



## *The QuickBooks™ Client Newsletter*

Helping You Grow a Profitable Business with QuickBooks™ Software

### **From the office of:**

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### **How Do You Track Jobs in QuickBooks? Part 2**

*In this second of a two-part series, we'll explore how you use the job-related records you've created.*

Last month, we showed you how to start building a foundation for tracking jobs in QuickBooks. We explained that you can use the software's jobs tools to track income and expenses for any related group of items and/or services (you can think of them as projects, if you prefer).

We covered three elements of preparing to use "jobs":

- Creating job records that you can use in transactions (example: develop promotional materials)
- Creating item records that can be assigned to jobs (example: website development)
- Determining whether you'll need to create a new account in your Chart of Accounts for your job income and expenses. You should consult with us anytime you think it might be necessary to modify the Chart of Accounts.

#### **Using Your Job-Related Records**

Now that you've recorded the items and jobs themselves, you can start using them in transactions, and eventually track your progress by generating reports.

Let's say you worked eight hours on website development for your promotion job. The following pages will show you how to record, generate these reports and bill the billable costs to your clients.

You would open the **Employees** menu and select **Enter Time | Time/Enter Single Activity** to open this window:

The screenshot shows the 'Time/Enter Single Activity' window. At the top, there are navigation buttons: 'Previous', 'Next', 'Spelling', and 'Timesheet'. The main form includes:

- DATE: 12/15/2022
- NAME: Elizabeth N. Mason
- CUSTOMER:JOB: Babcock's Music Shop:Promotion
- SERVICE ITEM: Website development
- DURATION: 8:00 (with a timer icon and 'Start', 'Stop', 'Pause' buttons)
- NOTES: Worked on pagination and index
- A 'NOT BILLED' indicator with a yellow circle icon and a 'Billable' checkbox.
- Buttons at the bottom: 'Save & Close', 'Save & New', and 'Clear'.

**You can enter individual, billable activities and assign them to jobs.**

In the example above, you're limited to recording one day's work on a *specific SERVICE ITEM*. You'd verify the date and select from the drop-down lists to complete the fields for employee **NAME**, **CUSTOMER:JOB**, and **SERVICE ITEM**. You can either use the timer to time the job or enter the number of hours manually in the **DURATION** box. Click in the **Billable** box to create a checkmark and add **NOTES** if you'd like. The **CLASS** field is optional; talk to us if you're not familiar with this feature.

If you worked on two separate service items on the same day for that **CUSTOMER:JOB**, you would create two individual records. You can also enter billable activities directly on a timesheet by clicking **Employees | Enter Time | Use Weekly Timesheet**. Once you select the employee **NAME** at the top, any single activity(ies) you created that week will appear as individual records, and vice versa.

Writing a check or using a credit card for a job-related purchase that should be billed to the customer? You'd fill out these forms in QuickBooks like you usually do, making sure that you document the items or services by highlighting the **Items** tab, select the correct **CUSTOMER:JOB**, and make a checkmark in the **BILLABLE?** column.

The screenshot shows the 'Credit Card Purchase/Charge' form. At the top, it says 'CREDIT CARD' and '20500 - QuickBooks ...'. There are radio buttons for 'Purchase/Charge' and 'Refund/Credit', and an 'ENDING BALANCE' of 122.15. The main form includes:

- PURCHASED FROM: Office Supplies Plus
- DATE: 12/16/2022
- AMOUNT: 27.95
- MEMO: Specialty paper for trifold flyer
- A summary bar: Expenses \$0.00, Items \$27.95, and a link 'Ready to pay a credit card bill?'.
- A table with columns: ITEM, DESCRIPTION, QTY, U/M, COST, AMOUNT, CUSTOMER:JOB, BILLABLE?, CLASS.

ITEM	DESCRIPTION	QTY	U/M	COST	AMOUNT	CUSTOMER:JOB	BILLABLE?	CLASS
Brochure paper	Paper for trifold flyer	1		27.95	27.95	Babcock's Music Shop:Promotion	<input checked="" type="checkbox"/>	

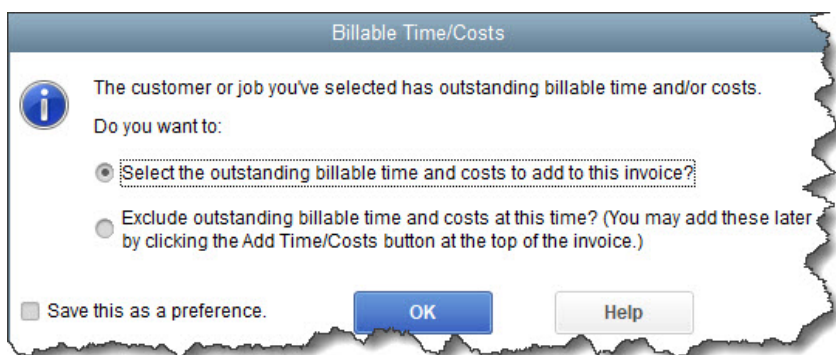
**If you write a check or charge your credit card for purchases that can be billed to a CUSTOMER:JOB, be sure to record it in QuickBooks.**

If you'll be doing some billable driving for your job, you should also be tracking your mileage in QuickBooks. Open the **Company** menu and select **Enter Vehicle Mileage**. If you haven't created a **VEHICLE** record in QuickBooks, click **<Add New>** and easily do so. Complete the rest of the fields and save.

**Tip: Do you want to see some of your overhead expenses on job costing reports? Create a CUSTOMER:JOB named "Overhead" and assign related costs to it.**

## Billing the Billable Costs

When the time comes to invoice your customers (**Customers | Create Invoices**), you'll see how your careful work in QuickBooks simplifies that task. Open an invoice form and select a **CUSTOMER:JOB**. If you've entered billable items for him or her, this small window will open:



**When you create an invoice for a CUSTOMER:JOB who has billable time, mileage, or other expenses, QuickBooks can automatically add them.**

If you leave the first option checked and click **OK**, another window will open that lists all of the expenses you've marked as billable to the customer, arranged by type. Click in the first column of each expense you want to include and click OK. Your invoice containing those entries will open. Do any editing necessary, and then save it.

**Note:** You'll probably notice two fields in the **Choose Billable Time and Costs** window that refer to **Markup**. This is an advanced concept that we can explore with you, should you want to charge customers more for expenses you've incurred on their behalf.

## Related Reports

QuickBooks contains a wide variety of reports related to your work billing customers for jobs. Click **Reports** in the navigation pane or Windows menu, then **Jobs, Time & Mileage** to see what reports are available to you. Choose a date range and click **Run** to see them appear with your own data.

If you have never worked with "**Jobs**" in QuickBooks, we strongly recommend that you let us help you here. There are a lot of moving parts, and you do not want to miss out on any of your efforts or expenses that are billable.

We hope you find this QuickBooks tip helpful. Please visit our company website <http://www.accountingconnections.org> often as it is updated constantly and offers a wealth of tax and accounting tips, along with links to better serve your business needs.

Our QuickBooks Tips newsletters are archived on our website as well.

Accounting and Taxation is **our** business; having us a part of your team allows **you** to concentrate on **your** core business.



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