# QuickBooks Online Training

(FY19-20)

Cooperative Extension Service


**Extension Business Operations**

Chris Shotwell, Director Business Operations
Beth Atkinson, Business Analyst Lead (CKY)
Ty Back, Business Analyst Lead (EKY)
Jeremy Teal, Business Analyst Lead (WKY)

# Introductions

- Trainers
  - Chris Shotwell: Director of Business Operations
  - Beth Atkinson: College Business Analyst (CKY)
  - Ty Back: College Business Analyst (EKY)
  - Jeremy Teal: College Business Analyst (WKY)

# QBO Selection Process

- Selection of QBO
  - 120 counties surveyed re: current system used
  - >90% already use an Inuit product (Quicken or QuickBooks)
  - >65% already using QuickBooks (Desktop or Online)
  - Consideration given to other products
  - Selected QBO because it's designed for small businesses, it's easy to use, it offers more seamless implementation, and for state-wide monitoring

# QBO Selection Process

- Selection of QBO
  - Negotiated Pricing (4 year lock @ $50/month per county)
    - QuickBooks Online Advanced version
  - Will allow for:
    - Standardized accounting processes across the state
    - Standardized reporting for all stakeholders
    - Better support for the EDB Treasurer in the management of local tax funds
  - We will all talk the same language

# QBO Basics

- Fully functional accounting software system
- QBO continues to receive system improvements & updates
- All functionality in QBD will be incorporated into QBO
- Multiple ways to receive money in and send money out
  - All pertinent transaction types will be covered in training

# QBO Basics

- Some features of QBO will not be used (e.g. payroll)
- Some features may be used in the future (invoices, payments, sales receipts)
- We have built QBO for Extension with the end in mind
  - SPGE Financial Disclosure Report
  - Uniform Financial Information Report
  - Current county budget forms

# QBO Roles

- Accountant Login
  - Currently provided to CPA firm, EBO staff, and Regional Directors
  - Purpose:
    - Support for those using the system
    - Compliance monitoring
    - Review of reports
    - Review of documentation
    - Research issues with county finances

# QBO Roles

- Client Login
  - Provided to appropriate county staff (limit of 5 total)
    - Area Director
    - Fiscal contact
    - Staff support (limited numbers)
    - District Board Treasurer (as necessary)
    - Outside bookkeeper (if required)

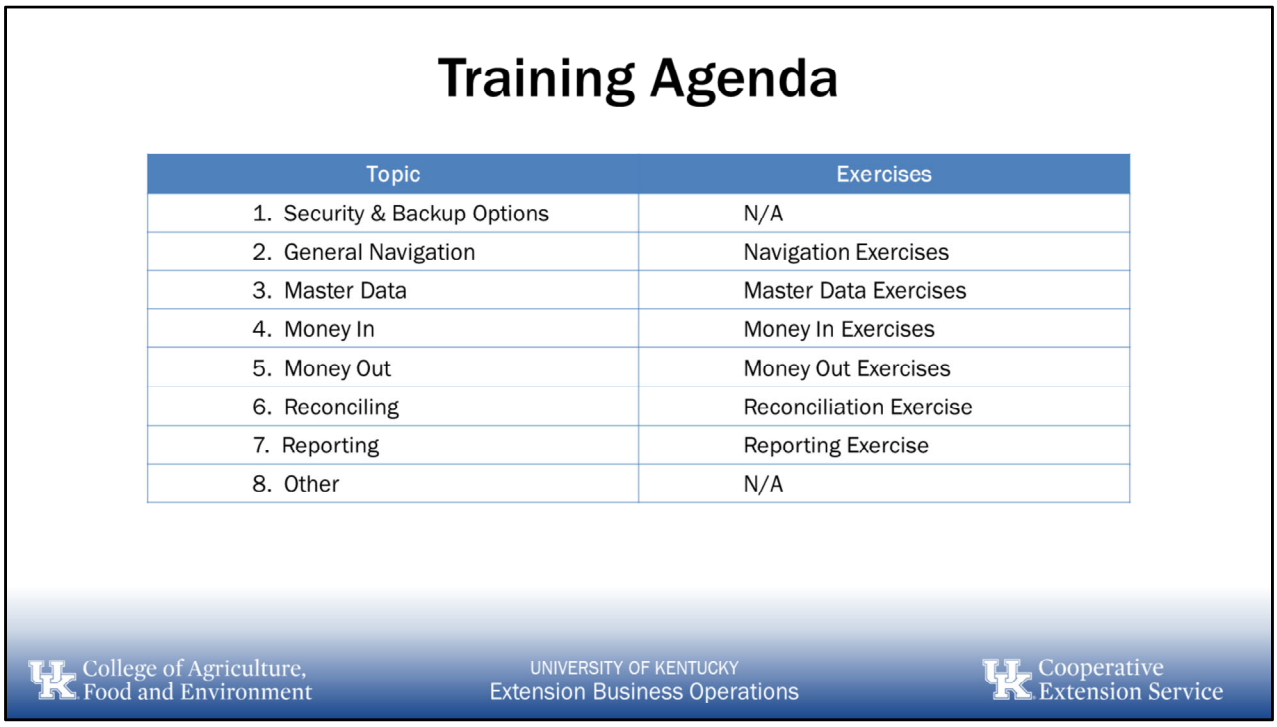
Note: View only access can be provided where necessary (e.g. auditors)

# "Go Live" Process

- Effective with the 1st of next month:
  - Counties trained today will use QBO for EDB funds
  - No change to council funds at this time
  - All EDB checks should be recorded and written/printed via QBO
  - All EDB funds received should be recorded via QBO
  - Changes may be made to CoA and Classes depending on needs of the county
    - Note: Contact EBO if you need any changes

# “Go Live” Resources

- EBO QBO website
  - Training Resources
  - Video Tutorials
  - Quick Reference Guides
  - Contact Information




**QuickBooks Online Training Agenda**

1. **Security & Backup**
    a. Intuit Security Specs
    b. Backup Options
2. **General Navigation**
    a. Navigation Bar
        i. Dashboard
        ii. Banking
        iii. Sales
        iv. Expenses
        v. Workers
        vi. Reports
        vii. Taxes
        viii. Accounting
        ix. My Accountant
        x. Apps
    b. Report Tiles
    c. Bank Account Info
    d. Plus Icon (+)

    e. Search Icon
    f. Gear Icon
    g. Help Icon
1. **Master Data**
    a. Chart of Accounts
    b. Classes
    c. Vendors
    d. Customers
    e. Audit Log
2. **Money In**
    a. Bank Deposit
    b. Transfer
3. **Money Out**
    a. Checks
    b. Expenses
    c. Credit Cards
4. **Reconciling**
    a. Reconciliation Process
5. **Reporting**
    a. Standard Reports
    b. Custom Reports
    c. Management Reports
6. **Other**
    a. Budget Process
    b. Budget Entry
    c. Journal Entries
    d. Voiding vs Deleting Transactions

# Training - Logistics

- Do not hesitate to stop us as we go through the training
  - PLEASE ASK QUESTIONS (Use chat)!
- Exercises will conclude with a reconciliation process therefore it is imperative that you walk thru each exercise as detailed in the manual
- Training slides will serve as a QBO Manual
  - Slides will be updated and housed on the EBO website
  - Goal is to develop a QBO manual in pdf version

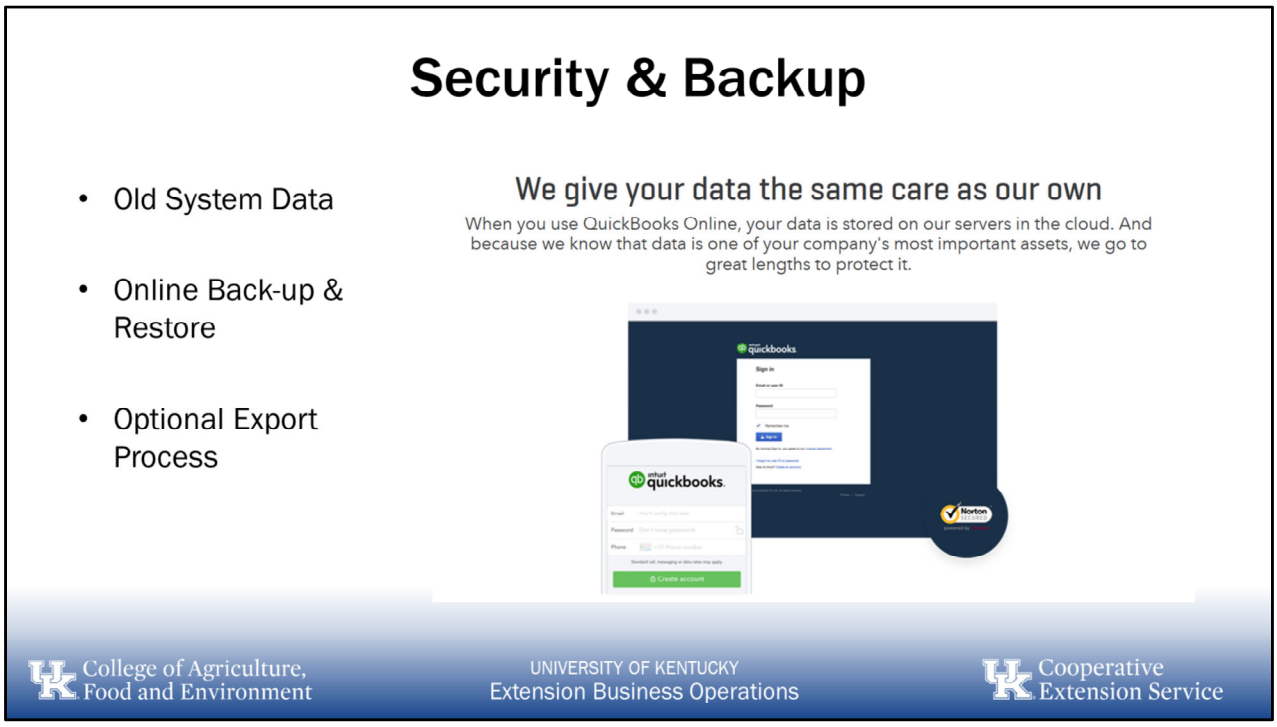
# General Questions

# 1. Security & Backup Options

a. Intuit Security Specifications
b. Backup Options

# Security & Backup

- Intuit monitors performance of QBO 24/7
- Intuit uses Amazon Web Services for housing servers which provides security, surveillance and alarms
- Intuit uses similar security protocols that a bank would use (two-factor authentication, firewalls, and state-of-the-art encryption)
- Intuit does not sell, rent or share private information with third parties
- Intuit strives for 99.5% availability using redundant servers and multiple data servers to keep QBO online
- QBO offers unique always-on activity and audit log




**7 reasons why QuickBooks Online is secure and trustworthy (From QBO Website):**

1. Inuit has automated tools that monitor service and security performance for problems 24 hours a day, 7 days a week. Their production equipment is housed in Intuit-operated and Amazon Web Services (AWS) data centers with 24x7 physical security, full-time security guards, video surveillance, and alarms to prevent high-tech breaches. These data centers have uninterruptable power supplies and backup generators for use in case of a power outage and complex smoke and flood detection and fire suppression systems.

2. Inuit relies on advanced, industry-recognized security safeguards to keep your financial data private and protected. They use similar technology that bank would use to protect the data. Intuit uses password-protected login, multi-factor authentication, firewall-protected servers and state of the art encryption technology for all data.

3. Data is saved using the same processes and security practices that handle millions of online tax returns each year. Inuit uses automatic offset storage without the extra effort and cost of creating and managing physical backup copies on your own. Should the unexpected ever happen to your own computers, all of your data will still be accessible to you from any computer connected to the Internet.

4. Inuit follows a strict set of guidelines and practices to protect all your private

information. They do not sell, rent or share your information with third parties for their promotional use, and we don't allow our employees, contractors, data center workers or other personnel to see, use or change your data without your permission.

5. QuickBooks Online consistently meets or exceeds its availability target of 99.5%. To meet this target they rely on redundant servers and data centers, and have self-correcting error detection programs.

6. We control who accesses the financial data and what they can see and do with it. Only people we invite can access your data. Each person you invite must create their own unique password. We offer multiple permission levels that let you limit the access privileges of each user.

7. QuickBooks Online offers unique Always-On Activity Log and Audit Trail features, which record every user who logs into the service and any changes made to every financial transaction. The Always-One Activity Log is a complete record of activities, while the Audit Trail is an easy-to-read history of all changes to a specific transaction.

**Old System Data:**

Counties must keep prior system electronic records until audited and/or according to record retention schedule. If you have any questions or concerns about how to keep or export old data, please contact Extension Business Operations or discuss with your auditor.

**Exporting Data from QBO:**

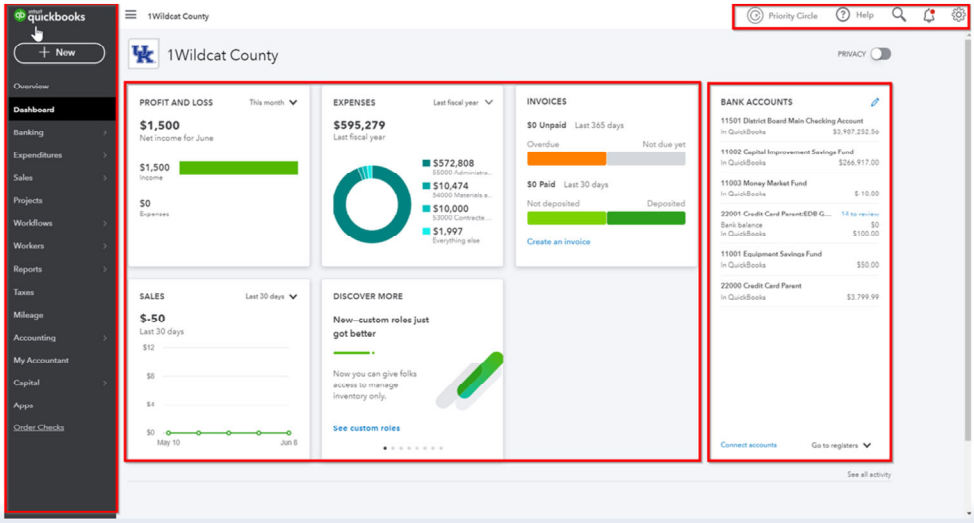
1. Select **Gear Icon**
2. Under **Tools** section, select **Export Data**
3. Choose **"It's a Backup"** and click **Continue**
4. Select the reports and dates you wish to export and click **Export to Excel**
5. Data will be exported to a .zip file named County Date.zip (e.g. Wildcat County Feb 15, 2019.zip)
6. Open .zip file and all reports selected will be listed as an excel document
7. Save the .zip file to a secure location

# Security & Backup Questions

# 2. General Navigation

a. Navigation Bar
b. Report Tiles
c. Bank Accounts
d. Plus Icon (+)
e. Search Icon
f. Gear Icon
g. Help Button

# Dashboard https://qbo.intuit.com/login






The **Dashboard**, is the default landing page when you log into QBO and it is subdivided into 4 main sections:

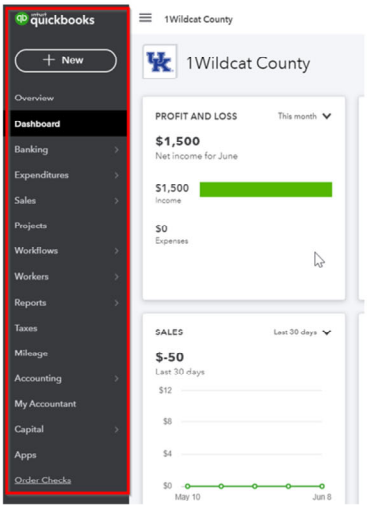
1. **Navigation Bar**
2. **Report Tiles**
3. **Bank Account Info**
4. **Menu Bar**

- We will cover the 4 sections in more detail in the following slides
- Privacy mode allows you to hide the financial information if necessary

## Navigation Bar

- The Navigation Bar is used to move thru the various modules within QBO

- Most commonly used modules for Extension will include:
  - + New
  - Expenditures
  - Sales
  - Reports
  - Accounting

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**Navigation Bar** - The left navigation bar is where you are going to find all the different modules of QuickBooks Online. This navigation bar is broken down into the general areas of operation for a business which include:

1. **Dashboard** - serves as the homepage for your county's books
2. **Banking**
   - Banking - Used to Connect to an electronic credit card accounts
   - Rules - Used to write specified rules for transactions that are downloaded from the bank
   - Receipts – Used to capture images of receipts and categorizing expenditures as appropriate
3. **Expenditures**
   - Expenditures - Overview of all expenses
   - Vendors - add entities or individuals to which you will send funds (money out), these have been pre-loaded to QBO via excel info gathered Nov 2018
4. **Sales**
   - Overview – Provides a graphical overview of sales
   - All Sales - Provides an overview of all income
   - Invoices - (not being used at this time)
   - Customers - add entities or individuals from which you will receive funds (money

in), these have been pre-loaded to QBO via the excel info gathered Nov 2018
    - Products and Services - (not being used at this time)
1. **Projects** – (not being used at this time)
2. **Workers**
    - Employees - (not being used at this time)
    - Contractors - (not being used at this time)
3. **Reports**
    - Standard Reports - pre-loaded standard reports from QBO
    - Custom Reports - reports that may be customized and saved by each individual user
    - Management Reports - collection of reports that can be provided to various stakeholders
4. **Taxes** - (not being used at this time)
5. **Accounting**
    - Chart of Accounts - a listing of all general ledger accounts used by Extension; CoA has been standardized for all counties; more info to come in the training program
    - Reconcile - the process of balancing your bank statements to the books to ensure accurate recording of transactions
6. **My Accountant** - (not being used at this time)
7. **Capital** – (not being used at this time)
8. **Apps** - (consult with EBO before using)

**+ Icon (New Entry)**

- This is where you would go to create most any type of transaction
- Organized into 4 main sections:
  - Customers
  - Vendors
  - Employees
  - Other

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**Plus Icon (+)** – This is where you will go to create most any type of transaction. The create screen is organized into 4 main sections:

- **Customers** – Money In
- **Vendors** – Money Out
- **Employees** – Not used in Extension
- **Other** – Use for Bank Deposits, Transfers and Journal Entries

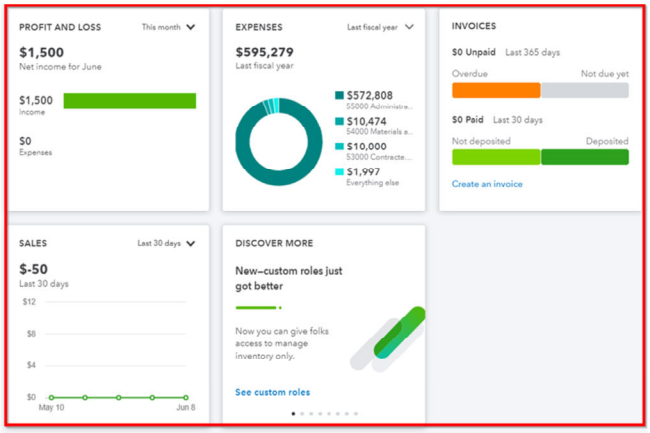
Each of these sections serves a purpose in entering data into QBO. The following notes pertain to the items in each section that will be most commonly used in Extension:

- **Customers** (Money In) – not frequently used at this time
- **Vendors** (Money Out)
  - **Expense** – used to record expenses already incurred
    - Enter payments set up on automatic draft from your local bank
  - **Check** – used to record expenses that require a check be cut
    - Utility payments
    - Reimbursements to staff
    - Payments to contract vendors
  - **Bill** – used to record expenses that will be paid via invoice received later
    - Enter travel documents that will be paid once the invoice is received from UK

        - Enter credit card payments that will be paid one the credit card statement is received from the bank
    - **Pay Bills** – used to process bills that have been entered and now need paid
        - Verify that all items on the invoice have been entered as a bill and process for payment
    - **Print Checks** – used to print checks for both checks or bills that have been processed for payment
- **Employees** – not used at this time
- **Other**
    - **Bank Deposit** – used to enter funds received in the office (e.g. tax payment from the sheriff)
    - **Transfer** – used to enter funds that have been transferred from one bank account to another
        - Transfer of funds from main checking account into CD
    - **Journal Entry** – used to correct an entry that was previously made
        - **Contact EBO for assistance with journal entries**

**Report Tiles**

- Provides snapshot of income and expense activity
- Can be modified to show various fiscal periods using the dropdown functionality

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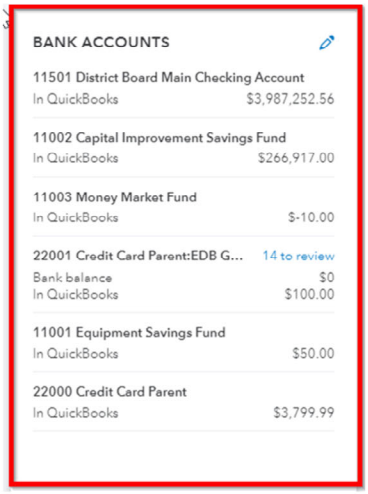
**Report Tiles** - The Report Tiles section gives you a basic snapshot of the account's activity over a given period of time. The only customization the user can manipulate is the reporting period by selecting the dropdown arrow next to the "last month" in each section. It is recommended that the tiles be changed to show "This Fiscal Year".

The 4 main report tiles shown are as follows:

1. **Profit and Loss** – provides a snapshot of the income and expenses for the specified period
2. **Expenses** – provides a summary of expenses for the specified period
3. **Invoices** – provides a summary of paid and unpaid invoices for the specified period (not used at this time)
4. **Sales** – provides a summary of income received for the specified period

## Bank Accounts

- Lists all bank accounts and current balances
  - Note: clicking the privacy button will enable balances to show in the list
- The pencil icon will allow for modification of the order of accounts
- Clicking on any account will take you to the Bank Register which will show a list of transactions for the account

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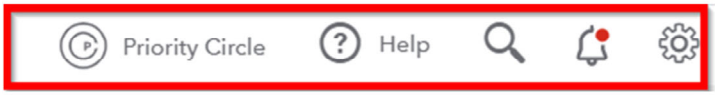
**Bank Accounts** - From the Bank Accounts section, you'll see the listing of all the bank accounts for your county. All bank accounts will be shown here with current balances.

**Tips:**

- Clicking on any account will take you to the **Bank Register** which will show a list of transactions for the account
- Clicking on the **Pencil Icon** will allow you to change the order that the accounts are listed in
- Clicking on the **Privacy Button** will enable balances to show up in the list of bank accounts

**Menu Bar**

1. Priority Circle Icon
2. Help Icon
3. Search Icon
4. Notifications Icon
5. Gear Icon

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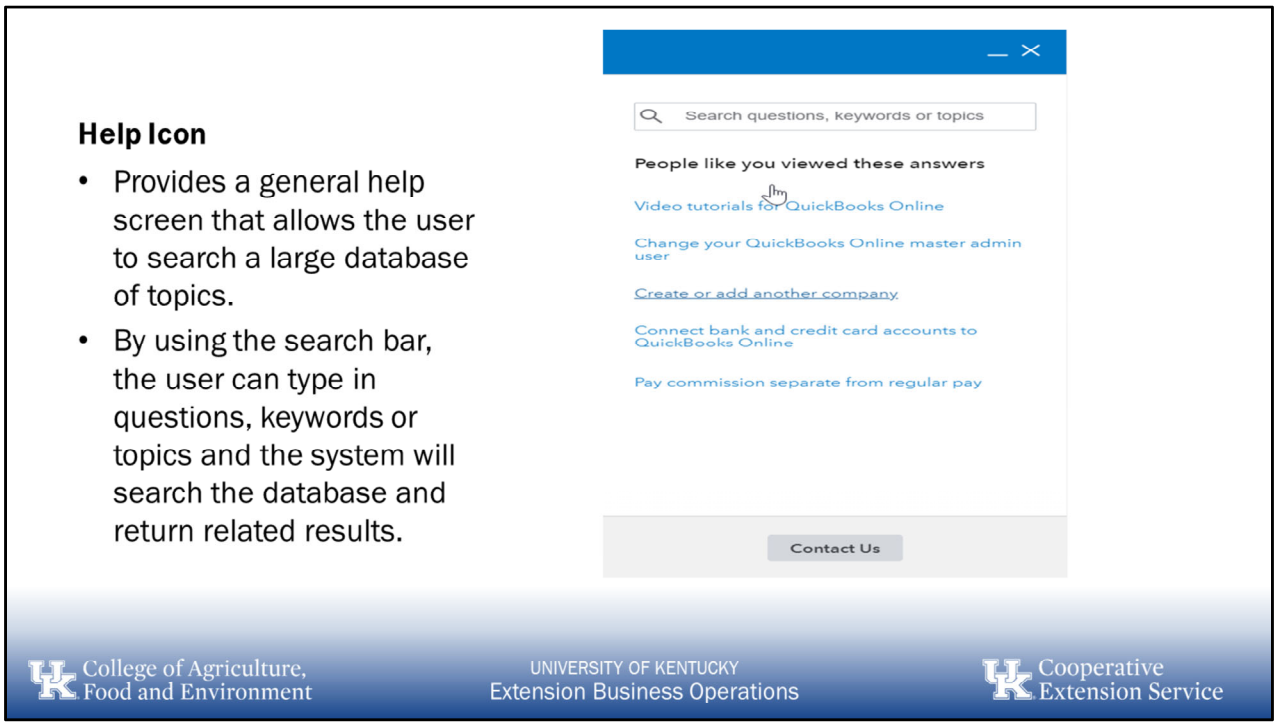
**Menu Bar** – The top menu bar contains a series of icons that will be most useful to all users of QBO. Users will do the majority of the transaction entry from this screen.

Options available from the menu bar:

- **Plus Icon (+)**
- **Search Icon**
- **Gear Icon**
- **Priority Circle Icon**
- **Help Icon**
- **Notifications Icon**

More details will be provided on each of these will be provided in the next slides

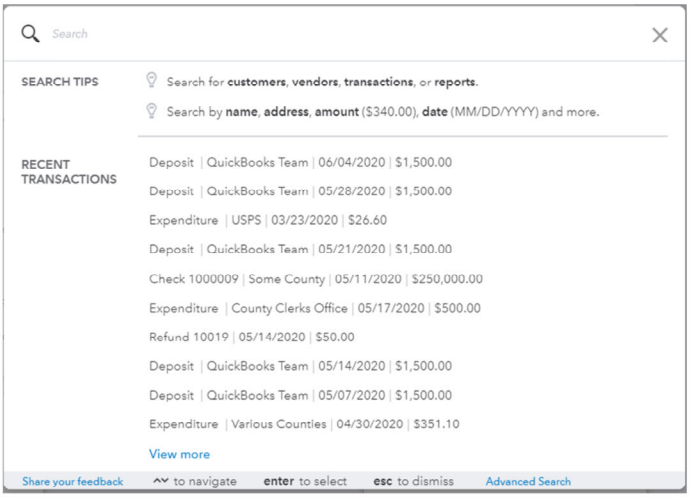



**Help Icon** – provides a general help screen that allows the user to search a large database of topics. By using the search bar, the user can type in questions, keywords or topics and the system will search the database and return results in the window below the search bar. Each result is a link that can be followed and some may take you outside the QBO system.

Video tutorials can be found by searching for videos in the search bar or by clicking below: **https://quickbooks.intuit.com/tutorials/**

**Search Icon**

- Clicking in the search box will give you a listing of your most recent transactions.
- Users can also do quick search for transactions by check number, vendor, amount, date, etc.
- Users can also click on advanced search and run a more detailed search.

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**Search Icon** - This selection provides several options for searching data in your QBO client. Users can search via a search bar by typing amounts, customers, vendors, check numbers, etc. Users may also select **Advanced Search** and do a more customizable search for specific document types, dates, reference numbers, etc.

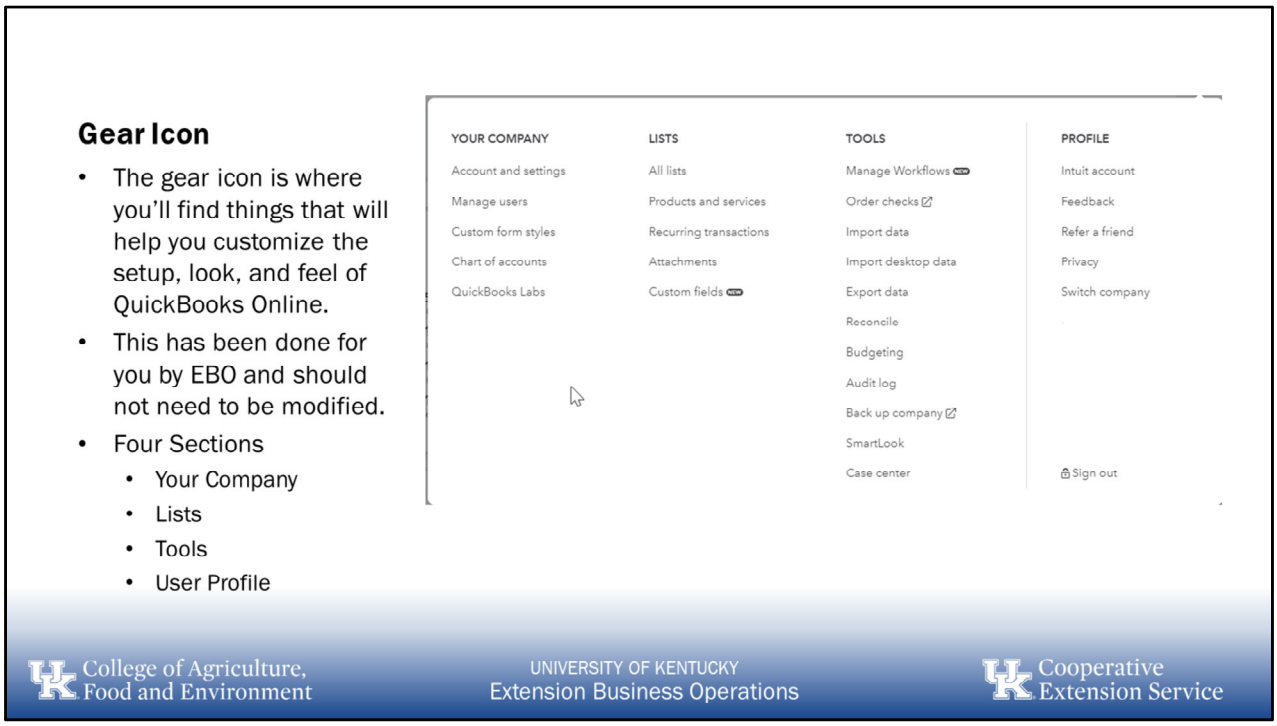
From the **Search Icon:**

- Clicking on the **Search Icon** return a list of the most recent transactions
- Type an amount, customer name, vendor name, check number etc in the **Open Search Bar** to look for a specific transaction
- As you type the items below the search bar will begin to filter based on what you enter in the search bar
- Once you find what you are looking for, click the appropriate item in the list and it will take you to that item

From the **Advanced Search** link:

- Select the type of transaction from the **Dropdown Box** you are looking for (checks, bills, deposits, etc)
- Select the next field that you want to filter for from the next **Dropdown Box** (account, payee, amount, etc)
- Enter the item you want to search for in the **Text Field**

- Click **Search**
- Users may add additional filters if necessary by clicking on **Add Filter**




**Gear Icon -** The gear icon is where you'll find things that will help you customize the setup, look, and feel of QuickBooks Online. The majority of the items found in the Gear screen have been pre-configured for the county. Most items will be informational only and any changes to the set-up for the county must be reviewed by EBO. If you have questions about any settings, do not hesitate to contact us.

This screen is broken down into 3 sections:

- **Your Company** – pre-configured but contains links to account and settings, users, and chart of accounts
- **Lists** – pre-configured but contains links to lists, recurring transactions and attachments
- **Tools** – links to import, export, reconcile, budget, etc

**Your Company** section:

- **Account and Settings** (pre-configured)
  - **Company** – basic info regarding the county that was collected in Nov 2018
  - **Billing & Subscription** – Billing info is kept by the CPA firm we are working with to provide the discounted pricing to the county
  - **Sales** – default setting for sales entry screens

        - **Expenses** – default settings for expense entry screens
        - **Payments** – default settings for payment entry screens
        - **Advanced** – default settings for accounting related info (fiscal year, accounting method, chart of accounts, classes, date format, etc)
    - **Manage Users** - provides a list of current users for the county
        - **Do not add, edit or delete users** – all users must be added by EBO
    - **Chart of Accounts** – provides a list of all current general ledger accounts set up for the county (more info on this later)
        - **Do not add, edit or delete accounts** – all changes must be done by EBO

**Lists** section:

- **All Lists** – provides access to chart of accounts, payment methods, classes, etc
- **Products and Services** – not currently being used
- **Attachments** – provides an easy location to view attachments

**Tools** section:

- **Import Data** – provides options to import customers, vendors, chart of accounts, etc
- **Export Data** – provides options to export report data from QBO to Microsoft Excel
- **Reconcile** – opens window to complete the monthly bank reconciliation process (more info later in training)
- **Budgeting** – opens window to enter budgets (to be entered by EBO)
- **Audit Log** – provides detailed info on access to the system, transactions entered, changed made, etc (more info later in training)

# General Navigation Questions

# 3. Master Data

a. Chart of Accounts
b. Classes
c. Vendors
d. Customers

# Chart of Accounts Basics

- Assets – things we own (bank accounts, buildings, vehicles)
- Liabilities – things we owe (accounts payable, credit cards)
- Equity – this represents net cash reserves (fund balances)
- Revenue – money in (taxes, user fees, etc)
- Expenditures – money out (supplies, travel, utilities, etc)

**Chart of Accounts**

- 1XXXX – Assets
- 2XXXX – Liabilities
- 3XXXX – Equity/Reserves
- 4XXXX – Income
- 5XXXX – Expenses
- 6XXXX – Expenses

Think of the Chart of Accounts as the "line items" used to record transactions.

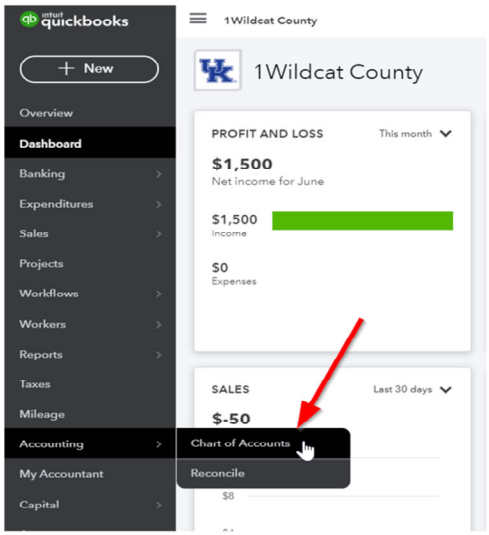



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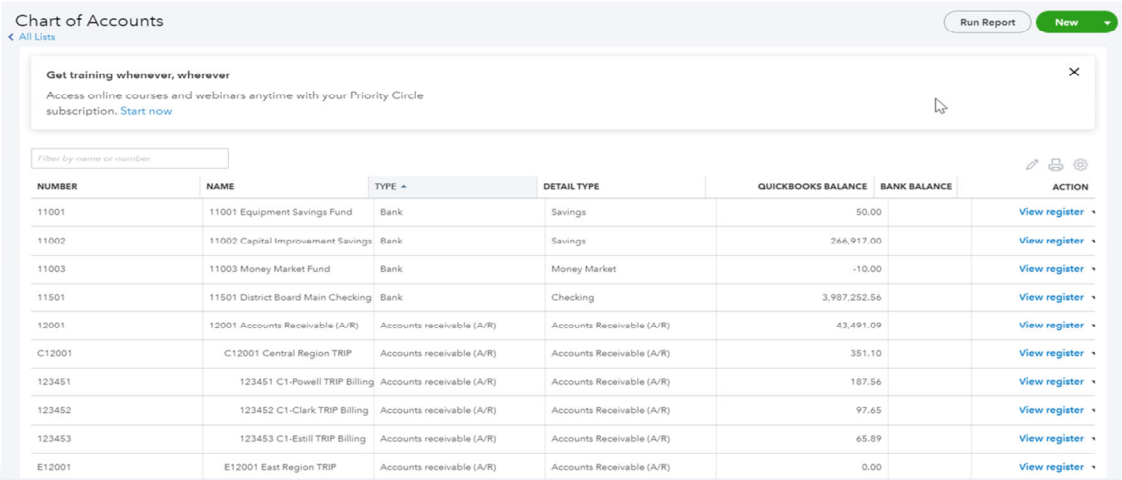
**Chart of Accounts** (Line Items) – can be accessed from either the **Navigation Bar** or the **Gear Icon**. The chart of accounts was developed to support the required reporting but also incorporates general standard accounting practices.

Standard accounting practices led us to the following categories of accounts:

- **10000 – 19999**: Assets (bank accounts, fixed assets, accounts receivable, etc)
- **20000 – 29999**: Liabilities (accounts payable, accrual accounts, etc)
- **30000 – 39999**: Equity (reserves)
- **40000 – 49999**: Income (taxes, charges for services, other)
- **50000 – 69999**: Expenses (contract services, utilities, materials and supplies, travel, etc)

# Chart of Accounts

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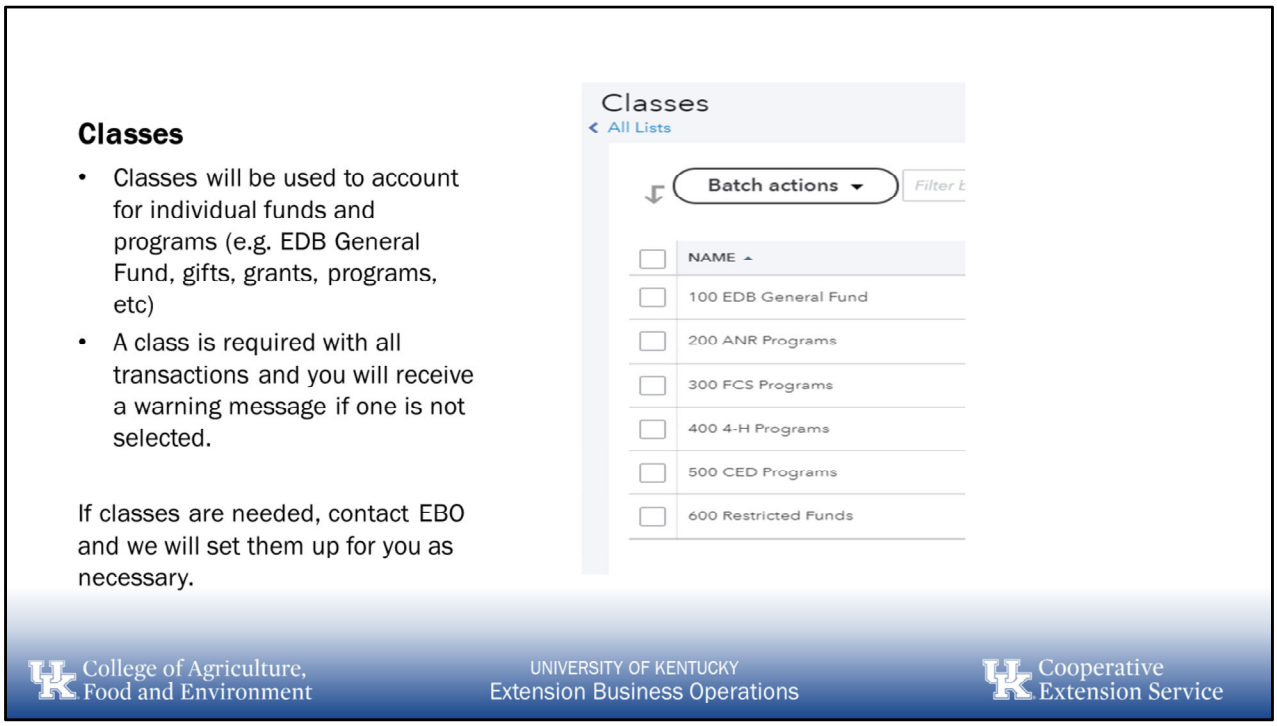
The **Chart of Accounts** was developed with the end in mind. We started with the SPGE Financial Disclosure Report that is required by DLG. We also considered the Uniform Financial Information Report (UFIR) and the current budgeted line items in our budget forms. From there we added lines as necessary to develop a fully functional chart of accounts.

Any changes to the CoA must be made by the EBO team. Please consult with us if you have a need for additional accounts or changes to the standard listing. We will work with you to create the EDB required accounts but will also strive to maintain consistency and standardization across the state. This will help us to ensure we are all able to support the EDB in a consistent manner.




**Classes** – are used to further describe a transaction. At this time we are using limited numbers of classes but can work with individual counties as necessary to add classes where needed. Using classes will allow us to track expenses at a lower level (i.e. for grants or gifts). A class is required with all transactions and you will receive a warning message if one is not selected.

Current classes we will be using in Extension (sub classes within these primary classes can be established by EBO):

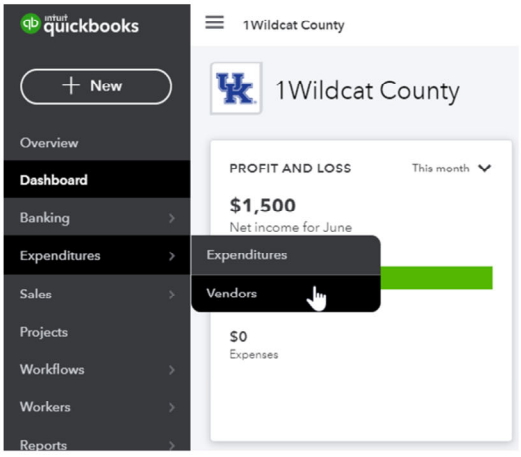
- **EDB General**
- **County specific programs**
- **Grants**
- **Gifts**

If you have questions about the use of classes, please contact EBO.

**Vendors**

Vendors Screen

1. Hover over the Expense tab
2. Once the submenu pops up click on the Vendors section

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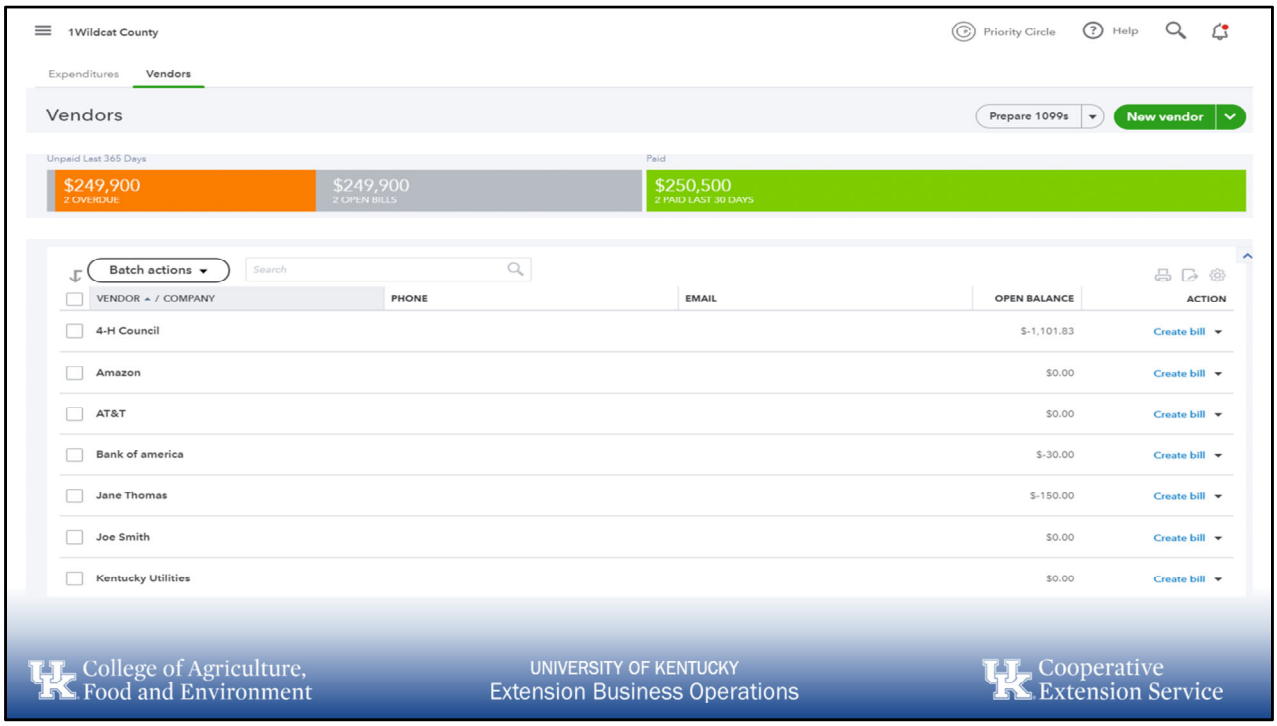
**Vendors (Money Out)** – The Vendors page is where you keep track of the vendors you work with. Vendors are people or companies that you pay money to, such as a store, utility, landlord, or subcontractor who does work for you.

To get to the **Vendors** page:

- Hover over the **Expense** item in the **Navigation Bar**
- Select **Vendors**



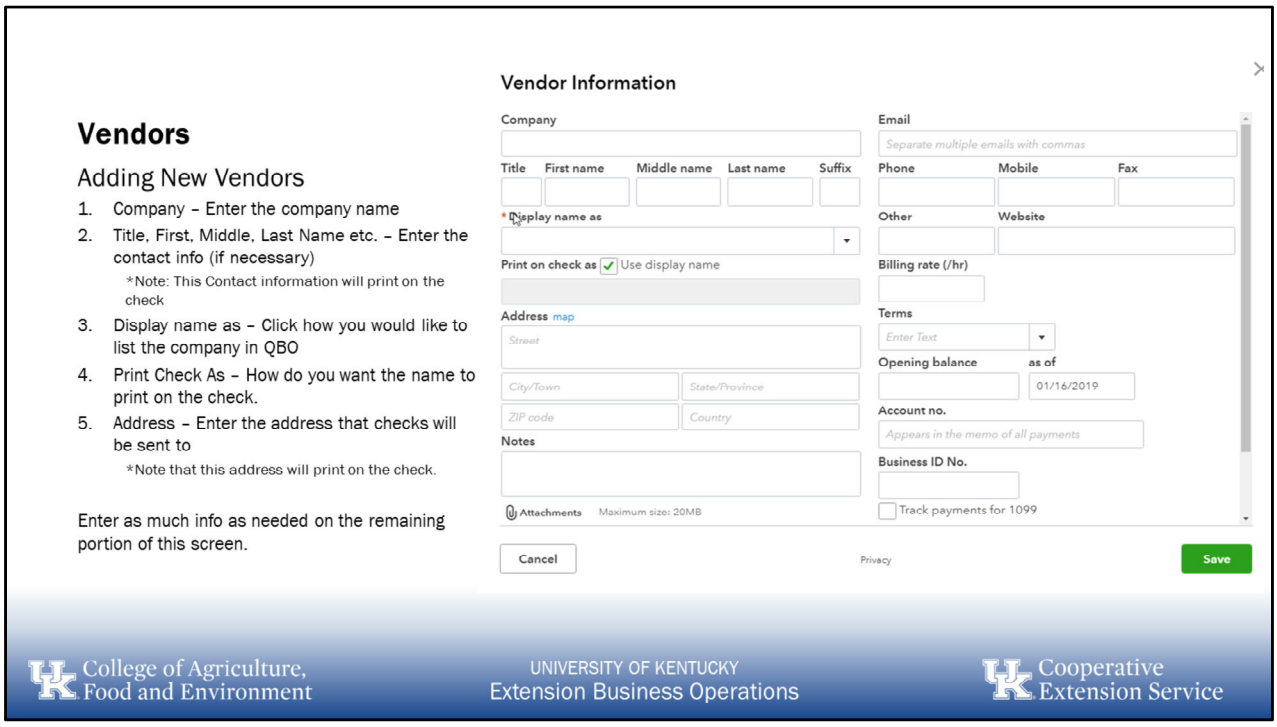

**Vendors Page** - The Vendors page provides an overview of all of your Vendors. From here you can click on each Vendor and see their details. Vendors were uploaded to your account based on those submitted to EBO in November 2018 excel file. Vendors may be added, deleted or edited from this screen.

To add a new **Vendor**:

- Select **Expenses** and then **Vendors**.
- Select **New vendor**.
- Complete the fields in the **Vendor Information** window.
- Select **Save**.

To view transactions for a **Vendor**:

- Select **Expenses** and then **Vendors**.
- Find and select the appropriate vendor.
- Under **Transaction List**, you should see all transactions for this vendor.




**Vendor Information Window** – provides the fields available for each vendor.

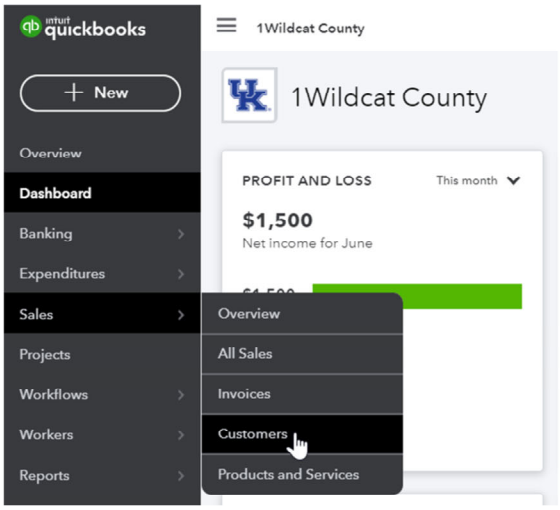
The following fields should be filled in when adding a vendor:

- **Company** – Enter the company name
- **Title, First, Middle, Last Name** – Enter the contact info (if necessary)
    - *Note: This Contact information will print on the check
- **Display name as** – Click how you would like to list the company in QBO
- **Print Check As** – How do you want the name to print on the check
- **Address** – Enter the address that checks will be sent to
    - *Note that this address will print on the check
- **Phone** – Enter the phone number for the vendor
- Enter as much info as needed on the remaining portion of this screen

## Customers

Customers Screen

1. Hover over the sales tab
2. Once the submenu pops up click on the Customers section

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**Customers (Money In) -** The Customers page is where you keep track of the customers you work with. Customers are people or companies that you receive money from, such as a sheriff's office, county clerks' office, individuals from the community, etc.

To get to the **Customers** page:

- Hover over the **Sales** item in the **Navigation Bar**
- Select **Customers**

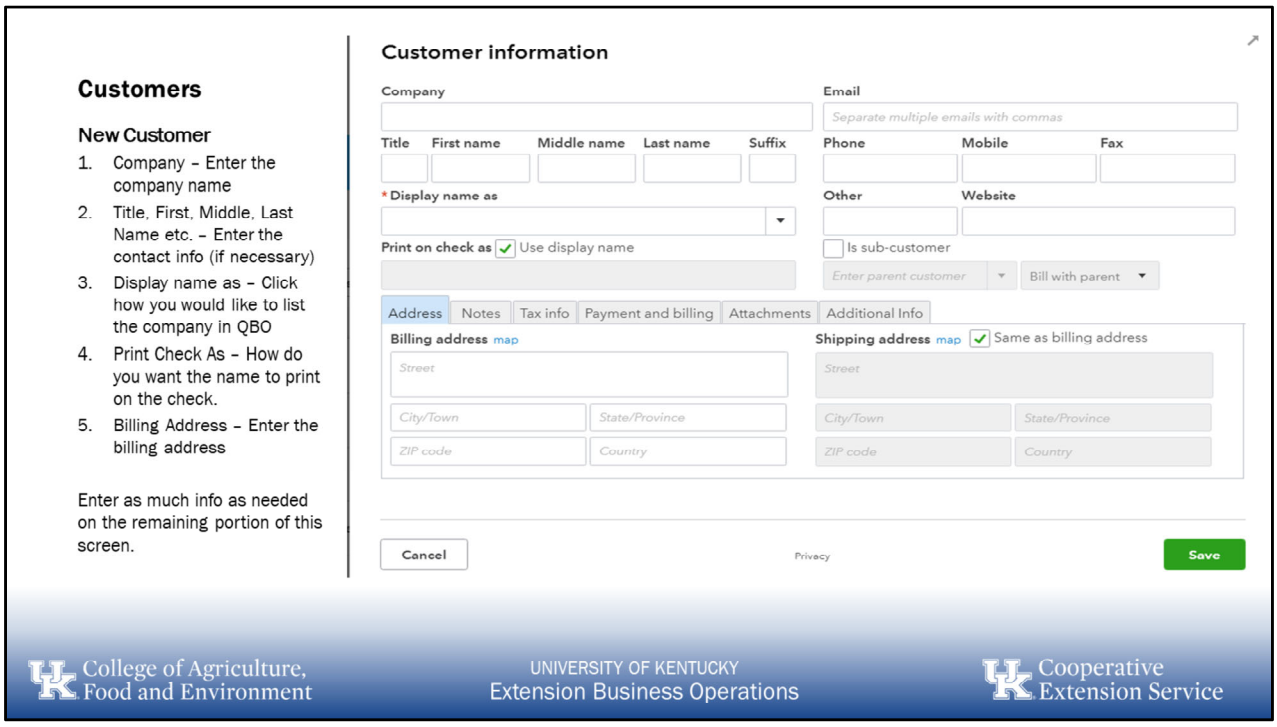
**Customers Page** - The Customers page provides an overview of all of your Customers. From here you can click on each Customer and see their details. Customers were uploaded to your account based on those submitted to EBO in November 2018 excel file. Customers may be added, deleted or edited from this screen.

To add a new **Customer**:

- Select **Sales** and then **Customer**.
- Select **New Customer**.
- Complete the fields in the **Customer Information** window.
- Select **Save**.

To view transactions for a **Customer**:

- Select **Sales** and then **Customer**.
- Find and select the appropriate customer.
- Under **Transaction List**, you should see all transactions for this customer.




**Customer Information Window** – provides the fields available for each customer.

The following fields should be filled in when adding a customer:

- **Company** – Enter the company name
- **Title, First, Middle, Last Name** – Enter the contact info (if necessary)
- **Display name as** – Click how you would like to list the company in QBO
- **Print Check As** – How do you want the name to print on the check.
- **Billing Address** – Enter the billing address
- **Phone** – Enter the phone number for the customer
- Enter as much info as needed on the remaining portion of this screen.

## Adding Master Data Demo (10 min)

**NOTE: Make sure to enter each customer from the exercise manual**

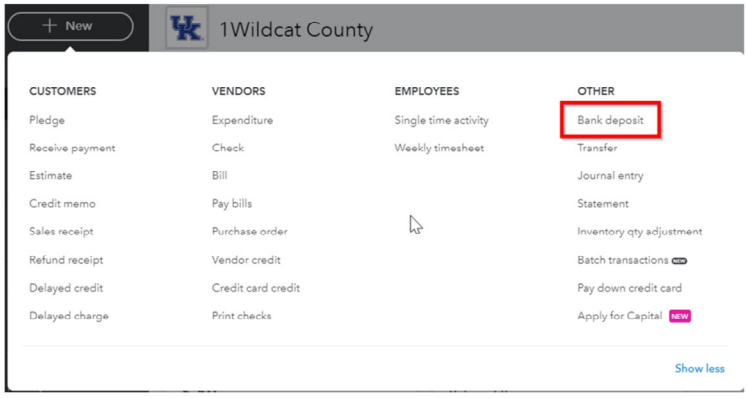
# Master Data Questions

# 4. Money In

a. Bank Deposit

**Bank Deposit**

- Use this transaction to record all funds received
- From the Plus Icon (+), select "Bank Deposit" from the Other column

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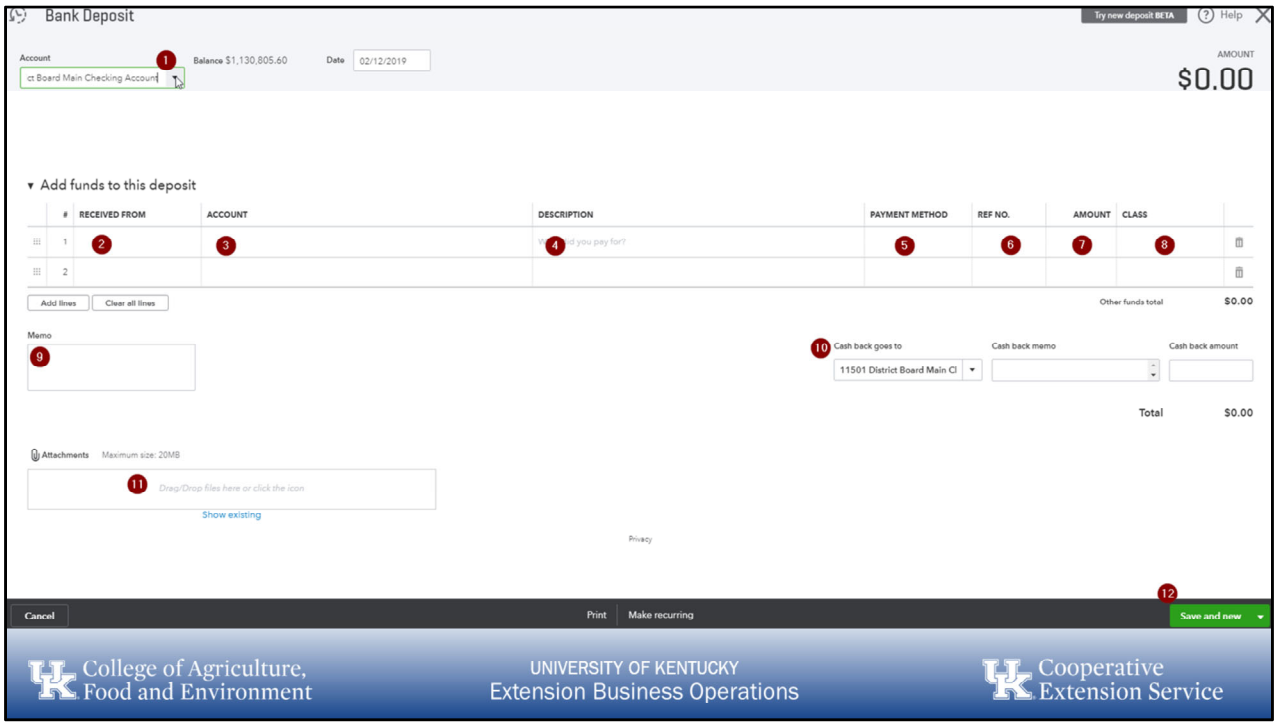
1. Select the **Plus icon (+)** on the **Toolbar.**
2. Under **Other**, select **Bank Deposit**.
3. In the **Choose an account** field, select the bank account to which to deposit funds.
4. If available, select the checkboxes of the transactions to deposit in the **Select the payments included in this deposit** or **QuickBooks Payments** sections.
5. In the **Add funds to this deposit** table, enter information about any additional items to include in this deposit, including who the item was **Received From**, the **Account**, **Payment Method**, and **Amount** of the item.
    - You can also use this section to account for processing fees by adding the fee as a negative amount.
6. Select **Print** to print the deposit slip before saving.
7. Select **Save and close** or **Save and new**.




1. **Account** - Choose the account that the funds are going to be deposited into
2. **Received From** – Select the customer that the funds are from
3. **Account** – Choose the correct "Line Item/GL" Account that the funds relate to (i.e. Real Taxes, Personal Taxes, etc.)
4. **Description** – Type a brief description of the transaction
5. **Payment Method** – Select the form of payment (cash, check, credit card, etc.)
6. **Ref. No.** – Enter the number of the receipt that was given/written for the transaction (see pre-printed receipts)
7. **Amount** – Type in the amount of the transaction
8. **Class** – Choose a class that relates to the income
    1. Repeat steps 2-9 for each receipt recorded during the day
    2. Add lines as necessary for funds to be deposited
9. **Memo** – Include any other memo that you want to include
10. Cash back goes to – *DO NOT USE THIS*
11. **Attachments** – Drag/Drop any file relevant to this transaction (i.e. receipt of deposit)
12. Print deposit summary report and have reviewed by the fiscal contact for the office

## Money In Exercises (10 min)

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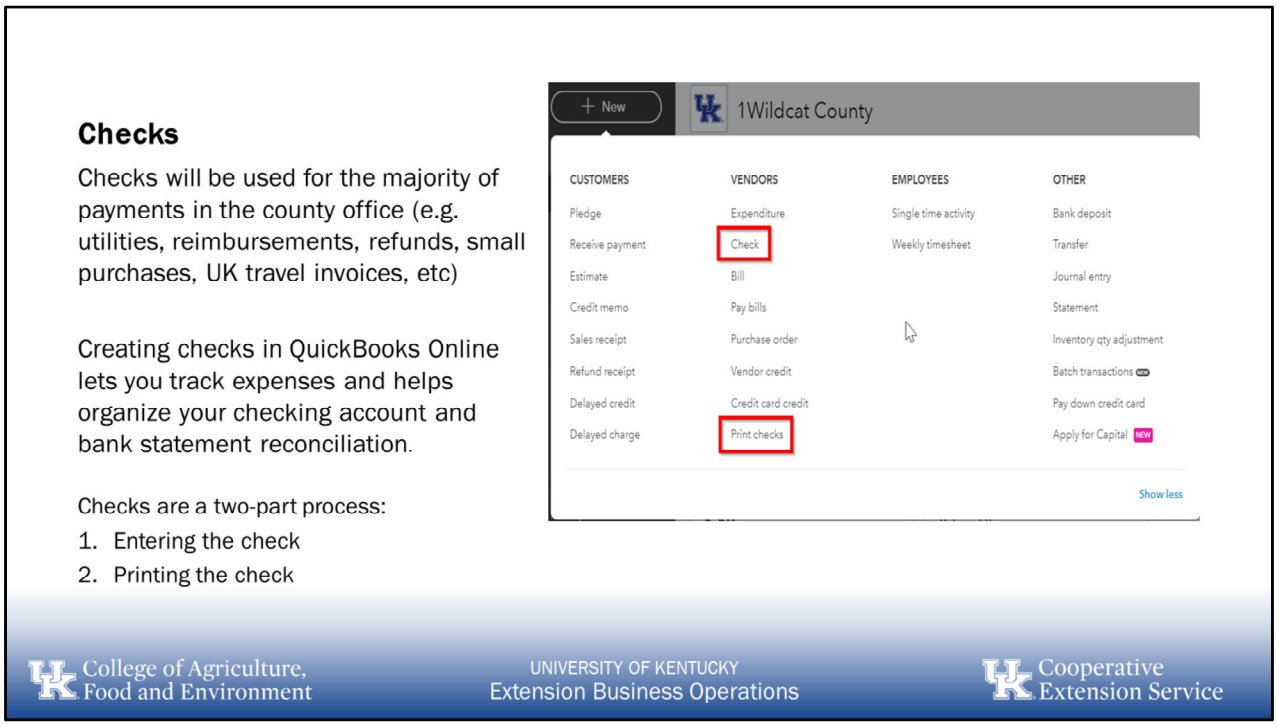
**NOTE: Make sure to enter each line item from the exercise manual as separate transactions using the dates provided**

# Money In Questions

# 5. Money Out

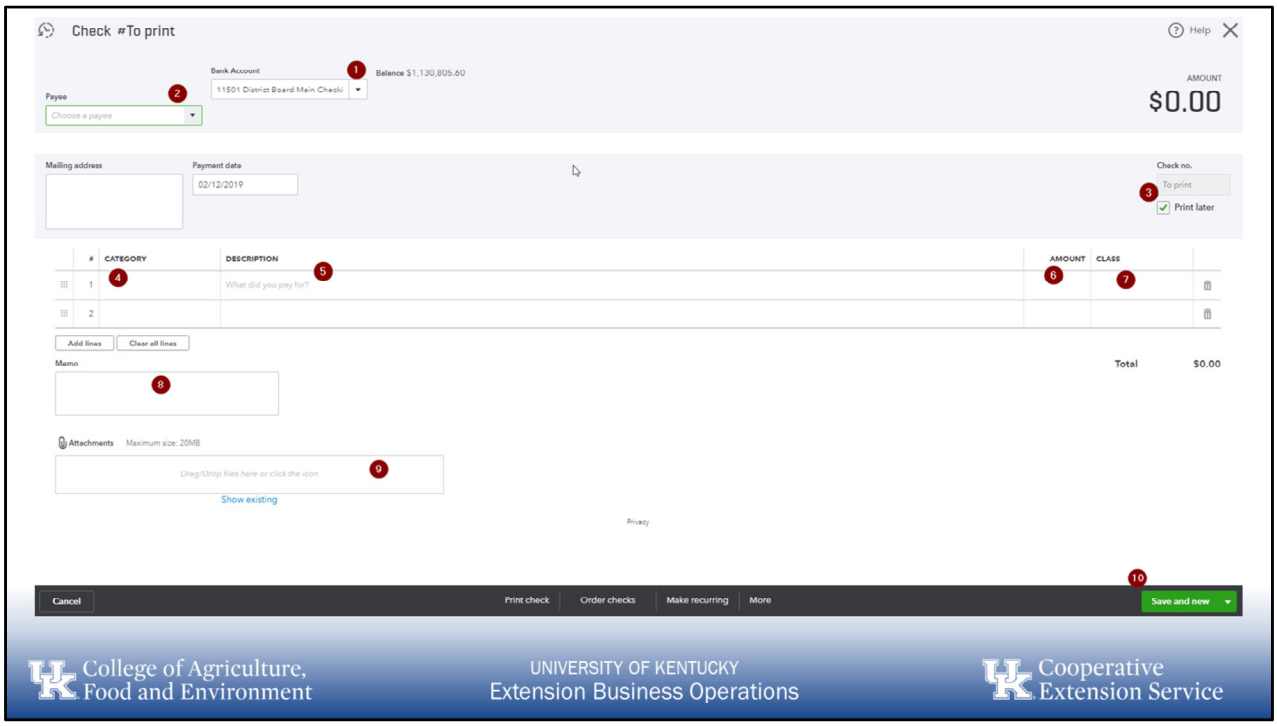
a. Checks
b. Expenditures
c. Credit Cards




**Check -** Checks will be used for the majority of payments in the county office (e.g. utilities, reimbursements, refunds, small purchases, etc)

Creating checks in QuickBooks Online lets you track expenses, and helps organize your checking account and bank statement reconciliation.

1. Click the **Plus icon (+)** at the top right-hand corner of the screen.
2. Under the **Vendors** section, Choose **Check.**




1. Specify the **Bank Account** where the money will be withdrawn.
2. Choose the **Payee** from the drop-down list.
3. **Print Later**
    1. **Print later** allows you to enter multiple checks and then print them all at once. Notice the check number is unavailable if you choose print later. QBO automatically assigns the check number during the **"Print Checks"** function that we'll discuss later
    2. If you "uncheck" **Print later**, you can print the check now by entering the check number into the Check no. box and selecting "**Print Check**" at the bottom of the screen.

    **Complete the check fields**. **(Note**: The **Memo** field is optional. Text you enter in the **Memo** field appears in the register (or account history), on printed checks, and on reports that include this check.)
4. Select the correct **Category** (line item/GL)
5. Add a brief **Description** of the purchase.
6. Add the **Amount** for that line item
7. :Choose the appropriate **Class** for the expense

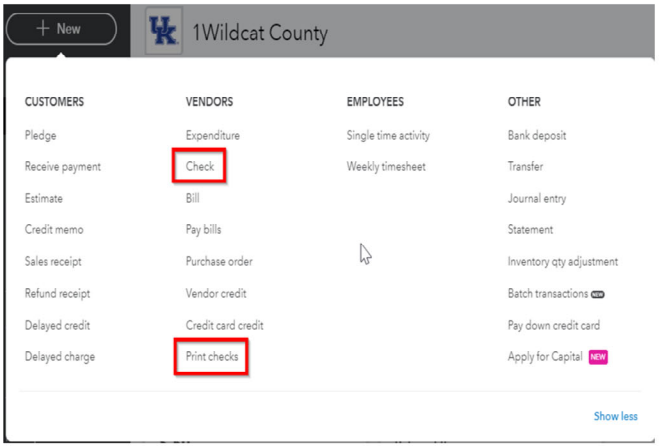
    **Note** For split checks – Continue to add all of the info repeating steps 4, 5, 6, and 7. Lines will add automatically as you need them.

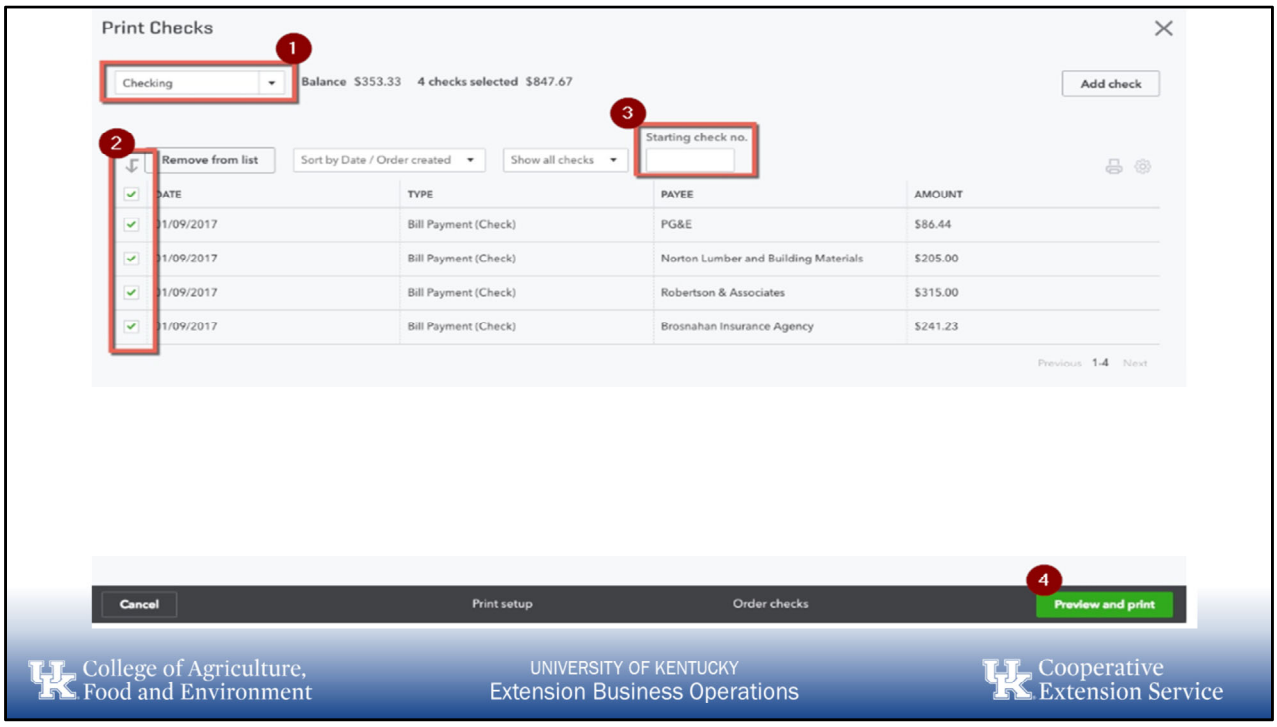
8. Add a **Memo** that will print on the check (if needed)
9. Add an **Attachment** (payment voucher and receipt/invoice - may be done later)
   Select the **Print or Preview** option if you want to print the check.
10. Select **Save and close** or **Save and new**.

## Print Checks

Print Checks is used to print all checks recorded from the Checks or Pay Bills functions.

1. Click the **Plus icon (+)** at the top right-hand corner of the screen.
2. Under the **Vendors** section, Choose **Print Checks.**






Load your checks into the printer.

1. Select the **Bank Account** containing the checks to print.

   If you have a large number of checks, filter the list using the options on the **Sort by** drop-down menu or the **Show** drop-down menu to specify the checks to display and how to sort them. For example, the **Sort by Date/Payee** option sorts checks first by date and then by payee within the same date, and the **Show bill payment checks** option displays only checks used to pay bills.
2. Select the checks to print.
3. In the **Starting check no**. field, enter the number of the first check in the printer. Avoid special characters such as % or #.

4. Select **Preview and print.**

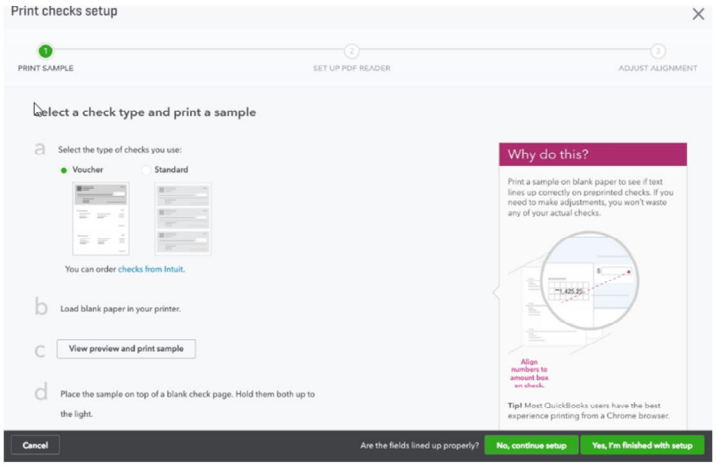
Follow the instructions in the **Preview printing checks** window.

Respond to the **Did checks print OK?** prompt.

Printer icon will create a list of all checks that are ready for printing.

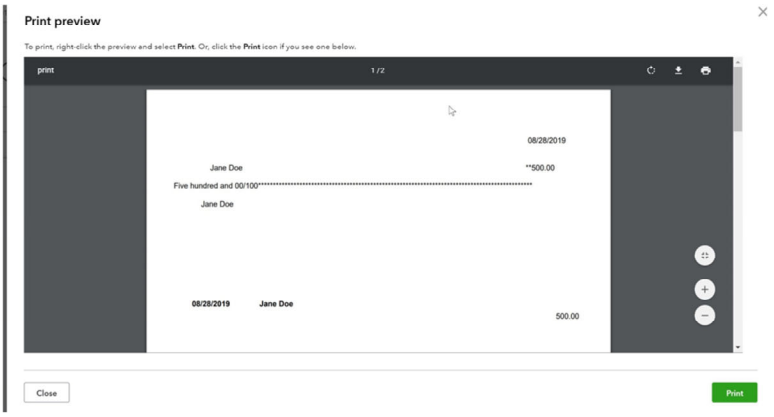
## Print Checks Setup

- The next screen will give you the options to set up your printing. From here, you can print a sample and customize the layout to make sure your checks are printed properly.
- Once you have properly set up QBO to print checks, then you can move on to the next screen to print them.



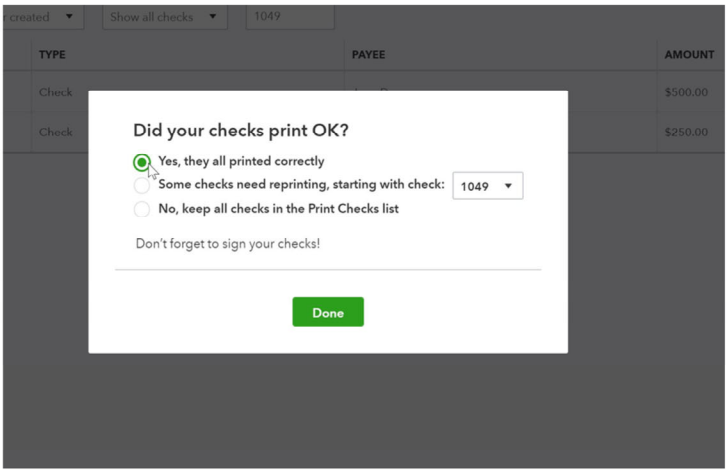
## Print (check) Preview

- This screen shows what the check will look like when printed.
- Scrolling down will show the check stub information.
- It provides an opportunity to review the checks before they are printed.



## Print Verification

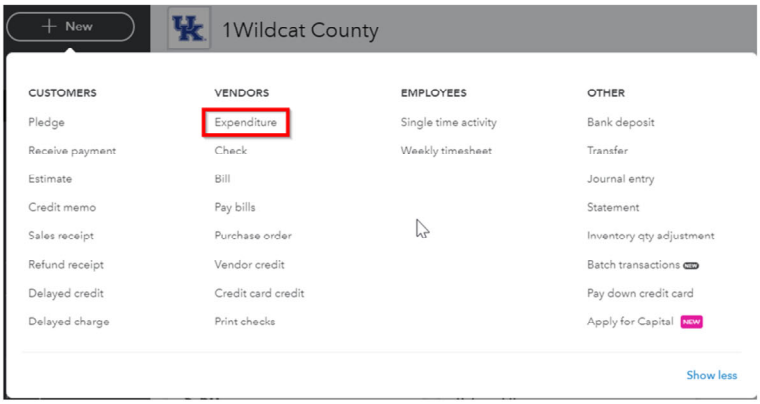
- The next screen will ask if the checks were printed correctly
- Users have the opportunity to select:
  - All checks printed correctly
  - Some checks need re-printed
  - All checks need re-printed



## Expenditure

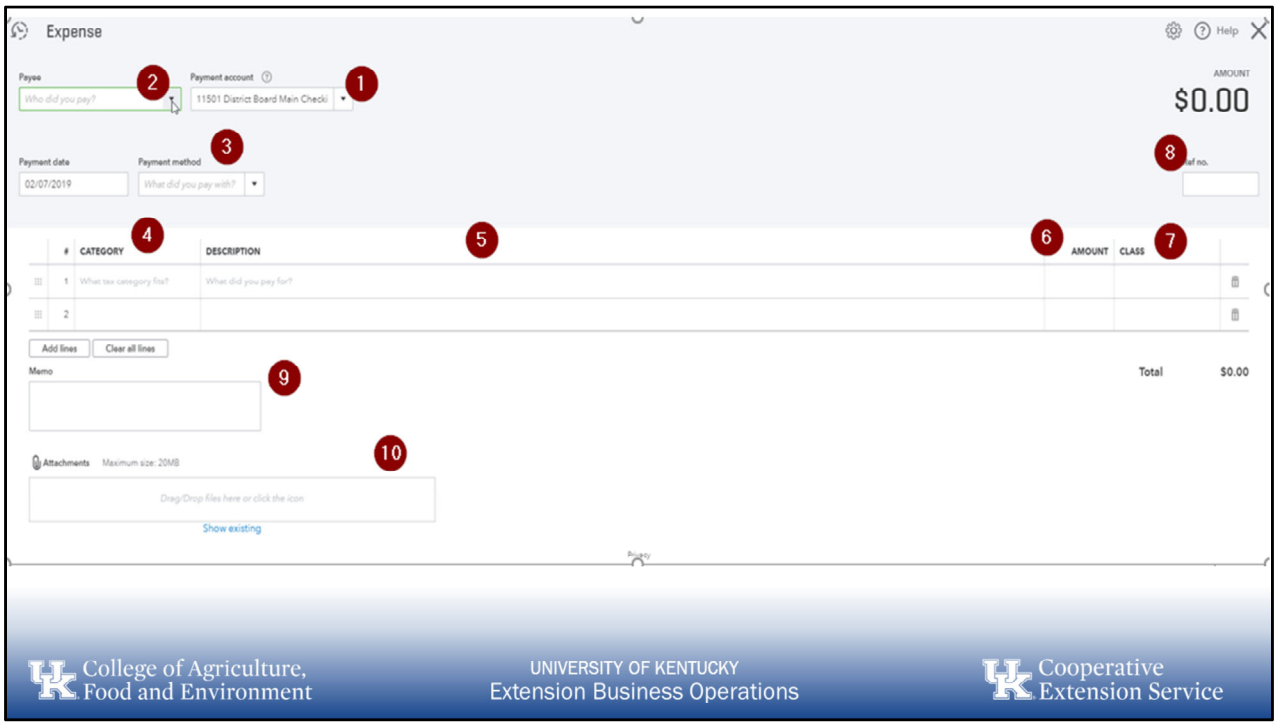
Use the Expenditure function to record expenses that are set up for automatic payment.

1. Click the **Plus icon (+)** at the top right-hand corner of the screen.
2. Under the **Vendors** section, Choose **Expenditure.**






**Add notes to explain this in more detail**

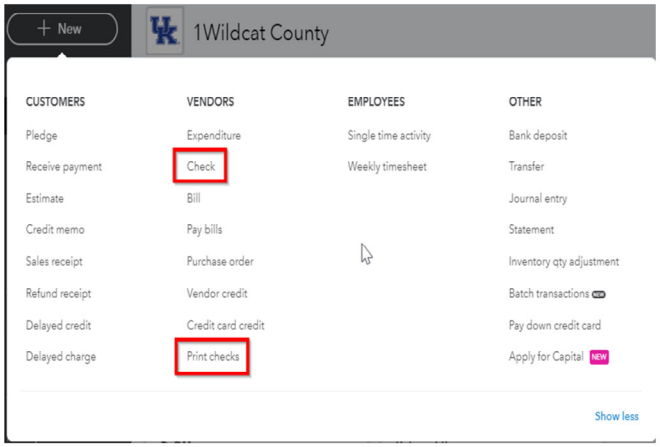



1. Select the **Bank/Credit account** to which to credit this expense.
2. In the **Payee** field, specify a vendor. You can specify the name of a person or a business. If your transaction covers multiple petty cash expenses, leave this field empty.
   Enter the date of purchase in the **Expense/Payment date** field.
3. Specify the **Payment method** for the expense.
4. Specify the **Category** to use for the transaction.
5. Enter a description of the expense.
6. Enter *t*he **Amount** of the purchase and any **Tax** paid. You can enter a calculation.
7. (Optional) You can use the **Ref no.** field to enter an identifying number from the purchase receipt.
8. Select **Save and close** or **Save and new**.

## Credit Card Process

Each credit card transaction (swipe) will be entered as an individual line item via one of two methods.

1. Via the Check process once credit card statement is received. (Simplest but less timely recording/reporting)
2. Via the Bank Feed process through direct link to the credit card bank. (Additional steps but swipes are auto downloaded to QBO and allows for more timely recording/reporting)
   - User will "edit" each transaction in the Banking section.
   - Payment will be made via the reconciliation process.

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Entering credit card transactions into QBO can be done one of two ways, manually or by bank feed.

Each time the credit card is used (swiped or entered online) there MUST be an expense recorded in QBO.

**If using a bank feed to enter transactions, each transaction must be "edited" for accuracy before the card is reconciled.

Each Card must be reconciled individually through the reconciliation process

Once the card has been reconciled, choose "Create Bill" to create a bill to be paid to the card company. Note that once the bill is created the bill must also be paid under the "Pay Bills" section and a check must be printed in the "Print Checks" section.

## Money Out Exercises

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**NOTE: Make sure to enter each line item from the exercise manual as separate transactions using the dates provided**

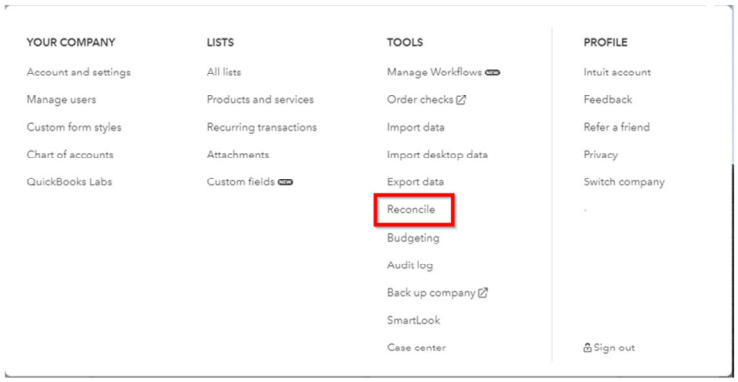
# Money Out Questions

# 6. Reconciling

a. Reconciliation Process

## Reconciling

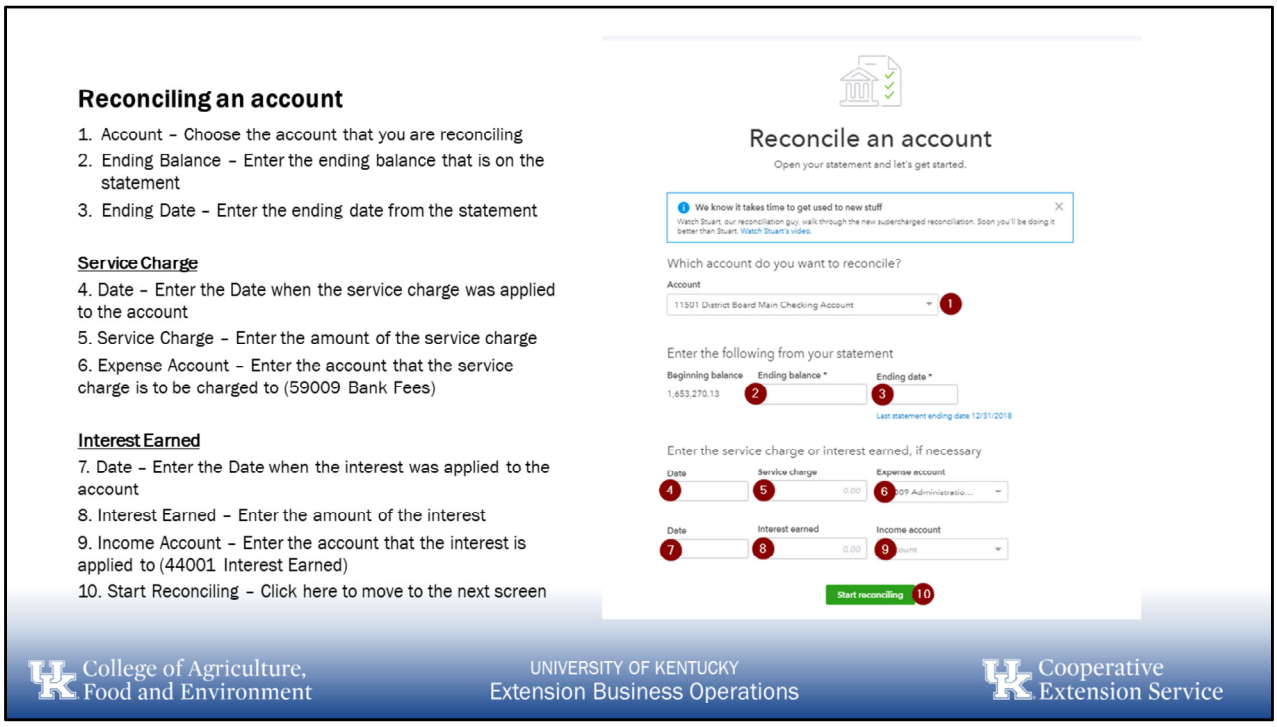
- Lets you know your books are correct
- Catch bank errors that cost you money, like a wrong total for a deposit with multiple checks
- Help prevent possible fraud by employees, accounting professionals, or vendors






When you reconcile an account, you compare the beginning balance and transactions listed in your QuickBooks Online company file with your monthly bank or credit card statements to make sure they match.
Accountants call this reconciling, or balancing, your books. When you're finished, your books and bank agree with each other.
Reconciling is like balancing a checkbook, as you review your bank statement to make sure it matches the amounts you recorded in your check register.
This lets you know your available balance for the period and identify any discrepancies (such as unrecognized charges).Reasons for monthly reconciliations:

1. Click the **Gear icon** at the top right-hand corner of the screen.
2. Under the **Tools** section, Choose **Reconcile.**



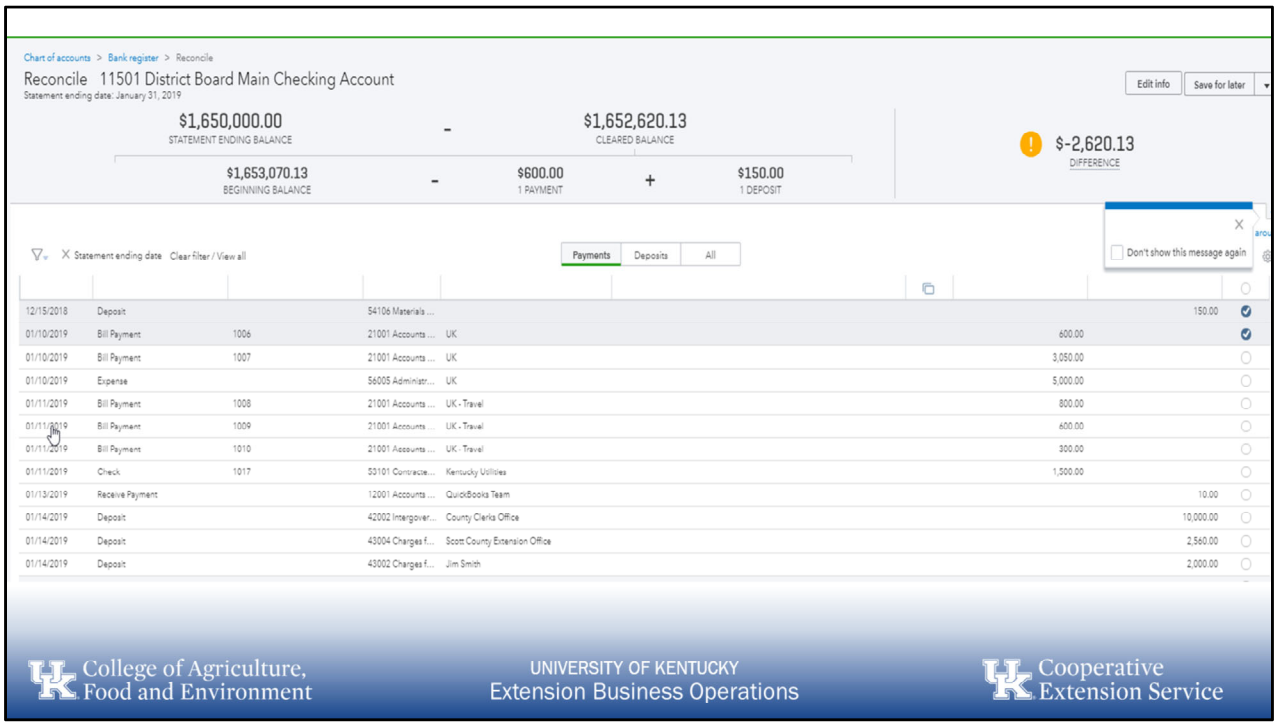

1. **Account** – Choose the account that you are reconciling
2. **Ending Balance** – Enter the ending balance that is on the statement
3. **Ending Date** – Enter the ending date from the statement

Service Charge

4. **Date** – Enter the Date when the service charge was applied to the account
5. **Service Charge** – Enter the amount of the service charge
6. **Expense Account** – Enter the account that the service charge is to be charged to (59009 Bank Fees)

Interest Earned

7. **Date** – Enter the Date when the interest was applied to the account
8. **Interest Earned** – Enter the amount of the interest
9. **Income Account** – Enter the account that the interest is applied to (44001 Interest Earned)
10. **Start Reconciling** – Click here to move to the next screen




On the **Reconcile** page, compare the total number of transactions listed on screen for each transaction type to the number of transactions listed on your statement. If necessary, select **Edit info** to edit the **Ending balance** or **Ending date** from your statement.

On your account statement, review the first transaction, and find the same transaction in the list in the **Reconcile** window. The screen lists **All** transactions, but if you have a lot of transactions to review, you can use the tabs to review only **Payments** or only **Deposits**.

- If the transaction listed on screen matches the transaction on your statement, select the checkbox next to the amount for that transaction.
  If the amount in QuickBooks Online is incorrect, select the transaction to open it and manually adjust the amount, then select the checkbox when corrected.
- Repeat this comparison for each transaction listed on your statement.
- You can select **Save for later** from the drop-down menu to save your work.
- After you review all of the transactions listed, if the amount in the **Difference** panel is zero, select **Finish now** from the drop-down menu.
  If the amount on the Difference panel is not zero, see Why doesn't my QuickBooks Online account match my statement? for additional troubleshooting steps.
- In the **Success** message, select **Done**, or select **View report** to review your **Reconciliation** report.

# Reconciling Exercise

# Reconciling Questions

# 7. Reporting

a. Standard Reports
b. Custom Reports
c. Management Reports

**Reporting** – QBO offers 3 different versions of reports. There are Standard, Custom and Management Reports available to users.

- **Standard** – Reports that come preloaded from QuickBooks Online and are the basis for any other custom reports in the QBO system
- **Custom** – Reports that be customized by the user
- **Management** – Reports that can be packaged into one set of reports for purposes of presenting financials to stakeholders

Commonly used **Standard** reports for Extension might include:

- Statement of Financial Position
- Statement of Activity
- Budget Overview
- Budget vs. Actuals
- Expenses by Vendor Summary
- General Ledger

Note: Reports can be added to your **Favorites** list by clicking on the star icon.

To run a report (e.g. **Statement of Activity**):

- Select **Reports** from the **Navigation Bar**

- Search for **Activity** or scroll and find **Statement of Activity** in list of reports
- Change the **Report Period** to “This Fiscal Year to Last Month”
- Change the **Compare Another Period** to “Previous Year” and select $ change and % change
- Click **Customize**
- Choose **Filter**
- Click the **Distribution Account** box
- Select the 55900 Travel and Training from the dropdown box
- Click **Run Report**
- Change the **Title** to “Travel Expenses”

To save a custom report

- Click **Save Customization**
- Give the report a **Custom Report Name**
- Add the report to a **Report Group** (if necessary)
- Click **Save**

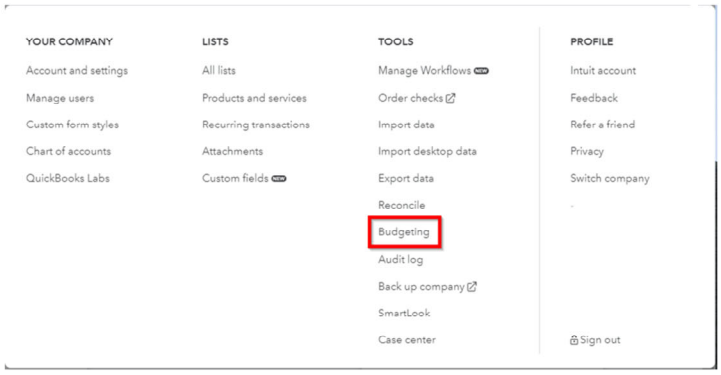
# Reporting Questions

# 8. Other

a. Budget Process
b. Budget Entry
c. Journal Entries
d. Transfer
e. Voiding vs Deleting Transactions

## Budgeting

- QBO will allow for the entry of an annual budget
- For now, budgets will be entered for you by the EBO Team

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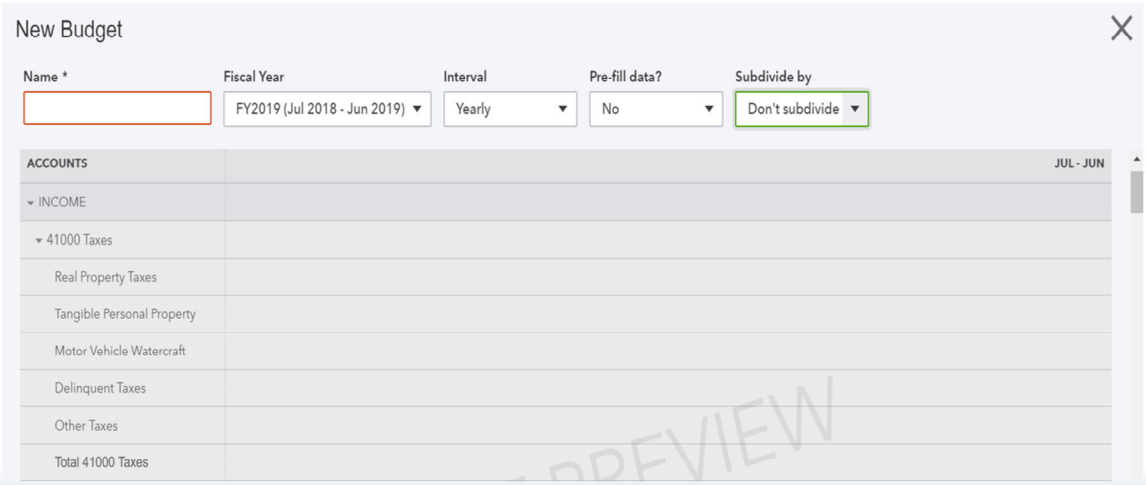
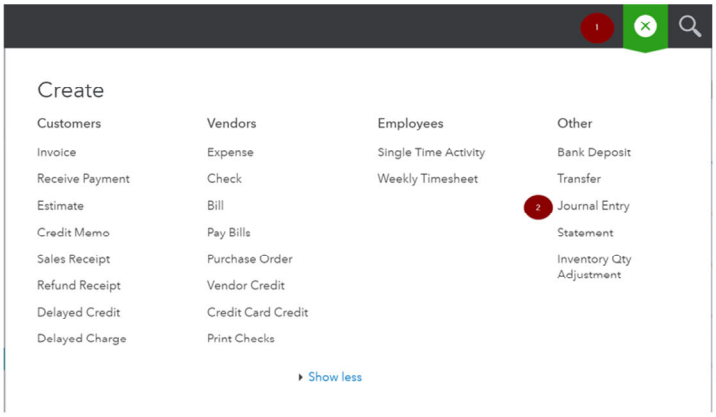
**Budgeting** – For now, all budgets will be entered by the EBO Team. The process for development of the budget will also remain the same with the utilization of the Excel budget forms. Once the budgets are approved, signed and submitted to the State Office, we will work to get the budgets entered into the system.

# Budgeting


New Budget
Name *
Fiscal Year
FY2019 (Jul 2018 - Jun 2019)
Interval
Yearly
Pre-fill data?
No
Subdivide by
Don't subdivide
ACCOUNTS
JUL - JUN
INCOME
41000 Taxes
Real Property Taxes
Tangible Personal Property
Motor Vehicle Watercraft
Delinquent Taxes
Other Taxes
Total 41000 Taxes
PREVIEW

## Journal Entries

- Accounting entries that are often used to correct a mistake made previously in the accounting period.
- To make adjustments to financial statements so that they are complete and reflect the accurate method of accounting. Adjusting journal entries must be processed before the financial statements are issued.
- All journal entries will be made by EBO. Please contact your analyst if you have a need for a journal entry.

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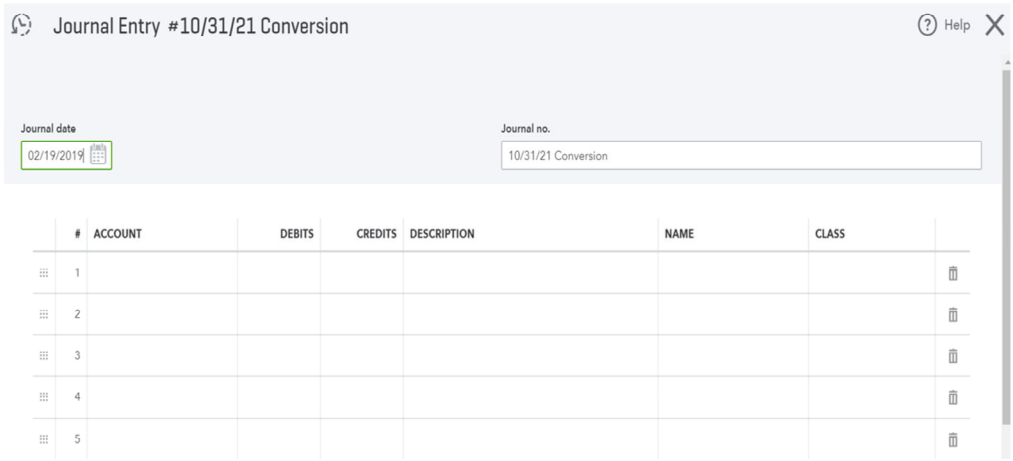
**Journal Entries** - Journal entries will rarely be used. Some examples of uses we may have include making corrections to previously recorded transactions, recording audit adjustment entries at year-end and recording beginning balances at conversion. All journal entries will be made by EBO. If you feel that you have a need for a journal entry, please contact the EBO team and we will make the entries as required.

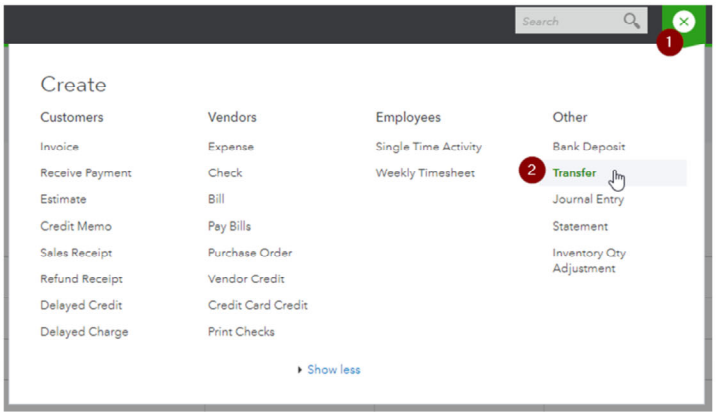
- **Journal Entry** – used to correct an entry that was previously made
  - **Contact EBO for assistance with journal entries**

# Journal Entries



**Transfer**

- Used for recording a transfer of funds from one bank account to another.
  - i.e. – transfer from checking to a CD

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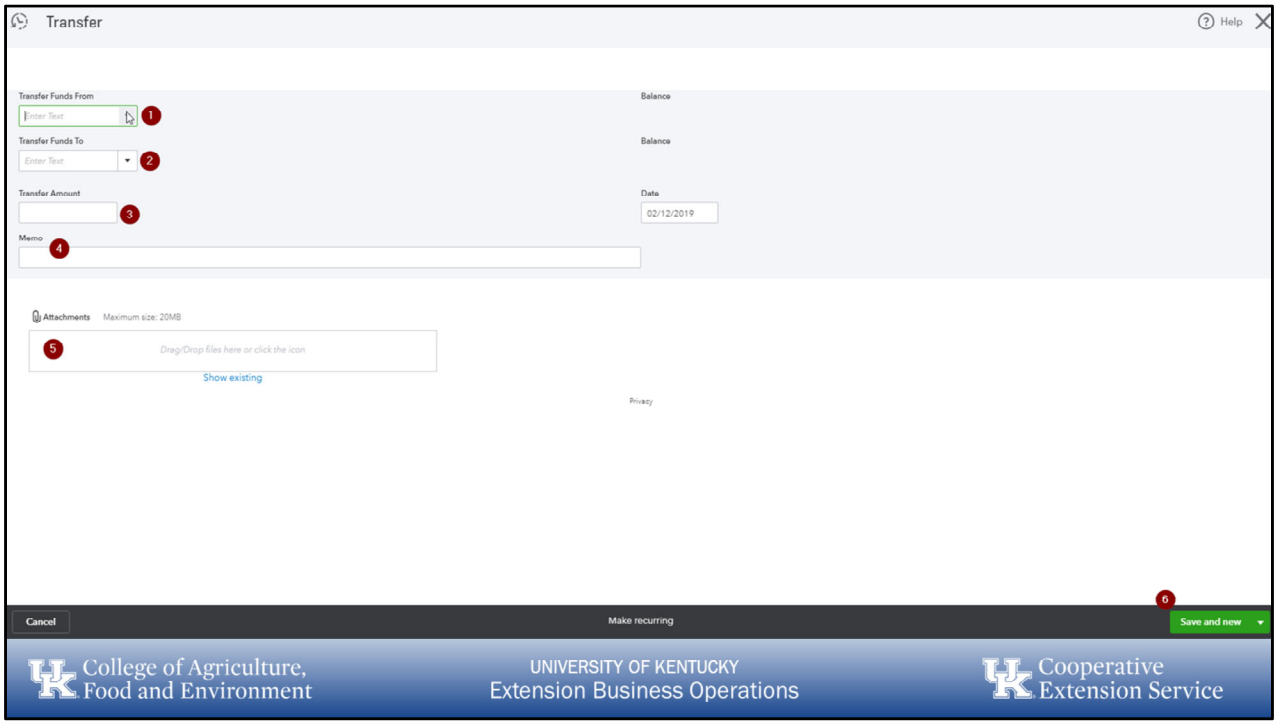
When recording a funds transfer between two accounts, the most common mistake to make is accidental duplication.

If both accounts appear in your Chart of Accounts (they usually do), you must enter the transfer as one transaction that affects both accounts, rather than entering a check in one account and a deposit in the other.

- **Transfer** – used to enter funds that have been transferred from one bank account to another
  - Transfer of funds from main checking account into CD

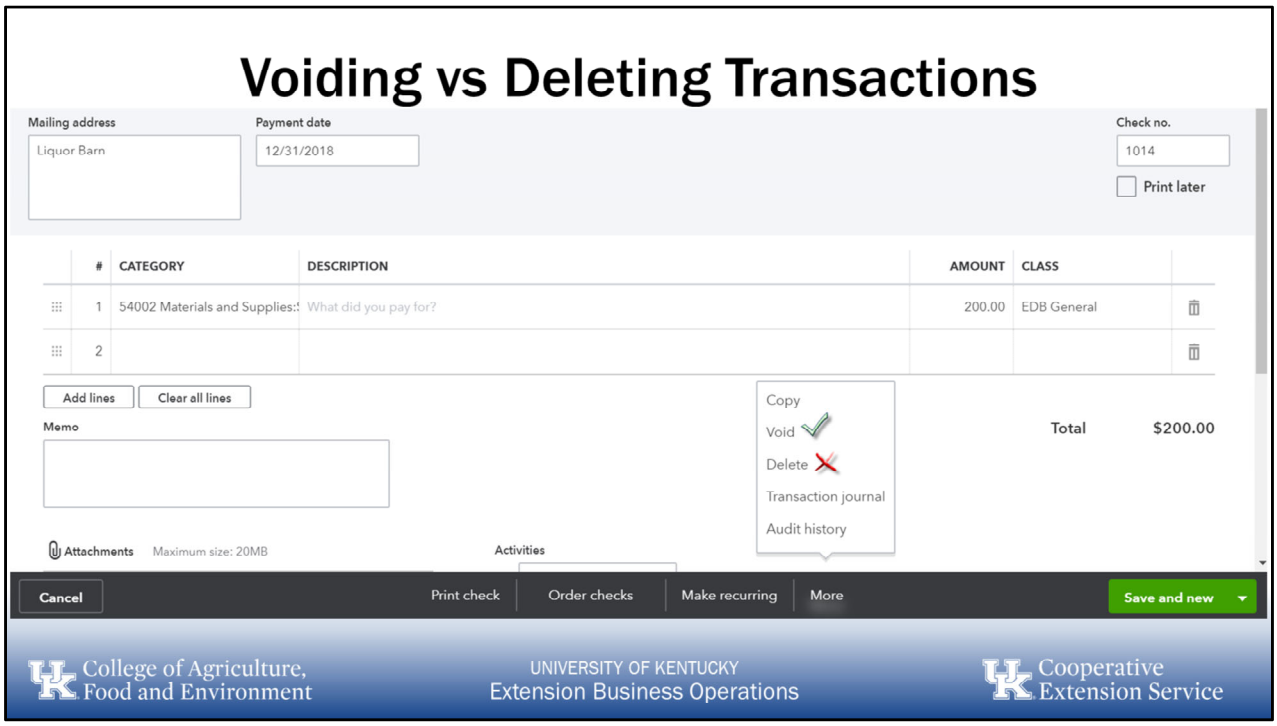
Using the **Transfer** feature is the easiest way to transfer funds, and the easiest to recognize in the bank register. However, if you used a check to transfer the funds, use the **Check** feature so you can record a check number.

1. Select the **Plus icon (+)** on the **Toolbar.**
2. Under **Other**, select **Transfer**.




1. From the **Transfer Funds From** drop down list, select the bank account that the funds are coming out of.
2. From the **Transfer Funds To** drop down list, select the bank account the funds are being deposited into.
3. In the **Transfer Amount** field, enter the amount being transferred.
   -Edit the **Date** if necessary.
4. (Optional) Enter a description of the transfer in the **Memo** field.
   1. Be sure to note the board approval of any transfer of funds.
5. Make sure to attach any documentation. (board minutes, bank receipts, etc.)
6. Select **Save and close** or **Save and new**.

The funds are transferred as you specified.




**Voided vs Deleted Transactions** – There may be times when a transaction that was previously entered needs to be modified. If that is the case, QBO allows for updates to previously recorded transactions. A user can change the account charged/credited, memo field, add an attachment, change the description etc.

There may also be times when a transaction needs to be voided (e.g. duplicate check issued). Care should be given when doing so. Voided transactions remain in the system but are tagged as voided and do not affect account balances. However, there is no automatic way to reinstate a voided transaction. Once it is voided, it will have to be re-entered manually or copied from the prior transaction.

To **Void** a transaction:

- Click the **Search Icon**
- Find the transaction that needs to be voided
- On the transactions screen, verify that this is the transaction that needs voided
- Select **More**
- Choose **Void**

Deleting transactions are completely removed from the system. Once deleted, these transactions would also have to be manually re-entered. While there may be reasons for

doing so, **there should never be a transaction deleted without first consulting with EBO**.

# Other Questions

## Next Steps

- Effective on the 1st of next month, begin using QBO with your new login
- Email invite will come from us for the new county client
  - Email will come from Brooks Bailey (CPA)
- Excel file will be sent to collect:
  - Financial data for the last 2 years and this YTD
  - Please return as quickly as possible (due date will be communicated)

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- Show Excel file that will be used to collect data for conversion
- Explain what is needed for each tab
- Previous Intuit Users (QuickBooks Desktop, QBO, Quicken

# Next Steps

- Reconcile all bank accounts as soon as possible
  - We will need a list of any outstanding deposits or checks
- Conversion entries will be made by us once we have received the excel file back and confirmation that all accounts have been reconciled
  - Reports in new system will not be meaningful until conversion entries are completed

# Next Steps

- Reports will only be as good as the information recorded in QBO
  - Ensure correct GL Accounts (line items) are used
  - Ensure correct dates are used so transactions are recorded in the appropriate period
  - Ensure correct amounts are used

# Reminder

- KEEP OLD ELECTRONIC RECORDS!
  - Must be kept for historical and audit purposes
  - Some may actually be permanent records
- DO NOT USE THE OLD SYSTEM FOR NEW TRANSACTIONS!
  - Do not enter money in or out in old system after the 1st of next month

# Closing Questions