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TECHNOLOGY WORKSHOP

A Quick Guide to QuickBooks

These 15 tips will boost your proficiency on the world's most popular accounting system.

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More than 4.5 million companies use QuickBooks, making it by far the most widely used accounting system in the world. However, many CPAs frequently overlook or underutilize the product's strongest features. Are you using QuickBooks efficiently and getting the most you can out of the product? Following is a list of 15 QuickBooks intermediate and advanced features that you should be using.

1. Memorize Transactions

For every company, a significant number of transactions recur regularly, and QuickBooks accommodates this by enabling you to memorize recurring transactions. For example, suppose a company makes the same monthly rent payment, bills clients for recurring monthly services or records the same monthly depreciation entries. In these cases, QuickBooks can memorize the transactions and automatically enter them for you at regularly scheduled intervals. This feature can help save time, reduce mistakes and increase accuracy. You also can use this feature to memorize complex journal-entry templates, such as detailed allocations, and enter the actual amounts later. To access the tool, type Ctrl + M.

Memorize Transaction tip. Memorize Transaction will generate electronic payments or paper checks but it does not automatically send or print them. Once a check is created in QuickBooks, you can send or print the check using the **File** menu's **Send Documents** or **Print Documents** menu options.
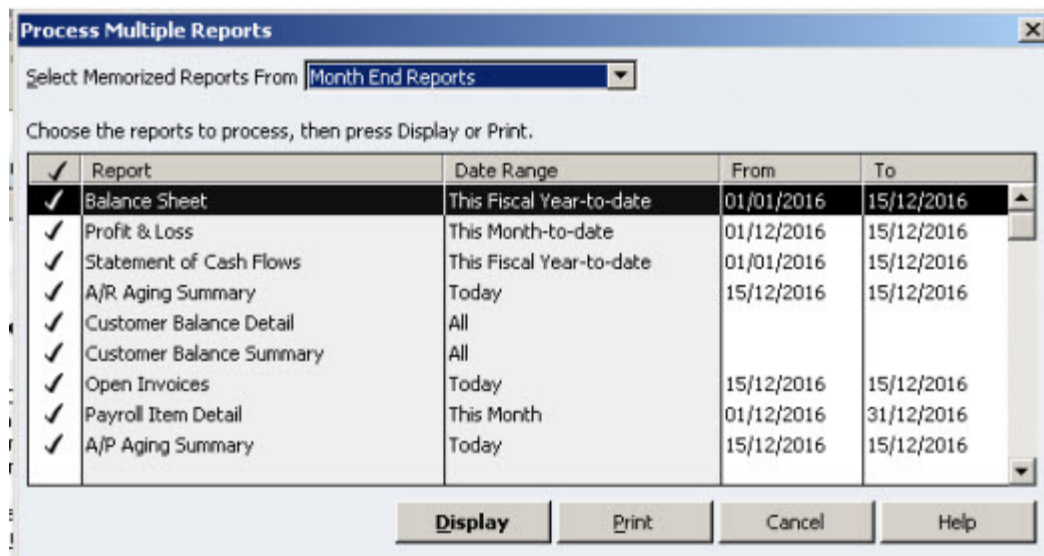

2. QuickBooks Loan Manager

Many small businesses record loan payment transactions improperly, failing to separate the loan payment into the proper interest and principal portions according to the loan amortization schedule. Loan Manager provides a

solution that enables you to set up each loan with its associated parameters, such as term, rate, fees, compounding, balloon payments, etc. Thereafter, Loan Manager will generate the correct loan payment check each payment period, once again saving time, reducing mistakes and increasing accuracy. To access the tool, go to the **Banking** menu, **Loan Manager**.

3. **Process Multiple Reports**
Often, bookkeepers who do a good job of keeping the books fail to consistently produce and distribute the necessary financial reports each day, week or month for company personnel to use in managing the business. In many cases, the process of preparing and printing dozens of reports is too time-consuming. QuickBooks provides a solution called Process Multiple Reports, which enables users to group together dozens of reports (using the Memorize function) and print them all in a single step, as shown below. To access the tool, go to the **Reports** menu, **Process Multiple Reports**.

Multiple Reports tips. When memorizing each report, include the recipient's name in the report title to make distribution a little easier. In addition, re-sorting the reports in the **Memorize Report** window will ensure that the reports print in collated order.

✓	Report	Date Range	From	To
✓	Balance Sheet	This Fiscal Year-to-date	01/01/2016	15/12/2016
✓	Profit & Loss	This Month-to-date	01/12/2016	15/12/2016
✓	Statement of Cash Flows	This Fiscal Year-to-date	01/01/2016	15/12/2016
✓	A/R Aging Summary	Today	15/12/2016	15/12/2016
✓	Customer Balance Detail	All		
✓	Customer Balance Summary	All		
✓	Open Invoices	Today	15/12/2016	15/12/2016
✓	Payroll Item Detail	This Month	01/12/2016	31/12/2016
✓	A/P Aging Summary	Today	15/12/2016	15/12/2016

Process Multiple Reports — Select Memorized Reports From Month End Reports. Choose the reports to process, then press Display or Print. Buttons: Display, Print, Cancel, Help.

4. **Prevent Prior-Period Changes**
A common issue with QuickBooks is how easily users can (intentionally or unintentionally) enter or edit transactions in prior periods. To prevent unauthorized prior-period entries or changes, set up a unique username and password for each user and set each user's preferences to prohibit him or her from bypassing the closing date. Thereafter, by establishing a password-protected closing date and moving it forward each month as review and adjustments are completed, you can lock down the prior-period data as the year progresses, as shown in the screenshot at the bottom of the previous page. To access the tool, go to the **Company** menu, **Set Closing Date**.

5. Custom Data Fields

I often have found custom fields to be one of the most powerful features in accounting software. QuickBooks Premier provides 20 generic custom data fields, and QuickBooks Enterprise provides more than 50 content-specific custom data fields. Using these data fields, a clever CPA can overcome many shortcomings in an accounting system. For example, a boat marina might use custom fields to track the name of the customer's boat and slip number and to create a data field indicating whether the customer subscribes to the monthly cranking service (see screenshot below).

Further, QuickBooks allows users to filter reports using those custom data fields. For example, the boat marina could filter a list of customers to display only those who subscribe to the monthly cranking service, thereby producing a list of boats that need cranking each month. To use the tool, go to the **Customer Center**, select a **Customer**, click the **Edit Customer** button, then under the **Additional Information** tab, click **Define Fields**.

Custom Data tip. Information entered into custom data fields can also be included in financial reports, on invoices and in all QuickBooks documents.
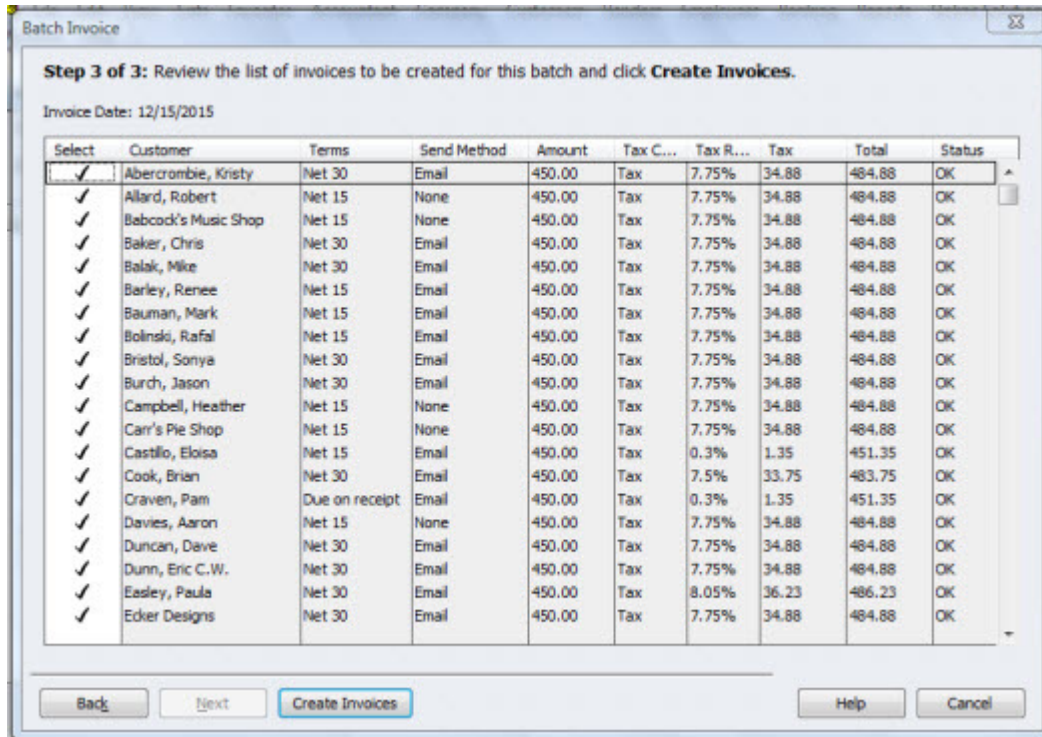
6. **Batch Invoicing**

QuickBooks versions 2011 and higher enable users to create a batch of invoices in a single process. For example, a company that needs to invoice 500 customers each month for a $20 Webhosting fee can generate all 500 invoices in one step. The batch invoice feature also allows users to search for customers according to custom data fields and then invoice the resulting group. For example, this would empower the boat marina's bookkeeper (as mentioned above) to invoice in a single step each customer who subscribes to the monthly cranking service. To access the tool, go to the **Customers** menu, and select **Create Batch Invoices** (see screenshot atop the next column).

Batch Invoice

Step 3 of 3: Review the list of invoices to be created for this batch and click **Create Invoices.**

Invoice Date: 12/15/2015

Select	Customer	Terms	Send Method	Amount	Tax C...	Tax R...	Tax	Total	Status
✓	Abercrombie, Kristy	Net 30	Email	450.00	Tax	7.75%	34.88	484.88	OK
✓	Allard, Robert	Net 15	None	450.00	Tax	7.75%	34.88	484.88	OK
✓	Babcock's Music Shop	Net 15	None	450.00	Tax	7.75%	34.88	484.88	OK
✓	Baker, Chris	Net 30	Email	450.00	Tax	7.75%	34.88	484.88	OK
✓	Balak, Mike	Net 30	Email	450.00	Tax	7.75%	34.88	484.88	OK
✓	Barley, Renee	Net 15	Email	450.00	Tax	7.75%	34.88	484.88	OK
✓	Bauman, Mark	Net 15	Email	450.00	Tax	7.75%	34.88	484.88	OK
✓	Bolinski, Rafal	Net 15	Email	450.00	Tax	7.75%	34.88	484.88	OK
✓	Bristol, Sonya	Net 30	Email	450.00	Tax	7.75%	34.88	484.88	OK
✓	Burch, Jason	Net 30	Email	450.00	Tax	7.75%	34.88	484.88	OK
✓	Campbell, Heather	Net 15	None	450.00	Tax	7.75%	34.88	484.88	OK
✓	Carr's Pie Shop	Net 15	None	450.00	Tax	7.75%	34.88	484.88	OK
✓	Castillo, Eloisa	Net 15	Email	450.00	Tax	0.3%	1.35	451.35	OK
✓	Cook, Brian	Net 30	Email	450.00	Tax	7.5%	33.75	483.75	OK
✓	Craven, Pam	Due on receipt	Email	450.00	Tax	0.3%	1.35	451.35	OK
✓	Davies, Aaron	Net 15	None	450.00	Tax	7.75%	34.88	484.88	OK
✓	Duncan, Dave	Net 30	Email	450.00	Tax	7.75%	34.88	484.88	OK
✓	Dunn, Eric C.W.	Net 30	Email	450.00	Tax	7.75%	34.88	484.88	OK
✓	Easley, Paula	Net 30	Email	450.00	Tax	8.05%	36.23	486.23	OK
✓	Ecker Designs	Net 30	Email	450.00	Tax	7.75%	34.88	484.88	OK

[Back]   [Next]   [Create Invoices]   [Help]   [Cancel]

7. **Editing Templates**

Invoices, sales orders, purchase orders, customer statements and other documents are referred to as templates in QuickBooks. These templates can be edited by rearranging the document and by adding additional columns, data fields, text, images and custom data fields. For example, it may be beneficial to edit the company's invoice template to include the sales representative's name and phone number, additional columns for quantity and rate, or back-order information in the event of partial shipments. A knowledgeable user will review the templates and enhance them in an effort to best meet the company's needs. To access the tool, go to the **Lists** menu, **Templates**, right-click on a template and select **Edit Template**, then click the **Layout Designer** button.

Templates tip. The templates screen provides an option for downloading additional templates from the Web, as well as colorful themes for enhancing all of your templates.
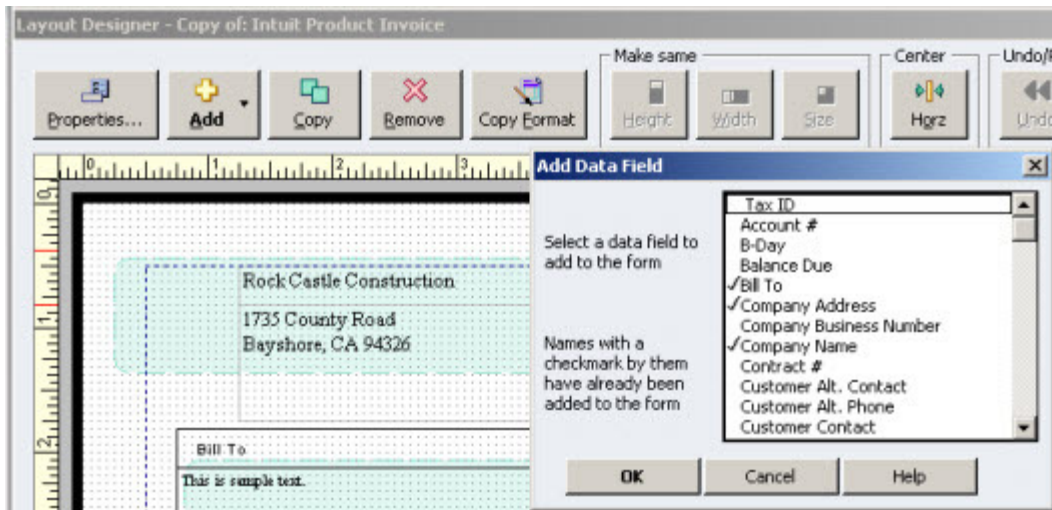
8. **Remote Access**

QuickBooks Remote Access is a Web-based service (go to tinyurl.com/m7ljuf) that allows CPAs to securely log in to their clients' QuickBooks systems. Remote Access grants the CPA entry only to the client's QuickBooks application and data and prevents the CPA from viewing other data, such as Word, Excel and email files, on the client's computer. The service takes only a few minutes to set up and, thereafter, the CPA can log in to the client's QuickBooks to train users, review the client's books and, if appropriate, enter corrections and adjustments.

In my experience, using Remote Access is a better solution than using the QuickBooks Accountant's Copy method, for several reasons. First, the CPA avoids the need to have the client's edition of QuickBooks running. Second, the CPA and client do not have to send the Accountant's Copy files back and forth. Third, Remote Access provides full access to the client's data in real time. Further, Remote Access makes it easier for the CPA to provide monthly and on-demand services throughout the year. In contrast, the Accountant's Copy approach often leads the CPA to be involved with the client's books only at yearend. (***Note:*** Remote access is priced starting at $3.95 per month.)

Remote Access tip. This type of remote access gives the CPA control of the client's screen, allowing the client to see the CPA's mouse actions as the client is trained remotely via the telephone.

9. **Stratifying Reports**

QuickBooks provides a Columns tool that can stratify financial reports by numerous column configurations. This functionality is valuable for analyzing and scrutinizing a company's financials. For example, a single column profit-and-loss statement can be quickly transformed into an 81-column profit-and-loss statement—with a separate column for each of 80 customers and a total column at the end. Likewise, that same report could be restratified to display a column for each inventory item, thereby reporting the profit (or loss) for each item (or group of items). Other options include stratifying columns by month, quarter, year, departments, sales representatives and more (see screenshot below). Surprisingly, many popular, high-end accounting systems and enterprise resource planning applications fail to provide this type of beneficial reporting. To access the Columns tool in any financial report, click on the **Columns** dropdown menu above the report.

10. Using Account Numbers

As an option, QuickBooks allows you to display seven-digit account numbers in addition to 31-digit alphanumeric account names. The benefits are faster data entry (using a 10 key) and the ability to control the sort order of accounts displayed in financial reports. For example, you could use this feature to dictate that the accumulated depreciation account appears below property and equipment, not above. To use the tool, go to the **Edit** menu, **Preferences**, **Accounting**, **Company Preferences** tab, and check the **Use account numbers** box, as shown below.

However, activating this option also includes account numbers in the financial statements and reports, which is not always desirable. To suppress account numbers, edit each account and add an account description, then set the **Reports-Show Accounts by** preference to **Description Only**. After that, only the account descriptions, instead of account numbers and names, will appear on all financial statements.

Reporting tip. The "Description Only" preference setting can be used to display customized row descriptions on financial statements; for example, you may prefer "Trade Receivables" instead of "Accounts Receivable."

11. Fixed Asset Manager

Every company has assets, and the QuickBooks Fixed Asset Manager (included in the Accountant and Enterprise editions) can track those assets according to six methods (federal, state, book, adjusted current earnings, alternative minimum tax and other). The system incorporates many tax methods, such as the accelerated cost recovery system, the modified accelerated cost recovery system, and the IRC Sec. 168(f)(1) and Sec. 179 depreciation methods, among others. Upon asset dispositions, the system can calculate the appropriate gain or loss on sales, as well as the appropriate amounts of depreciation recapture. Although fixed-asset data can be integrated with QuickBooks, many companies tend to use the Fixed Asset Manager as a stand-alone product—which I recommend because the effort setting up integration probably takes more time than it saves during the year—and enter manual depreciation entries each month in QuickBooks. To access the Fixed Asset Manager, go to the **Accountant** menu, **Manage Fixed Assets**.

12. Attach Documents

The Attach Documents feature enables you to attach electronic documents throughout QuickBooks to achieve a paperless environment. As documents are processed, you can save them locally on your computer network or to a cloud-based storage facility accessible by all users, even those in remote locations. Some of the advantages to maintaining a paperless accounting system are:

      a. Electronic documents can be available to all users, even remote users;
      b. You can locate electronic documents quickly via indexed searching;
      c. Electronic documents are easier to include when preparing reports or email messages, reducing the costs associated with making copies and sending paper documents;
      d. Electronic documents can be easily backed up off-site for better data protection; and
      e. Electronic documents reduce costs related to paper documents such as filing cabinets, file rooms and archiving efforts.

There used to be a charge associated with this feature, but the new QuickBooks 2012 Pro offers Attach Documents with free local storage, as Intuit is phasing out the cloud option. To use the tool, click the **Attach** button with the paper clip icon in any document or template. This option is grayed out until setup is completed.

13. Imported Credit Card Transactions

Typing a lengthy credit card statement into your accounting system is time-consuming and difficult to accomplish without making transposition or keypunching errors. By contrast, in most cases, credit card transaction data can be imported directly into QuickBooks in just a few seconds, and QuickBooks' built-in logic can automatically match the expenditures with the appropriate vendor and account number for more efficient processing. This feature is included for free. To access, go to the **Banking** menu, **Enter Credit Card Charges** and click the **Download Credit Card Charges** option at the top of the page. Your specific setup and monthly procedures will vary depending on the credit card company you use.

14. Intuit Data Protect

New as of QuickBooks 2011, Intuit's Data Protect service automatically backs up your QuickBooks data (or all of your computer files, up to 100 gigabytes) daily to a Web-based storage location. The Data Protect service differs from the older QuickBooks Online Backup service in that the backup procedure runs even when your data file is open, and each daily backup is saved for 45 days. To download Intuit Data Protect, go to tinyurl.com/4yy9z9y.

Once installed, choose **File**, **Backup**. *Note:* Prices range from $4.95 to $9.95 per month.

15. Prepare Letters and Envelopes

The Prepare Letters and Envelopes tool provides an assortment of templates and mail-merge capabilities for generating custom letters targeting customers, vendors, employees and others. Examples of the included templates are "Scheduled delivery notice," "Bounced check" and "Late payment reminder." You can also use this tool to create customer-specific letters such as new products or service announcements and invitations for selected customers to attend special VIP sales events. To access the tool, go to the **Company** menu, **Prepare Letters and Envelopes**.
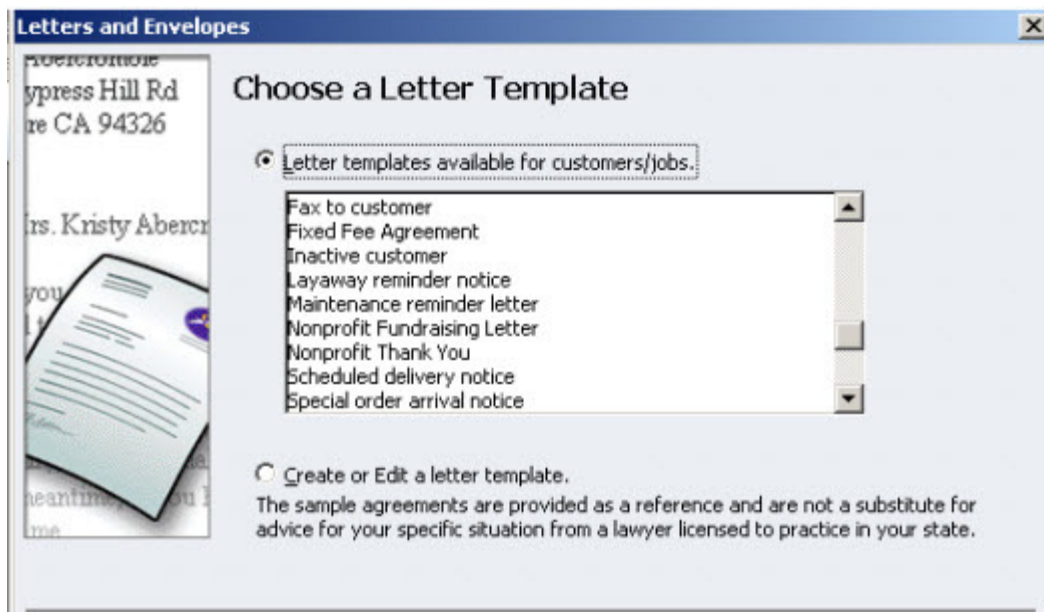
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QuickBooks Keyboard Shortcuts

Keyboard shortcuts represent the fastest way to navigate QuickBooks. The following charts contain several useful shortcuts:

QuickBooks' Date Field Shortcuts

T	Today's date
+	Next day
-	Previous day
Y	First day of the year
R	Last day of the year
M	First day of the month
H	Last day of the month
W	First day of the week
K	Last day of the week

QuickBooks' Alpha Shortcuts

Ctrl + A	Chart of Accounts
Ctrl + D	Delete Transaction
Ctrl + F	Find
Ctrl + G	Go To Other Account Register
Ctrl + H	Get Transaction History
Ctrl + I	Create Invoice
Ctrl + J	Customer Center
Ctrl + M	Memorize Transaction
Ctrl + N	New Transaction or Item
Ctrl + O	Copy Transaction in Register
Ctrl + P	Print
Ctrl + Q	Quick Report from List
Ctrl + R	Register
Ctrl + T	List of Memorized Transactions
Ctrl + W	Write Checks
Ctrl + Y	Display Transaction Journal
Ctrl + Z	Undo or Drill Down

The QuickBooks Learning Center

The QuickBooks Learning Center provides a wealth of information to help you use the product. QuickBooks 2011 includes 60 educational videos (averaging 4.5 minutes each) that do a good job of demonstrating the basic QuickBooks functionality; even seasoned QuickBooks consultants report that they have learned many additional points by watching these videos. For example, three videos demonstrate the processes of creating invoices, managing inventory and managing sales taxes. These tutorials are accessible in the Help menu's QuickBooks Learning Center, as shown below.
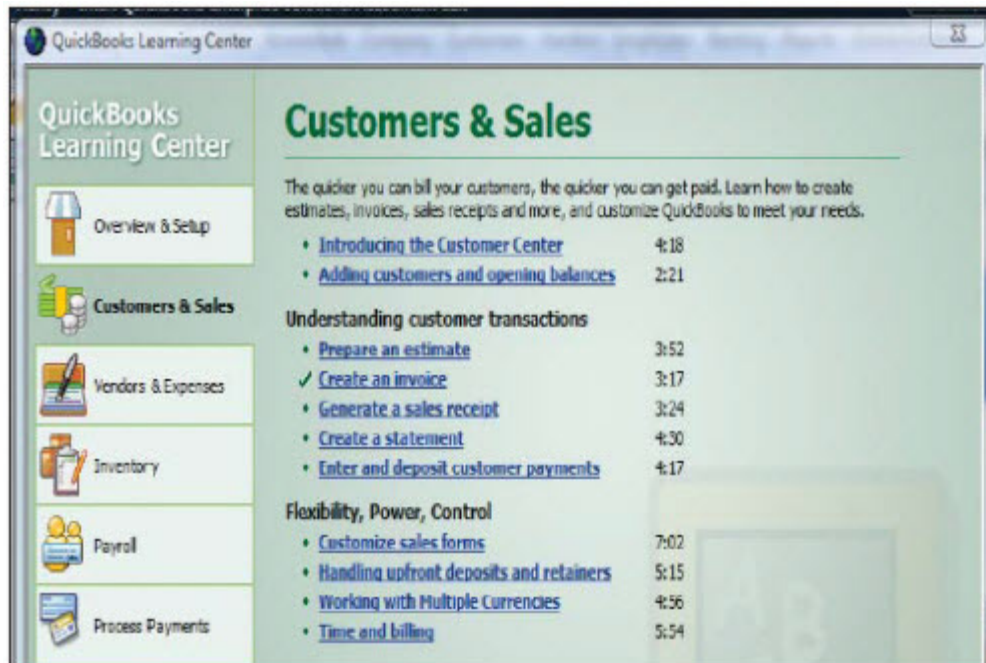
You also can download the QuickBooks *Installation and Setup Guide*; *QuickBooks 2012: The Official Guide*; and the *Payroll Getting Started Guide.* These three guides total more than 600 pages and provide detailed, step-by-step instructions and screen images that explain the bulk of the functionality within QuickBooks. The guides are handy reference materials when using QuickBooks' intermediate-to-advanced functionality, and are accessible via links provided in the QuickBooks Learning Center.

AICPA RESOURCES

JofA articles
- "Technology 2012 Preview: Part 2," Dec. 2011, page 30
- "Technology 2012 Preview: Part 1," Nov. 2011, page 46
- "Tax Matters: IRS Addresses Accounting Software Audit Concerns," July 2011, page 74
- "Tax Matters: AICPA Calls for Accounting Software Safeguards in IRS Audits," June 2011, page 68

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