
QuickBooks 2009

Entering Sales Information



Lesson Objectives

- To learn about the different formats available for sales forms
- To save sales and purchase forms in Portable Document Format (PDF)
- To practice creating a new invoice
- To learn the purpose and use of the QuickBooks Item list
- To see how QuickBooks records the information you enter on sales forms
- To memorize an invoice transaction for reuse
- To add a new item to the Item list
- To add a new price level to the Price Level list
- To associate a price level with a customer
- To create invoice letters
- To generate reminder statements
- To create sales orders (QuickBooks: Premier and higher)
- To track backorders (QuickBooks: Premier industry editions)

Notes

For Payment in the Future

Any time you make a sale in your business, you record it in QuickBooks on a sales form. A sales form can be an invoice (when you expect payment to come later), a sales receipt (when you expect payment at the time you make the sale), or a credit memo.

The type of sales form you use depends on whether you expect payment in the future or at the time of the sale. If you expect to receive payment at some future date, you enter an invoice.

To display a completed invoice form in QuickBooks:

1. Click the **Create Invoices** icon on the Home page.
2. Click **Previous** to display the previously created invoice.

The screenshot shows the 'Create Invoices' window in QuickBooks. The window title is 'Create Invoices'. The customer is 'Duncan, Dave:Utility Shed'. The invoice date is 12/15/2007 and the invoice number is 92. The 'BILL TO' information is: Duncan, Dave, 3442 W. Charleston, Bayshore, CA 94326. The terms are 'Net 30' and the due date is 01/14/2008. The invoice contains one line item: Labor, quantity 40, rate 40.00, amount 1,600.00, and tax 'Non'. The total amount is 1,600.00. The window also shows options for printing and e-mailing, a memo field, and buttons for 'Save & Close', 'Save & New', and 'Revert'.

ITEM	QUANTITY	DESCRIPTION	RATE	AMOUNT	Tax
Labor	40		40.00	1,600.00	Non

Customer: Template:
DATE: 12/15/2007 INVOICE #: 92
P.O. NO.: TERMS: Net 30 DUE DATE: 01/14/2008 CONTRACT #:
Total: 1,600.00
Payments Applied: 0.00
Balance Due: 1,600.00

3. Close the Create Invoices window.

Notes

For Payment at the Time of Sale

If you receive full payment at the time you make a sale—either by cash, check, or credit card—you fill out a sales receipt instead of an invoice. Like the invoice, the QuickBooks sales receipt includes information about the items or services purchased, but it also includes information about how payment was made.

To display a completed sales receipt in QuickBooks:

1. Click **Create Sales Receipts** on the Home page.
2. If the Integrated Payment Process window appears, click **No Thanks** or **Show me later**.
3. Click **Previous** to view the previously entered sale.

Enter Sales Receipts

Customer: Job
Keenan, Bridget:Sun Room

DATE: 12/10/2007 SALE NO.: 9

Sales Receipt

SOLD TO
Bridget Keenan
213 Fern Lane
East Bayshore CA 94327

CHECK NO.: 1245 PAYMENT METHOD: Check

ITEM	DESCRIPTION	QTY	RATE	AMOUNT	Tax
Fluorescent Ceil...	Florescent Lights	1	95.00	95.00	Tax
Customer Message	Thank you for your business.		Tax	E. Bayshore...	(8.05%) 7.65
				Total	102.65

To be printed To be e-mailed Customer Tax Code: Tax Memo:

Deposit To: Checking Process credit card payment when saving

Buttons: Add Time/Costs..., Save & Close, Save & New, Revert

4. Close the Enter Sales Receipts window.

Notes

Filling In Customer Information

Filling in an invoice is just like filling in a paper form; you enter the customer information first, followed by a description of the charges.

To enter customer information on an invoice:

1. On the Home page, click **Create Invoices**.
2. In the Template field, select **Custom Invoice**.
3. In the Customer:Job field, click the arrow next to the drop-down list.
4. Choose **Jacobsen, Doug:Kitchen** for the customer and job.

Create Invoices

Customer:Job
Jacobsen, Doug:Kitchen

Template: Custom Invoice

DATE: 12/15/2007 INVOICE #: 93

Invoice

BILL TO
Doug Jacobsen
6845 Ocean View
Bayshore, CA 94326

P.O. NO. TERMS DUE DATE CONTRACT #
Net 30 01/14/2008 1097-01-DJAC

ITEM	QUANTITY	DESCRIPTION	RATE	AMOUNT	Tax
Customer Message					San Tomas (7.75%) 0.00
				Total	0.00

To be printed
 To be e-mailed

Add Time/Costs... Apply Credits... Payments Applied 0.00
Balance Due 0.00

Customer Tax Code: Tax

Memo

Let QuickBooks help you get your Invoice paid online by credit card.

Save & Close Save & New Clear

Notes

Filling in the Line Item Area

On the bottom half of the invoice, you list each service or product you're selling on its own line, along with the amount the customer owes for that item. Because information about individual items is on separate lines, the lines are called line items.

But items are not just products you sell or services you provide to clients. Line items can be anything you might want to put in the detail area of an invoice, like a discount, a subtotal line, a markup, or a sales tax calculation.

To complete the line item area of an invoice:

1. In the Item field, type the letters **rem** (for Removal).
2. Press Tab.
3. Type **40** in the Quantity column.
4. Press Tab to have QuickBooks update the invoice total.

ITEM	QUANTITY	DESCRIPTION	RATE	AMOUNT	Tax
Removal	40	Removal labor	35.00	1,400.00	Non

Notes

Completing the Sales Form

To complete and record the invoice:

1. Click the **Print Preview** button at the top right corner of the Create Invoices window.
2. Click **Zoom In** and use the scroll bars to see the invoice items at greater magnification.
3. Click **Close**.
4. In the Create Invoices window, record the sale by clicking **Save & Close**.

QuickBooks records the invoice in your accounts receivable register. If this were a sales receipt, QuickBooks would record the sale in your Undeposited Funds account until you deposit the money at the bank, or record a deposit in the bank account you specified in the Enter Sales Receipts window. (The option to select an account into which you want to deposit the payment is only available when the Sales & Customers preference “Use Undeposited Funds as a default deposit to account” is turned off.)

Notes

Completing the Sales Form

The accounts receivable register keeps track of how much money your customers owe you.

To see the Accounts Receivable register:

1. From the Company menu, choose **Chart of Accounts**.
2. In the chart of accounts, double-click the Accounts Receivable account.
3. Select the sale we just recorded in the register (for Doug Jacobsen).
4. Double-click the entry.
5. Keep the invoice window open, you'll use it in the next exercise.

Notes

Memorizing a Sale

Many of the sales you make in your business are ones you repeat again and again. For example, you may have a standing monthly order from a customer, or you may perform essentially the same services for more than one client. QuickBooks lets you memorize sales forms so that you don't have to retype the information.

To memorize the invoice:

1. Make sure you have the invoice you want to memorize displayed on your screen.
2. From the Edit menu, choose **Memorize Invoice**.
3. In the Name field, type a description that helps you recognize the memorized invoice, or keep the default description QuickBooks has provided.
4. Click **OK**.
5. Close the Create Invoice, Accounts Receivable, and the Chart of Accounts windows.

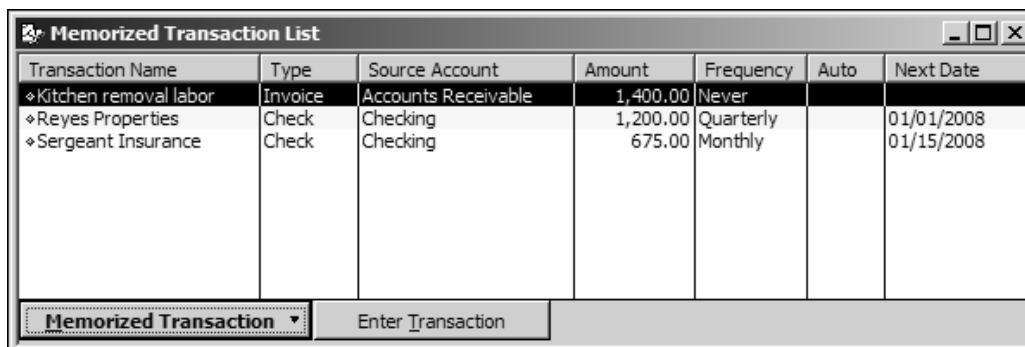
Notes

Memorizing a Sale

When you memorize an invoice, QuickBooks adds it to the Memorized Transaction list.

To recall a memorized sale:

1. From the Lists menu, choose Memorized **Transaction List**.



Transaction Name	Type	Source Account	Amount	Frequency	Auto	Next Date
↕Kitchen removal labor	Invoice	Accounts Receivable	1,400.00	Never		
↕Reyes Properties	Check	Checking	1,200.00	Quarterly		01/01/2008
↕Sergeant Insurance	Check	Checking	675.00	Monthly		01/15/2008

2. Double-click the transaction you just added.
3. Click **Save & Close** to record the invoice.
4. Press the Esc key to close the Memorized Transaction list.

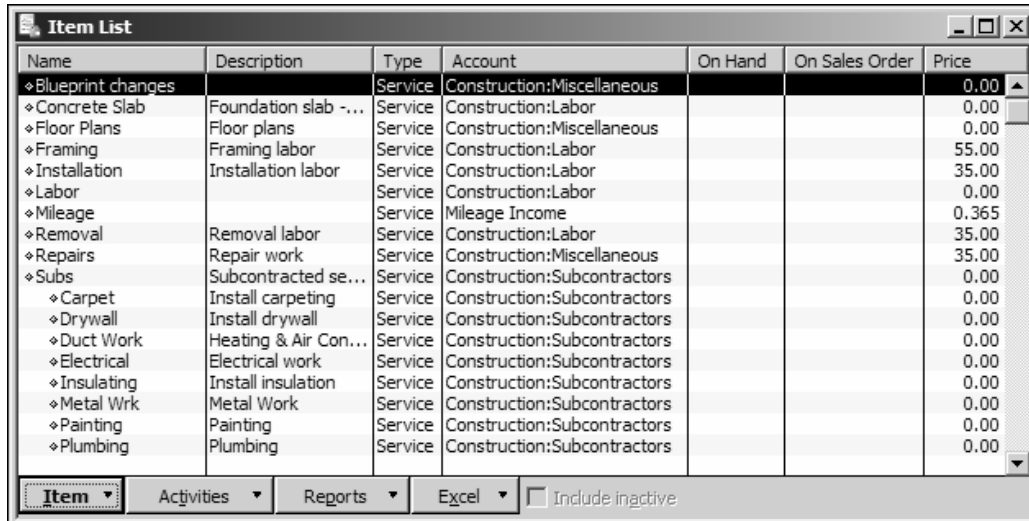
Notes

Entering a New Service Item

When you begin using your own QuickBooks company file, you'll need to create your own line items to include on your invoices. In the next exercise, you'll see how to add information to the Item list.

To create a new service item:

1. From the Customers menu, choose **Item List**.



Name	Description	Type	Account	On Hand	On Sales Order	Price
↳Blueprint changes		Service	Construction:Miscellaneous			0.00
↳Concrete Slab	Foundation slab -...	Service	Construction:Labor			0.00
↳Floor Plans	Floor plans	Service	Construction:Miscellaneous			0.00
↳Framing	Framing labor	Service	Construction:Labor			55.00
↳Installation	Installation labor	Service	Construction:Labor			35.00
↳Labor		Service	Construction:Labor			0.00
↳Mileage		Service	Mileage Income			0.365
↳Removal	Removal labor	Service	Construction:Labor			35.00
↳Repairs	Repair work	Service	Construction:Miscellaneous			35.00
↳Subs	Subcontracted se...	Service	Construction:Subcontractors			0.00
↳Carpet	Install carpeting	Service	Construction:Subcontractors			0.00
↳Drywall	Install drywall	Service	Construction:Subcontractors			0.00
↳Duct Work	Heating & Air Con...	Service	Construction:Subcontractors			0.00
↳Electrical	Electrical work	Service	Construction:Subcontractors			0.00
↳Insulating	Install insulation	Service	Construction:Subcontractors			0.00
↳Metal Wrk	Metal Work	Service	Construction:Subcontractors			0.00
↳Painting	Painting	Service	Construction:Subcontractors			0.00
↳Plumbing	Plumbing	Service	Construction:Subcontractors			0.00

Item Activities Reports Excel Include inactive

2. Click the Item menu button, and then choose **New**.
3. In the Type field, select **Service** from the drop-down list.
4. In the Item Name/Number field, type **Plumbing**.
5. Click the **Subitem of** checkbox to select it.
6. In the drop-down list below the Subitem of field, select **Repairs**.

Notes

Entering a New Service Item

7. In the Description field, type **Plumbing repairs and maintenance** and press Tab.
8. In the Rate field, type **55**.
9. In the Tax Code drop-down list, select **Non**.
10. In the Account field, select **Construction:Labor** from the drop-down list.

New Item

Type: Service (Use for services you charge for or purchase, like specialized labor, consulting hours, or professional fees.)

Item Name/Number: Plumbing Subitem of: Repairs

Unit of Measure: Enable...

This service is used in assemblies or is performed by a subcontractor or partner Item is inactive

Description: Plumbing repairs and maintenance Rate: 55.00 Tax Code: Non Account: Construction:Lal

[How can I set rates by customers or employees?](#)

Buttons: OK, Cancel, Next, Custom Fields, Spelling

11. Click **OK** to add the new item to Rock Castle Construction's Item list.
12. Close the Item list.

Notes

Creating New Price Levels

For each price level you create, you assign a name and percentage increase or decrease to the item's base sales price. You can create up to 100 price levels to use on invoices, sales receipts, estimates, and credit memos.

To create a new price level:

1. From the Lists menu, choose **Price Level List**.
2. From the Price Level menu button, choose **New**.
3. In the Price Level Name field type **Commercial**.
4. Leave "decrease" selected in the "This price level will" field, and then type **10** in the percentage field.
5. From the "Round up to nearest" drop-down list, choose **1.00 minus .01**.

New Price Level

Price Level Name: Price Level is inactive

Price Level Type: Use this type of price level to apply a fixed percentage increase or decrease to all your standard sales prices when setting up prices for different customers or jobs.

This price level will: item prices by

Round up to nearest:

[How do I print a report?](#)

6. Click **OK**.
7. Close the Price Level list.

Notes

Associating Price Levels with Customers

When you assign price levels to customers, QuickBooks calculates rates and amounts on sales forms based on the price level associated with that customer.

To associate a price level with a customer:

1. Click **Customer Center** on the icon bar.
2. In the Customers & Jobs list, select **Lew Plumbing - C**.
3. Click Edit Customer, and then click the **Additional Info** tab.
4. From the Price Level drop-down list, choose **Commercial**.
5. Click **OK** to close the Edit Customer window and save your changes.
6. Leave the Customer Center open for the next exercise.

Notes

Using Price Levels on Sales Forms

To use a price level associated with a customer:

1. Make sure **Lew Plumbing - C** is selected in the Customers & Jobs list.
2. Click the **New Transactions** menu button and choose **Invoices** from the drop-down menu.
3. Press Tab.
4. Click in the Item column and choose **Framing**.
5. In the Quantity field, type **8**.
6. Click below Framing in the Item field and choose **Wood Door:Exterior** from the drop-down list.
7. In the Quantity field, type **2** and then press Tab.

Create Invoices

Customer: Job [Commercial]
Lew Plumbing - C

Template: Custom Invoice

DATE: 12/15/2007 INVOICE #: 95

Invoice

BILL TO
Lew Plumbing
221 Old Bayshore Rd
Bayshore CA 94326

P.O. NO. TERMS DUE DATE CONTRACT #
Net 30 01/14/2008

ITEM	QUANTITY	DESCRIPTION	RATE	AMOUNT	Tax
Framing	8	Framing labor	49.99	399.92	Non
Wood Door:Ext...	2	Exterior wood door	107.99	215.98	Tax
Customer Message			Tax San Tomas (7.75%)	16.74	
Total				632.64	

To be printed
 To be e-mailed

Add Time/Costs... Apply Credits... Payments Applied 0.00
Customer Tax Code Tax Balance Due 632.64

Memo

Let QuickBooks help you get your Invoice paid online by credit card.

Save & Close Save & New Clear

Notes

Using Price Levels on Sales Forms

8. Keep the invoice open and choose **Item List** from the Lists menu.
9. In the Item list, go to Framing. Note that the price for framing is \$55.00, but the rate on the invoice is \$49.99—10 percent less than the base sales price, rounded to the nearest dollar minus one cent.
10. Scroll to the Wood Door:Exterior item and note that the base sales price is \$120—10 percent greater than the rate listed on the invoice using the Commercial price level. It appears on the invoice as \$107.99, including the discount and rounding settings.
11. Close the Item list.
12. Record the invoice by clicking **Save & Close**.

Notes

Assigning Price Levels to Individual Line Items

In addition to associating price levels with customers, you can also use price levels on an individual basis on sales forms. The following are some examples of when you might want to do this.

- You've associated a price level with a customer, but want to charge the base sales price for an item on a sale to that customer.
- You want to use a price level for one or more items, but you don't want to assign a price level to the customer for whom you're recording the sale.

To apply a price to a single line item:

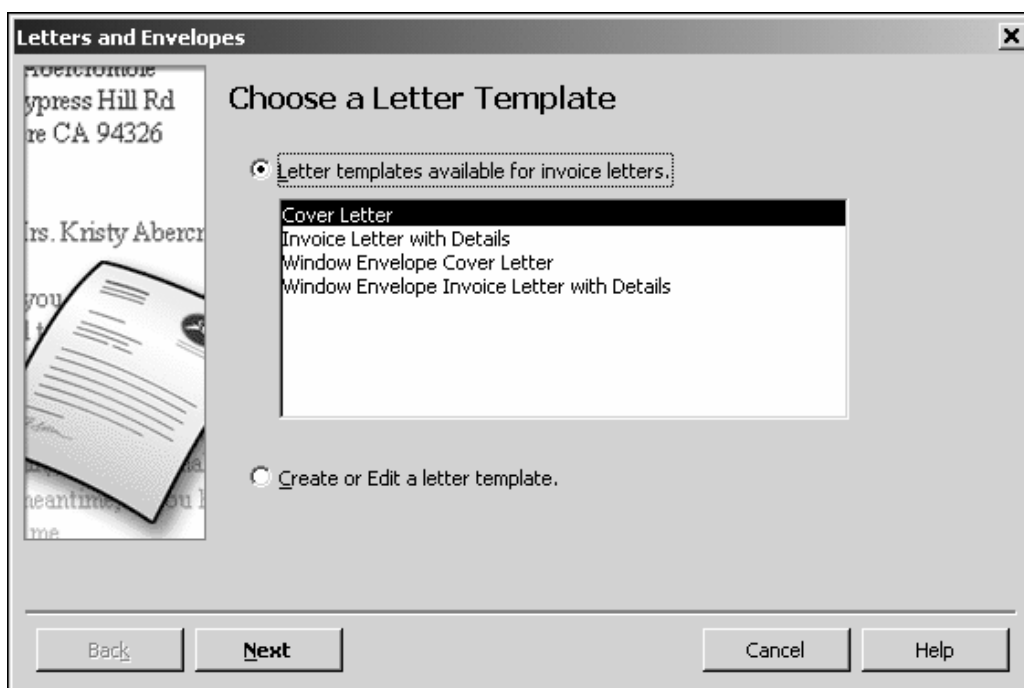
- In a sales form with line items, click in the Rate column and select the price level you want to use from the drop-down list that displays.

Notes

Creating Invoice Letters

To create an invoice letter:

1. From the Reports menu, choose **Customers & Receivables**, and then choose **Open Invoices** from the submenu.
2. In the report window, scroll down until you see the listings for Anton Teschner:Sun Room.
3. Double-click on the line for invoice # 60.
4. In the Create Invoices window, click the down arrow next to the letter and envelope icon to display the drop-down list.
5. Select **Prepare an Invoice Letter**,
If QuickBooks prompts you to find letters, click **Copy**.
6. Choose **Cover Letter**.



7. Click **Next**.

Notes

Creating Invoice Letters

8. Type **Tom Ferguson** in the Name field and then type **President** in the Title field.
9. Click **Next**.
10. You don't need to save the letter for this exercise, so close the Microsoft Word file without saving.
11. In QuickBooks, click **Cancel** because you don't need to print envelopes now.
12. From the Window menu, choose **Close All**.

Notes

Generating Reminder Statements

Reminder statements summarize a customer's account with a company by listing recent invoices, credit memos, and payments received. You can use reminder statements when you bill through invoices but want to remind your customers about delinquent payments.

Reminder statements are different than other “forms” in QuickBooks such as invoices, sales receipts, or checks. Because QuickBooks already has all the information you need to create reminder statements, you don't have to fill them out. Instead, you review the information that will appear on each statement, decide whether to add finance charges, and print them.

To generate reminder statements:

1. Click Home to display the Home page, then click **Statements**.
2. In the Enter Statement Date and Type section of the window, select the **All open transactions as of Statement Date** option.
3. Click to select the **Include only transactions over** checkbox.
4. Leave the number of days past due field entry at 30.
5. In the Select Customers section, select **All Customers**.
6. In the Select Additional Options section, click to select the **Show invoice item details on statements** checkbox.
7. Click Assess Finance Charges.
8. Click Unmark All.

Notes

Generating Reminder Statements

9. In the Assess column, click to put a checkmark in the row for the 155 Wilks job for Pretell Real Estate.

Assess Finance Charges

Click the assess column for each customer for whom you wish to create a finance charge invoice.

Assessment Date: 12/15/2007 Template: Finance Charge Customize

Ass...	Last FC	Customer	Overdue Bal.	Finance Charge
	12/11/2007	Cook, Brian	0.00	
		Kitchen	700.00	
		*Fisher, Jennifer	270.13	
		Jacobsen, Doug	0.00	
		Kitchen	75.00	
		Lew Plumbing - C	175.00	
		Pretell Real Estate	0.00	
<input checked="" type="checkbox"/>		155 Wilks Blvd.	2,239.00	22.08
		Roche, Diarmuid	38.79	

Mark All Unmark All Mark Invoices "To be printed"

Customers with *s have payments or credit memos which have not been applied to any invoice. The overdue balance does not include these credits.

Settings... Collection History **Assess Charges** Cancel

10. Click **Assess Charges**.
11. Answer **Yes** when QuickBooks displays the message telling you that finance charges have already been assessed today.
12. Click **Preview**.
13. Click **Close**.
14. Close the Create Statements window.

Notes

Processing Sales Orders

Sales orders are not available in QuickBooks: Pro. To proceed through this exercise, you must be using QuickBooks: Premier or a higher edition.

In this exercise, you'll create an invoice from a sales order. You display a report to see if there are any open sales orders. The report shows that there is an open sales order for Lumber for Fran Smallson. Rock Castle now has sufficient quantity on hand to fill the customer's order, so you can close the sales order and invoice the customer.

To create an invoice from a sales order:

1. From the Reports menu, choose **Sales** and then choose **Open Sales Orders by Item**.

Type	Date	Due Date	Num	Name	Qty	Invoiced	Amount
Parts							
Lumber							
Decking							
Sales Order	11/29/2007	12/29/2007	2	Smallson, Fran	28	0	224.00
Total Decking							224.00
Rough							
Sales Order	11/29/2007	12/29/2007	2	Smallson, Fran	6	0	36.00
Total Rough							36.00
Total Lumber							260.00
Total Parts							260.00
TOTAL							260.00

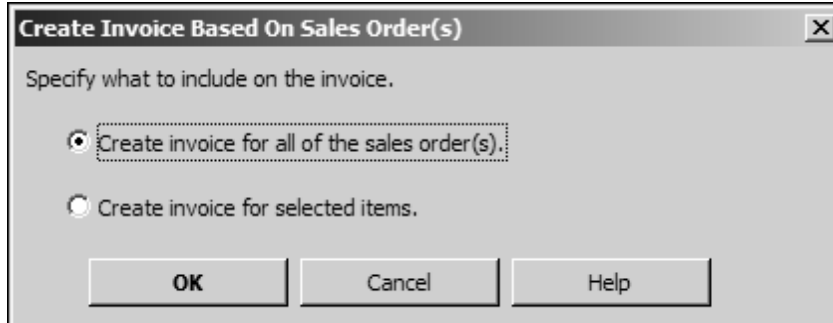
2. Double-click the sales order for Decking in the report window (Sales Order #2 for Fran Smallson).

Notes

Processing Sales Orders

3. In the Create Sales Orders window, click **Create Invoice** menu button on the toolbar and choose **Invoice**.

Creating the invoice from the sales order links the sales order and invoice, which means that when you invoice the customer for items on the sales order, those items are marked as closed.



4. Leave the **Create invoice for all of the sales order(s)** option selected, and click **OK**.
5. Click **Save & Close** in the Create Invoices window.
6. Close the report window and the Report Center.

Notes

Tracking Backorders

You must be using QuickBooks: Premier Accountant Edition, Retail Edition, Manufacturing and Wholesale Edition, or Enterprise Solutions Edition to complete this exercise.

Using certain industry-specific QuickBooks Editions, you can use sales orders to track items that customers have ordered, but that are out of stock. Tracking backorders on sales orders, invoices, and other sales forms shows exactly what still needs to be shipped out. Tracking backorders on purchase orders shows what is still expected to be received from a vendor.

To create a sales order and track backorders:

1. On the Home page, click **Sales Orders**.
2. In the Customer:Job drop-down list, select **Roche, Diarmuid:Room Addition**.
3. Click in the Item column and select **Frames:Exterior Frame** from the drop-down list.
4. In the Ordered column, click the **Availability** icon.
5. Click Close, and then type **4** in the Ordered column.
6. Press Tab, and then click **OK** at the two messages that appear.
7. Type **40.00** in the Rate column.
8. Press Tab again to have QuickBooks update the total.

Notes

Receiving Items

To receive items into inventory:

1. From the Vendors menu, choose **Receive Items**.
2. In the Create Item Receipts window, choose **Perry Windows & Doors** from the Vendor drop-down list.
3. Click **No** at the message that appears.
4. In the Item column, select **Frames:Exterior Frame**.
5. Press Tab twice to go to the Quantity column and type **10**.
6. Press Tab and QuickBooks updates the amounts.

Expenses \$0.00 Items \$200.00

Item	Description	Q.	Cost	Amount	Customer:Job	Billable?
Frames:Ext...	Standard exterior door frames	10	20.00	200.00		

7. Click **Save & Close**.

Notes

Receiving Items

5. Make sure 2 appears in the To Invoice column and click **OK** to invoice for the two exterior frames for Diarmuid's room addition.

Customer: Job
Roche, Diarmuid:Room a...

Template: Custom S.O. Invoice

Date: 12/15/2007 Invoice #: 98

Ship To: [Empty]

S.O. No.: 3 P.O. No.: [Empty] Terms: Due on rec...

Item	Description	Ordered	Prev. Invo...	Invoiced	Rate	Amount	Tax
Exterior Frame	Standard exterior door frames	4	2	2	40.00	80.00	Tax

Customer Message: [Empty] Tax: San Tomas (7.75%) 6.20

Total: 86.20

Payments Applied: 0.00
Balance Due: 86.20

Customer Tax Code: Tax

Memo: [Empty]

Let QuickBooks help you get your Invoice paid online by credit card.

Buttons: Save & Close, Save & New, Clear

6. Click **Save & Close** to save the invoice and close the Create Invoices window.
7. On the Home page, click **Sales Orders**.
8. Click the **Previous** button to display Diarmuid's sales order.
Notice the sales order now indicates that it has been invoiced in full.
9. Close the Create Sales Order window.

Notes