

SAMPLE MATERIALS
ABRIDGED FROM FULL TRAINING
HIGHLIGHTS ONE SECTION OF TRAINING
NOT FOR USE



Online Foundations
Cash Flow Management Tool

Table of Contents

<u>Section 4 – Accounts Receivable (A/R)</u>	94
Objectives	95
Customer Center	97
Add, Edit, Delete, Make Inactive and Merge	
Sales Receipts and Invoices	104
Receive Payments	106
Bank Deposits	109
Merchant Fees	
Vendor Refunds	
Credit Memos	111
Apply Credits	112
Refund Receipts	113
Sales and A/R Reports	114
Practice Test	119
<u>Section 5 – Accounts Payable (A/P)</u>	121
Objectives	122
Vendor Center	124
Add, Edit, Delete, Make Inactive and Merge	
Contractors	
128	
Create Expense	129
Create Checks	130
Create Bills	131
Pay Bills	132
Vendor Credits	133
Apply Vendor Credits	134
Print Checks	135
A/P Reports	137
Practice Test	138

Table of Contents

<u>Section 6 – Bank & Credit Card Accounts</u>	140
Objectives	141
Connect Bank and Credit Card Accounts	142
Bank Transactions	143
Transfer Funds	145
Bank Reconciliation	146
Practice Test	149
<u>Appendices</u>	150
<u>Appendix A – Lists</u>	151
<u>Appendix B – Attachments</u>	154
<u>Appendix C - Helpful Tips</u>	156
<u>Appendix D – Glossary of Terms & Keyboard Shortcuts</u>	161



Online Foundations Training

SECTION 5

ACCOUNTS PAYABLE

Vendor Center

Contractors

Create Expense

Create Check

Create Bills

Pay Bills

Vendor Credits

Apply Vendor Credits

Print Checks

A/P Reports

Section 5 Objectives

Upon completion of section 5 each participant will be familiar with

- overview of accounts payable,
- how to turn on/off accounts payable-related accounts and settings,
- how to use the Vendor Center,
- how and when to create and pay bills,
- how to create and apply vendor credits,
- how to print checks, and
- how to view and save accounts payable-related reports.

Accounts Payable

In the Accounts Payable section we will discuss the importance of managing your bill payment process and taking advantage of discounts your vendors offer. You will be amazed at the impact this process has on your cash flow and how developing a policy reduces potential fraud.

Biz Q&A:

- Why do you think it is important to manage your accounts payable?
- Why do you think business owners should have an accounts payable policy?

Wow Fact:

According to JPMorgan, 60 percent of organizations were exposed to attempted or actual payments fraud in one year alone.

The typical financial loss as a result of payments fraud was \$23,100 per business.

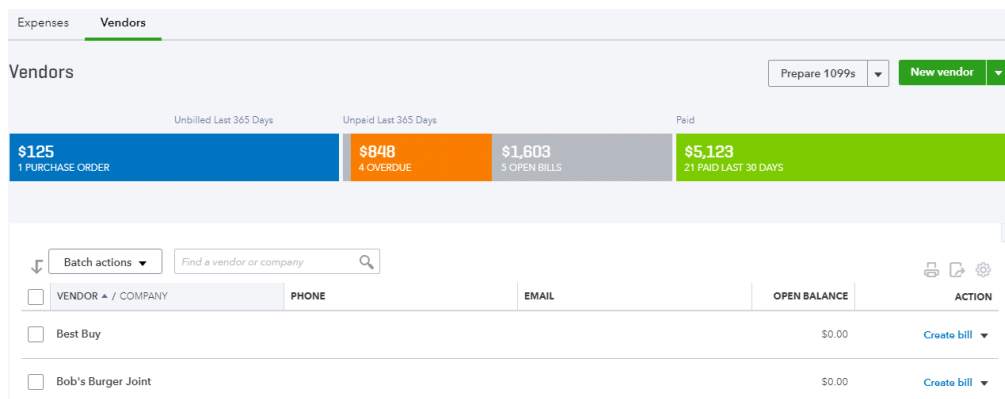
The lack of internal controls and ineffective accounts payable processes can end up costing the business in fraudulent payments, double payments, late fees, lost discounts, additional allocation of labor to locate invoices, etc. Also, we will explain how the accounts payable process can affect vendor relationships; e.g., reduced credit, requiring payment up front, and less favorable payment terms.

Let's view and save an **A/P Aging Detail** in **Custom Reports**.

Vendor Center

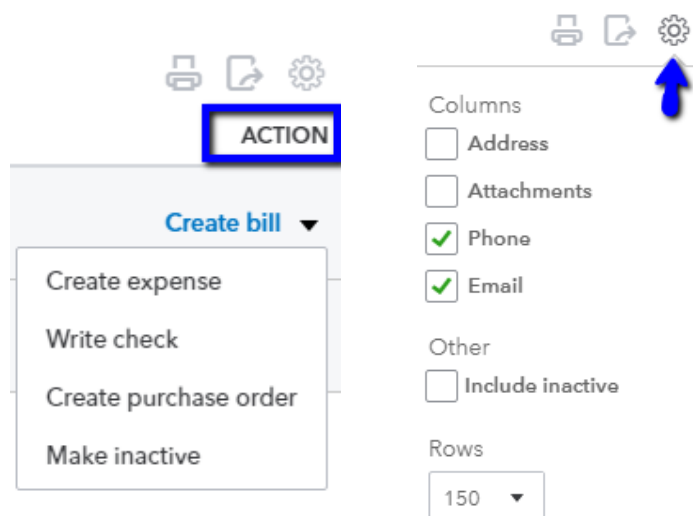
Click **Expenses->Vendors** in the **Left Navigation Bar** to access the Vendor Center. Here we will view open and overdue bills, maintain vendor information, and view historical transactions. Use the search field **Find a vendor or company**, email vendors directly by clicking the drop-down arrow for **Batch actions**, or click **Prepare 1099s**.

Note: The 1099 feature is only available with a Plus subscription.



Click the drop-down arrow in the **Action** column to create bills, create expenses, write checks, and more.

Click the **gear** icon to add and remove columns displayed.



Vendor Center

Add Vendor

Click **New Vendor**

New vendor ▼


Enter the company name and other details you have on file.

Use the W-9 form on file to enter the **Business ID No.** and check the **Track payments for 1099** box for all vendors for which you are required to file 1099s.

The **Notes** section provides a private area to track important information about a vendor.

Notice the **Attachments** tab where you can store documents.

Vendor Information

Company					Email		
<input type="text" value="ABC Company"/>					<input type="text" value="ABCCompany@gmail.com"/>		
Title	First name	Middle name	Last name	Suffix	Phone	Mobile	Fax
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
*Display name as					Other	Website	
<input style="border: none; background-color: #f0f0f0;" type="text" value="ABC Company"/>					<input type="text"/>	<input type="text"/>	
Print on check as <input checked="" type="checkbox"/> Use display name					Billing rate (/hr)		
<input style="border: none; background-color: #f0f0f0;" type="text" value="ABC Company"/>					<input type="text"/>		
Address map					Terms		
<input type="text" value="123 Beach Blvd."/>					<input style="border: none; background-color: #f0f0f0;" type="text" value="Enter Text"/>		
<input type="text" value="Reno"/>		<input type="text" value="NV"/>			Opening balance	as of	
<input type="text" value="89502"/>		<input type="text" value="Country"/>			<input type="text"/>	<input type="text" value="12/31/2018"/>	
Notes					Account no.		
<input type="text"/>					<input type="text" value="Appears in the memo of all payments"/>		
 Attachments Maximum size: 20MB					Business ID No.		
					<input type="text"/>		
					<input checked="" type="checkbox"/> Track payments for 1099		

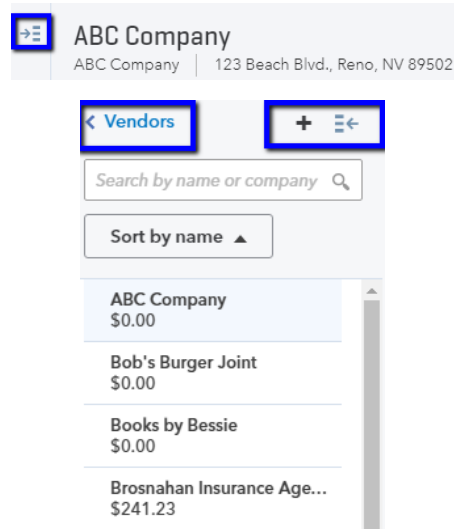
Note: Fill in the terms box if you enter and pay bills.

Vendor Center

Click on a vendor from the list in the Vendor Center. Use the **bar/arrow** to **Search by name or company**.

Sort by name or Open balance.

Collapse the list by clicking the **bar/arrow** icon or click the **plus/+** icon to add a new vendor.

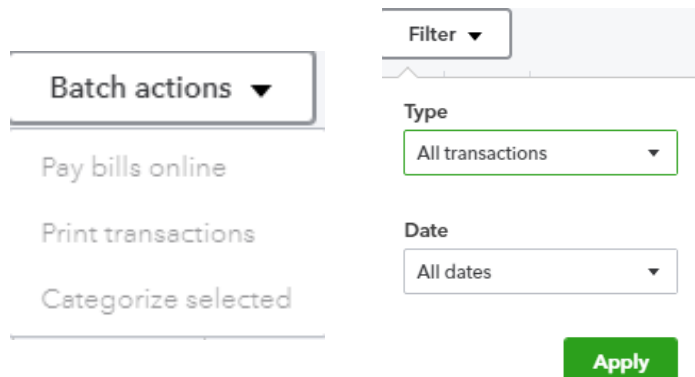


Each vendor has **Transaction List** and **Vendor Details** tabs where you can view transaction history and vendor information. You can choose to print or export transaction history to Excel.

Transaction List		Vendor Details					
DATE	TYPE	NO.	PAYEE	CATEGORY	TOTAL	ACTION	
12/01/2018	Bill Payment (Check)	1	Brosnahan Insurance Agency		\$-2,000.00	View/Edit	
11/27/2018	Bill		Brosnahan Insurance Agency	Miscellaneous	\$2,000.00	View/Edit	
11/27/2018	Bill		Brosnahan Insurance Agency	Insurance	\$241.23	Make payment	
Selected Total					\$241.23		

Select **transactions**, then click the drop-down arrow for **Batch actions** to recategorize transactions.

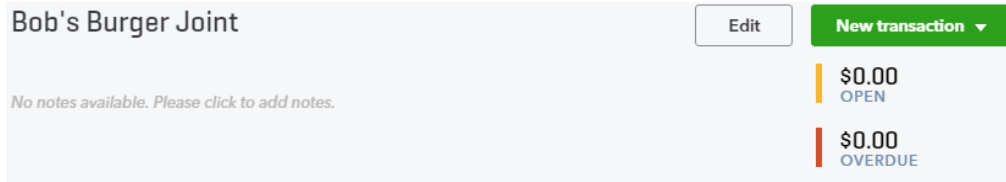
Click the drop-down arrow for **Filter** to sort by **Type** and **Date**.



Vendor Center

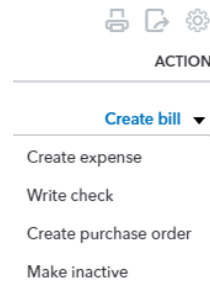
Edit Vendor

Click on the vendor in the **Vendor Center** that you wish to edit and then click the **Edit** button to open the vendor information window.



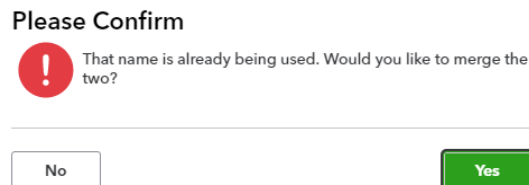
Make Inactive

Select from the **Action** column in the **Vendor Center** to make a vendor inactive or edit the vendor and click the **Make Inactive** button.



Merge Vendors

Edit the vendor you intend to keep, copy (Ctrl + C) the vendor name, and then click cancel. Edit the vendor you intend to merge and paste (Ctrl + V) to replace the vendor name with the correct name. Click **Save**.



A **Please Confirm** warning box will appear; click **Yes** to confirm. The old vendor will be removed from the list and remain in an inactive status.

Note: The merge process cannot be undone.

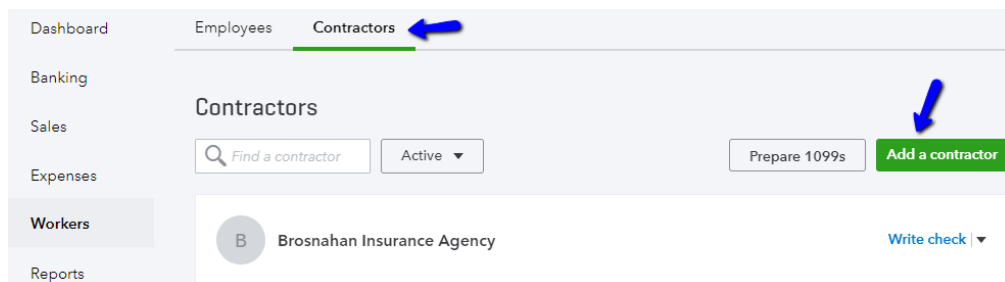
Contractors

Add a contractor

It's crunch time and we realize we are missing contractor information to process 1099s.

You can invite contractors via email. The contractor will be prompted to input the required information.

Click **Workers** in the left navigation bar. Click the **Contractors** tab->**Add a contractor**.



Enter **Name** and **Email** to send contractor invite to complete their profile. This will setup an account to safely share their personal information.

Add a contractor

Name * 

Email * 

Email this contractor to complete their profile. They'll get their own account to safely share their personal details.

[Preview](#) 

[Add contractor](#)

Create Expense

It is important to differentiate between checks and expenses. This makes a difference when bank transactions attempt to find a match during the sync process in the Banking Center. Expenses are typically debits/ACH and credit card-type transactions.

To enter expenses manually:

Click the **plus (+)** icon.



Click **Expense**.

Vendors

Expense

Check

Bill

Pay Bills

Enter or verify the following information:

vendor name, bank account, payment date, and reference number.

Enter the account, description, and amount, specify whether the expense is billable, and assign the transaction to a customer or job.

Click **Item details** to enter **Product/Service** you are tracking. This section is typically used when tracking inventory-related products. Click **Save and New** or **Save and Close**.

Expense #1976 ⚙️ ? Help

Computers by Jenni Bank/Credit account: Checking Balance \$1,089.63 \$150.00

Payment date: 12/31/2018 Payment method: Check Ref no.: 1976

▼ Account details

#	ACCOUNT	DESCRIPTION	AMOUNT	BILLABLE	TAX	CUSTOMER	
1	Maintenance and Repair:Comp	Add Memory	150.00				🗑️
2							🗑️

Add lines Clear all lines

► Item details

Memo Total \$150.00

Create Check

Here is where we enter checks written manually or checks to be printed. Be sure to include the check number in the reference number field. Also, select **Check** instead of **Expense**. This makes a difference when bank transactions attempt to find a match during the sync process in the Banking Center.

Click the **plus (+)** icon.



Click **Check**.

Vendors

Expense

Check

Bill

Pay Bills

Enter or verify the following information:

payee name, bank account, payment date, and check no.

Enter the account, description, and amount, specify whether the check is billable, and assign the transaction to a customer or job.

Click **Item Details** to enter **Product/Service** you are tracking. This section is typically used when tracking inventory-related products.

Click **Save and New** or **Save and Close**.

Check #To print
Help

Lee Advertising
Bank Account
Checking
Balance \$939.63

AMOUNT
\$750.00

Mailing address

Mrs. Laurel J. Lee
Lee Advertising
53 Main St.
Middlefield, CA 94303

Payment date

12/31/2018

Check no.

To print

Print later

▼ Account details

#	ACCOUNT	DESCRIPTION	AMOUNT	BILLABLE	TAX	CUSTOMER
1	Advertising		750.00			
2						

► Item details

Memo

Total \$750.00

Create Bills

SAMPLE MATERIALS

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Click the plus (+) icon

Click **Bill**. If you do not see **Bill** as an option,

select **show more** at the bottom of the window.

NOT FOR USE

Enter or verify the following information:

vendor name, mailing address, terms, bill date, due date, and bill no.

Enter the account and amount, specify whether the bill is billable, apply sales tax, and assign the transaction to a customer or job.

Click **Item details** to enter **Product/Service** you are tracking. This section is typically used when tracking inventory-related products.

Click **Save and New** or **Save and Close**.

Bill #78267

Lee Advertising Pay bills directly from QuickBooks

BALANCE DUE
\$725.00

Mailing address: Mrs. Laurel J. Lee, Lee Advertising, 53 Main St, Middlefield, CA, 94303

Terms: Net 30 | Bill date: 12/31/2018 | Due date: 01/30/2019 | Bill no.: 78267

#	CATEGORY	DESCRIPTION	AMOUNT	BILLABLE	TAX	CUSTOMER
1	Advertising	Social Media	725.00			
2						

Add lines | Clear all lines

#	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT	BILLABLE	TAX	CUSTOMER
1								
2								

Add lines | Clear all lines

Memo: _____

Total: \$725.00

Note: Click **Make Recurring** if you want to memorize a bill and have it automatically post.

Pay Bills

To Pay Bills

Click the **plus (+)** icon.



Click **Pay Bills**.

Select the **Payment account**.

Select the **Payment date**.

Select the bills that you want to pay. If you need to make a partial payment, simply change the amount in the **Payment** column. Click the drop-down arrow to change the **Filter** criteria or click the **gear** icon to change the number of rows being displayed.

Vendors

Expense

Check

Bill

Pay Bills

Pay Bills ⓘ >

Payment account: Balance \$1,201.00 Payment date: Starting check no.: Print later

TOTAL PAYMENT AMOUNT
\$1,721.23

Pay bills directly from QuickBooks

Filter 6 open bills, 4 overdue ⓘ

<input type="checkbox"/> PAYEE	REF NO.	DUE DATE	OPEN BALANCE	CREDIT APPLIED	PAYMENT	TOTAL AMOUNT
<input checked="" type="checkbox"/> Bronnahan Insurance Agency		12/21/2018 ⓘ	\$241.23	Not available	<input type="text" value="241.23"/>	\$241.23
<input checked="" type="checkbox"/> Diego's Road Warrior Bodyshop		01/15/2019	\$755.00	Not available	<input type="text" value="755.00"/>	\$755.00
<input checked="" type="checkbox"/> Lee Advertising	78267	01/30/2019	\$725.00	Not available	<input type="text" value="725.00"/>	\$725.00

If you are paying with a handwritten check, uncheck **Print later** and click **Pay Bills**. If you are printing a check, select **Print later**. Click **Save and Print** or **Save and Close**. After you select **Save and Print**, the **Print Checks Setup** window will appear. Simply follow the steps.

Vendor Credit

On occasion you will receive a credit from a vendor for returned merchandise or due to an error in billing. Tracking and applying vendor credits or discounts can impact your cash flow in a positive way.

Click the **plus (+)** icon.



Click **Vendor Credit**.

- Vendors
- Expense
- Check
- Bill
- Pay Bills
- Purchase Order
- Vendor Credit**

Enter the following information:

Select a vendor, payment date, ref no., account, amount, billable, tax, and customer or job. Enter the expense in the **Account** field or click the **Item Details** if you are tracking inventory products. Click **Save and Close**.

Vendor Credit #7598 ? Help

Diego's Road Warrior Bodyshop CREDIT AMOUNT
\$30.00

Mailing address: Diego's Road Warrior Bodyshop
 Payment date: 12/31/2018
 Ref no.: 7598

▼ Account details

#	ACCOUNT	DESCRIPTION	AMOUNT	BILLABLE	TAX	CUSTOMER
1	Services	Credit for discount on prior service	30.00			
2						

► Item details

Memo:

Total **\$30.00**

Apply Vendor Credits

Tracking and applying vendor credits has a positive impact on cash flow.

Click the **plus (+)** icon.



Click **Pay Bills**.

Vendors

Expense

Check

Bill

Pay Bills

Select the **Payment account** and **Payment date**.

Select the vendor you wish to pay and the credit will appear in the Credit Applied column.

You can pay the balance or adjust the amount in the Payment column.

If **Gear->Account** and **Settings->Advanced->Automation->Automatically Apply Credits** are turned on, the credit will automatically be applied to the oldest bill.

Pay Bills
?
×

Payment account

Checking ▼

Balance \$689.11

Payment date

12/31/2018

Starting check no.

To print Print later

TOTAL PAYMENT AMOUNT

\$725.00

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"/>	Diego's Road Warrior Body...		01/06/2019	\$755.00	30.00	725.00	\$755.00
<input type="checkbox"/>	Lee Advertising	78267	01/30/2019	\$725.00	<i>Not available</i>		\$0.00
1 bill selected				\$755.00	\$30.00	\$725.00	\$755.00

2 open bills ⚙

Total payment (USD) 725.00

< First Previous 1-2 of 2 Next Last >

Current account balance	\$689.11
Total payment	-\$725.00
New account balance	-\$35.89

Print Checks

Whether you have manual or bill-payment checks waiting to be printed,

Click the **plus (+)** icon.



Click **Print Checks**.

- Vendors
- Expense
- Check
- Bill
- Pay Bills
- Purchase Order
- Vendor Credit
- Credit Card Credit
- Print Checks**

The **Print Checks Setup** window opens.

Before you print checks, you will need to walk through this four-step process.

Select the type of checks you use (**Voucher** or **Standard**), load paper in your printer, and click View Preview and print sample. Finally check for alignment. Click **No, Continue Setup**.

Set up Adobe Reader

Follow the steps to download the latest version of Adobe Reader. Set Reader as the default viewer for PDFs in your browser, **View Preview and print sample**, and check for alignment. Click **No, Continue Setup**.

Fine-Tune Alignment

Use your mouse to drag the alignment of the amount grid.

Click **View Preview and print sample**. Click **Close**.

Click **Finish Setup**.

Print Checks

Now that the print setup is complete, go directly to the **Print Checks** window and select the checks you wish to print.

Click the **plus (+)** icon.



Click **Print Checks**.

- Vendors
- Expense
- Check
- Bill
- Pay Bills
- Purchase Order
- Vendor Credit
- Credit Card Credit
- Print Checks**

Select the **Bank Account**.

Select a **Sort** option.

Choose to **Show all checks** to view manual and bill-payment checks together.

Click the **gear** icon to choose which columns you would like displayed.

Click **Add check** to create additional checks to print.

Select the checks you wish to print.

Click **Preview and Print**.

Print Checks

Checking ▾ Balance \$1,364.11 5 checks selected \$922.67 Add check

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

DATE	TYPE	PAYEE	AMOUNT
12/31/2017	Refund	Amy's Bird Sanctuary	\$75.00
12/31/2017	Bill Payment (Check)	PG&E	\$86.44
12/31/2017	Bill Payment (Check)	Norton Lumber and Building Materials	\$205.00

Note: You can revisit and change the **Print Setup** at the bottom of the **Print Checks** window.

Accounts Payable (A/P) Reports

There are several reports to support accounts payable. Let's explore the options and then determine which reports are best for your company.

Click **Reports** in the **Left Navigation Bar**.

Click **Standard**.

Scroll to **What you owe**.

Recommended reports are as follows:

A/P Aging Detail

Unpaid Bills

▼ What you owe

1099 Contractor Balance Detail	☆	⋮
1099 Contractor Balance Summary	☆	⋮
Accounts payable aging detail	★	⋮
Accounts payable aging summary	☆	⋮
Bill Payment List	☆	⋮
Bills and Applied Payments	☆	⋮
Unpaid Bills	☆	⋮
Vendor Balance Detail	☆	⋮
Vendor Balance Summary	☆	⋮

Note: Review the reports and save your favorites in **Custom Reports**. (See Section 3.)

Section 5 Practice Test

1. **Which feature is available from the Vendor Center?**
 - a) Add/Edit Multiple
 - b) Manage Customer & Vendor Profiles
 - c) Create Bill
 - d) Create Vendor Credit

2. **You just opened the mail and received several bills. Where do you go to record the bills?**
 - a) Plus Icon->Expense
 - b) Plus Icon->Bills
 - c) Expenses->Vendors->Create Bill
 - d) Both B and C

3. **You need to recategorize all expenses for a vendor. What do you do?**
 - a) Vendor Center->Click the Vendor->Select Transactions->Batch Actions->Categorize Selected
 - b) Vendor Center->Edit Vendor
 - c) Accounting->Chart of Accounts
 - d) Gear->Account and Settings

4. **It is time to pay bills. Where do you go?**
 - a) Plus Icon->Expense
 - b) Plus Icon->Check
 - c) Plus Icon->Vendor Credit
 - d) Plus Icon->Pay Bills

5. **Which report would you use to view the details of outstanding vendor balances?**
 - a) Unpaid Bills Report
 - b) A/P Aging Summary
 - c) A/P Aging Detail
 - d) Bill Payment List

Section 5 Practice Test

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What report would you use to review outstanding bill details?

- a) A/P Aging Detail
- b) A/P Aging Summary
- c) Vendor Balance Summary
- d) Unpaid Bills Report

7. You went to Office Depot and wrote a manual check for supplies and need to manually post the check. Where do you go?

- a) Plus Icon->Print Check
- b) Plus Icon->Expense
- c) Plus Icon->Check
- d) Plus Icon->Bill

8. Where would you go to print checks?

- a) Plus Icon->Print Check
- b) Expenses->Vendors
- c) Gear->Custom Form Styles
- d) None of the above

9. You need to post historical credit card charges. Where do you go?

- a) Plus Icon->Expense
- b) Plus Icon->Vendor Credit
- c) Plus Icon->Check
- d) Plus Icon->Bills

10. Which is the best option when you need to adjust a balance for a previously entered bill?

- a) Plus->Purchase Order
- b) Plus->Vendor Credit
- c) Plus->Bill
- d) Change Original Bill