you go to make those conversion files.

Go up to File on your menu, Utilities, and then you'll see two options. One is to copy your Company File for QuickBooks MAC and one is for the QuickBooks Online. I'll choose the MAC option and it's just going to give me a quick little message letting me know that because I'm in a PC that QuickBooks for Windows might be a better fit. And it tells me that the inventory option in the PC for MAC is not as robust as it is in the PC. It also tells me there's a couple of features like the mobile apps and third party apps, the Shipping Manager, the Loan Manager, and industry specific editions aren't available for the MAC. That's okay for now. I just want to click Yes and it's going to tell me that it has to close all the windows in order to create that copy. That's okay. And now it's going to go ahead and ask me to save my file. I'm going to go ahead and hit the Save button and when I do it's going to export my data.

When it's exported it will let you know it's been successfully exported and then you'll be able to actually take that file and plug it into your MAC and restore that file.

That's really all there is to creating a QuickBooks PC to MAC or online conversion file.

Let's go ahead and go into the last section here in module seventeen. I want to briefly just mention a couple things about the Canadian version and then we'll be wrapping it up.

Video: Canadian vs. US Version of QuickBooks

Cindy: We've been working with the US version of QuickBooks but there is a Canadian version available as well and if you're in the market and trying to decide which version you would want to purchase you might want to look at some of these differences before you actually decide. Let me go ahead and address several of the differences and that way you can make an informed decision.

If French happens to be your native language then you'll be glad to know that there is a French language version available for QuickBooks. Canada actually has two official languages, English and French. That way you can choose whichever language you'd like your QuickBooks to actually be in. And don't worry about it if your customer's don't speak French because you can actually make your invoices available in six different languages. It's English, Italian, you've got traditional Chinese, you've got Brazilian Portuguese, Canadian French, and Spanish. And what's interesting is that the QuickBooks US version is only available in English.

The second thing I want to mention is that the sales tax structures are different in the US version and in the Canadian version. If you think about it in the US what happens is we associate taxes with the customer. Some customers are taxable, some are not. In the Canadian system they always associate the taxes with the item. Therefore the software has to be different in order to accommodate that. Also in Canada they have a sales tax plus what they call a goods and services tax. We call that a GST tax and QuickBooks has to take that into account as well.

The last thing I want to mention is a little bit about the pricing and how the plans are different between the US and the Canadian version.

Currently both the US and the QuickBooks for Canada have four different pricing plans. They have what's called Simple Start in the US version. They call it the Easy Start in the Canadian version. They have Essentials, they have Plus and they have what they call Self-Employed. The US version offers one more over and above that and that's called the Advanced. And it's got a few extra features like invoice importing which we've seen, they have something where they give you access to priority circle customer service, things like that. I just wanted you to be aware of those few differences as you go through and try to make your decision on which version you want to purchase.

This is going to wrap up module seventeen. What I want to do now is kind of wrap the whole thing up. Let me have you go over to module eighteen and we'll do a quick wrap up and then you are done.

Module 18 – Wrap Up

Video: Conclusion

Cindy: Now that we've finished going through all the videos for QuickBooks 2020 I wanted to just wrap it up. I wanted to tell you a couple of quick things. If you have questions or you're having issues with anything please feel free to let us know. We'll be more than glad to get back with you and help you out with anything we can. Watch these videos as often as you need to. I'll want to make sure that you have a complete understanding of everything you're doing as you're setting up your company files.

Thank you so much for joining me and I will see you next year when QuickBooks 2021 comes out.