



QUICKBOOKS ONLINE 2020 CLIENT TRAINING

Course 3

Record Transactions in QuickBooks Online

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Table of Contents

About the Author	2
Training at a Glance	3
QuickBooks Online Test Drive.....	4
Topic 1: Sales and Revenue Transactions	5
Appropriate Sales-related Settings.....	6
Alternate Entry Points to Enter Sales Transactions.....	17
Topic 2: Expense and Purchase Transactions	39
Appropriate Expense-related Settings.....	40
Alternate Entry Points to Enter Purchasing Transactions	43
Topic 3: Additional Transaction Types	68
Additional Transactions Initiated Using the +New Menu.....	68
Topic 4: Other Tools	76
Course Conclusion	82

About the Author



Esther Friedberg Karp, MBA

President, EFK CompuBooks Inc.

esther@e-compubooks.com

Esther Friedberg Karp is an internationally renowned trainer, writer, business consultant and speaker who has been repeatedly listed as one of Insightful Accountant's Top 100 QuickBooks ProAdvisors in the world. She has also been named to their Top 10 list on two occasions: as Top International ProAdvisor and Top Trainer/Writer ProAdvisor.

Based in Toronto, Canada, Esther has the unique distinction of holding ProAdvisor certifications in the United States, Canada and the United Kingdom. She has authored materials and delivered educational and certification courses for Intuit in all those countries, as well as Australia where she conducted live QuickBooks Online training. She has spoken at Scaling New Heights, QuickBooks Connect and other conferences, and has written countless articles for Intuit Global.

Esther's clients include companies worldwide and accounting professionals who seek her out on behalf of their own clients. She is sought out for her expertise in various countries' editions of QuickBooks Desktop and Online, and for her talent in customizing QuickBooks usage for different industries. She also teaches QuickBooks Core and Advanced certification classes to accounting professionals in Canada.

Esther holds a BSc from the University of Toronto in Actuarial Science and Mathematics, and an MBA in Marketing and Finance from York University's Schulich School of Business.

She can be reached at esther@e-compubooks.com or 416-410-0750.



Training at a Glance

Use this as a guide to select specific activities you want to cover.

TOPIC	CONTENT
SALES & REVENUE TRANSACTIONS	<ul style="list-style-type: none">• Sales receipts• Invoices• Payments• Deposits
EXPENSE & PURCHASE TRANSACTIONS	<ul style="list-style-type: none">• Checks• Expenses• Bills• Bill payments
ADDITIONAL TRANSACTION TYPES	<ul style="list-style-type: none">• Bank deposits• Transfers• Journal entries
OTHER TOOLS	<ul style="list-style-type: none">• Banking Center• Bank reconciliation• Closing the books

QUICKBOOKS ONLINE TEST DRIVE

Exercises contained in this handbook can be completed using a QuickBooks Online “test drive” file. The test drive uses a sample company file called Craig’s Design & Landscaping Services. It can be accessed through the following link:

[Craig's Design & Landscaping](#)

You don’t have to create an account or sign in to access the test drive file; just complete the security validation and click **Continue**.

This test drive is designed for you to explore and try out new things without worrying you will break something or make a mistake that affects actual company figures. It is also designed *not* to retain any changes you make. Once you close this QuickBooks Online test drive company, it is completely refreshed, so remember to allow sufficient time to complete each activity. But don’t worry if you have to close the test drive before you are finished! (Although you should change the *Sign me out if inactive for* setting to **3 hours** if you want to give yourself plenty of time.) You can always begin again.

Topic 1: Sales and Revenue Transactions

Whenever you set up a new area of QuickBooks, you need to review the Account and Settings related to that area. Before you go into Account and Settings, you need to make sure you understand the different types of sales and revenue transactions.

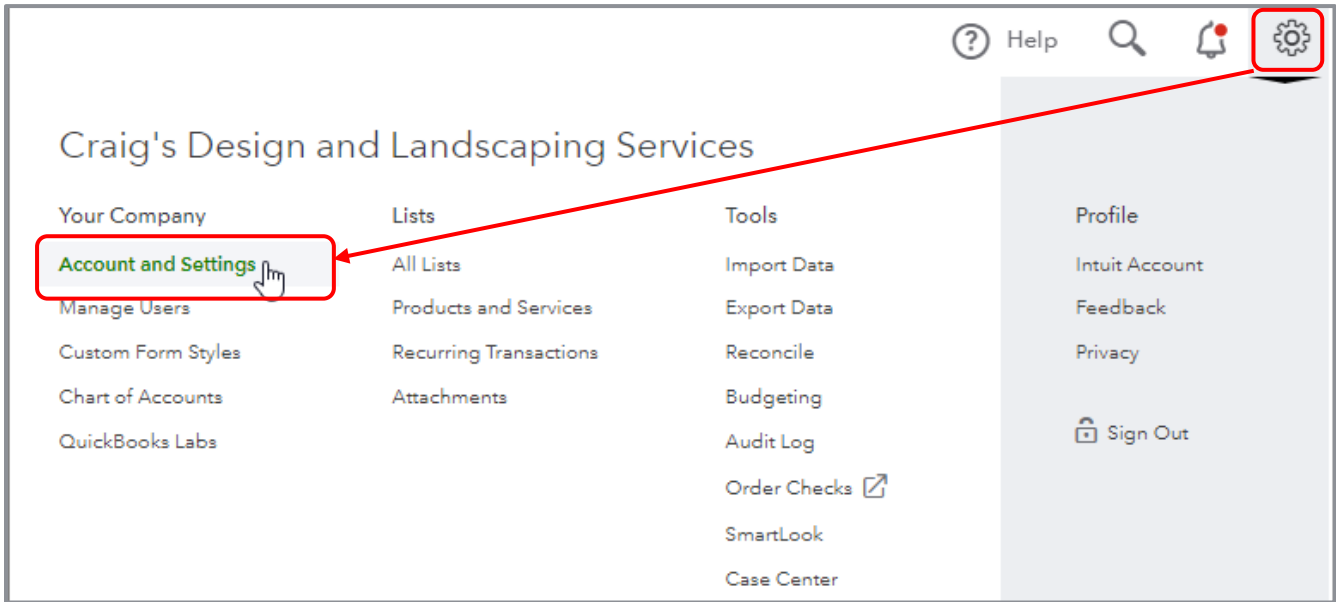
- **Estimates** are non-posting transactions that provide your customers with information on what you think you are going to charge them. Think of an estimate as a quote or proposal.
- **Invoice** is the sales transaction used when you want the customer to pay on account. An Invoice will increase accounts receivable, generally increase income and perhaps sales taxes if they are being collected.
- **Receive payment** is the type of transaction used to receive payment against an invoice. A Receive payment decreases accounts receivable and increases either a bank account or Undeposited Funds.
- **Sales receipt** is a sales transaction used when you receive payment at the time of sale; it has no effect on accounts receivable. It increases income and increases either a bank account or Undeposited Funds. Think of it as the equivalent of a cash register receipt when you buy a pack of gum at the store.
- **Credit memos** are used when a customer returns something or negotiates a lower price after the original invoice has been issued. This creates a credit in accounts receivable that can be used against future invoices.
- **Refund receipts** are also used when a customer returns something or negotiates a lower price, but with a refund receipt you are refunding their payment. It has no effect on accounts receivable. Refund receipts are often used if the customer to whom you are refunding the money no longer has any outstanding accounts receivable balance with you.
- **Delayed charges and credits** are only available in Essentials, Plus and Advanced; they are non-posting transactions that reflect a potential revenue increase or decrease, as they are *reminders* to add these charges or credits to future invoices.

All these transactions relate to monies coming in. Some of these transactions can be launched from more than one access point, whereas others can be launched only from one.

APPROPRIATE SALES-RELATED SETTINGS

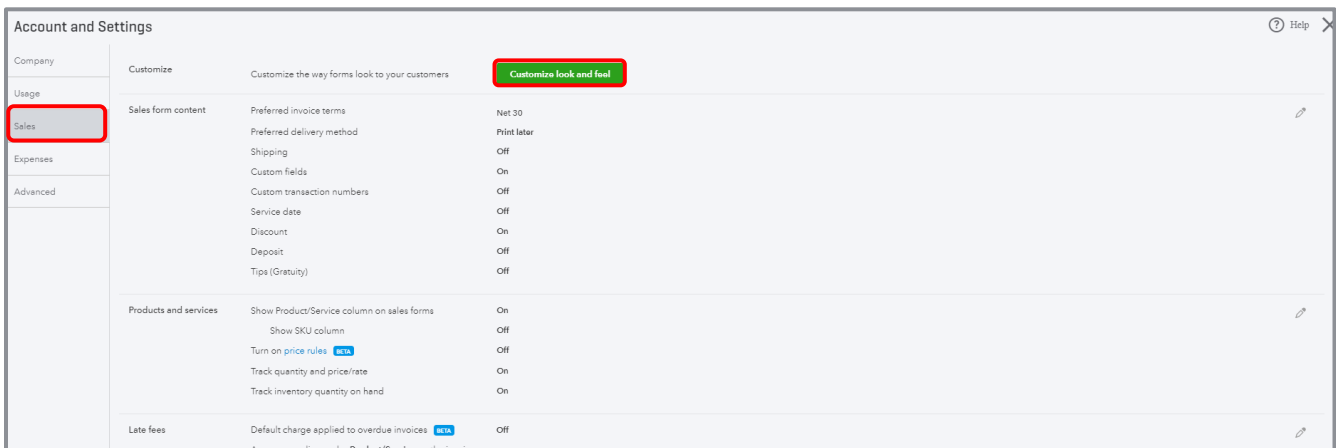
Account and Settings

Click the **gear** icon to access the **Account and Settings** under Your Company.



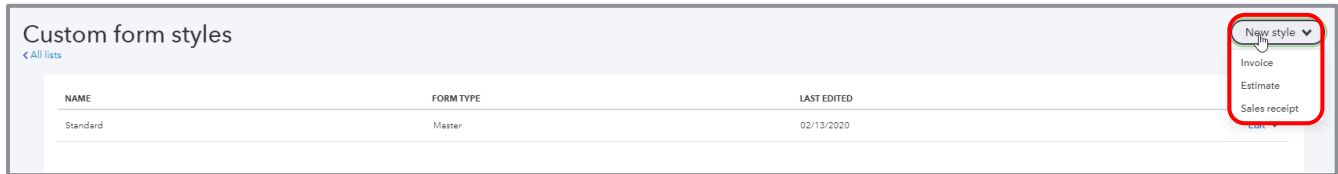
There are several tabs down the left side of Account and Settings to set the preferences you want to use with the company file. The Sales tab is its own category, but there are also sales-related settings under the Advanced tab.

NOTE: In an actual QuickBooks Online company (as opposed to the test drive company below), you would see more tabs down the left side, including ones for Billing and Subscription, and one for QuickBooks Payments.



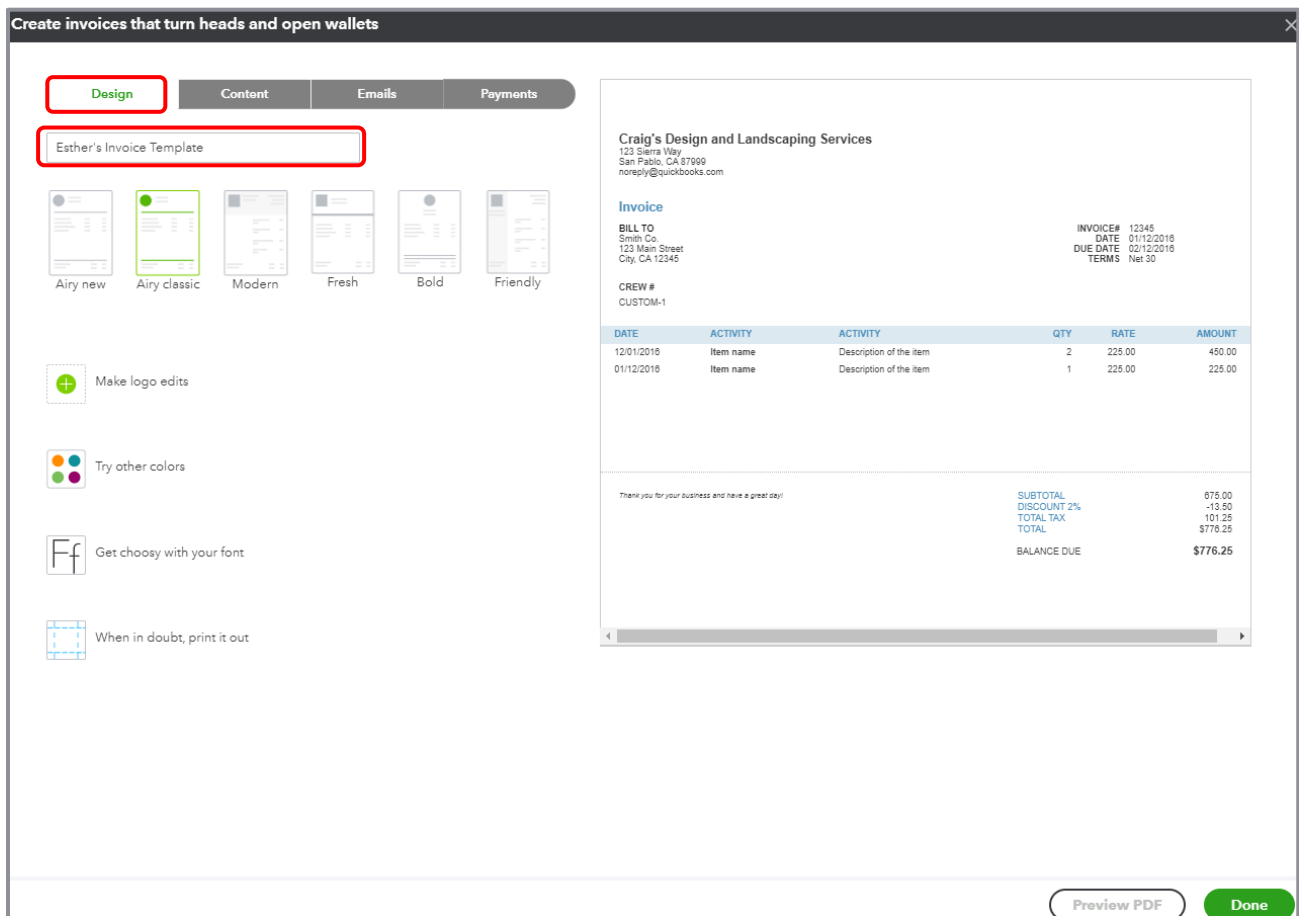
Customize Sales Forms

The first setting under the Sales tab allows you to customize the sales forms. Click **Customize look and feel**. Click **New Style**, then decide if you are going to create a new style for an invoice, estimate or sales receipt. Click **Invoice**.



Change the name of the invoice template from the generic *My INVOICE Template - DD-YY (xxxxx)* to something meaningful.

In the Design tab, you can rename the title of this sales form, choose your template (Airy new, Airy classic, Modern, Fresh, Bold or Friendly), upload up to 10 logos (you can use only one at a time), add color and your font. You can also print your in-progress template to test how it looks on plain paper or letterhead with various margins or preview a PDF of the form.



Click **Content** tab → **pencil** icon in any area (Header at the top, Form in the middle or Footer at the bottom) to review and edit the content in each area; you can also edit labels, column widths and so forth. (Make sure to look at billable time and expenses if you invoice based on time and expenses. In the Form area you can include the employee name on the form, as well as group activities by day, week, month or type, and have the groups subtotaled by clicking on **Show more activity options**.)

Create invoices that turn heads and open wallets

Design **Content** Emails Payments

Table

Account summary

Show on invoice

Activity table

COLUMNS [EDIT LABELS AND WIDTHS](#)

- Date
- Product/Service
 - Include description here
 - Category
- Description
 - Include Quantity and Rate
- Quantity
- Rate
- Amount
- SKU

[Show more activity options](#)

Invoice Preview:

Craig's Design and Landscaping Services
 123 Sierra Way
 San Pablo, CA 94966
 noreply@quickbooks.com

INVOICE# 12345
 DATE 01/12/2018
 DUE DATE 02/12/2018
 TERMS Net 30

DATE	ACTIVITY	ACTIVITY	QTY	RATE	AMOUNT
12/01/2018	Item name	Description of the item	2	225.00	450.00
01/12/2018	Item name	Description of the item	1	225.00	225.00

Thank you for your business and have a great day!

SUBTOTAL	875.00
DISCOUNT 2%	-13.50
TOTAL TAX	191.25
TOTAL	\$776.25
BALANCE DUE	\$776.25

Preview PDF Done

The Emails tab allows you to set the default email subject and message that accompanies the sent form (the Standard email), as well as the format of any Reminder emails you might send.

The screenshot shows the 'Emails' configuration window in QuickBooks Online. The window title is 'Create invoices that turn heads and open wallets'. It has four tabs: 'Design', 'Content', 'Emails' (which is selected and highlighted with a red box), and 'Payments'. Under the 'Emails' tab, there are several sections:

- How your invoice appears in emails:** Includes radio buttons for 'Full details' and 'Summarized details', and a checked checkbox for 'PDF Attached'.
- Standard email:** A section for editing the email content. It includes a 'Subject' field with the text 'Invoice from Craig's Design and Landscaping Services'. Below it is a checked checkbox for 'Use greeting' with a dropdown menu set to 'Dear' and another dropdown set to '[FullName]'.
- Message to customer:** A text area containing the message: 'Your invoice is attached. Please remit payment at your earliest convenience. Thank you for your business - we appreciate it very much. Sincerely, Craig's Design and Landscaping Services'.
- Reminder email:** A section that is currently collapsed.

On the right side of the window, there is a preview of the email. It shows the subject 'Invoice from Craig's Design and Landscaping Services' and the from address 'quickbooks@notification.intuit.com'. The email body includes the company name 'Craig's Design and Landscaping Services', a personalized greeting 'Dear [customer full name]', the main message 'Your invoice is attached. Please remit payment at your earliest convenience. Thank you for your business - we appreciate it very much.', and a signature 'Sincerely, Craig's Design and Landscaping Services'. At the bottom of the preview, it displays 'INVOICE 12345', 'DUE 02/12/2016', and a large amount '\$776.25'. There is a 'Print or save' button and 'Powered by QuickBooks' text at the very bottom of the preview area.

At the bottom right of the configuration window, there are two buttons: 'Preview PDF' and 'Done'.

The Payments tab lets your customers pay online by bank transfer or by credit card (fees apply).

Create invoices that turn heads and open wallets

Design | Content | Emails | **Payments** | Sign in

Let customers pay online

We'll put your money in the bank and update your books.

Bank transfer
Fees apply

Credit card
Fees apply

Craig's Design and Landscaping Services

INVOICE

INVOICE NO. 12305
DUE DATE 02/12/2016
INVOICE AMOUNT \$675.00

BALANCE DUE \$675.00

Invoice Detail | Activity

Craig's Design and Landscaping Services

123 Main St.
100 Anytown, CA 91234
Phone: (555) 555-1234
Email: info@craigdesign.com

INVOICE

Bill To:
123 Main Street
City, CA 91234

INVOICE DATE: 02/12/2016
INVOICE PERIOD: 02/01/2016 - 02/12/2016

CCID# 9
CSD-1000-1

DATE	ACTIVITY	ACTIVITY	QTY	RATE	AMOUNT
02/12/2016	Bank Charge	Description of the bank	1	200.00	200.00
02/12/2016	Bank Charge	Description of the bank	1	200.00	200.00

TOTALS:
SUBTOTAL \$675.00
TAXES \$0.00
TOTAL \$675.00

BALANCE DUE \$675.00

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Preview PDF Done

Sales Form Content

This section of the Sales tab of Account and Settings allows you to set options such as Preferred invoice terms and Preferred delivery method, which can be changed on an actual sales form. It sets defaults. Here you specify if there are custom user-entered transaction numbers on sales forms as well as a service date column. You can also add additional line items such as shipping, discount deposit or tips fields.

When you customized the forms previously, you had the ability to add up to three custom fields to the transactions. That preference is turned on here in the Sales form content and the fields can be set up here or on the Content tab when you customize an invoice.

NOTE: The Sales form content section is where you indicate if you want each custom field to be internal, public or both.

Sales form content

Preferred invoice terms ? Net 30

Preferred delivery method ? Print later

Shipping ? Off

Custom fields ? On

Name	Internal	Public
Crew #	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>

Custom transaction numbers ? Off

Service date ? On

Discount ? On

Deposit ? Off

Tips (Gratuity) ? Off

Cancel Save

Products and Services

In this section of the Sales tab in Account and Settings, you identify if you want to Show the Product/Service column on sales forms so the drop-down list of products and services is available. Also, this where you turn on the preference to track inventory and price rules. Inventory tracking and price rules are available only in QuickBooks Online Plus and Advanced.

Products and services	<input checked="" type="checkbox"/>	Show Product/Service column on sales forms ?	On
	<input type="checkbox"/>	Show SKU column ?	Off
	<input type="checkbox"/>	Turn on price rules BETA	Off
	<input checked="" type="checkbox"/>	Track quantity and price/rate ?	On
	<input checked="" type="checkbox"/>	Track inventory quantity on hand ?	On
<input type="button" value="Cancel"/>		<input type="button" value="Save"/>	

Late fees

You can turn on Late Fees, which applies a default charge to overdue invoices, either in the form of a flat fee or a percentage of the remaining balance. You can define the frequency, if it is an upfront, one-time fee, as well as the grace period and the terminology to be used for the charge (e.g., *Late fee*). Lastly, you can specify if sales tax is to be applied to this charge.

Late fees Default charge applied to overdue invoices BETA On

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

Type

Flat fee

Percentage of remaining balance

Percent (%) Frequency

Apply an upfront, one-time flat fee

Grace period

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

Appears on invoices as

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

Apply Sales Tax

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

Progress Invoicing

You can create multiple invoices from an estimate with Progress Invoicing, allowing you to keep track of the progress of a job. It is available in all subscription levels of QuickBooks Online. This is the section in the Sales tab of Account and Settings where you turn on the ability to perform Progress Invoicing.

Progress Invoicing Create multiple partial invoices from a single estimate On

Other Sales Settings

The Messages setting allows you to create default email forms when emailing sales forms.

Messages

Default email message sent with sales forms

Use greeting Dear [Full Name]

Sales form ?

Invoice

Email subject line

Invoice from Craig's Design and Landsc

Email message

Your invoice is attached. Please remit payment at your earliest convenience.
Thank you for your business - we appreciate it very much.

Sincerely,
Craig's Design and Landscaping Services

Email me a copy at noreply@quickbooks.com

Copy (Cc) new invoices to address

Cc (Separate multiple emails with a comma)

Blind Copy (Bcc) new invoices to address

Bcc (Separate multiple emails with a comma)

Sales form

Estimate ?

The Reminders setting, like the Messages setting, allows you to create default emails when sending reminders.

Online delivery settings relate to emailing your forms and what you want the customer to see. There are options of sending as plain text, HTML or using an online invoice.

There are a couple of preferences to choose from regarding Statements. See below:

Advanced Settings

For more sales-related preferences, look at the Automation section of Advanced settings.

The screenshot shows the 'Automation' section of the Advanced settings. It includes the following options:

- Pre-fill forms with previously entered content [?] On
- Automatically apply credits [?] On
- Automatically invoice unbilled activity [?] On
- Automatically create invoices and don't notify me [?] (dropdown menu)
- Schedule: Monthly [?] on day [?] 1st [?] of every 1 months(s)
- Automatically apply bill payments [?] On

Buttons: Cancel, Save

If you turn on the preference to **Pre-fill forms with previously entered content**, QuickBooks Online will copy the information from the last transaction using the same customer.

If you turn on the preference to **Automatically apply credits**, QuickBooks Online will apply any available credits to the next invoice. Beware of turning on this or any other automation preference. It may be that you don't want to apply the credit to the very next invoice, but instead to some future invoice.

You can turn on a preference to **Automatically invoice unbilled activity**. Once this preference is turned on, you then choose one of the following automation options:

The screenshot shows the dropdown menu for the 'Automatically invoice unbilled activity' preference. The options are:

- Automatically create invoices and don't notify me (highlighted)
- Automatically create invoices and notify me
- Remind me to create invoices

In addition, you specify a schedule regarding how often (in days, weeks, months or years) and when this automation function runs.

The screenshot shows the 'Schedule' section of the Automation settings. It includes the following options:

- Schedule: Monthly [?] on day [?] 1st [?] of every 1 months(s)

You need to understand the ramifications of the Automation preferences to know if they make sense for you. If you have problems with accounts receivable, check these settings.

ALTERNATE ENTRY POINTS TO ENTER SALES TRANSACTIONS

Customer Center

The Customer Center, accessed by selecting **Sales** then **Customers** in the left navigation bar, is a dashboard for adding, editing and reviewing customers with whom your QuickBooks Online company does business. The list of customers can be printed or exported to Microsoft Excel®, and it can be sorted by various parameters or filtered. In the far-right Action column, beside each customer listing in the Customer Center, is a drop-down box from which to create transactions such as invoices or estimates, send a reminder of a balance due, or print or send a statement. In addition, batch actions can be performed for one customer, selected customers or the entire list: send or print statements and send emails directly from within QuickBooks Online.

Customers

Customer types New customer

Unbilled Last 365 Days: \$0 ESTIMATE, \$750 3 UNBILLED ACTIVITY, \$1,526 10 OVERDUE, \$5,282 20 OPEN INVOICES, \$3,136 12 PAID LAST 30 DAYS

Do you organize sub-customers as projects? You can convert the first level of sub-customers into their own project. [Convert now](#)

Batch actions Find a customer, project or company

	COMPANY	PHONE	OPEN BALANCE	ACTION
<input type="checkbox"/>				
<input checked="" type="checkbox"/>		(650) 555-3311	\$239.00	Receive payment
<input type="checkbox"/>	Bill's Windsurf Shop	(415) 444-6538	\$85.00	Receive payment
<input checked="" type="checkbox"/>	Cool Cars	(415) 555-9933	\$0.00	Create invoice
<input checked="" type="checkbox"/>	Diego Rodriguez	(650) 555-4477	\$0.00	Create invoice

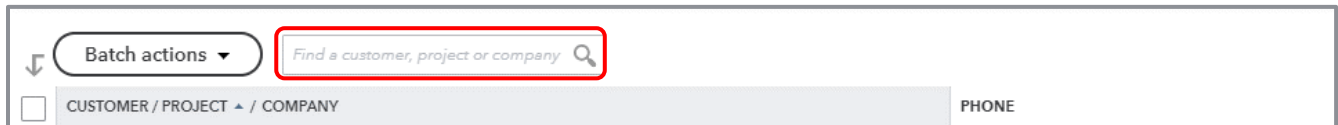
Enter Transactions from the Customer Center



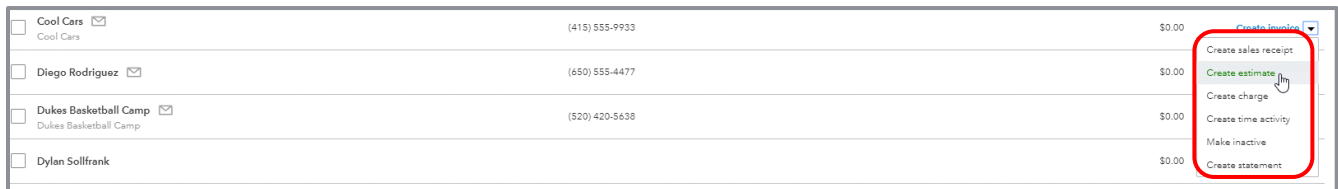
Step by Step: Create an Estimate

There are several ways to create an estimate in QuickBooks Online. To create an estimate from the Customer Center, follow these steps:

1. Select **Sales** → **Customers** from the left navigation bar.
2. If necessary, remove any filters from the search bar at the top of the customer list to produce a full list of customers.

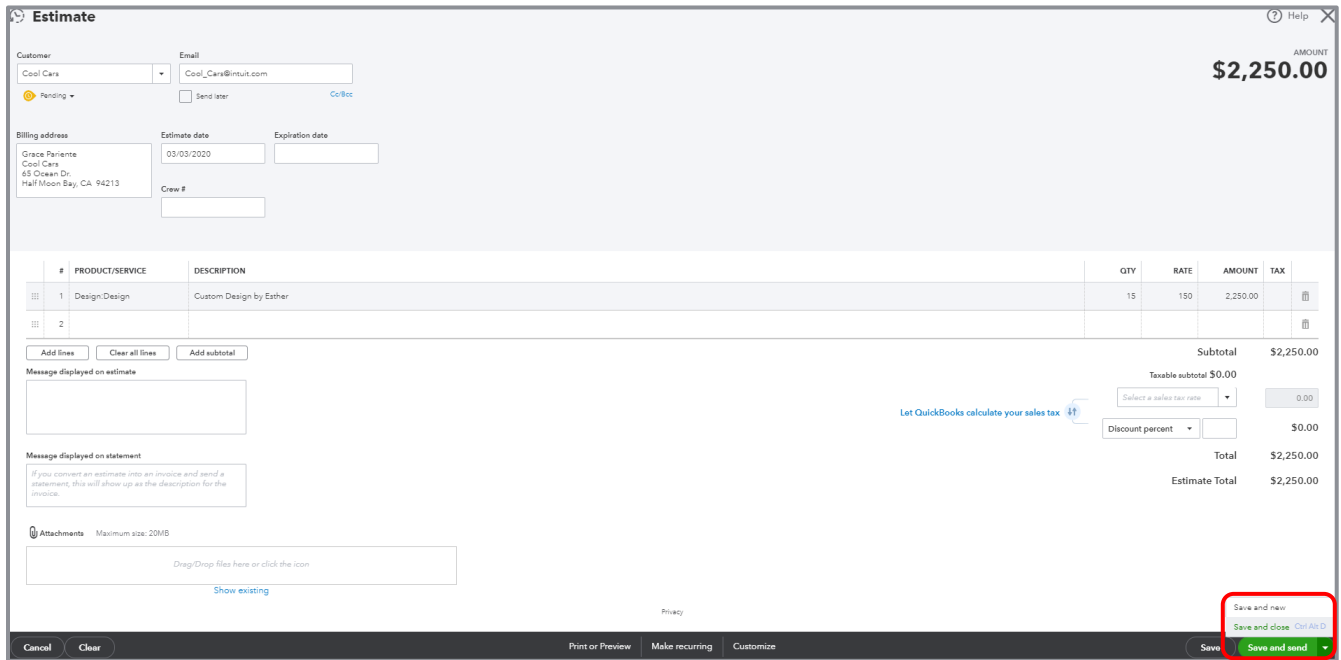


3. Select the drop-down box in the far-right column for **Cool Cars** → **Create estimate**.



4. Complete the on-screen estimate for Cool Cars with the desired date, products and services of your choosing, the quantity, description (override the description if you want) and rate (override the rate if you like) of each and the sales tax (check the **Tax** box for specific items, then select the **sales tax** to be applied in the drop-down box in the footer).
5. Complete any other desired fields such as Discount and Message displayed on estimate.

- 6. Select **Save and close** or (by clicking on the **drop-down box** next to Save and Send) **Save and new**.

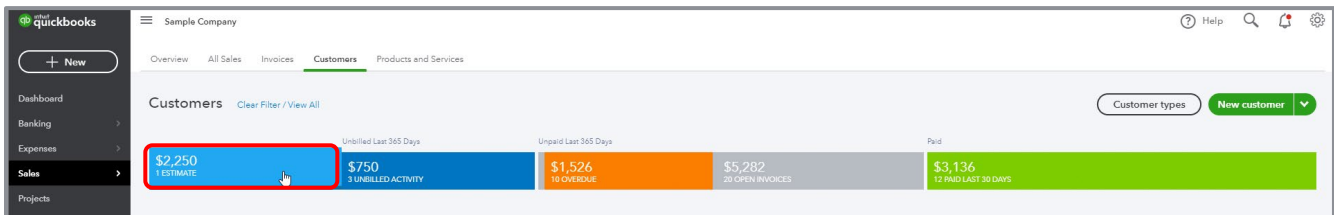




Step by Step: Create an Invoice from an Estimate

To create an invoice from the estimate you just created, the easiest way to find that estimate is from the Money Bar in the Customer Center.

1. Select **Sales** → **Customers** from the left navigation bar.
2. Click the **Estimates** rectangle in the far-left section of the Money Bar to display a list of open estimates.



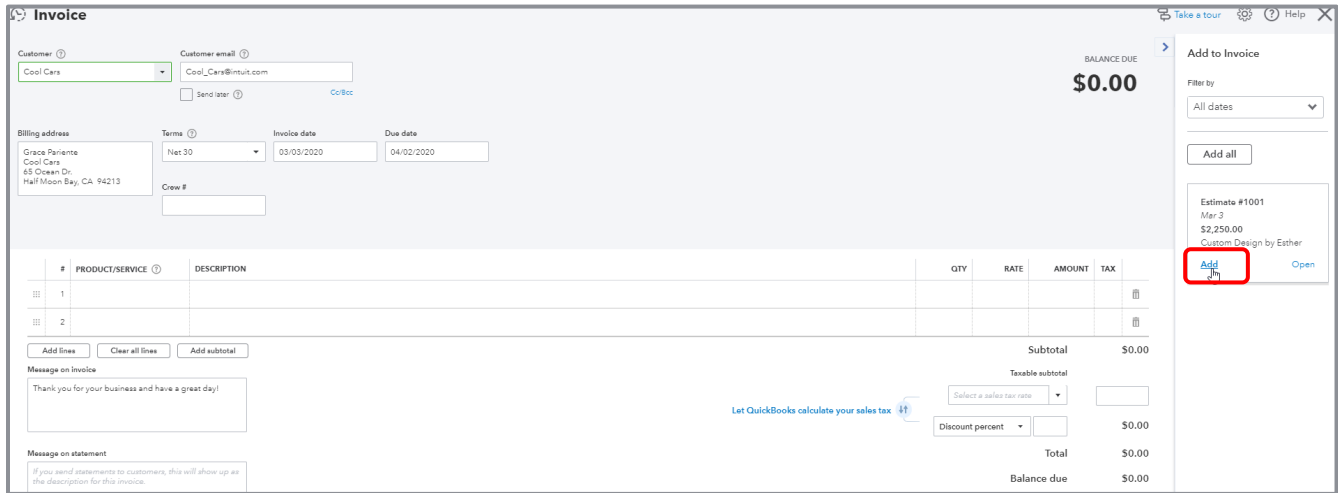
3. Locate Cool Cars and on the list of open estimates.

Batch actions		Find a customer, project or company				
<input type="checkbox"/>	CUSTOMER / PROJECT / COMPANY	PHONE	OPEN ESTIMATES	ESTIMATE AMOUNT	ACTION	
<input type="checkbox"/>	Cool Cars Cool Cars	(415) 555-9933	1 Open estimate	\$2,250.00	Start Invoice	

4. Find the estimate you want to turn into an invoice, then select **Start invoice** at the far right.

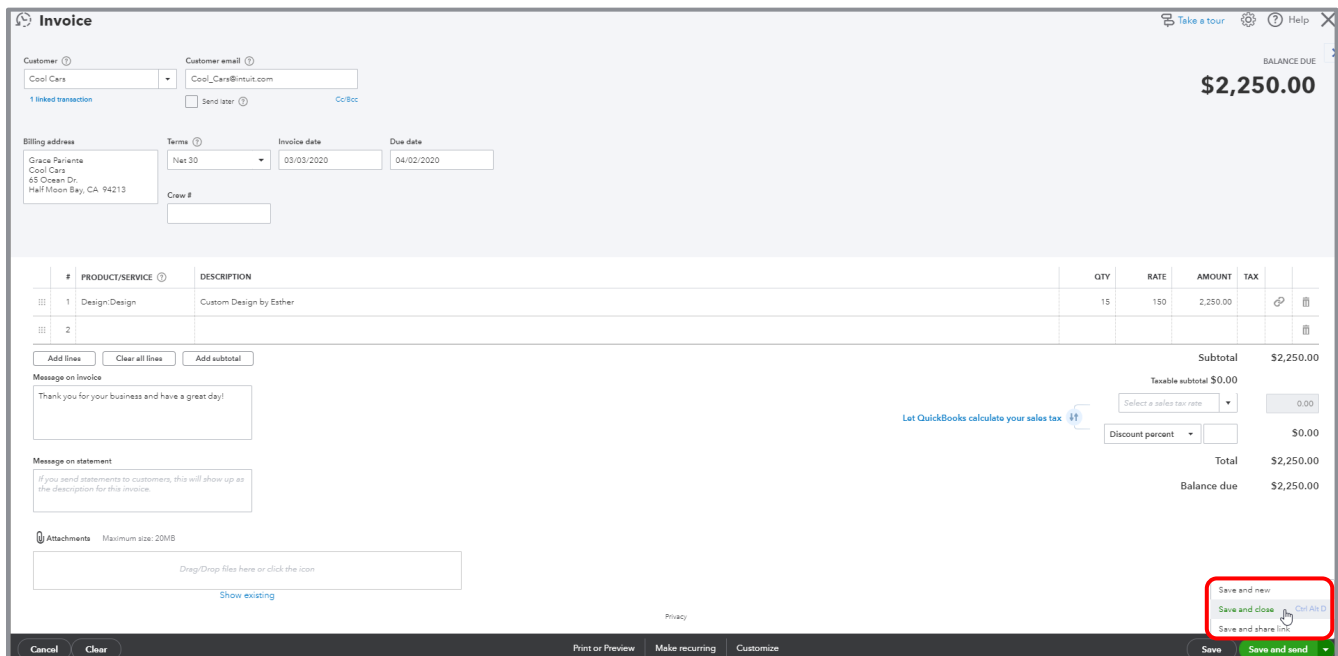
Batch actions		Find a customer, project or company				
<input type="checkbox"/>	CUSTOMER / PROJECT / COMPANY	PHONE	OPEN ESTIMATES	ESTIMATE AMOUNT	ACTION	
<input type="checkbox"/>	Cool Cars Cool Cars	(415) 555-9933	1 Open estimate	\$2,250.00	Start Invoice	

5. **Add** the open estimate from the drawer on the right.



6. Make changes to the already-populated invoice, as required.

7. Select **Save and close**, (by clicking on the drop-down box next to Save and Send) **Save and new**, **Save and close** or **Save and share link**.



When you create an invoice from the estimate, you can change the quantity of the line items on the invoice. QuickBooks Online will keep track of the quantity of each item on the original estimate and the cumulative number of each item sold on subsequent related invoices. This will affect the number of each item available to bring over to future invoices from the same estimate.

NOTE: If you do not want to invoice for the whole amount of the estimate, you can perform progress invoicing, which is available in all subscription levels of QuickBooks Online. First, ensure that Progress Invoicing is turned on. To do this click the **gear** icon → **Account and Settings** under Your Company → **Sales** tab → **Progress Invoicing** → **pencil** icon (or click anywhere in that section) and check the box next to **Create multiple partial invoices from a single estimate**. Then click **Save** and **Done**.

The screenshot shows the 'Account and Settings' interface. On the left sidebar, the 'Sales' tab is highlighted with a red box. The main content area is divided into sections: 'Customize', 'Sales form content', 'Products and services', 'Late fees', and 'Progress Invoicing'. The 'Progress Invoicing' section at the bottom is highlighted with a red box, showing a checked checkbox for 'Create multiple partial invoices from a single estimate'. Below this section are 'Cancel' and 'Save' buttons.

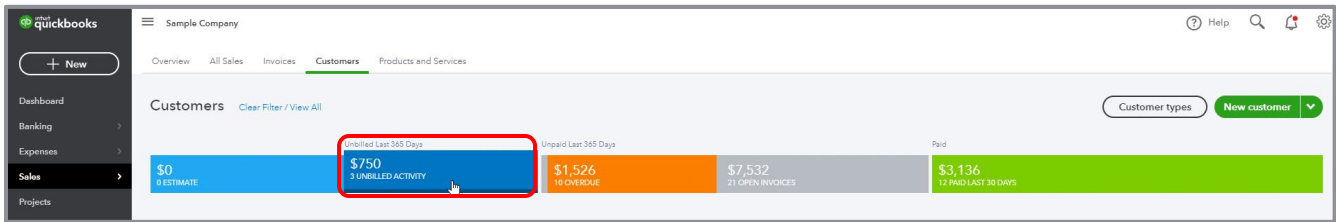
Section	Setting	Value
Sales form content	Preferred invoice terms	Net 30
	Preferred delivery method	Print later
	Shipping	Off
	Custom fields	On
	Custom transaction numbers	Off
	Service date	Off
	Discount	On
	Deposit	Off
	Tips (Gratuity)	Off
	Products and services	Show Product/Service column on sales forms
Show SKU column		Off
Turn on price rules <small>BETA</small>		Off
Track quantity and price/rate		On
Track inventory quantity on hand		On
Late fees	Default charge applied to overdue invoices <small>BETA</small>	Off
	Appears as a line under Product/Service on the invoice, and applies to all customers. Learn more	
Progress Invoicing	<input checked="" type="checkbox"/> Create multiple partial invoices from a single estimate	On



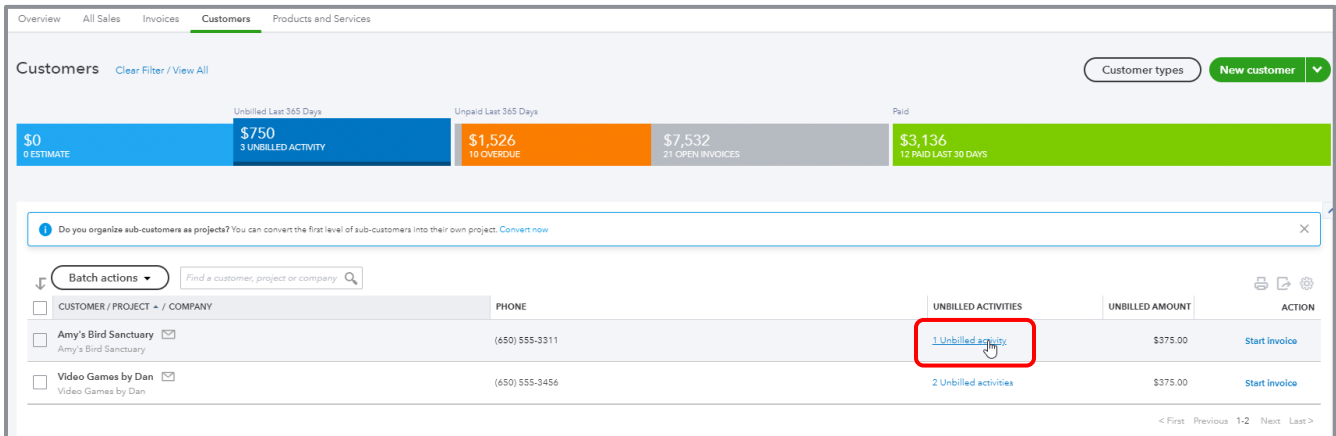
Step by Step: Create an Invoice for Unbilled Activity

You can also easily create invoices for any unbilled activity.

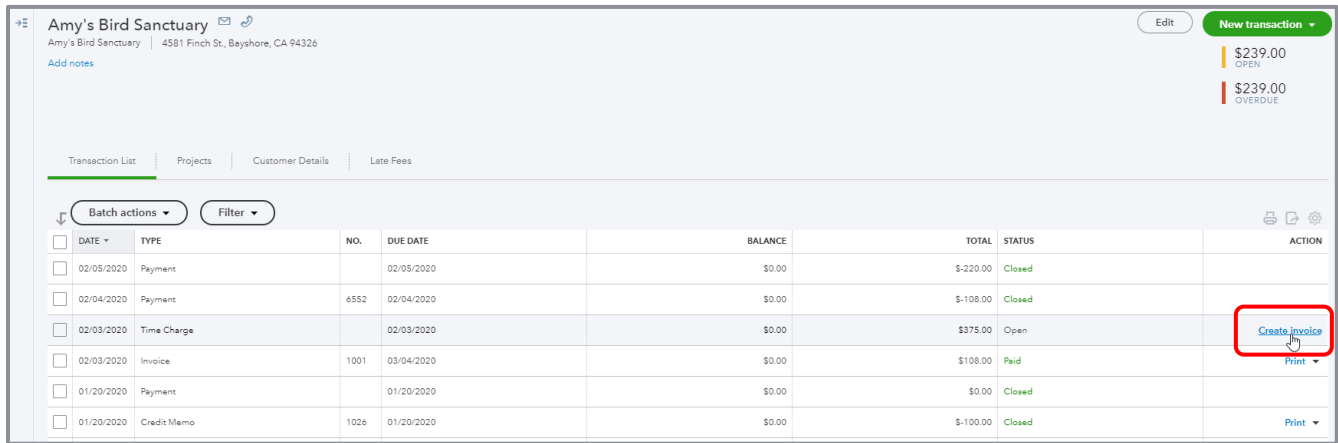
1. Select **Sales** → **Customers** from the left navigation bar.
2. Click the **Unbilled Activity** rectangle in the left section of the Money Bar to display a list of unbilled activity.



3. You could click **Start Invoice** in the far-right column from here to see the unbilled activity. Instead, however, click **Unbilled activity** for Amy's Bird Sanctuary.

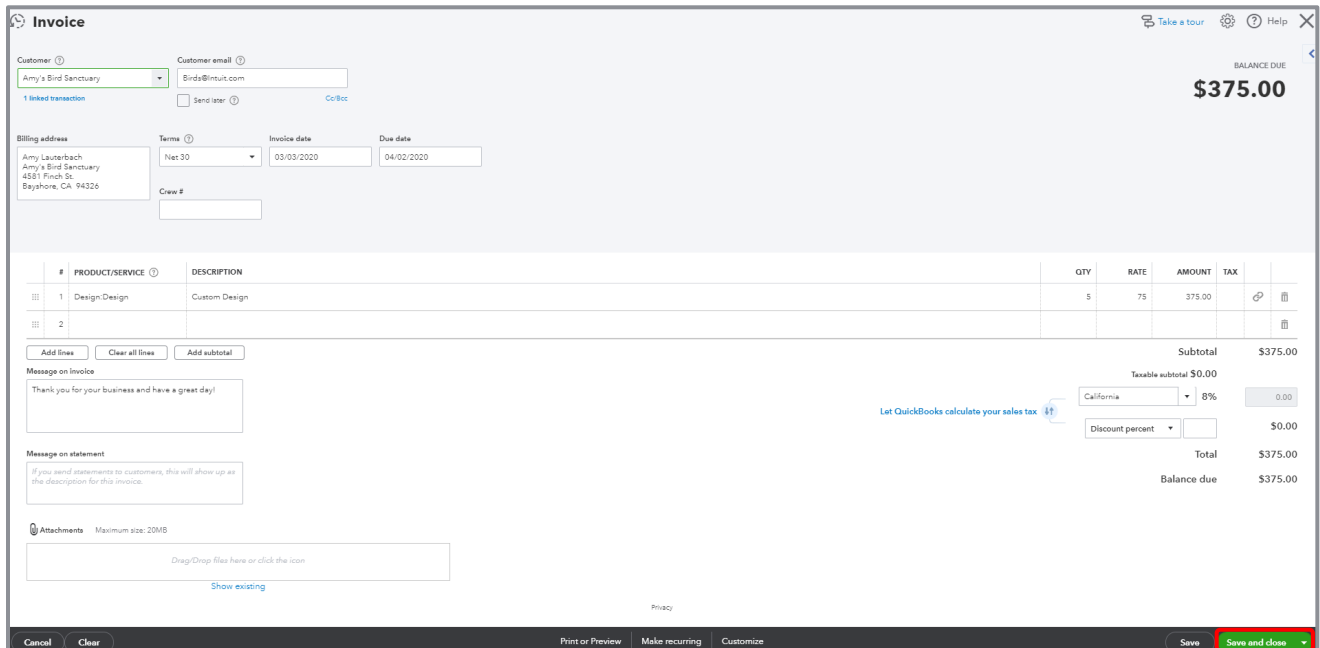


- Find the one Time Charge activity that is outstanding (unbilled) for this customer; it will display Start Invoice in the far-right column. Click **Create Invoice**.



NOTE: If you have multiple activities listed here (instead of just one), you can start an invoice for one unbilled activity and bring other unbilled activities in from the drawer on the right to add them as well.

- Add any additional charges, sales tax or discounts then click **Save and close**, **Save and new**, **Save and send** or **Save and share link**.

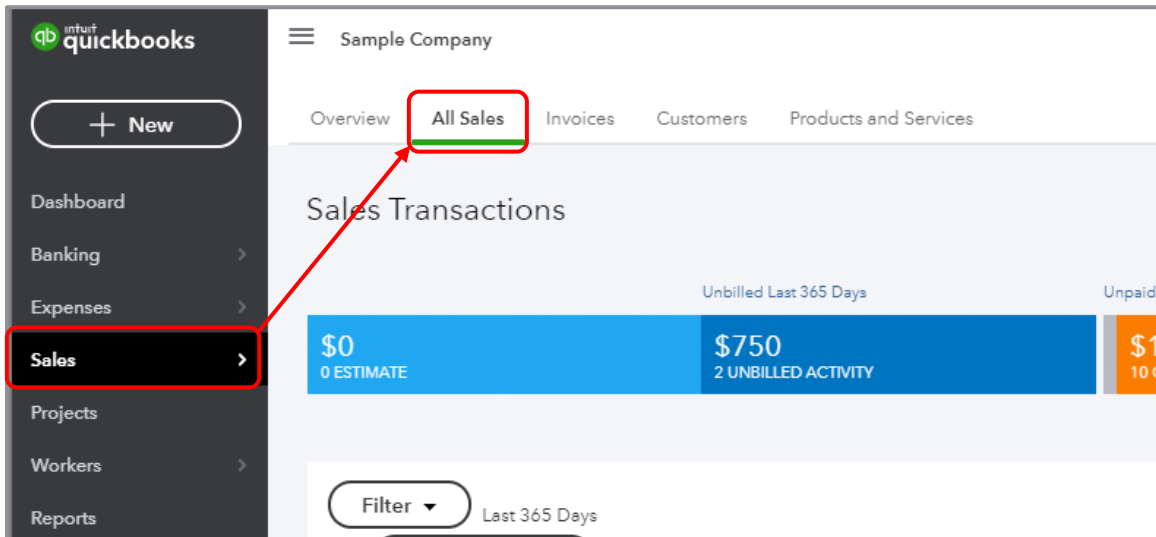


Enter Transactions from the Sales Transactions Page (Sales Center)

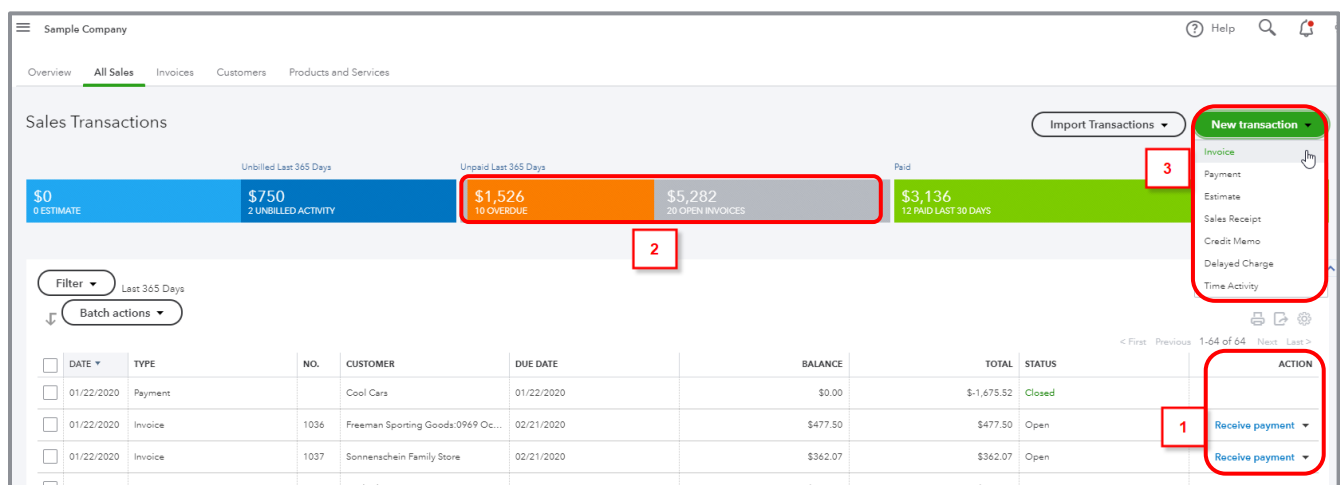


Step by Step: Create an Invoice

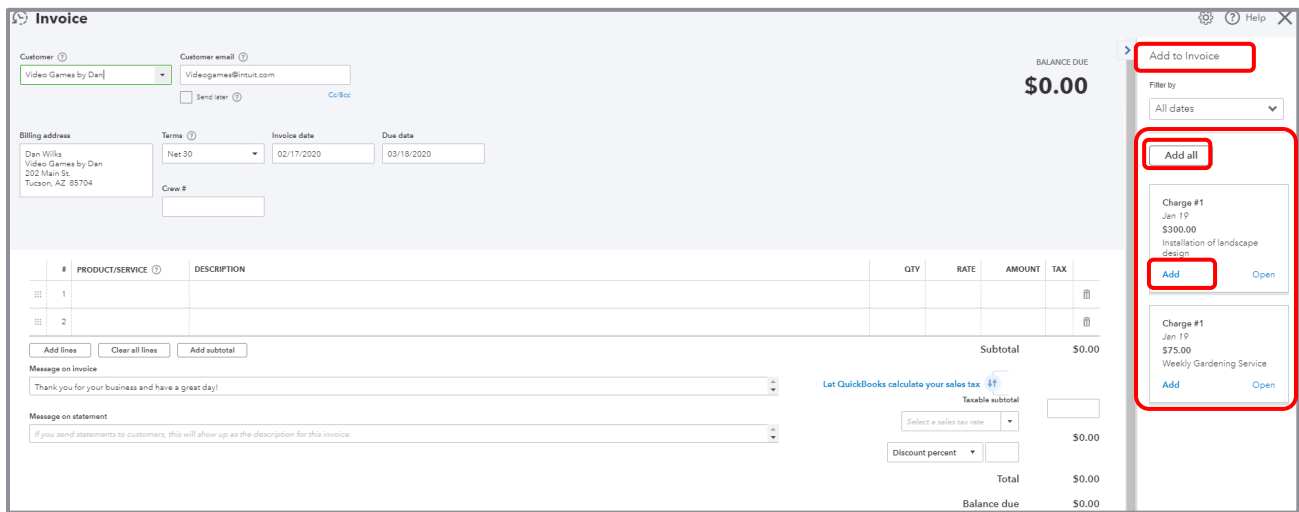
1. Click **Sales** → **All Sales** from the left navigation bar.



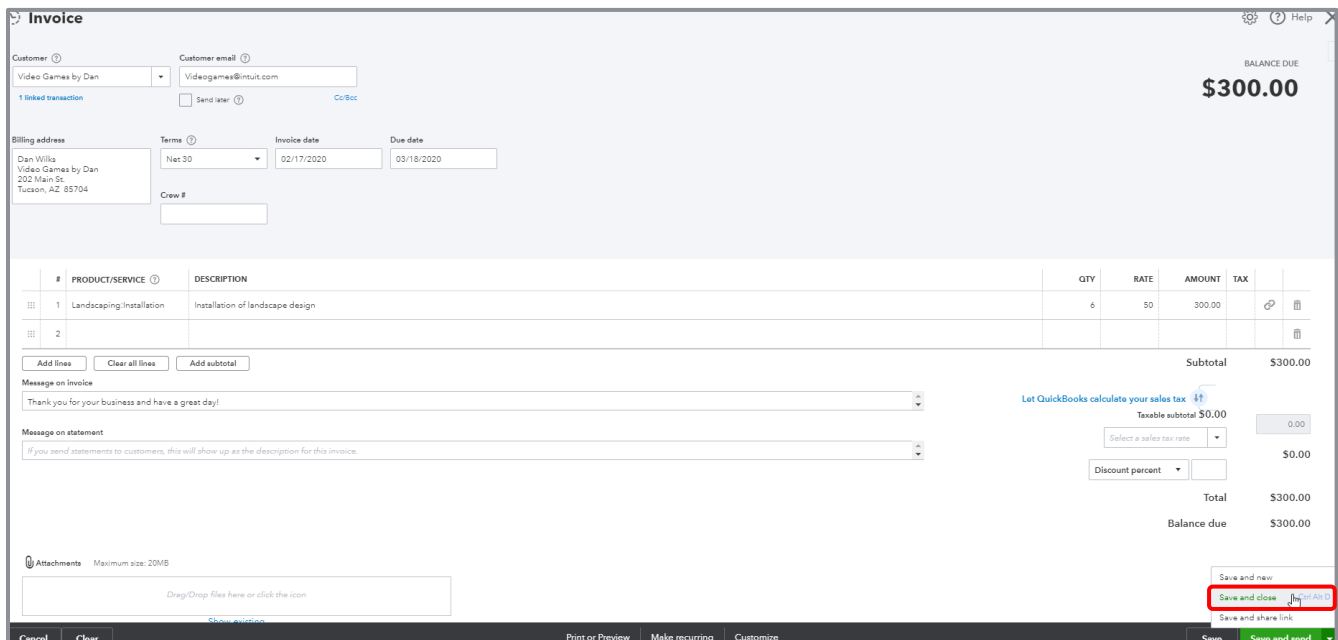
2. This opens the Sales Transactions or Sales Center. Under the Action column (1), there are suggested next steps. You can filter the Money Bar (2) here the same way you can in the Customer Center. You can also create a New Transaction at the top right of the screen. Click **New transaction** → **Invoice** (3).



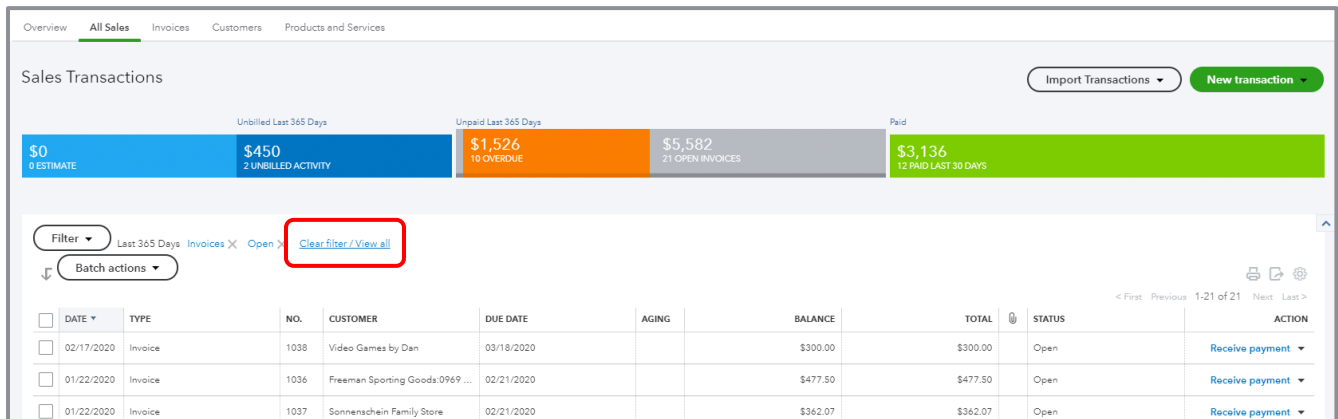
3. Create a new invoice for Video Games by Dan. When you enter the customer name, QuickBooks Online opens a drawer on the right that shows time or expense activities that have been marked billable or any delayed charges or credits for this customer. You can easily add them to the invoice. The difference between creating the invoice from here (in the Sales Center) vs. creating it from the Action column for that customer or activity, is in the Sales Center you have a choice of what you are adding (you can click **Add** for each item you wish to add or you can click **Add all** if you wish to add them all); if you create an invoice from the Action column, it automatically puts the unbilled activity on the invoice.



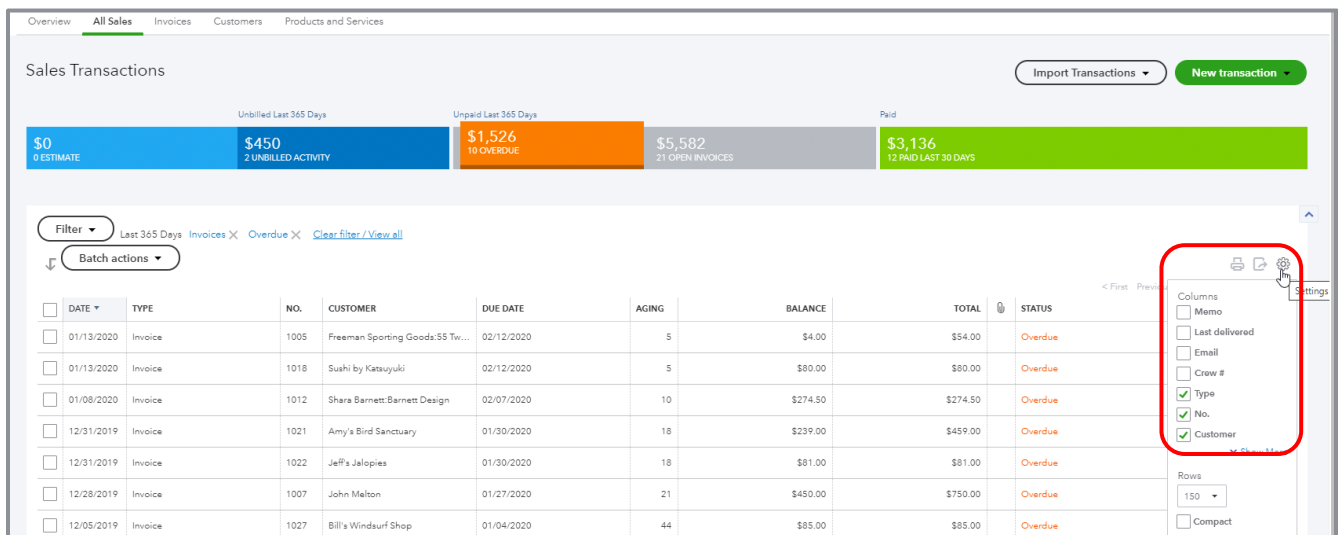
4. Invoice just for the installation by clicking **Add** (and you can collapse the drawer by clicking on the sideways caret if you want, as indicated in the previous screen capture), then **Save and close**.



- This brings you back to the Sales Transactions list. To clear the filter so you can see all the transactions, click **Clear filter / View all** at the top of the table, if it is visible. Note this table is sorted by date. You can sort by any column header by clicking that column’s **header** (clicking once sorts by that parameter; clicking twice sorts it in reverse order).



- If you don’t see the columns you need, click the **grid gear** icon above the *Action* column and choose the columns you want to display. Then click on the **grid gear** icon to make that list of columns disappear.





Step by Step: Receive Payment

1. The next step is to receive payment. Dan sent us a check for \$300. Click **Receive payment** next to his name.

Overview **All Sales** Invoices Customers Products and Services

Sales Transactions Import Transactions New transaction

Unbilled Last 365 Days: \$0 ESTIMATE, \$450 2 UNBILLED ACTIVITY
 Unpaid Last 365 Days: \$1,526 10 OVERDUE, \$5,582 21 OPEN INVOICES
 Paid: \$3,136 12 PAID LAST 30 DAYS

Filter: Last 365 Days Invoices X Open X Clear filter / View all

DATE	TYPE	NO.	CUSTOMER	DUE DATE	AGING	BALANCE	TOTAL	STATUS	ACTION
02/17/2020	Invoice	1038	Video Games by Dan	03/18/2020		\$300.00	\$300.00	Open	Receive payment
01/22/2020	Invoice	1036	Freeman Sporting Goods/969...	02/21/2020		\$477.50	\$477.50	Open	Receive payment

2. A list of Outstanding Transactions shows up for this customer with the invoice being paid checked. You can deposit to Undeposited Funds or directly into a bank account. In a real company, if you're signed up for QuickBooks Payments, you would see a box to check to process a credit card here. You'll learn more about payments in Module 5. Specify the **Payment date**, the **Reference no.** (check number), choose **Undeposited Funds** then **Save and close**.

Receive Payment #1234 Help

Customer: Video Games by Dan AMOUNT RECEIVED: \$300.00

Payment date: 02/17/2020

Payment method: Check Reference no.: 1234 Deposit to: Undeposited Funds Amount received: 300.00

Outstanding Transactions

DESCRIPTION	DUE DATE	ORIGINAL AMOUNT	OPEN BALANCE	PAYMENT
<input checked="" type="checkbox"/> Invoice # 1038 (02/17/2020)	03/18/2020	300.00	300.00	300.00

Amount to Apply: \$300.00
 Amount to Credit: \$0.00

Memo: None

Attachments: Maximum size: 20MB

Cancel Print More Save and close

From the Sales Transactions page you can enter transactions based on the currently listed transaction (click the **drop-down** in the Action column for that transaction), or you can create new sales transactions (click the **New transaction** drop-down at the top of the page).

Enter Transactions from +New

If you have the expanded view of +New open, you can see a list of sales type transactions under the Customers column.


CUSTOMERS	VENDORS	EMPLOYEES	OTHER
Invoice	Expense	Payroll ↗	Bank deposit
Receive payment	Check	Single time activity	Transfer
Estimate	Bill	Weekly timesheet	Journal entry
Credit memo	Pay bills		Statement
Sales receipt	Purchase order		Inventory qty adjustment
Refund receipt	Vendor credit		Pay down credit card
Delayed credit	Credit card credit		
Delayed charge	Print checks		

[Show less](#)



Step by Step: Enter a Delayed Charge

1. To open +New, click the **+New** sign at the top of the left navigation bar in QuickBooks; if you don't see the expanded view, click **Show more**.
2. Click **Delayed Charge**. A delayed charge is a non-posting transaction; you're telling QuickBooks Online you will need to invoice a customer for something in the future. Let's say you are a landscaping service and do gardening for multiple customers. Every day you record where you gardened that day, but you invoice only once a month. You can record that activity in QuickBooks Online as a delayed charge and, at month end, create an invoice.

CUSTOMERS	VENDORS	EMPLOYEES	OTHER
Invoice	Expense	Payroll ↗	Bank deposit
Receive payment	Check	Single time activity	Transfer
Estimate	Bill	Weekly timesheet	Journal entry
Credit memo	Pay bills		Statement
Sales receipt	Purchase order		Inventory qty adjustment
Refund receipt	Vendor credit		Pay down credit card
Delayed credit	Credit card credit		
Delayed charge 	Print checks		

[Show less](#)

- Enter *Amy's Bird Sanctuary*. In the Date field type a *w* to select the beginning of the currently displayed week. Enter *Gardening* under the Product/Service column. Enter *4* under the QTY (Quantity) column and *\$35* under the Rate column. Click **Save and new**.

Delayed Charge
Help X

Customer

Amy's Bird Sanctuary

AMOUNT

\$140.00

Delayed Charge Date

02/16/2020

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	TAX
1	Landscaping/Gardenin	Weekly Gardening Service	4	35	140.00	
2						

Add lines Clear all lines

Memo

Total \$140.00

Attachments Maximum size: 20MB

Drag/Drop files here or click the icon

Show existing

Privacy

Cancel Clear
Make recurring
Save and new v

- Enter *Amy's Bird Sanctuary*. In the Date field, type a *k* and **+**. *K* brings you to the end of this week and the **+** advances a day, which brings you to the beginning of next week. Enter *Gardening* under the Product/Service column. (Some of this might be there already, if the Automation preferences are set to *Pre-fill forms with previously entered content* in Account and Settings.) Enter 3 under the QTY column and \$35 under the Rate column. Click **Save and close**.

Delayed Charge

Customer: Amy's Bird Sanctuary AMOUNT: **\$105.00**

Delayed Charge Date: 02/23/2020

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	TAX
1	Landscaping/Gardening	Weekly Gardening Service	3	35	105.00	
2						

Memo:

Total: \$105.00

Attachments: Maximum size: 20MB

Drag/Drop files here or click the icon

Show existing

Privacy

Cancel Clear Make recurring Save and close
Save and now



Step by Step: Create an Invoice from +New

- From +New choose **Invoice**.

CUSTOMERS	VENDORS	EMPLOYEES	OTHER
Invoice	Expense	Payroll ↑	Bank deposit
Receive payment	Check	Single time activity	Transfer
Estimate	Bill	Weekly timesheet	Journal entry
Credit memo	Pay bills		Statement
Sales receipt	Purchase order		Inventory qty adjustment
Refund receipt	Vendor credit		Pay down credit card
Delayed credit	Credit card credit		
Delayed charge	Print checks		

[Show less](#)

- Enter *Amy's Bird Sanctuary*. As soon as you enter the customer name, if there are any unbilled (delayed) charges (or credits) or unbilled time (or expenses), a drawer opens on the right so you can easily add them to the invoice.

Invoice

Customer: Amy's Bird Sanctuary | Customer email: Birds@intuit.com

Billing address: Amy Lauterbach, Amy's Bird Sanctuary, 4521 Finch St, Bayshore, CA, 94326

Terms: Net 30 | Invoice date: 02/23/2020 | Due date: 03/24/2020

BALANCE DUE: \$0.00

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	TAX
1						
2						

Subtotal: \$0.00

Taxable subtotal: \$0.00

Tax: 8% | Total: \$0.00

Balance due: \$0.00

Add to Invoice

Filter by: All types, All dates

Add all

- Billable time**
 - Jan 19: 5:00, \$375.00, Custom Design
- Charge #1**
 - Feb 16: \$140.00, Weekly Gardening Service
- Charge #2**
 - Feb 23: \$105.00, Weekly Gardening Service

3. Click **Add all** then **Save and close**.

Invoice

Customer: Amy's Bird Sanctuary | Customer email: Birds@intuit.com

3 linked transactions | Send later | [Go Rec](#)

Billing address: Amy Lauterbach, Amy's Bird Sanctuary, 4821 Finch St, Bayshore, CA 94026

Terms: Net 30 | Invoice date: 02/23/2020 | Due date: 03/24/2020

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	TAX
1	Design/Design	Custom Design	5	75	375.00	
2	Landscaping/Gardening	Weekly Gardening Service	4	35	140.00	
3	Landscaping/Gardening	Weekly Gardening Service	3	35	105.00	
4						

Subtotal: \$620.00

Message on Invoice: Thank you for your business and have a great day!

Message on statement: If you send statements to customer, this will show up as the description for this invoice.

Let QuickBooks calculate your sales tax: Taxable subtotal \$0.00, California 8%, Discount percent

Total: \$620.00
Balance due: \$620.00

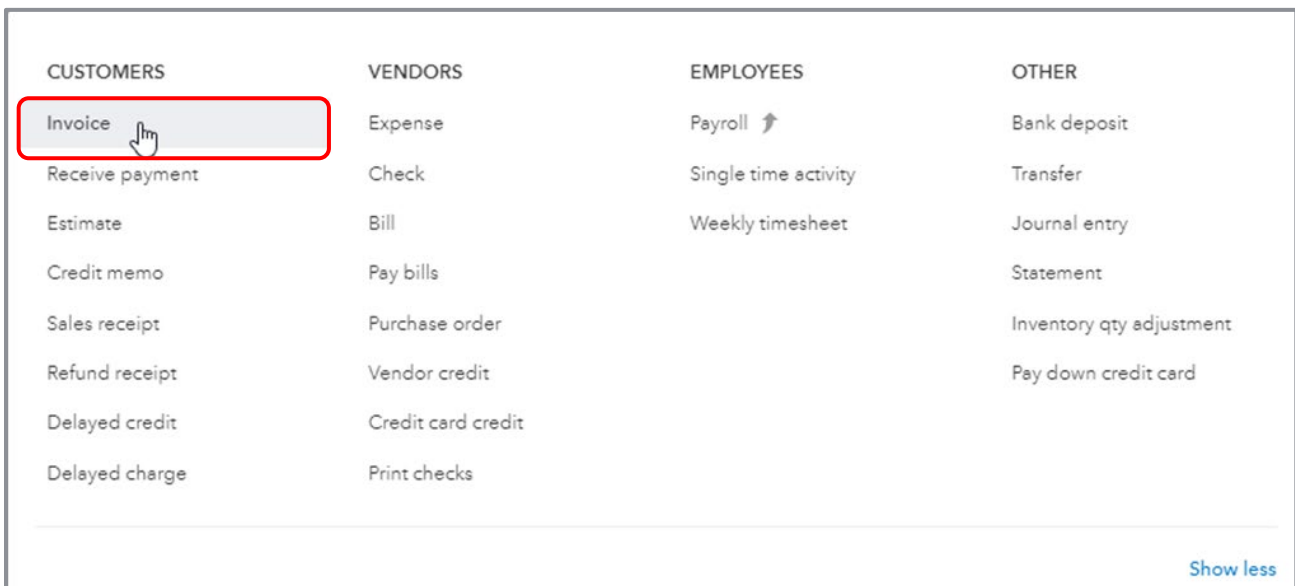
Buttons: Cancel, Clear, Print or Preview, Make recurring, Customize, Save, **Save and close**



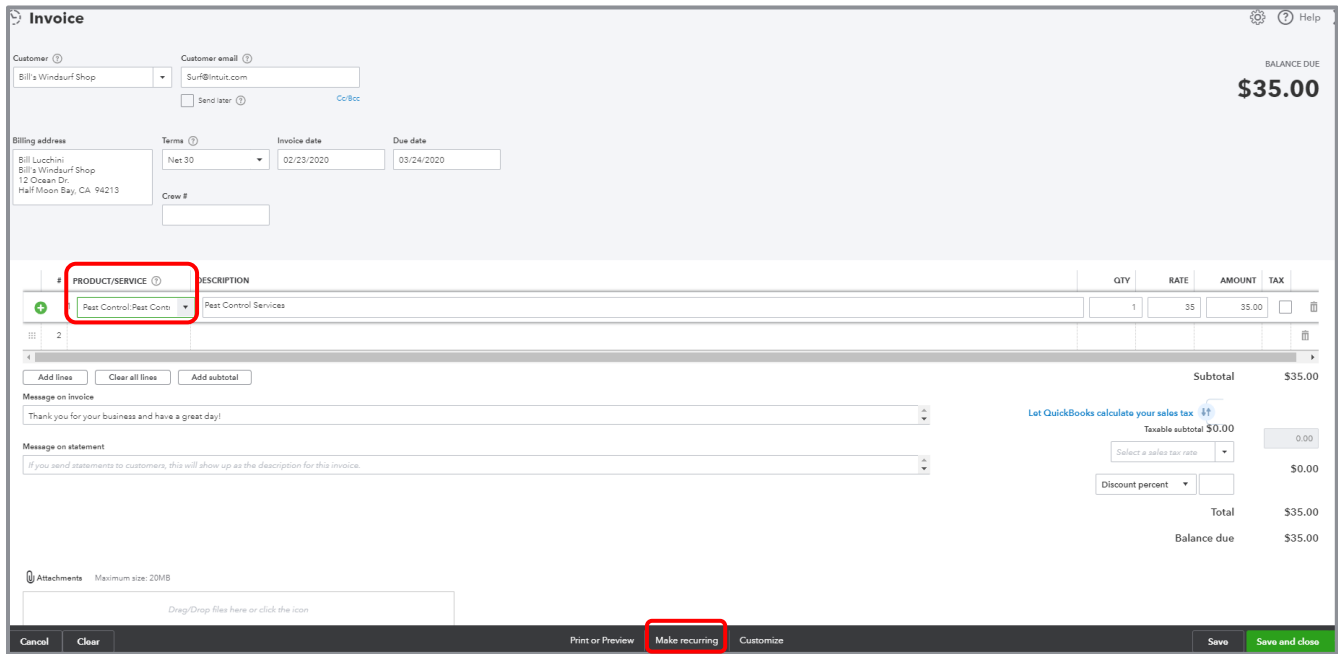
Step by Step: Recurring Transactions

If you have monthly recurring charges and you don't want to have to remember to enter them, QuickBooks Online can create an invoice automatically and email it to your customers. Use the Recurring Transactions feature. Most transactions (sales, purchases and journal entries) can be made recurring.

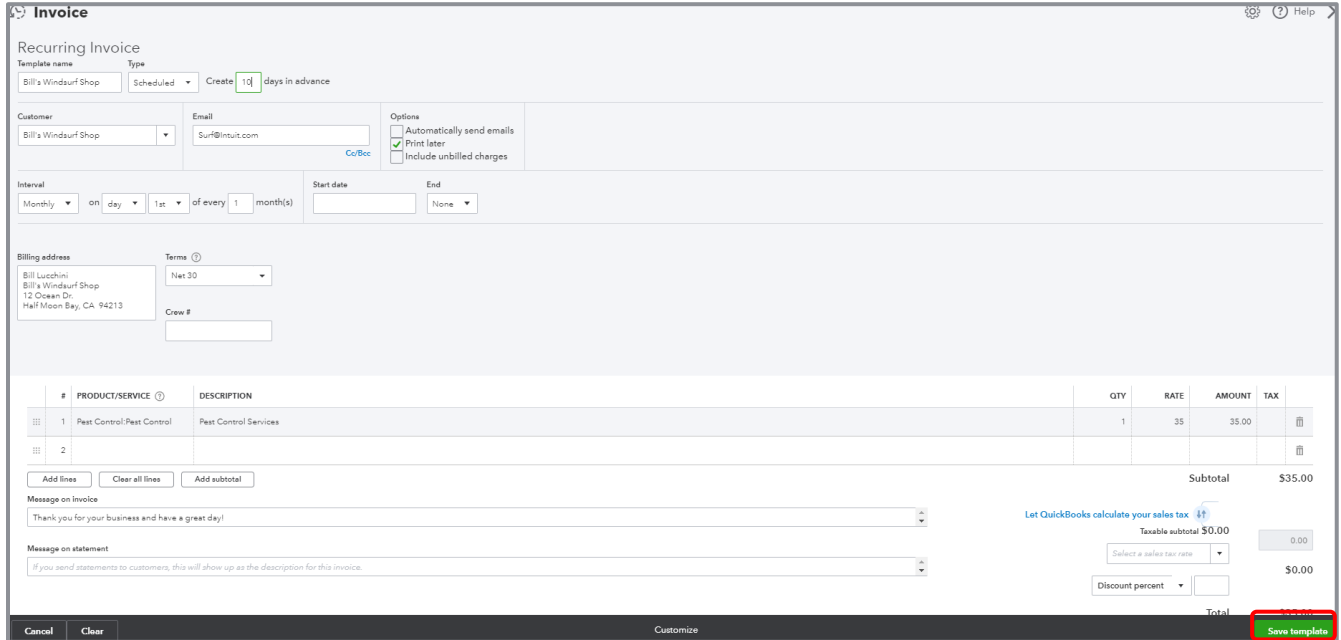
1. From +New click **Invoice**.



- 2. Type *Bill's Windsurf Shop* and choose **Pest Control** under Product/Service. Leave the quantity at 1 and the rate at \$35. At the bottom of the screen click **Make recurring**.



- This opens a screen where you can create a recurring invoice template. You can name the template, say whether you want it automatically entered, choose to send an email automatically and, if scheduled, set up the schedule. Click **Save template**.

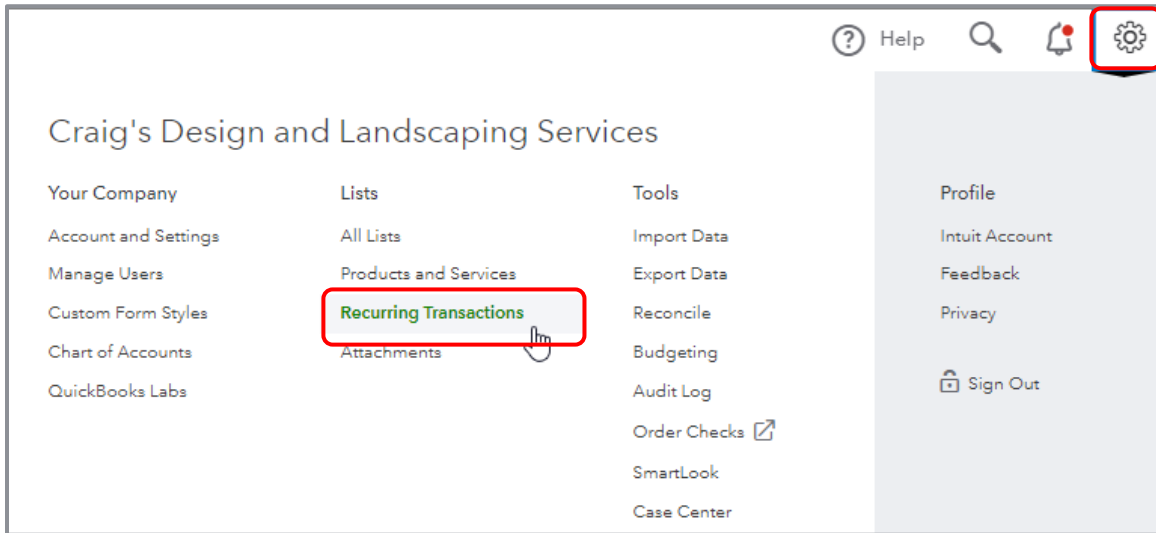


You have a lot of flexibility when creating a template. Experiment with it in the sample file. Note that if you have an already-recorded transaction and want to make it recurring, you can open it up and click **Make recurring** at the bottom of the screen. Remember that most transactions can be made recurring.



Step by Step: Recurring Transaction List

- To see a list of recurring transactions, click the **gear** icon and open **Recurring Transactions** under Lists.



- From here you can add new templates, edit an existing template, use an existing template, duplicate it (a good starting point for a new template) or delete it.

Recurring Transactions

Reminder List New

Filter by Name Filter All

TEMPLATE NAME	TYPE	TXN TYPE	INTERVAL	PREVIOUS DATE	NEXT DATE	CUSTOMER/VENDOR	AMOUNT	ACTION
Telephone Bill	Scheduled	Bill	Every Month		02/06/2020	Cal Telephone	74.36	Edit Use Duplicate Delete
Monthly Building Lease	Scheduled	Bill	Every Month		02/06/2020	Hall Properties	900.00	
Bill's Windsurf Shop	Scheduled	Invoice	Every Month		03/01/2020	Bill's Windsurf Shop	35.00	

Topic 2: Expense and Purchase Transactions

Whenever you set up a new area of QuickBooks, you need to review the Account and Settings related to that area. Before you go into the Account and Settings, you need to make sure you understand the different types of expense and purchase transactions.

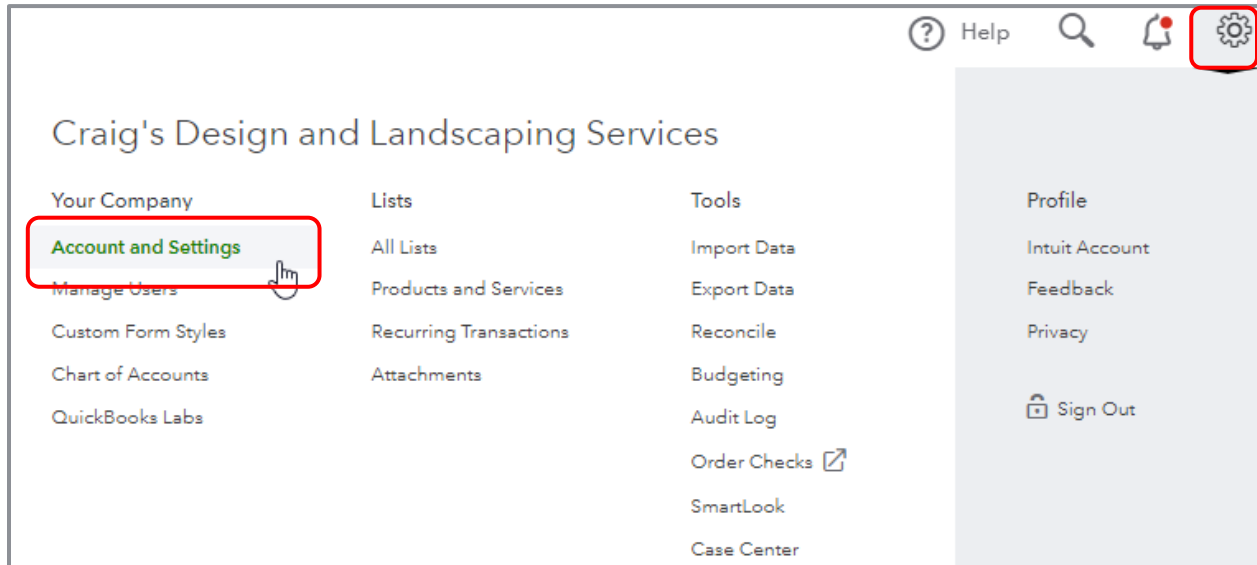
- **Bill** is a transaction you enter when you receive a bill from a vendor but want to pay it later. A bill will increase accounts payable and generally increase expenses. This is available in Essentials, Plus and Advanced only.
- **Expense** is a way to enter cash, check or credit card purchases all in one window. (Note that you cannot print checks that were entered from the Expense window.)
- **Checks** are a way to enter transactions that reduce your bank account. You can assign check numbers for manual checks or checks that have already been printed. Or you can set checks to print later and print them when you're ready.
- **Bill payment** is a transaction used to pay the bills entered. A bill payment reduces accounts payable and can be from a bank or credit card account. This is available in Essentials, Plus and Advanced only.
- **Purchase order** is a non-posting transaction used to tell a vendor you want to order goods or services. This is available in Plus and Advanced only.
- **Vendor credit** is used to record either a refund or return from a vendor that reduces accounts payable. This is available in Essentials, Plus and Advanced only.
- **Credit card credit** is a transaction that records a credit card refund from a vendor

All these transactions relate to monies going out. Some of these transactions can be launched from more than one access point, whereas others can be launched only from one.

APPROPRIATE EXPENSE-RELATED SETTINGS

Account and Settings

Click the **gear** icon and choose **Account and Settings** under Your Company.



There are several tabs down the left side to set the preferences you want to use with the company file. There is a separate tab for Expenses, but there are also expense-related settings included in the Advanced tab.

NOTE: In an actual QuickBooks Online company (as opposed to the test drive company below), you would see more tabs down the left side.

Click **Expenses**. The Bills and expenses preferences allow you to use items on expense and purchase forms (in addition to general ledger accounts), track purchases by customer and mark them billable. You can also define the default bill payment terms.

There is also a place to set up the default email message sent with purchase orders.

NOTE: Your subscription level determines whether you can use some of these features. For example, purchase orders can only be used in QuickBooks Online Plus and Advanced.

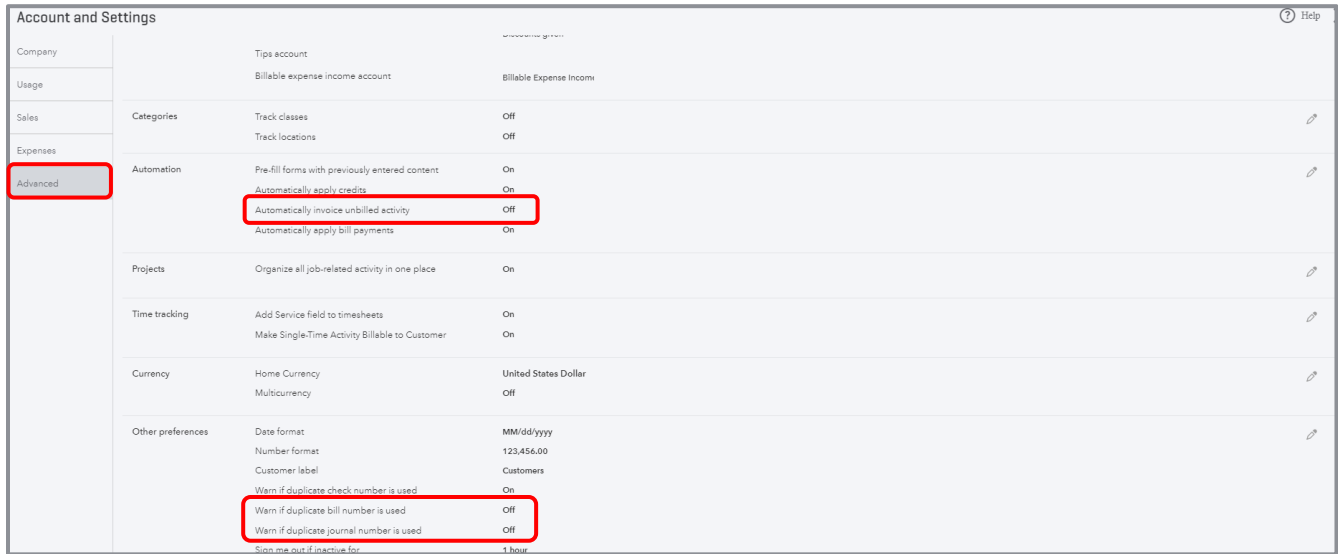
The screenshot displays the 'Account and Settings' interface in QuickBooks Online. The left sidebar has the 'Expenses' tab selected and highlighted with a red box. The main area is titled 'Bills and expenses' and contains several settings:

- Show items table on expense and purchase forms (On)
- Track expenses and items by customer (On)
- Make expenses and items billable (On)
- Markup with a default rate of 0.00 %
- Track billable expenses and items as income (On)
- In a single account
- In multiple accounts
- Charge sales tax

Below these are 'Default bill payment terms' with 'Cancel' and 'Save' buttons. A dropdown menu is open, showing options: '+ Add new', 'Due on receipt', 'Net 10', 'Net 15', 'Net 30' (selected), and 'Net 60'. At the bottom, there are sections for 'Purchase orders' (Use purchase orders) and 'Messages' (Default email message sent with purchase orders).

Click **Advanced**. You'll see the same types of automation choices you saw with customers. Do you want QuickBooks Online to apply bill payments automatically? Think about it before you turn it on.

Under the Other preferences section, it's a good idea to turn on the duplicate check and bill warnings.



ALTERNATE ENTRY POINTS TO ENTER PURCHASING TRANSACTIONS

Vendor Center

The Vendor Center, accessed by selecting **Expenses** then **Vendors** in the left navigation bar, is a dashboard for adding, editing and reviewing vendors with which your QuickBooks Online company does business. The list of vendors can be printed or exported to Excel, and it can be sorted by various parameters or filtered. In the far-right column, beside each vendor listing in the Vendor Center, is a drop-down box from which to create transactions such as bills or checks, or to make a vendor inactive. In addition, you can email vendors in batch by using the Batch Actions drop-down list at the top of the list of vendors in the left corner. These emails can use your choice of web-based email or email client.

Enter Transactions from the Vendor Center



Step by Step: Create a Bill

1. Go to **Action** → **Create bill** for Bob's Burger Joint.

VENDOR / COMPANY	PHONE	EMAIL	OPEN BALANCE	ACTION
<input type="checkbox"/> Bob's Burger Joint			\$0.00	Create bill Create expense Write check Create purchase order Make inactive
<input type="checkbox"/> Books by Bessie Books by Bessie	(650) 555-7745	Books@intuit.com	\$0.00	
<input type="checkbox"/> Brosnahan Insurance Agency Brosnahan Insurance Agency	(650) 555-9912		\$241.23	

NOTE: Because of the setting Show items table on expense and purchase forms (in the Expenses tab of Account and Settings), you have the choice to assign the detail portion of bills directly to one or more accounts on the Chart of Accounts, or use one or more items from the Products and Services list, or use a combination of the two functionalities.

- Assign a bill number 1234. Under Category details enter Advertising for \$2,500, billable to customer Amy's Bird Sanctuary.

Bill #1234 ? Help X

Vendor: Bob's Burger Joint BALANCE DUE
\$2,500.00

Mailing address: Bob's Burger Joint

Terms: [] Bill date: 02/24/2019 Due date: 02/24/2019 Bill no.: 1234

#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	TAX	CUSTOMER
1	Advertising		2,500.00	✓		Amy's Bird Sanctuary
2						

- Use the keyboard shortcut **Ctrl + Alt + s** to save this bill and open a new bill entry screen.
- Enter a second bill #1333 for Bob's Burger Joint for Meals and Entertainment, \$250 then **Save and close**. (Note that because the Company Setting Pre-fill forms with previously entered content is turned on (under Advanced and Automation), you'll have to overwrite the Advertising account that appears with Meals and Entertainment; you'll also have to change the amount of the expense from \$2,500 to \$250.)

Notice that when you used your keyboard shortcut to save bill 1234, QuickBooks Online saved the transaction and assumed you wanted to enter an additional transaction of the same type. But QuickBooks Online does not assume you want to use the same vendor. Therefore, in this case you needed to enter Bob's Burger Joint as the vendor in the second bill.

Now you see Bob's Burger Joint has \$2,750 as an Open Balance in the Vendor Center:

Expenses **Vendors**

Vendors Prepare 1099s New vendor

Unbilled Last 365 Days: **\$125** (1 PURCHASE ORDER) | Unpaid Last 365 Days: **\$848** (4 OVERDUE) | Paid: **\$4,353** (7 OPEN BILLS) | **\$3,026** (33 PAID LAST 30 DAYS)

VENDOR / COMPANY	PHONE	EMAIL	OPEN BALANCE	ACTION
<input type="checkbox"/> Bob's Burger Joint			\$2,750.00	Make payment
<input type="checkbox"/> Books by Bessie	(650) 555-7745	Books@Intuit.com	\$0.00	Create bill

If you click **Bob's Burger Joint** in the Vendor Center, you will see the two open bills adding up to \$2,750. You would then be able to make a payment by clicking on **Make payment** in the Action column in the far right next to one of the bills. If you want to pay the second bill on that same payment, you would be able to add the second bill to the payment transaction.

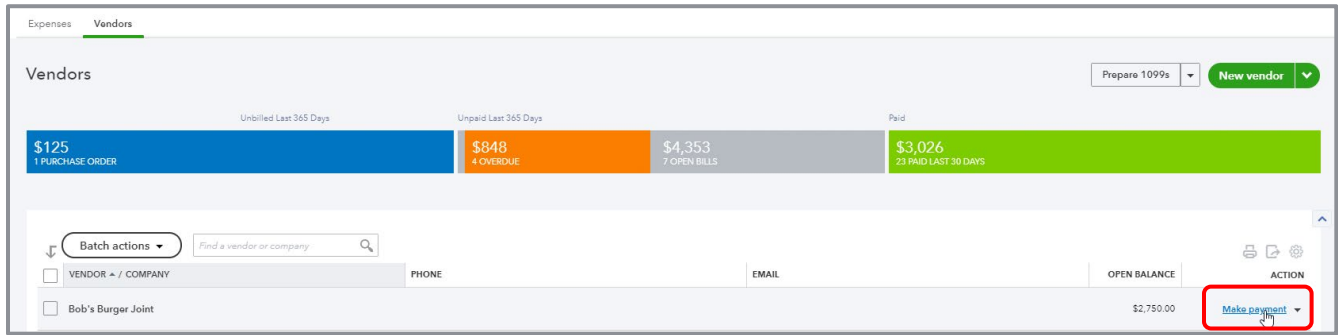
However, you don't have to go down to the individual bill level to tell QuickBooks Online to pay a vendor's bills. There are many ways to pay bills in QuickBooks Online. We will cover bill payments next.

DATE	TYPE	NO.	PAYEE	CATEGORY	TOTAL	ACTION	
<input type="checkbox"/>	02/23/2020	Bill	1234	Bob's Burger Joint	Advertising	\$2,500.00	Make payment
<input type="checkbox"/>	02/23/2020	Bill	1333	Bob's Burger Joint	Meals and Entertainment	\$250.00	Make payment
<input type="checkbox"/>	01/27/2020	Credit Card Expense		Bob's Burger Joint	Meals and Entertainment	\$18.97	
<input type="checkbox"/>	01/18/2020	Cash Expense		Bob's Burger Joint	Meals and Entertainment	\$-3.86	
<input type="checkbox"/>	01/13/2020	Cash Expense		Bob's Burger Joint	Meals and Entertainment	\$-5.66	
Total						\$2,759.45	

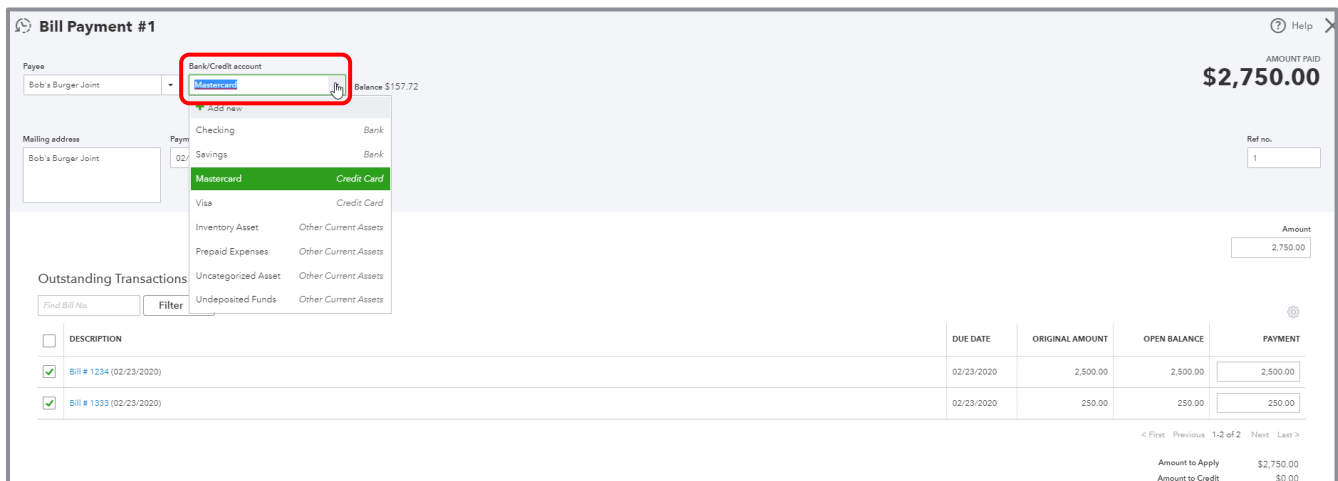


Step by Step: Pay Bills

1. Go back to the Vendor Center if you have left it. From the Action column, click **Make payment** next to Bob's Burger Joint.



2. QuickBooks Online opens the Bill Payment screen with that vendor's outstanding bills listed and already checked for you to pay. At the top of the screen you can choose to pay via a bank account or credit card. Specify the date of payment and a reference number if possible.



3. At the bottom of the screen click **Save and close**.



As with the Customer Center, you can click the vendor name and get a list of transactions you can act upon or create new transactions by clicking the **New transaction** button at the top right.

The screenshot shows the 'Bob's Burger Joint' vendor page in QuickBooks Online. At the top right, there is an 'Edit' button and a 'New transaction' button highlighted with a red box. A dropdown menu is open from the 'New transaction' button, listing options: Bill, Expense, Check, Purchase order, Vendor Credit, and Pay down credit card (with a 'NEW' tag). Below the menu, there are tabs for 'Transaction List' and 'Vendor Details'. The 'Transaction List' tab is active, showing a table of transactions with columns for DATE, TYPE, NO., PAYEE, CATEGORY, TOTAL, and ACTION. The table contains five rows of transaction data.

DATE	TYPE	NO.	PAYEE	CATEGORY	TOTAL	ACTION
02/23/2020	Bill	1234	Bob's Burger Joint	Advertising	\$2,500.00	View/Edit
02/23/2020	Bill	1333	Bob's Burger Joint	Meals and Entertainment	\$250.00	View/Edit
02/23/2020	Bill Payment (Credit Card)	1	Bob's Burger Joint		\$-2,750.00	
01/27/2020	Credit Card Expense		Bob's Burger Joint	Meals and Entertainment	\$18.97	
01/18/2020	Cash Expense		Bob's Burger Joint	Meals and Entertainment	\$-3.86	

Enter Transactions → Expenses

If you click **Expenses** → **Expenses** in the left-hand navigation bar, QuickBooks Online opens a list of the last 365 days of Expense Transactions (all kinds of money out transactions), regardless of vendor or payee. This screen can be filtered to modify the view. You can drill down on any transaction. You can also enter a new transaction or print checks.



Step by Step: Enter an Expense Type of Transaction

1. From the New Transaction drop-down menu, choose **Expense**. To recap: an *expense* transaction (a specific transaction type under the broad Expense transactions category, including transactions such as bills or checks) allows you to either reduce your bank account (including cash) or increase your credit card payable for a purchase made for the company. An expense transaction is a good transaction type to use when inputting a backlog of receipts that have been collected but not sorted by payment type. With the expense transaction, there is *no need* to sort the receipts first by credit card, check, other bank account or cash. Rather, you can enter them using this one Expense screen by specifying the account (specified bank account, petty cash or a specified credit card) at the top.

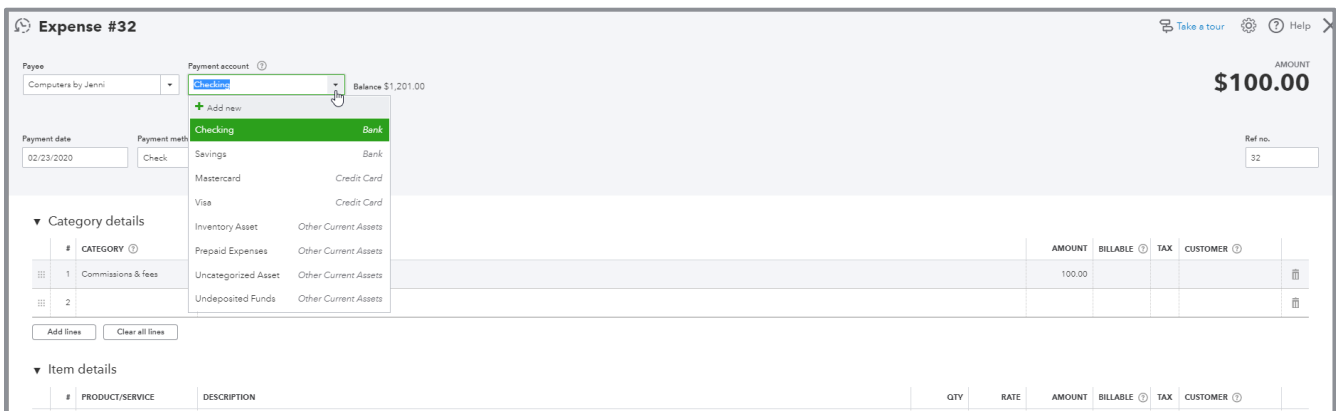
The screenshot shows the 'Expense Transactions' page in QuickBooks Online. At the top right, there is a 'Print Checks' button and a 'New transaction' button. The 'New transaction' button is highlighted with a red box, and a dropdown menu is open, showing the following options: Bill, Expense, Check, Purchase order, Vendor Credit, and Pay down credit card (new). The 'Expense' option is the one being highlighted in the original image.

DATE	TYPE	NO.	PAYEE	CATEGORY	TOTAL
02/23/2020	Bill Payment (Credit Card)	1	Bob's Burger Joint		\$-2,750.00
02/23/2020	Bill	1234	Bob's Burger Joint	Advertising	\$2,500.00
02/23/2020	Bill	1333	Bob's Burger Joint	Meals and Entertainment	\$250.00
02/16/2020	Credit Card Expense			Automobile	\$34.00
02/05/2020	Credit Card Credit			Checking	\$-900.00
02/03/2020	Credit Card Expense		Squeakly Kleen Car Wash	Automobile	\$19.99
01/28/2020	Credit Card Expense		Hicks Hardware	Job Expenses:Job Materials/Decks and Patios	\$42.40
01/27/2020	Credit Card Expense		Squeakly Kleen Car Wash	Automobile	\$19.99

- Enter an expense for the vendor Books by Bessie. It was paid with a MasterCard and was for Dues & Subscriptions for \$10. (It’s also a good practice for tracking purposes to enter a meaningful reference number, even if one is not supplied by the vendor.)



- At the bottom of your screen click **Save and new**.
- Enter a transaction for Computers by Jenni. It was paid out of Checking with manual check #32 on the same date. It was for Commissions and Fees for \$100. **Save and close**.



On the Expense Transactions page both expenses appear, but one affected the bank account (Checking) and the other a credit card account (MasterCard). If you are entering all checks, use the Check feature rather than the Expense transaction. Remember, the Check feature allows you to print checks while the Expense transaction does not.

Expense Transactions Print Checks New transaction

Filter Last 365 Days Batch actions

< First Previous 1-68 of 68 Next Last >

<input type="checkbox"/>	DATE <input type="button" value="v"/>	TYPE	NO.	PAYEE	CATEGORY	TOTAL	ACTION
<input type="checkbox"/>	02/23/2020	Expense	Feb...	Books by Bessie	Dues & Subscriptions <input type="button" value="v"/>	\$10.00	View/Edit <input type="button" value="v"/>
<input type="checkbox"/>	02/23/2020	Bill	1234	Bob's Burger Joint	Advertising <input type="button" value="v"/>	\$2,500.00	View/Edit <input type="button" value="v"/>
<input type="checkbox"/>	02/23/2020	Bill	1333	Bob's Burger Joint	Meals and Entertainment <input type="button" value="v"/>	\$250.00	View/Edit <input type="button" value="v"/>
<input type="checkbox"/>	02/23/2020	Bill Payment (Credit Card)	1	Bob's Burger Joint		\$-2,750.00	
<input type="checkbox"/>	02/23/2020	Expense	32	Computers by Jenni	Commissions & fees <input type="button" value="v"/>	\$100.00	View/Edit <input type="button" value="v"/>
<input type="checkbox"/>	02/16/2020	Credit Card Expense			Automobile <input type="button" value="v"/>	\$34.00	

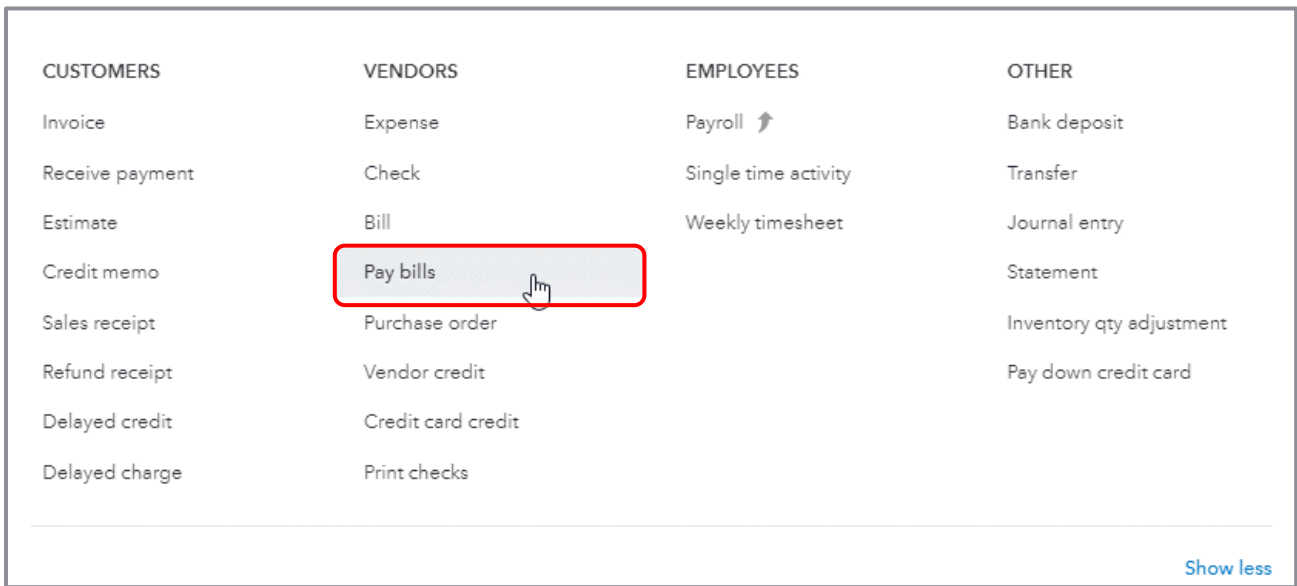
Enter Transactions from +New

Previously you learned how to pay one or more bills from the Vendor Center, but this would allow you to pay only one vendor at a time. If you want to pay bills from multiple vendors at one time, you need to access **Pay Bills** from +New.

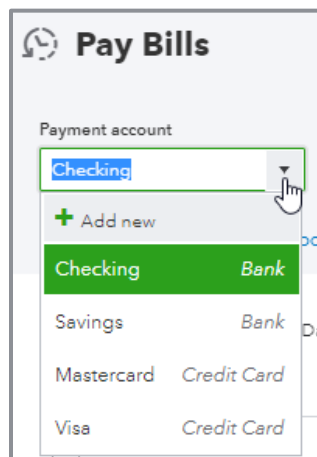


Step by Step: Pay Multiple Bills

1. Click **+New** then, under Vendors select **Pay Bills**.



2. Select **Checking** as the Payment account.



- Enter the Payment date and check the box for **Print Later** (instead of specifying a starting check no. for manual checks). You can sort the list by clicking on the column headers as in the Vendor and Customer centers. You can also filter the list. Select which bills to pay by placing a checkmark in the far-left column next to the bill(s). If you are going to pay less than the open balance on a bill, enter that amount in the Payment column. Note that by clicking on the column headers, you can sort how you want to see the bills listed. Click **Save and print**.

Pay Bills

Payment account: Checking Balance \$1,101.00 Payment date: 02/17/2020 Starting check no.: To print Print later

TOTAL PAYMENT AMOUNT: **\$503.94**

Pay bills directly from QuickBooks

Filter > Last 365 Days

PAYEE	REF. NO.	DUE DATE	OPEN BALANCE	CREDIT APPLIED	PAYMENT	TOTAL AMOUNT
<input checked="" type="checkbox"/> PG&E		01/07/2020	\$86.44	Not available	86.44	\$86.44
<input checked="" type="checkbox"/> Norton Lumber and Building Materials		01/22/2020	\$205.00	Not available	102.50	\$102.50
<input checked="" type="checkbox"/> Robertson & Associates		01/22/2020	\$315.00	Not available	315.00	\$315.00
<input type="checkbox"/> Brosnahan Insurance Agency		01/25/2020	\$241.23	Not available		\$0.00
<input type="checkbox"/> Diego's Road Warrior Bodyshop		02/19/2020	\$755.00	Not available		\$0.00
3 bills selected			\$606.44	\$0.00	\$503.94	\$503.94

Total payment (USD) 503.94

5 open bills, 4 overdue

Current account balance \$1,101.00
Total payment -\$503.94
New account balance \$597.06

Cancel **Save and print**

When you click **Save and print** QuickBooks Online will give you a list of bills paid as well as print the bill payment checks. (You may see a Print Checks setup screen first if you haven't printed checks before.)

Print Checks

Checking Balance \$597.06 3 checks selected \$503.94 Add check

Remove from list Sort by Date / Order created Show all checks Starting check no.

<input type="checkbox"/>	DATE	TYPE	PAYEE	AMOUNT
<input checked="" type="checkbox"/>	02/17/2020	Bill Payment (Check)	PG&E	\$86.44
<input checked="" type="checkbox"/>	02/17/2020	Bill Payment (Check)	Norton Lumber and Building Materials	\$102.50
<input checked="" type="checkbox"/>	02/17/2020	Bill Payment (Check)	Robertson & Associates	\$315.00

Previous 1-3 Next

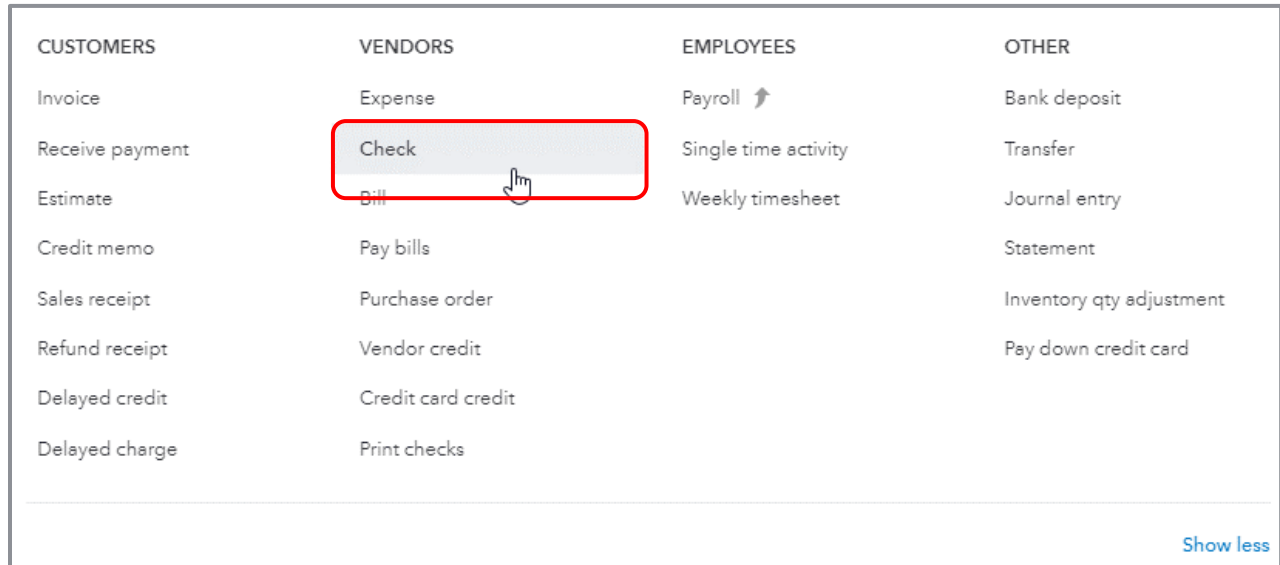
Cancel Print setup Order checks Preview and print

If you chose the payment method of Printed Check but decided *not* to print them from this screen, these checks can be batch printed later. You'll learn about that shortly.



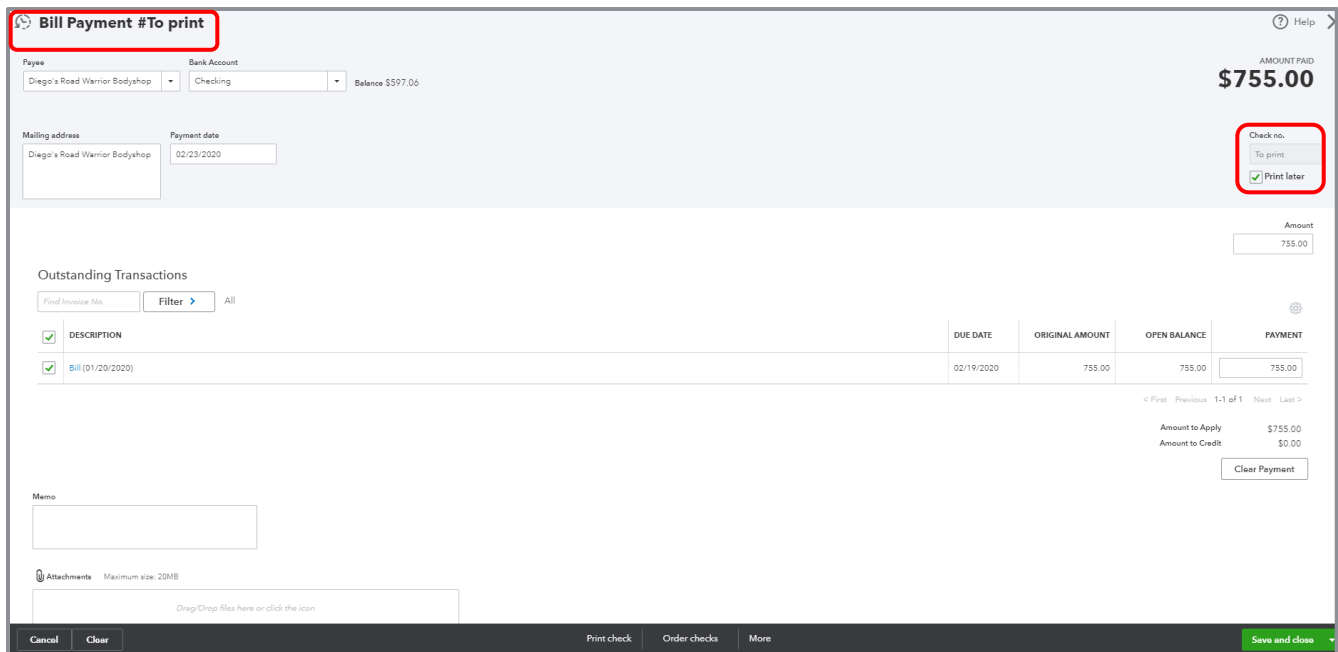
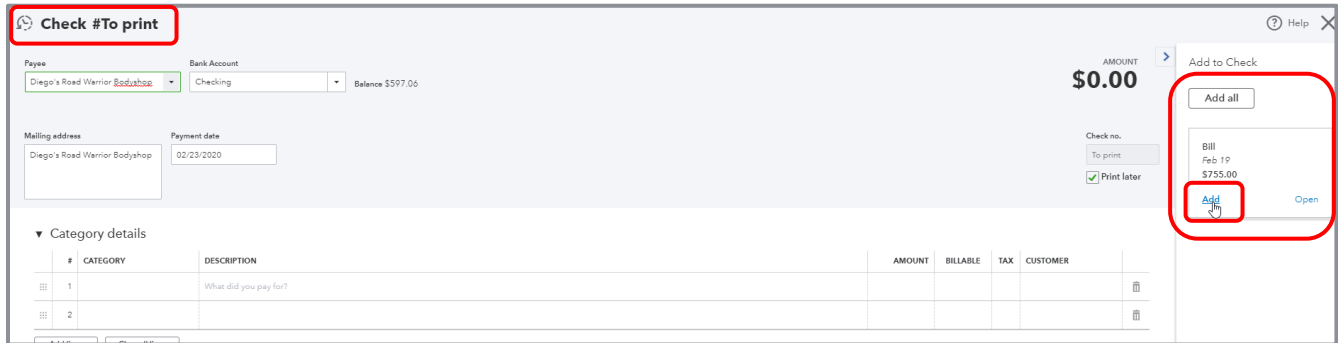
Step by Step: Create a Check (write a check to pay a bill)

1. Click **+New** then, under Vendors, select **Check**.



2. Enter the vendor *Diego's Road Warrior Bodyshop*. If you enter a vendor name and there is an outstanding bill related to that vendor, a drawer opens on the right-hand side of the page which allows you to add the bill to the check. The accounting effect is to decrease the bank account balance and decrease accounts payable. This feature will help prevent you from writing a check for a bill already entered and posting it to an expense account, thereby double-counting the expense and never clearing the payables.

- Click **Add** to add the bill to the check. This changes the transaction type from Check to Bill Payment. (Note *Check #To print* changed to *Bill Payment #To print* in the top left corner of the transaction.) If desired, remove the checkmark in the box next to **Print later** to assign a manual or already-assigned check number. Click **Save and close**.

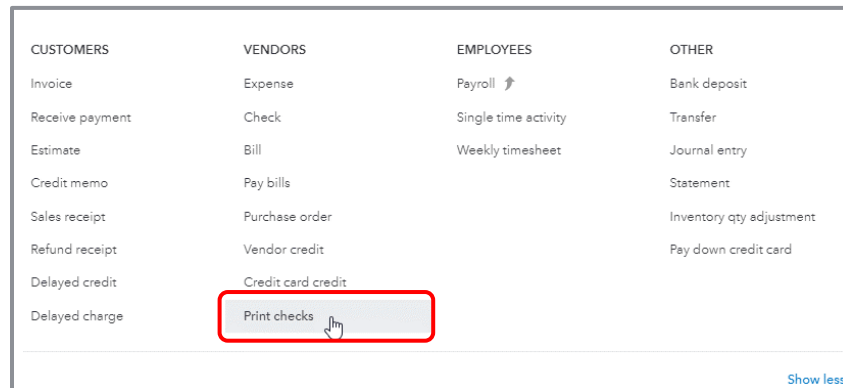


If this check wasn't intended to pay an outstanding bill, don't add anything from the drawer, even if there is a bill there, and enter the account or item details in the body of the check.

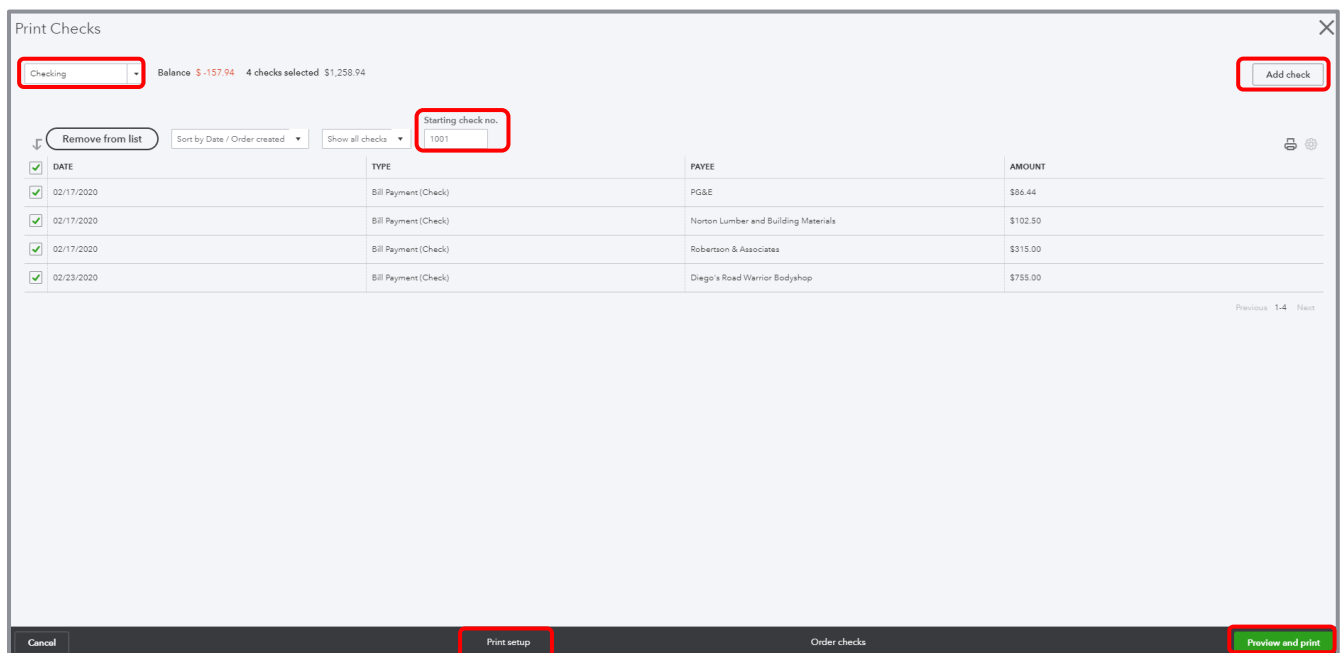


Step by Step: Print Checks in Batch

1. Click **+New** then, under Vendors, select **Print Checks**.



2. The first time you click **Print Checks**, you must make sure your checks align correctly. Once you have done that, all checks marked to be printed later will appear in the Print Checks screen. You can create a new check and add it to this Print Checks screen by clicking **Add check** in the top right corner. (You can also return to the Print setup screen for proper alignment with your printer by clicking **Print setup** at the bottom.)



3. Place a checkmark in the box next to each check you wish to print, then select **Preview and Print**. Before you do that, you need to *make sure the starting check number is correct*.

Banking

The Banking Center allows you to link your bank and credit card accounts to QuickBooks. Once that is done, QuickBooks Online automatically downloads transactions nightly, though you can download manually by clicking **Update** in the upper right-hand corner.

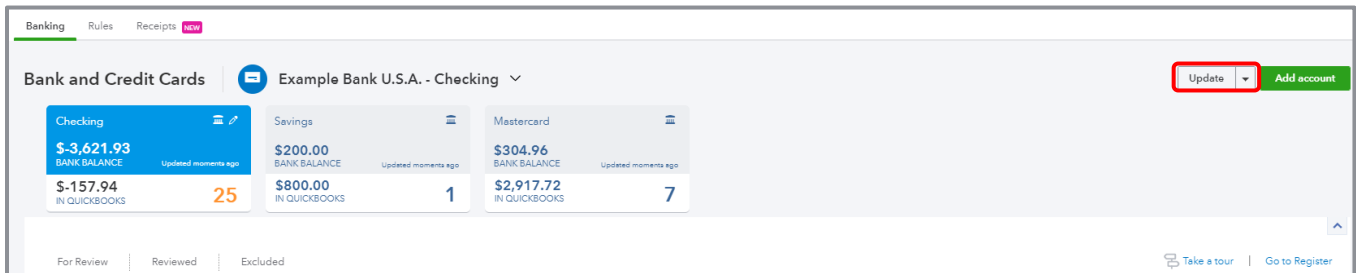


Step by Step: Use the Banking Center

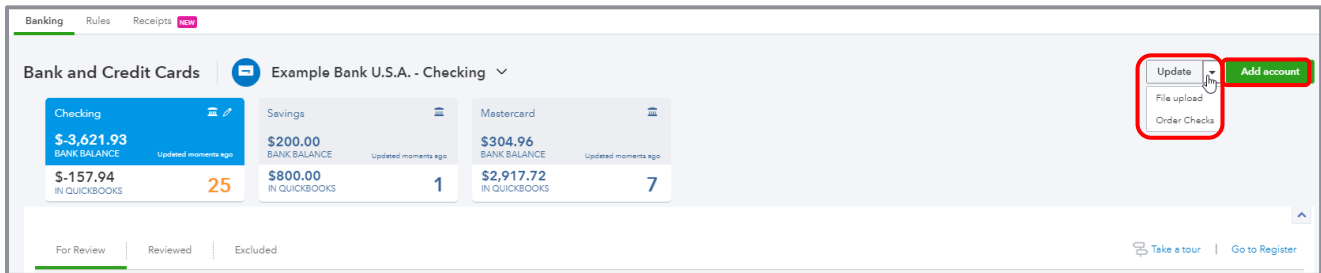
1. Select **Banking** from the left navigation bar. If you are on the Rules tab, you will have to select the **Banking** tab at the top or in the pop-up horizontal tab list.

The screenshot shows the QuickBooks Online interface. On the left, the navigation bar includes 'Dashboard', 'Banking', 'Expenses', 'Sales', 'Projects', 'Workers', 'Reports', and 'Taxes'. The 'Banking' item is highlighted with a red box and a hand cursor. A red arrow points from this 'Banking' item to the 'Banking' tab in the top navigation bar, which is also highlighted with a red box. The top navigation bar also includes 'Rules' and 'Receipts' (with a 'NEW' badge). Below the top navigation bar, the main content area is titled 'Bank and Credit Cards' for 'Example Bank U.S.A.'. It shows a balance of \$200.00 (BANK BALANCE) and a savings balance of \$800.00 (IN QUICKBOOKS). A blue button with a bank icon and 'Updated moments ago' is visible. At the bottom, there are tabs for 'For Review', 'Reviewed', and 'Excluded'.

- At the top of the screen, the linked bank and credit card accounts are displayed, as well as the number of transactions that have been downloaded and need to be either entered or matched. Although QuickBooks Online automatically downloads transactions nightly, you can click **Update** to import the latest transactions at any time.



- If your bank account does not connect to QuickBooks, the drop-down under Update allows you to import CSV, QFX, QuickBooks Online or OFX formatted files. You can also add new accounts to connect to QuickBooks Online by clicking **Add account** next to Update.



At the top of the screen click **MasterCard** to ensure you are reviewing that account. It will turn blue, indicating that it's been highlighted.

4. Further down the page for Banking, there are three tabs: For Review, Reviewed and Excluded:

- **For Review** - These are the newly downloaded transactions. They are the ones upon which you need to take action.
- **In QuickBooks** - These are transactions that have been matched or added from the For Review tab. Although there are none in the sample file, once you start using the Banking Center in a live file, you will see many transactions listed there.
- **Excluded** - These are downloaded transactions you have decided not to enter into QuickBooks. Typically, it is because they've already been entered and reconciled. Already reconciled transactions will not show up as a match. This typically occurs when you first use the Banking Center.

Banking Rules Receipts **NEW**

Bank and Credit Cards | Example Bank U.S.A. - Mastercard

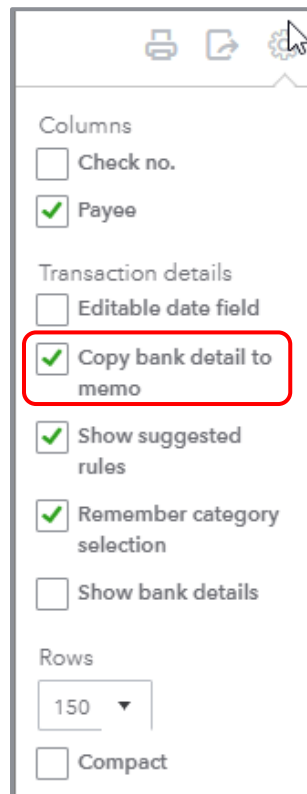
Checking	Savings	Mastercard
\$-3,621.93 BANK BALANCE Updated moments ago	\$200.00 BANK BALANCE Updated moments ago	\$304.96 BANK BALANCE Updated moments ago
\$-157.94 IN QUICKBOOKS 25	\$800.00 IN QUICKBOOKS 1	\$2,917.72 IN QUICKBOOKS 7

For Review | Reviewed | Excluded

- In the For Review tab, a list of downloaded transactions appears. The default is to show all downloaded transactions, but you may see a tab for Recognized transactions. These are transactions that are either matched from the bank download to entries already in QuickBooks Online, or QuickBooks Online has guessed how you want to enter based on past transactions and rules. You might want to take care of those first, just to clean up the list.



- Notice to the far right there is a printer icon and a grid gear icon. You can print the list of transactions.
- Click the **grid gear** icon. You can set preferences as to which columns you want to see and how many rows you want to see in the Banking Center. You can also elect to see a compact display.
- If it's not selected already, check **Copy bank detail to memo**.
- Click on the **grid gear** icon again to make the list of options disappear.



This feature tells QuickBooks Online to copy the bank's transaction description to the Memo field automatically. The Memo field can show up on reports. It's also useful for troubleshooting entries. You can edit the memo before adding to QuickBooks.

The transactions can be sorted by any column parameter by clicking on the **column header** (clicking twice sorts it in reverse order). As you scroll down, notice in the Category or Match column that QuickBooks Online has already matched several transactions.

5. Click the column header **Category or Match**.

DATE	DESCRIPTION	PAYEE	CATEGORY OR MATCH	SPENT	RECEIVED	ACTION
02/03/2020	Squeaky Klean Car	Squeaky Klean Car Wash	2 records found	\$19.99		View
01/27/2020	Squeaky Klean Car	Squeaky Klean Car Wash	2 records found	\$19.99		View
01/27/2020	Bob's Burger	Bob's Burger Joint	1 record found CC Expense 01/27/2020 \$18.97 Bob's Burger Joint	\$18.97		Match
01/22/2020	Norton Lumber And	Norton Lumber and Building Materials	1 record found Bill Payment 1 01/22/2020 \$103.55 Norton Lumber and Building Materials	\$103.55		Match
01/16/2020	Tania's Nursery	Tania's Nursery	1 record found Expense \$0 01/16/2020 \$82.45 Tania's Nursery	\$82.45		Match

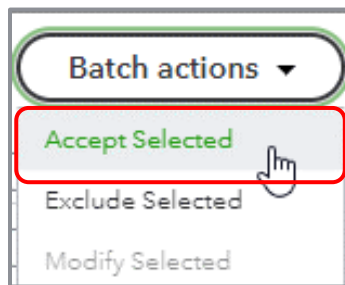
QuickBooks Online automatically looks for a match. The match could be against a check, bill payment, deposit, payment received from customer, etc. If upon a quick review you agree, you can match each one individually by clicking **Match** under the Action column. Alternately, if you want to enter several transactions in a row at one time, select the first transaction you want to enter, hold your **shift** key down and click the last transaction you want to enter. Click the **down arrow** next to **Batch actions** then click **Accept Selected**. That matches the selected downloaded transactions against transactions that were already entered into QuickBooks.

- Click the selection box for **Bob’s Burger Joint**. Hold your **Shift** key down and click the selection box for **Tania’s Nursery**.

	DATE	DESCRIPTION	PAYEE	CATEGORY OR MATCH	SPENT	RECEIVED	ACTION
<input type="checkbox"/>	02/03/2020	Squeaky Kleen Car	Squeaky Kleen Car Wash	2 records found	\$19.99		View
<input type="checkbox"/>	01/27/2020	Squeaky Kleen Car	Squeaky Kleen Car Wash	2 records found	\$19.99		View
<input checked="" type="checkbox"/>	01/27/2020	Bob's Burger	Bob's Burger Joint	1 record found CC Expense 01/27/2020 \$18.97 Bob's Burger Joint	\$18.97		Match
<input checked="" type="checkbox"/>	01/22/2020	Norton Lumber And	Norton Lumber and Building Materials	1 record found Bill Payment: 1 01/22/2020 \$103.55 Norton Lumber and Building Materials	\$103.55		Match
<input checked="" type="checkbox"/>	01/16/2020	Tania's Nursery	Tania's Nursery	1 record found Expense SO 01/16/2020 \$82.45 Tania's Nursery	\$82.45		Match

By holding down your **Shift** key, QuickBooks Online selects all the transactions between Bobs Burger Joint and Tania’s Nursery.

- Click the **Batch Actions** drop-down list then choose **Accept Selected**.

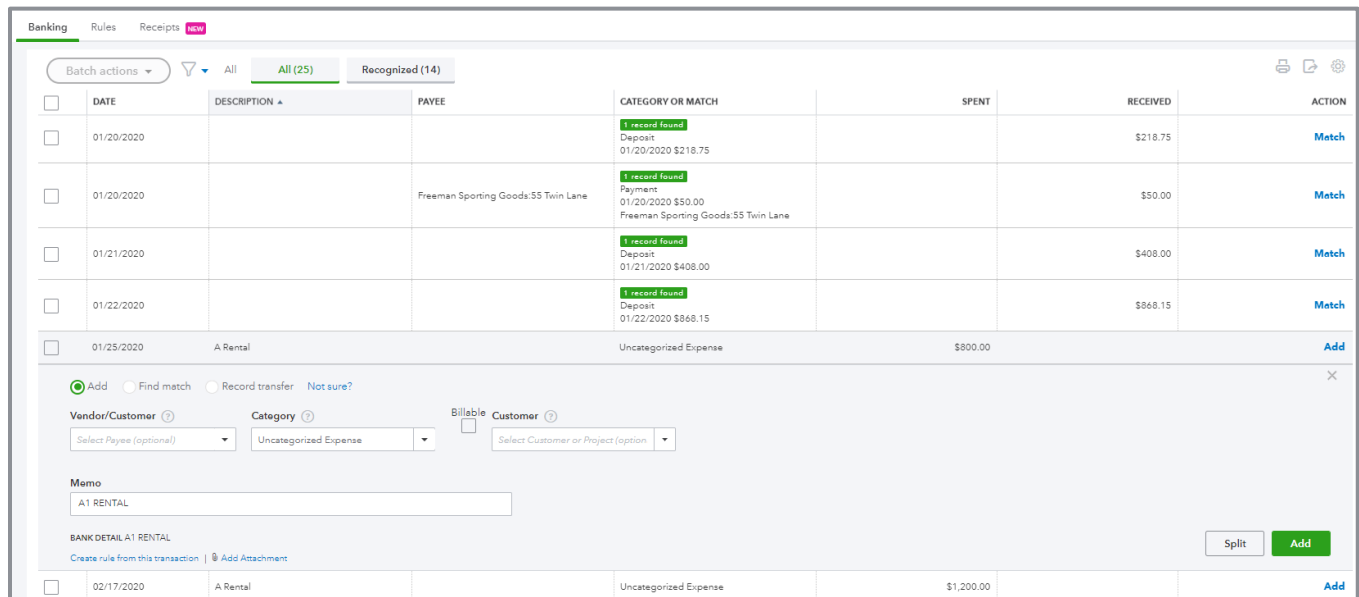


Those transactions move from the For Review tab to the Reviewed tab.

	DATE	DESCRIPTION	AMOUNT	ADDED OR MATCHED	RULE	ACTION
<input type="checkbox"/>	01/27/2020	Bob's Burger	\$-18.97	Matched to: CC Expense: Meals and Entertainment 01/27/2020 \$18.97 Bob's Burger Joint		Undo
<input type="checkbox"/>	01/22/2020	Norton Lumber And	\$-103.55	Matched to: Bill Payment: Accounts Payable (A/P) 1 01/22/2020 \$103.55 Norton Lumber ...		Undo
<input type="checkbox"/>	01/16/2020	Tania's Nursery	\$-82.45	Matched to: Expense: Job Expenses:Job Materials/Plants and Soil 50 01/16/2020 \$82.45...		Undo

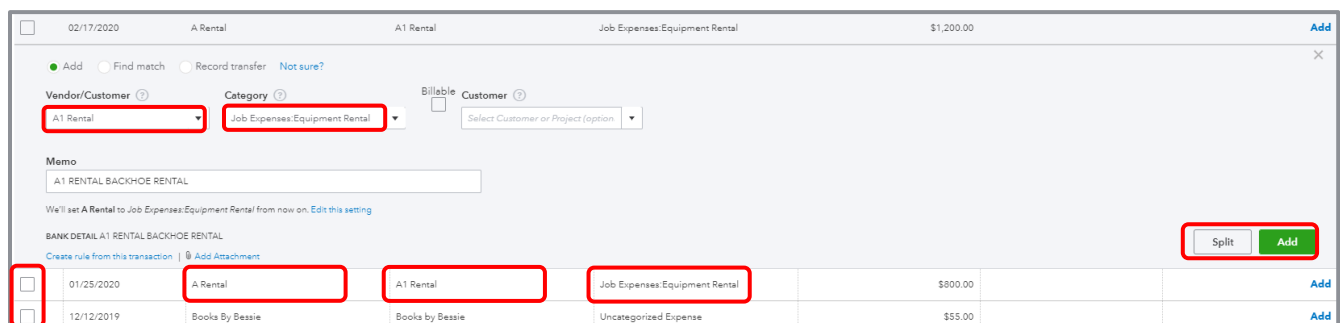
- At the top of the screen, click **Checking** to ensure you are now reviewing that account.
- Go to the **For Review** tab and click the column header twice for **Description**.

10. Scroll down until you see the two expense transactions for A Rental (one for \$1,200 and one for \$800). QuickBooks Online does not know the vendor name or the account to use. Click on one of them. You will see A1 RENTAL in the Bank Detail.



11. Type *A1 Rental* in the Payee field. There is no name in QuickBooks Online for A1 Rental. Add it on the fly as a new vendor.

12. Choose **Equipment Rental** as the posting account.



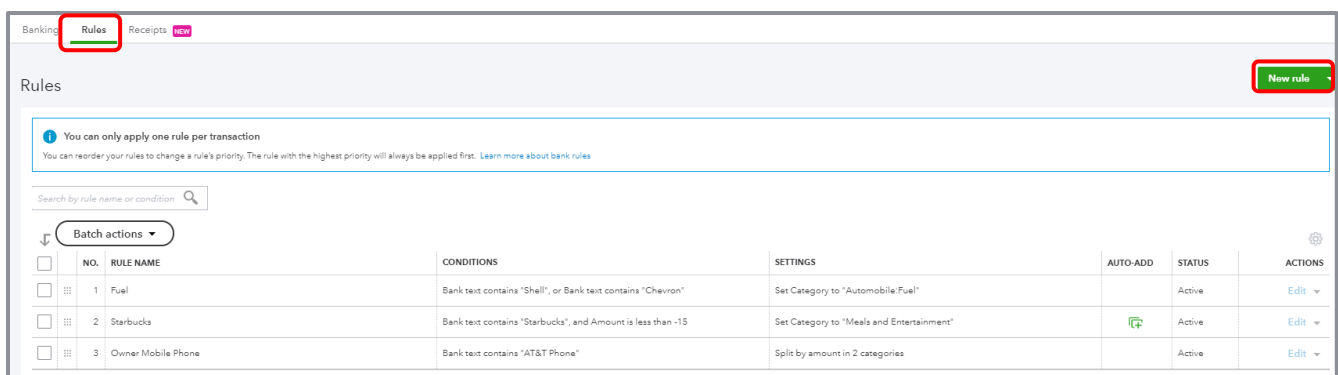
As soon as you do that, QuickBooks Online assumes you want the second transaction for *A Rental* to use the A1 Rental vendor and post to Equipment Rental. If you need to split a transaction, you can do so by clicking **Split**.

You could click **Add** to add each transaction individually or click the selection boxes in the far-left column next to each transaction, then under Batch Actions choose **Accept Selected** as you did earlier in this exercise.

Rules

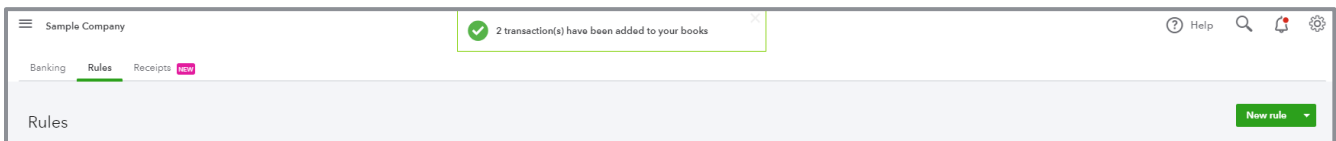
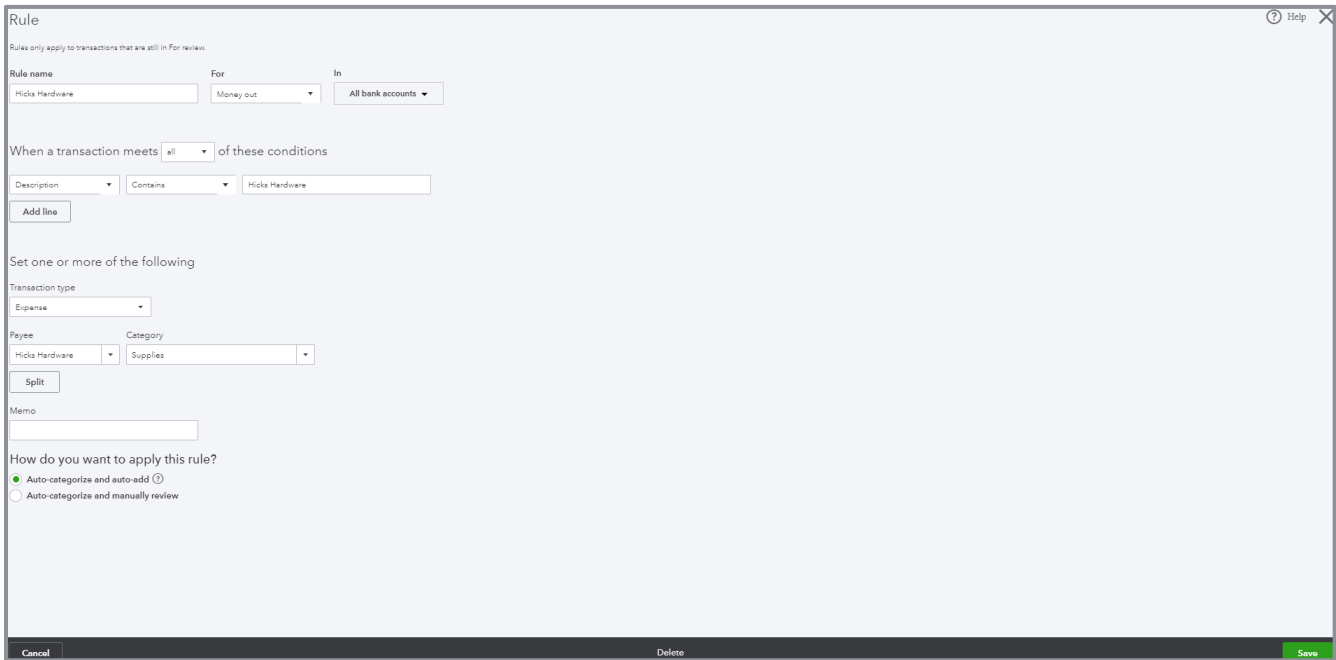
After you categorize a vendor's bank-fed transaction for the second time, QuickBooks Online will prompt you with a Suggested rule, which you can dismiss (by clicking on the **x** in the top right corner) or create a rule or edit one. You can also click on **Don't show me this again** if you don't want QuickBooks Online to suggest rules for you. We'll cover rules next.

1. Locate Hicks Hardware, an uncategorized expense for \$24.38. QuickBooks Online does not know where to post this transaction.
2. Click **Rules** from the horizontal list of sub-tabs and choose **New rule**.

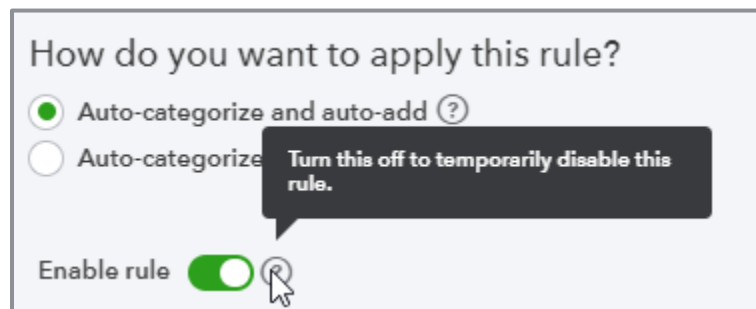


3. Enter *Hicks Hardware* as the Rule name and specify that this rule will apply to **Money out** transactions. Choose **All bank accounts** (which means all bank and credit card accounts). If you wanted to fine-tune this rule and have it apply to only selected bank or credit card accounts, you would click on the drop-down next to **All bank accounts** and place a checkmark next to all accounts to which this rule is to apply.
4. Enter *Hicks Hardware* as the contents of the Description condition field (you may have to check the drop-down next to Bank text to reveal Description).
5. Select **Hicks Hardware** as the Payee and **Supplies** as the Category.
6. If you like, add something like *"**Automatically Entered by Rules**"* in the Memo field, or use another memo that is meaningful.
7. Check the radio button next to **Auto-categorize and auto-add**.

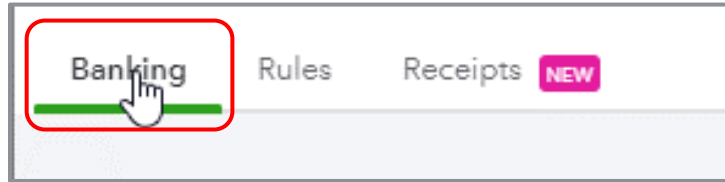
8. Click **Save**. You will see a confirmation that the rule has been added, as well as any transactions that have been added automatically to the company’s books as a result of this new rule.



If you ever want to delete a rule or inactivate it, you can go back into the Rules tab. To keep the rule but disable it for the time being, click on **Edit** in Actions column on the far right and then slide the **Enable rule** slider button to off:



9. Back in the Rules window, click the **Banking** tab at the top.



10. Remember, you’re still in the Checking account. Click the **Reviewed** tab. Hicks Hardware transactions now appear in this tab and indicate this posting was set by a rule. It also indicates, by the green plus sign inside a picture of a document, that the rule added these transactions to the books automatically without the need for further work by the user. (If we had not checked the box next to next to Automatically add to my books, you could see these transactions in the For Review tab, available to you to add one at a time or via Batch actions.)

DATE	DESCRIPTION	AMOUNT	ADDED OR MATCHED	RULE	ACTION
02/17/2020	A Rental	\$-1,200.00	Added to: Expense: Job Expenses/Equipment Rental 02/17/2020 \$1,200.00 A1 Rental		Undo
01/25/2020	A Rental	\$-800.00	Added to: Expense: Job Expenses/Equipment Rental 01/25/2020 \$800.00 A1 Rental		Undo
01/22/2020	Hicks Hardware	\$-228.75	Added to: Expense: Supplies 01/22/2020 \$228.75 Hicks Hardware	RULE Hicks Hardware	Undo
01/04/2020	Hicks Hardware	\$-24.38	Added to: Expense: Supplies 01/04/2020 \$24.38 Hicks Hardware	RULE Hicks Hardware	Undo

11. If you look at each posting in the Added or Matched column, you’ll see that Supplies was the posting account. You can also click on the **blue hyperlink** for each account to open the actual transaction:

#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	TAX	CUSTOMER
1	Supplies	HICKS HARDWARE	228.75			
2						

This rule was very simple. You can create some complex rules. For example, if Hicks Hardware is less than \$500, post to Supplies. Then create a second rule that states if Hicks Hardware is greater than \$499.99, post to **Equipment**.

You can also create rules for splits. For example, Cal Telephone transactions should be split 40% to Internet and 60% to Telephone.

Payee

Cal Telephone ▼

Percentage (%) ▼

PERCENTAGE	CATEGORY
60.00%	Utilities:Telephone ▼
40.00%	Internet ▼

Add line + Add Internet

When you click a transaction in the Banking Center, there are three radio buttons: Add, Find Match and Record transfer.

Add Find match Record transfer Not sure?

Vendor/Customer: Select Payee (optional) ▼ Category: Uncategorized Expense ▼ Bilable Customer: Select Customer or Project (option) ▼

Memo: BANK DETAIL CHIN'S GAS AND OIL

[Create rule from this transaction](#) | [Add Attachment](#)

You've been working with Add. If you think there should be a match, change the radio button to **Find match** and QuickBooks Online will try to find matching transactions. If you can't find it, perhaps the transaction was already reconciled in QuickBooks Online. If that's the case, and you don't want to enter that transaction because it's already in QuickBooks Online, check the box next to this transaction then, under the Batch Actions click **Exclude Selected**.

The Transfer button is used to indicate that this transaction is a transfer between two accounts in this QuickBooks company file.

Topic 3: Additional Transaction Types

ADDITIONAL TRANSACTIONS INITIATED USING THE +NEW MENU

There are other transaction types that can be accessed from the +New function. An example of a transaction that can be accessed *only* from the +New function is time tracking. Time can be tracked using the Single Time Activity or the Weekly Timesheet function. This feature can be used even if you are not signed up for QuickBooks Online Payroll.



Step by Step: Fill out a Single Time Activity

1. Select **+New (+)** at the top of left navigation bar.
2. If necessary, select **Show More**.
3. Under Employees, select **Single Time Activity**.
4. Enter the name of the employee or vendor whose time is being tracked.
5. Enter the date for which the time is being tracked.
6. Enter the customer for whom the time is being tracked.
7. Enter the service being rendered during this time.
8. If the Billable preference is turned on, check if the time is Billable and the billing rate.
9. If the time is billable, check the box if the billable time is taxable.
10. Enter the time tracked, for example, 3.5 hours, either in HH:MM format (3:30) or in decimal format (3.5). Or check the box next to **Enter Start & End Times** then fill in the fields for Start Time and End Time.
11. Enter a description of the work done.
12. Select **Save**, **Save and close** or **Save and new**.
13. If you see a window suggesting you try TSheets, click **Not now**.

Time Activity

Date: 01/19/2020 Enter Start and End Times

Name: John Johnson Time: 5:00

Customer: Amy's Bird Sanctuary

Service: Design/Design

Description: We did some amazing designs for Amy's new section

Billable (/hr) 100.00

Taxable

Summary: 5 hours at \$100.00 per hour = \$500.00

Privacy

Cancel Delete Save Save and close (S) (A) (D) Save and new



Step by Step: Fill out a Weekly Timesheet

1. Select **+New (+)** at the top of left navigation bar.
2. If necessary, select **Show More**.
3. Under Employees, select **Weekly Timesheet**.
4. Enter the name of the employee or vendor whose time is being tracked.
5. In the drop-down, choose the work week for which the time is being tracked (the preferred first day of a work week for this company is determined in the Account and Settings for Time Tracking in the Advanced tab).
6. In each row of the Weekly Timesheet grid, enter the customer for whom this individual's time is being tracked, the service being rendered during this time, and the time tracked day by day during the week, either in HH:MM format (3:30) or decimal format (3.5). If the time is billable, enter the billing rate and the taxable status as well. (In this case, the time tracked for Cool Cars was there already, having been entered for this employee using the Single Time Activity function.)
7. Select **Save**, **Save and close** or **Save and new**.

Weekly Timesheet

Emily Platt | 1/20/2020 to 1/26/2020 | TOTAL HOURS: 5:00

#	DETAILS	MON 20	TUE 21	WED 22	THU 23	FRI 24	SAT 25	SUN 26	TOTAL
1	Randonuxu Fruit and Vegi Landscaping/Trimming Tree and Shrub Trimming <input checked="" type="checkbox"/> Billable (hr) 15.00 <input type="checkbox"/> Taxable	2:00							Hr: 2:00 Rate: \$30.00
2	Randonuxu Fruit and Vegi Design/Lighting Garden Lighting <input checked="" type="checkbox"/> Billable (hr) 15.00 <input type="checkbox"/> Taxable	3:00							Hr: 3:00 Rate: \$45.00
3	Choose a customer Choose the service worked on Description <input type="checkbox"/> Billable (hr)								
TOTAL		5:00							5:00

Buttons: Add lines, Clear all lines, Save and close, Save, Save and new



Step by Step: Make a Bank Deposit

1. Select **+New (+)** at the top of left navigation bar.
2. If necessary, select **Show More**.
3. Under Other, choose **Bank Deposit**.
4. Select which bank account you are using for the deposit.
5. Fill in the deposit date.
6. If there are any monies in Undeposited Funds, they will show up on the top part of the screen under Select the payments included in this deposit.
7. Select any of the existing payments if they are part of the deposit which you are about to record.
8. In the Add funds to this deposit grid below, add any other payments received, which are typically not sales-related transactions such as shareholder loans or insurance premium refunds.
9. If you are taking cash back that reduces the amount of the deposit, click in the posting account, (for example, Petty Cash or Owner's Draw) and the amount of cash be taken. (Petty Cash was created as a new "bank" account.)
10. Click **Save and close** or **Save and new**.

Bank Deposit

Account: Checking Balance: \$-799.00 Date: 02/17/2020

AMOUNT

\$2,912.52

Select the payments included in this deposit

<input checked="" type="checkbox"/>	RECEIVED FROM	DATE	TYPE	PAYMENT METHOD	MEMO	REF. NO.	AMOUNT
<input checked="" type="checkbox"/>	Cool Cars	01/22/2020	Payment	Enter Text			1,675.52
<input checked="" type="checkbox"/>	Freeman Sporting Goods 0969 Ocean View Road	01/22/2020	Payment	Enter Text			387.00

1-2 of 2 Total 2062.52
Selected Payments Total 2062.52

▼ Add funds to this deposit

#	RECEIVED FROM	ACCOUNT	DESCRIPTION	PAYMENT METHOD	REF. NO.	AMOUNT
1	Broshahan Insurance Agency	Insurance	premium refund	Check	1111	1,000.00
2						

Other funds total **\$1,000.00**

Memo:

Track returns for customers

Cash back goes to: Petty Cash

Cash back memo: Petty cash from deposit

Cash back amount: 150.00

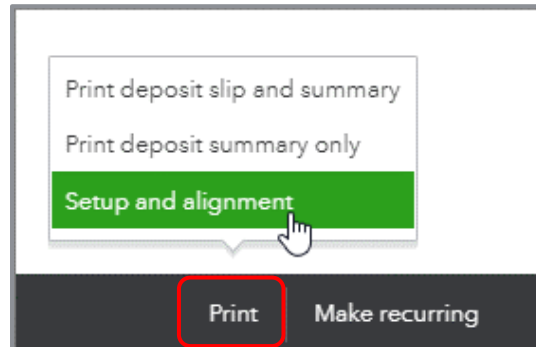
Total **\$2,912.52**

Attachments Maximum size: 20MB

Drag/Drop files here or click the icon

Cancel Clear
Print Make recurring
Save and new

By clicking **Print** at the bottom of the deposit form, you can also print a deposit slip and summary using preprinted deposit slips. You can also print a summary on plain paper. This area is also used for setting up and aligning these forms to be printed.





Step by Step: Transfer Funds

Transfers are used to move monies between two company accounts. You could transfer funds from one bank account to another bank account or from a bank account to a company credit card account. You don't use the Transfer feature to transfer from your bank account to your vendor's bank account.

1. Select **+New (+)** at the top of left navigation bar.
2. If necessary, select **Show More**.
3. Under Other, choose **Transfer**.
4. Select your source account in Transfer Funds From.
5. Select your destination account in Transfer Funds To.
6. Fill in the amount of the transfer.
7. Fill in the date of the transfer.
8. Enter a memo if desired.
9. Click **Save and close** or **Save and new**.

The screenshot shows the 'Transfer' form in QuickBooks Online. The form is titled 'Transfer' and has a 'Help' icon in the top right corner. The form is divided into several sections:

- Transfer Funds From:** A dropdown menu with 'Checking' selected. To the right, the balance is shown as '\$1,860.39'.
- Transfer Funds To:** A dropdown menu with 'Savings' selected. To the right, the balance is shown as '\$800.00'.
- Transfer Amount:** A text input field containing '500.00'.
- Date:** A date picker showing '02/17/2020'.
- Memo:** A text area containing the text 'We're going to use this to invest in bonds'.
- Attachments:** A section with a maximum size of 20MB. It contains a placeholder for dragging files and a 'Show existing' link.

At the bottom of the form, there are buttons for 'Cancel', 'Clear', 'Make recurring', and 'Save and new'.



Step by Step: Record a Journal Entry

1. Select **+New (+)** at the top of left navigation bar.
2. If necessary, select **Show More**.
3. Under Other, choose **Journal Entry**.
4. Enter a date.
5. Enter or accept the journal number.
6. Select an account and enter a debit or credit amount.
7. Enter a description if required.
8. On the next row, select **another account** and enter a debit or credit amount.
9. Enter a description if required.
10. Continue until you are done entering all debits and credits. *Debits must equal credits.*
11. If desired, enter a memo for the journal entry.
12. Select **Save**, **Save and new** or **Save and close**.

Journal Entry #1
⚙️ ? Help X

Journal date

Journal no.

#	ACCOUNT	DEBITS	CREDITS	DESCRIPTION	NAME
1	Depreciation	128.00		To record depreciation for the month	
2	Truck-Depreciation		128.00	To record depreciation for the month	
3					
4					
5					
6					
7					
8					
Total		128.00	128.00		

Memo

Attachments Maximum size: 20MB

Drag/Drop files here or click the icon
[Show existing](#)

Privacy

Cancel Clear
Make recurring
Save Save and new

In QuickBooks Online, you can include multiple accounts receivable and accounts payable lines in a journal entry. This works well, for example, if you want to trade a balance between a customer who is also a vendor.

Journal Entry #2 ⚙️ ⓘ Help ✕

Journal date: Journal no.:

#	ACCOUNT	DEBITS	CREDITS	DESCRIPTION	NAME
1	Accounts Payable (A/P)	205.00			Amy's Birds (vendor)
2	Accounts Receivable (A/R)		205.00		Amy's Bird Sanctuary (customer)

Topic 4: Other Tools

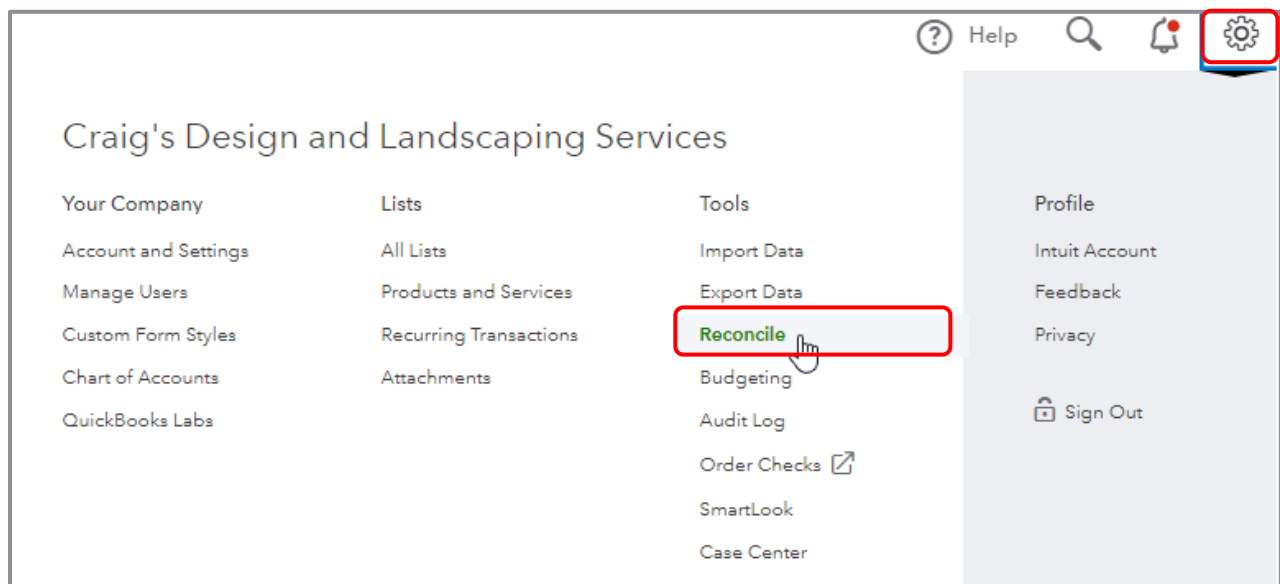
QuickBooks Online has tools that are especially helpful to maintain the accuracy of your QuickBooks Online data. In this topic, you will learn where to access those tools and specifically learn about two tools:

- Reconciliation history and Undo bank reconciliations tool
- Set the closing date

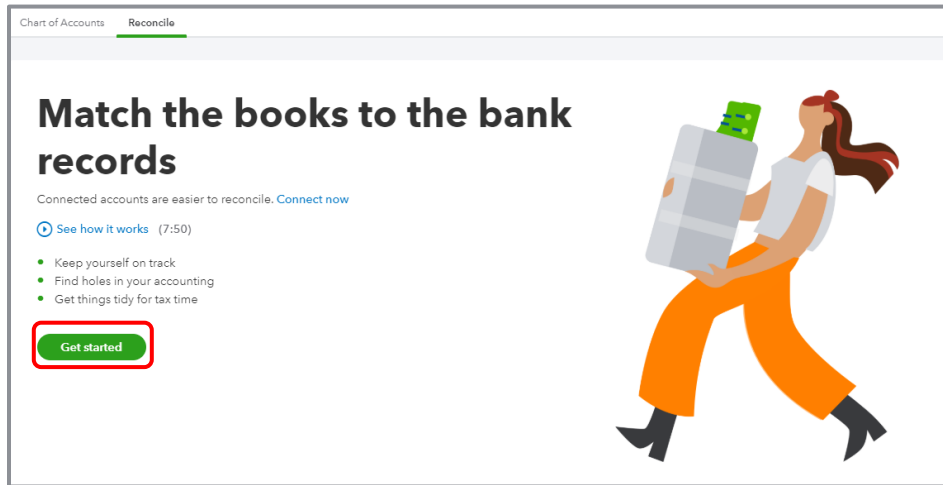


Step by Step: Bank Reconciliation History and Tools

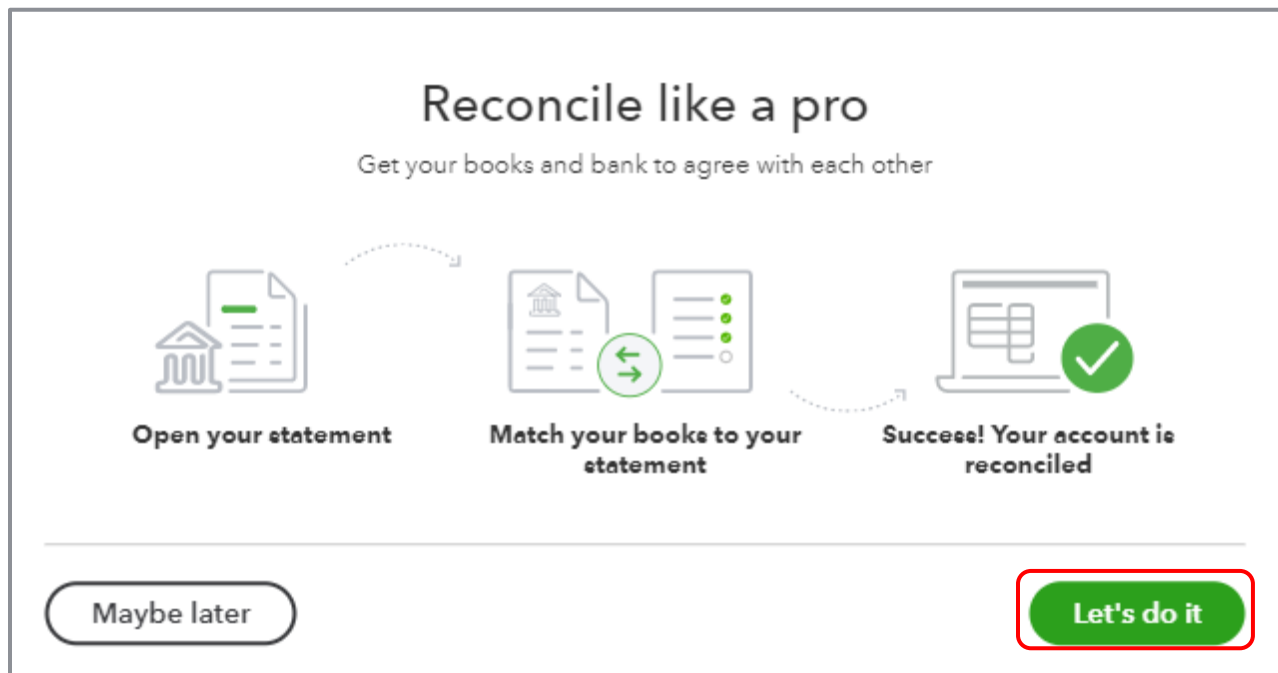
1. Click the **gear** icon and choose **Reconcile** from the Tools column.



2. If you see the *Match the books to the bank records* screen, click **Get started**.

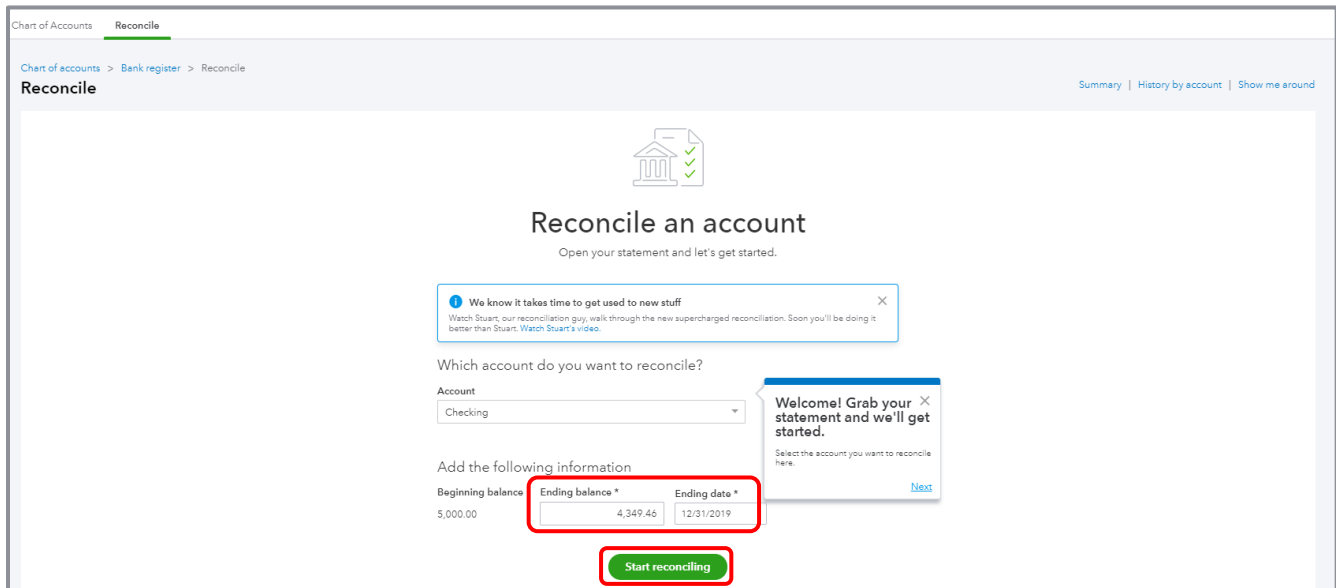


3. If you see the Reconcile like a pro screen, click **Let's do it**.

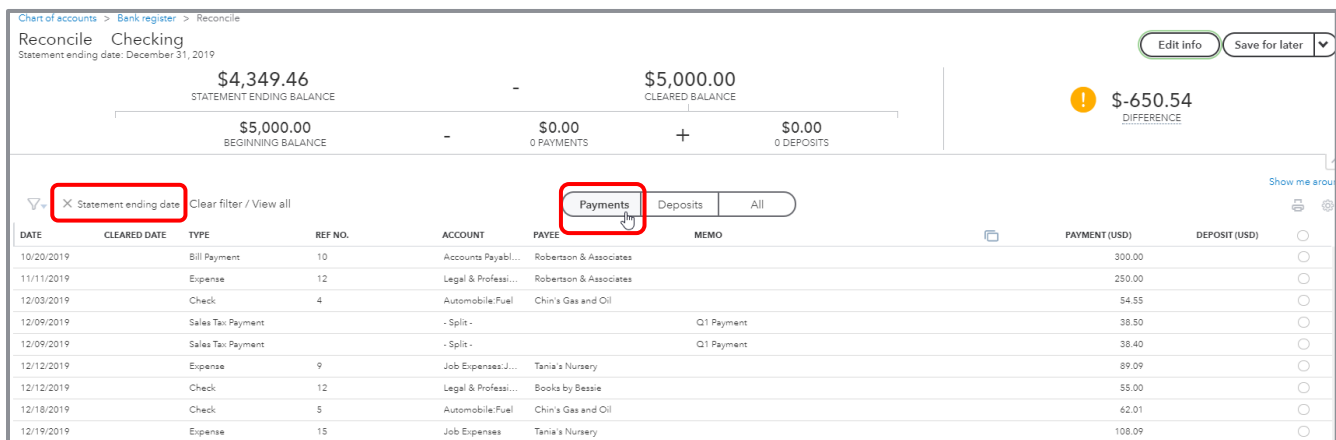


4. You're going to reconcile the Checking account, so there is no need to change the account to reconcile.

- Enter **Statement Ending Balance** \$4,349.46 and **Statement Ending Date** of the last day of the month before last and click **Start reconciling**.



- Make sure the filter at the top of the grid shows **Statement ending date**. Click on the **Payments** tab to display the payments and withdrawals from the account only.



- There are seven transactions that cleared in the Payments area during the statement period, and you can clear each one individually by clicking a checkmark in the circle in the far-right column for each transaction. Alternately, you can clear every transaction in a column by clicking a checkmark in the circle at the top of that column rather than in each individual circle. Therefore, clearing seven would be best done by clearing all nine, then un-checking the two that did not clear. If you do clear all transactions by clicking a checkmark at the top of a column, you'll be asked to confirm **Yes, select all**. Then you can un-check the ones that did not clear.

Chart of accounts > Bank register > Reconcile

Reconcile Checking
Statement ending date: December 31, 2019

STATEMENT ENDING BALANCE: \$4,349.46
CLEARED BALANCE: \$4,174.46
DIFFERENCE: \$175.00

BEGINNING BALANCE: \$5,000.00
7 PAYMENTS: \$825.54
0 DEPOSITS: \$0.00

Payments Deposits All

DATE	CLEARED DATE	TYPE	REF NO.	ACCOUNT	PAYEE	MEMO	PAYMENT (USD)	DEPOSIT (USD)	
10/20/2019		Bill Payment	10	Accounts Payabl...	Robertson & Associates		300.00		<input checked="" type="checkbox"/>
11/11/2019		Expense	12	Legal & Professi...	Robertson & Associates		250.00		<input checked="" type="checkbox"/>
12/03/2019		Check	4	Automobile:Fuel	Chin's Gas and Oil		54.55		<input checked="" type="checkbox"/>
12/09/2019		Sales Tax: Payment		- Split -		Q1 Payment	38.50		<input checked="" type="checkbox"/>
12/09/2019		Sales Tax: Payment		- Split -		Q1 Payment	38.40		<input checked="" type="checkbox"/>
12/12/2019		Expense	9	Job Expenses:J...	Tania's Nursery		89.09		<input checked="" type="checkbox"/>
12/12/2019		Check	12	Legal & Professi...	Books by Bessie		55.00		<input checked="" type="checkbox"/>
12/18/2019		Check	5	Automobile:Fuel	Chin's Gas and Oil		62.01		<input type="checkbox"/>
12/19/2019		Expense	15	Job Expenses	Tania's Nursery		108.09		<input type="checkbox"/>

- Click the **Deposits** tab and mark only the first item on the list, the \$175 deposit early in the month. When the difference between the Statement Ending Balance and the Cleared Balance is zero (and *only* when it is zero), click **Finish Now**.

Chart of accounts > Bank register > Reconcile

Reconcile Checking
Statement ending date: December 31, 2019

STATEMENT ENDING BALANCE: \$4,349.46
CLEARED BALANCE: \$4,349.46
DIFFERENCE: \$0.00

BEGINNING BALANCE: \$5,000.00
7 PAYMENTS: \$825.54
1 DEPOSIT: \$175.00

Payments Deposits All

DATE	CLEARED DATE	TYPE	REF NO.	ACCOUNT	PAYEE	MEMO	PAYMENT (USD)	DEPOSIT (USD)	
10/28/2019		Receive Payment	1053	Accounts Receiv...	Bill's Windsurf Shop			175.00	<input checked="" type="checkbox"/>
12/28/2019		Receive Payment	5664	Accounts Receiv...	Freeman Sporting Goods:SS Twin...			86.40	<input type="checkbox"/>
12/28/2019		Sales Receipt	1008	Design income	Kate Whelan			225.00	<input type="checkbox"/>
12/30/2019		Receive Payment		Accounts Receiv...	Amy's Bird Sanctuary (customer)	Amy claims the pest control did not occur		105.00	<input type="checkbox"/>



WARNING: if you click **Finish Now** with a non-zero difference, you will be creating an Auto Adjustment transaction for the difference to be posted to the Reconciliation Discrepancies account, and you will require your accountant user (who has access to QuickBooks Online Accountant and its exclusive tools) to fix your problem. This may entail undoing one or more reconciliations, which can only be done with access to QuickBooks Online Accountant. If you cannot finish reconciling to the point where you have a zero difference, click **Save for Later** and come back to your reconciliation when you are fresher.



WARNING: if you reconcile an account then change an amount on a cleared transaction (something you should never do), that will also require someone with QuickBooks Online Accountant access to fix the problem. Even if you change something else, like a date on a cleared transaction, if the date change is major, it could cause problems that would require someone with QuickBooks Online Accountant access to remedy.



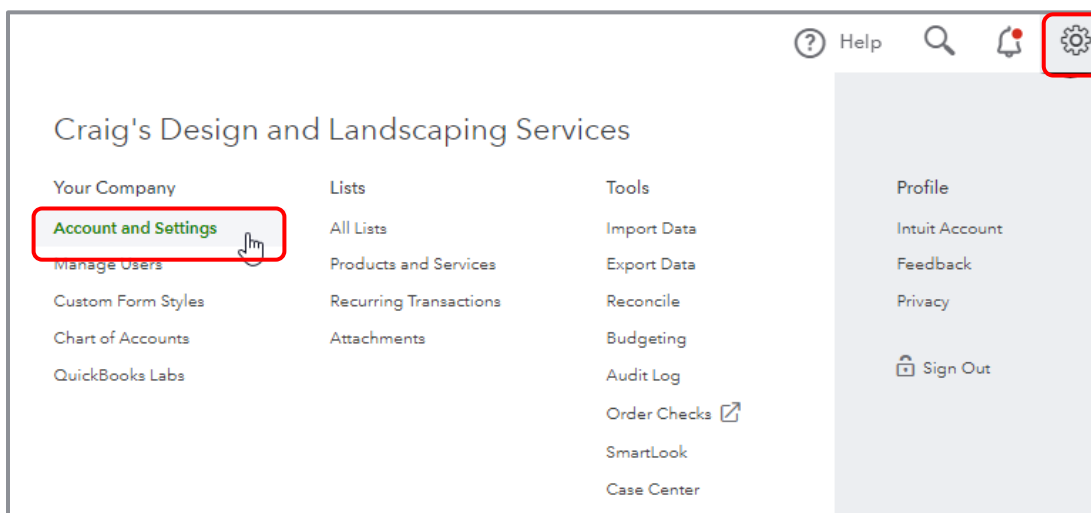
Step by Step: Set the Closing Date

There is no formal closing in QuickBooks; it's a perpetually running system.

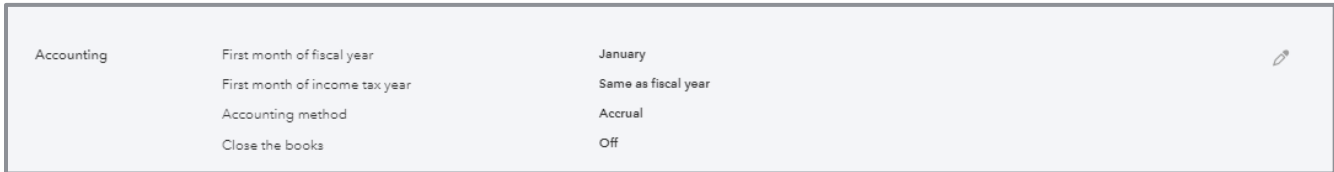
QuickBooks Online knows, by what month you set as the first month in your fiscal year in the Account and Settings, when to roll up last year's income into Retained Earnings for reporting purposes. However, when you have completed your review of the accounting records or sent the information off to the accountant to complete the tax returns, you should protect any prior period data from changing.

You do this by setting the Closing Date.

1. Click the **gear** icon then click **Account and Settings**.

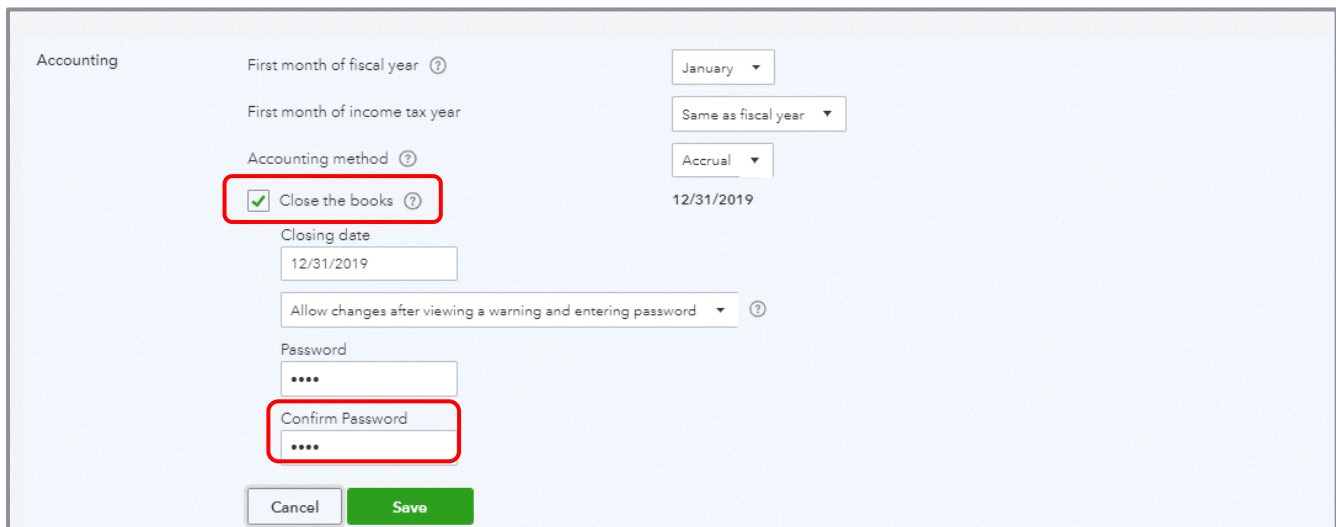


2. Click the **Advanced** tab. Click the **pencil** in the Accounting section (or click anywhere in that section).



Accounting	First month of fiscal year	January	
	First month of income tax year	Same as fiscal year	
	Accounting method	Accrual	
	Close the books	Off	

3. Put a checkmark next to **Close the books** and set a Closing date of *12/31/19*.
4. On the drop-down list, choose **Allow changes after viewing a warning and entering a password**.
5. Enter a Closing Date Password, confirm it and select **Save**. Click **Done** at the bottom of the screen.



Accounting

First month of fiscal year [?] January

First month of income tax year Same as fiscal year

Accounting method [?] Accrual

Close the books [?] 12/31/2019

Closing date 12/31/2019

Allow changes after viewing a warning and entering password [?]

Password

Confirm Password

Cancel Save

It is a best practice to protect the information by setting a closing date password. When setting up users in QuickBooks Online, there is no place in the user permissions to restrict users from changing transactions before the closing date, even if a closing date password has been put in place *and* they know the password. If someone does change a transaction before or up to the closing date, you can use the Exceptions to Closing Date report, which is a subset of the Audit Log, to find what was changed, by whom and when.

Course Conclusion

You have just covered *Course 3 - Recording Transactions in QuickBooks Online*. This course has been developed to help you train your clients how to use QuickBooks Online successfully.

By completing this module, your client should understand:

- Sales and Revenue Transactions
- Expense and Purchase Transactions
- Additional Transaction Types
- Other Tools